

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>APPLICATION OF LOUISVILLE GAS AND ELECTRIC</b>	)	
<b>COMPANY FOR AN ADJUSTMENT OF ITS</b>	)	
<b>ELECTRIC AND GAS RATES, A CERTIFICATE</b>	)	<b>CASE NO.</b>
<b>OF PUBLIC CONVENIENCE AND NECESSITY,</b>	)	<b>2012-00222</b>
<b>APPROVAL OF OWNERSHIP OF GAS SERVICE LINES</b>	)	
<b>AND RISERS, AND A GAS LINE SURCHARGE</b>	)	

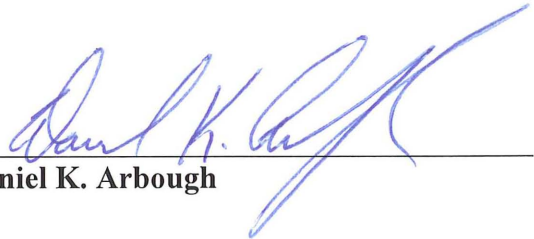
**RESPONSE OF**  
**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**TO THE**  
**ATTORNEY GENERAL'S**  
**INITIAL REQUESTS FOR INFORMATION**  
**DATED JULY 31, 2012**

**FILED: AUGUST 14, 2012**

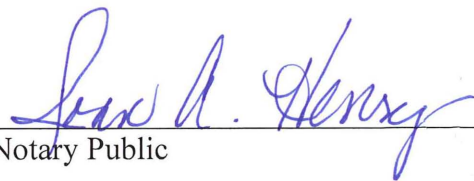
VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Daniel K. Arbough**, being duly sworn, deposes and says that he is Treasurer for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
\_\_\_\_\_  
**Daniel K. Arbough**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14<sup>th</sup> day of August 2012.

 (SEAL)  
\_\_\_\_\_  
Notary Public

My Commission Expires:  
July 21, 2015



VERIFICATION

STATE OF TEXAS )  
 ) SS:  
COUNTY OF TRAVIS )

The undersigned, **William E. Avera**, being duly sworn, deposes and says he is President of FINCAP, Inc., that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

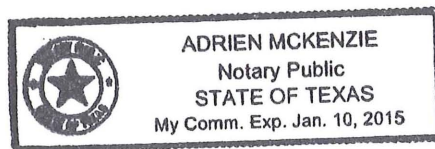
William E. Avera  
William E. Avera

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 7<sup>th</sup> day of August 2012.

Adrien McKenzie (SEAL)  
Notary Public

My Commission Expires:


1/10/2015



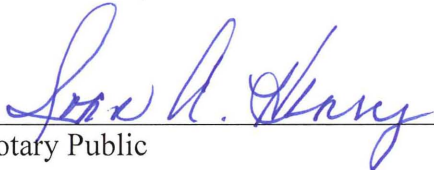
**VERIFICATION**

**COMMONWEALTH OF KENTUCKY**    )  
  )   **SS:**  
**COUNTY OF JEFFERSON**         )

The undersigned, **Lonnie E. Bellar**, being duly sworn, deposes and says that he is Vice President, State Regulation and Rates for Louisville Gas and Electric Company and Kentucky Utilities Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
\_\_\_\_\_  
**Lonnie E. Bellar**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14<sup>th</sup> day of August 2012.

  
\_\_\_\_\_  
Notary Public (SEAL)


My Commission Expires:  
July 21, 2015



VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Cheryl E. Bruner**, being duly sworn, deposes and says that she is Director – Customer Service & Marketing for LG&E and KU Services Company, and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge and belief.

  
Cheryl E. Bruner

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14<sup>th</sup> day of August 2012.

  
Joan A. Wray (SEAL)  
Notary Public

My Commission Expires:

July 21, 2015

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Shannon L. Charnas**, being duly sworn, deposes and says that she is Director, Accounting and Regulatory Reporting for LG&E and KU Services Company, and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge and belief.

Shannon L. Charnas  
**Shannon L. Charnas**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 9<sup>th</sup> day of August 2012.

Joan M. Henry (SEAL)  
Notary Public

My Commission Expires:

July 21, 2015

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Sidney L. "Butch" Cockerill**, being duly sworn, deposes and says that he is Director – Operating Services and Business Process Management for LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

*Sidney L. "Butch" Cockerill*  
Sidney L. "Butch" Cockerill

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14<sup>th</sup> day of August 2012.

*Law A. Wacey* (SEAL)  
Notary Public

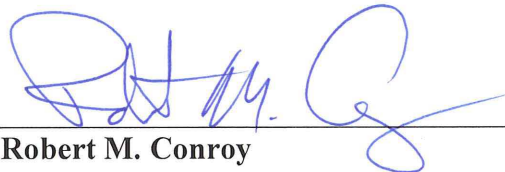
My Commission Expires:

July 21, 2015

**VERIFICATION**

**COMMONWEALTH OF KENTUCKY** )  
  ) **SS:**  
**COUNTY OF JEFFERSON**      )

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is Director - Rates for LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
\_\_\_\_\_

**Robert M. Conroy**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14~~th~~ day of August 2012.

  
\_\_\_\_\_(SEAL)  
Notary Public

My Commission Expires:


July 21, 2015



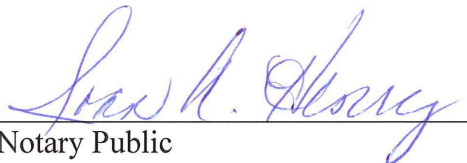
VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Chris Hermann**, being duly sworn, deposes and says that he is Senior Vice President, Energy Delivery for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
\_\_\_\_\_  
Chris Hermann

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14<sup>th</sup> day of August 2012.

  
\_\_\_\_\_  
Notary Public (SEAL)

My Commission Expires:

July 21, 2015





VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **J. Clay Murphy**, being duly sworn, deposes and says that he is Director – Gas Management, Planning, and Supply for Louisville Gas and Electric Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

*J. Clay Murphy*  
\_\_\_\_\_  
**J. Clay Murphy**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14<sup>th</sup> day of August 2012.

*Rashelle W. Gaines* (SEAL)  
\_\_\_\_\_  
Notary Public

My Commission Expires:

Feb. 28, 2014

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Paula H. Pottinger, Ph.D.**, being duly sworn, deposes and says that she is Senior Vice President, Human Resources for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge and belief.

  
Paula H. Pottinger, Ph.D.

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14<sup>th</sup> day of August 2012.

 (SEAL)  
Notary Public

My Commission Expires:

July 21, 2015

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Valerie L. Scott**, being duly sworn, deposes and says that she is Controller for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge and belief.

Valerie L. Scott  
**Valerie L. Scott**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14<sup>th</sup> day of August 2012.

Law A. Henry (SEAL)  
Notary Public

My Commission Expires:  
July 21, 2015

VERIFICATION

COMMONWEALTH OF PENNSYLVANIA )  
 ) SS:  
COUNTY OF CUMBERLAND )

The undersigned, **John J. Spanos**, being duly sworn, deposes and says that he is the Senior Vice President, Valuation and Rate Division, for Gannett Fleming, Inc., that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

*John J. Spanos*  
\_\_\_\_\_  
JOHN J. SPANOS

Subscribed and sworn to before me, a Notary Public in and before said County and Commonwealth, this 6th day of August 2012.

*Cheryl Ann Rutter* (SEAL)  
\_\_\_\_\_  
Notary Public

My Commission Expires:

February 20, 2015

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Cheryl Ann Rutter, Notary Public  
East Pennsboro Twp., Cumberland County  
My Commission Expires Feb. 20, 2015  
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Paul Gregory “Greg” Thomas**, being duly sworn, deposes and says that he is Vice President, Energy Delivery – Distribution Operations for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

*Paul Gregory Thomas*  
Paul Gregory “Greg” Thomas

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14<sup>th</sup> day of August 2012.

*Sean R. Henry* (SEAL)  
Notary Public

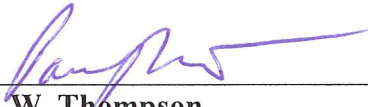
My Commission Expires:

July 21, 2015

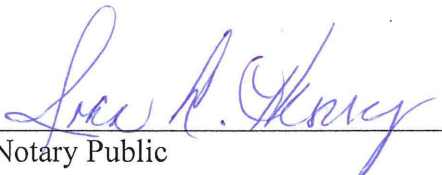
VERIFICATION

COMMONWEALTH OF KENTUCKY )  
  ) SS:  
COUNTY OF JEFFERSON            )

The undersigned, **Paul W. Thompson**, being duly sworn, deposes and says that he is Senior Vice President, Energy Services for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
\_\_\_\_\_  
**Paul W. Thompson**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 13<sup>th</sup> day of August 2012.

  
\_\_\_\_\_  
Notary Public (SEAL)

My Commission Expires:  
July 21, 2015

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 1**

**Responding Witness: Lonnie E. Bellar**

- Q-1. When the companies issued a press release about the proposed rate increases for residential customers which are the subject of the instant filing, the figures provided were associated not with the average customer in terms of usage, but on an arbitrary figure, that of 1,000 kWh. Please describe why this figure was used as opposed to the usage for the average customer, on a consumption basis.
- A-1. Actual average monthly usage for residential customers will vary from month to month depending upon the time period of the year. The use of 1,000 kWh per month to reflect the impact on a residential customer's bill provides a general representation that is easily scalable to an individual residential customer's actual usage.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 2**

**Responding Witness: Robert M. Conroy**

- Q-2. Reference the Staffieri testimony at pp. 7– 8. Are the amounts set forth therein for the proposed increases the same amounts provided by the company in its notice sent to its customers, especially the amount of the increase on the average residential bill?
- A-2. Yes, although the notice sent to customers does not include the effect of the change in the Curtailable Service Rider or the change in miscellaneous revenue, and the total increase referenced in Mr. Staffieri's testimony does. The residential increase published in the newspapers and included in customers' bills states a monthly bill increase of \$7.25, as Mr. Staffieri states on page 8 of his testimony.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 3**

**Responding Witness: Paula H. Pottinger, Ph.D.**

- Q-3. Reference the Staffieri testimony at page 1. What is the witness' total compensation package?
- a. What portion of that amount is the company requesting the ratepayers to bear in this application?
- A-3. See the response to PSC 1-46.
- a. See the response to PSC 1-46. This shows there are three components of the witness's compensation: salary, other compensation and broad-based employee benefits. As indicated in PSC 1-46, none of the executive witness's Other Compensation is actually recovered through base rates; rather, only a portion of the witness's salary and broad-based employee benefits is so recovered. That notwithstanding, 14% of the witness's total compensation is equivalent to the amount of the witness's salary and broad-based employee benefits that LG&E recovers through base rates.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 4**

**Responding Witness: Paul W. Thompson**

- Q-4. Reference the Staffieri testimony at page 5. What is the total financial investment referenced on that page in environmental compliance plans?
- A-4. The capital investment in environmental compliance plans between October 31, 2009 and March 31, 2012 is \$350.1 million (\$25.4 million for LG&E and \$324.7 million for KU).

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 5**

**Responding Witness: Lonnie E. Bellar**

Q-5. Reference the Staffieri testimony at pp. 10-12. Please provide a breakdown since 1994 of the amount contributed per year for each program that supports benevolent endeavors across the Commonwealth.

A-5. The LG&E and KU Foundation is funded by shareholder contributions and represents LG&E and KU Energy LLC and its subsidiaries as the philanthropic arm for charitable giving. Committed to social responsibility, the LG&E and KU Foundation proactively supports many philanthropic initiatives with the intent to improve the quality of life in communities where the Companies provide service by supporting Education, Diversity, Environmental, and Health and Human Services initiatives.

Attached is Form 990-PF that includes information for contributions made by the LG&E and KU Foundation for the period of 2004 through 2011 (the years that are readily available).

**LG&E Energy Foundation, Inc. 61-1257368**

**Form 990-PF 2004**

**Part XV(a) & (b) Grants & Contributions Paid During 2004 and Approved for Future Payments**

Organization Name	Program Name	Address	City, State, ZIP	Amount	Balance
Bellarmino University	Annual Fund	2001 Newburg Road	Louisville, KY 40205	10,000.00	-
Bellarmino University	Science Center	2001 Newburg Road	Louisville, KY 40205	50,000.00	100,000
Boyle County Development Council Inc.	Program Support	304 South Fourth Street	Danville, KY 40422	2,000.00	-
Center for Women in Crisis - Rosehaven	Program Support	P.O. Box 139	LaGrange, KY 40031	1,000.00	-
Citizens of Louisville Organized & United Together	CLOUT	1113 South 4th Street, Suite 350	Louisville, KY 40202	1,000.00	-
City of Radcliff	Challenger	2000 Challenger Way	Radcliff, KY 40160	10,000.00	-
Commonwealth Fund for KET, Inc.	Educational Programs/Summer Celebration	560 Cooper Drive	Lexington, KY 40502	2,000.00	-
Lend-A-Hand, Inc.	Courier-Journal, Newspapers in Education	525 West Broadway	Louisville, KY 40201-4731	100,000.00	-
Court Appointed Special Advocates (CASA)	Operating Funds	514 West Liberty St. 139	Louisville, KY 40202	7,000.00	-
Energy Conservation Associates, Inc. (Project Warm)	Program Support	1252 S. Shelby St.	Louisville, KY 40203	84,000.00	-
Fund for the Arts	\$1:\$1 match 2004	623 West Main Street	Louisville, KY 40202	162,260.91	50,000
Habitat for Humanity	Program Support	201 3rd St.	Henderson, KY 42420	2,500.00	-
Habitat for Humanity - Louisville	Water Heaters	1115 S 4th St.	Louisville, KY 40203	2,500.00	-
Heart of Kentucky United Way	KU Employee Match	P.O. Box 748	Danville, KY 40423-0748	5,285.73	-
Henderson Area Arts Alliance	Sponsorship	2660 South Green Street	Henderson, KY 42420	2,500.00	-
House of Ruth	Program Support	507 East Saint Catherine Street	Louisville, KY 40203	1,000.00	-
J.B. Speed Art Museum	Children/Family Art Education Support	2035 South Third Street	Louisville, KY 40208-1803	25,000.00	-
Jefferson County Public Education Foundation	Excel Awards	502 Wood Road	Louisville, KY 40222	62,950.00	-
Junior Achievement of Kentuckiana Inc.	Program Support	1401 W. Muhammad Ali Boulevard	Louisville, KY 40203	10,000.00	-
Junior Achievement of Kentuckiana, Inc.	JA Free Enterprise Center	1401 W. Muhammad Ali Boulevard	Louisville, KY 40203	25,000.00	75,000
Junior Achievement of the Bluegrass	Adopt-a-School Project	711 Millpond Road	Lexington, KY 40514	2,000.00	-
Junior Achievement of the Bluegrass, Inc.	Program Support	711 Millpond Road	Lexington, KY 40514	5,000.00	-
Kentucky Center for African American Heritage	Exhibits in KY Ctr. for African Am. Heritage	315 Guthrie, Ste. 400	Louisville, KY 40202	25,000.00	75,000
Kentucky Dance Council, Inc. (DBA Louisville Ballet)	Louisville Ballet	315 E Main St.	Louisville, KY 40202	5,000.00	-
Kentucky Engineering Foundation, Inc. (MATHCOUNTS)	Program Support	160 Democrat Drive	Frankfort, KY 40601	2,000.00	-
Kentucky Independent College Foundation	Program Support	484 Chenault Rd.	Frankfort, KY 40601	60,000.00	-
Kentucky Nurses Foundation	Program Support	P.O. Box 2616	Louisville, KY 40201-4731	2,500.00	-
Leadership Kentucky Foundation, Inc.	Program Support	464 Chenault Road	Frankfort, KY 40601	3,500.00	-
Leadership Kentucky Foundation, Inc.	Leadership Program	464 Chenault Road	Frankfort, KY 40601	3,500.00	-
Leadership Louisville	Annual Fund	732 West Main Street	Louisville, KY 40202	5,000.00	-
Lexington Arts & Cultural Council	Campaign	141 East Main Street	Lexington, KY 40507	5,000.00	-
Lexington Partnership for Workforce Development, Inc.	One Team: One Vision	330 East Main, Ste. 200	Lexington, KY 40508	40,000.00	120,000
Lexington Philharmonic Orchestra	Program Support	161 North Mill Street	Lexington, KY 40507	2,000.00	-
LG&E Energy Foundation Matching Gift Program	Foundation Program	Various	Various	24,125.00	-
LG&E Energy Foundation Scholarship Program	Foundation Program	Various	Various	67,200.00	-
Louisville Central Community Center, Inc.	Old Walnut St. Development	1300 W. Muhammad Ali Blvd.	Louisville, KY 40203	17,500.00	-
Louisville Free Public Library Foundation	Summer Reading Program	301 York St.	Louisville, KY 40203	5,000.00	-
Louisville Science Center	The World Around Us	727 West Main Street	Louisville, KY 40202	30,000.00	90,000
Metro United Way	\$1:\$1 match 2004	334 East Broadway	Louisville, KY 40202	848,782.12	25,000
REACH, Inc.	Home Education Classes	126 North Broadway	Lexington, KY 40507	1,000.00	-
The Cabbage Patch Settlement House	Program Support	1413 South Sixth Street	Louisville, KY 40208	75,000.00	-
The Daniel Pitino Foundation	Program Support	141 Beaumont Centre Circle, Suite 20	Lexington, KY 40513	20,000.00	-
The Prichard Committee for Academic Excellence	Program Support	P.O. Box 1658	Lexington, KY 40588-1658	10,000.00	-
Triangle Foundation Inc.	Triangle Park Maintenance	P.O. Box 223	Lexington, KY 40584	10,000.00	-
Trimble County Public Library	Program Support	P.O. Box 249	Bedford, KY 40006-0249	13,500.00	-
United Way of Central Kentucky, Inc.	KU Employee Match	1111 N Dixie Hwy, Suite 9B	Elizabethtown, KY 42701	4,346.00	-
United Way of Henderson County	WKE Employee Match	P.O. Box 1097	Henderson, KY 42419	43,115.58	-
United Way of Hopkins County	KU Employee Match	P.O. Box 366	Madisonville, KY 42431	7,779.99	-
United Way of Mason County	KU Employee Match	103 East 2nd Street	Maysville, KY 41056	500.00	-
United Way of Mercer County	KU Employee Match	P.O. Box 234	Harrodsburg, KY 40330	11,509.16	-
United Way of the Bluegrass	KU Employee Match	2480 Fortune Drive #250	Lexington, KY 40509	57,458.92	-
United Way of the Ohio Valley	WKE Employee Match	P.O. Box 705	Owensboro, KY 42302	28,976.00	-
University of Louisville Foundation Inc.	Corporate Affiliates Program	Development Office	Louisville, KY 40232	5,000.00	-
University of Louisville Foundation Inc.	Minority Graduate Fellowship Fund	Development Office	Louisville, KY 40232	25,000.00	25,000
University of Louisville Foundation Inc.	Speed School Scholarships	Development Office	Louisville, KY 40232	26,000.00	-
University of Louisville Foundation Inc.	McConnell Center	Development Office	Louisville, KY 40232	0.00	250,000
University of Louisville Foundation Inc.	Cardinal Park	Development Office	Louisville, KY 40232	50,000.00	-
Urban League of Lexington-Fayette County	Program Support-2004	148 DeWeese Street	Lexington, KY 40507	5,000.00	-
Urban League of Louisville	Program Support-2004	1535 West Broadway	Louisville, KY 40203	10,000.00	-
Volunteers of America, Inc.	Emergency Shelter	933 Goss Avenue	Louisville, KY 40217-9943	1,000.00	-
WHAS Crusade for Children	Program Support-2004	P.O. Box 1100	Louisville, KY 40202	20,000.00	100,000
YMCA of Central Kentucky	Replacement windows for Gym	239 East High Street	Lexington, KY 40507	14,000.00	-
ALL UNITED WAYS	Employee "Match"	Various	Various	see amounts above	500,000
<b>TOTAL</b>				<b>2,158,289.41</b>	<b>1,410,000</b>

**LG&E Energy Foundation, Inc. 61-1257368**

**Form 990-PF 2005**

**Part XV(a) & (b) Grants & Contributions Paid During 2005 and Approved for Future Payments**

<b>Organization Name</b>	<b>Program Name</b>	<b>Address</b>	<b>City, State, ZIP</b>	<b>Amount</b>	<b>Balance</b>
American Red Cross	Hurricane Katrina Relief	510 E Chestnut St. PO Box 1675	Louisville, KY 40201-1675	100,000.00	-
Bellarmine University	Annual Fund	2001 Newburg Road	Louisville, KY 40205	10,000.00	-
Bellarmine University	Science Center	2001 Newburg Road	Louisville, KY 40205	50,000.00	50,000
Citizens of Louisville Organized & United Together	CLOUT	1113 South 4th Street, Suite 350	Louisville, KY 40202	1,000.00	-
Commonwealth Fund for KET, Inc.	Educational Programs/Summer Celebration	560 Cooper Drive	Lexington, KY 40502	2,000.00	-
Lend-A-Hand, Inc.	Courier-Journal, Newspapers in Education	525 West Broadway	Louisville, KY 40201-4731	50,000.00	-
Court Appointed Special Advocates (CASA)	Operating Funds	514 West Liberty St. 139	Louisville, KY 40202	2,000.00	-
Fund for the Arts	\$1:\$1 match 2004	623 West Main Street	Louisville, KY 40202	50,000.00	200,000
Governor's Scholars Program, Inc.	Operating Funds	1024 Capital Center Drive Suite 230	Frankfort, KY 40601	2,500.00	-
Heart of Kentucky United Way	Employee Match	118 N 3rd St	Danville, KY 40422	4,108.60	-
Jefferson County Public Education Foundation	Excel Awards	502 Wood Road	Louisville, KY 40222	25,000.00	-
Junior Achievement of Kentuckiana Inc.	Program Support	1401 W. Muhammad Ali Boulevard	Louisville, KY 40203	25,000.00	50,000
Junior Achievement of the Bluegrass	Adopt-a-School Project	711 Millpond Road	Lexington, KY 40514	2,000.00	-
Kentucky Center for African American Heritage	Exhibits in KY Ctr. for African Am. Heritage	315 Guthrie, Ste. 400	Louisville, KY 40202	25,000.00	50,000
Kentucky Dance Council, Inc. (DBA Louisville Ballet)	Louisville Ballet	315 E Main St.	Louisville, KY 40202	2,500.00	-
Kentucky Independent College Foundation	Program Support	484 Chenault Rd.	Frankfort, KY 40601	50,000.00	-
Leadership Kentucky Foundation, Inc.	Program Support	464 Chenault Road	Frankfort, KY 40601	2,500.00	-
Leadership Louisville	Annual Fund	732 West Main Street	Louisville, KY 40202	2,500.00	-
Lexington Partnership for Workforce Development, Inc.	One Team: One Vision	330 East Main, Ste. 200	Lexington, KY 40508	40,000.00	80,000
Lexington Philharmonic Orchestra	Program Support	161 North Mill Street	Lexington, KY 40507	2,000.00	-
LG&E Energy Foundation Matching Gift Program	Foundation Program	Various	Various	13,875.00	-
LG&E Energy Foundation Scholarship Program	Foundation Program	Various	Various	93,600.00	-
Louisville Free Public Library Foundation	Summer Reading Program	301 York St.	Louisville, KY 40203	2,500.00	-
Louisville Science Center	The World Around Us	727 West Main Street	Louisville, KY 40202	30,000.00	60,000
Metro United Way	\$1:\$1 match 2004	334 East Broadway	Louisville, KY 40202	403,223.00	-
Partnerships in Education, Inc.	Hearld/Leader NIE Program	100 Midland Avenue	Lexington, KY 40508	50,000.00	-
REACH, Inc.	Home Education Classes	126 North Broadway	Lexington, KY 40507	1,000.00	-
United Way of Central Kentucky, Inc.	Employee Match	1111 N Dixie Hwy, Suite 9B	Elizabethtown, KY 42701	4,802.89	-
United Way of Henderson County	Employee Match	P.O. Box 1097	Henderson, KY 42419	33,840.53	-
United Way of Hopkins County	Employee Match	P.O. Box 366	Madisonville, KY 42431	3,953.35	-
United Way of Mercer County	Employee Match	P.O. Box 234	Harrodsburg, KY 40330	11,066.82	-
United Way of Paducah/McCracken County	Employee Match	612 Broadway St	Paducah, KY 42001-6868	263.50	-
United Way of the Bluegrass	Employee Match	2480 Fortune Drive #250	Lexington, KY 40509	40,138.09	-
United Way of the Ohio Valley	Employee Match	P.O. Box 705	Owensboro, KY 42302	23,601.94	-
University of Louisville Foundation Inc.	Minority Graduate Fellowship Fund	Development Office	Louisville, KY 40232	25,000.00	-
University of Louisville Foundation Inc.	McConnell Center	Development Office	Louisville, KY 40232	50,000.00	200,000
Urban League of Lexington-Fayette County	Program Support-2004	148 DeWeese Street	Lexington, KY 40507	2,500.00	-
Urban League of Louisville	Program Support-2004	1535 West Broadway	Louisville, KY 40203	10,000.00	-
Volunteers of America, Inc.	Emergency Shelter	933 Goss Avenue	Louisville, KY 40217-9943	1,000.00	-
WHAS Crusade for Children	Program Support-2004	P.O. Box 1100	Louisville, KY 40202	20,000.00	80,000
ALL UNITED WAYS	Employee "Match"	Various	Various	see amounts above	1,886,567
<b>TOTAL</b>				<b>1,268,473.72</b>	<b>2,656,567</b>

**E.ON U.S. Foundation, Inc. 61-1257368**

**Form 990-PF 2006**

**Part XV(a) & (b) Grants & Contributions Paid During 2006 and Approved for Future Payments**

<b>Organization Name</b>	<b>Program Name</b>	<b>Address</b>	<b>City, State, ZIP</b>	<b>Amount</b>	<b>Balance</b>
Bellarmine University	Annual Fund	2001 Newburg Road	Louisville, KY 40205	10,000.00	-
Bellarmine University	Science Center	2001 Newburg Road	Louisville, KY 40205	50,000.00	-
Citizens of Louisville Organized & United Together	CLOUT	1113 South 4th Street, Suite 350	Louisville, KY 40202	1,000.00	-
Commonwealth Fund for KET, Inc.	Educational Programs/Summer Celebration	560 Cooper Drive	Lexington, KY 40502	2,000.00	-
Court Appointed Special Advocates (CASA)	Operating Funds	514 West Liberty St. 139	Louisville, KY 40202	2,000.00	-
Cumberland Trails United Way	Employee Match	P.O. Box 2092	Middlesboro, KY 40965	4,090.00	-
Fund for the Arts	\$1:\$1 match 2004	623 West Main Street	Louisville, KY 40202	50,000.00	150,000
Governor's Scholars Program, Inc.	Operating Funds	1024 Capital Center Drive Suite 230	Frankfort, KY 40601	2,500.00	-
The Healing Place	Streetball Showdown	1020 West Market Street	Louisville, KY 40202	15,000.00	-
Heart of Kentucky United Way	Employee Match	118 N 3rd St	Danville, KY 40422	4,746.00	-
Hopkinsville-Christian County United Way, Inc.	Employee Match	P.O. Box 587	Hopkinsville, KY 42240	98.00	-
Junior Achievement of Kentuckiana Inc.	Program Support	1401 W. Muhammad Ali Boulevard	Louisville, KY 40203	25,000.00	25,000
Junior Achievement of the Bluegrass	Adopt-a-School Project	711 Millpond Road	Lexington, KY 40514	2,000.00	-
Kentucky Center for African American Heritage	Exhibits in KY Ctr. for African Am. Heritage	315 Guthrie, Ste. 400	Louisville, KY 40202	25,000.00	25,000
Kentucky Dance Council, Inc. (DBA Louisville Ballet)	Louisville Ballet	315 E Main St.	Louisville, KY 40202	2,500.00	-
Kentucky Independent College Foundation	Program Support	484 Chenault Rd.	Frankfort, KY 40601	50,000.00	-
Leadership Kentucky Foundation, Inc.	Program Support	464 Chenault Road	Frankfort, KY 40601	2,500.00	-
Leadership Louisville	Annual Fund	732 West Main Street	Louisville, KY 40202	2,500.00	-
Lexington Partnership for Workforce Development, Inc.	One Team: One Vision	330 East Main, Ste. 200	Lexington, KY 40508	40,000.00	40,000
Lexington Philharmonic Orchestra	Program Support	161 North Mill Street	Lexington, KY 40507	2,000.00	-
LG&E Energy Foundation Matching Gift Program	Foundation Program	Various	Various	12,431.00	-
LG&E Energy Foundation Scholarship Program	Foundation Program	Various	Various	47,400.00	-
Lincoln Heritage Council, Boy Scouts of America	Annual Fund	12001 Sycamore Station Place	Louisville, KY 40299	2,000.00	-
Louisville Free Public Library Foundation	Summer Reading Program	301 York St.	Louisville, KY 40203	2,500.00	-
Louisville Science Center	The World Around Us	727 West Main Street	Louisville, KY 40202	30,000.00	30,000
Metro United Way	\$1:\$1 match 2004	334 East Broadway	Louisville, KY 40202	351,512.78	-
Roanoke Valley United Way, Inc.	Employee Match	P.O. Box 760	Roanoke Rapid, NC 27870-070	1,287.00	-
United Way of Central Kentucky, Inc.	Employee Match	1111 N Dixie Hwy, Suite 9B	Elizabethtown, KY 42701	4.00	-
United Way of Henderson County	Employee Match	P.O. Box 1097	Henderson, KY 42419	20,728.00	-
United Way of Hopkins County	Employee Match	P.O. Box 366	Madisonville, KY 42431	9,445.00	-
United Way of Laurel County, Inc.	Employee Match	P.O. Box 5004	London, KY 40745	293.00	-
United Way of Mason County	Employee Match	PO Box 327	Maysville, KY 41056-0327	722.00	-
United Way of Mercer County	Employee Match	P.O. Box 234	Harrodsburg, KY 40330	1,769.00	-
United Way of Paducah/McCracken County	Employee Match	612 Broadway St	Paducah, KY 42001-6868	254.00	-
United Way of the Bluegrass	Employee Match	2480 Fortune Drive #250	Lexington, KY 40509	30,273.00	-
United Way of the Ohio Valley	Employee Match	P.O. Box 705	Owensboro, KY 42302	34,189.00	-
United Way of South Central Kentucky, Inc.	Employee Match	P.O. Box 861	Somerset, KY 42502	1,945.00	-
United Way - Thomas Jefferson Area	Employee Match	806 East High Street	Charlottesville, VA 22902	215.00	-
University of Louisville Foundation Inc.	McConnell Center	Development Office	Louisville, KY 40232	50,000.00	150,000
Urban League of Lexington-Fayette County	Program Support-2004	148 DeWeese Street	Lexington, KY 40507	2,500.00	-
Urban League of Louisville	Program Support-2004	1535 West Broadway	Louisville, KY 40203	10,000.00	-
Volunteers of America, Inc.	Emergency Shelter	933 Goss Avenue	Louisville, KY 40217-9943	1,000.00	-
WHAS Crusade for Children	Program Support-2004	P.O. Box 1100	Louisville, KY 40202	20,000.00	60,000
ALL UNITED WAYS	Employee "Match"	Various	Various	see amounts above	1,411,567
<b>TOTAL</b>				<b>923,401.78</b>	<b>1,891,567</b>

**E.ON U.S. Foundation, Inc. 61-1257368**

**Form 990-PF 2007**

**Part XV(a) & (b) Grants & Contributions Paid During 2007 and Approved for Future Payments**

Organization Name	Program Name	Address	City, State, ZIP	Amount	Balance
21st Century Parks, Inc.	Five Year Commitment	471 W. Main Street, Ste. 202	Louisville, KY 40202	20,000.00	80,000.00
Bellarmine University	Annual Fund	2001 Newburg Road	Louisville, KY 40205	10,000.00	-
Building a United Interfaith Lexington through Direct Action	BUILD	237 E. 5th Street	Lexington, KY 40508	1,000.00	-
Citizens of Louisville Organized & United Together	CLOUT	1113 South 4th Street, Suite 350	Louisville, KY 40202	1,000.00	-
Commonwealth Fund for KET, Inc.	Educational Programs/Summer Celebration	560 Cooper Drive	Lexington, KY 40502	2,000.00	-
Court Appointed Special Advocates (CASA)	Operating Funds	514 West Liberty St. 139	Louisville, KY 40202	2,000.00	-
Cumberland Trails United Way	Employee Match	P.O. Box 2092	Middlesboro, KY 40965	6,382.00	-
Fund for the Arts	\$1:\$1 match 2004	623 West Main Street	Louisville, KY 40202	42,914.00	100,000
Governor's Scholars Program, Inc.	Operating Funds	1024 Capital Center Drive Suite 230	Frankfort, KY 40601	2,500.00	-
Heart of Kentucky United Way	Employee Match	118 N 3rd St	Danville, KY 40422	8,549.00	-
Jefferson Co. Public Education Foundation	Every 1 Reads	502 Wood Road	Louisville, KY 40222	5,000.00	-
Jefferson County United Fund, Inc.	Employee Match	301 E. Main St.	Madison, IN 47250	59.00	-
Junior Achievement of Kentuckiana Inc.	Program Support	1401 W. Muhammad Ali Boulevard	Louisville, KY 40203	25,000.00	-
Junior Achievement of the Bluegrass	Adopt-a-School Project	711 Millpond Road	Lexington, KY 40514	2,000.00	-
Kentucky Center for African American Heritage	Exhibits in KY Ctr. for African Am. Heritage	315 Guthrie, Ste. 400	Louisville, KY 40202	25,000.00	-
Kentucky Dance Council, Inc. (DBA Louisville Ballet)	Louisville Ballet	315 E Main St.	Louisville, KY 40202	2,500.00	-
Kentucky Independent College Foundation	Program Support	484 Chenault Rd.	Frankfort, KY 40601	50,000.00	-
Leadership Kentucky Foundation, Inc.	Program Support	464 Chenault Road	Frankfort, KY 40601	2,500.00	-
Leadership Louisville	Annual Fund	732 West Main Street	Louisville, KY 40202	2,500.00	-
Lexington Partnership for Workforce Development, Inc.	One Team: One Vision	330 East Main, Ste. 200	Lexington, KY 40508	40,000.00	-
Lexington Philharmonic Orchestra	Program Support	161 North Mill Street	Lexington, KY 40507	2,000.00	-
LG&E Energy Foundation Matching Gift Program	Foundation Program	Various	Various	13,960.00	-
LG&E Energy Foundation Scholarship Program	Foundation Program	Various	Various	41,275.00	-
Lincoln Heritage Council, Boy Scouts of America	Annual Fund	12001 Sycamore Station Place	Louisville, KY 40299	2,000.00	-
Louisville Free Public Library Foundation	Summer Reading Program	301 York St.	Louisville, KY 40203	2,500.00	-
Louisville Science Center	The World Around Us	727 West Main Street	Louisville, KY 40202	30,000.00	-
Metro United Way	\$1:\$1 match 2004	334 East Broadway	Louisville, KY 40202	357,524.00	-
Muhammad Ali Museum and Education Center Incorporated	Two Year Commitment	144 N. 6th Street	Louisville, KY 40202	55,000.00	55,000.00
Ohio Valley United Charities Inc.	Employee Match	523 Highland Avenue	Carrollton, KY 41008	13,406.00	-
REACH, Inc.	Home Education Classes	733 Red Mile Road	Lexington, KY 40504	1,000.00	-
The Healing Place	Streetball Showdown	1020 West Market Street	Louisville, KY 40202	10,000.00	-
United Way of Central Kentucky, Inc.	Employee Match	1111 N Dixie Hwy, Suite 9B	Elizabethtown, KY 42701	10,184.00	-
United Way of Franklin County	Employee Match	P.O. Box 1544	Frankfort, KY 40602	897.00	-
United Way of Henderson County	Employee Match	P.O. Box 1097	Henderson, KY 42419	22,538.00	-
United Way of Hopkins County	Employee Match	P.O. Box 366	Madisonville, KY 42431	11,026.00	-
United Way of Hopkinsville-Christian County	Employee Match	P.O. Box 587	Hopkinsville, KY 42240	59.00	-
United Way of Laurel County, Inc.	Employee Match	P.O. Box 5004	London, KY 40745	989.00	-
United Way of Mason County	Employee Match	PO Box 327	Maysville, KY 41056-0327	975.00	-
United Way of Mercer County	Employee Match	P.O. Box 234	Harrodsburg, KY 40330	7,907.00	-
United Way of Nelson County	Employee Match	P.O. Box 28 321 South Third	Bardstown, KY 40004	2,233.00	-
United Way of Paducah/McCracken County	Employee Match	612 Broadway St	Paducah, KY 42001-6868	429.00	-
United Way of Perry County Inc	Employee Match	PO Box 73	Tell City, KY 47586	819.00	-
United Way of South Central Kentucky, Inc.	Employee Match	P.O. Box 861	Somerset, KY 42502	4,749.00	-
United Way of Southwest Virginia	Employee Match	P.O. Box 1225	Gate City, VA 24251	710.00	-
United Way of Southwestern Indiana	Employee Match	P.O. Box 18	Evansville, IN 47701	2,739.00	-
United Way of the Bluegrass	Employee Match	2480 Fortune Drive #250	Lexington, KY 40509	57,788.00	-
United Way of the Ohio Valley	Employee Match	P.O. Box 705	Owensboro, KY 42302	40,436.00	-
University of Louisville Foundation Inc.	McConnell Center	Development Office	Louisville, KY 40232	50,000.00	100,000
Urban League of Lexington-Fayette County	Program Support-2004	148 DeWeese Street	Lexington, KY 40507	2,500.00	-
Urban League of Louisville	Program Support-2004	1535 West Broadway	Louisville, KY 40203	10,000.00	-
Volunteers of America, Inc.	Emergency Shelter	933 Goss Avenue	Louisville, KY 40217-9943	1,000.00	-
WHAS Crusade for Children	Program Support-2004	P.O. Box 1100	Louisville, KY 40202	20,000.00	40,000
ALL UNITED WAYS	Employee "Match"	Various	Various	see amounts above	1,000,000
<b>TOTAL</b>				<b>1,027,547.00</b>	<b>1,375,000</b>



**E.ON U.S. Foundation, Inc. 61-1257368**

**Form 990-PF 2008**

**Part XV(a) & (b) Grants & Contributions Paid During 2007 and Approved for Future Payments**

Organization Name	Program Name	Address	City, State, ZIP	Amount	Balance
21st Century Parks, Inc.	Five Year Commitment	471 W. Main Street, Ste. 202	Louisville, KY 40202	20,000.00	60,000.00
Bellarmine University	Annual Fund	2001 Newburg Road	Louisville, KY 40205	10,000.00	-
Building a United Interfaith Lexington through Direct Action	BUILD	237 E. 5th Street	Lexington, KY 40508	1,000.00	-
Citizens of Louisville Organized & United Together	CLOUT	1113 South 4th Street, Suite 350	Louisville, KY 40202	1,000.00	-
Commonwealth Fund for KET, Inc.	Educational Programs/Summer Celebration	560 Cooper Drive	Lexington, KY 40502	2,000.00	-
Court Appointed Special Advocates (CASA)	Operating Funds	514 West Liberty St. 139	Louisville, KY 40202	2,000.00	-
Cumberland Trails United Way	Employee Match	P.O. Box 2092	Middlesboro, KY 40965	4,350.00	-
Fund for the Arts	\$1:\$1 match 2004	623 West Main Street	Louisville, KY 40202	45,457.00	90,000
Governor's Scholars Program, Inc.	Operating Funds	1024 Capital Center Drive Suite 230	Frankfort, KY 40601	2,500.00	-
Heart of Kentucky United Way	Employee Match	118 N 3rd St	Danville, KY 40422	20,728.00	-
Jefferson Co. Public Education Foundation	Every 1 Reads	502 Wood Road	Louisville, KY 40222	5,000.00	-
Jefferson County United Fund, Inc.	Employee Match	301 E. Main St.	Madison, IN 47250	1,099.00	-
Jewish Hospital & St. Mary's HealthCare	Healthcare Horizons Education Program	200 Abraham Flexner Way	Louisville, KY 40202	10,000.00	-
Junior Achievement of the Bluegrass	Adopt-a-School Project	711 Millpond Road	Lexington, KY 40514	2,000.00	-
Kentucky Independent College Foundation	Program Support	484 Chenault Rd.	Frankfort, KY 40601	50,000.00	-
Leadership Kentucky Foundation, Inc.	Program Support	464 Chenault Road	Frankfort, KY 40601	2,500.00	-
Leadership Louisville	Annual Fund	732 West Main Street	Louisville, KY 40202	2,500.00	-
LG&E Energy Foundation Matching Gift Program	Foundation Program	Various	Various	13,951.00	-
LG&E Energy Foundation Scholarship Program	Foundation Program	Various	Various	40,200.00	-
Lincoln Heritage Council, Boy Scouts of America	Annual Fund	12001 Sycamore Station Place	Louisville, KY 40299	2,000.00	-
Louisville Free Public Library Foundation	Summer Reading Program	301 York St.	Louisville, KY 40203	2,500.00	-
Louisville Zoo Foundation	Glacier Run/Zoo to You Educational Programs	1100 Trevilian Way	Louisville, KY 40213	9,000.00	-
Metro United Way	\$1:\$1 match 2004	334 East Broadway	Louisville, KY 40202	322,271.00	-
Muhammad Ali Museum and Education Center Incorporated	Two Year Commitment	144 N. 6th Street	Louisville, KY 40202	55,000.00	-
Ohio Valley United Charities Inc.	Employee Match	523 Highland Avenue	Carrollton, KY 41008	15,128.00	-
REACH, Inc.	Home Education Classes	733 Red Mile Road	Lexington, KY 40504	1,000.00	-
The Healing Place	Streetball Showdown	1020 West Market Street	Louisville, KY 40202	10,000.00	-
United Way of Central Kentucky, Inc.	Employee Match	1111 N Dixie Hwy, Suite 9B	Elizabethtown, KY 42701	4,525.00	-
United Way of Franklin County	Employee Match	P.O. Box 1544	Frankfort, KY 40602	118.00	-
United Way of Henderson County	Employee Match	P.O. Box 1097	Henderson, KY 42419	21,480.00	-
United Way of Hopkins County	Employee Match	P.O. Box 366	Madisonville, KY 42431	8,949.00	-
United Way of Hopkinsville-Christian County	Employee Match	P.O. Box 587	Hopkinsville, KY 42240	473.00	-
United Way of Laurel County, Inc.	Employee Match	P.O. Box 5004	London, KY 40745	1,232.00	-
United Way of Mason County	Employee Match	PO Box 327	Maysville, KY 41056-0327	980.00	-
United Way of Nelson County	Employee Match	P.O. Box 28 321 South Third	Bardstown, KY 40004	1,876.00	-
United Way of Paducah/McCracken County	Employee Match	333 Broadway, Ste. 502	Paducah, KY 42001-6868	564.00	-
United Way of Perry County Inc	Employee Match	PO Box 73	Tell City, KY 47586	1,334.00	-
United Way of South Central Kentucky, Inc.	Employee Match	P.O. Box 861	Somerset, KY 42502	2,546.00	-
United Way of Southwest Virginia	Employee Match	P.O. Box 1225	Gate City, VA 24251	1,994.00	-
United Way of Southwestern Indiana	Employee Match	P.O. Box 18	Evansville, IN 47701	2,564.00	-
United Way of the Bluegrass	Employee Match	2480 Fortune Drive #250	Lexington, KY 40509	47,115.00	-
United Way of the Ohio Valley	Employee Match	P.O. Box 705	Owensboro, KY 42302	40,674.00	-
University of Louisville Foundation Inc.	McConnell Center	Development Office	Louisville, KY 40232	50,000.00	50,000
Urban League of Lexington-Fayette County	Program Support-2004	148 DeWeese Street	Lexington, KY 40507	2,500.00	-
Urban League of Louisville	Program Support-2004	1535 West Broadway	Louisville, KY 40203	10,000.00	-
Volunteers of America, Inc.	Emergency Shelter	933 Goss Avenue	Louisville, KY 40217-9943	1,000.00	-
WHAS Crusade for Children	Program Support-2004	P.O. Box 1100	Louisville, KY 40202	20,000.00	40,000
ALL UNITED WAYS	Employee "Match"	Various	Various	see amounts above	900,000
<b>TOTAL</b>				<b>873,108.00</b>	<b>1,140,000</b>

**E.ON U.S. Foundation, Inc. 61-1257368**

**Form 990-PF 2009**

**Part XV(a) & (b) Grants & Contributions Paid During 2009 and Approved for Future Payments**

Organization Name	Program Name	Address	City, State, ZIP	Amount	Balance
21st Century Parks, Inc.	Five Year Commitment	471 W. Main Street, Ste. 202	Louisville, KY 40202	20,000.00	40,000.00
Commonwealth Fund for KET, Inc.	Educational Programs/Summer Celebration	560 Cooper Drive	Lexington, KY 40502	1,000.00	-
Cumberland Trails United Way	Employee Match	P.O. Box 2092	Middlesboro, KY 40965	4,090.00	-
E.ON U.S. Foundation Matching Gift Program	Foundation Program	Various	Various	19,770.00	-
E.ON U.S. Foundation Scholarship Program	Foundation Program	Various	Various	34,800.00	-
Fund for the Arts	\$1:\$1 match 2004	623 West Main Street	Louisville, KY 40202	46,521.00	126,355
Governor's Scholars Program, Inc.	Operating Funds	1024 Capital Center Drive Suite 230	Frankfort, KY 40601	2,500.00	-
Heart of Kentucky United Way	Employee Match	118 N 3rd St	Danville, KY 40422	19,583.00	-
Jefferson Co. Public Education Foundation	Every 1 Reads	502 Wood Road	Louisville, KY 40222	2,500.00	-
Jefferson County United Fund, Inc.	Employee Match	301 E. Main St.	Madison, IN 47250	1,516.00	-
Kentucky Independent College Foundation	Program Support	484 Chenault Rd.	Frankfort, KY 40601	50,000.00	-
Leadership Kentucky Foundation, Inc.	Program Support	464 Chenault Road	Frankfort, KY 40601	2,500.00	-
Leadership Louisville	Annual Fund	732 West Main Street	Louisville, KY 40202	2,500.00	-
Louisville Free Public Library Foundation	Summer Reading Program	301 York St.	Louisville, KY 40203	2,500.00	-
Louisville Zoo Foundation	Glacier Run/Zoo to You Educational Programs	1100 Trevilian Way	Louisville, KY 40213	1,000.00	-
Metro United Way	\$1:\$1 match 2004	334 East Broadway	Louisville, KY 40202	317,973.00	-
Ohio Valley United Charities Inc.	Employee Match	523 Highland Avenue	Carrollton, KY 41008	14,291.00	-
Teach Kentucky	Operating Funds	2205 Lowell Avenue	Louisville, KY 40205	2,000.00	-
United Way of Central Kentucky, Inc.	Employee Match	1111 N Dixie Hwy, Suite 9B	Elizabethtown, KY 42701	6,282.00	-
United Way of Franklin County	Employee Match	P.O. Box 1544	Frankfort, KY 40602	1,165.00	-
United Way of Henderson County	Employee Match	P.O. Box 1097	Henderson, KY 42419	20,286.00	-
United Way of Laurel County, Inc.	Employee Match	P.O. Box 5004	London, KY 40745	1,165.00	-
United Way of Mason County	Employee Match	103 E. 2nd St.	Maysville, KY 41056-0327	926.00	-
United Way of Nelson County	Employee Match	P.O. Box 28 321 South Third	Bardstown, KY 40004	1,774.00	-
United Way of Paducah/McCracken County	Employee Match	333 Broadway, Ste. 502	Paducah, KY 42001-6868	702.00	-
United Way of Perry County Inc	Employee Match	PO Box 73	Tell City, KY 47586	1,263.00	-
United Way of South Central Kentucky, Inc.	Employee Match	P.O. Box 861	Somerset, KY 42502	4,177.00	-
United Way of Southwest Virginia	Employee Match	P.O. Box 1225	Gate City, VA 24251	1,926.00	-
United Way of Southwestern Indiana	Employee Match	P.O. Box 18	Evansville, IN 47701	2,876.00	-
United Way of the Bluegrass	Employee Match	2480 Fortune Drive #250	Lexington, KY 40509	51,718.00	-
United Way of the Coalfield	Employee Match	P.O. Box 366	Madisonville, KY 42431	9,230.00	-
United Way of the Ohio Valley	Employee Match	P.O. Box 705	Owensboro, KY 42302	38,412.00	-
United Way of the Pennyrile	Employee Match	P.O. Box 587	Hopkinsville, KY 42240	645.00	-
University of Louisville Foundation Inc.	McConnell Center	Development Office	Louisville, KY 40232	50,000.00	-
Urban League of Lexington-Fayette County	Program Support-2004	148 DeWeese Street	Lexington, KY 40507	2,500.00	-
Urban League of Louisville	Program Support-2004	1535 West Broadway	Louisville, KY 40203	7,500.00	-
WHAS Crusade for Children	Program Support-2004	P.O. Box 1100	Louisville, KY 40202	20,000.00	60,000
ALL UNITED WAYS	Employee "Match"	Various	Various	see amounts above	1,228,645
<b>TOTAL</b>				<b>767,591.00</b>	<b>1,455,000</b>

**LG&E and KU Foundation, Inc. 61-1257368**

**Form 990-PF 2010**

**Part XV(a) & (b) Grants & Contributions Paid During 2010 and Approved for Future Payments**

<b>Organization Name</b>	<b>Program Name</b>	<b>Address</b>	<b>City, State, ZIP</b>	<b>Amount</b>	<b>Balance</b>
21st Century Parks, Inc.	Five Year Commitment	471 W. Main Street, Ste. 202	Louisville, KY 40202	20,000	20,000
Bellarmino University	Annual Fund	2001 Newburg Road	Louisville, KY 40205	10,000	0
Commonwealth Fund for KET, Inc.	Educational Programs/Summer Celebration	560 Cooper Drive	Lexington, KY 40502	1,000	0
Cumberland Trails United Way	Employee Match	P.O. Box 2092	Middlesboro, KY 40965	5,704	0
LG&E and KU Foundation Matching Gift Program	Foundation Program	Various	Various	18,220	0
LG&E and KU Foundation Scholarship Program	Foundation Program	Various	Various	40,200	0
Family and Children's Place	2010 Campaign	2303 River Road, Suite 200	Louisville, KY 40206	10,000	0
Fund for the Arts	\$1:\$1 match 2004	623 West Main Street	Louisville, KY 40202	46,355	88,000
Governor's Scholars Program, Inc.	Operating Funds	1024 Capital Center Drive Suite 230	Frankfort, KY 40601	2,500	0
Heart of Kentucky United Way	Employee Match	118 N 3rd St	Danville, KY 40422	17,784	0
Henry Clay Memorial Foundation	Center for Statesmanship	120 Sycamore Road	Lexington, KY 40502	2,000	0
Jefferson Co. Public Education Foundation	Every 1 Reads	502 Wood Road	Louisville, KY 40222	2,500	0
Kentucky Independent College Foundation	Program Support	484 Chenault Rd.	Frankfort, KY 40601	50,000	0
Leadership Kentucky Foundation, Inc.	Program Support	464 Chenault Road	Frankfort, KY 40601	2,500	0
Leadership Louisville	Annual Fund	732 West Main Street	Louisville, KY 40202	2,500	0
Louisville Free Public Library Foundation	Summer Reading Program	301 York St.	Louisville, KY 40203	2,500	0
Metro United Way	\$1:\$1 match 2004	334 East Broadway	Louisville, KY 40202	313,884	0
Ohio Valley United Charities Inc.	Employee Match	523 Highland Avenue	Carrollton, KY 41008	12,978	0
Teach Kentucky	Operating Funds	2205 Lowell Avenue	Louisville, KY 40205	2,000	0
United Way of Central Kentucky, Inc.	Employee Match	1111 N Dixie Hwy, Suite 9B	Elizabethtown, KY 42701	5,954	0
United Way of Franklin County	Employee Match	P.O. Box 1544	Frankfort, KY 40602	1,059	0
United Way of Greater Cincinnati-Northern Kentucky	Employee Match	11 Shelby St.	Florence, KY 41042	66	0
United Way of Henderson County	Employee Match	P.O. Box 1097	Henderson, KY 42419	955	0
United Way of Jefferson County	Employee Match	301 E. Main St.	Madison, IN 47250	1,376	0
United Way of Laurel County, Inc.	Employee Match	P.O. Box 5004	London, KY 40745	1,060	0
United Way of Mason County	Employee Match	103 E. 2nd St.	Maysville, KY 41056-0327	1,048	0
United Way of Nelson County	Employee Match	P.O. Box 28 321 South Third	Bardstown, KY 40004	1,611	0
United Way of Paducah/McCracken County	Employee Match	333 Broadway, Ste. 502	Paducah, KY 42001-6868	474	0
United Way of Perry County Inc	Employee Match	PO Box 73	Tell City, KY 47586	66	0
United Way of South Central Kentucky, Inc.	Employee Match	P.O. Box 861	Somerset, KY 42502	4,184	0
United Way of Southeastern Kentucky	Employee Match	P.O. Box 7373	Hazard, KY 41702	27	0
United Way of Southern Kentucky	Employee Match	P.O. Box 3330	Bowling Green, KY 42102	133	0
United Way of Southwest Virginia	Employee Match	P.O. Box 1225	Gate City, VA 24251	1,750	0
United Way of Southwestern Indiana	Employee Match	P.O. Box 18	Evansville, IN 47701	1,148	0
United Way of the Bluegrass	Employee Match	2480 Fortune Drive #250	Lexington, KY 40509	46,983	0
United Way of the Coalfield	Employee Match	P.O. Box 366	Madisonville, KY 42431	6,440	0
United Way of the Ohio Valley	Employee Match	P.O. Box 705	Owensboro, KY 42302	3,270	0
United Way of the Pennyrile	Employee Match	P.O. Box 587	Hopkinsville, KY 42240	691	0
University of Louisville Foundation Inc.	Cardiovascular Institute	Development Office	Louisville, KY 40232	5,000	0
WHAS Crusade for Children	Program Support-2004	P.O. Box 1100	Louisville, KY 40202	20,000	40,000
ALL UNITED WAYS	Employee "Match"	Various	Various	see amounts above	800,000
<b>TOTAL</b>				<b>665,920</b>	<b>948,000</b>

**LG&E and KU Foundation, Inc. 61-1257368**

**Form 990-PF 2011**

**Part XV(a) & (b) Grants & Contributions Paid During 2011 and Approved for Future Payments**

Organization Name	Program Name	Address	City, State, ZIP	Amount	Balance
21st Century Parks, Inc.	Five Year Commitment	471 W. Main Street, Ste. 202	Louisville, KY 40202	20,000	0
Bellarmine University	Annual Fund	2001 Newburg Road	Louisville, KY 40205	10,000	0
Cumberland Trails United Way	Employee Match	P.O. Box 2092	Middlesboro, KY 40965	6,318	0
LG&E and KU Foundation Matching Gift Program	Foundation Program	Various	Various	18,590	0
LG&E and KU Foundation Scholarship Program	Foundation Program	Various	Various	33,600	40,800
Fund for the Arts	Employee Match	623 West Main Street	Louisville, KY 40202	48,000	40,000
Governor's Scholars Program, Inc.	Operating Funds	1024 Capital Center Drive Suite 230	Frankfort, KY 40601	2,500	0
Heart of Kentucky United Way	Employee Match	118 N 3rd St	Danville, KY 40422	18,469	0
Jefferson Co. Public Education Foundation	Every 1 Reads	502 Wood Road	Louisville, KY 40222	2,500	0
Kentucky Independent College Foundation	Program Support	484 Chenault Rd.	Frankfort, KY 40601	50,000	0
Leadership Kentucky Foundation, Inc.	Program Support	464 Chenault Road	Frankfort, KY 40601	2,500	0
Leadership Louisville	Annual Fund	732 West Main Street	Louisville, KY 40202	2,500	0
Louisville Free Public Library Foundation	Summer Reading Program	301 York St.	Louisville, KY 40203	2,500	0
Metro United Way	\$1:\$1 match 2004	334 East Broadway	Louisville, KY 40202	326,888	0
Ohio Valley United Charities Inc.	Employee Match	523 Highland Avenue	Carrollton, KY 41008	14,219	0
Teach Kentucky	Operating Funds	2205 Lowell Avenue	Louisville, KY 40205	2,000	0
United Way of Central Kentucky, Inc.	Employee Match	1111 N Dixie Hwy, Suite 9B	Elizabethtown, KY 42701	6,214	0
United Way of Eastern Kentucky	Employee Match	P.O. Box 1446	Prestonsburg, KY 41653	330	0
United Way of Franklin County	Employee Match	P.O. Box 1544	Frankfort, KY 40602	1,080	0
United Way of Greater Cincinnati-Northern Kentucky	Employee Match	11 Shelby St.	Florence, KY 41042	187	0
United Way of Henderson County	Employee Match	P.O. Box 1097	Henderson, KY 42419	1,054	0
United Way of Jefferson County	Employee Match	301 E. Main St.	Madison, IN 47250	1,577	0
United Way of Laurel County, Inc.	Employee Match	P.O. Box 5004	London, KY 40745	1,227	0
United Way of Mason County	Employee Match	103 E. 2nd St.	Maysville, KY 41056-0327	1,248	0
United Way of Nelson County	Employee Match	P.O. Box 28 321 South Third	Bardstown, KY 40004	1,722	0
United Way of Northeast Kentucky	Employee Match	536 Winchester Ave., Ste. 14	Ashland, KY 41101	37	0
United Way of Paducah/McCracken County	Employee Match	333 Broadway, Ste. 502	Paducah, KY 42001-6868	457	0
United Way of Perry County Inc	Employee Match	PO Box 73	Tell City, KY 47586	75	0
United Way of South Central Kentucky, Inc.	Employee Match	P.O. Box 861	Somerset, KY 42502	4,768	0
United Way of Southeastern Kentucky	Employee Match	P.O. Box 7373	Hazard, KY 41702	106	0
United Way of Southern Kentucky	Employee Match	P.O. Box 3330	Bowling Green, KY 42102	199	0
United Way of Southwest Virginia	Employee Match	P.O. Box 1225	Gate City, VA 24251	1,806	0
United Way of Southwestern Indiana	Employee Match	P.O. Box 18	Evansville, IN 47701	1,104	0
United Way of the Bluegrass	Employee Match	2480 Fortune Drive #250	Lexington, KY 40509	53,300	0
United Way of the Coalfield	Employee Match	P.O. Box 366	Madisonville, KY 42431	6,589	0
United Way of the Ohio Valley	Employee Match	P.O. Box 705	Owensboro, KY 42302	4,119	0
United Way of the Pennyryle	Employee Match	P.O. Box 587	Hopkinsville, KY 42240	767	0
Urban League of Louisville	Program Support-2004	1535 West Broadway	Louisville, KY 40203	7,500	0
Volunteers of America	Family Emergency Shelter	933 Goss Avenue	Louisville, KY 40217-9943	2,500	0
WHAS Crusade for Children	Program Support-2004	P.O. Box 1100	Louisville, KY 40202	20,000	20,000
ALL UNITED WAYS	Employee "Match"	Various	Various	see amounts above	417,017
<b>TOTAL</b>				<b>678,550</b>	<b>517,817</b>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 6**

**Responding Witness: Kent W. Blake**

Q-6. For each year beginning 1994, provide the amount of profit that the companies netted.

A-6. See attached.

Net Income by Year (\$ Millions)

1994 - 2011

LG&E

	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Net Income	58	83	108	113	78	106	111	107	89	91	96	129	117	120	90	95	128	124

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General’s Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 7**

**Responding Witness: Sidney L. “Butch” Cockerill**

Q-7. Reference the Staffieri testimony at p. 12. Provide the sums LG&E received in late payment fees broken down by month and year for the five years prior to the offering of the FLEX option.

- a. Please provide the number of customer accounts which have been assessed a late payment penalty for the past three (3) years, listed by month. If customer accounts have been assessed a late payment penalty more than once, please provide the total number of these accounts.
- b. Provide this same information broken down by account status, as in 30 days past due, 60 days past due, etc.

A-7. The FLEX program was first offered in January 2010.

<b>Month</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
January	\$305,317	\$464,297	\$365,568	\$395,882	\$459,377
February	283,563	478,688	323,328	451,019	538,910
March	373,188	449,291	446,157	612,307	642,120
April	310,145	430,033	444,845	521,883	579,073
May	291,931	387,905	283,620	405,737	1,021,283
June	186,518	223,970	231,298	261,357	880,889
July	192,799	200,943	248,525	247,107	790,627
August	322,975	287,242	327,576	341,386	787,059
September	339,556	332,757	314,267	419,911	731,735
October	327,583	312,258	449,427	478,493	665,615
November	216,224	188,130	319,177	288,856	558,197
December	178,751	213,546	251,813	327,985	567,682

- a. LG&E does not have a business reason to maintain ongoing files with the requested information segregated according to requested parameters. The count below will include a customer's account more than once, if the customer's account has been assessed a late payment charge more than once.

	2009	2010	2011	2012
Jan		109,196	87,699	76,708
Feb		101,209	86,603	73,811
Mar		99,148	80,278	78,566
Apr	102,788	101,733	78,820	73,851
May	117,440	93,937	75,846	73,350
Jun	104,482	93,927	84,200	78,941
Jul	114,515	107,351	81,578	72,094
Aug	109,595	93,963	87,601	
Sep	103,118	108,873	87,137	
Oct	110,515	104,897	76,417	
Nov	104,499	99,677	72,562	
Dec	106,490	102,685	88,594	

- b. Late payment charges are assessed on the current month's charges only. Arrears are not subject to additional late payment charges. LG&E does not have a business reason to maintain ongoing files with the requested information segregated according to requested parameters. The requested data does not exist.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 8**

**Responding Witness: Sidney L. "Butch" Cockerill**

- Q-8. Provide the dollar amounts LG&E has assessed in late payment penalties for the three (3) years, broken down by zip code.
- A-8. See the attached for the dollar amounts LG&E has assessed in late payment penalties for the three (3) years, broken down by zip code. LG&E does not have a business reason to maintain ongoing files with the requested information segregated according to requested parameters. The attached information represents LG&E's effort to extract the data according to the requested parameters within the time allowed to respond to this request for information.

**Attachment to Response to LGE Question No. 8**  
**Page 1 of 3**  
**Cockerill**

<b>Zip Code</b>	<b>04/01/2009 - 12/31/2009</b>	<b>2010</b>	<b>2011</b>	<b>2012 thru July</b>
40004	\$ 11,448.09	\$ 14,277.36	\$ 14,205.20	\$ 6,516.94
40006	\$ 1,266.54	\$ 2,119.55	\$ 2,070.06	\$ 1,169.73
40010	\$ 2,828.69	\$ 3,775.83	\$ 3,401.03	\$ 1,695.21
40011	\$ 1,182.04	\$ 1,891.45	\$ 1,757.51	\$ 1,258.32
40013	\$ 234.07	\$ 250.74	\$ 257.68	\$ 166.70
40014	\$ 86,141.93	\$ 129,522.51	\$ 115,981.01	\$ 57,646.77
40018	\$ 187.96	\$ 403.15	\$ 413.16	\$ 244.00
40019	\$ 3,526.99	\$ 5,587.40	\$ 5,604.04	\$ 2,952.20
40022	\$ -	\$ 38.74	\$ -	\$ -
40023	\$ 8,466.94	\$ 13,296.62	\$ 12,139.47	\$ 6,342.73
40025	\$ 1,114.26	\$ 1,277.42	\$ 1,435.63	\$ 573.32
40026	\$ 26,221.60	\$ 36,474.40	\$ 34,550.35	\$ 15,917.21
40027	\$ 1,568.34	\$ 2,589.55	\$ 2,703.06	\$ 1,113.22
40031	\$ 43,828.95	\$ 63,660.10	\$ 60,111.41	\$ 32,129.67
40033	\$ 65.44	\$ 81.54	\$ 41.87	\$ 2.04
40037	\$ 881.10	\$ 1,353.81	\$ 1,029.35	\$ 491.07
40041	\$ 538.93	\$ 654.57	\$ 439.45	\$ 263.69
40047	\$ 37,363.83	\$ 55,055.18	\$ 53,450.11	\$ 29,255.28
40048	\$ 22.11	\$ 5.31	\$ -	\$ -
40050	\$ 1,251.17	\$ 2,440.23	\$ 2,373.86	\$ 1,260.12
40055	\$ 3,023.41	\$ 4,136.06	\$ 4,459.50	\$ 2,012.22
40056	\$ 18,270.87	\$ 26,837.17	\$ 24,290.39	\$ 11,214.41
40057	\$ 1,806.77	\$ 2,808.80	\$ 2,918.50	\$ 1,421.38
40059	\$ 82,245.51	\$ 109,275.55	\$ 96,398.01	\$ 44,556.25
40067	\$ 2,833.11	\$ 5,449.90	\$ 4,984.25	\$ 3,346.09
40068	\$ 974.38	\$ 1,584.11	\$ 1,458.64	\$ 939.13
40069	\$ 12.15	\$ 35.34	\$ 17.94	\$ -
40071	\$ 893.23	\$ 1,573.48	\$ 1,478.91	\$ 821.24
40077	\$ 4,253.37	\$ 6,167.03	\$ 6,102.79	\$ 2,872.30
40108	\$ 15,230.24	\$ 22,401.79	\$ 19,719.62	\$ 9,661.04
40109	\$ 2,171.69	\$ 3,454.85	\$ 3,404.63	\$ 1,708.83
40118	\$ 71,487.47	\$ 107,630.03	\$ 94,764.17	\$ 50,770.82
40150	\$ 1,230.39	\$ 1,604.01	\$ 1,417.51	\$ 655.27
40155	\$ 7,730.76	\$ 10,486.14	\$ 8,514.25	\$ 3,865.74
40160	\$ 11,368.81	\$ 15,964.53	\$ 14,406.01	\$ 7,597.00
40162	\$ 762.17	\$ 1,120.87	\$ 787.12	\$ 469.35
40165	\$ 76,706.26	\$ 107,760.83	\$ 95,803.63	\$ 50,677.66
40175	\$ 4,092.63	\$ 5,841.19	\$ 5,467.97	\$ 2,823.90

**Attachment to Response to LGE Question No. 8**

**Cockerill**

40177	\$ 10,234.94	\$ 15,591.30	\$ 12,475.86	\$ 6,325.21
40202	\$ 17,419.71	\$ 25,712.15	\$ 20,005.19	\$ 10,459.11
40203	\$ 129,884.07	\$ 191,116.17	\$ 135,832.97	\$ 70,005.74
40204	\$ 105,133.71	\$ 145,273.10	\$ 126,690.83	\$ 63,506.52
40205	\$ 104,183.17	\$ 146,930.34	\$ 132,951.99	\$ 59,716.40
40206	\$ 114,164.06	\$ 165,784.14	\$ 140,519.91	\$ 70,225.77
40207	\$ 149,259.13	\$ 214,771.17	\$ 175,538.97	\$ 90,480.65
40208	\$ 95,354.06	\$ 154,013.81	\$ 112,256.72	\$ 59,468.61
40209	\$ 3,535.14	\$ 5,424.67	\$ 4,170.24	\$ 2,676.74
40210	\$ 142,503.62	\$ 202,990.04	\$ 149,201.55	\$ 80,188.90
40211	\$ 267,725.51	\$ 372,306.24	\$ 271,025.80	\$ 145,413.30
40212	\$ 197,839.95	\$ 276,868.94	\$ 205,981.12	\$ 102,352.22
40213	\$ 113,023.55	\$ 162,992.16	\$ 137,237.12	\$ 71,958.16
40214	\$ 285,921.34	\$ 403,114.27	\$ 370,680.41	\$ 195,436.03
40215	\$ 187,899.40	\$ 266,642.00	\$ 214,548.43	\$ 118,899.88
40216	\$ 337,206.64	\$ 484,423.73	\$ 420,168.12	\$ 226,215.44
40217	\$ 80,181.70	\$ 116,631.37	\$ 100,381.87	\$ 54,105.48
40218	\$ 203,069.14	\$ 290,912.62	\$ 246,949.83	\$ 135,524.75
40219	\$ 245,750.03	\$ 352,147.68	\$ 311,075.74	\$ 167,076.38
40220	\$ 168,511.39	\$ 246,642.23	\$ 226,530.74	\$ 116,868.83
40222	\$ 104,619.00	\$ 158,290.49	\$ 141,542.00	\$ 72,148.95
40223	\$ 106,519.85	\$ 149,220.24	\$ 139,014.27	\$ 67,330.06
40228	\$ 98,466.34	\$ 136,291.36	\$ 128,804.66	\$ 72,053.66
40229	\$ 245,889.97	\$ 335,482.85	\$ 308,449.57	\$ 165,189.71
40232	\$ 9.55	\$ 6.65	\$ -	\$ 7.85
40241	\$ 126,710.10	\$ 190,773.13	\$ 172,102.05	\$ 87,229.67
40242	\$ 49,758.47	\$ 78,348.26	\$ 68,518.18	\$ 34,534.36
40243	\$ 43,496.25	\$ 62,433.37	\$ 61,456.58	\$ 31,499.82
40245	\$ 132,745.63	\$ 191,760.22	\$ 178,277.61	\$ 88,797.62
40258	\$ 188,414.37	\$ 276,422.95	\$ 235,074.46	\$ 126,230.75
40272	\$ 271,145.18	\$ 374,836.09	\$ 325,330.89	\$ 168,844.62
40291	\$ 200,255.85	\$ 280,352.58	\$ 260,389.27	\$ 143,858.36
40299	\$ 182,716.07	\$ 271,949.21	\$ 254,107.71	\$ 137,242.01
42214	\$ 140.94	\$ 197.86	\$ 258.67	\$ 202.96
42701	\$ 794.18	\$ 1,247.14	\$ 1,246.93	\$ 609.65
42716	\$ 878.35	\$ 1,485.37	\$ 1,154.63	\$ 696.77
42722	\$ 114.51	\$ 170.64	\$ 134.15	\$ 64.15
42746	\$ 10.87	\$ 6.58	\$ 16.57	\$ 12.50
42748	\$ 3,397.88	\$ 5,832.39	\$ 5,154.05	\$ 2,871.43
42749	\$ 32.75	\$ 40.00	\$ 66.86	\$ 42.60
42757	\$ 546.56	\$ 900.31	\$ 824.41	\$ 476.98
42764	\$ 28.69	\$ 85.66	\$ 41.05	\$ 11.15

**Attachment to Response to LGE Question No. 8**

Unassigned	\$	5,267.08	\$	2,151.80	\$	0.67	\$	11.38
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**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General’s Initial Requests for Information  
Dated July 31, 2012**

**Question No. 9**

**Responding Witness: Sidney L. “Butch” Cockerill**

- Q-9. Please provide the amount in dollars that LG&E has collected in late payment penalties for the past three (3) years, broken down by month.
- a. Provide this same information broken down by account status, as in 30 days past due, 60 days past due, etc.
  - b. Provide the dollar amount LG&E has collected in late payment penalties for the past three (3) years, broken down by zip code.

A-9.

Late Payment Charges (LPC) Collected in Dollars

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Jan</b>		609,664.40	\$ 698,133.65	514,967.09
<b>Feb</b>		709,903.76	\$ 795,486.04	629,597.28
<b>Mar</b>		817,515.65	\$ 672,477.44	560,264.98
<b>Apr</b>	423,269.95	649,327.92	\$ 482,656.73	452,136.94
<b>May</b>	696,667.40	411,992.77	\$ 415,238.84	358,387.88
<b>Jun</b>	610,940.39	354,491.88	\$ 327,136.78	337,315.63
<b>Jul</b>	546,435.35	493,987.26	\$ 399,670.82	378,616.60
<b>Aug</b>	577,642.33	575,079.59	\$ 582,773.47	
<b>Sep</b>	522,201.04	684,395.36	\$ 588,628.28	
<b>Oct</b>	477,149.79	620,296.76	\$ 464,076.81	
<b>Nov</b>	380,155.20	429,527.43	\$ 320,034.70	
<b>Dec</b>	407,948.95	437,710.43	\$ 392,618.98	

- a. Late payment charges are assessed on the current month's charges only. Arrears are not subject to additional late payment charges. LG&E does not have a business reason to maintain ongoing files with the requested information segregated according to requested parameters. The data does not exist prior to November 2009. See the attachment for residential arrears (including LPC) at a point in time for all.
  
- b. See the attachment for the dollar amount LG&E has collected in late payment penalties for the past three (3) years, broken down by zip code.

a.

		31-60 Days	61-90 Days	91-120 Days	121+ Days
2009	Nov	2,040,319.42	1,259,126.74	894,502.23	3,706,731.45
	Dec	2,152,563.12	1,010,298.69	1,014,494.32	3,740,634.60
2010	Jan	3,146,621.99	1,239,672.70	812,353.78	3,573,402.00
	Feb	4,755,824.87	1,370,040.18	689,263.97	3,101,569.39
	Mar	3,906,016.23	1,720,951.35	762,638.47	2,532,823.65
	Apr	3,016,517.55	1,630,536.29	1,110,437.55	2,280,392.75
	May	2,357,815.28	1,697,635.77	1,261,819.04	2,513,623.57
	Jun	1,631,486.34	1,203,386.26	1,271,200.70	4,060,774.68
	Jul	2,203,925.53	819,564.63	822,012.74	3,274,438.60
	Aug	2,205,744.75	913,196.54	584,891.29	2,775,967.00
	Sep	2,429,191.15	843,656.75	658,367.91	2,489,683.00
	Oct	1,912,459.00	1,013,756.18	593,180.65	2,630,303.81
	Nov	1,739,662.08	952,976.36	765,034.48	2,444,092.00
	Dec	2,154,690.63	871,267.98	827,691.26	2,640,591.71
2011	Jan	2,962,555.20	1,106,511.57	646,257.75	2,364,250.72
	Feb	4,846,669.29	1,458,327.43	623,345.18	2,202,468.37
	Mar	3,250,360.17	1,745,383.67	689,759.66	1,993,272.17
	Apr	2,443,961.86	1,308,266.75	1,051,661.37	1,998,460.00
	May	1,936,769.65	845,502.94	965,215.48	2,226,413.00
	Jun	1,474,115.31	827,489.41	656,637.33	2,249,711.00
	Jul	2,083,367.77	624,509.74	524,200.76	2,030,607.00

	Aug	1,973,846.71	790,744.08	420,669.70	1,763,527.00
	Sep	2,331,025.34	615,528.06	487,824.29	1,356,707.00
	Oct	1,806,321.75	705,754.08	430,385.87	1,238,881.00
	Nov	1,739,662.08	952,976.36	765,034.48	2,444,092.00
	Dec	1,917,324.16	636,419.00	404,743.63	1,181,959.00
2012	Jan	2,184,598.41	674,947.93	365,712.76	810,374.00
	Feb	2,468,701.83	555,062.97	280,796.36	623,220.00
	Mar	2,671,913.24	872,644.75	291,228.09	579,218.00
	Apr	2,007,906.11	736,083.04	421,867.75	523,764.00
	May	1,427,706.38	580,173.08	527,553.84	635,891.00
	Jun	1,212,865.05	332,209.87	333,965.18	739,269.00
	Jul	1,618,290.91	294,650.46	218,396.88	676,722.00

b.

Zip Code	04/01/2009 - 12/31/2009	2010	2011	01/01/2012 - 07/31/2012
24230	-	9	-	-
24263	-	2	-	-
24293	6	-	-	-
40004	10,102	14,687	15,263	7,322
40006	1,219	2,280	2,186	1,187
40010	2,836	3,835	3,454	1,692
40011	1,295	1,957	1,895	1,270
40013	188	279	276	160
40014	84,738	129,977	118,553	60,350
40018	204	400	427	244
40019	3,444	6,167	5,885	3,089
40022	-	39	-	-



**Attachment to Response to LGE AG-1 Question No. 9**

40023	8,824	13,479	12,156	6,380
40025	1,025	1,107	1,639	661
40026	24,022	36,327	35,192	18,616
40027	1,528	2,490	2,871	1,232
40031	43,976	64,334	62,514	32,485
40033	65	82	42	2
40037	872	1,273	1,142	586
40041	457	663	510	279
40047	35,900	55,814	55,836	30,194
40048	22	5	-	-
40050	1,119	2,544	2,539	1,307
40055	2,845	4,158	4,333	2,484
40056	17,548	27,010	24,586	12,734
40057	1,712	3,263	3,141	1,485
40059	75,511	109,510	98,635	52,596
40065	-	18	-	-
40067	3,064	5,460	5,410	3,404
40068	1,035	1,589	1,548	942
40069	19	28	32	-
40071	910	1,617	1,532	812
40077	3,831	6,134	6,266	3,404
40108	14,532	22,494	19,801	10,287
40109	2,418	3,574	3,521	1,805
40118	70,503	108,812	97,318	50,007
40150	1,126	1,596	1,530	752
40155	7,133	10,824	8,524	4,382
40160	8,888	16,659	15,852	8,990
40162	682	1,072	934	531
40165	71,858	108,408	98,939	52,485
40175	3,530	6,063	5,654	3,218
40177	10,008	15,912	13,118	6,563
40202	14,831	26,517	21,541	10,808
40203	122,279	199,803	145,284	72,746
40204	99,012	147,869	132,201	66,856

**Attachment to Response to LGE AG-1 Question No. 9**

40205	99,625	147,814	135,743	67,702
40206	110,988	165,189	151,363	74,210
40207	145,568	207,413	191,007	93,887
40208	94,120	154,521	121,735	60,165
40209	3,754	5,624	4,403	2,637
40210	131,160	209,630	156,311	83,121
40211	244,585	385,111	282,525	151,922
40212	181,805	286,640	214,506	112,050
40213	109,619	167,161	142,541	72,365
40214	279,019	412,331	381,258	193,739
40215	175,443	275,032	224,862	119,191
40216	327,710	489,280	429,926	226,837
40217	81,307	119,611	103,114	54,446
40218	194,192	298,026	254,822	135,549
40219	232,167	357,112	323,437	165,702
40220	170,855	251,023	230,376	118,550
40222	101,498	157,136	148,379	76,463
40223	106,953	151,122	140,189	70,145
40228	93,592	136,741	130,283	70,441
40229	234,458	338,434	309,786	164,118
40232	10	7	-	8
40241	123,266	191,130	177,868	92,046
40242	49,173	77,709	71,477	35,913
40243	45,557	63,340	61,941	31,712
40245	133,377	193,100	179,623	93,400
40258	192,244	275,393	243,940	126,874
40272	265,262	378,034	333,574	169,206
40291	195,936	284,861	262,375	143,119
40299	188,523	275,273	256,660	137,696
40324	12	-	-	-
40351	-	8	-	-
40361	1	-	-	-
40383	12	-	-	-
40390	3	-	6	-

**Attachment to Response to LGE AG-1 Question No. 9**

40391	2	2	-	-
40419	1	-	-	-
40475	36	-	-	-
40502	1	14	-	-
40503	26	3	-	-
40504	3	2	-	-
40505	1	14	-	-
40508	-	3	-	-
40509	2	-	-	-
40511	2	2	-	-
40515	6	41	-	-
40517	-	0	22	-
40769	-	8	-	-
40823	2	8	-	-
40962	-	35	-	-
40977	1	-	-	-
41004	20	-	-	-
41031	14	-	-	-
41039	-	7	-	-
41098	-	1	-	-
42024	-	-	-	4
42064		2	-	-
42086	2	-	-	-
42214	147	191	271	200
42539	0	13	-	-
42701	805	1	1,345	701
42716	842	1,118	1,236	703
42722	99	1,653	131	91
42746	15	176	28	11
42748	3,662	5,850	5,494	3,017
42749	55	36	74	42
42757	605	907	906	496
42764	24	72	56	12
#	2,498	5,556	1,665	478

Result	5,075,784	7,635,641	6,707,337	3,483,314
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**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 10**

**Responding Witness: Cheryl E. Bruner**

Q-10. Reference the Staffieri testimony at page 6. Please describe in detail the number of current service center employee positions referenced on that page versus the number of service center employee positions broken down by each year from 1999 to date. Include in your discussion the job title of each position, and whether it is: (i) full or part time; and (ii) permanent or temporary.

A-10. LG&E does not have a business reason to maintain ongoing files with the requested information segregated according to requested parameters. The below information represents LG&E's effort to extract the data according to the requested parameters within the time allowed to respond to this request for information.

The table shows the average staffing levels for the Residential Service Center (RSC) and Business Service Center (BSC). It represents only customer service representatives.

**RSC Average Monthly Staffing**

<b>Month</b>	<b>Employee CSRs</b>	<b>Temporary CSRs</b>	<b>Total CSRs</b>
Jan-07	70	10	84
Feb-07	76	9	100
Mar-07	77	8	94
Apr-07	75	15	109
May-07	74	14	105
Jun-07	69	26	95
Jul-07	69	20	108
Aug-07	69	24	109
Sep-07	69	33	107
Oct-07	73	21	106
Nov-07	73	17	112
Dec-07	73	18	107

## RSC Average Monthly Staffing

Month	Employee CSRs	Temporary CSRs	Total CSRs
Jan-08	76	24	110
Feb-08	74	22	124
Mar-08	73	28	117
Apr-08	70	30	124
May-08	71	33	120
Jun-08	73	35	127
Jul-08	74	39	140
Aug-08	87	32	134
Sep-08	86	36	132
Oct-08	89	29	131
Nov-08	90	29	141
Dec-08	93	29	142
Jan-09	95	33	138
Feb-09	97	35	132
Mar-09	101	29	130
Apr-09	104	18	122
May-09	102	14	124
Jun-09	97	16	140
Jul-09	97	24	138
Aug-09	96	37	133
Sep-09	95	33	136
Oct-09	92	31	131
Nov-09	94	28	131
Dec-09	91	26	124
Jan-10	89	26	116
Feb-10	87	23	125
Mar-10	86	25	131
Apr-10	84	47	132
May-10	81	43	123
Jun-10	80	44	132
Jul-10	78	48	125
Aug-10	77	38	119
Sep-10	75	38	119
Oct-10	73	39	127
Nov-10	78	40	133
Dec-10	78	43	131
Jan-11	78	43	127
Feb-11	76	41	126

**RSC Average Monthly Staffing**

<b>Month</b>	<b>Employee CSRs</b>	<b>Temporary CSRs</b>	<b>Total CSRs</b>
Mar-11	80	36	121
Apr-11	80	41	127
May-11	82	31	130
Jun-11	85	32	132
Jul-11	97	29	128
Aug-11	97	20	123
Sep-11	99	29	134
Oct-11	103	26	144
Nov-11	107	25	148
Dec-11	120	26	148
Jan-12	123	24	153
Feb-12	133	22	164
Mar-12	131	19	162

**BSC Average Monthly Staffing**

<b>Date</b>	<b>Employee CSRs</b>	<b>Temporary CSRs</b>	<b>Total CSRs</b>
Jan-09	10	3	13
Feb-09	10	3	13
Mar-09	10	3	13
Apr-09	10	2	12
May-09	10	3	13
Jun-09	10	4	14
Jul-09	10	4	14
Aug-09	10	4	14
Sep-09	10	4	14
Oct-09	10	5	15
Nov-09	10	5	15
Dec-09	10	5	15
Jan-10	10	5	15
Feb-10	11	5	16
Mar-10	11	5	16
Apr-10	11	5	16
May-10	11	6	17
Jun-10	11	6	17

BSC Average Monthly Staffing

Date	Employee CSRs	Temporary CSRs	Total CSRs
Jul-10	11	6	17
Aug-10	11	6	17
Sep-10	11	6	17
Oct-10	11	7	18
Nov-10	11	8	19
Dec-10	11	8	19
Jan-11	13	5	18
Feb-11	13	6	19
Mar-11	13	6	19
Apr-11	13	5	18
May-11	13	6	19
Jun-11	13	5	18
Jul-11	13	4	17
Aug-11	15	5	20
Sep-11	15	4	19
Oct-11	22	4	26
Nov-11	22	3	25
Dec-11	21	3	24
Jan-12	15	7	22
Feb-12	21	5	26
Mar-12	25	2	27



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 11**

**Responding Witness: Cheryl E. Bruner**

- Q-11. Provide a status update regarding changes in policies and procedures which LG&E implemented following the PSC's management audit on the company's customer service and billing.
- a. Please provide a list of all policies, procedures, protocol(s) and guidelines which LG&E changed as a result of the audit, regardless of whether any such changes are included in tariffs filed with the PSC.
  - b. Please provide copies of any and all tariffs the company changed as a result of the management audit. Alternatively, you may provide a list referencing these tariffs if they are already provided in the application.
- A-11. a. See the attached March 14, 2012 Progress Report pertaining to the Focused Management Audit ordered by the PSC.
- b. There have been no tariffs changed as a result of the management audit.
- .

The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 12**

**Responding Witness: Sidney L. "Butch" Cockerill**

Q-12. Please provide the number of customers for whom LG&E has changed the bill payment due date since implementation of the FLEX program. Provide complete details.

A-12.

Louisville Gas and Electric Company - FLEX Program Participants

Month/Year	# of Participants	Change
Feb-10	1631	
Mar-10	1986	355
Apr-10	2255	269
May-10	2445	190
Jun-10	2651	206
Jul-10	2863	212
Aug-10	3149	286
Sep-10	3426	277
Oct-10	3725	299
Nov-10	4048	323
Dec-10	4281	233
Jan-11	4497	216
Feb-11	4697	200
Mar-11	4872	175
Apr-11	5047	175
May-11	5180	133
Jun-11	5316	136
Jul-11	5448	132
Aug-11	5655	207
Sep-11	5836	181
Oct-11	6017	181
Nov-11	6132	115

Dec-11	6273	141
Jan-12	6411	138
Feb-12	6536	125
Mar-12	6683	147
Apr-12	6829	146
May-12	6957	128
Jun-12	7090	133

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 13**

**Responding Witness: Sidney L. "Butch" Cockerill**

- Q-13. For the average LG&E customer, how many times in the past year has the bill payment due date been changed?
- A-13. None. There have been no changes to the tariffs regarding bill payment due dates since the 2008 LG&E rate case. However, for the benefit of the customer, bills will be due only on working days, and not weekends or holidays, bill payment due dates fluctuate some from month to month.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 14**

**Responding Witness: Sidney L. "Butch" Cockerill**

Q-14. What is the most times in the past year that a bill payment due date has been changed for any customer?

A-14. There have been no changes to the tariffs regarding bill payment due dates since the 2008 LG&E rate case. However, for the benefit of the customer, bills will be due only on working days, and not weekends or holidays, bill payment due dates fluctuate some from month to month.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 15**

**Responding Witness: Sidney L. "Butch" Cockerill**

- Q-15. With the change in the bill payment due date, what is the fewest number of days that a customer has had to timely tender payment to the company? In your answer, please consider also all relevant information in complaints filed against the company at the PSC.
- A-15. There have been no changes to the tariffs regarding bill payment due dates since the 2008 LG&E rate case. By tariff, customer bill payments are due twelve calendar days from the issuance of the invoice and a late payment charge is applied three calendar days following the due date. Therefore, by tariff, all customers have at least fifteen calendar days to pay before a late payment charge is assessed.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 16**

**Responding Witness: Sidney L. "Butch" Cockerill**

- Q-16. With the change in the bill payment due date, what is the most number of days that a customer has had to timely tender payment to the company? In your answer, please consider also all relevant information in complaints filed against the company at the PSC.
- A-16. There have been no changes to the tariffs regarding bill payment due dates since the 2008 LG&E rate case. However, as a mutual resolution to customer complaints, LG&E developed the "FLEX" program, effective January 1, 2010, for eligible customers on a fixed or limited income where the customer's due date is extended from twelve days to twenty-eight days. Therefore, customers on the FLEX program have the most number of days to tender timely payment to the company, at twenty-eight days, plus three, before a late payment charge is assessed.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 17**

**Responding Witness: Cheryl E. Bruner**

Q-17. Please provide for the five past years, listed by month, the number of complaints which KU has received from its customers broken down by the nature of the complaints, such as late payment penalty, poor service, etc.

A-17. See attached for LG&E complaints.

<u>Month</u>	<u>Count</u>
<b>Jan 07</b>	<b>11</b>
Credit Collections	3
Denial of Service	1
Disconnect for Non-Payment	2
Electric Distribution	1
Forestry	1
Metering	2
Safety	1
<b>Feb 07</b>	<b>13</b>
Credit Collections	1
Disconnect for Non-Payment	1
Electric Distribution	4
Gas Distribution	1
High Bill	3
Inquiry	1
Metering	2
<b>March 07</b>	<b>23</b>
Billing	3
Credit Collection	2
Denial of Service	1
Disconnect for Non-Payment	5
Electric Distribution	2
Forestry	1
High Bill	3
Metering	6
<b>April 07</b>	<b>20</b>
Billing	1
Customer Service	2
Denial of Service	1
Deposit	1
Disconnect for Non-Payment	8
Electric Distribution	2
Inquiry	2
Metering	1
Safety	2
<b>May 07</b>	<b>21</b>
Billing	1
Compliment	2
Credit Collections	1
Denial of Service	5

Deposit	1
Disconnect for Non-Payment	1
Electric Distribution	3
Forestry	2
High Bill	2
Metering	3
<b>June 07</b>	<b>24</b>
Ancillary Charges	1
Billing	1
Credit Collections	1
Customer Service	2
Denial of Service	1
Disconnect for Non-Payment	5
Electric Distribution	4
Forestry	1
Gas Distribution	3
High Bill	1
Metering	1
Safety	3
<b>July 07</b>	<b>25</b>
Ancillary Charges	1
Billing	1
Credit Collections	2
Denial of Service	3
Deposit	1
Disconnect for Non-Payment	7
Electric Distribution	2
Gas Distribution	1
High Bill	3
Inquiry	1
Metering	1
Safety	2
<b>Aug 07</b>	<b>33</b>
Credit Collections	1
Customer Service	1
Denial of Service	2
Deposit	1
Disconnect for Non-Payment	8
DSM	1
Electric Distribution	6
Forestry	2
Gas Distribution	2
High Bill	3

Metering	3
Privacy Laws	1
Safety	2
<b>Sep 07</b>	<b>30</b>
Ancillary Charges	1
Billing	2
Customer Service	2
Denial of Service	2
Disconnect for Non-Payment	7
DSM	1
Electric Distribution	4
Forestry	2
Gas Distribution	2
High Bill	3
Metering	1
Safety	3
<b>Oct 07</b>	<b>26</b>
Credit Collections	2
Denial of Service	4
Deposit	1
Disconnect for Non-Payment	6
Electric Distribution	5
Gas Distribution	2
High Bill	2
Metering	3
Unauthorized Reconnection	1
<b>Nov 07</b>	<b>18</b>
Billing	2
Credit Collections	2
Customer Service	1
Denial of Service	2
Deposit	2
Disconnect for Non-Payment	1
DSM	1
Electric Distribution	1
Forestry	1
High Bill	3
Metering	2
<b>Dec 07</b>	<b>19</b>
Ancillary Charges	1
Billing	2
Credit Collections	1

Denial of Service	2
Deposit	1
Disconnect for Non-Payment	4
Electric Distribution	2
High Bill	3
Metering	2
Safety	1
<b>Jan 08</b>	<b>23</b>
Billing	1
Credit Collections	4
Customer Service	2
Denial of Service	1
Electric Distribution	8
Gas Distribution	3
High Bill	3
Safety	1
<b>Feb 08</b>	<b>32</b>
Compliment	2
Customer Service	2
Denial of Service	3
Deposit	1
Disconnect for Non-Payment	1
Electric Distribution	13
Forestry	2
Gas Distribution	1
High Bill	3
Inquiry	3
Metering	1
<b>March 08</b>	<b>27</b>
Billing	3
Credit Collections	4
Customer Service	2
Disconnect for Non-Payment	6
Electric Distribution	5
Forestry	1
High Bill	5
Metering	1
<b>April 08</b>	<b>21</b>
Credit Collections	3
Denial of Service	3
Deposit	1
Disconnect for Non-Payment	4

Electric Distribution	3
Forestry	2
High Bill	2
Metering	2
Safety	1
<b>May 08</b>	<b>18</b>
Billing	2
Credit Collections	2
Customer Service	1
Denial of Service	1
Disconnect for Non-Payment	5
Electric Distribution	3
Gas Distribution	1
High Bill	2
Safety	1
<b>June 08</b>	<b>27</b>
Billing	1
Credit Collections	4
Customer Service	4
Denial of Service	2
Disconnect for Non-Payment	5
Electric Distribution	4
Gas Distribution	2
Inquiry	1
Metering	2
Privacy Laws	1
Safety	1
<b>July 08</b>	<b>17</b>
Billing	3
Credit Collections	2
Customer Service	1
Disconnect for Non-Payment	2
Electric Distribution	6
Forestry	1
High Bill	2
<b>Aug 08</b>	<b>33</b>
Budget Payment Plan	3
Construction	2
Credit Collections	1
Deposit Amount	4
Electric	1
Fraud	1
Herbicide	2

Indebtedness	2
Maintenance	1
Payment Arrangements	3
Payment Requirement	1
Power Quality and Reliability	6
Rate Increase	1
Rate Plan	1
Rebate	1
Service Order for New Service	1
Timeframe to pay bills	1
Tree Trimming	1
<b>Sep 08</b>	<b>81</b>
Billing	6
Community Affairs	1
Credit Collections	2
Denial of Service	2
Deposit	5
Disconnect for Non-Payment	2
Electric Distribution	55
Gas Distribution	3
High Bill	1
Inquiry	1
Metering	3
<b>Oct 08</b>	<b>46</b>
Billing	9
Credit Collections	3
Customer Service	2
Denial of Service	2
Deposit	3
Disconnect for Non-Payment	3
DSM	1
Electric Distribution	9
Forestry	1
Gas Distribution	3
High Bill	7
Metering	3
<b>Nov 08</b>	<b>27</b>
Compliment	1
Credit Collections	2
Customer Service	1
Denial of Service	1
Deposit	2

Disconnect for Non-Payment	2
Electric Distribution	6
Forestry	1
Gas Distribution	3
High Bill	4
Inquiry	1
Metering	1
Privacy Laws	1
Safety	1
<b>Dec 08</b>	<b>27</b>
Ancillary Charges	2
Billing	2
Credit Collections	4
Denial of Service	1
Deposit	3
Electric Distribution	1
Gas Distribution	4
High Bill	8
Metering	2
<b>Jan 09</b>	<b>36</b>
Credit Collections	6
Deposit	2
Disconnect for Non-Payment	3
Electric Distribution	16
Gas Distribution	1
High Bill	6
Medical Alert	1
Metering	1
<b>Feb 09</b>	<b>84</b>
Billing	5
Credit Collections	6
Denial of Service	1
Deposit	2
Disconnect for Non-Payment	3
Electric Distribution	52
Forestry	2
Gas Distribution	1
High Bill	7
Medical Alert	1
Metering	1
Policies	3
<b>March 09</b>	<b>27</b>



Credit Collections	3
Customer Service	3
Denial of Service	1
Deposit	1
Electric Distribution	7
Forestry	1
High Bill	3
Inquiry	2
Metering	2
Policies	3
Privacy Laws	1
<b>April 09</b>	<b>41</b>
Ancillary Charges	1
Billing	7
Credit Collections	1
Customer Service	3
Denial of Service	1
Gas Distribution	1
High Bill	2
Metering	2
Policies	22
Privacy Laws	1
<b>May 09</b>	<b>92</b>
Billing	19
Credit Collections	7
Customer Service	20
Denial of Service	2
Deposit	6
Disconnect for Non-Payment	5
Electric Distribution	1
Forestry	1
Gas Distribution	1
High Bill	4
Policies	26
<b>June 09</b>	<b>76</b>
Billing	4
Credit Collections	7
Customer Service	22
Denial of Service	1
Deposit	4
Disconnect for Non-Payment	11
Electric Distribution	10
Forestry	2

High Bill	1
Inquiry	3
Medical Alert	1
Metering	3
Policies	6
Privacy Laws	1
<b>July 09</b>	<b>49</b>
Ancillary Charges	1
Billing	5
Credit Collections	5
Customer Service	10
Denial of Service	1
Deposit	9
Disconnect for Non-Payment	4
Electric Distribution	2
Forestry	2
High Bill	3
Policies	7
<b>Aug 09</b>	<b>54</b>
Billing	11
Credit Collections	5
Customer Service	2
Denial of Service	1
Deposit	5
Disconnect for Non-Payment	7
Electric Distribution	11
Forestry	1
High Bill	1
Metering	2
Policies	8
<b>Sep 09</b>	<b>48</b>
Ancillary Charges	1
Billing	8
Credit Collections	5
Customer Service	5
Deposit	8
Disconnect for Non-Payment	4
Electric Distribution	3
Forestry	2
Gas Distribution	1
High Bill	2
Metering	6
Policies	2

Website Function	1	
<b>Oct 09</b>	<b>40</b>	
Billing	7	
Credit Collections	1	
Customer Service	11	
Denial of Service	1	
Deposit	6	
Disconnect for Non-Payment	2	
Electric Distribution	3	
Energy Efficiency/DSM	1	
Gas Distribution	2	
High Bill	2	
Inquiry	1	
Metering	3	
<b>Nov 09</b>	<b>50</b>	
Ancillary Charges	2	
Billing	14	
Credit Collections	3	
Customer Service	10	
Deposit	7	
Disconnect for Non-Payment	1	
Electric Distribution	1	
Energy Efficiency/DSM	2	
Forestry	1	
Gas Distribution	1	
High Bill	1	
Inquiry	1	
Policies	6	
<b>Dec 09</b>	<b>32</b>	
Billing	11	
Credit Collections	4	
Denial of Service	1	
Deposit	6	
Disconnect for Non-Payment	4	
Electric Distribution	1	
Gas Distribution	2	
Metering	1	
Policies	1	
Privacy Laws	1	
<b>Jan-10</b>	<b>38</b>	
High Bill	33	
Metering	1	

Policies/Inquiries/Programs	2
Website Functions	2
<b>Feb-10</b>	<b>36</b>
Ancillary Charges	1
Billing	13
Community Affairs	1
Credit Collections	4
Customer Service	1
Deposit	3
Disconnect for Non Payment	2
Electric Distribution	3
High Bill	4
Metering	3
Privacy Laws	1
<b>Mar-10</b>	<b>50</b>
Ancillary Charges	2
Billing	9
Credit Collections	5
Customer Service	5
Denial of Service	1
Deposit	6
Disconnect for Non Payment	7
Electric Distribution	1
Gas Distribution	1
High Bill	11
Metering	2
<b>Apr-10</b>	<b>50</b>
Ancillary Charges	1
Billing	5
Credit Collections	6
Customer Service	5
Denial of Service	1
Deposit	8
Disconnect for Non Payment	9
Electric Distribution	2
Energy Efficiency/DSM	1
Gas Distribution	1

High Bill	3
Metering	7
Privacy Laws	1
<b>May-10</b>	<b>33</b>
Ancillary Charges	1
Billing	4
Community Affairs	7
Denial of Service	3
Deposit	3
Disconnect for Non Payment	5
Electric Distribution	6
High Bill	1
Metering	3
<b>Jun-10</b>	<b>38</b>
Ancillary Charges	1
Billing	5
Credit Collections	7
Denial of Service	1
Deposit	5
Disconnect for Non Payment	5
Electric Distribution	7
Gas Distribution	1
High Bill	1
Metering	2
Policies/Inquiries/Programs	2
Website Functions	1
<b>Jul-10</b>	<b>52</b>
Billing	6
Credit Collections	9
Customer Service	1
Denial of Service	1
Deposit	7
Disconnect for Non Payment	14
Electric Distribution	5
Energy Efficiency/DSM	1
Gas Distribution	2
High Bill	4

Metering	1
Policies/Inquiries/Programs	1
<b>Aug-10</b>	<b>41</b>
Billing	10
Credit Collections	6
Customer Service	6
Denial of Service	2
Deposit	3
Disconnect for Non Payment	3
Electric Distribution	1
Forestry	1
Gas Distribution	2
High Bill	3
Metering	4
<b>Sep-10</b>	<b>42</b>
Billing	7
Credit Collections	6
Customer Service	4
Denial of Service	4
Deposit	1
Disconnect for Non Payment	4
Electric Distribution	5
Forestry	1
Gas Distribution	2
High Bill	2
Metering	6
<b>Oct-10</b>	<b>36</b>
Ancillary Charges	2
Billing	3
Credit Collections	6
Customer Service	4
Deposit	5
Disconnect for Non Payment	7
Electric Distribution	2
Gas Distribution	3
High Bill	1
Metering	3

<b>Nov-10</b>	<b>36</b>
Billing	10
Credit Collections	3
Customer Service	2
Denial of Service	1
Deposit	3
Disconnect for Non Payment	3
Electric Distribution	4
Gas Distribution	3
High Bill	1
Metering	6
<b>Dec-10</b>	<b>22</b>
Billing	3
Credit Collections	4
Customer Service	3
Denial of Service	1
Deposit	1
Disconnect for Non Payment	3
Electric Distribution	3
Gas Distribution	1
Metering	3
<b>Jan-11</b>	<b>33</b>
Ancillary Charges	1
Billing	6
Credit Collections	3
Customer Service	2
Denial of Service	1
Deposit	2
Disconnect for Non-Payment	3
Forestry	2
High Bill	9
Metering	3
Policies/Inquiries/Programs/Payments	1
<b>Feb-11</b>	<b>38</b>
Billing	7
Credit Collections	7

Customer Service	1
Denial of Service	1
Deposit	4
Electric Distribution	2
Forestry	1
High Bill	6
Metering	8
Policies/Inquiries/Programs/Payments	1
<b>Mar-11</b>	<b>35</b>
Ancillary Charges	1
Billing	9
Credit Collections	9
Customer Service	2
Denial of Service	1
Deposit	3
Disconnect for Non-Payment	2
Electric Distribution	2
Gas Distribution	1
High Bill	1
Metering	4
<b>Apr-11</b>	<b>35</b>
Billing	9
Credit Collections	4
Customer Service	2
Deposit	3
Disconnect for Non-Payment	7
Electric Distribution	1
Gas Distribution	1
High Bill	2
Metering	5
Privacy Laws	1
<b>May-11</b>	<b>30</b>
Ancillary Charges	1
Billing	2
Credit Collections	4
Customer Service	2
Deposit	4



Disconnect for Non-Payment	4
Electric Distribution	4
Gas Distribution	1
High Bill	7
Policies/Inquiries/Programs/Payments	1
<b>Jun-11</b>	<b>33</b>
Ancillary Charges	1
Billing	5
Credit Collections	4
Customer Service	1
Denial of Service	1
Deposit	3
Disconnect for Non-Payment	8
Electric Distribution	2
High Bill	5
Metering	2
Unauthorized Reconnect	1
<b>Jul-11</b>	<b>26</b>
Billing	5
Credit Collections	2
Customer Service	1
Denial of Service	1
Deposit	1
Disconnect for Non-Payment	5
Electric Distribution	2
Forestry	1
Gas Distribution	1
Metering	6
Website Functions	1
<b>Aug-11</b>	<b>53</b>
Ancillary Charges	1
Billing	6
Credit Collections	4
Customer Service	2
Denial of Service	1
Deposit	3
Disconnect for Non-Payment	4

Electric Distribution	18
Forestry	1
Gas Distribution	3
High Bill	2
Metering	5
Privacy Laws	1
Unauthorized Reconnect	2
<b>Sep-11</b>	<b>31</b>
Billing	5
Credit Collections	3
Customer Service	1
Denial of Service	1
Deposit	3
Disconnect for Non-Payment	6
Electric Distribution	6
Forestry	1
High Bill	3
Policies/Inquiries/Programs/Payments	1
Unauthorized Reconnect	1
<b>Oct-11</b>	<b>38</b>
Ancillary Charges	2
Billing	4
Credit Collections	5
Customer Service	2
Denial of Service	2
Deposit	3
Disconnect for Non-Payment	4
Electric Distribution	2
Energy Efficiency / DSM	1
Forestry	1
Gas Distribution	4
High Bill	1
Metering	5
Policies/Inquiries/Programs/Payments	1
Unauthorized Reconnect	1
<b>Nov-11</b>	<b>16</b>
Ancillary Charges	2

Billing	4
Credit Collections	2
Denial of Service	2
Deposit	1
Disconnect for Non-Payment	1
Electric Distribution	1
Metering	2
Website Functions	1
<b>Dec-11</b>	<b>14</b>
Billing	4
Credit Collections	1
Disconnect for Non-Payment	4
Gas Distribution	2
High Bill	1
Metering	1
Website Functions	1
<b>Jan-12</b>	<b>25</b>
Ancillary Charges	1
Billing	1
Credit Collections	4
Customer Service	4
Denial of Service	2
Deposit	1
Disconnect for Non-Payment	4
Electric Distribution	3
Gas Distribution	2
High Bill	2
Metering	1
<b>Feb-12</b>	<b>17</b>
Billing	6
Credit Collections	2
Deposit	2
Disconnect for Non-Payment	2
Electric Distribution	2
High Bill	1
Policies/Inquiries/Programs/Payments	2

<b>Mar-12</b>	<b>20</b>
Ancillary Charges	3
Billing	3
Credit Collections	1
Customer Service	3
Denial of Service	1
Deposit	2
Disconnect for Non-Payment	3
Gas Distribution	1
High Bill	3
<b>Apr-12</b>	<b>23</b>
Ancillary Charges	3
Billing	3
Credit Collections	6
Customer Service	2
Denial of Service	1
Deposit	2
Electric Distribution	1
Gas Distribution	1
High Bill	1
Metering	2
Website Functions	1
<b>May-12</b>	<b>23</b>
Billing	5
Credit Collections	6
Denial of Service	3
Deposit	1
Disconnect for Non-Payment	4
Electric Distribution	1
High Bill	2
Metering	1
<b>Jun-12</b>	<b>23</b>
Billing	5
Credit Collections	6
Denial of Service	3
Deposit	1
Disconnect for Non-Payment	4

Electric Distribution	1
High Bill	1
Metering	2
<b>Jul-12</b>	<b>20</b>
Billing	2
Credit Collections	6
Customer Service	2
Denial of Service	1
Energy Efficiency / DSM	2
Forestry	2
Gas Distribution	1
High Bill	2
Metering	2

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 18**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-18. Reference the Thompson testimony at page 1. What is the witness' total compensation package?

A-18. See the response to PSC 1-46.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 19**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-19. What portion of that amount is the company requesting the ratepayers to bear in this application?

A-19. See the response to PSC 1-46. This shows there are three components of the witness's compensation: salary, other compensation and broad-based employee benefits. As indicated in PSC 1-46, none of the executive witness's Other Compensation is actually recovered through base rates; rather, only a portion of the witness's salary and broad-based employee benefits is so recovered. That notwithstanding, 20.5% of the witness's total compensation is equivalent to the amount of the witness's salary and broad-based employee benefits that LG&E recovers through base rates.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 20**

**Responding Witness: Paul W. Thompson**

- Q-20. Reference the Thompson testimony, p. 9. Describe all efforts the company is making to get the TC2 unit to function within the performance standards for which it is designed.
- a. Describe whether any of the O & M costs sought to be recovered are or could be covered under warranty with the TC2 manufacturers and/or other contractors who designed and/or built the unit.
  - b. Provide a history of all unplanned outages at TC2 since the unit went on-line commercially. For each such outage, describe whether any costs associated therewith were or could be covered under insurance and/or warranties.
  - c. Reference the Thompson testimony at p. 13. Has the Black & Veatch software been used to analyze the heat rate issues at TC2? If so, please provide results. If not, why not?
- A-20. TC2 had a major planned outage from March 23, 2012 to June 1, 2012 to address known, remaining issues that were negatively impacting performance. It is the Company's belief that the areas of the unit addressed during the outage are operating closer to design levels.
- a. There are no O&M costs incurred by LG&E for which recovery is being sought under the warranty.
  - b. See attached. None of these outages resulted in costs that could be covered under insurance or warranties.
  - c. Yes, the Black and Veatch program has been used to monitor Heat Rate issues at Trimble County. Some examples of these issues are:
    - 1. Unit 2 Feedwater heater 1B shell temperature was found elevated. A main steam supply valve to the turbine gland steam was found open; this gland



steam drains to the heater shell, and was elevating the temperature and impacting heater performance. The immediate impact was 16 BTU/kwh, or \$16,000 per month in heat rate impact.

2. Ongoing monitoring of Unit 2 High Pressure condenser identified high backpressure and possible cleanliness issues. Going into the spring 2012 outage, the plant was notified and advised to perform an extensive condenser cleaning. After the outage, the Black and Veatch program continued investigating and assisted with pinpointing a large source of air in leakage to this condenser. Once that source was eliminated, the backpressure improved to normal levels. The heat rate impact of this find was quantified at 22 BTU/kwh, or \$22,340 per month.
3. The Black and Veatch program identified air heater pluggage and possible damage due to picking up increasing gas differential pressures across the heaters. The increase in differential pressure was noted before it reached alarm status, allowing the plant to plan corrective action in a timely manner. The quantified heat rate impact was 15 BTU/kwh, or \$15,200 per month.
4. The Black and Veatch program has identified potential issues with both feedwater and condensate heater flows. They are monitoring the drain valve positions to both the HP Feedwater and the LP Condensate heaters, and valve positions on the 8A and 8B HP heaters as well as the 2A, 2B, 1A, and 1B heaters indicated increased flow through the systems. These may be part of separate issues or single issues; the investigation is ongoing between the station and Black and Veatch. Possible impacts to heat rate could be excessive extraction flow to the heaters, causing the drain valves to open further; this would impact the turbine performance by eliminating steam from the cycle. Additionally, it could be indicative of a tube leak in one of the heaters, which would eliminate feedwater from the system prior to entering the turbine and lowering steam flow.

In general, the Black and Veatch program has been utilized to identify and address heat rate issues at Trimble County Unit 2 where possible. In the cases presented above, there were attempts made to address issues found. However, in many of the open items found by Black and Veatch, the heat rate impact is a result of ongoing issues with the boiler OEM and the EPC contractor. Impacts to the heat rate from boiler operation and efficiency; burner combustion, pulverizer operation and performance, and forced and induced draft fan performance are being addressed and tuned by Doosan and Bechtel. In these cases, the heat rate issues have been identified, but the actual work to address them is being pushed not by the plant, but by these other parties as part of their contractual obligations.

<u>Unit Name</u>	<u>Event Type</u>	<u>Event No</u>	<u>Cause Code</u>	<u>Event Start</u>	<u>Event End</u>	<u>Event Hours</u>	<u>Event Cause</u>
TC2	U1	8	9920	2/3/11 11:09	2/3/11 18:00	6.85	CONTRACTOR ERROR
TC2	U1	12	1480	2/3/11 18:00	2/5/11 16:25	46.42	OTHER INDUCED DRAFT FAN PROBLEMS
TC2	U1	10	1700	2/5/11 17:42	2/6/11 0:36	6.90	FEEDWATER CONTROLS
TC2	U1	22	1450	2/16/11 15:46	2/17/11 2:53	11.12	OTHER AIR SUPPLY PROBLEMS
TC2	MO	29	390	3/3/11 2:20	3/7/11 16:30	110.17	BURNER WIND BOXES AND DAMPERS
TC2	U1	34	3370	3/15/11 8:51	3/15/11 16:56	8.08	CONDENSATE SYSTEM CONTROLS AND INSTRUMENTATION
TC2	U1	39	3499	3/17/11 20:49	3/17/11 22:30	1.68	OTHER FEEDWATER SYSTEM PROBLEMS
TC2	MO	40	390	3/17/11 22:30	3/20/11 13:42	63.20	BURNER WIND BOXES AND DAMPERS
TC2	U1	45	3410	3/22/11 16:55	3/23/11 8:26	15.52	FEEDWATER PUMP
TC2	U1	47	870	3/24/11 8:08	3/29/11 14:29	126.35	SOOT BLOWERS - STEAM
TC2	U1	49	4269	3/29/11 16:51	3/29/11 21:25	4.57	OTHER TURBINE VALVES
TC2	U1	51	3431	3/29/11 22:42	3/29/11 23:24	0.70	OTHER FEEDWATER VALVES
TC2	U1	53	4269	3/30/11 3:43	3/30/11 10:53	7.17	OTHER TURBINE VALVES
TC2	SF	56	1431	5/4/11 3:00	5/6/11 7:55	52.92	AIR SUPPLY DAMPERS FROM FD FAN
TC2	U1	76	1415	5/30/11 0:08	5/30/11 23:30	23.37	FORCED DRAFT FAN CONTROLS
TC2	U1	137	1480	7/1/11 1:16	7/1/11 16:39	15.38	OTHER INDUCED DRAFT FAN PROBLEMS
TC2	U1	210	1400	8/15/11 6:29	8/16/11 8:42	26.22	FORCED DRAFT FANS
TC2	U1	213	1400	8/17/11 8:16	8/18/11 2:10	17.90	FORCED DRAFT FANS
TC2	MO	237	1400	8/27/11 1:37	8/29/11 8:00	54.38	FORCED DRAFT FANS
TC2	ME	238	8651	8/29/11 8:00	9/14/11 13:31	389.52	BAG FAILURES AND REBAGGING
TC2	SF	239	570	9/14/11 13:31	9/15/11 4:21	14.83	OTHER REHEAT STEAM PROBLEMS
TC2	U1	240	530	9/15/11 5:44	9/15/11 11:00	5.27	OTHER MAIN STEAM SYSTEM PROBLEMS
TC2	U1	252	3853	9/30/11 1:18	9/30/11 5:53	4.58	INSTRUMENT AIR DRYERS
TC2	MO	290	1455	11/4/11 0:02	11/7/11 12:39	84.62	INDUCED DRAFT FANS
TC2	U1	294	3843	11/16/11 18:04	11/17/11 9:19	15.25	SERVICE AIR DRYERS
TC2	MO	322	1493	12/16/11 4:53	12/20/11 12:51	103.97	AIR HEATER FOULING (REGENERATIVE)
TC2	U1	6	4302	1/12/12 0:47	1/12/12 8:32	7.75	TURBINE TRIP DEVICES (INCLUDING INSTRUMENTS)
TC2	U1	7	3414	1/12/12 9:08	1/12/12 17:42	8.57	FEEDWATER PUMP LOCAL CONTROLS
TC2	U1	99	690	6/1/12 6:43	6/1/12 14:31	7.80	Other Feedwater Prob. Downstrm Of Feedwtr Reg. Vlv
TC2	U1	102	1030	6/3/12 7:27	6/8/12 19:48	132.35	Boiler Screen; Wing Wall; Or Slag Screen Leaks...
<u>TC2</u>	<u>U2</u>	<u>5</u>	<u>1040</u>	<u>1/7/12 13:26</u>	<u>1/11/12 20:18</u>	<u>102.87</u>	<u>FIRST SUPERHEATER LEAKS</u>
						<b>1,476.27</b>	

Attachment to Response to LGE AG-1 Question No. 20(b)

Page 1 of 1

Thompson

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 21**

**Responding Witness: Paul W. Thompson**

Q-21. Please describe in detail any financial ramifications to the company and its ratepayers if TC2 does not "operate effectively and efficiently going forward."

A-21. The Company fully expects TC2 to operate as designed over the long term. The issues that TC2 has experienced are typical of a large unit start-up, as noted more fully in response to PSC 2-37.

The Company fully expects TC2 to operate as designed over the long term. Should TC2 operate at less than the desired level, the impact from a ratepayer perspective would be in one of two ways. If TC2 were on an extended "planned" outage the ratepayers would pay the incremental fuel cost between TC2 and the next most efficient unit. Should TC2 be on a "forced" outage, the company would absorb the incremental cost difference through the forced outage penalty provision in the fuel adjustment clause.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 22**

**Responding Witness: Paul W. Thompson**

- Q-22. Reference the Thompson testimony at p. 9, lines 15 -19. Are the \$11 million in costs listed therein in excess of that which the company had previously anticipated? If so, explain in detail, and please provide a detailed explanation of the purpose of those costs.
- A-22. The costs were in line with expectations. See the attached file for the FERC Account breakdown.

TRIMBLE COUNTY UNIT 2 - OPEX Expenses for twelve months ending March 31, 2012

FERC ACCOUNT (6 Digit)	ACCOUNT DESCRIPTION	TOTAL (\$000's)	IMEA/IMPA Portion	Net TC2 Expense	LG&E & KU Company Split	
					LG&E 19%	KU 81%
500100	OPER SUPER/ENG	\$765	\$191	\$574	\$109	\$465
500900	OPER SUPER/ENG - INDIRECT	\$178	\$45	\$134	\$25	\$108
501090	FUEL HANDLING	\$1,251	\$313	\$938	\$178	\$760
501990	FUEL HANDLING - INDIRECT	\$0	\$0	\$0	\$0	\$0
502002	BOILER SYSTEMS OPR	\$125	\$31	\$94	\$18	\$76
502004	SDRS-H2O SYS OPR	\$105	\$26	\$78	\$15	\$64
502100	STM EXP(EX SDRS.SPP)	\$1,608	\$402	\$1,206	\$229	\$977
502900	STM EXP(EX SDRS.SPP) - INDIRECT	\$2	\$0	\$1	\$0	\$1
505100	ELECTRIC SYS OPR	\$998	\$250	\$749	\$142	\$606
506001	STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	\$22	\$5	\$16	\$3	\$13
506100	MISC STM PWR EXP	\$855	\$214	\$641	\$122	\$520
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	\$49	\$12	\$36	\$7	\$30
506900	MISC STM PWR EXP - INDIRECT	\$0	\$0	\$0	\$0	\$0
510100	MTCE SUPER/ENG - STEAM	\$504	\$126	\$378	\$72	\$306
511100	MTCE-STRUCTURES	\$962	\$241	\$722	\$137	\$585
512005	MAINTENANCE-SDRS	\$479	\$120	\$359	\$68	\$291
512011	INSTR/CNTRL-ENVRNL	\$139	\$35	\$105	\$20	\$85
512015	SDRS-COMMON H2O SYS	\$878	\$220	\$659	\$125	\$534
512017	MTCE-SLUDGE STAB SYS	\$55	\$14	\$41	\$8	\$33
512100	MTCE-BOILER PLANT	\$4,037	\$1,009	\$3,028	\$575	\$2,453
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	\$44	\$11	\$33	\$6	\$27
512102	SORBENT INJECTION MAINTENANCE	\$20	\$5	\$15	\$3	\$12
513100	MTCE-ELECTRIC PLANT	\$687	\$172	\$515	\$98	\$418
513900	MTCE-ELECTRIC PLANT - BOILER	\$12	\$3	\$9	\$2	\$7
514100	MTCE-MISC/STM PLANT	\$451	\$113	\$338	\$64	\$274
		<b>\$14,227</b>	<b>\$3,557</b>	<b>\$10,671</b>	<b>\$2,027</b>	<b>\$8,643</b>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 23**

**Responding Witness: Paul W. Thompson**

Q-23. Reference the Thompson testimony beginning at p. 13. Provide a detailed description/accounting by month and year during the test year for the "flat to declining on and off-system sales" referenced in the testimony.

A-23. See attached.

Energy Marketing  
 OSS - LGE and KU Contribution (before tax)  
 Based on Monthly Corporate Accounting OSS Reports  
 \$000's

	For 12 Months Ended March 31, 2012												
	April '11	May	June	July	August	September	October	November	December	January '12	February	March	Total
<b>Combined LG&amp;E and KU</b>													
Total OSS Contribution	192	(46)	168	265	(199)	463	1,189	1,545	838	336	(53)	67	4,765
Swaps & Brokered	77	(1,117)	(661)	(426)	(479)	(256)	(95)	(124)	-	-	-	-	(3,081)
OSS Contribution w/o Swaps & Brokered	115	1,071	829	691	280	719	1,284	1,669	838	336	(53)	67	7,846

	For 12 Months Ended March 31, 2012												
	April '11	May	June	July	August	September	October	November	December	January '12	February	March	Total
<b>LG&amp;E</b>													
Total OSS Contribution	171	(71)	275	225	(187)	373	970	1,491	748	223	(64)	50	4,204
Swaps & Brokered	77	(1,012)	(531)	(379)	(436)	(256)	(83)	(122)	-	-	-	-	(2,742)
OSS Contribution w/o Swaps & Brokered	94	941	806	604	249	629	1,053	1,613	748	223	(64)	50	6,946

	For 12 Months Ended March 31, 2012												
	April '11	May	June	July	August	September	October	November	December	January '12	February	March	Total
<b>KU</b>													
Total OSS Contribution	21	25	(107)	40	(12)	90	219	54	90	113	11	17	561
Swaps & Brokered	-	(105)	(130)	(47)	(43)	-	(12)	(2)	-	-	-	-	(339)
OSS Contribution w/o Swaps & Brokered	21	130	23	87	31	90	231	56	90	113	11	17	900

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 24**

**Responding Witness: Paul W. Thompson**

- Q-24. Reference the Thompson testimony at p. 13, wherein Mr. Thompson states that the Black & Veatch software will "optimize" maintenance costs. Will it also reduce maintenance costs? Please explain.
- A-24. B&V software leverages operation and condition status to optimize maintenance frequency and duration. Optimized maintenance may incrementally reduce cost relative to a frequency based maintenance program.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 25**

**Responding Witness: Paul W. Thompson**

Q-25. Please list the total cost(s) for the services of Black and Veatch, by year since the engagement of the firm's services for the above-referenced software.

A-25. The LG&E amount for 2010 was \$41,850. The LG&E amount for 2011 was \$299,076.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 26**

**Responding Witness: Paul W. Thompson**

- Q-26. Reference the Thompson testimony at p. 14-16, wherein Mr. Thompson references decreasing abilities to make off-system sales, and structural changes to the Companies' base load generation fleet. Describe the structural changes in detail.
- A-26. As noted in the testimony, the primary structural changes are the expiration of Electric Energy, Inc. and Owensboro Municipal Utilities contracts for power that served KU and LG&E native load. In combination with the lower natural gas prices, the ability to generate significant revenues through the wholesale power market was greatly reduced from the levels realized in 2005-2008.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 27**

**Responding Witness: Paul W. Thompson**

Q-27. State why the agreements with OMU and Electric Energy, Inc. were terminated, and whether the companies believe any agreements could be reached with these entities in the future.

A-27. The OMU and EEInc. Contracts were KU-only contracts. The OMU contract was terminated by OMU, not by KU after several years of litigation by KU.

With regard to EEI, in 2005, the EEI Board proposed to modify its contract with KU from cost-based rates to market-based rates, over the objection of KU as a minority shareholder.. Based upon these changes, KU determined that it was no longer a least cost option for KU customers and the then-existing contract expired at the end of 2005.

As for the future, as with any power purchase agreement, EEI and/or OMU would have to be a least cost resource before the Companies would agree to enter into a new contract. In addition, The Companies would want to be certain that any necessary environmental investments have been made for the life of any contract. While EEI submitted a bid in response to the Companies' last RFP for capacity, it was only for a limited amount of capacity from 2013 to 2016. This bid was not determined to be a least cost resource at that time. OMU did not respond to the Companies' most recent RFP.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 28**

**Responding Witness: Paul W. Thompson**

- Q-28. Do the companies believe that in light of expensive-to-comply-with EPA air regulations, the price for off system sales will remain low? If so, provide complete justification and any and all bases for such a belief.
- A-28. As noted in the testimony, the Company believes that the increased domestic production of natural gas, which is driving down both natural gas and wholesale electricity prices, in concert with the Company's structural changes in base load due to the loss of the Electric Energy, Inc. and Owensboro Municipal Utilities contracts, is greatly limiting the ability to sell power off-system at prices consistently above variable cost. The Company constantly evaluates the off-system market and opportunities however, and should gas prices move up and power is available after serving native load, the Company will make such sales if they can be profitable.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 29**

**Responding Witness: Paul W. Thompson**

- Q-29. Reference the Thompson testimony at p. 19, and 20-21 wherein Mr. Thompson references an estimate of \$62 million to complete upgrades to the Companies' transmission facilities in order to comply with new NERC guidelines. If the Companies were a member of an RTO, would any portion of this cost be a subject to partial funding from other RTO members?
- A-29. No. In the Companies assessment of the NERC Alert requirements, the projects identified in the assessment are all local projects and thus would not be allocated any differently whether an RTO member or not.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 30**

**Responding Witness: Paul W. Thompson**

- Q-30. Please provide a breakdown of how costs for EMS and CASCADE have been allocated between KU and LG&E.
- A-30. The capital costs incurred between the two test year periods were allocated 65% to KU and 35% to LG&E for CASCADE, and 68% to KU and 32% to LG&E for EMS.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 31**

**Responding Witness: Paul W. Thompson**

Q-31. Reference the Thompson testimony at p. 20. Please provide a breakdown of how costs for the new employees of Energy Services have been allocated between KU and LG&E.

A-31. The costs by function by Company are as follows:

	<u>LG&amp;E</u>	<u>KU</u>
Generation	\$255,091	\$542,199
Transmission	<u>\$551,103</u>	<u>\$1,023,478</u>
Total Energy Services	\$806,194	\$1,565,677

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 32**

**Responding Witness: Paul W. Thompson**

Q-32. Reference the Thompson testimony at p. 21. Provide the company's funding to the Electric Power Research Institute for the past five years. Describe how much of these sums are paid by the company's ratepayers.

A-32. Funding to EPRI from LG&E between 2007 and 2011 is as follows:

2007	\$606k
2008	\$1,065k
2009	\$1,020k
2010	\$1,312k
2011	\$1,270k

The ratepayers pay 100% of the sums.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 33**

**Responding Witness: Paul W. Thompson**

- Q-33. Reference the Thompson testimony at p. 22. Please state whether the funding to the WKCFS is a reoccurring cost going forward.
- A-33. Though the actual cash funding has been completed, the payments to the Western Kentucky Carbon Storage Foundation were set up as regulatory assets and approved for amortization and rate recovery in LG&E Case Number No. 2009-00549 and KU Case Number No. 2009-00548 under the name Kentucky Consortium for Carbon Storage (KCCS). The amortization of the regulatory asset runs through July, 2014.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 34**

**Responding Witness: Paul W. Thompson**

- Q-34. Reference the Thompson testimony at p. 22 and 23. Please state whether the financial commitments to the DOE as noted on these pages will continue after the termination dates listed therein.
- A-34. The Company continually evaluates R&D projects and makes funding decisions based on the projects that offer the most promise and potential benefits to the Company and its customers. The projects referenced above will be evaluated as part of that overall scope. No commitment beyond what was referenced in Mr. Thompson's testimony has been made on those specific projects.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 35**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-35. Reference the Hermann testimony at page 1. What is the witness' total compensation package?

A-35. See the response to PSC 1-46.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 36**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-36. What portion of that amount is the company requesting the ratepayers to bear in this application?

A-36. See the response to PSC 1-46. This shows there are three components of the witness's compensation: salary, other compensation and broad-based employee benefits. As indicated in PSC 1-46, none of the executive witness's Other Compensation is actually recovered through base rates; rather, only a portion of the witness's salary and broad-based employee benefits is so recovered. That notwithstanding, 24.7% of the witness's total compensation is equivalent to the amount of the witness's salary and broad-based employee benefits that LG&E recovers through base rates.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 37**

**Responding Witness: Paul Gregory "Greg" Thomas**

- Q-37. Reference the Hermann testimony in general. Provide a detailed financial accounting of any additional enhanced ROW or other work performed on LG&E's transmission system for the past five (5) preceding the test year.
- A-37. The hazard tree program is the only initiative that would fall under this category. It is a distribution program only and does not apply to transmission.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 38**

**Responding Witness: Paul Gregory "Greg" Thomas**

Q-38. Provide a detailed financial projection of costs for the five (5) year period following the conclusion of the test year.

A-38. See the response to Question No. 37.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 39**

**Responding Witness: Paul Gregory "Greg" Thomas**

Q-39. Reference the Hermann testimony in general. Provide a detailed financial accounting of any additional enhanced ROW or other work performed on LG&E's distribution system for the past five (5) preceding the test year.

A-39. The Enhanced Hazard Tree removal program began in September 2010. For the past five (5) years preceding the test year, LG&E has spent the following additional dollars to remove hazard trees as part of this program:

2010	\$ 385,000.
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2011-Prior to test period	\$ 220,000.
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**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 40**

**Responding Witness: Paul Gregory "Greg" Thomas / Counsel**

- Q-40. Provide a detailed financial projection of costs for the five (5) year period following the conclusion of the test year.
- A-40. Consistent with its historical practice, the Company does not disclose information relating to budgets. Such projections are only estimates; there is no guarantee that such projections will be realized; and the estimates are based on a number of assumptions that may change over time. The Company has used an historic test year in this proceeding; not a forecasted test year. The Commission determined in its September 6, 1990 Ruling and in its September 21 and October 18, 1990 Orders in Case No. 90-158 that such information is not discoverable in historical test year rate cases. Without waiver of this objection, the actual spent from April 1, 2012 through July 1, 2012 was \$484 K.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 41**

**Responding Witness: Chris Hermann**

Q-41. Reference the Hermann testimony at page 11. Provide a detailed listing of the costs stated at page 11 at lines 5-11.

A-41. The August 2011 storm restoration costs referenced in the Hermann testimony on page 11 are as follows:

Capital:

<u>Expense Category</u>	<u>Amount</u>
Labor	\$ 224,543.27
Materials	\$ 234,543.33
Miscellaneous	\$ 3,482.08
Outside Services	\$ 995,254.92
Transportation	<u>\$ 38,003.02</u>
Total	\$1,495,826.62

Operations and Maintenance Expenses:

<u>Expense Category</u>	<u>Amount</u>
Labor	\$1,104,847.51
Materials	\$ 511,559.09
Miscellaneous	\$ 398,151.37
Outside Services	\$6,310,133.61
Transportation	<u>\$ 106,084.07</u>
Total	\$8,430,775.65

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 42**

**Responding Witness: Chris Hermann**

Q-42. Reference the Hermann testimony at pages 12-13. Provide a detailed financial listing of the costs stated therein.

A-42. See attached for the details of the costs on line 3, 7, 12, 13 and 21 of page 13.

## Page 13 Line 3 Costs

<u>Account #</u>	<u>Account Description</u>	<u>Amount</u>
580	Operation Supervision & Engineering - Electric Distribution	\$ 883,896.26
583	Overhead Line Expenses - Electric Distribution	\$ 156,617.32
590	Maint. Supervision and Engineering - Electric Distribution	\$ 95,945.90
593	Maint. of Overhead Lines - Electric Distribution	\$ 6,528,721.40
594	Maint. of Underground Lines - Electric Distribution	\$ 7,205.51
595	Maint. of Line Transformers - Electric Distribution	\$ 2,576.03
598	Maint. Of Misc. Distribution Plan - Electric Distribution	\$ 331,825.01
925	Injuries & Damages (Public Liability)	\$ 2,902.81
930.1	General Advertising Expense (General Public Information)	\$ 42,434.41
Total Page 13 Line 3 Costs		<u>\$ 8,052,124.65</u>

## Page 13 Line 7 Costs:

<u>Project #</u>	<u>Project Name</u>	<u>Account #</u>	<u>Amount</u>
132283	SCALES TRANSPORT LGE	107001	\$ 13,500.60
RNTPD419	Repair Third Party Damages-419	107001	\$ 26,031.08
124788	2009 FT CONVERSION PROJECTS	107001	\$ (9,151.73)
126486	2010 FT CUSTOMER CONVERSION	107001	\$ (1,869.10)
RNTPD419	Repair Third Party Damages-419	107001	\$ 203,100.42
RNTPD340	REP THR PARTY DAM 340	108901	\$ 5,973.80
RNTPD340	REP THR PARTY DAM 340	107001	\$ 123,617.71
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	108901	\$ 267,048.86
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	107001	\$ 207,994.06
STRM03230	LGE Minor Storm Events	107001	\$ 169.24
STRMLGE	LGE Major Storm Event	108901	\$ (0.05)
STRMLGE	LGE Major Storm Event	107001	\$ 635.58
CLR419	DO NOT USE (LEAK419G, CLAMP)	107001	\$ 12,043.24
132235	WK YELLOW LINE REPL 4 ELLS	108901	\$ 6,012.29
132235	WK YELLOW LINE REPL 4 ELLS	107001	\$ 145,802.29
130942	WK YELLOW LINE MODIFICATIONS	107001	\$ 1,914,695.83
132234	WK YELLOW @HWY44 CUTOUT	108901	\$ 4,472.70
132234	WK YELLOW @HWY44 CUTOUT	107001	\$ 97,827.02
127473	WK BLUE & GREEN MODIFICATIONS	108901	\$ 394.38
127473	WK BLUE & GREEN MODIFICATIONS	107001	\$ 2,341,670.07
134447	VISTA SWITCH_ELEC LINE FEEDS	107001	\$ 92,584.25
130498	UPGRADE VALVE ACTUATORS Prj	108901	\$ 1,347.43
130498	UPGRADE VALVE ACTUATORS Prj	107001	\$ 67,378.87
130166	UPGRADE RTUs	107001	\$ 34,811.63
126482	UPGRADE REGULATION FACILITIES	108901	\$ 15,119.14
126482	UPGRADE REGULATION FACILITIES	107001	\$ 418,548.58
130499	UPGRADE ELLINGSWORTH REG	107001	\$ 50,092.12
126477	UPGR ROTARY METERS AT IND FAC	108901	\$ 4,650.07
126477	UPGR ROTARY METERS AT IND FAC	107001	\$ 83,630.84
126478	UPGR ODORANT SYS CONTR	108901	\$ 3,087.13
126478	UPGR ODORANT SYS CONTR	107001	\$ 75,626.06
130500	UPGR ODORANT CONTROLL	107001	\$ 99,372.11

126474	UPGR MAJOR STATION REG & CONTR	107001	\$	29,616.59
126473	UPGR INDIRECT HEATER FLAME SYS	108901	\$	628.97
126473	UPGR INDIRECT HEATER FLAME SYS	107001	\$	51,860.53
130492	UPGR INDIRECT HEAT RE-LITER	107001	\$	40,432.10
124847	UPGR GAS CONTROL SCADA SYS	107001	\$	1,118,084.06
135635	UPGR FACIL AT DISTRICT REG STA	107001	\$	449.03
127650	UPGR EFCs AT INDUSTRIAL METERS	107001	\$	108,309.30
130493	UPGR DR & ELLINGSWORTH	108901	\$	24,936.32
130493	UPGR DR & ELLINGSWORTH	107001	\$	181,542.67
124842	UPGR BLDGS AT MAJOR STATIONS	108799	\$	2,464.00
124842	UPGR BLDGS AT MAJOR STATIONS	108901	\$	7,494.30
124842	UPGR BLDGS AT MAJOR STATIONS	107001	\$	32,480.68
132629	Cooper Chapel Rd Gas Main Relo	107001	\$	279,815.58
132629	Cooper Chapel Rd Gas Main Relo	108799	\$	70.63
134613	UPG CG TRANSMITTERS	107001	\$	26,650.33
RCST340	CUST REQ 340	107001	\$	51,185.99
RCST406G	Customer requested - Gas	107001	\$	103,697.53
RCST406G	Customer requested - Gas	108901	\$	22,640.40
134464	SEP HP & LOW PRESSURE AIR SYS	107001	\$	2,115.67
134436	SECURITY UPGR MAGN & CANMER	107001	\$	4,111.03
RRCS422G	RRCS422G	108901	\$	1,576.36
RRCS422G	RRCS422G	107001	\$	5,160.26
134438	ROD DROP INSTRUMENTATION	107001	\$	114,022.97
135651	RETIRE CASING WK YELLOW LINE	108901	\$	13,346.48
135586	REPLACE WESTERN KY YELLOW LINE	108799	\$	4,253.91
135586	REPLACE WESTERN KY YELLOW LINE	107001	\$	1,321,365.62
130510	REPLACE PURIFIER #1 REBOIL	108901	\$	28,815.98
130510	REPLACE PURIFIER #1 REBOIL	107001	\$	915,150.55
135163	REPLACE CG CONTROLLERS	107001	\$	37,033.13
127209	Replace 12" Line at Center	107001	\$	510,924.58
131700	REPL TUBING BUNDLE PURIF#1	107001	\$	157,210.57
135777	REPL PIECE PENILE TO PADDY'S	107001	\$	50,269.69
134431	REPL INSULATION_PIPING PURIF	107001	\$	4,249.95
130511	REPL INSULATION PIPE IN PURIF	107001	\$	62,748.62
126475	REPL BARDSTOWN RD EMER GEN	107001	\$	30,940.12
135471	REPL ACTUATOR CONTROLLERS	107001	\$	28,372.67
RRCS419G	REP CO GAS SERV 419	108901	\$	961,224.21
RRCS419G	REP CO GAS SERV 419	107001	\$	4,769,608.45
130495	REMOTE ODORANT SYS REP	108901	\$	49,144.09
130495	REMOTE ODORANT SYS REP	107001	\$	5,189.74
126470	REMOTE CONTROL VALVES	107001	\$	192,942.74
RRCS421G	REM/REPL CO GAS SERVICE-421	108901	\$	71,241.04
RRCS421G	REM/REPL CO GAS SERVICE-421	107001	\$	53,121.59
134555	RELIN GAS STORAGE WELLS_2012	107001	\$	3,330.51
130940	RELIN GAS STORAGE WELL	107001	\$	108,081.53
ASBLY419	Regulator Assemblies	108901	\$	302.82
ASBLY419	Regulator Assemblies	107001	\$	2,185.63
124297	REDUNDANT PURIFIER PLC	107001	\$	(14,372.31)
120595	PURCHASE REGUL-RES/COMM	107001	\$	323,783.31
130516	PURCHASE DIAGNOSTIC TOOLS	107001	\$	55,117.38
134556	PLUG WELLS W/ CORRODED CASING	108799	\$	4,176.05

117918	Plug & Repair Wells-Corroded	107001	\$	(6,009.04)
131113	PLUG & REPAIR WELLS	108799	\$	82,413.55
135160	PIPE SUPPORTS_CG_REG	108901	\$	20.84
135160	PIPE SUPPORTS_CG_REG	107001	\$	3,949.26
125684	PIGGABILITY CALVARY LINE	108901	\$	10,476.40
125684	PIGGABILITY CALVARY LINE	107001	\$	95,901.10
124837	PI CASING REPLACEMENTS	108901	\$	32,210.90
124839	PI ACT COMPLI RCVs	107001	\$	120,301.62
132621	PENILE TO PADDY'S RUN PIPELINE	108901	\$	4,394.05
132621	PENILE TO PADDY'S RUN PIPELINE	107001	\$	1,905,842.04
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	107001	\$	2,076,734.99
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	108901	\$	59,719.42
135168	OBSOLETE ROTARY METER UPGR	107001	\$	42,691.18
123021	MULD-SPCC COMPLIANCE PH 2	107001	\$	(2,912.00)
121899	MULD-SPCC COMPLIANCE	107001	\$	(3,953.42)
130869	MULDRAUGH FIELD STAIRWAY	107001	\$	26,259.07
127302	MULD-NON-FUSEABLE SWITCHES	107001	\$	15,709.16
123020	MULD-MISC FACILITY IMPRV	107001	\$	(20,714.87)
124153	MULD-INSTALL MAIN AMINE PUMPS	107001	\$	14,372.31
127125	Gas Management Relocation	107001	\$	279,036.91
123039	MULD-DRILL 5 RECOVERY WELLS	107001	\$	5,608,803.42
123050	MULD-DOE RUN LINE OTTER CREEK	108901	\$	9,441.55
123050	MULD-DOE RUN LINE OTTER CREEK	107001	\$	28,145.88
123038	MULD-ACID RIG PIPE REPLACE	107001	\$	(1,180.75)
124822	MULD VALVE ACTUATOR REPL PH 1	107001	\$	(26,108.35)
126443	MULD UPGRADE EXISTING FARM TAP	107001	\$	55,334.81
130937	MULD UPG EXISTING FARM TAPS	107001	\$	19,310.51
126384	MULD TURBINE PANEL UPGR	108901	\$	8,258.33
126384	MULD TURBINE PANEL UPGR	107001	\$	426,791.23
124827	MULD TRANSMISSION R/R DEF EQ	108901	\$	23,288.25
124827	MULD TRANSMISSION R/R DEF EQ	107001	\$	59,928.64
126445	MULD TRANSMISSION LINE REPL	108901	\$	24,599.23
126445	MULD TRANSMISSION LINE REPL	107001	\$	130,998.02
124826	MULD STORAGE PIPELINE REPL	108901	\$	2,337.51
124826	MULD STORAGE PIPELINE REPL	107001	\$	61,044.73
126444	MULD STORAGE PIPELINE	107001	\$	102,872.97
130518	MULD STATION YARD VALVE	107001	\$	69,534.48
130515	MULD STATION TRANSM	108901	\$	2,344.05
130515	MULD STATION TRANSM	107001	\$	60,035.50
124821	MULD STATION PIPING REPL	107001	\$	3,297.28
130914	MULD STA ACID BERM	107001	\$	95,030.46
124805	MULD REPL PURIF 1 BOOSTER PUMP	107001	\$	25,414.03
124812	MULD REPAIR/REPLACE DEF EQUIP	107001	\$	48,183.08
130517	MULD REP/REPL DEFECTIVE EQ	107001	\$	152,098.32
126370	MULD REFLUX COOL REFURB PUR#3	107001	\$	127,345.02
130856	MULD PURIFIER PROCESS PIPE	107001	\$	40,544.36
124818	MULD PURIF#3 REFLUX PUMP	108901	\$	2,755.20
124818	MULD PURIF#3 REFLUX PUMP	107001	\$	59,471.38
124819	MULD PURIF 2 REFLUX PUMP REPL	107001	\$	24,936.25
124817	MULD PLC REPLACEMENTS	107001	\$	11,884.69
124808	MULD OXIDIZER UPGRADE	107001	\$	11,962.46

130481	MULD MODIFY ST FLD LINES	107001	\$	278,774.64
124802	MULD KEWANEE BOILER BLDG	107001	\$	1,423,043.66
130915	MULD INT AUX COOLING	107001	\$	52,818.99
133092	KY HWY 22 RELOC - PHASE 3	107001	\$	97,728.12
125982	KY HWY 22 RELOCATION	107001	\$	111,036.28
125981	KY HWY 480 PHASE I	107001	\$	266,500.37
124804	MULD HYDRAULIC FAN MOTORS	107001	\$	85,535.54
124816	MULD HANDRAIL IMPROV	107001	\$	76,316.80
124815	MULD H2S SENSORS	108901	\$	912.43
124815	MULD H2S SENSORS	107001	\$	(912.43)
130913	MULD H2S INLET UNITS Prj	107001	\$	84,445.60
130944	MULD GAS TRANSMISSION	107001	\$	90,920.97
LSMR414	Large Scale Main Replacements	107001	\$	36,461,264.95
LSMR414	Large Scale Main Replacements	108901	\$	65,379.73
LSMR414	Large Scale Main Replacements	108799	\$	270,410.78
125900	MULD ENGINE COOLING	107001	\$	31,210.04
130916	MULD ENG NO. 7 COOLING PIPING	107001	\$	41,409.48
126371	MULD ENG #4 & #8 WATER PUMP	108901	\$	1,142.25
126371	MULD ENG #4 & #8 WATER PUMP	107001	\$	102,274.29
126350	MULD ELECTRIC MOTOR REPL	108901	\$	2,726.72
126350	MULD ELECTRIC MOTOR REPL	107001	\$	87,918.67
130853	MULD ELEC MTR & PUMP	108901	\$	6,957.75
130853	MULD ELEC MTR & PUMP	107001	\$	87,147.25
130514	MULD COMPRESSOR PIPE REP	107001	\$	129,147.21
124809	MULD COMPR STA YARD VALVES	107001	\$	24,907.45
124806	MULD COMPR COOLING LIN REPL	107001	\$	28,780.21
130912	MULD COMPR COOLER BLDG	107001	\$	101,712.49
124781	MULD COMP STA ELE OH TO UG	107001	\$	848.72
124824	MULD ACID RIG REPIPE PH2	107001	\$	21,863.36
126382	MULD 2010 REP/REPL DEF EQ	107001	\$	138,744.99
132123	MT WASHINGTON SCHOOL RELOC	108901	\$	1.54
132987	MISC FARM TAP REPLACEMENTS	107001	\$	1,509.29
132684	MILL CREEK LINE MODIFICATIONS	108901	\$	1,502.68
132684	MILL CREEK LINE MODIFICATIONS	107001	\$	296,514.70
122959	MILL CREEK GAS MEASUREMENT	108901	\$	14,344.16
122959	MILL CREEK GAS MEASUREMENT	107001	\$	(14,342.98)
127649	MAGNOLIA UPGRADE STATION PLCs	107001	\$	270,430.54
127455	MAGNOLIA TO PICCADILLY MODIF	108901	\$	117,103.92
127455	MAGNOLIA TO PICCADILLY MODIF	107001	\$	1,268,674.87
126340	MAGNOLIA 2010 FACIL IMPR	107001	\$	133,169.30
135587	MAGNOLIA 20" REPAIRS	108901	\$	41,451.73
135587	MAGNOLIA 20" REPAIRS	107001	\$	349,558.69
121920	MAGN-EMERGENCY PIPELINE/EQ REP	108901	\$	7,877.00
121920	MAGN-EMERGENCY PIPELINE/EQ REP	107001	\$	(7,877.00)
123028	MAGN-EMERGENCY EQUIP & REPAIRS	107001	\$	(19,044.02)
125823	MAGN-CENTER-REPL 4700' 20"	107001	\$	(3,730.68)
130855	MAGN REPLACE MUFFLERS	107001	\$	21,801.29
124797	MAGN REPL MUFFLERS ENG#6	107001	\$	6,231.95
PMR414	Priority Main Replacement	107001	\$	5,759,740.14
PMR414	Priority Main Replacement	108901	\$	237,058.94
PMR414	Priority Main Replacement	108799	\$	97,159.04

PBWK406G	PUB WORKS GAS 406	107001	\$	1,621,681.15
124801	MAGN REPL BARE STEEL LINES	107001	\$	24,039.02
124800	MAGN REPL 4100 FT 16" CENTER	108901	\$	30,201.39
124800	MAGN REPL 4100 FT 16" CENTER	107001	\$	(26,470.70)
130874	MAGN REPACK #1 PURIFIER	108901	\$	25,260.86
130874	MAGN REPACK #1 PURIFIER	107001	\$	72,825.03
125171	MAGN PURIFIER 1 REPAIR	107001	\$	(1,344.00)
130930	MAGN PLASTIC TANKS	107001	\$	29,066.01
130941	MAGN OIL & WATER COOLING CONTR	107001	\$	23,053.99
130852	MAGN INSTALL WATER INLET	107001	\$	28,375.50
120563	MAGN INSTALL PLC ENG#2 CONTR	107001	\$	(2,116.80)
130864	MAGN INST SAVE-AIR SYS	107001	\$	62,874.93
130860	MAGN INST PNEUMATIC CRANE	107001	\$	35,447.63
124794	MAGN IMPRV TEMP CONTR #2 PUR	107001	\$	17,474.24
124793	MAGN GRND WATER PROT	108901	\$	6,675.00
124793	MAGN GRND WATER PROT	107001	\$	5,652.04
126440	MAGN FARM TAP UPGRADE	107001	\$	888,611.57
130504	MAGN FACILITY IMPROV	107001	\$	104,921.99
134435	MAGN FAC IMPROV_EQ REP	107001	\$	17,536.64
130925	MAGN EMERGENCY EQ REP	107001	\$	116,503.20
126439	MAGN EMERGENCY EQ & REPAIRS	107001	\$	141,754.28
124798	MAGN EMERG EQUIP REP	107001	\$	(2,713.48)
130858	MAGN AIR SYS UPGRADE	107001	\$	71,176.06
130934	MAGN 2011 REPL BARE STEEL LN	107001	\$	147,253.93
132741	MAG-16 DENTS	108901	\$	33,200.00
132741	MAG-16 DENTS	107001	\$	91,637.26
126441	MAG PURCHASE PLASTIC TANKS	107001	\$	10,903.59
135692	LACONIA OFFICE UPGRADE	107001	\$	20,509.35
123025	INSTALL VALVES ON STOR WELLS	107001	\$	(263,036.04)
134554	INSTALL CONTROL VALVES ON WELL	107001	\$	1,331.24
134441	INST LEVEL MONITORS ON TOWERS	107001	\$	65,263.46
126481	INST ELECTR PRESSURE RECORDERS	107001	\$	89,963.40
134439	HYDRAULIC PUSHRODS_ROCKER ARMS	107001	\$	32,936.04
126339	HONEYWELL EXPERION SCADA	107001	\$	215,461.85
134588	HEATER RELITER UPGRADE	107001	\$	22,263.44
114268	Gas Regulator Replacements	108901	\$	72,491.85
114268	Gas Regulator Replacements	107001	\$	6,933,938.43
130503	GAS REG CAPACITY PROG	108901	\$	60,832.24
130503	GAS REG CAPACITY PROG	107001	\$	511,616.53
COMP419	GAS DISTRIBUTION COMPLIANCE	108901	\$	(1,048.02)
COMP419	GAS DISTRIBUTION COMPLIANCE	107001	\$	(110.92)
130505	GAS COMPRESSOR REP/ADD	107001	\$	6,803,921.18
126476	FT FIELD DEVICE UPGRADES	107001	\$	53,026.59
124845	FT CUSTOMER MONITORING EQ	107001	\$	58,141.23
127344	FILL CASINGS WITH WAX	107001	\$	52,557.13
120596	FARM TAP REGULATOR UPGR	107001	\$	904,831.70
130020	Emergency Generator Doe Run	108901	\$	4,617.42
130020	Emergency Generator Doe Run	107001	\$	76,938.37
121527	RIVER PARK PLACE GAS RELO	107001	\$	(143,214.07)
121527	RIVER PARK PLACE GAS RELO	107001	\$	41,532.08
130935	DRILL WELLS IN CENTER	107001	\$	985,489.40

130946	DIST REG FACILITY REPL	108901	\$	3,797.97
130946	DIST REG FACILITY REPL	107001	\$	209,279.83
135159	CRESTWOOD CITY GATE	107001	\$	28,018.73
130921	CP IMPRESSED SYS IMP	107001	\$	80,687.48
123023	CP IMPRESSED CURRENT SYS	107001	\$	(2,419.20)
124835	CP IMPRESSED CURRENT SY IMPRV	107001	\$	13,825.79
124834	CORROSION WORK SERV LINE REPL	108901	\$	209.16
124834	CORROSION WORK SERV LINE REPL	107001	\$	6,936.02
123831	CORRODED SERVICE LINE REPL	108901	\$	576.88
123831	CORRODED SERVICE LINE REPL	107001	\$	56.00
126480	COMMERCIAL HP GAS SERVICE	108901	\$	24,868.81
126480	COMMERCIAL HP GAS SERVICE	107001	\$	224,301.57
123048	COMMERCIAL HI PRESSURE SERV	108901	\$	(141.44)
135166	COMM HP SERVICE UPGRADES	107001	\$	15,734.25
130501	COMM HP SERV COMPLIANCE Prj	107001	\$	473,286.19
134603	CG & LG REGULATOR ST RTUs	107001	\$	68,715.20
135775	CENTER TRAN LINE REPLACEMENT	107001	\$	46,605.49
132153	CENTER MODIFICATIONS	108901	\$	21,090.05
132153	CENTER MODIFICATIONS	107001	\$	898,240.02
132543	CENTER BY-PASS	108901	\$	108,373.90
132543	CENTER BY-PASS	107001	\$	350,294.80
104671	CAPITAL PIPE TRANSFERS - MULD	107001	\$	(9,573.93)
131377	CALVARY LINE REPL B'TOWN CG	108901	\$	3,449.00
131377	CALVARY LINE REPL B'TOWN CG	107001	\$	665,911.93
132236	CALVARY LINE @ GENTRY LN REP	108901	\$	6,185.85
132236	CALVARY LINE @ GENTRY LN REP	107001	\$	52,210.20
133434	CALVARY 12"@WESTSIDE DRIVE	107001	\$	9,572.25
122702	BARDSTOWN HP REGULATOR STATION	108901	\$	12,500.00
122702	BARDSTOWN HP REGULATOR STATION	107001	\$	(12,500.00)
134178	BALLARDSVILLE LINE @ HWY 146	107001	\$	191,406.27
135182	ALLEN BRADLEY PLC_H2S FLARE	107001	\$	14,618.33
130917	AC MITIGATION Prj	107001	\$	21,459.01
SYSENH340	SYS ENH EXIST CUST 340	107001	\$	12,741.58
130494	2011 UPGR MAJOR STAT REGS	107001	\$	31,711.92
130939	2011 INST GATE VALVES	107001	\$	602,243.51
126422	2010 RELINE GAS STORAGE WELLS	107001	\$	519,454.73
126479	2010 RELIEF VALVE CAPACITY	107001	\$	73,130.26
126421	2010 PLUG AND REPAIR WELLS	108799	\$	453,996.78
126421	2010 PLUG AND REPAIR WELLS	107001	\$	7,184.52
SYSEN406G	System enhancements - Gas	107001	\$	1,129,623.96
SYSEN406G	System enhancements - Gas	108901	\$	58,481.96
126420	2010 INST CONTROL VALVES/WELLS	107001	\$	350,928.78
123889	UPS ASHBOTTOM (GAS)	107001	\$	21.66
132190	2010 DCC Cyber Control Area	108901	\$	580.00
132190	2010 DCC Cyber Control Area	107001	\$	14,444.04
122230	WATERSIDE ARENA DO GAS	107001	\$	(252.78)
122230	WATERSIDE ARENA DO GAS	108901	\$	(197.86)
124841	2009 UPGR MAJ STA REGS & CONTR	108901	\$	10,741.48
124841	2009 UPGR MAJ STA REGS & CONTR	107001	\$	51,318.25
124833	2009 RELINE GAS STORAGE WELLS	107001	\$	66,358.90
124850	2009 REGULATOR RELIEF VALVES	108901	\$	29,742.14



124850	2009 REGULATOR RELIEF VALVES	107001	\$	119,660.05
124831	2009 PLUG OR REPAIR WELLS	108799	\$	316,595.27
124831	2009 PLUG OR REPAIR WELLS	108901	\$	(223,449.98)
124831	2009 PLUG OR REPAIR WELLS	107001	\$	(60,062.93)
126734	Worthington Sub Expansion	107001	\$	207.09
124830	2009 INST GATE VALVES ON WELLS	108901	\$	1,842.21
124830	2009 INST GATE VALVES ON WELLS	107001	\$	249,637.95
124849	2009 GAS REG CAPACITY	108901	\$	10,799.49
124849	2009 GAS REG CAPACITY	107001	\$	90,033.98
124848	2009 COMMERCIAL HP SERV REPL	108901	\$	3,938.15
124848	2009 COMMERCIAL HP SERV REPL	107001	\$	90,793.99
123047	2008 GAS REGUL CAPACITY PROJ	107001	\$	(404.81)
123011	2008 FT CUSTOMER CONVERSIONS	107001	\$	325.80
121928	2007 RELINE GAS STORAGE WELLS	107001	\$	(939.91)
121908	2007 FT CUSTOMER CONVERSION	107001	\$	(325.80)
122935	LGE INTERACTION/CTI	107001	\$	(5,154.04)
132588	INTERIM MORGANFLD CALL CTR LGE	107001	\$	27,763.12
131432	Retail System Enhncmnts - LGE	107001	\$	23,859.58
134538	Retail Sys Enhance-LGE	107001	\$	197.41
131140	Retail Hardware IFS - LGE	107001	\$	26,858.24
125881	LGE AVAYA INTERACTION CTR	107001	\$	35,672.38
126719	IT LGE TEXTING & CUST COMM	107001	\$	65,131.29
126718	IT LGE RETAIL HARDWARE INFRA	107001	\$	18,028.96
126714	IT LGE IVR	107001	\$	197,647.18
126715	IT LGE CALL CENTER TECHNOLOGY	107001	\$	6,808.05
132167	CMS Upgrade - LGE	107001	\$	10,241.86
125878	CALL CENTER TECH 2008	107001	\$	16,843.96
134550	2012 Retail HW Infra-LGE	107001	\$	2,179.76
125882	2009 PC PURCHASES	107001	\$	6,263.72
120283	Video Conferencing Equipment	107001	\$	4.35
135771	SSC BUILDING	107001	\$	54,050.00
131606	SSC - HVAC REPLACEMENT	108901	\$	917.85
131606	SSC - HVAC REPLACEMENT	107001	\$	14,705.61
125012	SECURITY SYSTEMS & EQP	107001	\$	13,368.14
126619	SECURITY SYSTEM EQUIP-LGE 2011	107001	\$	30,461.47
135953	SECURITY OFFICE REMODEL	107001	\$	9,825.50
131583	REMODEL LGE OFFICES	108901	\$	2,324.56
131583	REMODEL LGE OFFICES	107001	\$	63,525.10
124999	OS LGE FAC IMPROVEMENTS	108901	\$	2,746.74
124999	OS LGE FAC IMPROVEMENTS	107001	\$	27,254.10
131589	OFFICE FURNITURE - LGE	107001	\$	49,486.53
125001	OFFICE FURNISHINGS AND EQP	107001	\$	15,320.53
135039	LGE-OFFICE RENOVATIONS-2012	107001	\$	6,079.11
135043	LGE-FURNITURE AND EQPMT 2011	107001	\$	3,406.55
131618	LGE SECURITY EQUIP	107001	\$	9,515.74
135020	LGE FAILED EQP-2011	107001	\$	4,024.32
126611	LGE FACILITY EQUIPMENT-2011	107001	\$	3,915.00
126617	GREEN INITIATIVES-LGE 2011	108901	\$	3,090.24
126617	GREEN INITIATIVES-LGE 2011	107001	\$	86,795.34
125002	GREEN INITIATIVES	107001	\$	21,922.55
126616	FURNITURE/OFFICE EQP-LGE 2011	107001	\$	48,030.05

127138	FITNESS RM AND PSRT RM	108901	\$	2,900.00
127138	FITNESS RM AND PSRT RM	107001	\$	50,879.38
125013	FAILED EQUIPMT REPLACE	107001	\$	839.56
131623	FAILED EQUIPMENT - LGE	108901	\$	348.00
131623	FAILED EQUIPMENT - LGE	107001	\$	3,030.50
124994	FACILITY EQUIPMENT	107001	\$	8,137.17
126620	FACILITY EQUIP-ESC & SSC GEN	108901	\$	1,711.53
126620	FACILITY EQUIP-ESC & SSC GEN	107001	\$	143,899.37
126615	FAC IMPROVEMENTS-LGE 2011	108901	\$	771.40
126615	FAC IMPROVEMENTS-LGE 2011	107001	\$	103,999.37
131573	DO-MULDRAUGH HVAC	107001	\$	1,711.00
131566	DO-GAS STORAGE FAC IMPRVMTS	107001	\$	23,232.19
131515	DO-FAC IMPROVEMENTS LGE	108901	\$	2,651.76
131515	DO-FAC IMPROVEMENTS LGE	107001	\$	6,201.28
125036	DIST FAC IMPROVEMENTS	108901	\$	481.40
125036	DIST FAC IMPROVEMENTS	107001	\$	13,133.80
126618	CONTRACT MGMT EQUIP-LGE 2011	107001	\$	20,373.19
131582	CARPET - LGE FACILITIES	107001	\$	32,486.17
134308	BOC TELLER AREA RENOVATION	108901	\$	3,305.96
134308	BOC TELLER AREA RENOVATION	107001	\$	9,263.57
131293	BOC BATTERIES	107001	\$	6,020.83
125010	ASC ROOF REPLACEMENT	108901	\$	65,657.35
125010	ASC ROOF REPLACEMENT	107001	\$	556,425.19
121612	2007 Office Furn. and Equip.	107001	\$	(7.83)
132587	MORGANFIELD OFFICE BLDG LGE	107001	\$	45,935.75
131743	MULDRAUGH FACILITY	108901	\$	2,034.00
131743	MULDRAUGH FACILITY	107001	\$	28,105.80
131746	MAGNOLIA BLDG CONSTRUCTION	108901	\$	8,919.08
131746	MAGNOLIA BLDG CONSTRUCTION	107001	\$	509,799.82
131614	LGE CYBER SECURITY EQP	107001	\$	36,751.03

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\$ 109,324,892.37

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<u>Project #</u>	<u>Project Name</u>	<u>Account #</u>	<u>Amount</u>
127412	UPGR BEDFORD CG CEDAR LAKE	107001	\$ 80,478.77
127413	TWIN FALLS RIVERCREST REG FAC	107001	\$ 120,245.64
115030	PURCHASE REGULATORS	107001	\$ 203,395.23
NBSB341UG	NEW BUS SUB 341 UG	107001	\$ 1,883.55
NBSB341UG	NEW BUS SUB 341 UG	107001	\$ 417,632.41
NBRD341UG	NEW BUS RESID UG 341	107001	\$ 142.97
NBRD341UG	NEW BUS RESID UG 341	107001	\$ 1,166.11
NBGS421	NEW BUS GAS SERV 421	107001	\$ 43,554.06
NBGS419	NEW BUS GAS SERV 419	107001	\$ 3,946,221.81
NBGS419	NEW BUS CONNECT SERV 419	108901	\$ 90.60
NBGS419	NEW BUS CONNECT SERV 419	107001	\$ 282,572.02
NBCD340UG	NEW BUS COMM UG 340	107001	\$ 2,545.01
NBCD340UG	NEW BUS COMM UG 340	107001	\$ 130,423.06
NBGS422	NBGS422	108901	\$ 36,351.89

NBGS422	NBGS422	107001	\$	45,151.98
NBGS341	INSTALL GAS SVC-JOINT TRENCH	107001	\$	170,318.00
GME406	GAS MAIN EXT 406	107001	\$	2,636,306.45

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\$ 8,118,479.56

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<u>Project #</u>	<u>Project Name</u>	<u>Account #</u>		<u>Amount</u>
131960	WinIGS Software - LGE	107001	\$	2,987.93
130558	WinDot Application for GC&S	107001	\$	14,445.34
127282	TREE TRIMMING MODEL LGE	107001	\$	19,507.02
127352	TRANSPORTATION HOIST LGE	108901	\$	2,360.59
127352	TRANSPORTATION HOIST LGE	107001	\$	23,814.33
135805	TRACTOR LOADER CUTTER	107001	\$	43,615.24
127426	TRACTOR	107001	\$	83,918.26
TLEQ448	Tools and Equipment 448	107001	\$	73,876.68
TLEQ451	Tools and Equipment , 004510	107001	\$	38,650.56
TLEQ450	Tools and Equipment , 004500	107001	\$	75,023.14
TLEQ447	TOOLS AND EQUIP 447	107001	\$	105,977.58
132536	STRAT ASSET INVEST SFTWR LGE	107001	\$	53,775.51
131034	Smallworld_GIS Upgrade LGE	107001	\$	56,077.92
135869	SMALL TOOLS 2012 - 004190	107001	\$	12,421.02
135839	Satellite Phones	107001	\$	9,892.13
131033	Rptg Business Intelligence LGE	107001	\$	9,268.41
134523	Resource Mgmt Tool-LGE	107001	\$	28,807.63
134509	Reporting/Bus Intel-LGE	107001	\$	898.83
TLEQ419	Purchase of Tools - 004190	107001	\$	216,367.92
120599	P/I TECHINICAL EQUIP	107001	\$	30,340.91
132523	OUTAGE WEATHER LGE	107001	\$	3,480.00
126215	OUTAGE SUMMARY MAPS LGE	107001	\$	48,608.23
127652	MULDRAUGH SHORING EQUIP	107001	\$	45,874.09
135633	MULDRAUGH PARTS WASHER	107001	\$	13,523.60
127653	MULDRAUGH KUBOTA	107001	\$	41,616.25
132359	MULD WELDING TRK	107001	\$	64,484.28
132360	MULD AERIAL LIFT DEVICE	107001	\$	115,743.39
131025	Mobile GIS Enhancements LGE	107001	\$	8,269.00
131019	Mobile Auto Dispatch - LGE	107001	\$	401,571.50
134298	MAGNOLIA DUMP TRUCK	107001	\$	14,325.26
134652	MAGNOLIA LEAK SURVEY INSTRU	107001	\$	49,134.31
126442	MAGN PURCHASE MISC EQUIP	107001	\$	49,841.77
130948	MAGN AIR COMPRESSOR	107001	\$	16,492.54
130947	MAG MOISTURE ANALYZER	107001	\$	21,382.21
127481	LGE WEB MAPS CONNECTOR	107001	\$	2,180.18
127483	LGE DETS ENHANCEMENTS	107001	\$	21,157.24
127256	LGE DCC CALL RECORD SYSTEM	107001	\$	19,927.82
132189	LG&E PSRT Radios 2010	107001	\$	29,368.18
127427	KUBOTA	107001	\$	41,417.39
131014	Internet Functionality-LGE	107001	\$	6,380.00
134655	HYDRAULIC VALVE OPERATOR	107001	\$	16,758.50

131039	Hardware Infrastructure - LGE	107001	\$	45,278.53
135776	GAS VACUUM EXCAV RIG	107001	\$	24,145.14
126485	GAS REGULATORY TOOLS & EQ	107001	\$	55,608.44
131086	GAS Facility Inspections	107001	\$	239,557.72
135693	FLARE INFRARED CAMERA	107001	\$	14,747.08
130076	FIM Export to Excel (BCP)	107001	\$	4,785.00
127309	FieldSmartView Licenses II LGE	107001	\$	4,055.43
126044	FieldSmart View Licenses	107001	\$	7,685.00
126217	ERT TOOLKITS LGE	107001	\$	16,356.12
132770	EOC T-40LP TRAILER	107001	\$	21,448.06
135933	ELECTRIC PUMP JACK FOR DOE RUN	108901	\$	7,373.50
135933	ELECTRIC PUMP JACK FOR DOE RUN	107001	\$	55,037.39
134497	Electric OMS Replace/Upg-LGE	107001	\$	2,697.72
135778	DUMP TRUCK	107001	\$	14,325.26
134656	DOZER WITH TRAILER	107001	\$	186,566.88
126397	DOIT SMLWRLD GIS UPGRD ENHNC	107001	\$	5,830.84
126395	DOIT RELIABILITY RPTG DATABASE	107001	\$	9,497.24
126634	DOIT POLE LOADING DESIGN	107001	\$	23,848.88
126399	DOIT MOBILE INFRASTRUCTURE	107001	\$	67,779.68
126394	DOIT MOBILE GIS ROUTING	107001	\$	29,632.72
126393	DOIT MOBILE GIS ENT LICENSE	107001	\$	25,108.86
126392	DOIT MOBILE GIS ENHANCEMENTS	107001	\$	27,526.11
126391	DOIT IF - ONLINE OUTAGE MAPS	107001	\$	30,960.40
126390	DOIT HARDWARE INFRASTRUCTURE	107001	\$	47,929.05
126385	DOIT GAS FAC INSPEC & SURVEYS	107001	\$	61,389.77
126386	DOIT GAS EMER MGMT SYSTEM	107001	\$	470,569.24
126389	DOIT ELEC FAC INSPEC & SURVEYS	107001	\$	34,706.32
126388	DOIT CARRY OVER PROJECTS	107001	\$	7,175.12
135636	DEMAGNITIZER	107001	\$	28,833.43
135599	DCS IPM CUSTOMER CLIENT-LGE	107001	\$	80,000.00
131040	Carry Over Projects - LGE	107001	\$	45.99
112644	Capital tools	107001	\$	18,691.24
136026	BRI-MAR DUMP TRAILER	107001	\$	7,717.17
127422	BI Infrastructure - LGE	107001	\$	3,401.32
132771	AOC T-40LP Trailer	107001	\$	21,448.06
135938	2012 MULDRUGH SMALL TOOLS	107001	\$	14,582.46
134533	2012 Hardware Infra-LGE	107001	\$	13,232.62
124731	2009 LGE DOIT Mobile Infra	107001	\$	6,267.96
124723	2009 LGE DOIT Mobile GIS	107001	\$	10,170.86
124742	2009 LGE DOIT Hardware Infra	107001	\$	22,757.70
124725	2009 LGE DOIT Electric OMS	107001	\$	12,974.51
124735	2009 LGE DOIT Carry Over Proj	107001	\$	8,680.61
131075	METER LGE EQUIP	107001	\$	15,917.42
126761	LGE METER EQUIPMENT	107001	\$	2,215.58
122650	LGE Gas Meters	107001	\$	30,392.51
122650	LGE Gas Meters	108901	\$	(12,684.00)
122650	LGE Gas Meters	107001	\$	5,191,239.63
126763	LGE ERTS 2010	107001	\$	32,598.16
124887	2009 ERTS LGE	107001	\$	2,347.16
135275	SALVAGE ITRON Collectors	108901	\$	(870.00)
132229	Meter Shop Tablets - LGE	107001	\$	29,913.01

127210	FIELDNET LUTL	107001	\$	30,040.56
131082	ERTS LGE	107001	\$	30,241.93
135668	2,550 ITRON GAS 40 GB ERTS	107001	\$	156,773.64

Total Page 13 Line 13 Costs			\$	<u>9,232,113.73</u>
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Page 13 Line 21 Costs:

<u>Project #</u>	<u>Project Name</u>	<u>Account #</u>	<u>Amount</u>
LSMR414	Large Scale Main Replacements	107001	\$ 36,461,264.95
LSMR414	Large Scale Main Replacements	108901	\$ 65,379.73
LSMR414	Large Scale Main Replacements	108799	\$ 270,410.78

Total Page 13 Line 21 Costs			\$	<u>36,797,055.46</u>
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**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 43**

**Responding Witness: Chris Hermann / Counsel**

- Q-43. Reference the Hermann testimony at page at page 13. Provide a detailed financial accounting of costs for the prior years as well as those expected for the five years following the end of the test period for infrastructure improvement of the gas system by specific project.
- A-43. Consistent with its historical practice, the Company does not disclose information relating to budgets. Such projections are only estimates; there is no guarantee that such projections will be realized; and the estimates are based on a number of assumptions that may change over time. The Company has used an historic test year in this proceeding; not a forecasted test year. The Commission determined in its September 6, 1990 Ruling and in its September 21 and October 18, 1990 Orders in Case No. 90-158 that such information is not discoverable in historical test year rate cases. Without waiver of this objection, see the response to Question No. 42 for the costs for the prior years.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 44**

**Responding Witness: Chris Hermann**

Q-44. Reference the Hermann testimony at page 13 at lines 7-9. Provide a detailed financial listing of the costs stated therein by specific project.

A-44. See the response to Question No. 42 for lines 7-9.

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**Question No. 45**

**Responding Witness: Chris Hermann**

- Q-45. Reference the Hermann testimony at page 13 at lines 12-14. Provide a detailed financial listing of the costs stated therein by specific project.
- A-45. See the response to Question No. 42 for lines 12-14.



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**Question No. 46**

**Responding Witness: Chris Hermann**

Q-46. Reference the Hermann testimony at pages 13-14. Provide a detailed financial listing of the costs stated for the leak mitigation programs by each specific project.

A-46. See attached.

<u>Project #</u>	<u>Project Name</u>	<u>Account #</u>	<u>Amount</u>
LSMR414	Large Scale Main Replacements	107001	\$ 36,461,264.95
LSMR414	Large Scale Main Replacements	108901	\$ 65,379.73
LSMR414	Large Scale Main Replacements	108799	\$ 270,410.78
Total of Page 13 Line 21			<u>\$ 36,797,055.46</u>
PMR414	Priority Main Replacement	107001	\$ 5,759,740.14
PMR414	Priority Main Replacement	108901	\$ 237,058.94
PMR414	Priority Main Replacement	108799	\$ 97,159.04
RRCS419G	REP CO GAS SERV 419	108901	\$ 961,224.21
RRCS419G	REP CO GAS SERV 419	107001	\$ 4,769,608.45
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	107001	\$ 2,076,734.99
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	108901	\$ 59,719.42
Total of Page 14 Line 2			<u>\$ 13,961,245.19</u>
Total Leak Mitigation Programs			<u><u>\$ 50,758,300.65</u></u>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 47**

**Responding Witness: Chris Hermann**

Q-47. Reference the Hermann testimony at pages 13-14. Provide a detailed financial listing of the costs stated for the leak mitigation programs by each specific project.

A-47. See the response to Question No. 46.

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**Dated July 31, 2012**

**Question No. 48**

**Responding Witness: Paul Gregory "Greg" Thomas**

Q-48. Reference the Hermann testimony at page 14. Is the gas service and service line currently owned by individuals a safety issue? If so, why has it taken the company so long to take control over that equipment?

A-48. Gas service lines are not considered a safety issue. However, gas service risers (a transition fitting that protects plastic service pipe as it transitions from below grade to above ground and from plastic to steel just upstream of the customer meter loop) not incorporating an anti-pullout design present a risk of failure that should be addressed. This conclusion is based on LG&E's follow up actions subsequent to receiving the Department of Transportation Pipeline and Hazardous Materials Administration March 2008 advisory bulletin.

- LG&E worked with industry partners, reviewed industry standards, and, in May 2008, revised associated material standards to require customers to use category 1 type service riser compression fittings that incorporate an anti-pull-out design for gas service risers used with polyethylene gas pipe sizes ½" CTS to 2" IPS.
- LG&E continued to confirm routinely that leak survey procedures satisfy Federal regulations, and leak survey technicians meet or exceed Operator Qualification standards.
- LG&E revised its leak reporting standards to require more detailed information on the source and mode of leaks on customer owned facilities to enable identification of failure trends associated with customer owned piping components.
- Between 2009 and 2011 LG&E implemented numerous electronic enhanced record keeping practices associated with customer owned service risers and lines, to enable tracking of installation dates, manufacturer, and installer.
- Starting in February 2009, LG&E started replacing failed customer service risers to facilitate collection of failed components and enable more thorough assessment and trending of the mode, cause, and result of leaks.
- Since 2008, LG&E has replaced all target customer service risers encountered as part of its Large Scale Main Replacement program.

- LG&E continued to work with industry partners on associated industry issues, reviewed associated policies and programs of utilities in the region, and in March 2010 visited Duke Energy to gain detailed information on their gas service riser and line replacement programs.
- During early January 2011, LG&E conducted an incremental sample leak survey of gas service risers. A combustible gas indicator was used to determine if a natural gas leak was present or not. Services were selected from different areas of the gas system to get a representative sample. No leaks were found.
- Between February and April 2011, LG&E conducted a field survey of customer service, reviewed associated records, and identified 213,000 plastic gas services with target risers.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 49**

**Responding Witness: Lonnie E. Bellar**

Q-49. How many LDCs currently own the riser and service lines in a scenario similar to that of LG&E? Stated another way, are the other PSC LDCs undergoing similar projects? If not, why not?

A-49. Please see the Testimony of Lonnie Bellar at pages 17-19. Please note in particular that the Commission has approved similar programs and rate recovery mechanisms for Atmos Energy Corporation, Columbia Gas of Kentucky, Inc., and Delta Natural Gas Company, Inc. Atmos's tariff provides for Atmos's ownership of customers' gas risers and service lines in a manner similar to what LG&E proposes,<sup>1</sup> as does Delta's tariff.<sup>2</sup> Columbia's tariff explicitly provides for its ownership of customers' service lines in a manner similar to what LG&E proposes.<sup>3</sup>

As part of Duke Energy's 2007 rate case, the Public Utility Commission of Ohio approved Duke's program to proactively replace targeted gas service risers by the end of 2012, and report all future gas service riser failures to the Public Utility Commission of Ohio. Duke subsequently implemented the riser replacement program in Kentucky. LG&E is not aware of any other utility that has implemented a proactive program to replace service risers.

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<sup>1</sup> Atmos Energy Corporation, PSC No. 1, First Revised Sheet Nos. 85 and 88.

<sup>2</sup> Delta Natural Gas Company, Inc., PSC No. 12, Original Sheet Nos. 26-27.

<sup>3</sup> Columbia Gas of Kentucky, Inc., PSC Ky. No. 5, First Revised Sheet No. 62.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 50**

**Responding Witness: Lonnie E. Bellar**

- Q-50. Will the costs for the replacement of the risers and service lines be reduced once the replacement is recovered by the company? If not, when will that occur? If not. Please, please state whether the costs for the initial replacement of the equipment is greater than the upkeep of same.
- A-50. The proposed Gas Line Tracker follows traditional ratemaking principles. As major investment in the program is completed, and to the extent that O&M expenses included in the tracker remain steady or decrease, customers may see a reduction in the level of costs recovered through the tracker due to declining rate base.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 51**

**Responding Witness: Lonnie E. Bellar**

- Q-51. Why should the replacement of the riders and service lines be treated as a rider when the installation and maintenance of same is part of the company's general operating expenses and built into rate base?
- A-51. The premise of the request is incorrect. Please see Hermann Exhibit 1, Appendix Page 9, to see division of service responsibilities for LG&E and Customers.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 52**

**Responding Witness: Lonnie E. Bellar**

- Q-52. Are the costs for the current maintenance of the company owned risers and service lines part of the company's general rates? If not, please explain in detail.
- A-52. Costs associated with customer service lines and risers replaced as part of the LG&E's main replacement programs are included in the base rates.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 53**

**Responding Witness: Lonnie E. Bellar**

Q-53. Are the costs associated with the company's leak mitigation program for those risers and service lines currently in general rates? If not, please explain in detail.

A-53. See the response to Question No. 52.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 54**

**Responding Witness: Lonnie E. Bellar**

- Q-54. How does the company justify charging those customers who have recently replaced both their service lines and riser, at their own expense? If the company is willing to exempt those customers who have replaced those items (at their own cost) retroactive to a certain date, how far back in time is it willing to go?
- A-54. Under LG&E's proposal, eventually LG&E will install or replace, and therefore will own and maintain, all customers' gas risers and service lines. LG&E is assuming the obligation to perform all future repairs to service lines and risers regardless of when replacement occurred. It would therefore be unreasonable, as well as administratively infeasible, to exempt or reduce certain customers' charges based on when they most recently replaced or repaired their gas risers or service lines.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 55**

**Responding Witness: Cheryl E. Bruner / Counsel**

Q-55. Please reference the Hermann testimony at pp. 19-26 regarding customer service and satisfaction. Please list separately each program's implementation or enhancement date, along with the specific current costs as well as the projected costs on a going forward basis.

A-55. Consistent with its historical practice, the Company does not disclose information relating to budgets. Such projections are only estimates; there is no guarantee that such projections will be realized; and the estimates are based on a number of assumptions that may change over time. The Company has used an historic test year in this proceeding; not a forecasted test year. The Commission determined in its September 6, 1990 Ruling and in its September 21 and October 18, 1990 Orders in Case No. 90-158 that such information is not discoverable in historical test year rate cases. Without waiver of this objection, the table below outlines each program's implementation/enhancement date and current and projected costs.

Program Implementation	Implementation / Enhancement Date	Current Costs	Projected Going Forward	Comments, If Applicable
Four Business Offices were Renovated; 12 More Business Offices Scheduled to be Renovated	February 2011 - March 2012	\$ 453,000	\$ 1,320,000	N/A
Morganfield Construction Costs	October 2011	\$ 5,390,000	\$0	A
Morganfield Facility Annual Operating Costs	October 2011	\$ 400,000	\$ 400,000	B
Additional Staffing of Customer Service Agents	June 2011 - February 20, 2012	\$ 3,360,000	\$ 3,360,000	C
"My Account" - Web Self-Service	April 2009	\$ 1,068,000	\$ 300,000	D
Low Income Assistance Portal	October 2009	\$ 319,000	\$ 250,000	E
Landlord Portal	October 2009	Part of "My Account"	Part of "My Account"	N/A
New Interactive Voice Response System	November 2010 - August 2012	\$ 1,250,000	\$ 200,000	N/A
10 Member Email Team	December 2010	\$ 497,000	\$ 497,000	N/A
Hiring of 10 Full Time Billing Employees	October 2011 - April 2012	\$ 800,000	\$ 800,000	N/A

**Comments**

- A June 29, 2012 testimony from C. Hermann stated approximately \$5.3 million – incremental increase is from late arriving invoices in the final total
- B June 29, 2012 testimony from C. Hermann stated approximately \$245,000 for Morganfield facility costs; actual operating costs increased to \$400,000 including incremental headcount for telecom and communication costs
- C June 29, 2012 testimony from C. Hermann stated approximately \$3,500,000 which is reduced by hiring part-time customer service representatives in the latter portion of 2012 to better manage peak call volume.
- D Company does not track O&M cost separately for “My Account” versus other SAP applications. 2009 capital spend was part of the overall CCS project. Current costs include capital costs spent between January 2010 through June 2012.
- E Company does not track O&M costs separately for “Low Income Assistance Portal” versus other SAP applications. 2009 capital spend was part of the overall CCS project. Current costs include capital spend between January 2010 and June 2012.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 56**

**Responding Witness: Chris Hermann**

Q-56. Reference the Hermann testimony at pp. 26-27. Are these DSM costs not currently recovered in the company's DSM program? If not, why not?

A-56. Yes, the DSM / EE programs in the Commission approved Case No. 2011-00134 are currently being recovered through DSM Cost Recovery mechanism.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General’s Initial Requests for Information  
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**Question No. 57**

**Responding Witness: Chris Hermann**

Q-57. Reference the Hermann testimony at p. 27. Provide the data that demonstrates the company’s projected contention that approximately 1% of the annual and forecasted residential and commercial customer consumption will decrease because of DSM programs.

A-57. The Companies DSM-EE portfolio is projected to reduce incremental annual sales to residential and commercial customers by an average of 1% through 2018. The analysis utilizes the forecast referenced David Sinclair’s testimony as part of Case No. 2011-00375<sup>4</sup> as well as the projected energy efficiency reductions from the Companies DSM-EE portfolio in Case No. 2011-00134<sup>5</sup> shifted one year due to the delayed filing. The 1% projected energy reductions are demonstrated in the table below.

DSM Energy Reductions (GWh)	2012	2013	2014	2015	2016	2017	2018	Total
Residential DSM Energy Reduction	142	138	145	193	139	139	139	1,036
Commercial DSM Energy Reduction	40	59	60	60	58	58	58	394
Total Energy Reduction	182	197	205	253	198	198	198	1,430

Energy Sales Forecast (GWh)	2012	2013	2014	2015	2016	2017	2018	Total
Residential Energy Sales Forecast	11,026	11,079	11,117	11,214	11,327	11,457	11,635	78,856
Commercial Energy Sales Forecast	8,573	8,750	8,902	9,109	9,349	9,520	9,691	63,894
Total Energy Sales Forecast	19,599	19,830	20,019	20,323	20,677	20,977	21,327	142,749

DSM Energy Reductions (%)	2012	2013	2014	2015	2016	2017	2018	Total
Residential Reduction	1.29%	1.24%	1.30%	1.72%	1.23%	1.22%	1.20%	1.31%
Commercial Reduction	0.47%	0.68%	0.68%	0.66%	0.62%	0.61%	0.60%	0.62%
Total Res/Com % Reduction	0.93%	0.99%	1.03%	1.24%	0.96%	0.94%	0.93%	1.00%

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<sup>4</sup> Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity and Site Compatibility Certificate for the Construction of a Combined Cycle Combustion Turbine at the Can Run Generating Station and the Purchase of Existing Simple Cycle Combustion Turbine Facilities from Blue Grass Generating Company, LLC in LaGrange, Kentucky. Case No. 2011-00375

<sup>5</sup> Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Review, Modification, and Continuation of Existing, and Addition of New, Demand-Side Management and Energy-Efficiency Programs. Case No. 20011-00314

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 58**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-58. Reference the Blake testimony at page 1. What is the witness' total compensation package?

A-58. See the response to PSC 1-46.



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**Question No. 59**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-59. What portion of that amount is the company requesting the ratepayers to bear in this application?

A-59. See the response to PSC 1-46. This shows there are three components of the witness's compensation: salary, other compensation and broad-based employee benefits. As indicated in PSC 1-46, none of the executive witness's Other Compensation is actually recovered through base rates; rather, only a portion of the witness's salary and broad-based employee benefits is so recovered. That notwithstanding, 22.1% of the witness's total compensation is equivalent to the amount of the witness's salary and broad-based employee benefits that LG&E recovers through base rates.

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**Question No. 60**

**Responding Witness: Daniel K. Arbough**

- Q-60. Reference the Blake testimony, p. 1. Did the witness use a credit rating for debt analysis similar to that which the company used in the last general rate case when LG&E was still owned by E.ON U.S.? If not, why not?
- A-60. LG&E assumes the request for information is directed to Mr. Arbough and not Mr. Blake. Please read the testimony of Mr. Arbough at pages 2–4 for a detailed description of the use of credit ratings in the capital structure analysis. A similar analysis was presented in the testimony of Mr. Arbough in the 2009 rate case.

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 61**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-61. Reference the Scott testimony at page 1. What is the witness' total compensation package?

A-61. See the response to PSC 1-46.

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**Question No. 62**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-62. What portion of that amount is the company requesting the ratepayers to bear in this application?

A-62. See the response to PSC 1-46. This shows there are three components of the witness's compensation: salary, other compensation and broad-based employee benefits. As indicated in PSC 1-46, none of the executive witness's Other Compensation is actually recovered through base rates; rather, only a portion of the witness's salary and broad-based employee benefits is so recovered. That notwithstanding, 22.8% of the witness's total compensation is equivalent to the amount of the witness's salary and broad-based employee benefits that LG&E recovers through base rates.

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**Question No. 63**

**Responding Witness: Paula H. Pottinger, Ph.D.**

- Q-63. Reference the Scott testimony, p. 5. Confirm that the company has not increased its contribution of 401(k) payments to the employee plans.
- A-63. The Company has not increased its matching contribution percentage of participants' 401(k) contributions. The dollar amount of matching contributions increased due to the increased labor costs.

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**Question No. 64**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-64. Provide the amounts the company has contributed to the employees' 401(k) plan for the five years preceding the test year by calendar year.

A-64. The amounts the Company has contributed to the employees' savings plan for the five years preceding the test year are noted below. The Company match is based upon employee contributions. The Retirement Income Account is contribution for employees hired on or after 1/1/2006, who do not participate in the Company's defined benefit pension plan.

	2011	2010	2009	2008	2007
Company Match	\$ 2,924,666	\$ 3,041,648	\$ 2,747,371	\$ 2,624,273	\$2,085,559
Retirement Income Account	\$ 447,423	\$ 380,197	\$ 277,807	\$ 184,785	\$ 77,440
Total	\$ 3,372,089	\$ 3,421,845	\$ 3,025,179	\$ 2,809,057	\$2,162,999

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**Question No. 65**

**Responding Witness: Paula H. Pottinger, Ph.D.**

- Q-65. Reference the Charnas testimony at page 1. What is the witness' total compensation package?
- A-65. The information requested is confidential and private, and is being provided under seal pursuant to a petition for confidential treatment.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 66**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-66. What portion of that amount is the company requesting the ratepayers to bear in this application?

A-66. 43.5% of the total compensation provided in response to Question No. 65 is included in the cost of providing service for the LG&E operations in this case.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 67**

**Responding Witness: Shannon L. Charnas**

Q-67. Reference the Charnas testimony, p. 3. Provide a copy of the Ventyx report.

A-67. See attached. The Ventyx report is subject to a confidentiality agreement with the vendor and is being provided under seal pursuant to a petition for confidential treatment. The Company will supplement this response with a public version of the document once the vendor has redacted its proprietary information and given the Company permission to file the report publicly. The Company expects to do so by Wednesday, August 14, 2012.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 68**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-68. Reference the Arbough testimony at page 1. What is the witness' total compensation package?

A-68. See the response to PSC 1-46.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 69**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-69. What portion of that amount is the company requesting the ratepayers to bear in this application?

A-69. See the response to PSC 1-46. This shows there are three components of the witness's compensation: salary, other compensation and broad-based employee benefits. As indicated in PSC 1-46, none of the executive witness's Other Compensation is actually recovered through base rates; rather, only a portion of the witness's salary and broad-based employee benefits is so recovered. That notwithstanding, 23.5% of the witness's total compensation is equivalent to the amount of the witness's salary and broad-based employee benefits that LG&E recovers through base rates.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

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**Question No. 70**

**Responding Witness: Daniel K. Arbough**

Q-70. Reference the Arbough testimony in general. Is LG&E's credit rating the same as it was prior to its acquisition by PPL? If not, in what way(s) has it changed?

A-70. Prior to the PPL acquisition, LG&E had an Issuer Rating of A2 from Moody's and a Corporate Credit Rating of BBB+ from S&P.

On October 25, 2010, Moody's downgraded the Issuer Rating of LG&E to Baa1 from A2 as a result of the pending acquisition of LG&E by PPL. Separately, Moody's confirmed LG&E's outstanding tax-exempt debt at A2. The rating confirmation considered that the formerly unsecured debt had been secured with first mortgage bonds provided to the trustee. Following the Moody's action the ratings of Moody's and S&P were effectively equivalent.

On October 25, 2010, Fitch assigned an Issuer Default Rating of A- and secured debt rating of A+ for LG&E. Previously, Fitch did not issue ratings for LG&E.

On November 8, 2010, S&P assigned an A Senior Secured Rating to LG&E's first mortgage bond offerings, which is the rating on which the publicly issued bonds are priced.

On November, 9, 2010, Moody's assigned an A2 rating to LG&E's first mortgage bond offerings.

On March 2, 2011, S&P downgraded the Corporate Credit Rating for LG&E to BBB from BBB+ and the Senior Secured Rating to A- from A. The rating actions followed PPL's planned acquisition of E.ON UK's Central Networks West PLC and Central Networks East PLC (two distribution networks in the United Kingdom).

As of June 30, 2012, LG&E had an Issuer Rating of Baa1 from Moody's, a Corporate Credit Rating of BBB by S&P, and an Issuer Default Rating of A- by Fitch. The secured debt rating for Moody's, S&P, and Fitch was A2, A-, and A+, respectively. These are strong investment grade ratings that allow the Company to effectively access capital markets.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 71**

**Responding Witness: Daniel K. Arbough**

Q-71. Reference the Arbough testimony at p. 8. Provide copies of any and all materials pertaining to Mercer's calculations.

A-71. See the response to PSC 1-54(c) for the actuarial report for the 2012 post retirement expense and KIUC 1-1 for the actuarial report for the 2012 pension expense and the 2012 post employment expense.

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**Question No. 72**

**Responding Witness: Daniel K. Arbough**

- Q-72. Reference the Arbough testimony, exhibit 3 (S & P's 2008 Corporate Criteria Report), p. 29. Confirm the following statement set forth therein: "PPAs do benefit utilities by shifting various risks to the suppliers, such as construction risk and most of the operating risk."
- a. Why was a four (4)-year old report submitted as an exhibit? Is there a more current version? If so, please provide an actual copy.
  - b. Reference exhibit 4. Why did the company submit a report which is five (5) years old? Is there a more current version? If so, please provide an actual copy.
- A-72. Page 29 of exhibit 3 does contain the following statement from S & P: "PPAs do benefit utilities by shifting various risks to the suppliers, such as construction risk and most of the operating risk." This is S & P's opinion on this issue.
- a. Page 2 of exhibit 3 contains an Editor's Note that this criteria article has been partially amended by an article published December 28, 2011. The Editor's Note also indicates that the criteria article has been superseded by other articles published subsequent to the April 15, 2008 report. However, none of these subsequent articles provide updates to the information in the April 15, 2008 article regarding adjustments for operating leases, postretirement employee benefits or power purchase agreements, which are the specific type of adjustments S & P makes to LG&E's debt. Therefore the April 15, 2008 article is current for these types of adjustments.
  - b. Page 2 of exhibit 4 contains an Editor's Note which states the article was republished following a periodic review completed by S & P on April 26, 2011. This article is therefore current.

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**Question No. 73**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-73. Reference the Bellar testimony at page 1. What is the witness' total compensation package?

A-73. See the response to PSC 1-46.



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**Question No. 74**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-74. What portion of that amount is the company requesting the ratepayers to bear in this application?

A-74. See the response to PSC 1-46. This shows there are three components of the witness's compensation: salary, other compensation and broad-based employee benefits. As indicated in PSC 1-46, none of the executive witness's Other Compensation is actually recovered through base rates; rather, only a portion of the witness's salary and broad-based employee benefits is so recovered. That notwithstanding, 25.2% of the witness's total compensation is equivalent to the amount of the witness's salary and broad-based employee benefits that LG&E recovers through base rates.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 75**

**Responding Witness: Lonnie E. Bellar**

- Q-75. Reference the Bellar testimony at page 7. Please explain in detail what is meant when the witness refers to "bring economic hardship to some residential customers."
- A-75. The phrase was meant to express a concern that if all class rates of return were brought to the system average return, the residential class would see an increase significantly higher than currently proposed, thus economically impacting customers to a greater extent than the existing proposal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 76**

**Responding Witness: Lonnie E. Bellar**

Q-76. Were there any studies, analyses or reports reviewed or performed in order to make this determination? If so, please provide copies of same. If not, on what basis was the decision made?

A-76. No.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 77**

**Responding Witness: Lonnie E. Bellar**

- Q-77. Reference the Bellar testimony at pages 9 - 10. Please provide an itemization of the total electric rate case expense of \$890,000 and the total gas rate case expense of \$500,000. Break down the costs for the current case, as they are currently known, as well as any expenses from the prior cases which the company proposes to amortize.
- A-77. The values quoted in the request for information are estimates that are adjusted for actual known and measurable expenses incurred as the cases progress through the monthly update filings. See the response to PSC 1-57(b) for an itemization of the estimated rate case expense. See the monthly updates filed on July 31, 2012 for PSC 1-57(c) for actual rate case expense through June 30, 2012.

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**Question No. 78**

**Responding Witness: Lonnie E. Bellar**

Q-78. Reference the Bellar testimony at page 10. Provide updated numbers for the off-system sales margins to the date of the filing of the response to these data requests.

A-78. See the response to PSC 2-81 and KIUC 1-38(a).

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**Question No. 79**

**Responding Witness: Lonnie E. Bellar**

- Q-79. Reference the Bellar testimony at pages 11 -13. State what other PSC jurisdictional natural gas companies are undergoing a gas line replacement program.
- A-79. Union Light Heat and Power has recently completed its gas line replacement program. Atmos Energy, Columbia Gas of Kentucky, and Delta Natural Gas all have a gas line replacement program and a related cost recovery mechanism in place.

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**Question No. 80**

**Responding Witness: Chris Hermann / Lonnie E. Bellar**

- Q-80. What does the witness mean when he states that the replacement is for public safety?
- a. If there is a safety issue, what kind is it?
  - b. When was it discovered?
  - c. Will the company need to obtain easements on the property in which the lines are placed?
  - d. If so, how many?
  - e. If so, what are the total estimated costs associated with securing the easements?
- A-80.
- a. See Chris Hermann's Direct Testimony for a discussion of the safety issues involved in the Gas Line Program and the Leak Mitigation Program.
  - b. See the response to part a.
  - c. The Company is replacing already existing plant and equipment; therefore easements are already in place, obtained when the plant was originally installed.
  - d. Not applicable.
  - e. Not applicable.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 81**

**Responding Witness: Lonnie E. Bellar**

Q-81. Reference the Bellar testimony at pages 17 – 18 and the cases referenced therein.

A-81. No response is required.



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**Question No. 82**

**Responding Witness: Lonnie E. Bellar**

- Q-82. By specific company and case number, state what portion of each company's residential class versus the total class was ultimately affected by each company's proposal.
- A-82. LG&E was not a party to any of the listed cases and has not performed the requested analysis.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 83**

**Responding Witness: Lonnie E. Bellar**

- Q-83. By specific company and case number, please list the amount of the surcharge appearing on the average residential customers' bills.
- A-83. LG&E was not a party to any of the listed cases and has not performed the requested analysis.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 84**

**Responding Witness: Lonnie E. Bellar**

Q-84. Reference the Bellar testimony at page 24. Provide a detailed explanation and calculation for the company’s assertion that the “Companies’ DSM–EE programs produced cumulative energy savings of over 900,000 MWh, gas savings of over 15 Ccf, and a cumulative demand reduction of 226 MW” through the end of the test year. (37)

A-84. The Companies calculations for the DSM–EE programs cumulative energy and demand savings were generated and reported by adding the annual savings from 2001 through March 31, 2012. The table below demonstrates the annual savings for both Louisville Gas and Electric Company and Kentucky Utilities.

Demand Savings in MW				Energy Savings in MWh				Gas Savings in CCF			
Year	LG&E	KU	Total	Year	LG&E	KU	Total	Year	LG&E	KU	Total
2001	3	0	3	2001	7,163	9	7,173	2001	(53,145)	-	(53,145)
2002	12	1	13	2002	9,432	406	9,838	2002	(85,554)	-	(85,554)
2003	24	13	37	2003	12,330	2,447	14,777	2003	121,451	-	121,451
2004	37	24	61	2004	15,087	5,222	20,309	2004	270,511	-	270,511
2005	53	40	92	2005	19,581	7,381	26,962	2005	508,395	-	508,395
2006	64	51	114	2006	23,111	9,908	33,019	2006	730,085	-	730,085
2007	70	56	125	2007	25,609	12,164	37,773	2007	1,471,208	-	1,471,208
2008	74	60	134	2008	29,605	15,475	45,080	2008	2,261,695	-	2,261,695
2009	86	67	153	2009	68,442	19,986	88,428	2009	3,027,128	-	3,027,128
2010	105	76	181	2010	141,642	63,297	204,939	2010	3,312,541	-	3,312,541
2011	132	88	221	2011	234,694	126,148	360,842	2011	3,562,109	-	3,562,109
2012 (thru 3/31)	136	90	226	2012 (thru 3/31)	244,965	130,255	375,219	2012 (thru 3/31)	3,590,701	-	3,590,701
<b>Total</b>	<b>136</b>	<b>90</b>	<b>226</b>	<b>Total</b>	<b>831,660</b>	<b>392,700</b>	<b>1,224,359</b>	<b>Total</b>	<b>18,717,124</b>	<b>-</b>	<b>18,717,124</b>

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**Question No. 85**

**Responding Witness: Lonnie E. Bellar**

- Q-85. If necessary, reconcile the amounts listed on page 24 to pages 27 and 28; to wit, "through the end of the test year, LG&E's DSM-EE programs achieved a total demand reduction of 136 MW, and in the test year alone produced energy savings of over 200,000 MWh" and "LG&E's overall DSM-EE efforts have produced gas savings of over 3 million Ccf in the test year alone."
- A-85. The demand reduction of 136 MW and energy savings of 200,000 MWh reported reflects the cumulative savings for LG&E's DSM-EE programs from 2001 through March 31, 2012. The table below demonstrates the reported savings.

<b>Demand Savings in MW</b>		<b>Energy Savings in MWh</b>	
<b>Year</b>	<b>LG&amp;E</b>	<b>Year</b>	<b>LG&amp;E</b>
<b>2001</b>	3	<b>2001</b>	7,163
<b>2002</b>	12	<b>2002</b>	9,432
<b>2003</b>	24	<b>2003</b>	12,330
<b>2004</b>	37	<b>2004</b>	15,087
<b>2005</b>	53	<b>2005</b>	19,581
<b>2006</b>	64	<b>2006</b>	23,111
<b>2007</b>	70	<b>2007</b>	25,609
<b>2008</b>	74	<b>2008</b>	29,605
<b>2009</b>	86	<b>2009</b>	68,442
<b>2010</b>	105	<b>2010</b>	141,642
<b>2011</b>	132	<b>2011</b>	234,694
<b>2012 (thru 3/31)</b>	136	<b>2012 (thru 3/31)</b>	244,965
<b>Total</b>	<b>136</b>	<b>Total</b>	<b>831,660</b>

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**Question No. 86**

**Responding Witness: Lonnie E. Bellar**

Q-86. Reference the Bellar testimony at p. 14. Provide the amount of Green Energy credits stated in energy bought on a kWh basis for each of the past five calendar years.

A-86. The table below provides the amount of Green Energy credits purchased for each of the past five calendar years for Louisville Gas and Electric Company as well as Kentucky Utilities Company. In 2010 the Company made the decision to handle purchase of energy credits internally. This decision has allowed the Company to purchase additional credits increasing the value for customers participating in the program.

**Renewable Energy Credits Purchased in kWh**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Total</u>
<b>LG&amp;E</b>	259,000	4,790,000	8,149,000	18,629,000	40,153,000	71,980,000
<b>KU</b>	105,000	1,859,000	5,943,000	15,550,000	25,369,000	48,826,000
<b>Total</b>	<b>364,000</b>	<b>6,649,000</b>	<b>14,092,000</b>	<b>34,179,000</b>	<b>65,522,000</b>	<b>120,806,000</b>

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**Question No. 87**

**Responding Witness: Robert M. Conroy**

Q-87. Reference the Bellar testimony at p. 14. Provide the number of customers who participate in the Low- Emission Vehicle rate tariff for each of the past five calendar years. For each year, state the amount of energy purchased.

A-87. The first customer began taking service under Rate LEV in July 2011. See the table below for the requested information by month since that time.

Revenue Period	# Contracts	KWH P1	KWH P2	KWH P3	Total KWH
JUL 2011	1	792	681	2,143	3,616
AUG 2011	1	880	716	2,227	3,823
SEP 2011	1	638	580	1,853	3,071
OCT 2011	1	228	464	906	1,598
NOV 2011	1	189	367	598	1,154
DEC 2011	1	191	377	709	1,277
JAN 2012	2	7,116	809	-5,122	2,803
FEB 2012	3	1,835	945	556	3,336
MAR 2012	3	1,858	899	517	3,274
APR 2012	3	925	394	2,256	3,575
MAY 2012	3	3,116	1,335	-1,318	3,133
JUN 2012	2	2,650	640	804	4,094
JUL 2012	2	3,379	1,032	1,090	5,501

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**Question No. 88**

**Responding Witness: Robert M. Conroy**

Q-88. For a customer who takes service under this tariff, provide the cost which the customer would have to pay for a like amount of energy purchased during times other than during "reduced off-peak" hours.

A-88. See the table below.

	Off Peak	Intermediate Hours	Peak Hours	Total Average Usage
Average Usage by Period	992	385	301	1,677
Average Usage Priced at Proposed Off-Peak Rate	\$51.90	\$20.14	\$15.75	\$87.79
Average Usage Priced at Proposed Intermediate Rate	\$72.76	\$28.24	\$22.08	\$123.08
Average Usage Priced at Proposed Peak Rate	\$ 138.39	\$53.71	\$41.99	\$234.10
Average Usage Priced at Proposed RS Rate	\$ 74.53	\$28.93	\$22.61	\$126.07

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**Question No. 89**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-89. Reference the Conroy testimony at page 1. What is the witness' total compensation package?

A-89. The information requested is confidential and private, and is being provided under seal pursuant to a petition for confidential treatment.



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**Question No. 90**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-90. What portion of that amount is the company requesting the ratepayers to bear in this application?

A-90. 43.4% of the total compensation provided in response to Question No. 89 is included in the cost of providing service for the LG&E operations in this case.

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**Question No. 91**

**Responding Witness: Robert M. Conroy**

Q-91. Reference the Conroy testimony at pp. 33 -34. Does the witness agree that by moving more of the end-user's total bill from the energy charge to the customer charge, which is a fixed amount, inhibits the end-user from being able to reduce his/her total bill by conserving electricity and thus reducing the total energy charge thus reducing the total bill? If not, explain in detail.

A-91. Yes. But the purpose of cost-of-service rate-making is to send accurate price signals to customers, ensuring that cost-causers pay the costs they cause. Reducing fixed cost recovery through fixed charges and increasing energy costs to attempt to make up the difference sends distorted, inaccurate price signals to customers. It also unjustifiably shifts fixed-cost burdens onto those who cannot or do not reduce their energy consumption to provide a subsidy to those who do reduce their energy consumption. Whatever the virtues of such a subsidy as a matter of public policy, such an approach does not conform to cost-of-service rate-making.

By collecting fixed costs through fixed charges and variable costs through variable charges, the end user can conserve energy and as a result reduce their bill, without reducing the utility's fixed cost recovery. When variable cost drivers and their corresponding variable charges are aligned, every kWh conserved by the customer benefits both the customer and the utility by reducing the costs for both parties. Thus, moving a portion of the fixed costs being recovered through the energy charge to the fixed customer charge will not inhibit the end user from being able to reduce his/her total bill by conserving energy because it properly aligns the cost savings for both the end use customer and the utility.

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**Question No. 92**

**Responding Witness: Robert M. Conroy**

- Q-92. Reference the Conroy testimony at p. 34. Confirm that high energy consumers will pay lower bills under the proposed rate structure.
- A-92. Under the proposed rate structure customers with above average usage will see a smaller percentage increase than customers with below average usage. All customers will receive an increase; the amount of that increase will vary depending upon their usage. No customers are receiving a rate decrease, which is the only rate proposal that would result in lower bills.

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**Question No. 93**

**Responding Witness: Robert M. Conroy**

- Q-93. Reference the Conroy testimony at p. 34. Confirm that the elimination of “spikes” in bills also translates to a levelized bill that varies little based on energy consumed.
- A-93. No. All bills vary based on the energy consumed, but when fixed costs are collected through the energy charge rather than through a fixed charge, the “spikes” in customer bills can be much more volatile. This volatility is exacerbated in months where energy consumption is high such as hot summer months and cold winter months. By recovering more fixed cost through the customer charge, those “spikes” in bills are reduced because there is less fixed costs being recovered through the energy charge thus making the customer bill more consistent even in months with extreme weather.

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**Question No. 94**

**Responding Witness: Robert M. Conroy**

- Q-94. Reference the Conroy testimony at pages 67 -68. Will the increase in the Cable TV Attachment Charge cover the total cost for the service so that the gas and electric ratepayers are not subsidizing the cable service? If not, please explain the amount of subsidization in total dollars and on a per user basis.
- A-94. Yes. The proposed Cable TV Attachment rate represents the total cost of service for pole attachments as calculated in Conroy Exhibit M5.

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**Question No. 95**

**Responding Witness: Robert M. Conroy**

- Q-95. Reference the Conroy testimony in general regarding the Real Time Pricing Program (Rider RTP). Was the intent of the program to motivate end-users to monitor their usage and “move” it to times of the day when energy charge was cheaper?
- a. Because no consumers chose to participate in the Rider RTP, does the company agree that consumers pay attention to when they use electricity?
  - b. Because no consumers chose to participate in the Rider RTP, does the company agree that consumers pay attention to how much electricity they use?
- A-95. Yes, the objective of Rider RTP was to motivate customers to monitor their usage and if possible, shift usage away from times of the day where it is more expensive to generate electricity, also known as “On-Peak” times.
- a. If electric rates have no definitive price difference between on-peak and off-peak times, there is no economic incentive to pay attention to when electricity is consumed. However, the Company believes that with sufficient financial incentives, combined with appropriate education, a portion of the Company’s customers could be motivated to alter their consumption patterns.
  - b. The Company agrees that customers pay attention to how much electricity they use because their usage is directly correlated to their monthly energy bill.

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**Question No. 96**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-96. Reference the Murphy testimony at page 1. What is the witness' total compensation package?

A-96 The information requested is confidential and private, and is being provided under seal pursuant to a petition for confidential treatment.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 97**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-97. What portion of that amount is the company requesting the ratepayers to bear in this application?

A-97. 100.0% of the total compensation provided in response to Question No. 96 is included in the cost of providing service for the LG&E operations in this case.



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**Question No. 98**

**Responding Witness: J. Clay Murphy**

Q-98. Reference the Murphy testimony at page 1. Please state in detail what is meant by other "regulatory and planning activities and initiatives related to LG&E's natural gas business."

A-98. See the testimony of J. Clay Murphy at page 3, lines 3 through 10.

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**Question No. 99**

**Responding Witness: J. Clay Murphy**

Q-99. Reference the Murphy testimony at page 5. What is the interest the company proposes to use as interest on cash refunds in the GSC at line 23?

A-99. In the Order dated October 21, 1981, in Case No. 7799-D, the Commission ordered as follows:

“The Applicant should refund the amounts reported in its application plus interest at a rate equal to the average of the “3-month Commercial Paper Rate” for the immediately preceding 12-month period less ½ of the 1% to cover the costs of refunding. These monthly rates are reported in both the Federal Reserve Bulletin and the Federal Reserve Statistical Release.”

Such has been LG&E's practice since the order was issued. Adding language that describes the interest calculation to the tariff simply memorializes the requirements of the Commission with respect to cash refunds.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 100**

**Responding Witness: J. Clay Murphy**

- Q-100. Reference the Murphy testimony in general regarding the changes to Rider TS. Will the proposed changes effect the rates of the residential and commercial classes more than if the rider was not otherwise proposed?
- A-100. As currently proposed, Rider TS-2 and Rider PS-TS-2 are designed to have minimal or no undue impact on sales customers. Any modifications to the proposed provisions of Rider TS-2 or Rider PS-TS-2 could adversely impact the rates and reliability of sales service provided to customers under other rate schedules. See also the response to PSC 2-26 and PSC 2-27.

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**Question No. 101**

**Responding Witness: J. Clay Murphy**

Q-101. Do any of the proposed changes to the rates or riders effect the sale of gas or costs for gas to the electric operations of the LG&E electric operations? If yes, please explain in detail.

A-101. Yes. Natural gas services provided to LG&E's electric generation facilities are governed by a special contract approved by the Kentucky Public Service Commission. See the response to Question No. 330 and Question No. 331. Rate FT is incorporated by reference into the special contract covering applicable transportation deliveries. The section of Rate FT specifying the "Rate" is specifically superseded by the special contract. Any changes, for example, to those sections of Rate FT dealing with "Utilization Charge for Daily Imbalances," "Character of Service," "Operational Flow Orders," and "Special Terms and Conditions" would be applicable to the special contract.

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**Question No. 102**

**Responding Witness: Valerie L. Scott**

Q-102. Provide a chart depicting the corporate structure of LG&E with its owner(s), corporate subsidiaries and affiliates, regardless of whether they are: (i) directly or indirectly related; and / or (ii) regulated or unregulated.

A-102. See the response to PSC 1-2

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**Question No. 103**

**Responding Witness: Valerie L. Scott**

Q-103. Reference the Price-Waterhouse-Coopers "Report of Independent Auditor" to Kentucky Utilities, report p. 134, contained in the .pdf file named "KU\_FR\_Tabs\_1-37-06292012 (Adobe pagination p. 902). The report states: "As discussed in Note 2 to the financial statements, on November 1, 2010, PPL Corporation completed its acquisition of LG&E and KU Energy LLC and its subsidiaries. The push-down basis of accounting was used at the acquisition date." Reconcile this statement with that set forth in the Settlement Agreement in Case No. 2010-00204, Article III, commitment 3.2, wherein PPL agreed to not use push down accounting in the transaction. See also Bellar testimony on Settlement, pp. 14, 16.

A-103. The Report of the Independent Auditor referred to above relates to Louisville Gas and Electric Company (LG&E), on page 142 contained in the .pdf file named "LGE\_FR\_Tabs\_38-46\_06292012" (Adobe pagination p. 666). The Report of the Independent Auditor references Note 2, which describes the use of push-down accounting used for LG&E's financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles (U.S. GAAP). The U.S. GAAP financial statements are used for the Company's U.S. Securities Exchange Commission reporting which requires push-down accounting.

In the settlement agreement in Case No. 2010-00204, Article III, Section 3.2, the Company commits "to exclude expenses, such as depreciation or amortization associated with push-down accounting adjustments when determining amounts to be recovered from ratepayers". This section 3.2 is consistent with Bellar testimony on settlement page 15.

In preparing the exhibits for this case included in testimony presented by Kent W. Blake, the Company has excluded the impact of all purchase accounting consistent with the settlement agreement in Case No. 2010-00204.

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**Question No. 104**

**Responding Witness: Lonnie E. Bellar**

Q-104. Please confirm that the company will comply with any and all conditions or commitments imposed in the transfer of LG&E from E.ON U.S. to PPL. (These commitment(s) may also pertain to other commitments from prior transfer cases in which the company has been involved.)

A-104. LG&E has complied and will comply with all such conditions or commitments.

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**Question No. 105**

**Responding Witness: Lonnie E. Bellar**

Q-105. In the event there are any that will not be honored, please: (i) identify each with specificity; and (ii) state with specificity the authority under which the company can legally refuse to comply.

A-105. See the response to Question No. 104.



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**Question No. 106**

**Responding Witness: Valerie L. Scott**

Q-106. Please provide the Company's Chart of Accounts down to the sub-account level of detail.

A-106. See Filing Requirement 807 KAR 5:001 Section 10(6)(j) dated June 29, 2012.

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**Question No. 107**

**Responding Witness: Valerie L. Scott**

Q-107. Please provide copies of June year-to-date financial, operating and/or statistical reports for 2009, 2010, 2011 and 2012 (when available).

A-107. See the response to Question No. 113. Year-to-date results are included therein.

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**Question No. 108**

**Responding Witness: Lonnie E. Bellar**

Q-108. Please provide a copy of the Board of Directors minutes for 2009, 2010, 2011 and 2012 to date.

A-108. The Company provided the 2009 minutes in Case No. 2009-00549 in its response to the AG 1-15, dated March 15, 2010, which the Company hereby incorporates by reference. See attached for the minutes for 2010, 2011, and 2012 to date.

The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Question No. 109**

**Responding Witness: Shannon L. Charnas**

Q-109. Please explain in detail any major changes in accounting treatment for O&M expenses, retirements, replacements and removal costs instituted by the Company since 2009.

A-109. There have been no major changes in the accounting treatment for O&M expenses, retirements, replacements and removal costs instituted by the Company since 2009.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 110**

**Responding Witness: Valerie L. Scott**

- Q-110. Please provide a copy of each out-of-period accounting adjustment (i.e., journal entry) recorded during the historical test period, and past the test period to the present, along with an explanation of each adjustment.
- A-110. See attached. All adjustments identified were included in Blake Exhibit 1, Ref. Sch. 1.18 except for \$68,481, which would have decreased the revenue requirement requested in this case.

**Louisville Gas and Electric  
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Out-of-Period Adjustments**

No.	GL Period Entered	Account	Out of Period Amt.	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas Revenue	Gas	Journal Entry/Change in Distribution	Description	Comments
(1)	Oct-11	107001	(5,131.45)	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	146100	10,193.87	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	108901	(1,339.62)	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	143022	(1.08)	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	163002	33.51	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	163004	10.07	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	163100	22.97	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	184517	12.97	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	184600	51.88	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	184602	1,960.52	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	184603	2,893.09	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	184605	364.42	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	186049	(19.53)	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	416001	23.65	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	426501	(4.76)	-	-	-	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	500100	17.54	(17.54)	-	(17.54)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	500900	97.65	(97.65)	-	(97.65)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	501026	3.15	(3.15)	-	(3.15)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	501090	1,368.37	(1,368.37)	-	(1,368.37)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	501990	135.28	(135.28)	-	(135.28)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	502002	(21,117.93)	21,117.93	-	21,117.93	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	502004	(6,955.75)	6,955.75	-	6,955.75	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	502005	(36.02)	36.02	-	36.02	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	502100	(850.74)	850.74	-	850.74	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	506100	(9,503.28)	9,503.28	-	9,503.28	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	506105	(314.21)	314.21	-	314.21	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	510100	298.51	(298.51)	-	(298.51)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	511100	248.15	(248.15)	-	(248.15)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	512005	(906.50)	906.50	-	906.50	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	512011	3.97	(3.97)	-	(3.97)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18

**Louisville Gas and Electric  
Case No. 2012-00222  
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No.	GL Period Entered	Account	Out of Period Amt.	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas Revenue	Gas	Journal Entry/Change in Distribution	Description	Comments
	Oct-11	512015	(68.49)	68.49	-	68.49	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	512017	(577.41)	577.41	-	577.41	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	512100	(2,959.84)	2,959.84	-	2,959.84	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	512101	2.61	(2.61)	-	(2.61)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	513100	322.07	(322.07)	-	(322.07)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	513900	180.83	(180.83)	-	(180.83)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	514100	131.74	(131.74)	-	(131.74)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	535100	1.21	(1.21)	-	(1.21)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	538100	504.41	(504.41)	-	(504.41)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	539100	24.20	(24.20)	-	(24.20)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	542100	235.80	(235.80)	-	(235.80)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	543100	44.75	(44.75)	-	(44.75)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	544100	118.67	(118.67)	-	(118.67)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	548100	(2.95)	2.95	-	2.95	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	551100	(2.77)	2.77	-	2.77	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	552100	(2.83)	2.83	-	2.83	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	553100	(44.71)	44.71	-	44.71	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	556900	22.25	(22.25)	-	(22.25)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	560100	2.72	(2.72)	-	(2.72)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	560900	(27.92)	27.92	-	27.92	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	562100	(83.55)	83.55	-	83.55	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	563100	64.07	(64.07)	-	(64.07)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	566100	98.30	(98.30)	-	(98.30)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	566900	(2.96)	2.96	-	2.96	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	570100	335.16	(335.16)	-	(335.16)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	571100	76.03	(76.03)	-	(76.03)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	573100	2.31	(2.31)	-	(2.31)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	580100	343.22	(343.22)	-	(343.22)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	580900	932.51	(932.51)	-	(932.51)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	582100	182.57	(182.57)	-	(182.57)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	583001	(1,181.27)	1,181.27	-	1,181.27	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18



**Louisville Gas and Electric  
Case No. 2012-00222  
Out-of-Period Adjustments**

No.	GL Period Entered	Account	Out of Period Amt.	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas Revenue	Gas	Journal Entry/Change in Distribution	Description	Comments
	Oct-11	583005	1,117.85	(1,117.85)	-	(1,117.85)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	583008	2.08	(2.08)	-	(2.08)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	583009	(4.70)	4.70	-	4.70	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	583010	65.13	(65.13)	-	(65.13)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	583100	(354.33)	354.33	-	354.33	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	584001	(139.19)	139.19	-	139.19	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	584002	(0.07)	0.07	-	0.07	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	584005	(11.31)	11.31	-	11.31	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	584008	(7.45)	7.45	-	7.45	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	586100	559.60	(559.60)	-	(559.60)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	588100	4,546.01	(4,546.01)	-	(4,546.01)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	588900	141.21	(141.21)	-	(141.21)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	591003	2.12	(2.12)	-	(2.12)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	592100	196.32	(196.32)	-	(196.32)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	593001	(481.81)	481.81	-	481.81	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	593002	(1,797.75)	1,797.75	-	1,797.75	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	593003	(29.23)	29.23	-	29.23	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	593004	24.96	(24.96)	-	(24.96)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	594002	(610.86)	610.86	-	610.86	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	595100	46.07	(46.07)	-	(46.07)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	596100	(1.57)	1.57	-	1.57	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	598100	301.01	(301.01)	-	(301.01)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	814003	385.14	(385.14)	-	-	-	(385.14)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	816100	76.27	(76.27)	-	-	-	(76.27)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	817100	(5,317.38)	5,317.38	-	-	-	5,317.38	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	818100	339.42	(339.42)	-	-	-	(339.42)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	821100	3,628.77	(3,628.77)	-	-	-	(3,628.77)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	830100	(120.89)	120.89	-	-	-	120.89	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	832100	(115.54)	115.54	-	-	-	115.54	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	833100	374.45	(374.45)	-	-	-	(374.45)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	834100	1,068.04	(1,068.04)	-	-	-	(1,068.04)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18

**Louisville Gas and Electric  
Case No. 2012-00222  
Out-of-Period Adjustments**

No.	GL Period Entered	Account	Out of Period Amt.	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas Revenue	Gas	Journal Entry/Change in Distribution	Description	Comments
	Oct-11	835100	(255.02)	255.02	-	-	-	255.02	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	836100	532.03	(532.03)	-	-	-	(532.03)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	837100	304.70	(304.70)	-	-	-	(304.70)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	850100	27.29	(27.29)	-	-	-	(27.29)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	856100	(45.64)	45.64	-	-	-	45.64	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	863100	6.93	(6.93)	-	-	-	(6.93)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	874001	377.06	(377.06)	-	-	-	(377.06)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	874005	62.23	(62.23)	-	-	-	(62.23)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	874006	(0.77)	0.77	-	-	-	0.77	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	874007	22.34	(22.34)	-	-	-	(22.34)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	874008	(53.78)	53.78	-	-	-	53.78	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	875100	841.34	(841.34)	-	-	-	(841.34)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	876100	1,594.40	(1,594.40)	-	-	-	(1,594.40)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	877100	191.14	(191.14)	-	-	-	(191.14)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	878100	(81.72)	81.72	-	-	-	81.72	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	879100	(2,750.11)	2,750.11	-	-	-	2,750.11	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	880100	1,968.53	(1,968.53)	-	-	-	(1,968.53)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	880900	470.25	(470.25)	-	-	-	(470.25)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	886100	157.01	(157.01)	-	-	-	(157.01)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	887100	3,867.78	(3,867.78)	-	-	-	(3,867.78)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	889100	501.75	(501.75)	-	-	-	(501.75)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	890100	1,219.10	(1,219.10)	-	-	-	(1,219.10)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	891100	1,124.47	(1,124.47)	-	-	-	(1,124.47)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	892100	(279.09)	279.09	-	-	-	279.09	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	894100	1,472.41	(1,472.41)	-	-	-	(1,472.41)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	901001	32.42	(32.42)	-	(25.94)	-	(6.48)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	902001	1,931.53	(1,931.53)	-	(1,545.22)	-	(386.31)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	902002	(25.14)	25.14	-	20.11	-	5.03	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	903001	34.85	(34.85)	-	(27.88)	-	(6.97)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	903007	6.58	(6.58)	-	(5.26)	-	(1.32)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	903008	(211.92)	211.92	-	169.54	-	42.38	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18

**Louisville Gas and Electric  
Case No. 2012-00222  
Out-of-Period Adjustments**

No.	GL Period Entered	Account	Out of Period Amt.	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas Revenue	Gas	Journal Entry/Change in Distribution	Description	Comments
	Oct-11	903936	6.76	(6.76)	-	(5.41)	-	(1.35)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	905001	112.40	(112.40)	-	(89.92)	-	(22.48)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	907001	(13.31)	13.31	-	10.65	-	2.66	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	907900	(42.36)	42.36	-	33.89	-	8.47	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	921002	2,632.24	(2,632.24)	-	(2,105.79)	-	(526.45)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	921003	193.62	(193.62)	-	(154.90)	-	(38.72)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	921902	5,700.65	(5,700.65)	-	(4,560.52)	-	(1,140.13)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	921903	341.40	(341.40)	-	(273.12)	-	(68.28)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	925004	13.28	(13.28)	-	(11.34)	-	(1.94)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	925100	1.84	(1.84)	-	(1.84)	-	-	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	935101	477.50	(477.50)	-	(339.02)	-	(138.48)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	935391	3,076.49	(3,076.49)	-	(2,184.31)	-	(892.18)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	935488	344.74	(344.74)	-	(244.77)	-	(99.97)	J201-0100-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
(2)	Oct-11	107001	1,856.28	-	-	-	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	108901	2.86	-	-	-	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	146100	(10,151.03)	-	-	-	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	184600	70.05	-	-	-	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	184602	35.94	-	-	-	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	184605	1,236.53	-	-	-	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	186049	1.91	-	-	-	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	426491	131.09	-	-	-	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	500900	(23.71)	23.71	-	23.71	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	501026	9.04	(9.04)	-	(9.04)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	501090	(52.59)	52.59	-	52.59	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	501990	763.16	(763.16)	-	(763.16)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	502100	(106.78)	106.78	-	106.78	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	506100	8.04	(8.04)	-	(8.04)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	510100	309.15	(309.15)	-	(309.15)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	512005	2.41	(2.41)	-	(2.41)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	512100	0.53	(0.53)	-	(0.53)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18

**Louisville Gas and Electric  
Case No. 2012-00222  
Out-of-Period Adjustments**

No.	GL Period Entered	Account	Out of Period Amt.	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas Revenue	Gas	Journal Entry/Change in Distribution	Description	Comments
	Oct-11	513100	0.15	(0.15)	-	(0.15)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	560100	28.19	(28.19)	-	(28.19)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	560900	144.55	(144.55)	-	(144.55)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	562100	82.56	(82.56)	-	(82.56)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	563100	138.64	(138.64)	-	(138.64)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	566100	(1.04)	1.04	-	1.04	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	566900	15.03	(15.03)	-	(15.03)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	570100	9.68	(9.68)	-	(9.68)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	571100	197.34	(197.34)	-	(197.34)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	580100	531.49	(531.49)	-	(531.49)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	586100	914.69	(914.69)	-	(914.69)	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	588100	(25.36)	25.36	-	25.36	-	-	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	875100	0.72	(0.72)	-	-	-	(0.72)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	880100	401.82	(401.82)	-	-	-	(401.82)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	901001	89.44	(89.44)	-	(71.55)	-	(17.89)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	901900	60.40	(60.40)	-	(48.32)	-	(12.08)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	903030	0.06	(0.06)	-	(0.05)	-	(0.01)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	903912	43.28	(43.28)	-	(34.62)	-	(8.66)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	903930	577.31	(577.31)	-	(461.85)	-	(115.46)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	905001	0.23	(0.23)	-	(0.18)	-	(0.05)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	925004	74.89	(74.89)	-	(59.91)	-	(14.98)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	935391	1,701.94	(1,701.94)	-	(1,208.38)	-	(493.56)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	935488	921.11	(921.11)	-	(653.99)	-	(267.12)	J201-0110-1011	Transportation Management System - Correct Inter-Departmental Allocations (Jan 2011 - Mar 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
										<b>Transportation Management System</b>	
						18,451.92		(16,197.78)			
(3)	May-11	165100	(35,487.50)	-	-	-	-	-	J221-0110-0511	Prepaid Insurance - Reclass refund from expense; Correct allocation of prepaid insurance for TC2 addition (Feb 2011)	See Blake Exhibit 1, Ref. Sch. 1.18. Amount represents only the impact within the test year not the entire journal entry.
	May-11	924100	35,487.50	(35,487.50)	-	(28,390.00)	-	(7,097.50)	J221-0110-0511	Prepaid Insurance - Reclass refund from expense; Correct allocation of prepaid insurance for TC2 addition (Feb 2011)	
(4)	May-11	165100	(10,293.12)	-	-	-	-	-	J222-0110-0511	Prepaid Insurance - Correct allocation for Dix Dam sublimit increase (Feb 2011)	See Blake Exhibit 1, Ref. Sch. 1.18. Amount represents only the impact within the test year not the entire journal entry.
	May-11	924100	10,293.12	(10,293.12)	-	(8,234.50)	-	(2,058.62)	J222-0110-0511	Prepaid Insurance - Correct allocation for Dix Dam sublimit increase (Feb 2011)	
										<b>Prepaid Insurance</b>	
						(36,624.50)		(9,156.12)			

**Louisville Gas and Electric  
Case No. 2012-00222  
Out-of-Period Adjustments**

No.	GL Period Entered	Account	Out of Period Amt.	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas Revenue	Gas	Journal Entry/Change in Distribution	Description	Comments
(5)	Apr-11	107001	(2,015.00)	-	-	-	-	-	J429-0100-0411	Reclassify from Capital to O&M (Sep 2009)	See Blake Exhibit 1, Ref. Sch. 1.18
	Apr-11	512005	2,015.00	(2,015.00)	-	(2,015.00)	-	-	J429-0100-0411	Reclassify from Capital to O&M (Sep 2009)	See Blake Exhibit 1, Ref. Sch. 1.18
(6)	May-11	107001	(4,332.65)	-	-	-	-	-	J424-0110-0511	Reclassify from Capital to O&M (Jun 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	May-11	921903	4,332.65	(4,215.58)	-	(2,993.06)	-	(1,222.52)	J424-0110-0511	Reclassify from Capital to O&M (Jun 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(7)	Jul-11	107001	(1,242.21)	-	-	-	-	-	J430-0100-0711	Reclassify from Capital to O&M (Nov 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Jul-11	582100	1,242.21	(1,242.21)	-	(1,242.21)	-	-	J430-0100-0711	Reclassify from Capital to O&M (Nov 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(8)	Jul-11	107001	(1,140.16)	-	-	-	-	-	J423-0100-0711	Reclassify from Capital to O&M (Aug 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Jul-11	818100	1,140.16	(1,140.16)	-	-	-	(1,140.16)	J423-0100-0711	Reclassify from Capital to O&M (Aug 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(9)	Sep-11	107001	(7,381.48)	-	-	-	-	-	J425-0100-0911	Reclassify from Capital to O&M (Oct 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Sep-11	571100	7,381.48	(7,381.48)	-	(7,381.48)	-	-	J425-0100-0911	Reclassify from Capital to O&M (Oct 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(10)	Oct-11	107001	(602.61)	-	-	-	-	-	J428-0100-1011	Reclassify from Capital to O&M (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	570100	602.61	(602.61)	-	(602.61)	-	-	J428-0100-1011	Reclassify from Capital to O&M (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(11)	Oct-11	107001	166.64	-	-	-	-	-	J430-0100-1011	Reclassify from O&M to Capital (Feb 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	571100	(166.64)	166.64	-	166.64	-	-	J430-0100-1011	Reclassify from O&M to Capital (Feb 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
(12)	Nov-11	107001	(2,961.42)	-	-	-	-	-	J421-0100-1111	Reclassify from Capital to O&M (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Nov-11	573100	1,480.71	(1,480.71)	-	(1,480.71)	-	-	J421-0100-1111	Reclassify from Capital to O&M (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Nov-11	592100	1,480.71	(1,480.71)	-	(1,480.71)	-	-	J421-0100-1111	Reclassify from Capital to O&M (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(13)	Dec-11	107001	166.64	-	-	-	-	-	J424-0100-1211	Reclassify from O&M to Capital (Feb 2011)	See Blake Exhibit 1, Ref. Sch. 1.18.
	Dec-11	571100	(166.64)	166.64	-	166.64	-	-	J424-0100-1211	Reclassify from O&M to Capital (Feb 2011)	Amount represents only the impact within the test year not the entire journal entry.
<b>Reclassify from O&amp;M to Capital</b>					-	(16,862.50)	-	(2,362.68)			
(14)	Jul-11	586100	(122,859.59)	122,859.59	-	(122,859.59)	-	-	J220-0100-0711	Reclassify Gas charges to Electric (Jan 2011)	See Blake Exhibit 1, Ref. Sch. 1.18.
	Jul-11	878100	122,859.59	(122,859.59)	-	-	-	122,859.59	J220-0100-0711	Reclassify Gas charges to Electric (Jan 2011)	Amount represents only the impact within the test year not the entire journal entry.
<b>Reclassify Gas charges to Electric</b>					-	(122,859.59)	-	122,859.59			
(15)	Mar-12	232001	(29,150.03)	29,150.03	-	-	-	-	J092-0100-0312	Injuries and Damages (Aug 2005, Oct 2007, Sep 2008, Oct 2008, Feb 2009, May 2010, Aug 2010)	See Blake Exhibit 1, Ref. Sch. 1.18.
	Mar-12	925001	5,810.50	(5,810.50)	-	(4,648.40)	-	(1,162.10)	J092-0100-0312	Injuries and Damages (Aug 2005, Oct 2007, Sep 2008, Oct 2008, Feb 2009, May 2010, Aug 2010)	Amount represents only the impact within the test year not the entire journal entry.
	Mar-12	925003	23,339.53	(23,339.53)	-	(18,671.62)	-	(4,667.91)	J092-0100-0312	Injuries and Damages (Aug 2005, Oct 2007, Sep 2008, Oct 2008, Feb 2009, May 2010, Aug 2010)	
<b>Injuries and Damages</b>					-	(23,320.02)	-	(5,830.01)			
(16)	Dec-11	232001	890,449.21	-	-	-	-	-	COD	Air Emission Fee payment (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Dec-11	506100	(413,245.11)	413,245.11	-	413,245.11	-	-	COD	Air Emission Fee payment (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Dec-11	506100	(477,204.10)	477,204.10	-	477,204.10	-	-	COD	Air Emission Fee payment (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
<b>Air Emission Fee payment</b>					-	890,449.21	-	-			
(17)	Apr-11	232011	(82.90)	-	-	-	-	-	J240-0100-0411	Other - Correct and Record MISO Pass-Through charges (Q1 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Apr-11	565006	82.92	(82.92)	-	(82.92)	-	-	J240-0100-0411	Other - Correct MISO Pass-Through charges (Q1 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Apr-11	565005	(0.02)	0.02	-	0.02	-	-	J240-0100-0411	Other - Record MISO Pass-Through charges (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(18)	Apr-11	146100	2.43	-	-	-	-	-	J222-0110-0411	Other - Transm Purch Exp NL - MISO Energy and True-up XM Exp - TVA (Nov 2010 and Jan 2011)	See Blake Exhibit 1, Ref. Sch. 1.18

**Louisville Gas and Electric  
Case No. 2012-00222  
Out-of-Period Adjustments**

No.	GL Period Entered	Account	Out of Period Amt.	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas Revenue	Gas	Journal Entry/Change in Distribution	Description	Comments
	Apr-11	232011	(1,552.40)	-	-	-	-	-	J222-0110-0411	Other - Transm Purch Exp NL - MISO Energy and True-up XM Exp - TVA (Nov 2010 and Jan 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Apr-11	565002	(2.19)	2.19	-	2.19	-	-	J222-0110-0411	Other - True up XM Exp - TVA; correct transmission payable (Jan 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Apr-11	565005	1,549.04	(1,549.04)	-	(1,549.04)	-	-	J222-0110-0411	Other - Transm Purch Exp NL - MISO Energy; correct transmission payable (Nov 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Apr-11	565006	3.12	(3.12)	-	(3.12)	-	-	J222-0110-0411	Other - Transm Purch Exp NL - MISO Energy; correct transmission payable (Nov 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(19)	Apr-11	142003	0.51	-	-	-	-	-	J221-0100-0411	Other - Write unreconciled balance - PJM A/R (Jan 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Apr-11	146100	(2.13)	-	-	-	-	-	J221-0100-0411	Other - Write unreconciled balance - PJM A/R (Jan 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Apr-11	557208	1.62	(1.62)	-	(1.62)	-	-	J221-0100-0411	Other - Write unreconciled balance - PJM A/R (Jan 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
(20)	May-11	146100	17,456.33	-	-	-	-	-	J222-0100-0511	Other - Reclass PJM Oper Reserve chrg to NL (Feb 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	May-11	557212	(7,425.61)	7,425.61	-	7,425.61	-	-	J222-0100-0511	Other - Reclass PJM Oper Reserve chrg to NL (Feb 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	May-11	565002	(10,030.72)	10,030.72	-	10,030.72	-	-	J222-0100-0511	Other - Reclass PJM XM to NL (Feb 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
(21)	Aug-11	232011	30.82	-	-	-	-	-	J222-0100-0811	Other - Reverse duplication entry (Q1 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Aug-11	565002	(30.82)	30.82	-	30.82	-	-	J222-0100-0811	Other - Reverse duplication entry (Q1 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
(22)	Aug-11	232011	8,007.71	(8,007.71)	-	(8,007.71)	-	-	J224-0100-0811	Other - Correct Dynegy Transmission Payable - Schedule 12 Penalty (Aug 2010 - Sep 2010)	See Blake Exhibit 1, Ref. Sch. 1.18. Amount represents only the impact within the test year not the entire journal entry.
	Aug-11	456109	(8,002.01)	8,002.01	8,002.01	-	-	-	J224-0100-0811	Other - Correct Dynegy Transmission Payable - Schedule 12 Penalty (Sep 2010)	
	Aug-11	566100	(5.70)	5.70	-	5.70	-	-	J224-0100-0811	Other - Correct Dynegy Transmission Payable - Schedule 12 Penalty (Aug 2010)	
(23)	May-11	232011	492.85	-	-	-	-	-	J223-0100-0511	Other - Corr PJM Sch 1 Chg. (Q4 2010), True-up BREC Pmt (Q3 2010), True-up KMPA Pmt (Q2 2010) and Rev PJM Q3 Entry (Jan 2011)	See Blake Exhibit 1, Ref. Sch. 1.18. Amount represents only the impact within the test year not the entire journal entry.
	May-11	456109	(0.03)	0.03	0.03	-	-	-	J223-0100-0511	Other - True-up BREC Pmt - 3rd Qtr 2010	
	May-11	565002	(492.13)	492.13	-	492.13	-	-	J223-0100-0511	Other - Rev PJM Q4 Entry (Jan 2011)	
	May-11	565005	(6.78)	6.78	-	6.78	-	-	J223-0100-0511	Other - Corr PJM Sch 1 Chg. - 4th Qtr 2010	
	May-11	566151	6.09	(6.09)	-	(6.09)	-	-	J223-0100-0511	Other - True-up KMPA Pmt - 2nd Qtr 2010	
(24)	Mar-11	232010	4,879.99	-	-	-	-	-	J213-0100-0311	Other - PJM Other: NL, OSS (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18. Amount represents only the impact within the test year not the entire journal entry.
	Mar-11	557208	342.55	(342.55)	-	(342.55)	-	-	J213-0100-0311	Other - PJM Other-NL (Dec 2010)	
	Mar-11	557209	(0.32)	0.32	-	0.32	-	-	J213-0100-0311	Other - PJM Other-OSS (Dec 2010)	
	Mar-11	557211	639.20	(639.20)	-	(639.20)	-	-	J213-0100-0311	Other - PJM Operating Reserves-NL(Jan 2011)	
	Mar-11	557212	(5,861.42)	5,861.42	-	5,861.42	-	-	J213-0100-0311	Other - PJM Operating Reserves-OSS (Jan 2011)	
(25)	Jun-11	232001	332.38	-	-	-	-	-	J201-0100-0611	Other - To expense difference between escheat database & escheat project (prior to Jul 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Jun-11	930207	(332.38)	332.38	-	235.99	-	96.39	J201-0100-0611	Other - To expense difference between escheat database & escheat project (prior to Jul 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(26)	Sep-11	131092	790.29	-	-	-	-	-	J203-0100-0911	Other - Correct/clear old bank recon items (Oct 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Sep-11	930207	(790.29)	790.29	-	561.11	-	229.18	J203-0100-0911	Other - Correct/clear old bank recon items (Oct 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(27)	Sep-11	131092	155.65	-	-	-	-	-	J204-0100-0911	Other - Correct/clear old bank recon items (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Sep-11	930207	(155.65)	155.65	-	110.51	-	45.14	J204-0100-0911	Other - Correct/clear old bank recon items (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(28)	Oct-11	232011	2,862.19	-	-	-	-	-	J243-0100-1011	Other - Correct Dynegy Transmission Payable (Dec 2008, Mar 2009, Aug 2009)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	456109	(149.30)	149.30	149.30	-	-	-	J243-0100-1011	Other - Correct Dynegy Transmission Payable (Dec 2008, Mar 2009, Aug 2009)	See Blake Exhibit 1, Ref. Sch. 1.18
	Oct-11	456109	(2,712.89)	2,712.89	2,712.89	-	-	-	J243-0100-1011	Other - Correct Dynegy Transmission Payable (Dec 2008, Mar 2009, Aug 2009)	See Blake Exhibit 1, Ref. Sch. 1.18
(29)	Nov-11	427190	(64,618.98)	-	-	-	-	-	J241-0100-1111	Other - Reclass Amortization of Reg Asset (Jan 2011)	See Blake Exhibit 1, Ref. Sch. 1.18
	Nov-11	930201	64,618.98	(64,618.98)	-	(51,449.64)	-	(13,169.34)	J241-0100-1111	Other - Reclass Amortization of Reg Asset (Jan 2011)	See Blake Exhibit 1, Ref. Sch. 1.18



**Louisville Gas and Electric  
Case No. 2012-00222  
Out-of-Period Adjustments**

No.	GL Period Entered	Account	Out of Period Amt.	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas Revenue	Gas	Journal Entry/Change in Distribution	Description	Comments
(30)	Sep-11	142001	27,102.55	-	-	-	-	-	J504-0100-0911	Other - Correct Gas Startup and Stabilization (Nov 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Sep-11	501100	(17,672.47)	17,672.47	-	17,672.47	-	-	J504-0100-0911	Other - Correct Gas Startup and Stabilization (Nov 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Sep-11	501102	(9,430.08)	9,430.08	-	9,430.08	-	-	J504-0100-0911	Other - Correct Gas Startup and Stabilization (Nov 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
(31)	Mar-12	107001	(118.26)	-	-	-	-	-	J432-0100-0312	Other - Write Off (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
	Mar-12	566900	118.26	(118.26)	-	(118.26)	-	-	J432-0100-0312	Other - Write Off (Dec 2010)	See Blake Exhibit 1, Ref. Sch. 1.18
<b>Other Revenue/Electric Expense/Gas Expense</b>					10,864.23	(10,334.28)	-	(12,798.63)			
(32)	Jul-12	232011	(8,007.71)	8,007.71	-	8,007.71	-	-	J224-0100-0811	The electric expense herein differs from Blake Exhibit 1, Ref. Sch. 1.18, by (\$8,007.71) as this balance was inadvertently included in the proforma. Thus, lowering the requested revenue requirements.	
(33)	Apr-12	107001	(22,472.96)	-	-	-	-	-	J201-0100-0412	Reclass proceeds from scrap sale (Mar 2012)	
	Apr-12	539100	22,472.90	22,472.90	-	22,472.90	-	-	J201-0100-0412	Reclass proceeds from scrap sale (Mar 2012)	
(34)	Jun-12	107001	867.47	-	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M (Jul 2011)	Amount represents only the impact within the test year not the entire journal entry.
	Jun-12	108901	(1,206.67)	-	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M (Jul 2011)	
	Jun-12	183301	140.70	-	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M (Jul 2011)	
	Jun-12	571100	198.50	198.50	-	198.50	-	-	J431-0100-0612	Reclassify from Capital to O&M (Jul 2011)	
(35)	Nov-11	146100	(10,117.14)	-	-	-	-	-	J321-0020-1111	Payroll Tax Adjustment (Jan 2008)	
	Nov-11	930207	10,117.14	(10,117.14)	-	(8,093.71)	-	(2,023.43)	J321-0020-1111	Payroll Tax Adjustment (Jan 2008)	
(36)	Jul-12	146100	1,027.78	-	-	-	-	-	J240-0110-0712	Reclass between companies (Mar 2012)	
	Jul-12	921903	(1,027.78)	(1,027.78)	-	(1,027.78)	-	-	J240-0110-0712	Reclass between companies (Mar 2012)	
(37)	Apr-12	146100	170,534.02	-	-	-	-	-	J017-0020-0412	Procard Rebate (Sep 2010-Aug 2011)	The out-of-period journal entry was from September 2010 through August 2011, but the revenue requirement impact was only from April to August 2011.
	Apr-12	921903	(170,534.02)	(71,055.84)	-	(71,055.84)	-	-	J017-0020-0412	Procard Rebate (Sep 2010-Aug 2011)	
(38)	Apr-12	421001	30,750.00	-	-	-	-	-	J200-0020-0412	Reclass Vendor Extension (Mar 2012)	
	Apr-12	146100	28,290.00	-	-	-	-	-	J200-0020-0412	Reclass Vendor Extension (Mar 2012)	
	Apr-12	921903	(59,040.00)	(59,040.00)	-	(47,232.00)	-	(11,808.00)	J200-0020-0412	Reclass Vendor Extension (Mar 2012)	
(39)	Apr-12	107001	(24,400.00)	-	-	-	-	-	COD	Reclassify from Capital to O&M (Feb 2012)	
	Apr-12	513100	24,400.00	24,400.00	-	24,400.00	-	-	COD	Reclassify from Capital to O&M (Feb 2012)	
(40)	Apr-12	143012	(7,420.77)	-	-	-	-	-	COD	Reclassify to correct project (Oct 2011)	
	Apr-12	512051	7,420.77	7,420.77	-	7,420.77	-	-	COD	Reclassify to correct project (Oct 2011)	
(41)	Apr-12	143012	(6,142.60)	-	-	-	-	-	COD	Reclassify to correct project (Oct 2011)	
	Apr-12	512051	6,142.60	6,142.60	-	6,142.60	-	-	COD	Reclassify to correct project (Oct 2011)	
(42)	Aug-12	426500	91.10	-	-	-	-	-	J240-0110-0812	Reclass from Operating to BTL (Dec 2011, Feb 2012, Jun 2012)	
	Aug-12	921002	(91.10)	(91.10)	-	(72.88)	-	(18.22)	J240-0110-0812	Reclass from Operating to BTL (Dec 2011, Feb 2012, Jun 2012)	
	Aug-12	146100	93.34	-	-	-	-	-	J240-0110-0812	Reclass between Companies (Dec 2011)	
	Aug-12	580100	(93.34)	(93.34)	-	(93.34)	-	-	J240-0110-0812	Reclass between Companies (Dec 2011)	
(43)	May-12	107001	83.65	-	-	-	-	-	J017-0020-0512	Invoice payment correction (Nov 2011)	
	May-12	921903	(83.65)	(83.65)	-	(66.92)	-	(16.73)	J017-0020-0512	Invoice payment correction (Nov 2011)	
(44)	Jun-11	142999	4,645.53	-	-	-	-	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	241038	(256.39)	-	-	-	-	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	242017	(4.20)	-	-	-	-	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	

**Louisville Gas and Electric  
Case No. 2012-00222  
Out-of-Period Adjustments**

No.	GL Period Entered	Account	Out of Period Amt.	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas Revenue	Gas	Journal Entry/Change in Distribution	Description	Comments
	Jun-11	440101	(25.31)	25.31	25.31	-	-	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	440102	(463.76)	463.76	463.76	-	-	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	440103	(7.43)	7.43	7.43	-	-	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	440104	(10.95)	10.95	10.95	-	-	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	440111	(15.10)	15.10	15.10	-	-	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	440117	(0.27)	0.27	0.27	-	-	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	440119	(171.37)	171.37	171.37	-	-	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	480101	(57.95)	57.95	-	-	57.95	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	480102	(917.88)	917.88	-	-	917.88	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	480104	(2,165.50)	2,165.50	-	-	2,165.50	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	480107	3.36	(3.36)	-	-	(3.36)	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
	Jun-11	480119	(552.78)	552.78	-	-	552.78	-	J502-0100-0412	To reverse unknown party transactions billed in June 2011 related to August 2009 and April 2010 through September 2010.	
<b>Total adjustments not included in the test year</b>				<u>(68,481.43)</u>	<u>694.19</u>	<u>(58,999.99)</u>	<u>3,690.75</u>	<u>(13,866.38)</u>			



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
	0100	141	001280	001280	902001	0000	0575	0000	1,810.07			Correct TRMS Charges for Exp Org 001280	Yes	115562	MRI
	0100	122	001295	001295	586100	0000	0575	0000	166.15			Correct TRMS Charges for Exp Org 001295	Yes	115563	REC
	0100	122	001295	001295	586100	0000	0575	0000	387.44			Correct TRMS Charges for Exp Org 001295	Yes	115563	SOP
	0100	122	001295	001295	586100	0000	0575	0000	4.86			Correct TRMS Charges for Exp Org 001295	Yes	115563	HB-R
	0100	122	001295	001295	586100	0000	0575	0000	208.65			Correct TRMS Charges for Exp Org 001295	Yes	115563	MISC
	0100	122	001295	001295	586100	0000	0575	0000	18.14			Correct TRMS Charges for Exp Org 001295	Yes	115563	MTOF
	0100	122	001295	001295	586100	0000	0575	0000	10.03			Correct TRMS Charges for Exp Org 001295	Yes	115563	MTON
	0100	122	001295	001295	586100	0000	0575	0000	0.36			Correct TRMS Charges for Exp Org 001295	Yes	115563	RC-C
	0100	122	001295	001295	586100	0000	0575	0000	9.70			Correct TRMS Charges for Exp Org 001295	Yes	115563	RC-R
	0100	122	001295	001295	586100	0000	0575	0000	142.30			Correct TRMS Charges for Exp Org 001295	Yes	115563	CCO-R
	0100	122	001295	001295	586100	0000	0575	0000	33.17			Correct TRMS Charges for Exp Org 001295	Yes	115563	REC-R
	0100	122	001295	001295	586100	0000	0575	0000	62.93			Correct TRMS Charges for Exp Org 001295	Yes	115563	TRA-C
	0100	122	001295	001295	586100	0000	0575	0000	62.69			Correct TRMS Charges for Exp Org 001295	Yes	115563	TRA-R
	0100	122	001295	001295	586100	0000	0575	0000	86.55			Correct TRMS Charges for Exp Org 001295	Yes	115563	NPD
	0100	122	001295	001295	586100	0000	0575	0000	661.90			Correct TRMS Charges for Exp Org 001295	Yes	115563	CCO
	0100	122	001295	001295	586100	0000	0575	0000	8.40			Correct TRMS Charges for Exp Org 001295	Yes	115563	TRAIN
	0100	122	001295	001295	586100	0000	0575	0000	12.13			Correct TRMS Charges for Exp Org 001295	Yes	115563	LUMPSUM
	0100	141	001320	001320	903008	0000	0575	0000		92.51		Correct TRMS Charges for Exp Org 001320	Yes	115573	ITD
	0100	141	001320	001320	903008	0000	0575	0000		119.41		Correct TRMS Charges for Exp Org 001320	Yes	115573	TDA
	0100	122	003400	001345	107001	0000	0575	0699	2.81			Correct TRMS Charges for Exp Org 001345	Yes	RCST340	2803808101
	0110	111	015795	001345	107001	0000	0575	0321	4.04			Correct TRMS Charges for Exp Org 001345	Yes	117150	OTHCOM
	0100	111	002990	001345	107001	0000	0575	0321	1.38			Correct TRMS Charges for Exp Org 001345	Yes	117149	OTHCOM
	0100	111	002030	001345	513100	0000	0575	0101	23.51			Correct TRMS Charges for Exp Org 001345	Yes	CRGA	6180971
	0100	111	002120	001345	544100	0000	0575	0450	10.37			Correct TRMS Charges for Exp Org 001345	Yes	OFPRD	6180969
	0100	111	002140	001345	553100	0000	0575	0430	20.82			Correct TRMS Charges for Exp Org 001345	Yes	CTPR11	6180968
	0100	121	003060	001345	570100	0000	0575	0500	25.91			Correct TRMS Charges for Exp Org 001345	Yes	112192	TPM IM
	0100	122	003160	001345	582100	0000	0575	0000	8.34			Correct TRMS Charges for Exp Org 001345	Yes	112160	METER
	0100	122	001345	001345	586100	0000	0575	0000	1,767.55			Correct TRMS Charges for Exp Org 001345	Yes	121396	MTR
	0100	111	002030	002030	502100	0000	0575	0101	4.75			Correct TRMS Charges for Exp Org 002030	Yes	CROLBR	S&E
	0100	111	002030	002030	506100	0000	0575	0101	8.25			Correct TRMS Charges for Exp Org 002030	Yes	CRALBR	MISC
	0100	111	002030	002030	510100	0000	0575	0101	9.03			Correct TRMS Charges for Exp Org 002030	Yes	CRMLBR	S&E
	0100	111	002120	002030	535100	0000	0575	0450	1.21			Correct TRMS Charges for Exp Org 002030	Yes	OFADMIN	SLABOR

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
0100	111	002120	002130	538100	0000	0575	0450	518.37				Correct TRMS Charges for Exp Org 002130	Yes	OFADMIN	OPSLABOR
0100	111	002120	002130	539100	0000	0575	0450	15.18				Correct TRMS Charges for Exp Org 002130	Yes	OFADMIN	TRAIN
0100	111	002120	002130	539100	0000	0575	0450	9.28				Correct TRMS Charges for Exp Org 002130	Yes	OFHEALTH	SAFETY
0100	111	002120	002130	542100	0000	0575	0450	0.66				Correct TRMS Charges for Exp Org 002130	Yes	OFSTBSEW	6200278
0100	111	002120	002130	542100	0000	0575	0450	2.31				Correct TRMS Charges for Exp Org 002130	Yes	OFSTB	6201000
0100	111	002120	002130	542100	0000	0575	0450	8.16				Correct TRMS Charges for Exp Org 002130	Yes	OFSTB	6189775
0100	111	002120	002130	542100	0000	0575	0450	17.25				Correct TRMS Charges for Exp Org 002130	Yes	OFSTB	6189776
0100	111	002120	002130	542100	0000	0575	0450	19.40				Correct TRMS Charges for Exp Org 002130	Yes	OFSTB	6138535
0100	111	002120	002130	542100	0000	0575	0450	186.34				Correct TRMS Charges for Exp Org 002130	Yes	OFSTB	6204935
0100	111	002120	002130	543100	0000	0575	0450	34.02				Correct TRMS Charges for Exp Org 002130	Yes	OFHDW	6076543
0100	111	002120	002130	543100	0000	0575	0450	4.12				Correct TRMS Charges for Exp Org 002130	Yes	OFHDW	6185548
0100	111	002120	002130	543100	0000	0575	0450	4.74				Correct TRMS Charges for Exp Org 002130	Yes	OFHDW	6116449
0100	111	002120	002130	544100	0000	0575	0450	1.35				Correct TRMS Charges for Exp Org 002130	Yes	OFTA	6201280
0100	111	002120	002130	544100	0000	0575	0450	34.67				Correct TRMS Charges for Exp Org 002130	Yes	OFEXC	6161765
0100	111	002120	002130	544100	0000	0575	0450	2.50				Correct TRMS Charges for Exp Org 002130	Yes	OFTA	6201249
0100	111	002120	002130	544100	0000	0575	0450	1.30				Correct TRMS Charges for Exp Org 002130	Yes	OFGA	6202209
0100	111	002120	002130	544100	0000	0575	0450	0.94				Correct TRMS Charges for Exp Org 002130	Yes	OFTA	6199431
0100	111	002120	002130	544100	0000	0575	0450	1.72				Correct TRMS Charges for Exp Org 002130	Yes	OFSW	6199132
0100	111	002120	002130	544100	0000	0575	0450	0.27				Correct TRMS Charges for Exp Org 002130	Yes	OFCA	6204618
0100	111	002120	002130	544100	0000	0575	0450	0.08				Correct TRMS Charges for Exp Org 002130	Yes	OFTRF	6004002
0100	111	002120	002130	544100	0000	0575	0450	2.63				Correct TRMS Charges for Exp Org 002130	Yes	OFGA	6197357
0100	111	002120	002130	544100	0000	0575	0450	3.93				Correct TRMS Charges for Exp Org 002130	Yes	OFGA	6200262
0100	111	002120	002130	544100	0000	0575	0450	0.66				Correct TRMS Charges for Exp Org 002130	Yes	OFPRD	6204512
0100	111	002120	002130	544100	0000	0575	0450	1.72				Correct TRMS Charges for Exp Org 002130	Yes	OFPRD	6201942
0100	111	002120	002130	544100	0000	0575	0450	18.37				Correct TRMS Charges for Exp Org 002130	Yes	OFPRD	6200993
0100	111	002120	002130	544100	0000	0575	0450	1.80				Correct TRMS Charges for Exp Org 002130	Yes	OFPRD	6200575
0100	111	002120	002130	544100	0000	0575	0450	7.88				Correct TRMS Charges for Exp Org 002130	Yes	OFPRD	6186124
0100	111	002120	002130	544100	0000	0575	0450	0.88				Correct TRMS Charges for Exp Org 002130	Yes	OFCA	6200703
0100	111	002120	002130	544100	0000	0575	0450	12.51				Correct TRMS Charges for Exp Org 002130	Yes	OFGAG	6205836
0100	111	002120	002130	544100	0000	0575	0450	0.27				Correct TRMS Charges for Exp Org 002130	Yes	OFGAG	6204619
0100	111	002120	002130	544100	0000	0575	0450	1.20				Correct TRMS Charges for Exp Org 002130	Yes	OFGAG	6200704
0100	111	002030	002281	107001	0000	0575	0161			51.51		Correct TRMS Charges for Exp Org 002281	Yes	127319	6177726
0100	111	002030	002281	502100	0000	0575	0101			875.38		Correct TRMS Charges for Exp Org 002281	Yes	CRBWTR	6208376
0100	111	002030	002281	506100	0000	0575	0101			31.62		Correct TRMS Charges for Exp Org 002281	Yes	CRHEALTH	ERT
0100	111	002030	002281	506100	0000	0575	0101			15.88		Correct TRMS Charges for Exp Org 002281	Yes	CRHEALTH	SAFETY
0100	111	002030	002281	511100	0000	0575	0101			20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRSTB	6188437
0100	111	002030	002281	511100	0000	0575	0151			7.70		Correct TRMS Charges for Exp Org 002281	Yes	CRSTB	6198724

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002281	511100	0000	0575	0161		6.16		Correct TRMS Charges for Exp Org 002281	Yes	CRSTB	6195532
	0100	111	002030	002281	512005	0000	0575	0141		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6205103
	0100	111	002030	002281	512005	0000	0575	0101		22.73		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6205275
	0100	111	002030	002281	512005	0000	0575	0141		17.34		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6205439
	0100	111	002030	002281	512005	0000	0575	0161		45.46		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6208079
	0100	111	002030	002281	512005	0000	0575	0101		4.62		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6208238
	0100	111	002030	002281	512005	0000	0575	0141		14.26		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6193200
	0100	111	002030	002281	512005	0000	0575	0101		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6193662
	0100	111	002030	002281	512005	0000	0575	0161		26.97		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6195566
	0100	111	002030	002281	512005	0000	0575	0161		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6197196
	0100	111	002030	002281	512005	0000	0575	0141		7.70		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6197197
	0100	111	002030	002281	512005	0000	0575	0151		27.74		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6197198
	0100	111	002030	002281	512005	0000	0575	0101		2.70		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6198467
	0100	111	002030	002281	512005	0000	0575	0161		121.36		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6199159
	0100	111	002030	002281	512005	0000	0575	0151		8.48		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6199467
	0100	111	002030	002281	512005	0000	0575	0141		57.02		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6199475
	0100	111	002030	002281	512005	0000	0575	0141		4.24		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6199998
	0100	111	002030	002281	512005	0000	0575	0161		77.44		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6200108
	0100	111	002030	002281	512005	0000	0575	0141		12.33		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6200109
	0100	111	002030	002281	512005	0000	0575	0141		3.08		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6200978
	0100	111	002030	002281	512005	0000	0575	0141		57.79		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6201262
	0100	111	002030	002281	512005	0000	0575	0141		27.74		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6201814
	0100	111	002030	002281	512005	0000	0575	0151		30.44		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6201832
	0100	111	002030	002281	512005	0000	0575	0141		7.70		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6202063
	0100	111	002030	002281	512005	0000	0575	0161		25.43		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6202203
	0100	111	002030	002281	512005	0000	0575	0141		7.70		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6202204
	0100	111	002030	002281	512005	0000	0575	0151		7.70		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6202205
	0100	111	002030	002281	512005	0000	0575	0151		38.14		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6202812
	0100	111	002030	002281	512005	0000	0575	0161		17.34		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6203127
	0100	111	002030	002281	512005	0000	0575	0141		50.09		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6203596
	0100	111	002030	002281	512005	0000	0575	0161		7.70		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6204050
	0100	111	002030	002281	512005	0000	0575	0141		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6204291
	0100	111	002030	002281	512005	0000	0575	0161		42.77		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6204737
	0100	111	002030	002281	512005	0000	0575	0161		14.26		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6204808
	0100	111	002030	002281	512005	0000	0575	0161		28.13		Correct TRMS Charges for Exp Org 002281	Yes	CRSDRS	6204855
	0100	111	002030	002281	512015	0000	0575	0101		70.89		Correct TRMS Charges for Exp Org 002281	Yes	CRRS	6194824
	0100	111	002030	002281	512015	0000	0575	0101		8.48		Correct TRMS Charges for Exp Org 002281	Yes	CRRS	6200110
	0100	111	002030	002281	512017	0000	0575	0151		9.25		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6208974
	0100	111	002030	002281	512017	0000	0575	0151		19.26		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6209047
	0100	111	002030	002281	512017	0000	0575	0151		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6205823
	0100	111	002030	002281	512017	0000	0575	0161		9.25		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6205636

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002281	512017	0000	0575	0151		35.44		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6203430
	0100	111	002030	002281	512017	0000	0575	0151		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6203167
	0100	111	002030	002281	512017	0000	0575	0151		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6203116
	0100	111	002030	002281	512017	0000	0575	0151		122.90		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6203113
	0100	111	002030	002281	512017	0000	0575	0151		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6203009
	0100	111	002030	002281	512017	0000	0575	0151		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6202811
	0100	111	002030	002281	512017	0000	0575	0151		14.26		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6201701
	0100	111	002030	002281	512017	0000	0575	0161		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6201356
	0100	111	002030	002281	512017	0000	0575	0161		29.67		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6201100
	0100	111	002030	002281	512017	0000	0575	0151		50.86		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6201085
	0100	111	002030	002281	512017	0000	0575	0151		15.03		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6199922
	0100	111	002030	002281	512017	0000	0575	0161		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6199904
	0100	111	002030	002281	512017	0000	0575	0151		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6199653
	0100	111	002030	002281	512017	0000	0575	0161		13.87		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6199125
	0100	111	002030	002281	512017	0000	0575	0161		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6199065
	0100	111	002030	002281	512017	0000	0575	0161		26.58		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6198878
	0100	111	002030	002281	512017	0000	0575	0151		7.70		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6195435
	0100	111	002030	002281	512017	0000	0575	0151		135.62		Correct TRMS Charges for Exp Org 002281	Yes	CRSPP	6208398
	0100	111	002030	002281	512100	0000	0575	0141		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6198755
	0100	111	002030	002281	512100	0000	0575	0141		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6198905
	0100	111	002030	002281	512100	0000	0575	0141		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6200274
	0100	111	002030	002281	512100	0000	0575	0151		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6200275
	0100	111	002030	002281	512100	0000	0575	0161		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6200276
	0100	111	002030	002281	512100	0000	0575	0141		15.03		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6200815
	0100	111	002030	002281	512100	0000	0575	0161		7.70		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6197061
	0100	111	002030	002281	512100	0000	0575	0141		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6199488
	0100	111	002030	002281	512100	0000	0575	0151		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6199646
	0100	111	002030	002281	512100	0000	0575	0151		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6199655
	0100	111	002030	002281	512100	0000	0575	0151		25.43		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6200043
	0100	111	002030	002281	512100	0000	0575	0161		14.64		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6201455
	0100	111	002030	002281	512100	0000	0575	0151		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6202079
	0100	111	002030	002281	512100	0000	0575	0161		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6203543
	0100	111	002030	002281	512100	0000	0575	0161		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6203611
	0100	111	002030	002281	512100	0000	0575	0161		30.44		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6204058
	0100	111	002030	002281	512100	0000	0575	0141		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6205520
	0100	111	002030	002281	512100	0000	0575	0151		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRPFC	6205934
	0100	111	002030	002281	512100	0000	0575	0161		4.62		Correct TRMS Charges for Exp Org 002281	Yes	CRBCW	6205861
	0100	111	002030	002281	512100	0000	0575	0161		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRBCW	6208355
	0100	111	002030	002281	512100	0000	0575	0101		28.29		Correct TRMS Charges for Exp Org 002281	Yes	CRMLBR	MISC
	0100	111	002030	002281	512100	0000	0575	0101		520.93		Correct TRMS Charges for Exp Org 002281	Yes	CRMLBR	6000438
	0100	111	002030	002281	512100	0000	0575	0161		4.24		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6199354

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002281	512100	0000	0575	0161		32.75		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6199946
	0100	111	002030	002281	512100	0000	0575	0161		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6199994
	0100	111	002030	002281	512100	0000	0575	0141		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6201573
	0100	111	002030	002281	512100	0000	0575	0151		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6201595
	0100	111	002030	002281	512100	0000	0575	0141		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6203317
	0100	111	002030	002281	512100	0000	0575	0141		14.26		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6204840
	0100	111	002030	002281	512100	0000	0575	0151		4.62		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6205875
	0100	111	002030	002281	512100	0000	0575	0151		9.25		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6205926
	0100	111	002030	002281	512100	0000	0575	0161		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6208960
	0100	111	002030	002281	512100	0000	0575	0141		9.25		Correct TRMS Charges for Exp Org 002281	Yes	CRCBA	6209086
	0100	111	002030	002281	512100	0000	0575	0151		15.03		Correct TRMS Charges for Exp Org 002281	Yes	CRCHG	6192039
	0100	111	002030	002281	512100	0000	0575	0101		141.78		Correct TRMS Charges for Exp Org 002281	Yes	CRFAT	6161030
	0100	111	002030	002281	512100	0000	0575	0141		7.70		Correct TRMS Charges for Exp Org 002281	Yes	CRBL	6194823
	0100	111	002030	002281	512100	0000	0575	0151		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRBL	6199170
	0100	111	002030	002281	512100	0000	0575	0141		25.43		Correct TRMS Charges for Exp Org 002281	Yes	CRBL	6199310
	0100	111	002030	002281	512100	0000	0575	0141		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRBL	6200034
	0100	111	002030	002281	512100	0000	0575	0141		25.43		Correct TRMS Charges for Exp Org 002281	Yes	CRBL	6203771
	0100	111	002030	002281	512100	0000	0575	0141		35.44		Correct TRMS Charges for Exp Org 002281	Yes	CRBL	6205712
	0100	111	002030	002281	512100	0000	0575	0161		4.62		Correct TRMS Charges for Exp Org 002281	Yes	CRBL	6205825
	0100	111	002030	002281	512100	0000	0575	0101		5.78		Correct TRMS Charges for Exp Org 002281	Yes	CRCA	6198675
	0100	111	002030	002281	512100	0000	0575	0101		13.10		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6200817
	0100	111	002030	002281	512100	0000	0575	0161		18.88		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6201139
	0100	111	002030	002281	512100	0000	0575	0151		15.03		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6201140
	0100	111	002030	002281	512100	0000	0575	0141		16.95		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6201141
	0100	111	002030	002281	512100	0000	0575	0141		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6202222
	0100	111	002030	002281	512100	0000	0575	0151		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6202223
	0100	111	002030	002281	512100	0000	0575	0161		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6202224
	0100	111	002030	002281	512100	0000	0575	0141		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6204229
	0100	111	002030	002281	512100	0000	0575	0151		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6204230
	0100	111	002030	002281	512100	0000	0575	0161		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6204231
	0100	111	002030	002281	512100	0000	0575	0151		6.93		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6208935
	0100	111	002030	002281	512100	0000	0575	0161		11.56		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6208939
	0100	111	002030	002281	512100	0000	0575	0151		16.57		Correct TRMS Charges for Exp Org 002281	Yes	CRFW	6199126
	0100	111	002030	002281	512100	0000	0575	0151		15.41		Correct TRMS Charges for Exp Org 002281	Yes	CRFW	6199861
	0100	111	002030	002281	512100	0000	0575	0151		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRFW	6205008
	0100	111	002030	002281	512100	0000	0575	0151		44.59		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6163105
	0100	111	002030	002281	512100	0000	0575	0151		35.63		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6184003
	0100	111	002030	002281	512100	0000	0575	0161		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6194804
	0100	111	002030	002281	512100	0000	0575	0151		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6194841
	0100	111	002030	002281	512100	0000	0575	0141		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6194842
	0100	111	002030	002281	512100	0000	0575	0141		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6195193

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002281	512100	0000	0575	0151		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6199275
	0100	111	002030	002281	512100	0000	0575	0161		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6199745
	0100	111	002030	002281	512100	0000	0575	0151		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6199828
	0100	111	002030	002281	512100	0000	0575	0151		8.09		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6199887
	0100	111	002030	002281	512100	0000	0575	0151		38.14		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6201150
	0100	111	002030	002281	512100	0000	0575	0141		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6202793
	0100	111	002030	002281	512100	0000	0575	0141		68.58		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6204811
	0100	111	002030	002281	512100	0000	0575	0151		13.87		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6205730
	0100	111	002030	002281	512100	0000	0575	0161		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRAH	6208621
	0100	111	002030	002281	512100	0000	0575	0141		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRFAT	6165150
	0100	111	002030	002281	512100	0000	0575	0151		3.16		Correct TRMS Charges for Exp Org 002281	Yes	CRFAT	6183684
	0100	111	002030	002281	512100	0000	0575	0141		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRFAT	6199039
	0100	111	002030	002281	512100	0000	0575	0161		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRFAT	6199829
	0100	111	002030	002281	512100	0000	0575	0101		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRFAT	6202180
	0100	111	002030	002281	512100	0000	0575	0141		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRFAT	6205250
	0100	111	002030	002281	512100	0000	0575	0151		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRFAT	6205703
	0100	111	002030	002281	512100	0000	0575	0101		39.30		Correct TRMS Charges for Exp Org 002281	Yes	CRGUE	6189626
	0100	111	002030	002281	512100	0000	0575	0101		14.64		Correct TRMS Charges for Exp Org 002281	Yes	CRGUE	6195094
	0100	111	002030	002281	512100	0000	0575	0101		3.08		Correct TRMS Charges for Exp Org 002281	Yes	CRGUE	6199988
	0100	111	002030	002281	512100	0000	0575	0101		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRGUE	6202592
	0100	111	002030	002281	512100	0000	0575	0101		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRGUE	6202593
	0100	111	002030	002281	512100	0000	0575	0101		2.70		Correct TRMS Charges for Exp Org 002281	Yes	CRMWT	6197293
	0100	111	002030	002281	512100	0000	0575	0161		6.16		Correct TRMS Charges for Exp Org 002281	Yes	CRFG	6199378
	0100	111	002030	002281	512100	0000	0575	0141		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRFW	6123577
	0100	111	002030	002281	512100	0000	0575	0161		8.86		Correct TRMS Charges for Exp Org 002281	Yes	CRFW	6198876
	0100	111	002030	002281	512100	0000	0575	0161		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRFW	6198883
	0100	111	002030	002281	512100	0000	0575	0101		26.97		Correct TRMS Charges for Exp Org 002281	Yes	CRSD	6196124
	0100	111	002030	002281	512100	0000	0575	0101		5.01		Correct TRMS Charges for Exp Org 002281	Yes	CRSD	6200015
	0100	111	002030	002281	512100	0000	0575	0101		40.45		Correct TRMS Charges for Exp Org 002281	Yes	CRSD	6201625
	0100	111	002030	002281	512100	0000	0575	0141		2.70		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6194843
	0100	111	002030	002281	512100	0000	0575	0151		15.03		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6194844
	0100	111	002030	002281	512100	0000	0575	0161		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6194845
	0100	111	002030	002281	512100	0000	0575	0141		10.40		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6197305
	0100	111	002030	002281	512100	0000	0575	0151		6.16		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6197306
	0100	111	002030	002281	512100	0000	0575	0161		6.16		Correct TRMS Charges for Exp Org 002281	Yes	CRSW	6197307
	0100	111	002030	002281	513100	0000	0575	0161		2.70		Correct TRMS Charges for Exp Org 002281	Yes	CRTA	6199040
	0100	111	002030	002281	513100	0000	0575	0161		16.57		Correct TRMS Charges for Exp Org 002281	Yes	CRTA	6201303
	0100	111	002030	002281	513100	0000	0575	0151		1.63		Correct TRMS Charges for Exp Org 002281	Yes	CRCND	6195667
	0100	111	002030	002281	513100	0000	0575	0161		80.91		Correct TRMS Charges for Exp Org 002281	Yes	CRCND	6181826
	0100	111	002030	002281	513100	0000	0575	0161		9.25		Correct TRMS Charges for Exp Org 002281	Yes	CRCND	6201459
	0100	111	002030	002281	513100	0000	0575	0151		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRGA	6199447

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002281	513100	0000	0575	0101		25.43		Correct TRMS Charges for Exp Org 002281	Yes	CRCW	6195059
	0100	111	002030	002281	513100	0000	0575	0161		2.75		Correct TRMS Charges for Exp Org 002281	Yes	CRTA	6169462
	0100	111	002030	002281	513100	0000	0575	0161		7.74		Correct TRMS Charges for Exp Org 002281	Yes	CRCW	6132688
	0100	111	002030	002281	513100	0000	0575	0161		10.02		Correct TRMS Charges for Exp Org 002281	Yes	CRCW	6183321
	0100	111	002030	002281	513100	0000	0575	0101		30.44		Correct TRMS Charges for Exp Org 002281	Yes	CRCW	6200427
	0100	111	002030	002281	513100	0000	0575	0161		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CRCW	6199750
	0100	111	002030	002281	513100	0000	0575	0161		15.03		Correct TRMS Charges for Exp Org 002281	Yes	CRCW	6194819
	0100	111	002030	002281	514100	0000	0575	0101		20.80		Correct TRMS Charges for Exp Org 002281	Yes	CRPOND	6201804
	0100	111	002120	002281	544100	0000	0575	0450		0.34		Correct TRMS Charges for Exp Org 002281	Yes	OFTA	6029846
	0100	111	002140	002281	553100	0000	0575	0432		20.42		Correct TRMS Charges for Exp Org 002281	Yes	CTPR13	6198068
	0100	111	002140	002281	553100	0000	0575	0431		94.01		Correct TRMS Charges for Exp Org 002281	Yes	CTPR12	6188372
	0100	111	002140	002281	553100	0000	0575	0432		15.03		Correct TRMS Charges for Exp Org 002281	Yes	CTPR13	6200608
	0100	111	002140	002281	553100	0000	0575	0432		15.03		Correct TRMS Charges for Exp Org 002281	Yes	CTPR13	6201777
	0100	121	002140	002281	562100	0000	0575	0429		6.76		Correct TRMS Charges for Exp Org 002281	Yes	RTPR	6203650
	0100	111	002030	002282	107001	0000	0575	0151	0.34			Correct TRMS Charges for Exp Org 002282	Yes	124362	6038854
	0100	111	002030	002282	107001	0000	0575	0101	0.49			Correct TRMS Charges for Exp Org 002282	Yes	126168	6168094
	0100	111	002030	002282	107001	0000	0575	0151	0.64			Correct TRMS Charges for Exp Org 002282	Yes	124362	6167344
	0100	111	002140	002282	107001	0000	0575	0432	11.03			Correct TRMS Charges for Exp Org 002282	Yes	124410	6137060
	0100	111	002030	002282	108901	0000	0575	0151	8.52			Correct TRMS Charges for Exp Org 002282	Yes	124362	6167335
	0100	141	006250	002282	426501	0000	0575	0901	0.83			Correct TRMS Charges for Exp Org 002282	Yes	A02453	NON-REIMB IBEW
	0100	111	002030	002282	502100	0000	0575	0101	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRBWTR	6205715
	0100	111	002030	002282	502100	0000	0575	0101	0.86			Correct TRMS Charges for Exp Org 002282	Yes	CRBWTR	6205689
	0100	111	002030	002282	506100	0000	0575	0101	1.14			Correct TRMS Charges for Exp Org 002282	Yes	CRHEALTH	ERT
	0100	111	002030	002282	510100	0000	0575	0101	0.69			Correct TRMS Charges for Exp Org 002282	Yes	CRCOM	6177483
	0100	111	002030	002282	510100	0000	0575	0101	2.29			Correct TRMS Charges for Exp Org 002282	Yes	CRMLBR	TRAINNEW
	0100	111	002030	002282	510100	0000	0575	0101	1.97			Correct TRMS Charges for Exp Org 002282	Yes	CRMLBR	SAFETYNEW
	0100	111	002030	002282	511100	0000	0575	0151	0.49			Correct TRMS Charges for Exp Org 002282	Yes	CRELEV	6174632
	0100	111	002030	002282	511100	0000	0575	0151	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRHVC	6202299
	0100	111	002030	002282	511100	0000	0575	0101	1.77			Correct TRMS Charges for Exp Org 002282	Yes	CRHVC	6200827
	0100	111	002030	002282	511100	0000	0575	0151	0.08			Correct TRMS Charges for Exp Org 002282	Yes	CRHVC	6163620
	0100	111	002030	002282	511100	0000	0575	0101	0.52			Correct TRMS Charges for Exp Org 002282	Yes	CRSTB	6200580
	0100	111	002030	002282	511100	0000	0575	0101	0.29			Correct TRMS Charges for Exp Org 002282	Yes	CRSTB	6185595
	0100	111	002030	002282	511100	0000	0575	0101	345.96			Correct TRMS Charges for Exp Org 002282	Yes	CRSTB	6136206
	0100	111	002030	002282	511100	0000	0575	0161	0.75			Correct TRMS Charges for Exp Org 002282	Yes	CRSTB	6196154
	0100	111	002030	002282	512005	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6201845
	0100	111	002030	002282	512005	0000	0575	0141	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6202051
	0100	111	002030	002282	512005	0000	0575	0141	0.52			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6202064
	0100	111	002030	002282	512005	0000	0575	0161	1.26			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6202186
	0100	111	002030	002282	512005	0000	0575	0141	3.55			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6202189

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002282	512005	0000	0575	0151	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6202812
	0100	111	002030	002282	512005	0000	0575	0141	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6203525
	0100	111	002030	002282	512005	0000	0575	0141	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6203560
	0100	111	002030	002282	512005	0000	0575	0141	0.17			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6203656
	0100	111	002030	002282	512005	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6203793
	0100	111	002030	002282	512005	0000	0575	0161	1.37			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6204196
	0100	111	002030	002282	512005	0000	0575	0141	2.51			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6204200
	0100	111	002030	002282	512005	0000	0575	0141	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6205720
	0100	111	002030	002282	512005	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6208128
	0100	111	002030	002282	512005	0000	0575	0141	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6208368
	0100	111	002030	002282	512005	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6208953
	0100	111	002030	002282	512005	0000	0575	0161	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6107864
	0100	111	002030	002282	512005	0000	0575	0161	0.34			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6179026
	0100	111	002030	002282	512005	0000	0575	0141	0.99			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6179410
	0100	111	002030	002282	512005	0000	0575	0161	0.26			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6192211
	0100	111	002030	002282	512005	0000	0575	0141	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6193200
	0100	111	002030	002282	512005	0000	0575	0141	0.26			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6194342
	0100	111	002030	002282	512005	0000	0575	0161	0.94			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6194809
	0100	111	002030	002282	512005	0000	0575	0141	2.40			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6194813
	0100	111	002030	002282	512005	0000	0575	0141	1.14			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6196448
	0100	111	002030	002282	512005	0000	0575	0151	1.17			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6196864
	0100	111	002030	002282	512005	0000	0575	0161	1.60			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6197183
	0100	111	002030	002282	512005	0000	0575	0141	2.86			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6197186
	0100	111	002030	002282	512005	0000	0575	0101	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6197933
	0100	111	002030	002282	512005	0000	0575	0141	0.75			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6198889
	0100	111	002030	002282	512005	0000	0575	0161	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6199086
	0100	111	002030	002282	512005	0000	0575	0161	0.06			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6201843
	0100	111	002030	002282	512005	0000	0575	0151	0.69			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6199183
	0100	111	002030	002282	512005	0000	0575	0161	1.46			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6200240
	0100	111	002030	002282	512005	0000	0575	0141	3.34			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6200244
	0100	111	002030	002282	512005	0000	0575	0101	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6200251
	0100	111	002030	002282	512005	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSDRS	6201369
	0100	111	002030	002282	512015	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRRS	6200110
	0100	111	002030	002282	512015	0000	0575	0161	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRRS	6201154
	0100	111	002030	002282	512015	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRRS	6203322
	0100	111	002030	002282	512017	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6205885
	0100	111	002030	002282	512017	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6208243
	0100	111	002030	002282	512017	0000	0575	0151	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6205823
	0100	111	002030	002282	512017	0000	0575	0151	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6203429
	0100	111	002030	002282	512017	0000	0575	0161	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6203382
	0100	111	002030	002282	512017	0000	0575	0151	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6203110



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002282	512017	0000	0575	0151	0.52			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6202838
	0100	111	002030	002282	512017	0000	0575	0151	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6202761
	0100	111	002030	002282	512017	0000	0575	0151	1.14			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6201014
	0100	111	002030	002282	512017	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6200897
	0100	111	002030	002282	512017	0000	0575	0161	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6200242
	0100	111	002030	002282	512017	0000	0575	0151	0.60			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6191566
	0100	111	002030	002282	512017	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6192007
	0100	111	002030	002282	512017	0000	0575	0151	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6194351
	0100	111	002030	002282	512017	0000	0575	0151	5.72			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6194352
	0100	111	002030	002282	512017	0000	0575	0161	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6075778
	0100	111	002030	002282	512017	0000	0575	0151	6.69			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6135101
	0100	111	002030	002282	512017	0000	0575	0151	2.39			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6149011
	0100	111	002030	002282	512017	0000	0575	0151	0.80			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6157243
	0100	111	002030	002282	512017	0000	0575	0151	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6157325
	0100	111	002030	002282	512017	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6165342
	0100	111	002030	002282	512017	0000	0575	0101	2.51			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6195757
	0100	111	002030	002282	512017	0000	0575	0101	1.06			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6196105
	0100	111	002030	002282	512017	0000	0575	0151	1.14			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6196697
	0100	111	002030	002282	512017	0000	0575	0151	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6197322
	0100	111	002030	002282	512017	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6199466
	0100	111	002030	002282	512017	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6199805
	0100	111	002030	002282	512017	0000	0575	0161	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6199806
	0100	111	002030	002282	512017	0000	0575	0161	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6199851
	0100	111	002030	002282	512017	0000	0575	0141	2.03			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6199925
	0100	111	002030	002282	512017	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSPP	6200036
	0100	111	002030	002282	512100	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRBL	6199170
	0100	111	002030	002282	512100	0000	0575	0161	0.26			Correct TRMS Charges for Exp Org 002282	Yes	CRBL	6200247
	0100	111	002030	002282	512100	0000	0575	0161	0.34			Correct TRMS Charges for Exp Org 002282	Yes	CRBL	6202191
	0100	111	002030	002282	512100	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRAF	6201162
	0100	111	002030	002282	512100	0000	0575	0151	1.71			Correct TRMS Charges for Exp Org 002282	Yes	CRAH	6163105
	0100	111	002030	002282	512100	0000	0575	0161	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRAH	6191070
	0100	111	002030	002282	512100	0000	0575	0151	1.68			Correct TRMS Charges for Exp Org 002282	Yes	CRAH	6193209
	0100	111	002030	002282	512100	0000	0575	0141	1.57			Correct TRMS Charges for Exp Org 002282	Yes	CRAH	6199853
	0100	111	002030	002282	512100	0000	0575	0151	0.75			Correct TRMS Charges for Exp Org 002282	Yes	CRAH	6201125
	0100	111	002030	002282	512100	0000	0575	0161	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRAH	6201361
	0100	111	002030	002282	512100	0000	0575	0161	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRAH	6202421
	0100	111	002030	002282	512100	0000	0575	0141	1.68			Correct TRMS Charges for Exp Org 002282	Yes	CRAH	6204811
	0100	111	002030	002282	512100	0000	0575	0151	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRAH	6205858
	0100	111	002030	002282	512100	0000	0575	0151	3.07			Correct TRMS Charges for Exp Org 002282	Yes	CRBC	6034642
	0100	111	002030	002282	512100	0000	0575	0141	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRBC	6189452
	0100	111	002030	002282	512100	0000	0575	0141	0.40			Correct TRMS Charges for Exp Org 002282	Yes	CRBC	6192703

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002282	512100	0000	0575	0141	0.80			Correct TRMS Charges for Exp Org 002282	Yes	CRBC	6199418
	0100	111	002030	002282	512100	0000	0575	0151	1.23			Correct TRMS Charges for Exp Org 002282	Yes	CRBC	6199445
	0100	111	002030	002282	512100	0000	0575	0161	2.49			Correct TRMS Charges for Exp Org 002282	Yes	CRBC	6201691
	0100	111	002030	002282	512100	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRBC	6203533
	0100	111	002030	002282	512100	0000	0575	0151	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRBC	6203730
	0100	111	002030	002282	512100	0000	0575	0141	1.46			Correct TRMS Charges for Exp Org 002282	Yes	CRBC	6203859
	0100	111	002030	002282	512100	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRBL	6204202
	0100	111	002030	002282	512100	0000	0575	0101	0.40			Correct TRMS Charges for Exp Org 002282	Yes	CRCA	6195202
	0100	111	002030	002282	512100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRCA	6197191
	0100	111	002030	002282	512100	0000	0575	0101	0.26			Correct TRMS Charges for Exp Org 002282	Yes	CRCA	6200245
	0100	111	002030	002282	512100	0000	0575	0101	0.63			Correct TRMS Charges for Exp Org 002282	Yes	CRCA	6202195
	0100	111	002030	002282	512100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRCA	6204555
	0100	111	002030	002282	512100	0000	0575	0161	0.29			Correct TRMS Charges for Exp Org 002282	Yes	CRFG	6194817
	0100	111	002030	002282	512100	0000	0575	0161	0.52			Correct TRMS Charges for Exp Org 002282	Yes	CRFG	6197192
	0100	111	002030	002282	512100	0000	0575	0141	0.08			Correct TRMS Charges for Exp Org 002282	Yes	CRFG	6199576
	0100	111	002030	002282	512100	0000	0575	0161	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRFG	6200252
	0100	111	002030	002282	512100	0000	0575	0161	0.63			Correct TRMS Charges for Exp Org 002282	Yes	CRFG	6202198
	0100	111	002030	002282	512100	0000	0575	0161	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRFG	6204204
	0100	111	002030	002282	512100	0000	0575	0151	0.29			Correct TRMS Charges for Exp Org 002282	Yes	CRFW	6196825
	0100	111	002030	002282	512100	0000	0575	0151	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRFW	6203785
	0100	111	002030	002282	512100	0000	0575	0141	0.26			Correct TRMS Charges for Exp Org 002282	Yes	CRSD	6186089
	0100	111	002030	002282	512100	0000	0575	0101	0.75			Correct TRMS Charges for Exp Org 002282	Yes	CRSD	6199986
	0100	111	002030	002282	512100	0000	0575	0101	0.08			Correct TRMS Charges for Exp Org 002282	Yes	CRSD	6201608
	0100	111	002030	002282	512100	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSD	6205748
	0100	111	002030	002282	512100	0000	0575	0161	1.23			Correct TRMS Charges for Exp Org 002282	Yes	CRSW	6201359
	0100	111	002030	002282	512100	0000	0575	0141	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRSW	6208093
	0100	111	002030	002282	512100	0000	0575	0151	0.14			Correct TRMS Charges for Exp Org 002282	Yes	CRCBA	6199670
	0100	111	002030	002282	512100	0000	0575	0161	2.34			Correct TRMS Charges for Exp Org 002282	Yes	CRCBA	6199946
	0100	111	002030	002282	512100	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRCBA	6203893
	0100	111	002030	002282	512100	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRCBA	6208468
	0100	111	002030	002282	512100	0000	0575	0101	1.94			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6190325
	0100	111	002030	002282	512100	0000	0575	0101	3.34			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6190776
	0100	111	002030	002282	512100	0000	0575	0101	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6190844
	0100	111	002030	002282	512100	0000	0575	0101	0.14			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6194811
	0100	111	002030	002282	512100	0000	0575	0101	0.94			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6194852
	0100	111	002030	002282	512100	0000	0575	0101	0.08			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6197184
	0100	111	002030	002282	512100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6197323
	0100	111	002030	002282	512100	0000	0575	0101	0.14			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6200241
	0100	111	002030	002282	512100	0000	0575	0101	0.14			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6200279
	0100	111	002030	002282	512100	0000	0575	0101	0.75			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6201490
	0100	111	002030	002282	512100	0000	0575	0101	0.14			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6202187

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002282	512100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6202233
	0100	111	002030	002282	512100	0000	0575	0101	0.14			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6204198
	0100	111	002030	002282	512100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRCHG	6204238
	0100	111	002030	002282	512100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRCNV	6194820
	0100	111	002030	002282	512100	0000	0575	0101	0.08			Correct TRMS Charges for Exp Org 002282	Yes	CRCNV	6197194
	0100	111	002030	002282	512100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRCNV	6200255
	0100	111	002030	002282	512100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRCNV	6202199
	0100	111	002030	002282	512100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRCNV	6204206
	0100	111	002030	002282	512100	0000	0575	0151	0.49			Correct TRMS Charges for Exp Org 002282	Yes	CRESP	6182901
	0100	111	002030	002282	512100	0000	0575	0151	21.36			Correct TRMS Charges for Exp Org 002282	Yes	CRESP	6183140
	0100	111	002030	002282	512100	0000	0575	0161	0.69			Correct TRMS Charges for Exp Org 002282	Yes	CRESP	6194822
	0100	111	002030	002282	512100	0000	0575	0161	1.97			Correct TRMS Charges for Exp Org 002282	Yes	CRESP	6197195
	0100	111	002030	002282	512100	0000	0575	0161	1.14			Correct TRMS Charges for Exp Org 002282	Yes	CRESP	6202200
	0100	111	002030	002282	512100	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRESP	6203727
	0100	111	002030	002282	512100	0000	0575	0161	0.94			Correct TRMS Charges for Exp Org 002282	Yes	CRESP	6204207
	0100	111	002030	002282	512100	0000	0575	0161	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRESP	6208321
	0100	111	002030	002282	512100	0000	0575	0141	0.80			Correct TRMS Charges for Exp Org 002282	Yes	CRFAT	6198912
	0100	111	002030	002282	512100	0000	0575	0141	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRFAT	6199495
	0100	111	002030	002282	512100	0000	0575	0141	0.63			Correct TRMS Charges for Exp Org 002282	Yes	CRFAT	6199651
	0100	111	002030	002282	512100	0000	0575	0151	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRFAT	6199662
	0100	111	002030	002282	512100	0000	0575	0161	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRFAT	6199663
	0100	111	002030	002282	512100	0000	0575	0161	0.46			Correct TRMS Charges for Exp Org 002282	Yes	CRFAT	6200076
	0100	111	002030	002282	512100	0000	0575	0141	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRFAT	6201630
	0100	111	002030	002282	512100	0000	0575	0101	0.77			Correct TRMS Charges for Exp Org 002282	Yes	CRFAT	6209051
	0100	111	002030	002282	512100	0000	0575	0101	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRGUE	6195128
	0100	111	002030	002282	512100	0000	0575	0101	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRGUE	6198145
	0100	111	002030	002282	512100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRGUE	6203828
	0100	111	002030	002282	512100	0000	0575	0101	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRGUE	6205470
	0100	111	002030	002282	512100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRGUE	6207408
	0100	111	002030	002282	512100	0000	0575	0151	7.06			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6129437
	0100	111	002030	002282	512100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6190277
	0100	111	002030	002282	512100	0000	0575	0101	0.94			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6191210
	0100	111	002030	002282	512100	0000	0575	0141	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6197190
	0100	111	002030	002282	512100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6199914
	0100	111	002030	002282	512100	0000	0575	0161	1.00			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6200249
	0100	111	002030	002282	512100	0000	0575	0101	1.57			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6200250
	0100	111	002030	002282	512100	0000	0575	0101	0.52			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6200828
	0100	111	002030	002282	512100	0000	0575	0101	1.83			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6202194
	0100	111	002030	002282	512100	0000	0575	0101	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6204942
	0100	111	002030	002282	512100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRLIT	6208203
	0100	111	002030	002282	512100	0000	0575	0141	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPFC	6120451

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002282	512100	0000	0575	0151	0.46			Correct TRMS Charges for Exp Org 002282	Yes	CRPFC	6200056
	0100	111	002030	002282	512100	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPFC	6201373
	0100	111	002030	002282	512100	0000	0575	0151	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRPFC	6201378
	0100	111	002030	002282	512100	0000	0575	0161	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRPFC	6205468
	0100	111	002030	002282	512100	0000	0575	0151	0.52			Correct TRMS Charges for Exp Org 002282	Yes	CRPFC	6205959
	0100	111	002030	002282	512100	0000	0575	0101	0.63			Correct TRMS Charges for Exp Org 002282	Yes	CRHEALTH	6197659
	0100	111	002030	002282	512100	0000	0575	0101	1.37			Correct TRMS Charges for Exp Org 002282	Yes	CRHEALTH	6200412
	0100	111	002830	002282	512100	0000	0575	0101	0.63			Correct TRMS Charges for Exp Org 002282	Yes	CRFUELMOB	6197528
	0100	111	002830	002282	512100	0000	0575	0101	1.14			Correct TRMS Charges for Exp Org 002282	Yes	CRFUELMOB	6202293
	0100	111	002030	002282	513100	0000	0575	0141	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6200248
	0100	111	002030	002282	513100	0000	0575	0151	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6200280
	0100	111	002030	002282	513100	0000	0575	0141	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6200379
	0100	111	002030	002282	513100	0000	0575	0161	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6201587
	0100	111	002030	002282	513100	0000	0575	0161	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRCAE	6195143
	0100	111	002030	002282	513100	0000	0575	0161	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRCAE	6197940
	0100	111	002030	002282	513100	0000	0575	0161	0.29			Correct TRMS Charges for Exp Org 002282	Yes	CRCU	6194810
	0100	111	002030	002282	513100	0000	0575	0161	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRCU	6204197
	0100	111	002030	002282	513100	0000	0575	0161	5.92			Correct TRMS Charges for Exp Org 002282	Yes	CRCW	6132688
	0100	111	002030	002282	513100	0000	0575	0141	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRTRF	6198430
	0100	111	002030	002282	513100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRTRF	6198915
	0100	111	002030	002282	513100	0000	0575	0141	0.14			Correct TRMS Charges for Exp Org 002282	Yes	CRTRF	6199985
	0100	111	002030	002282	513100	0000	0575	0141	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRTRF	6200644
	0100	111	002030	002282	513100	0000	0575	0141	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRTRF	6201597
	0100	111	002030	002282	513100	0000	0575	0141	0.14			Correct TRMS Charges for Exp Org 002282	Yes	CRTRF	6202595
	0100	111	002030	002282	513100	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRTRF	6205874
	0100	111	002030	002282	513100	0000	0575	0101	1.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6185088
	0100	111	002030	002282	513100	0000	0575	0101	1.63			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6185106
	0100	111	002030	002282	513100	0000	0575	0101	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6185109
	0100	111	002030	002282	513100	0000	0575	0101	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6185115
	0100	111	002030	002282	513100	0000	0575	0101	1.89			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6186134
	0100	111	002030	002282	513100	0000	0575	0141	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6194826
	0100	111	002030	002282	513100	0000	0575	0101	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6195159
	0100	111	002030	002282	513100	0000	0575	0141	2.09			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6195204
	0100	111	002030	002282	513100	0000	0575	0101	1.06			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6196583
	0100	111	002030	002282	513100	0000	0575	0101	0.52			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6197973
	0100	111	002030	002282	513100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6198411
	0100	111	002030	002282	513100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6198412
	0100	111	002030	002282	513100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6198413
	0100	111	002030	002282	513100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6198424
	0100	111	002030	002282	513100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6198425
	0100	111	002030	002282	513100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6198437

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002282	513100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6198438
	0100	111	002030	002282	513100	0000	0575	0101	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6198828
	0100	111	002030	002282	513100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6199479
	0100	111	002030	002282	513100	0000	0575	0141	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6200259
	0100	111	002030	002282	513100	0000	0575	0101	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6200605
	0100	111	002030	002282	513100	0000	0575	0151	0.75			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6202192
	0100	111	002030	002282	513100	0000	0575	0141	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6202206
	0100	111	002030	002282	513100	0000	0575	0101	0.46			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6202535
	0100	111	002030	002282	513100	0000	0575	0101	2.32			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6202846
	0100	111	002030	002282	513100	0000	0575	0151	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6203829
	0100	111	002030	002282	513100	0000	0575	0141	0.37			Correct TRMS Charges for Exp Org 002282	Yes	CRTRF	6195223
	0100	111	002030	002282	513100	0000	0575	0101	1.89			Correct TRMS Charges for Exp Org 002282	Yes	CRTRF	6197896
	0100	111	002030	002282	513100	0000	0575	0151	7.57			Correct TRMS Charges for Exp Org 002282	Yes	CREXC	5932109
	0100	111	002030	002282	513100	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CREXC	6205938
	0100	111	002030	002282	513100	0000	0575	0151	1.06			Correct TRMS Charges for Exp Org 002282	Yes	CRPRD	6136782
	0100	111	002030	002282	513100	0000	0575	0161	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRCAE	6200585
	0100	111	002030	002282	513100	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRCAE	6202498
	0100	111	002030	002282	513100	0000	0575	0161	0.37			Correct TRMS Charges for Exp Org 002282	Yes	CRCAE	6204520
	0100	111	002030	002282	513100	0000	0575	0161	0.63			Correct TRMS Charges for Exp Org 002282	Yes	CRCND	6181826
	0100	111	002030	002282	513100	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRCND	6201291
	0100	111	002030	002282	513100	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRCND	6208144
	0100	111	002030	002282	513100	0000	0575	0151	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRCND	6208150
	0100	111	002030	002282	513100	0000	0575	0151	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRCOM	6196444
	0100	111	002030	002282	513100	0000	0575	0141	0.69			Correct TRMS Charges for Exp Org 002282	Yes	CRCW	6201956
	0100	111	002030	002282	513100	0000	0575	0141	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRCW	6202078
	0100	111	002030	002282	513100	0000	0575	0101	6.38			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6156887
	0100	111	002030	002282	513100	0000	0575	0141	0.63			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6194814
	0100	111	002030	002282	513100	0000	0575	0141	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6194816
	0100	111	002030	002282	513100	0000	0575	0141	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6197187
	0100	111	002030	002282	513100	0000	0575	0161	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6199707
	0100	111	002030	002282	513100	0000	0575	0161	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6201892
	0100	111	002030	002282	513100	0000	0575	0141	0.31			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6202190
	0100	111	002030	002282	513100	0000	0575	0141	0.63			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6204201
	0100	111	002030	002282	513100	0000	0575	0141	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6204203
	0100	111	002030	002282	513100	0000	0575	0141	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRTA	6198900
	0100	111	002030	002282	513100	0000	0575	0161	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRTA	6200042
	0100	111	002030	002282	513100	0000	0575	0161	1.60			Correct TRMS Charges for Exp Org 002282	Yes	CRTA	6201387
	0100	111	002030	002282	513100	0000	0575	0161	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CRTA	6202790
	0100	111	002030	002282	513100	0000	0575	0161	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CRTA	6205859
	0100	111	002030	002282	513100	0000	0575	0161	2.83			Correct TRMS Charges for Exp Org 002282	Yes	CRTA	6208761
	0100	111	002030	002282	513100	0000	0575	0141	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CRGA	6200246

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002120	002282	542100	0000	0575	0450	0.43			Correct TRMS Charges for Exp Org 002282	Yes	OFSTB	6189775
	0100	111	002120	002282	542100	0000	0575	0450	1.06			Correct TRMS Charges for Exp Org 002282	Yes	OFSTB	6203635
	0100	111	002120	002282	542100	0000	0575	0450	0.43			Correct TRMS Charges for Exp Org 002282	Yes	OFSTB	6189776
	0100	111	002120	002282	543100	0000	0575	0450	3.23			Correct TRMS Charges for Exp Org 002282	Yes	OFHDW	6076543
	0100	111	002120	002282	544100	0000	0575	0450	5.03			Correct TRMS Charges for Exp Org 002282	Yes	OFPRD	6200993
	0100	111	002120	002282	544100	0000	0575	0450	0.20			Correct TRMS Charges for Exp Org 002282	Yes	OFPRD	6204512
	0100	111	002120	002282	544100	0000	0575	0450	0.83			Correct TRMS Charges for Exp Org 002282	Yes	OFGA	6209129
	0100	111	002120	002282	544100	0000	0575	0450	1.06			Correct TRMS Charges for Exp Org 002282	Yes	OFEXC	6161765
	0100	111	002120	002282	544100	0000	0575	0450	0.43			Correct TRMS Charges for Exp Org 002282	Yes	OFGA	6202209
	0100	111	002120	002282	544100	0000	0575	0450	1.46			Correct TRMS Charges for Exp Org 002282	Yes	OFGA	6194829
	0100	111	002120	002282	544100	0000	0575	0450	1.68			Correct TRMS Charges for Exp Org 002282	Yes	OFGAG	6205836
	0100	111	002120	002282	544100	0000	0575	0450	0.20			Correct TRMS Charges for Exp Org 002282	Yes	OFPRD	6197900
	0100	111	002120	002282	544100	0000	0575	0450	0.83			Correct TRMS Charges for Exp Org 002282	Yes	OFGA	6200262
	0100	111	002140	002282	553100	0000	0575	0171	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTCR11	6204505
	0100	111	002140	002282	553100	0000	0575	0432	0.40			Correct TRMS Charges for Exp Org 002282	Yes	CTPR13	6204540
	0100	111	002140	002282	553100	0000	0575	0432	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CTPR13	6200609
	0100	111	002140	002282	553100	0000	0575	0432	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CTPR13	6198439
	0100	111	002140	002282	553100	0000	0575	0432	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTPR13	6198144
	0100	111	002140	002282	553100	0000	0575	0432	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTPR13	6198140
	0100	111	002140	002282	553100	0000	0575	0432	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTPR13	6195186
	0100	111	002140	002282	553100	0000	0575	0432	0.83			Correct TRMS Charges for Exp Org 002282	Yes	CTPR13	6188724
	0100	111	002140	002282	553100	0000	0575	0431	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CTPR12	6204211
	0100	111	002140	002282	553100	0000	0575	0431	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTPR12	6204210
	0100	111	002140	002282	553100	0000	0575	0431	1.68			Correct TRMS Charges for Exp Org 002282	Yes	CTPR12	6188372
	0100	111	002140	002282	553100	0000	0575	0430	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CTPR11	6204212
	0100	111	002140	002282	553100	0000	0575	0432	41.33			Correct TRMS Charges for Exp Org 002282	Yes	PR13S11	6179185
	0100	111	002140	002282	553100	0000	0575	0171	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTCR11	6204199
	0100	111	002140	002282	553100	0000	0575	0171	0.52			Correct TRMS Charges for Exp Org 002282	Yes	CTCR11	6204195
	0100	111	002140	002282	553100	0000	0575	0171	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTCR11	6202188
	0100	111	002140	002282	553100	0000	0575	0171	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CTCR11	6202184
	0100	111	002140	002282	553100	0000	0575	0410	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTZN1	6194838
	0100	111	002140	002282	553100	0000	0575	0410	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CTZN1	6197295
	0100	111	002140	002282	553100	0000	0575	0410	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTZN1	6200270
	0100	111	002140	002282	553100	0000	0575	0410	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CTZN1	6204225
	0100	111	002140	002282	553100	0000	0575	0410	0.40			Correct TRMS Charges for Exp Org 002282	Yes	CTZN1	6204226
	0100	111	002140	002282	553100	0000	0575	0171	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTCR11	6194812
	0100	111	002140	002282	553100	0000	0575	0171	0.43			Correct TRMS Charges for Exp Org 002282	Yes	CTCR11	6195123
	0100	111	002140	002282	553100	0000	0575	0171	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTCR11	6197171
	0100	111	002140	002282	553100	0000	0575	0171	0.20			Correct TRMS Charges for Exp Org 002282	Yes	CTCR11	6197185
	0100	111	002140	002282	553100	0000	0575	0171	0.11			Correct TRMS Charges for Exp Org 002282	Yes	CTCR11	6202177
	0100	121	002140	002282	562100	0000	0575	0440	0.20			Correct TRMS Charges for Exp Org 002282	Yes	RTCA	6200261

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
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Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	121	002140	002282	562100	0000	0575	0429	0.50			Correct TRMS Charges for Exp Org 002282	Yes	RTPR	6204214
	0100	121	002140	002282	562100	0000	0575	0429	0.63			Correct TRMS Charges for Exp Org 002282	Yes	RTPR	6203414
	0100	121	002140	002282	562100	0000	0575	0429	1.26			Correct TRMS Charges for Exp Org 002282	Yes	RTPR	6200679
	0100	121	002140	002282	562100	0000	0575	0429	0.43			Correct TRMS Charges for Exp Org 002282	Yes	RTPR	6200263
	0100	121	002140	002282	562100	0000	0575	0440	0.11			Correct TRMS Charges for Exp Org 002282	Yes	RTCA	6197213
	0100	121	002140	002282	562100	0000	0575	0429	0.20			Correct TRMS Charges for Exp Org 002282	Yes	RTPR	6197212
	0100	121	002140	002282	562100	0000	0575	0429	0.43			Correct TRMS Charges for Exp Org 002282	Yes	RTPR	6194827
	0100	121	002140	002282	562100	0000	0575	0440	0.40			Correct TRMS Charges for Exp Org 002282	Yes	RTCA	6204215
	0100	121	002140	002282	562100	0000	0575	0440	0.20			Correct TRMS Charges for Exp Org 002282	Yes	RTCA	6194828
	0100	121	002140	002282	562100	0000	0575	0429	0.47			Correct TRMS Charges for Exp Org 002282	Yes	RTPR	6200260
	0100	111	002401	002320	107001	0000	0575	0231		55.79		Correct TRMS Charges for Exp Org 002320	Yes	124034	6116097
	0100	111	002401	002320	107001	0000	0575	0231		68.17		Correct TRMS Charges for Exp Org 002320	Yes	132712	6203073
	0100	111	002401	002320	107001	0000	0575	0231		21.69		Correct TRMS Charges for Exp Org 002320	Yes	132637	6193159
	0100	111	002020	002320	107001	0000	0575	0201		80.56		Correct TRMS Charges for Exp Org 002320	Yes	131693	PLANT SUP
	0100	111	002401	002320	107001	0000	0575	0231		61.97		Correct TRMS Charges for Exp Org 002320	Yes	127641	6144909
	0100	111	002401	002320	107001	0000	0575	0231		21.69		Correct TRMS Charges for Exp Org 002320	Yes	127610	6183359
	0100	111	002401	002320	107001	0000	0575	0231		49.58		Correct TRMS Charges for Exp Org 002320	Yes	127597	6160538
	0100	111	002401	002320	107001	0000	0575	0231		111.55		Correct TRMS Charges for Exp Org 002320	Yes	123946	6098889
	0100	111	002401	002320	107001	0000	0575	0231		43.38		Correct TRMS Charges for Exp Org 002320	Yes	124024	6193153
	0100	111	002401	002320	107001	0000	0575	0231		182.81		Correct TRMS Charges for Exp Org 002320	Yes	124025	6194016
	0100	111	002401	002320	107001	0000	0575	0231		46.48		Correct TRMS Charges for Exp Org 002320	Yes	124026	6193155
	0100	111	002401	002320	107001	0000	0575	0231		18.59		Correct TRMS Charges for Exp Org 002320	Yes	124057	6159023
	0100	111	002401	002320	107001	0000	0575	0231		18.59		Correct TRMS Charges for Exp Org 002320	Yes	124060	5986389
	0100	111	002401	002320	107001	0000	0575	0231		21.69		Correct TRMS Charges for Exp Org 002320	Yes	126143	6130358
	0100	111	002401	002320	107001	0000	0575	0231		43.38		Correct TRMS Charges for Exp Org 002320	Yes	126222	6193157
	0100	111	002320	002320	502002	0000	0575	0211		3,232.29		Correct TRMS Charges for Exp Org 002320	Yes	MCPBOPS	PBONE
	0100	111	002320	002320	502002	0000	0575	0221		3,415.14		Correct TRMS Charges for Exp Org 002320	Yes	MCPBOPS	PBTWO
	0100	111	002320	002320	502002	0000	0575	0241		4,021.22		Correct TRMS Charges for Exp Org 002320	Yes	MCPBOPS	PBFOUR
	0100	111	002320	002320	502002	0000	0575	0221		2,340.56		Correct TRMS Charges for Exp Org 002320	Yes	MCPBOPS	PBTHREE
	0100	111	002320	002320	502002	0000	0575	0201		1,135.20		Correct TRMS Charges for Exp Org 002320	Yes	MCPBOPS	PBCOMMON
	0100	111	002320	002320	502002	0000	0575	0201		5,507.92		Correct TRMS Charges for Exp Org 002320	Yes	MCPBOPS	PSSLABOR
	0100	111	002320	002320	502002	0000	0575	0201		706.84		Correct TRMS Charges for Exp Org 002320	Yes	MCPBOPS	SUPVLABOR
	0100	111	002320	002320	502004	0000	0575	0212		597.66		Correct TRMS Charges for Exp Org 002320	Yes	MCSDRSOPS	SUPVLABOR
	0100	111	002320	002320	502004	0000	0575	0232		717.23		Correct TRMS Charges for Exp Org 002320	Yes	MCSDRSOPS	SDRSTHREE
	0100	111	002320	002320	502004	0000	0575	0241		674.10		Correct TRMS Charges for Exp Org 002320	Yes	MCSDRSOPS	SDRSFOUR
	0100	111	002320	002320	502004	0000	0575	0212		1,435.24		Correct TRMS Charges for Exp Org 002320	Yes	MCSDRSOPS	SDRSCOMM
	0100	111	002320	002320	502004	0000	0575	0212		516.47		Correct TRMS Charges for Exp Org 002320	Yes	MCSDRSOPS	PSSLABOR
	0100	111	002320	002320	502004	0000	0575	0222		648.74		Correct TRMS Charges for Exp Org 002320	Yes	MCSDRSOPS	SDRSTWO
	0100	111	002320	002320	502004	0000	0575	0212		646.69		Correct TRMS Charges for Exp Org 002320	Yes	MCSDRSOPS	SDRSONE

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002320	502004	0000	0575	0212		306.56		Correct TRMS Charges for Exp Org 002320	Yes	MCLIMEUNL	OPERLABOR
	0100	111	002401	002320	502004	0000	0575	0212		1,417.06		Correct TRMS Charges for Exp Org 002320	Yes	MCLIMEGR	OPERLABOR
	0100	111	002401	002320	506100	0000	0575	0201		1,325.49		Correct TRMS Charges for Exp Org 002320	Yes	MCADMIN	ENGLABOR
	0100	111	002401	002320	506100	0000	0575	0201		1,248.82		Correct TRMS Charges for Exp Org 002320	Yes	MCADMIN	TRAINOPS
	0100	111	002401	002320	506100	0000	0575	0201		74.63		Correct TRMS Charges for Exp Org 002320	Yes	MCADMIN	IUS
	0100	111	002401	002320	506100	0000	0575	0201		25.05		Correct TRMS Charges for Exp Org 002320	Yes	MCSAFETY	PHYSEXAM
	0100	111	002401	002320	506100	0000	0575	0201		242.55		Correct TRMS Charges for Exp Org 002320	Yes	MCSAFETY	TRAINING
	0100	111	002401	002320	506100	0000	0575	0201		696.48		Correct TRMS Charges for Exp Org 002320	Yes	MCERT	ERTSAFETY
	0100	111	002401	002320	506105	0000	0575	0232		313.22		Correct TRMS Charges for Exp Org 002320	Yes	MCSCR	LABOR
	0100	111	002401	002320	512005	0000	0575	0231		43.38		Correct TRMS Charges for Exp Org 002320	Yes	MC3S11SDR	6183201
	0100	111	002401	002320	512100	0000	0575	0231		904.76		Correct TRMS Charges for Exp Org 002320	Yes	MC3S11PB	6193576
	0100	111	002401	002320	512100	0000	0575	0231		223.09		Correct TRMS Charges for Exp Org 002320	Yes	MC3S11BL	6196666
	0100	111	002480	002320	512100	0000	0575	0201		111.10		Correct TRMS Charges for Exp Org 002320	Yes	MCMMAINT	LEADER
	0100	111	002401	002320	512100	0000	0575	0201		13.42		Correct TRMS Charges for Exp Org 002320	Yes	MCFIREPRO	6197953
	0100	111	002401	002320	513100	0000	0575	0231		185.90		Correct TRMS Charges for Exp Org 002320	Yes	MC3S11PB	6193584
	0100	303	002401	002340	163002	0000	0575	0201	27.69			Correct TRMS Charges for Exp Org 002340	Yes	MCFREEBIN	WHSELABOR
	0100	111	002401	002340	506100	0000	0575	0201	6.21			Correct TRMS Charges for Exp Org 002340	Yes	MCADMIN	ADMINLBR
	0100	111	002401	002340	506100	0000	0575	0201	8.85			Correct TRMS Charges for Exp Org 002340	Yes	MCADMIN	MGRLABOR
	0100	111	002401	002340	506100	0000	0575	0201	9.01			Correct TRMS Charges for Exp Org 002340	Yes	MCADMIN	SAFELABOR
	0100	111	002401	002340	506100	0000	0575	0201	17.96			Correct TRMS Charges for Exp Org 002340	Yes	MCADMIN	APLABOR
	0100	111	002820	002350	501090	0000	0575	0201		2.20		Correct TRMS Charges for Exp Org 002350	Yes	MCLBRCH	COALLAB
	0100	111	002830	002350	501090	0000	0575	0101		0.03		Correct TRMS Charges for Exp Org 002350	Yes	A97445260	G58241
	0100	111	002401	002350	502004	0000	0575	0201		3.42		Correct TRMS Charges for Exp Org 002350	Yes	MCLAB	SDRSLABOR
	0100	111	002401	002350	502004	0000	0575	0201		0.77		Correct TRMS Charges for Exp Org 002350	Yes	MCLAB	SDRSSUPV
	0100	111	002401	002350	506100	0000	0575	0201		17.95		Correct TRMS Charges for Exp Org 002350	Yes	MCLAB	PBLABOR
	0100	111	002401	002350	506100	0000	0575	0201		0.01		Correct TRMS Charges for Exp Org 002350	Yes	MCLAB	FUELSLBR
	0100	111	002401	002350	506100	0000	0575	0201		3.27		Correct TRMS Charges for Exp Org 002350	Yes	MCLAB	BYPRODLBR
	0100	111	002401	002350	506100	0000	0575	0201		1.79		Correct TRMS Charges for Exp Org 002350	Yes	MCLAB	ENVIROLBR
	0100	111	002401	002350	506100	0000	0575	0201		1.08		Correct TRMS Charges for Exp Org 002350	Yes	MCLAB	FLYASHLBR
	0100	111	002401	002350	506100	0000	0575	0201		0.99		Correct TRMS Charges for Exp Org 002350	Yes	MCADMIN	TRAINLAB
	0100	111	002401	002350	506100	0000	0575	0201		0.53		Correct TRMS Charges for Exp Org 002350	Yes	MCSAFETY	TRAINING
	0100	111	002401	002350	506100	0000	0575	0201		0.01		Correct TRMS Charges for Exp Org 002350	Yes	MCERT	ERTSAFETY
	0100	111	002401	002350	506100	0000	0575	0201		2.69		Correct TRMS Charges for Exp Org 002350	Yes	MCLAB	PBSUPV
	0100	111	002401	002350	506105	0000	0575	0232		0.99		Correct TRMS Charges for Exp Org 002350	Yes	MCSCR	LABOR
	0100	111	002320	002401	502002	0000	0575	0211		98.51		Correct TRMS Charges for Exp Org 002401	Yes	MCPBOPS	PBONE



Template Type: Functional Journal  
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 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002320	002401	502002	0000	0575	0221		132.03		Correct TRMS Charges for Exp Org 002401	Yes	MCPBOPS	PBTHREE
	0100	111	002320	002401	502002	0000	0575	0241		125.44		Correct TRMS Charges for Exp Org 002401	Yes	MCPBOPS	PBFOUR
	0100	111	002320	002401	502002	0000	0575	0221		98.04		Correct TRMS Charges for Exp Org 002401	Yes	MCPBOPS	PBTWO
	0100	111	002401	002401	506100	0000	0575	0201		82.65		Correct TRMS Charges for Exp Org 002401	Yes	MCADMIN	TRAINOPS
	0100	111	002401	002401	506100	0000	0575	0201		4,739.79		Correct TRMS Charges for Exp Org 002401	Yes	MCADMIN	MGRLABOR
	0100	111	002401	002401	506100	0000	0575	0201		496.41		Correct TRMS Charges for Exp Org 002401	Yes	MCADMIN	ENGLABOR
	0100	111	002401	002401	506100	0000	0575	0201		664.62		Correct TRMS Charges for Exp Org 002401	Yes	MCADMIN	ADMINLBR
	0100	111	002480	002480	506100	0000	0575	0201	19.88			Correct TRMS Charges for Exp Org 002480	Yes	MCMMAINT	ENGLABOR
	0100	111	002480	002480	506100	0000	0575	0201	15.99			Correct TRMS Charges for Exp Org 002480	Yes	MCMMAINT	EDGLABOR
	0100	111	002401	002480	506100	0000	0575	0201	15.08			Correct TRMS Charges for Exp Org 002480	Yes	MCADMIN	MGRLABOR
	0100	111	002480	002480	512100	0000	0575	0201	81.36			Correct TRMS Charges for Exp Org 002480	Yes	MCMMAINT	PLANNER
	0100	111	002480	002480	512100	0000	0575	0201	52.58			Correct TRMS Charges for Exp Org 002480	Yes	MCMMAINT	ENGINEER
	0100	111	002480	002480	512100	0000	0575	0201	29.26			Correct TRMS Charges for Exp Org 002480	Yes	MCMMAINT	SUPERVISE
	0100	111	002401	002481	108901	0000	0575	0211		0.15		Correct TRMS Charges for Exp Org 002481	Yes	132581	10B
	0100	303	002401	002481	163002	0000	0575	0201		8.47		Correct TRMS Charges for Exp Org 002481	Yes	MCFREEBIN	WHSELABOR
	0100	111	002401	002481	506100	0000	0575	0201		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCADMIN	IUS
	0100	111	002401	002481	506100	0000	0575	0201		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCADMIN	TRAINADMN
	0100	111	002401	002481	506100	0000	0575	0201		6.45		Correct TRMS Charges for Exp Org 002481	Yes	MCADMIN	TRAINMAIN
	0100	111	002401	002481	506100	0000	0575	0201		9.18		Correct TRMS Charges for Exp Org 002481	Yes	MCERT	ERTSAFETY
	0100	111	002401	002481	506100	0000	0575	0201		3.91		Correct TRMS Charges for Exp Org 002481	Yes	MCSAFETY	TRAINING
	0100	111	002401	002481	511100	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6171195
	0100	111	002401	002481	511100	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6169621
	0100	111	002401	002481	511100	0000	0575	0201		1.15		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6165416
	0100	111	002401	002481	511100	0000	0575	0201		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6163881
	0100	111	002401	002481	511100	0000	0575	0211		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6163744
	0100	111	002401	002481	511100	0000	0575	0201		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6160394
	0100	111	002401	002481	511100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6159241
	0100	111	002401	002481	511100	0000	0575	0201		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6159239
	0100	111	002401	002481	511100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6144552
	0100	111	002401	002481	511100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6127361
	0100	111	002401	002481	511100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6118210
	0100	111	002401	002481	511100	0000	0575	0201		0.80		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6108995
	0100	111	002401	002481	511100	0000	0575	0221		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6205525
	0100	111	002401	002481	511100	0000	0575	0201		0.84		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6203655
	0100	111	002401	002481	511100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6202781
	0100	111	002401	002481	511100	0000	0575	0201		0.38		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6203027
	0100	111	002401	002481	511100	0000	0575	0211		0.69		Correct TRMS Charges for Exp Org 002481	Yes	MCVENTEXH	6201501

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	511100	0000	0575	0201		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCVENTEXH	6196617
	0100	111	002401	002481	511100	0000	0575	0211		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCVENTEXH	6196612
	0100	111	002401	002481	511100	0000	0575	0201		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCVENTEXH	6196334
	0100	111	002401	002481	511100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCVENTEXH	6161269
	0100	111	002401	002481	511100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCVENTEXH	6075002
	0100	111	002401	002481	511100	0000	0575	0201		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6202661
	0100	111	002401	002481	511100	0000	0575	0231		0.22		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6178993
	0100	111	002401	002481	511100	0000	0575	0211		0.48		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6180543
	0100	111	002401	002481	511100	0000	0575	0201		0.64		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6181734
	0100	111	002401	002481	511100	0000	0575	0201		0.56		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6184392
	0100	111	002401	002481	511100	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6193317
	0100	111	002401	002481	511100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6194367
	0100	111	002401	002481	511100	0000	0575	0201		0.59		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6195255
	0100	111	002401	002481	511100	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6196326
	0100	111	002401	002481	511100	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6198491
	0100	111	002401	002481	511100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6198822
	0100	111	002401	002481	511100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6200692
	0100	111	002401	002481	511100	0000	0575	0201		0.52		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6200693
	0100	111	002401	002481	511100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6200761
	0100	111	002401	002481	511100	0000	0575	0201		0.54		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6200851
	0100	111	002401	002481	511100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6201257
	0100	111	002401	002481	511100	0000	0575	0241		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6201327
	0100	111	002401	002481	511100	0000	0575	0201		164.13		Correct TRMS Charges for Exp Org 002481	Yes	MCSTB	6202660
	0100	111	002401	002481	512005	0000	0575	0231		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6117657
	0100	111	002401	002481	512005	0000	0575	0231		8.32		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6144654
	0100	111	002401	002481	512005	0000	0575	0231		1.13		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6144679
	0100	111	002401	002481	512005	0000	0575	0231		1.22		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6161111
	0100	111	002401	002481	512005	0000	0575	0241		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6200769
	0100	111	002401	002481	512005	0000	0575	0211		6.36		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6200999
	0100	111	002401	002481	512005	0000	0575	0241		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6201271
	0100	111	002401	002481	512005	0000	0575	0211		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6201371
	0100	111	002401	002481	512005	0000	0575	0241		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6201750
	0100	111	002401	002481	512005	0000	0575	0211		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6201901
	0100	111	002401	002481	512005	0000	0575	0211		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6201903
	0100	111	002401	002481	512005	0000	0575	0221		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6202003
	0100	111	002401	002481	512005	0000	0575	0221		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6202004
	0100	111	002401	002481	512005	0000	0575	0221		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6202005
	0100	111	002401	002481	512005	0000	0575	0241		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6202058
	0100	111	002401	002481	512005	0000	0575	0201		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6202226
	0100	111	002401	002481	512005	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6202361
	0100	111	002401	002481	512005	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6202687

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	512005	0000	0575	0231		0.23		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6202831
	0100	111	002401	002481	512005	0000	0575	0221		0.48		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6203098
	0100	111	002401	002481	512005	0000	0575	0241		1.59		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6203307
	0100	111	002401	002481	512005	0000	0575	0241		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6203348
	0100	111	002401	002481	512005	0000	0575	0241		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6203351
	0100	111	002401	002481	512005	0000	0575	0211		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6203992
	0100	111	002401	002481	512005	0000	0575	0221		0.75		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6205881
	0100	111	002401	002481	512005	0000	0575	0231		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6165387
	0100	111	002401	002481	512005	0000	0575	0231		0.35		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6166423
	0100	111	002401	002481	512005	0000	0575	0211		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6168654
	0100	111	002401	002481	512005	0000	0575	0211		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6175767
	0100	111	002401	002481	512005	0000	0575	0231		0.65		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6179455
	0100	111	002401	002481	512005	0000	0575	0211		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6181491
	0100	111	002401	002481	512005	0000	0575	0241		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6182879
	0100	111	002401	002481	512005	0000	0575	0231		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6192674
	0100	111	002401	002481	512005	0000	0575	0231		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6192675
	0100	111	002401	002481	512005	0000	0575	0231		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6192676
	0100	111	002401	002481	512005	0000	0575	0201		0.31		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEUNL	6195787
	0100	111	002401	002481	512005	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEUNL	6205841
	0100	111	002401	002481	512005	0000	0575	0201		1.28		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6193825
	0100	111	002401	002481	512005	0000	0575	0201		0.44		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6193826
	0100	111	002401	002481	512005	0000	0575	0201		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6193828
	0100	111	002401	002481	512005	0000	0575	0201		0.94		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6195093
	0100	111	002401	002481	512005	0000	0575	0201		1.02		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6195212
	0100	111	002401	002481	512005	0000	0575	0201		0.71		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6197772
	0100	111	002401	002481	512005	0000	0575	0201		0.75		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6198415
	0100	111	002401	002481	512005	0000	0575	0201		1.02		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6199013
	0100	111	002401	002481	512005	0000	0575	0201		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6199069
	0100	111	002401	002481	512005	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6200004
	0100	111	002401	002481	512005	0000	0575	0201		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6200006
	0100	111	002401	002481	512005	0000	0575	0201		0.50		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6200071
	0100	111	002401	002481	512005	0000	0575	0201		1.25		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6200529
	0100	111	002401	002481	512005	0000	0575	0201		1.30		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6200632
	0100	111	002401	002481	512005	0000	0575	0201		0.65		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6202424
	0100	111	002401	002481	512005	0000	0575	0201		0.65		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6202582
	0100	111	002401	002481	512005	0000	0575	0201		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6204032
	0100	111	002401	002481	512005	0000	0575	0201		0.54		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6204477
	0100	111	002401	002481	512005	0000	0575	0201		0.73		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6204569
	0100	111	002401	002481	512005	0000	0575	0201		0.75		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6205142
	0100	111	002401	002481	512005	0000	0575	0201		1.15		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6205340
	0100	111	002401	002481	512005	0000	0575	0201		0.40		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6205840

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	512005	0000	0575	0201		0.44		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6208865
	0100	111	002401	002481	512005	0000	0575	0201		0.86		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6208879
	0100	111	002401	002481	512005	0000	0575	0201		6.06		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	LABOR
	0100	111	002401	002481	512005	0000	0575	0201		5.26		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6178949
	0100	111	002401	002481	512005	0000	0575	0201		7.13		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6181205
	0100	111	002401	002481	512005	0000	0575	0201		8.08		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6181492
	0100	111	002401	002481	512005	0000	0575	0201		2.08		Correct TRMS Charges for Exp Org 002481	Yes	MCLIMEGR	6182112
	0100	111	002401	002481	512005	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6192985
	0100	111	002401	002481	512005	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6192986
	0100	111	002401	002481	512005	0000	0575	0211		0.84		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6193592
	0100	111	002401	002481	512005	0000	0575	0211		1.09		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6194632
	0100	111	002401	002481	512005	0000	0575	0211		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6194737
	0100	111	002401	002481	512005	0000	0575	0201		0.73		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6195020
	0100	111	002401	002481	512005	0000	0575	0201		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6195079
	0100	111	002401	002481	512005	0000	0575	0221		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6195741
	0100	111	002401	002481	512005	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6196843
	0100	111	002401	002481	512005	0000	0575	0221		0.29		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6196875
	0100	111	002401	002481	512005	0000	0575	0221		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6196876
	0100	111	002401	002481	512005	0000	0575	0231		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6196905
	0100	111	002401	002481	512005	0000	0575	0241		1.59		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6197018
	0100	111	002401	002481	512005	0000	0575	0211		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6197090
	0100	111	002401	002481	512005	0000	0575	0201		0.48		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6197626
	0100	111	002401	002481	512005	0000	0575	0201		0.54		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6197646
	0100	111	002401	002481	512005	0000	0575	0201		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6197717
	0100	111	002401	002481	512005	0000	0575	0211		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6199032
	0100	111	002401	002481	512005	0000	0575	0211		0.48		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6199716
	0100	111	002401	002481	512005	0000	0575	0241		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6199846
	0100	111	002401	002481	512005	0000	0575	0211		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6200175
	0100	111	002401	002481	512005	0000	0575	0201		1.21		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6200397
	0100	111	002401	002481	512005	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSDRS	6200450
	0100	111	002401	002481	512015	0000	0575	0221		0.29		Correct TRMS Charges for Exp Org 002481	Yes	MCRS	6193769
	0100	111	002401	002481	512017	0000	0575	0201		2.01		Correct TRMS Charges for Exp Org 002481	Yes	MCGPPMAIN	LABOR
	0100	111	002401	002481	512100	0000	0575	0241		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198221
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6200545
	0100	111	002401	002481	512100	0000	0575	0201		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6202446
	0100	111	002401	002481	512100	0000	0575	0201		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6202447
	0100	111	002401	002481	512100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6204496
	0100	111	002401	002481	512100	0000	0575	0201		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6204497
	0100	111	002401	002481	512100	0000	0575	0221		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6204536
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6207347
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6207357

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	512100	0000	0575	0211		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6207428
	0100	111	002401	002481	512100	0000	0575	0231		0.77		Correct TRMS Charges for Exp Org 002481	Yes	MCFLUEGAS	6106705
	0100	111	002401	002481	512100	0000	0575	0231		0.63		Correct TRMS Charges for Exp Org 002481	Yes	MCFLUEGAS	6116435
	0100	111	002401	002481	512100	0000	0575	0231		0.65		Correct TRMS Charges for Exp Org 002481	Yes	MCFLUEGAS	6160599
	0100	111	002401	002481	512100	0000	0575	0221		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFLUEGAS	6194346
	0100	111	002401	002481	512100	0000	0575	0231		0.56		Correct TRMS Charges for Exp Org 002481	Yes	MCFLUEGAS	6196157
	0100	111	002401	002481	512100	0000	0575	0231		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCFLUEGAS	6196881
	0100	111	002401	002481	512100	0000	0575	0221		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCFLUEGAS	6199675
	0100	111	002401	002481	512100	0000	0575	0211		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFLUEGAS	6199676
	0100	111	002401	002481	512100	0000	0575	0201		0.31		Correct TRMS Charges for Exp Org 002481	Yes	MCFUELCON	6124056
	0100	111	002401	002481	512100	0000	0575	0201		0.33		Correct TRMS Charges for Exp Org 002481	Yes	MCFUELCON	6124057
	0100	111	002401	002481	512100	0000	0575	0201		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCFUELCON	6178378
	0100	111	002401	002481	512100	0000	0575	0201		0.29		Correct TRMS Charges for Exp Org 002481	Yes	MCFUELCON	6183486
	0100	111	002401	002481	512100	0000	0575	0211		0.50		Correct TRMS Charges for Exp Org 002481	Yes	MCFUELCON	6189811
	0100	111	002401	002481	512100	0000	0575	0201		0.29		Correct TRMS Charges for Exp Org 002481	Yes	MCFUELCON	6205960
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6195274
	0100	111	002401	002481	512100	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6195521
	0100	111	002401	002481	512100	0000	0575	0201		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6197592
	0100	111	002401	002481	512100	0000	0575	0201		0.23		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6197698
	0100	111	002401	002481	512100	0000	0575	0241		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6197859
	0100	111	002401	002481	512100	0000	0575	0221		0.86		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6197862
	0100	111	002401	002481	512100	0000	0575	0211		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6197956
	0100	111	002401	002481	512100	0000	0575	0201		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6198493
	0100	111	002401	002481	512100	0000	0575	0201		0.36		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6198494
	0100	111	002401	002481	512100	0000	0575	0201		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6198520
	0100	111	002401	002481	512100	0000	0575	0201		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6200382
	0100	111	002401	002481	512100	0000	0575	0201		0.40		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6200429
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6200537
	0100	111	002401	002481	512100	0000	0575	0201		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6200694
	0100	111	002401	002481	512100	0000	0575	0201		1.07		Correct TRMS Charges for Exp Org 002481	Yes	MCSTACKER	6193844
	0100	111	002401	002481	512100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCSTACKER	6194769
	0100	111	002401	002481	512100	0000	0575	0201		4.45		Correct TRMS Charges for Exp Org 002481	Yes	MCSTACKER	6196131
	0100	111	002401	002481	512100	0000	0575	0201		4.16		Correct TRMS Charges for Exp Org 002481	Yes	MCCOMPAIR	6167599
	0100	111	002401	002481	512100	0000	0575	0231		1.36		Correct TRMS Charges for Exp Org 002481	Yes	MCCOMPAIR	6167806
	0100	111	002401	002481	512100	0000	0575	0231		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCCOMPAIR	6200092
	0100	111	002401	002481	512100	0000	0575	0231		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCCOMPAIR	6201601
	0100	111	002401	002481	512100	0000	0575	0201		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCCOMPAIR	6202680
	0100	111	002401	002481	512100	0000	0575	0231		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCCOMPAIR	6203402
	0100	111	002401	002481	512100	0000	0575	0201		0.46		Correct TRMS Charges for Exp Org 002481	Yes	MCCYBARGE	5848416
	0100	111	002401	002481	512100	0000	0575	0201		0.45		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6173989
	0100	111	002401	002481	512100	0000	0575	0201		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6174045

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	512100	0000	0575	0201		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6174047
	0100	111	002401	002481	512100	0000	0575	0241		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6187846
	0100	111	002401	002481	512100	0000	0575	0201		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6204570
	0100	111	002401	002481	512100	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6204578
	0100	111	002401	002481	512100	0000	0575	0201		0.23		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6204612
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6204632
	0100	111	002401	002481	512100	0000	0575	0201		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6206948
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6207169
	0100	111	002401	002481	512100	0000	0575	0241		0.67		Correct TRMS Charges for Exp Org 002481	Yes	MCSUMPS	6167537
	0100	111	002401	002481	512100	0000	0575	0241		0.27		Correct TRMS Charges for Exp Org 002481	Yes	MCSUMPS	6178375
	0100	111	002401	002481	512100	0000	0575	0241		0.29		Correct TRMS Charges for Exp Org 002481	Yes	MCSUMPS	6180679
	0100	111	002401	002481	512100	0000	0575	0201		0.87		Correct TRMS Charges for Exp Org 002481	Yes	MCSUMPS	6181071
	0100	111	002401	002481	512100	0000	0575	0231		0.93		Correct TRMS Charges for Exp Org 002481	Yes	MCSUMPS	6182088
	0100	111	002401	002481	512100	0000	0575	0241		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCSUMPS	6204036
	0100	111	002401	002481	512100	0000	0575	0201		1.28		Correct TRMS Charges for Exp Org 002481	Yes	MCSUMPS	6205471
	0100	111	002401	002481	512100	0000	0575	0231		0.65		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6139044
	0100	111	002401	002481	512100	0000	0575	0231		1.02		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6182968
	0100	111	002401	002481	512100	0000	0575	0231		0.17		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6183131
	0100	111	002401	002481	512100	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6187940
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6195111
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6195112
	0100	111	002401	002481	512100	0000	0575	0221		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6195171
	0100	111	002401	002481	512100	0000	0575	0201		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6197941
	0100	111	002401	002481	512100	0000	0575	0241		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6197945
	0100	111	002401	002481	512100	0000	0575	0211		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198022
	0100	111	002401	002481	512100	0000	0575	0221		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198023
	0100	111	002401	002481	512100	0000	0575	0231		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198024
	0100	111	002401	002481	512100	0000	0575	0211		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198025
	0100	111	002401	002481	512100	0000	0575	0231		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198026
	0100	111	002401	002481	512100	0000	0575	0241		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198027
	0100	111	002401	002481	512100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198028
	0100	111	002401	002481	512100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198064
	0100	111	002401	002481	512100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198065
	0100	111	002401	002481	512100	0000	0575	0201		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198066
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198067
	0100	111	002401	002481	512100	0000	0575	0201		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198142
	0100	111	002401	002481	512100	0000	0575	0221		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198219
	0100	111	002401	002481	512100	0000	0575	0231		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCFIREPRO	6198220
	0100	111	002401	002481	512100	0000	0575	0211		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6202135
	0100	111	002401	002481	512100	0000	0575	0221		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6202139
	0100	111	002401	002481	512100	0000	0575	0211		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6204139

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	512100	0000	0575	0221		0.54		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6205244
	0100	111	002401	002481	512100	0000	0575	0231		1.76		Correct TRMS Charges for Exp Org 002481	Yes	MCFAT	6169909
	0100	111	002401	002481	512100	0000	0575	0231		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCFAT	6186635
	0100	111	002401	002481	512100	0000	0575	0241		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCFAT	6199421
	0100	111	002401	002481	512100	0000	0575	0211		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCFAT	6201020
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCFAT	6201389
	0100	111	002401	002481	512100	0000	0575	0221		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCFAT	6204856
	0100	111	002401	002481	512100	0000	0575	0211		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCFAT	6208235
	0100	111	002401	002481	512100	0000	0575	0201		3.59		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6159395
	0100	111	002401	002481	512100	0000	0575	0201		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6200714
	0100	111	002401	002481	512100	0000	0575	0201		0.33		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6202340
	0100	111	002401	002481	512100	0000	0575	0201		0.27		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6202383
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6202432
	0100	111	002401	002481	512100	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6202452
	0100	111	002401	002481	512100	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6202662
	0100	111	002401	002481	512100	0000	0575	0201		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6202689
	0100	111	002401	002481	512100	0000	0575	0201		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6204437
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6204484
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6204500
	0100	111	002401	002481	512100	0000	0575	0201		0.03		Correct TRMS Charges for Exp Org 002481	Yes	MCEQUIP	6180577
	0100	111	002401	002481	512100	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCEQUIP	6185561
	0100	111	002401	002481	512100	0000	0575	0201		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCEQUIP	6185641
	0100	111	002401	002481	512100	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCEQUIP	6189599
	0100	111	002401	002481	512100	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCLIGHT	6130129
	0100	111	002480	002481	512100	0000	0575	0201		83.30		Correct TRMS Charges for Exp Org 002481	Yes	MCMANT	LEADER
	0100	111	002480	002481	512100	0000	0575	0201		11.01		Correct TRMS Charges for Exp Org 002481	Yes	MCMANT	ENGINEER
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6145151
	0100	111	002401	002481	512100	0000	0575	0201		1.86		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6147163
	0100	111	002401	002481	512100	0000	0575	0231		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCFANS	6116627
	0100	111	002401	002481	512100	0000	0575	0231		0.40		Correct TRMS Charges for Exp Org 002481	Yes	MCFANS	6158610
	0100	111	002401	002481	512100	0000	0575	0231		0.31		Correct TRMS Charges for Exp Org 002481	Yes	MCFANS	6198764
	0100	111	002401	002481	512100	0000	0575	0231		0.69		Correct TRMS Charges for Exp Org 002481	Yes	MCFANS	6198766
	0100	111	002401	002481	512100	0000	0575	0231		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCFANS	6203365
	0100	111	002401	002481	512100	0000	0575	0231		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6178429
	0100	111	002401	002481	512100	0000	0575	0241		0.13		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6179048
	0100	111	002401	002481	512100	0000	0575	0231		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6188789
	0100	111	002401	002481	512100	0000	0575	0231		1.17		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6191204
	0100	111	002401	002481	512100	0000	0575	0231		0.73		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6191545
	0100	111	002401	002481	512100	0000	0575	0231		0.50		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6195407
	0100	111	002401	002481	512100	0000	0575	0231		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6195411
	0100	111	002401	002481	512100	0000	0575	0231		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6195413

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	512100	0000	0575	0231		1.00		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6195417
	0100	111	002401	002481	512100	0000	0575	0231		0.63		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6195421
	0100	111	002401	002481	512100	0000	0575	0201		1.31		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6165891
	0100	111	002401	002481	512100	0000	0575	0201		0.99		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6171599
	0100	111	002401	002481	512100	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6175207
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6175212
	0100	111	002401	002481	512100	0000	0575	0201		0.74		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6180056
	0100	111	002401	002481	512100	0000	0575	0201		0.61		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6180164
	0100	111	002401	002481	512100	0000	0575	0201		0.74		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6180542
	0100	111	002401	002481	512100	0000	0575	0201		1.09		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6182426
	0100	111	002401	002481	512100	0000	0575	0201		0.55		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6182709
	0100	111	002401	002481	512100	0000	0575	0201		0.74		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6184710
	0100	111	002401	002481	512100	0000	0575	0201		0.87		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6185556
	0100	111	002401	002481	512100	0000	0575	0211		1.07		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6192893
	0100	111	002401	002481	512100	0000	0575	0201		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6194177
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6194264
	0100	111	002401	002481	512100	0000	0575	0201		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6195004
	0100	111	002401	002481	512100	0000	0575	0241		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6195158
	0100	111	002401	002481	512100	0000	0575	0201		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6195237
	0100	111	002401	002481	512100	0000	0575	0201		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCPLANT	6195257
	0100	111	002401	002481	512100	0000	0575	0221		0.48		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6199130
	0100	111	002401	002481	512100	0000	0575	0201		0.65		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6199276
	0100	111	002401	002481	512100	0000	0575	0201		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6199278
	0100	111	002401	002481	512100	0000	0575	0201		0.17		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6199885
	0100	111	002401	002481	512100	0000	0575	0221		0.23		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6199991
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6201385
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6201386
	0100	111	002401	002481	512100	0000	0575	0211		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6201638
	0100	111	002401	002481	512100	0000	0575	0231		0.17		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6202605
	0100	111	002401	002481	512100	0000	0575	0211		0.23		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6202825
	0100	111	002401	002481	512100	0000	0575	0211		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6203646
	0100	111	002401	002481	512100	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6181060
	0100	111	002401	002481	512100	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6190715
	0100	111	002401	002481	512100	0000	0575	0201		0.40		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6193838
	0100	111	002401	002481	512100	0000	0575	0201		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6193840
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6195258
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6198495
	0100	111	002401	002481	512100	0000	0575	0201		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6199391
	0100	111	002401	002481	512100	0000	0575	0201		0.38		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6199877
	0100	111	002401	002481	512100	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6200701
	0100	111	002401	002481	512100	0000	0575	0201		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6202818



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	512100	0000	0575	0231		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCLAB	6203558
	0100	111	002401	002481	512100	0000	0575	0231		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6123895
	0100	111	002401	002481	512100	0000	0575	0231		2.38		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6144293
	0100	111	002401	002481	512100	0000	0575	0231		0.17		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6144294
	0100	111	002401	002481	512100	0000	0575	0231		2.17		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6144295
	0100	111	002401	002481	512100	0000	0575	0231		0.93		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6169547
	0100	111	002401	002481	512100	0000	0575	0211		3.40		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6174606
	0100	111	002401	002481	512100	0000	0575	0241		0.90		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6185827
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6194078
	0100	111	002401	002481	512100	0000	0575	0201		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6194558
	0100	111	002401	002481	512100	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6195095
	0100	111	002401	002481	512100	0000	0575	0201		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6195118
	0100	111	002401	002481	512100	0000	0575	0201		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6195200
	0100	111	002401	002481	512100	0000	0575	0201		0.23		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6197854
	0100	111	002401	002481	512100	0000	0575	0201		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6197888
	0100	111	002401	002481	512100	0000	0575	0231		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6198681
	0100	111	002401	002481	512100	0000	0575	0231		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6199743
	0100	111	002401	002481	512100	0000	0575	0231		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6199792
	0100	111	002401	002481	512100	0000	0575	0201		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6200531
	0100	111	002401	002481	512100	0000	0575	0241		0.31		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6201033
	0100	111	002401	002481	512100	0000	0575	0211		0.38		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6180594
	0100	111	002401	002481	512100	0000	0575	0211		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6180595
	0100	111	002401	002481	512100	0000	0575	0211		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6180596
	0100	111	002401	002481	512100	0000	0575	0241		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6180683
	0100	111	002401	002481	512100	0000	0575	0211		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6188800
	0100	111	002401	002481	512100	0000	0575	0231		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6194731
	0100	111	002401	002481	512100	0000	0575	0211		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6194762
	0100	111	002401	002481	512100	0000	0575	0221		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6196410
	0100	111	002401	002481	512100	0000	0575	0231		0.23		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6196892
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6197520
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6197522
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6197524
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6197526
	0100	111	002401	002481	512100	0000	0575	0231		0.27		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6198604
	0100	111	002401	002481	512100	0000	0575	0211		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6198676
	0100	111	002401	002481	512100	0000	0575	0231		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6198896
	0100	111	002401	002481	512100	0000	0575	0241		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6199022
	0100	111	002401	002481	512100	0000	0575	0241		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6199089
	0100	111	002401	002481	512100	0000	0575	0211		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6199429
	0100	111	002401	002481	512100	0000	0575	0241		0.17		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6199589
	0100	111	002401	002481	512100	0000	0575	0231		0.27		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6199668

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	512100	0000	0575	0231		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6201693
	0100	111	002401	002481	512100	0000	0575	0221		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCPFC	6201900
	0100	111	002401	002481	512100	0000	0575	0221		0.16		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6178634
	0100	111	002401	002481	512100	0000	0575	0241		0.26		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6178805
	0100	111	002401	002481	512100	0000	0575	0231		6.23		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6183167
	0100	111	002401	002481	512100	0000	0575	0211		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6193489
	0100	111	002401	002481	512100	0000	0575	0221		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6194589
	0100	111	002401	002481	512100	0000	0575	0231		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6194646
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6194862
	0100	111	002401	002481	512100	0000	0575	0221		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6194864
	0100	111	002401	002481	512100	0000	0575	0231		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6194866
	0100	111	002401	002481	512100	0000	0575	0241		0.17		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6196081
	0100	111	002401	002481	512100	0000	0575	0231		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6196289
	0100	111	002401	002481	512100	0000	0575	0221		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6196744
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6202239
	0100	111	002401	002481	512100	0000	0575	0221		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6202241
	0100	111	002401	002481	512100	0000	0575	0211		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6204246
	0100	111	002401	002481	512100	0000	0575	0211		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6205053
	0100	111	002401	002481	512100	0000	0575	0211		1.41		Correct TRMS Charges for Exp Org 002481	Yes	MCBL	6183129
	0100	111	002401	002481	512100	0000	0575	0231		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCBL	6194870
	0100	111	002401	002481	512100	0000	0575	0221		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCBL	6194946
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCBL	6194948
	0100	111	002401	002481	512100	0000	0575	0221		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCBL	6202295
	0100	111	002401	002481	512100	0000	0575	0211		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCBL	6202297
	0100	111	002401	002481	512100	0000	0575	0211		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCBL	6204333
	0100	111	002401	002481	512100	0000	0575	0201		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6203671
	0100	111	002401	002481	512100	0000	0575	0231		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6204597
	0100	111	002401	002481	512100	0000	0575	0211		0.82		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	5959149
	0100	111	002401	002481	512100	0000	0575	0231		7.71		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6096381
	0100	111	002401	002481	512100	0000	0575	0211		0.23		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6164077
	0100	111	002401	002481	512100	0000	0575	0201		1.89		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6174159
	0100	111	002401	002481	512100	0000	0575	0211		0.16		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6174748
	0100	111	002401	002481	512100	0000	0575	0241		0.32		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6178204
	0100	111	002401	002481	512100	0000	0575	0231		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCFW	6161686
	0100	111	002401	002481	512100	0000	0575	0241		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6202029
	0100	111	002401	002481	512100	0000	0575	0201		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6202426
	0100	111	002401	002481	512100	0000	0575	0211		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6204004
	0100	111	002401	002481	512100	0000	0575	0211		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6204009
	0100	111	002401	002481	512100	0000	0575	0221		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6204030
	0100	111	002401	002481	512100	0000	0575	0201		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6204479
	0100	111	002401	002481	512100	0000	0575	0241		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6205100

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	512100	0000	0575	0241		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6205324
	0100	111	002401	002481	512100	0000	0575	0221		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6205489
	0100	111	002401	002481	512100	0000	0575	0221		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6205563
	0100	111	002401	002481	512100	0000	0575	0231		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCASH	6208745
	0100	111	002401	002481	512100	0000	0575	0211		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCCCW	6202405
	0100	111	002401	002481	512100	0000	0575	0221		0.06		Correct TRMS Charges for Exp Org 002481	Yes	MCCCW	6202406
	0100	111	002401	002481	512100	0000	0575	0201		8.12		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	LABOR
	0100	111	002401	002481	512100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6119778
	0100	111	002401	002481	512100	0000	0575	0201		2.25		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6178219
	0100	111	002401	002481	512100	0000	0575	0201		0.87		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6178365
	0100	111	002401	002481	512100	0000	0575	0201		1.54		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6178372
	0100	111	002401	002481	512100	0000	0575	0201		1.94		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6178469
	0100	111	002401	002481	512100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6193675
	0100	111	002401	002481	512100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6194747
	0100	111	002401	002481	512100	0000	0575	0201		0.17		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6197136
	0100	111	002401	002481	512100	0000	0575	0201		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6199307
	0100	111	002401	002481	512100	0000	0575	0201		1.04		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6200002
	0100	111	002401	002481	512100	0000	0575	0201		0.61		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6201382
	0100	111	002401	002481	512100	0000	0575	0201		0.15		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6202103
	0100	111	002401	002481	512100	0000	0575	0201		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6202775
	0100	111	002401	002481	512100	0000	0575	0201		0.38		Correct TRMS Charges for Exp Org 002481	Yes	MCCHG	6208142
	0100	111	002401	002481	512100	0000	0575	0201		0.26		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6132150
	0100	111	002401	002481	512100	0000	0575	0201		0.51		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6183132
	0100	111	002401	002481	512100	0000	0575	0231		0.19		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6195235
	0100	111	002401	002481	512100	0000	0575	0231		0.27		Correct TRMS Charges for Exp Org 002481	Yes	MCSW	6198473
	0100	111	002401	002481	512101	0000	0575	0231		0.40		Correct TRMS Charges for Exp Org 002481	Yes	MCSWR	6041210
	0100	111	002401	002481	512101	0000	0575	0241		0.48		Correct TRMS Charges for Exp Org 002481	Yes	MCSWR	6179298
	0100	111	002401	002481	513100	0000	0575	0231		0.79		Correct TRMS Charges for Exp Org 002481	Yes	MCTURBINE	5940217
	0100	111	002401	002481	513100	0000	0575	0231		0.63		Correct TRMS Charges for Exp Org 002481	Yes	MCTURBINE	5994288
	0100	111	002401	002481	513100	0000	0575	0231		0.81		Correct TRMS Charges for Exp Org 002481	Yes	MCTURBINE	6181964
	0100	111	002401	002481	513100	0000	0575	0231		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCTURBINE	6191108
	0100	111	002401	002481	513100	0000	0575	0231		0.25		Correct TRMS Charges for Exp Org 002481	Yes	MCTURBINE	6191113
	0100	111	002401	002481	513100	0000	0575	0231		0.29		Correct TRMS Charges for Exp Org 002481	Yes	MCTURBINE	6191118
	0100	111	002401	002481	513100	0000	0575	0231		0.44		Correct TRMS Charges for Exp Org 002481	Yes	MCTURBINE	6195423
	0100	111	002401	002481	513100	0000	0575	0221		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCTURBINE	6205646
	0100	111	002401	002481	513100	0000	0575	0231		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6123815
	0100	111	002401	002481	513100	0000	0575	0231		0.27		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	5974114
	0100	111	002401	002481	513100	0000	0575	0231		5.37		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6000955
	0100	111	002401	002481	513100	0000	0575	0241		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6181617
	0100	111	002401	002481	513100	0000	0575	0231		0.75		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6190226
	0100	111	002401	002481	513100	0000	0575	0221		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6191279

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002401	002481	513100	0000	0575	0221		0.36		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6195002
	0100	111	002401	002481	513100	0000	0575	0241		0.10		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6195082
	0100	111	002401	002481	513100	0000	0575	0231		0.17		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6195132
	0100	111	002401	002481	513100	0000	0575	0221		2.68		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6197590
	0100	111	002401	002481	513100	0000	0575	0221		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6200380
	0100	111	002401	002481	513100	0000	0575	0231		0.44		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6200452
	0100	111	002401	002481	513100	0000	0575	0221		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6200573
	0100	111	002401	002481	513100	0000	0575	0231		0.04		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6200574
	0100	111	002401	002481	513100	0000	0575	0241		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6201794
	0100	111	002401	002481	513100	0000	0575	0221		0.77		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6202402
	0100	111	002401	002481	513100	0000	0575	0241		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCCW	6205736
	0100	111	002401	002481	513100	0000	0575	0211		0.44		Correct TRMS Charges for Exp Org 002481	Yes	MCEHC	6116628
	0100	111	002401	002481	513100	0000	0575	0231		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MCPRD	6189300
	0100	111	002401	002481	513100	0000	0575	0241		0.17		Correct TRMS Charges for Exp Org 002481	Yes	MCEHC	6198779
	0100	111	002401	002481	513100	0000	0575	0211		0.31		Correct TRMS Charges for Exp Org 002481	Yes	MCEHC	6203955
	0100	111	002401	002481	513100	0000	0575	0231		0.46		Correct TRMS Charges for Exp Org 002481	Yes	MCCOND	6018822
	0100	111	002401	002481	513100	0000	0575	0231		0.12		Correct TRMS Charges for Exp Org 002481	Yes	MCCOND	6155206
	0100	111	002401	002481	513100	0000	0575	0231		0.63		Correct TRMS Charges for Exp Org 002481	Yes	MCCOND	6166257
	0100	111	002401	002481	513100	0000	0575	0231		0.08		Correct TRMS Charges for Exp Org 002481	Yes	MCCOND	6166258
	0100	111	002401	002481	513100	0000	0575	0211		0.92		Correct TRMS Charges for Exp Org 002481	Yes	MCCOND	6190019
	0100	111	002401	002481	513100	0000	0575	0231		2.09		Correct TRMS Charges for Exp Org 002481	Yes	MCCOND	6199455
	0100	111	002401	002481	513100	0000	0575	0241		0.02		Correct TRMS Charges for Exp Org 002481	Yes	MCCOND	6203396
	0100	111	002401	002481	513100	0000	0575	0231		0.42		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6195409
	0100	111	002401	002481	513100	0000	0575	0231		0.29		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11BL	6200853
	0100	111	002401	002481	513100	0000	0575	0231		0.21		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11BL	6201017
	0100	111	002401	002481	513100	0000	0575	0231		1.51		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6148788
	0100	111	002401	002481	513100	0000	0575	0231		5.00		Correct TRMS Charges for Exp Org 002481	Yes	MC3S11PB	6183194
	0100	111	002401	002481	514100	0000	0575	0201		1.44		Correct TRMS Charges for Exp Org 002481	Yes	MCGYPCONV	6180660
	0100	131	004470	002481	821100	0000	0575	0723		0.97		Correct TRMS Charges for Exp Org 002481	Yes	101032	1525597
	0100	141	006250	002510	426501	0000	0575	0901		1.85		Correct TRMS Charges for Exp Org 002510	Yes	A02453	IBEW
	0100	111	002030	002510	502002	0000	0575	0101		73.96		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	AWPLANT
	0100	111	002030	002510	502002	0000	0575	0101		67.86		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	BWPLANT
	0100	111	002030	002510	502002	0000	0575	0101		81.77		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	DWPLANT
	0100	111	002030	002510	502002	0000	0575	0101		81.15		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	CWPLANT
	0100	111	002030	002510	502005	0000	0575	0101		2.49		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	DWYARD
	0100	111	002030	002510	502005	0000	0575	0101		8.75		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	D-SPP
	0100	111	002030	002510	502005	0000	0575	0101		9.68		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	C-SPP
	0100	111	002030	002510	502005	0000	0575	0101		6.14		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	B-SPP
	0100	111	002030	002510	502005	0000	0575	0101		3.88		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	A-SPP

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002510	502005	0000	0575	0101		1.14		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	AWYARD
	0100	111	002030	002510	502005	0000	0575	0101		1.38		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	BWYARD
	0100	111	002030	002510	502005	0000	0575	0101		2.56		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	CWYARD
	0100	111	002030	002510	502100	0000	0575	0101		1.79		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	S&E
	0100	111	002030	002510	506100	0000	0575	0101		0.73		Correct TRMS Charges for Exp Org 002510	Yes	CRADMIN	DEVEL
	0100	111	002030	002510	506100	0000	0575	0101		1.79		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	TRAIN
	0100	111	002030	002510	506100	0000	0575	0101		0.80		Correct TRMS Charges for Exp Org 002510	Yes	CROLBR	SAFETY
	0100	111	002030	002510	506100	0000	0575	0101		0.08		Correct TRMS Charges for Exp Org 002510	Yes	CRERT	ERT
	0100	111	002030	002510	506100	0000	0575	0101		4.40		Correct TRMS Charges for Exp Org 002510	Yes	CRHEALTH	ERT
	0100	111	002120	002510	538100	0000	0575	0450		6.44		Correct TRMS Charges for Exp Org 002510	Yes	OFADMIN	OPSLABOR
	0100	111	002120	002510	539100	0000	0575	0450		0.09		Correct TRMS Charges for Exp Org 002510	Yes	OFHEALTH	SAFETY
	0100	111	002120	002510	539100	0000	0575	0450		0.17		Correct TRMS Charges for Exp Org 002510	Yes	OFADMIN	TRAIN
	0100	111	002120	002510	542100	0000	0575	0450		0.12		Correct TRMS Charges for Exp Org 002510	Yes	OFSTB	6138535
	0100	111	002120	002510	542100	0000	0575	0450		0.12		Correct TRMS Charges for Exp Org 002510	Yes	OFSTB	6189776
	0100	111	002120	002510	543100	0000	0575	0450		1.36		Correct TRMS Charges for Exp Org 002510	Yes	OFHDW	6076543
	0100	111	002120	002510	544100	0000	0575	0450		0.12		Correct TRMS Charges for Exp Org 002510	Yes	OFTA	6201280
	0100	111	002120	002510	544100	0000	0575	0450		0.49		Correct TRMS Charges for Exp Org 002510	Yes	OFTA	6201249
	0100	111	002650	002530	506100	0000	0575	0301		15.44		Correct TRMS Charges for Exp Org 002530	Yes	TCCOMLABR	MIC/CLERK
	0100	111	002030	002530	506100	0000	0575	0101		10.24		Correct TRMS Charges for Exp Org 002530	Yes	CRHEALTH	ERT
	0100	111	002401	002530	506100	0000	0575	0201		13.16		Correct TRMS Charges for Exp Org 002530	Yes	MCADMIN	ADMINLBR
	0100	111	002030	002530	506100	0000	0575	0101		2.47		Correct TRMS Charges for Exp Org 002530	Yes	CRALBR	SAFETY
	0100	111	002030	002530	506100	0000	0575	0101		541.90		Correct TRMS Charges for Exp Org 002530	Yes	CRALBR	MISC
	0100	111	002120	002530	538100	0000	0575	0450		7.52		Correct TRMS Charges for Exp Org 002530	Yes	OFADMIN	NGK
	0100	111	002140	002530	551100	0000	0575	0430		2.77		Correct TRMS Charges for Exp Org 002530	Yes	CTPR11	ADMIN
	0100	111	002140	002530	552100	0000	0575	0171		2.83		Correct TRMS Charges for Exp Org 002530	Yes	CTCR11	ADMIN
	0100	111	002140	002530	553100	0000	0575	0410		2.83		Correct TRMS Charges for Exp Org 002530	Yes	CTZN1	ADMIN
	0100	111	002140	002530	553100	0000	0575	0431		2.83		Correct TRMS Charges for Exp Org 002530	Yes	CTPR12	ADMIN
	0100	111	002140	002530	553100	0000	0575	0432		2.34		Correct TRMS Charges for Exp Org 002530	Yes	CTPR13	ADMIN
	0100	111	002030	002540	506100	0000	0575	0101	531.34			Correct TRMS Charges for Exp Org 002540	Yes	CROLBR	LAB
	0100	111	002030	002540	506100	0000	0575	0101	1.58			Correct TRMS Charges for Exp Org 002540	Yes	CROLBR	TRAIN
	0100	111	002030	002540	506100	0000	0575	0101	2.41			Correct TRMS Charges for Exp Org 002540	Yes	CRHEALTH	ERT
	0100	111	002990	002650	107001	0000	0575	0321	3.04			Correct TRMS Charges for Exp Org 002650	Yes	117149	PLANTSUP
	0110	111	015795	002650	107001	0000	0575	0321	13.81			Correct TRMS Charges for Exp Org 002650	Yes	117150	PLANTSUP
	0100	111	002990	002650	107001	0000	0575	0321	1.52			Correct TRMS Charges for Exp Org 002650	Yes	121684	PLANTSUP
	0110	111	015795	002650	107001	0000	0575	0321	6.09			Correct TRMS Charges for Exp Org 002650	Yes	121685	PLANTSUP

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002650	500100	0000	0575	0301	23.29			Correct TRMS Charges for Exp Org 002650	Yes	TCCOMLABR	MANAG&ENG
	0100	111	002650	002650	506100	0000	0575	0301	15.52			Correct TRMS Charges for Exp Org 002650	Yes	TCCOMLABR	MIC/CLERK
	0100	111	002990	002710	107001	0000	0575	0321	0.02			Correct TRMS Charges for Exp Org 002710	Yes	117149	PLANTSUP
	0110	111	015795	002710	107001	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002710	Yes	117150	PLANTSUP
	0100	111	002650	002710	502100	0000	0575	0301	20.51			Correct TRMS Charges for Exp Org 002710	Yes	TCCOMLABR	BOILEROPS
	0100	111	002650	002710	506100	0000	0575	0301	1.12			Correct TRMS Charges for Exp Org 002710	Yes	TCSAFE/DV	1219124
	0100	111	002650	002710	506100	0000	0575	0301	0.22			Correct TRMS Charges for Exp Org 002710	Yes	TCSAFE/DV	1223747
	0100	111	002650	002710	512005	0000	0575	0301	1.32			Correct TRMS Charges for Exp Org 002710	Yes	TCCOMLABR	SCRUBOPS
	0100	111	002650	002720	500100	0000	0575	0301	23.59			Correct TRMS Charges for Exp Org 002720	Yes	TCCOMLABR	MANAG&ENG
	0100	111	002650	002720	510100	0000	0575	0301	18.10			Correct TRMS Charges for Exp Org 002720	Yes	TCCOMLABR	PRODSUPRT
	0100	111	002655	002720	548100	0000	0575	0478	4.79			Correct TRMS Charges for Exp Org 002720	Yes	TCALLCT	CTOPS
	0100	111	002990	002770	107001	0000	0575	0321		0.96		Correct TRMS Charges for Exp Org 002770	Yes	117149	PLANTSUP
	0110	111	015795	002770	107001	0000	0575	0321		4.76		Correct TRMS Charges for Exp Org 002770	Yes	117150	PLANTSUP
	0100	111	002650	002770	500100	0000	0575	0301		35.46		Correct TRMS Charges for Exp Org 002770	Yes	TCCOMLABR	MANAG&ENG
	0100	111	002650	002770	500100	0000	0575	0321		0.88		Correct TRMS Charges for Exp Org 002770	Yes	TCCOMLABR	MANAG&ENGT2
	0100	111	002650	002770	500100	0000	0575	0311		1.42		Correct TRMS Charges for Exp Org 002770	Yes	TCCOMLABR	MANAG&ENGT1
	0100	111	002650	002770	510100	0000	0575	0301		6.01		Correct TRMS Charges for Exp Org 002770	Yes	TCCOMLABR	PRODSUPRT
	0100	111	002650	002770	514100	0000	0575	0311		0.34		Correct TRMS Charges for Exp Org 002770	Yes	TCCOMLABR	OUTAGE COORD
	0100	111	002650	002770	514100	0000	0575	0321		2.35		Correct TRMS Charges for Exp Org 002770	Yes	TCCOMLABR	OUTAGE COORDT
	0100	111	002655	002770	548100	0000	0575	0478		7.74		Correct TRMS Charges for Exp Org 002770	Yes	TCALLCT	CTENG
	0100	111	002990	002790	107001	0000	0575	0321	5.81			Correct TRMS Charges for Exp Org 002790	Yes	117149	PLANTSUP
	0110	111	015795	002790	107001	0000	0575	0321	25.98			Correct TRMS Charges for Exp Org 002790	Yes	117150	PLANTSUP
	0100	141	006250	002790	426501	0000	0575	0901	0.58			Correct TRMS Charges for Exp Org 002790	Yes	A02453	IBEW
	0100	141	006250	002790	426501	0000	0575	0901	0.96			Correct TRMS Charges for Exp Org 002790	Yes	A02453	NON-REIMB IBEW
	0100	111	002650	002790	500100	0000	0575	0301	5.38			Correct TRMS Charges for Exp Org 002790	Yes	TCCOMLABR	MANAG&ENG
	0100	111	002650	002790	500100	0000	0575	0311	2.30			Correct TRMS Charges for Exp Org 002790	Yes	TCCOMLABR	MANAG&ENGT1
	0100	111	002650	002790	500100	0000	0575	0321	3.08			Correct TRMS Charges for Exp Org 002790	Yes	TCCOMLABR	MANAG&ENGT2
	0100	111	002650	002790	506100	0000	0575	0301	20.19			Correct TRMS Charges for Exp Org 002790	Yes	TCSAFE/DV	1216296
	0100	111	002650	002790	506100	0000	0575	0301	0.54			Correct TRMS Charges for Exp Org 002790	Yes	TCADMIN	6165684
	0100	111	002650	002790	506100	0000	0575	0301	8.59			Correct TRMS Charges for Exp Org 002790	Yes	TCSAFE/DV	1223747
	0100	111	002650	002790	510100	0000	0575	0321	2.67			Correct TRMS Charges for Exp Org 002790	Yes	TCCOMLABR	PRODSUPRTT2
	0100	111	002650	002790	510100	0000	0575	0311	5.43			Correct TRMS Charges for Exp Org 002790	Yes	TCCOMLABR	PRODSUPRTT1
	0100	111	002650	002790	510100	0000	0575	0301	20.17			Correct TRMS Charges for Exp Org 002790	Yes	TCCOMLABR	PRODSUPRT

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002790	511100	0000	0575	0321	0.97			Correct TRMS Charges for Exp Org 002790	Yes	TC000STB	6205453
	0100	111	002650	002790	511100	0000	0575	0301	0.16			Correct TRMS Charges for Exp Org 002790	Yes	TC000STB	6200221
	0100	111	002650	002790	511100	0000	0575	0301	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC000STB	6199033
	0100	111	002650	002790	511100	0000	0575	0301	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC000STB	6197149
	0100	111	002650	002790	511100	0000	0575	0301	1.73			Correct TRMS Charges for Exp Org 002790	Yes	TC000STB	6162386
	0100	111	002650	002790	511100	0000	0575	0301	0.06			Correct TRMS Charges for Exp Org 002790	Yes	TC000STB	6155612
	0100	111	002650	002790	511100	0000	0575	0301	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC000HVC	6202168
	0100	111	002650	002790	511100	0000	0575	0301	0.53			Correct TRMS Charges for Exp Org 002790	Yes	TC000HVC	6199063
	0100	111	002650	002790	511100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000HVC	6198575
	0100	111	002650	002790	511100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000HVC	6198574
	0100	111	002650	002790	511100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000HVC	6198511
	0100	111	002650	002790	511100	0000	0575	0321	93.66			Correct TRMS Charges for Exp Org 002790	Yes	TC000HVC	6198510
	0100	111	002650	002790	512005	0000	0575	0311	0.28			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6204509
	0100	111	002650	002790	512005	0000	0575	0311	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6204523
	0100	111	002650	002790	512005	0000	0575	0311	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6205718
	0100	111	002650	002790	512005	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6208101
	0100	111	002650	002790	512005	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6208102
	0100	111	002650	002790	512005	0000	0575	0311	0.37			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6208220
	0100	111	002650	002790	512005	0000	0575	0311	0.37			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6208381
	0100	111	002650	002790	512005	0000	0575	0311	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6208891
	0100	111	002650	002790	512005	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6200702
	0100	111	002650	002790	512005	0000	0575	0321	0.62			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6201086
	0100	111	002650	002790	512005	0000	0575	0311	11.06			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6201208
	0100	111	002650	002790	512005	0000	0575	0321	0.85			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6201344
	0100	111	002650	002790	512005	0000	0575	0321	0.83			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6201847
	0100	111	002650	002790	512005	0000	0575	0321	0.55			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6201884
	0100	111	002650	002790	512005	0000	0575	0311	4.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6202015
	0100	111	002650	002790	512005	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6202433
	0100	111	002650	002790	512005	0000	0575	0321	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6160494
	0100	111	002650	002790	512005	0000	0575	0321	0.16			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6162914
	0100	111	002650	002790	512005	0000	0575	0321	0.16			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6162915
	0100	111	002650	002790	512005	0000	0575	0321	0.39			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6174875
	0100	111	002650	002790	512005	0000	0575	0321	0.39			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6174877
	0100	111	002650	002790	512005	0000	0575	0311	1.75			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6178268
	0100	111	002650	002790	512005	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6180245
	0100	111	002650	002790	512005	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6180304
	0100	111	002650	002790	512005	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6180328
	0100	111	002650	002790	512005	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6182903
	0100	111	002650	002790	512005	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6182913
	0100	111	002650	002790	512005	0000	0575	0321	0.25			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6182917
	0100	111	002650	002790	512005	0000	0575	0321	0.67			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6182919

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002790	512005	0000	0575	0321	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6188277
	0100	111	002650	002790	512005	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6188854
	0100	111	002650	002790	512005	0000	0575	0321	2.32			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6191423
	0100	111	002650	002790	512005	0000	0575	0321	1.20			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6193073
	0100	111	002650	002790	512005	0000	0575	0321	0.25			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6195219
	0100	111	002650	002790	512005	0000	0575	0321	0.25			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6195262
	0100	111	002650	002790	512005	0000	0575	0321	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6195315
	0100	111	002650	002790	512005	0000	0575	0321	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6195316
	0100	111	002650	002790	512005	0000	0575	0321	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6195317
	0100	111	002650	002790	512005	0000	0575	0321	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6195318
	0100	111	002650	002790	512005	0000	0575	0321	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6195319
	0100	111	002650	002790	512005	0000	0575	0321	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6195320
	0100	111	002650	002790	512005	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6195322
	0100	111	002650	002790	512005	0000	0575	0311	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6197861
	0100	111	002650	002790	512005	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6197897
	0100	111	002650	002790	512005	0000	0575	0311	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6197947
	0100	111	002650	002790	512005	0000	0575	0321	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6198426
	0100	111	002650	002790	512005	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6198501
	0100	111	002650	002790	512005	0000	0575	0311	0.83			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6198654
	0100	111	002650	002790	512005	0000	0575	0321	0.53			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6199075
	0100	111	002650	002790	512005	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6199076
	0100	111	002650	002790	512005	0000	0575	0311	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6199881
	0100	111	002650	002790	512005	0000	0575	0311	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6200538
	0100	111	002650	002790	512005	0000	0575	0311	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6200572
	0100	111	002650	002790	512005	0000	0575	0311	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6200590
	0100	111	002650	002790	512005	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6200641
	0100	111	002650	002790	512005	0000	0575	0311	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6202468
	0100	111	002650	002790	512005	0000	0575	0321	0.46			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6203117
	0100	111	002650	002790	512005	0000	0575	0311	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-SDR	6204485
	0100	111	002650	002790	512011	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198544
	0100	111	002650	002790	512011	0000	0575	0321	0.16			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6204648
	0100	111	002650	002790	512011	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198541
	0100	111	002650	002790	512011	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198540
	0100	111	002650	002790	512011	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198539
	0100	111	002650	002790	512011	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198538
	0100	111	002650	002790	512011	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198537
	0100	111	002650	002790	512011	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198536
	0100	111	002650	002790	512011	0000	0575	0321	0.16			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198545
	0100	111	002650	002790	512011	0000	0575	0321	0.16			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198546
	0100	111	002650	002790	512011	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198547
	0100	111	002650	002790	512011	0000	0575	0321	0.25			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6167186



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002790	512011	0000	0575	0321	0.51			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6197014
	0100	111	002650	002790	512011	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6199395
	0100	111	002650	002790	512011	0000	0575	0321	0.42			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6199398
	0100	111	002650	002790	512011	0000	0575	0321	0.42			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6199399
	0100	111	002650	002790	512011	0000	0575	0321	0.35			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6200730
	0100	111	002650	002790	512011	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6201430
	0100	111	002650	002790	512011	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6201431
	0100	111	002650	002790	512011	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6201898
	0100	111	002650	002790	512011	0000	0575	0321	0.16			Correct TRMS Charges for Exp Org 002790	Yes	TC-PJF	6204646
	0100	111	002650	002790	512011	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-ESP	6198542
	0100	111	002650	002790	512015	0000	0575	0301	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6205869
	0100	111	002650	002790	512015	0000	0575	0301	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6205868
	0100	111	002650	002790	512015	0000	0575	0301	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6204182
	0100	111	002650	002790	512015	0000	0575	0301	0.67			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6203987
	0100	111	002650	002790	512015	0000	0575	0301	1.84			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6201532
	0100	111	002650	002790	512015	0000	0575	0301	0.46			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6201231
	0100	111	002650	002790	512015	0000	0575	0301	0.25			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6200983
	0100	111	002650	002790	512015	0000	0575	0301	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6200224
	0100	111	002650	002790	512015	0000	0575	0301	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6197153
	0100	111	002650	002790	512015	0000	0575	0301	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6199402
	0100	111	002650	002790	512015	0000	0575	0301	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6193069
	0100	111	002650	002790	512015	0000	0575	0301	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6193005
	0100	111	002650	002790	512015	0000	0575	0301	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6193004
	0100	111	002650	002790	512015	0000	0575	0301	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-M	6167755
	0100	111	002650	002790	512015	0000	0575	0301	0.39			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6205003
	0100	111	002650	002790	512015	0000	0575	0301	3.45			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6203898
	0100	111	002650	002790	512015	0000	0575	0301	0.62			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6203435
	0100	111	002650	002790	512015	0000	0575	0301	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6201995
	0100	111	002650	002790	512015	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6201034
	0100	111	002650	002790	512015	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6190656
	0100	111	002650	002790	512015	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6190657
	0100	111	002650	002790	512015	0000	0575	0301	0.37			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6193293
	0100	111	002650	002790	512015	0000	0575	0301	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6195366
	0100	111	002650	002790	512015	0000	0575	0301	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6196723
	0100	111	002650	002790	512015	0000	0575	0301	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6197716
	0100	111	002650	002790	512015	0000	0575	0301	0.28			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6199978
	0100	111	002650	002790	512015	0000	0575	0301	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6200449
	0100	111	002650	002790	512015	0000	0575	0301	0.25			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-	6200982
	0100	111	002650	002790	512100	0000	0575	0311	0.62			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	5889711
	0100	111	002650	002790	512100	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6167162
	0100	111	002650	002790	512100	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6167163

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002790	512100	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6167164
	0100	111	002650	002790	512100	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6167165
	0100	111	002650	002790	512100	0000	0575	0311	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6180144
	0100	111	002650	002790	512100	0000	0575	0311	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6180382
	0100	111	002650	002790	512100	0000	0575	0301	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6180512
	0100	111	002650	002790	512100	0000	0575	0321	0.58			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6182783
	0100	111	002650	002790	512100	0000	0575	0301	1.82			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6183393
	0100	111	002650	002790	512100	0000	0575	0301	0.17			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6183434
	0100	111	002650	002790	512100	0000	0575	0321	0.28			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6188847
	0100	111	002650	002790	512100	0000	0575	0311	1.13			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6194093
	0100	111	002650	002790	512100	0000	0575	0321	0.28			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6194245
	0100	111	002650	002790	512100	0000	0575	0311	0.37			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6194415
	0100	111	002650	002790	512100	0000	0575	0311	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6195199
	0100	111	002650	002790	512100	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6195245
	0100	111	002650	002790	512100	0000	0575	0321	5.36			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6195860
	0100	111	002650	002790	512100	0000	0575	0321	0.78			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6196847
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6197686
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6198143
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6198257
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6198485
	0100	111	002650	002790	512100	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6199176
	0100	111	002650	002790	512100	0000	0575	0311	0.39			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6199419
	0100	111	002650	002790	512100	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6199644
	0100	111	002650	002790	512100	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6199727
	0100	111	002650	002790	512100	0000	0575	0311	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6200423
	0100	111	002650	002790	512100	0000	0575	0311	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6200610
	0100	111	002650	002790	512100	0000	0575	0311	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6200621
	0100	111	002650	002790	512100	0000	0575	0311	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6200682
	0100	111	002650	002790	512100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6200717
	0100	111	002650	002790	512100	0000	0575	0321	0.35			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6201432
	0100	111	002650	002790	512100	0000	0575	0321	1.22			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6201442
	0100	111	002650	002790	512100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6201564
	0100	111	002650	002790	512100	0000	0575	0311	0.58			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6201604
	0100	111	002650	002790	512100	0000	0575	0311	0.51			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6201840
	0100	111	002650	002790	512100	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6202047
	0100	111	002650	002790	512100	0000	0575	0311	0.39			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6202772
	0100	111	002650	002790	512100	0000	0575	0311	0.28			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6202774
	0100	111	002650	002790	512100	0000	0575	0311	0.76			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6203046
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6203584
	0100	111	002650	002790	512100	0000	0575	0311	0.42			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6203892
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6204552

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6204607
	0100	111	002650	002790	512100	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6204622
	0100	111	002650	002790	512100	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6204623
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6204644
	0100	111	002650	002790	512100	0000	0575	0321	0.49			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6204727
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6204735
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6209046
	0100	111	002650	002790	512100	0000	0575	0311	0.97			Correct TRMS Charges for Exp Org 002790	Yes	TC-AH-	6209052
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-AS-	6188535
	0100	111	002650	002790	512100	0000	0575	0321	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-AS-	6188822
	0100	111	002650	002790	512100	0000	0575	0321	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-AS-	6191195
	0100	111	002650	002790	512100	0000	0575	0311	0.19			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6179618
	0100	111	002650	002790	512100	0000	0575	0311	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6179619
	0100	111	002650	002790	512100	0000	0575	0311	0.92			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6188689
	0100	111	002650	002790	512100	0000	0575	0311	0.81			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6189202
	0100	111	002650	002790	512100	0000	0575	0321	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6190000
	0100	111	002650	002790	512100	0000	0575	0311	0.92			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6191656
	0100	111	002650	002790	512100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6191731
	0100	111	002650	002790	512100	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6194630
	0100	111	002650	002790	512100	0000	0575	0311	0.46			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6194650
	0100	111	002650	002790	512100	0000	0575	0321	0.28			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6195280
	0100	111	002650	002790	512100	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6195285
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6195321
	0100	111	002650	002790	512100	0000	0575	0321	2.00			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6195790
	0100	111	002650	002790	512100	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6197125
	0100	111	002650	002790	512100	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6197126
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6198549
	0100	111	002650	002790	512100	0000	0575	0321	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6198573
	0100	111	002650	002790	512100	0000	0575	0321	0.35			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6199331
	0100	111	002650	002790	512100	0000	0575	0311	2.23			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6199947
	0100	111	002650	002790	512100	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6200205
	0100	111	002650	002790	512100	0000	0575	0311	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6200206
	0100	111	002650	002790	512100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6200721
	0100	111	002650	002790	512100	0000	0575	0321	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6200738
	0100	111	002650	002790	512100	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6202148
	0100	111	002650	002790	512100	0000	0575	0321	0.83			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6202801
	0100	111	002650	002790	512100	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6203278
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6204161
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6204162
	0100	111	002650	002790	512100	0000	0575	0311	1.66			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6205223
	0100	111	002650	002790	512100	0000	0575	0321	1.08			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6205335

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002790	512100	0000	0575	0311	0.46			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6205494
	0100	111	002650	002790	512100	0000	0575	0321	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-BL-	6209041
	0100	111	002650	002790	512100	0000	0575	0311	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-CBA	6190745
	0100	111	002650	002790	512100	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-CBA	6191140
	0100	111	002650	002790	512100	0000	0575	0321	0.65			Correct TRMS Charges for Exp Org 002790	Yes	TC-CBA	6196446
	0100	111	002650	002790	512100	0000	0575	0321	0.51			Correct TRMS Charges for Exp Org 002790	Yes	TC-CBA	6199051
	0100	111	002650	002790	512100	0000	0575	0321	0.39			Correct TRMS Charges for Exp Org 002790	Yes	TC-CBA	6199493
	0100	111	002650	002790	512100	0000	0575	0311	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-CBA	6205218
	0100	111	002650	002790	512100	0000	0575	0321	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-CBA	6205428
	0100	111	002650	002790	512100	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-CCW	6200081
	0100	111	002650	002790	512100	0000	0575	0321	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-CCW	6200104
	0100	111	002650	002790	512100	0000	0575	0311	0.43			Correct TRMS Charges for Exp Org 002790	Yes	TC-FG-	6180713
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-FG-	6190746
	0100	111	002650	002790	512100	0000	0575	0321	1.96			Correct TRMS Charges for Exp Org 002790	Yes	TC-FG-	6199048
	0100	111	002650	002790	512100	0000	0575	0321	0.32			Correct TRMS Charges for Exp Org 002790	Yes	TC-FG-	6200068
	0100	111	002650	002790	512100	0000	0575	0321	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC-FG-	6201687
	0100	111	002650	002790	512100	0000	0575	0321	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-FG-	6205432
	0100	111	002650	002790	512100	0000	0575	0321	0.53			Correct TRMS Charges for Exp Org 002790	Yes	TC-FG-	6205570
	0100	111	002650	002790	512100	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-FG-	6208176
	0100	111	002650	002790	512100	0000	0575	0321	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC-FG-	6208413
	0100	111	002650	002790	512100	0000	0575	0321	0.76			Correct TRMS Charges for Exp Org 002790	Yes	TC-FW-	6195919
	0100	111	002650	002790	512100	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC-FW-	6196352
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-FW-	6196360
	0100	111	002650	002790	512100	0000	0575	0321	0.35			Correct TRMS Charges for Exp Org 002790	Yes	TC-FW-	6201097
	0100	111	002650	002790	512100	0000	0575	0321	1.54			Correct TRMS Charges for Exp Org 002790	Yes	TC-FW-	6203379
	0100	111	002650	002790	512100	0000	0575	0321	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-FW-	6205433
	0100	111	002650	002790	512100	0000	0575	0311	0.41			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6178976
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6179207
	0100	111	002650	002790	512100	0000	0575	0311	0.08			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6181279
	0100	111	002650	002790	512100	0000	0575	0311	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6190744
	0100	111	002650	002790	512100	0000	0575	0321	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6190752
	0100	111	002650	002790	512100	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6190753
	0100	111	002650	002790	512100	0000	0575	0311	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6197768
	0100	111	002650	002790	512100	0000	0575	0321	0.37			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6198518
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6198580
	0100	111	002650	002790	512100	0000	0575	0321	1.04			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6198776
	0100	111	002650	002790	512100	0000	0575	0321	0.51			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6201357
	0100	111	002650	002790	512100	0000	0575	0311	1.11			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFC	6205349
	0100	111	002650	002790	512100	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000ABL	6174410
	0100	111	002650	002790	512100	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000ABL	6174411
	0100	111	002650	002790	512100	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000ABL	6174412

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002790	512100	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000ABL	6174413
	0100	111	002650	002790	512100	0000	0575	0301	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000ABL	6208091
	0100	111	002650	002790	512100	0000	0575	0301	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC000ABL	6208185
	0100	111	002650	002790	512100	0000	0575	0301	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC000AF-	6187801
	0100	111	002650	002790	512100	0000	0575	0301	0.28			Correct TRMS Charges for Exp Org 002790	Yes	TC000AF-	6188200
	0100	111	002650	002790	512100	0000	0575	0311	0.39			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6092707
	0100	111	002650	002790	512100	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6174457
	0100	111	002650	002790	512100	0000	0575	0321	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6195294
	0100	111	002650	002790	512100	0000	0575	0321	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6195295
	0100	111	002650	002790	512100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6198581
	0100	111	002650	002790	512100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6198582
	0100	111	002650	002790	512100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6202706
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6203314
	0100	111	002650	002790	512100	0000	0575	0321	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6205692
	0100	111	002650	002790	512100	0000	0575	0321	0.46			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6205698
	0100	111	002650	002790	512100	0000	0575	0321	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6208201
	0100	111	002650	002790	512100	0000	0575	0311	1.08			Correct TRMS Charges for Exp Org 002790	Yes	TC000CA-	6208605
	0100	111	002650	002790	512100	0000	0575	0301	1.38			Correct TRMS Charges for Exp Org 002790	Yes	TC000CHG	6178243
	0100	111	002650	002790	512100	0000	0575	0301	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000CHG	6198577
	0100	111	002650	002790	512100	0000	0575	0301	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000CHG	6198578
	0100	111	002650	002790	512100	0000	0575	0301	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000CHG	6198579
	0100	111	002650	002790	512100	0000	0575	0301	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000CHG	6203989
	0100	111	002650	002790	512100	0000	0575	0301	0.51			Correct TRMS Charges for Exp Org 002790	Yes	TC000FP-	6149699
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000FP-	6195296
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000FP-	6195297
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000FP-	6205717
	0100	111	002650	002790	512100	0000	0575	0301	0.32			Correct TRMS Charges for Exp Org 002790	Yes	TC000GUE	6190559
	0100	111	002650	002790	512100	0000	0575	0301	0.39			Correct TRMS Charges for Exp Org 002790	Yes	TC000GUE	6201148
	0100	111	002650	002790	512100	0000	0575	0301	2.33			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	5898440
	0100	111	002650	002790	512100	0000	0575	0321	0.53			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6096987
	0100	111	002650	002790	512100	0000	0575	0311	0.37			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6175382
	0100	111	002650	002790	512100	0000	0575	0311	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6180132
	0100	111	002650	002790	512100	0000	0575	0321	0.94			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6183347
	0100	111	002650	002790	512100	0000	0575	0321	0.37			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6193072
	0100	111	002650	002790	512100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6197683
	0100	111	002650	002790	512100	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6197891
	0100	111	002650	002790	512100	0000	0575	0311	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6200421
	0100	111	002650	002790	512100	0000	0575	0301	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6200566
	0100	111	002650	002790	512100	0000	0575	0301	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6200658
	0100	111	002650	002790	512100	0000	0575	0311	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6202375
	0100	111	002650	002790	512100	0000	0575	0301	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6202463

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002790	512100	0000	0575	0301	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6204506
	0100	111	002650	002790	512100	0000	0575	0321	0.88			Correct TRMS Charges for Exp Org 002790	Yes	TC000PLT	6204633
	0100	111	002650	002790	512100	0000	0575	0301	6.56			Correct TRMS Charges for Exp Org 002790	Yes	TC000SAW	6111658
	0100	111	002650	002790	512100	0000	0575	0301	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC000SAW	6164411
	0100	111	002650	002790	512100	0000	0575	0311	0.65			Correct TRMS Charges for Exp Org 002790	Yes	TC000SD-	6161136
	0100	111	002650	002790	512100	0000	0575	0311	0.74			Correct TRMS Charges for Exp Org 002790	Yes	TC000SD-	6181324
	0100	111	002650	002790	512100	0000	0575	0321	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC000SD-	6200737
	0100	111	002650	002790	512100	0000	0575	0301	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	5786854
	0100	111	002650	002790	512100	0000	0575	0301	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	5946470
	0100	111	002650	002790	512100	0000	0575	0301	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	6198920
	0100	111	002650	002790	512100	0000	0575	0301	0.53			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	6198922
	0100	111	002650	002790	512100	0000	0575	0301	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	6200007
	0100	111	002650	002790	512100	0000	0575	0301	0.44			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	6200008
	0100	111	002650	002790	512100	0000	0575	0301	0.28			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	6200009
	0100	111	002650	002790	512100	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	6203436
	0100	111	002650	002790	512100	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	6203437
	0100	111	002650	002790	512100	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	6204024
	0100	111	002650	002790	512100	0000	0575	0301	0.90			Correct TRMS Charges for Exp Org 002790	Yes	TC000SW-	6204850
	0100	111	002650	002790	512100	0000	0575	0301	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6142155
	0100	111	002650	002790	512100	0000	0575	0301	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6142156
	0100	111	002650	002790	512100	0000	0575	0301	0.16			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6142157
	0100	111	002650	002790	512100	0000	0575	0301	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6145672
	0100	111	002650	002790	512100	0000	0575	0301	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6145673
	0100	111	002650	002790	512100	0000	0575	0301	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6145674
	0100	111	002650	002790	512100	0000	0575	0301	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6145675
	0100	111	002650	002790	512100	0000	0575	0301	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6145676
	0100	111	002650	002790	512100	0000	0575	0301	0.16			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6147586
	0100	111	002650	002790	512100	0000	0575	0301	0.16			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6147587
	0100	111	002650	002790	512100	0000	0575	0301	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6147588
	0100	111	002650	002790	512100	0000	0575	0301	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6147589
	0100	111	002650	002790	512100	0000	0575	0301	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6147590
	0100	111	002650	002790	512100	0000	0575	0301	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6147591
	0100	111	002650	002790	512100	0000	0575	0301	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6149698
	0100	111	002650	002790	512100	0000	0575	0301	1.47			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6151528
	0100	111	002650	002790	512100	0000	0575	0301	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6164005
	0100	111	002650	002790	512100	0000	0575	0321	0.51			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6169210
	0100	111	002650	002790	512100	0000	0575	0321	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6169211
	0100	111	002650	002790	512100	0000	0575	0321	0.12			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6174468
	0100	111	002650	002790	512100	0000	0575	0311	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6179747
	0100	111	002650	002790	512100	0000	0575	0301	0.53			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6185105
	0100	111	002650	002790	512100	0000	0575	0321	0.99			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6186795

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002790	512100	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6193862
	0100	111	002650	002790	512100	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6195307
	0100	111	002650	002790	512100	0000	0575	0321	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6198566
	0100	111	002650	002790	512100	0000	0575	0301	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6199302
	0100	111	002650	002790	512100	0000	0575	0311	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6200026
	0100	111	002650	002790	512100	0000	0575	0301	0.25			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6200866
	0100	111	002650	002790	512100	0000	0575	0301	0.42			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6201252
	0100	111	002650	002790	512100	0000	0575	0301	0.37			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6202841
	0100	111	002650	002790	512100	0000	0575	0321	0.44			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6203076
	0100	111	002650	002790	512100	0000	0575	0321	0.65			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6203347
	0100	111	002650	002790	512100	0000	0575	0311	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6203575
	0100	111	002650	002790	512100	0000	0575	0301	0.35			Correct TRMS Charges for Exp Org 002790	Yes	TC000WTR	6205576
	0100	111	002650	002790	512100	0000	0575	0311	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-FW-BFP	6188250
	0100	111	002650	002790	512100	0000	0575	0311	0.74			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFCPUL	6195448
	0100	111	002650	002790	512100	0000	0575	0311	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFCPUL	6201823
	0100	111	002650	002790	512100	0000	0575	0311	0.46			Correct TRMS Charges for Exp Org 002790	Yes	TC-PFCPUL	6204834
	0100	111	002650	002790	512100	0000	0575	0301	1.13			Correct TRMS Charges for Exp Org 002790	Yes	TC000CHGB	6183977
	0100	111	002650	002790	512100	0000	0575	0301	0.21			Correct TRMS Charges for Exp Org 002790	Yes	TC000CHGB	6195324
	0100	111	002650	002790	512100	0000	0575	0301	0.32			Correct TRMS Charges for Exp Org 002790	Yes	TC000CHGC	6195433
	0100	111	002650	002790	512100	0000	0575	0301	0.62			Correct TRMS Charges for Exp Org 002790	Yes	TC000CHGC	6208752
	0100	111	002650	002790	512100	0000	0575	0301	2.78			Correct TRMS Charges for Exp Org 002790	Yes	TC000RS-B	6197972
	0100	111	002650	002790	512100	0000	0575	0301	50.75			Correct TRMS Charges for Exp Org 002790	Yes	TCCOMLABR	MECHMAINT
	0100	111	002650	002790	512100	0000	0575	0311	5.52			Correct TRMS Charges for Exp Org 002790	Yes	TCCOMLABR	MECHMAINTTC1
	0100	111	002650	002790	512100	0000	0575	0321	9.15			Correct TRMS Charges for Exp Org 002790	Yes	TCCOMLABR	MECHMAINTTC2
	0100	111	002650	002790	512100	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TCHYPTWR	6200072
	0100	111	002650	002790	512101	0000	0575	0311	0.81			Correct TRMS Charges for Exp Org 002790	Yes	TC-SCR	6200028
	0100	111	002650	002790	512101	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-SCR	6199484
	0100	111	002650	002790	512101	0000	0575	0311	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC-SCR	6093347
	0100	111	002650	002790	512101	0000	0575	0311	0.39			Correct TRMS Charges for Exp Org 002790	Yes	TC-SCR	6063074
	0100	111	002650	002790	512101	0000	0575	0321	0.18			Correct TRMS Charges for Exp Org 002790	Yes	TC-SCR	6200058
	0100	111	002650	002790	512101	0000	0575	0311	1.86			Correct TRMS Charges for Exp Org 002790	Yes	TC-SCR	6086014
	0100	111	002650	002790	513100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-TA-	6204566
	0100	111	002650	002790	513100	0000	0575	0321	0.46			Correct TRMS Charges for Exp Org 002790	Yes	TC-TA-	6205157
	0100	111	002650	002790	513100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-AC-	6199178
	0100	111	002650	002790	513100	0000	0575	0311	3.20			Correct TRMS Charges for Exp Org 002790	Yes	TC-AC-	6201946
	0100	111	002650	002790	513100	0000	0575	0311	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TCCOOLTWR	6199993
	0100	111	002650	002790	513100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TCCOOLTWR	6200399
	0100	111	002650	002790	513100	0000	0575	0311	0.05			Correct TRMS Charges for Exp Org 002790	Yes	TCCOOLTWR	6204395
	0100	111	002650	002790	513100	0000	0575	0321	1.68			Correct TRMS Charges for Exp Org 002790	Yes	TC-EHC	6191737
	0100	111	002650	002790	513100	0000	0575	0311	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-EHC	6195210
	0100	111	002650	002790	513100	0000	0575	0321	0.23			Correct TRMS Charges for Exp Org 002790	Yes	TC-EHC	6196361

Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002650	002790	513100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-EHC	6198567
	0100	111	002650	002790	513100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-EHC	6204567
	0100	111	002650	002790	513100	0000	0575	0321	0.30			Correct TRMS Charges for Exp Org 002790	Yes	TC-GA-	6193107
	0100	111	002650	002790	513100	0000	0575	0311	2.58			Correct TRMS Charges for Exp Org 002790	Yes	TC-GA-	6203627
	0100	111	002650	002790	513100	0000	0575	0321	0.37			Correct TRMS Charges for Exp Org 002790	Yes	TC-GA-	6205547
	0100	111	002650	002790	513100	0000	0575	0311	0.95			Correct TRMS Charges for Exp Org 002790	Yes	TC-TA-	6071089
	0100	111	002650	002790	513100	0000	0575	0311	0.29			Correct TRMS Charges for Exp Org 002790	Yes	TC-TA-	6180714
	0100	111	002650	002790	513100	0000	0575	0321	0.83			Correct TRMS Charges for Exp Org 002790	Yes	TC-TA-	6193491
	0100	111	002650	002790	513100	0000	0575	0311	0.02			Correct TRMS Charges for Exp Org 002790	Yes	TC-TA-	6195209
	0100	111	002650	002790	513100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-TA-	6198559
	0100	111	002650	002790	513100	0000	0575	0321	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TC-TA-	6200724
	0100	111	002650	002790	513100	0000	0575	0301	1.53			Correct TRMS Charges for Exp Org 002790	Yes	TC000PRD	6181305
	0100	111	002650	002790	513100	0000	0575	0311	1.70			Correct TRMS Charges for Exp Org 002790	Yes	TCCOOLTWR	6175770
	0100	111	002650	002790	513100	0000	0575	0311	0.08			Correct TRMS Charges for Exp Org 002790	Yes	TCCOOLTWR	6180093
	0100	111	002650	002790	513100	0000	0575	0311	0.07			Correct TRMS Charges for Exp Org 002790	Yes	TCCOOLTWR	6197627
	0100	111	002650	002790	514100	0000	0575	0301	0.35			Correct TRMS Charges for Exp Org 002790	Yes	TCTOOLS	6181285
	0100	111	002655	002790	553100	0000	0575	0474	0.09			Correct TRMS Charges for Exp Org 002790	Yes	TC007CT	6207590
	0100	111	002655	002790	553100	0000	0575	0471	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC006CT	6204564
	0100	111	002655	002790	553100	0000	0575	0470	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC005CT	6204561
	0100	111	002655	002790	553100	0000	0575	0470	0.14			Correct TRMS Charges for Exp Org 002790	Yes	TC005CT	6204562
	0100	111	002655	002790	553100	0000	0575	0471		0.24		Correct TRMS Charges for Exp Org 002790	Yes	TC006CT	6204563
	0100	111	002800	002820	501026	0000	0575	0201	1.55			Correct TRMS Charges for Exp Org 002820	Yes	115332	KOSMOSUNL3
	0100	111	002401	002820	501090	0000	0575	0201	13.60			Correct TRMS Charges for Exp Org 002820	Yes	MCFUELUNL	RAILMOBIL
	0100	111	002401	002820	501090	0000	0575	0201	4.20			Correct TRMS Charges for Exp Org 002820	Yes	MCFUELUNL	LOCOMOTIV
	0100	111	002401	002820	501090	0000	0575	0201	15.60			Correct TRMS Charges for Exp Org 002820	Yes	MCFUELUNL	COALSAMP
	0100	111	002401	002820	501090	0000	0575	0201	11.90			Correct TRMS Charges for Exp Org 002820	Yes	MCFUELUNL	CLEANUP
	0100	111	002401	002820	501090	0000	0575	0201	30.72			Correct TRMS Charges for Exp Org 002820	Yes	MCFUELUNL	BARGE
	0100	111	002401	002820	501090	0000	0575	0201	15.42			Correct TRMS Charges for Exp Org 002820	Yes	MCFUELUNL	DOZER
	0100	111	002820	002820	501090	0000	0575	0201	69.91			Correct TRMS Charges for Exp Org 002820	Yes	MCLBRCH	SUPVLAVOR
	0100	111	002401	002820	501090	0000	0575	0201	49.51			Correct TRMS Charges for Exp Org 002820	Yes	MCFUELUNL	RAIL
	0100	111	002401	002820	502004	0000	0575	0212	8.19			Correct TRMS Charges for Exp Org 002820	Yes	MCLIMEUNL	OPERLABOR
	0100	111	002401	002820	506100	0000	0575	0201	2.00			Correct TRMS Charges for Exp Org 002820	Yes	MCADMIN	TRAINCH
	0100	111	002830	002830	501090	0000	0575	0101	13.36			Correct TRMS Charges for Exp Org 002830	Yes	CRFUELLBR	NONCONVEY
	0100	111	002830	002830	501090	0000	0575	0101	1,192.51			Correct TRMS Charges for Exp Org 002830	Yes	CRFUELLBR	FUEL
	0100	111	002830	002830	501090	0000	0575	0101	5.31			Correct TRMS Charges for Exp Org 002830	Yes	CRFUELLBR	CONVEYOR
	0100	111	002830	002830	501090	0000	0575	0101	2.97			Correct TRMS Charges for Exp Org 002830	Yes	CRFUELLBR	LOCOMTCE
	0100	111	002830	002830	501090	0000	0575	0101	9.57			Correct TRMS Charges for Exp Org 002830	Yes	CRFUELLBR	DOZERMTCE



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Currency	List - Text: <b>USD</b>
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Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	002830	501090	0000	0575	0101	0.46			Correct TRMS Charges for Exp Org 002830	Yes	CROLBR	FUEL
	0100	111	002030	002830	501090	0000	0575	0101	0.12			Correct TRMS Charges for Exp Org 002830	Yes	CROLBR	NONCONVEY
	0100	111	002830	002830	501090	0000	0575	0101	13.90			Correct TRMS Charges for Exp Org 002830	Yes	CRFUELLBR	FTRAIN
	0100	111	002030	002830	506100	0000	0575	0101	0.23			Correct TRMS Charges for Exp Org 002830	Yes	CRHEALTH	ERT
	0100	111	002030	002830	506100	0000	0575	0101	88.33			Correct TRMS Charges for Exp Org 002830	Yes	CRERT	ERT
	0100	111	002650	002840	500100	0000	0575	0301		2.34		Correct TRMS Charges for Exp Org 002840	Yes	TCCOMLABR	MANAG&ENG
	0100	111	002650	002840	501090	0000	0575	0301		12.93		Correct TRMS Charges for Exp Org 002840	Yes	TCCOMLABR	CYOPS
	0100	122	003230	003030	107001	0000	0575	0699		2.72		Correct TRMS Charges for Exp Org 003030	Yes	STRM03230	052810I
	0100	121	003070	003030	107001	0000	0575	2000		0.80		Correct TRMS Charges for Exp Org 003030	Yes	L9-2010	STR39-6676.I
	0100	122	003160	003030	107001	0000	0575	0698		0.08		Correct TRMS Charges for Exp Org 003030	Yes	130649	WH-WL INSTALL
	0100	122	003160	003030	107001	0000	0575	0698		3.31		Correct TRMS Charges for Exp Org 003030	Yes	126466	JT-21016010
	0100	111	002401	003030	513100	0000	0575	0231		0.23		Correct TRMS Charges for Exp Org 003030	Yes	MC3S11PB	6195497
	0100	111	002401	003030	513100	0000	0575	0201		0.14		Correct TRMS Charges for Exp Org 003030	Yes	MCALARMS	MCBUD
	0100	121	003030	003030	562100	0000	0575	0420		286.61		Correct TRMS Charges for Exp Org 003030	Yes	J97045297	G59336C
	0100	121	003060	003030	562100	0000	0575	0500		0.25		Correct TRMS Charges for Exp Org 003030	Yes	112201	6191162
	0100	121	003060	003030	562100	0000	0575	0500		0.19		Correct TRMS Charges for Exp Org 003030	Yes	112201	6064498
	0100	121	003030	003030	562100	0000	0575	0698		2.52		Correct TRMS Charges for Exp Org 003030	Yes	J97045297	WS LABOR
	0100	121	003060	003030	562100	0000	0575	0000		0.17		Correct TRMS Charges for Exp Org 003030	Yes	114068	INSPECTIONS
	0100	121	003060	003030	566100	0000	0575	0500		12.17		Correct TRMS Charges for Exp Org 003030	Yes	112199	TPM STA INSP
	0100	121	003060	003030	570100	0000	0575	0006		0.15		Correct TRMS Charges for Exp Org 003030	Yes	112199	OP STA INSP
	0100	122	003230	003030	580100	0000	0575	0699		0.25		Correct TRMS Charges for Exp Org 003030	Yes	STRMLOUOC	103009-OPER
	0100	122	003030	003030	582100	0000	0575	0420		33.32		Correct TRMS Charges for Exp Org 003030	Yes	J97045297	G59337C
	0100	122	003230	003030	583001	0000	0575	0699	0.00			Correct TRMS Charges for Exp Org 003030	Yes	STRM03230	HOLDOVER
	0100	122	003440	003030	584001	0000	0575	0699		0.11		Correct TRMS Charges for Exp Org 003030	Yes	NBID344UG	O
	0100	122	003160	003030	592100	0000	0575	0698		0.11		Correct TRMS Charges for Exp Org 003030	Yes	112259	6156783
	0100	122	003160	003030	592100	0000	0575	0698		0.19		Correct TRMS Charges for Exp Org 003030	Yes	112178	6115568
	0100	122	003160	003030	592100	0000	0575	0698		0.18		Correct TRMS Charges for Exp Org 003030	Yes	112259	6201367
	0100	122	003110	003110	107001	0000	0575	0812	0.09			Correct TRMS Charges for Exp Org 003110	Yes	113270	G51848A
	0110	122	013010	003110	107001	0000	0575	5130	4.64			Correct TRMS Charges for Exp Org 003110	Yes	113305	TR
	0100	122	003110	003110	107001	0000	0575	0812	1.13			Correct TRMS Charges for Exp Org 003110	Yes	113270	A60409C
	0100	122	003110	003110	107001	0000	0575	0812	14.57			Correct TRMS Charges for Exp Org 003110	Yes	113270	A60409A
	0110	122	013010	003110	108901	0000	0575	5130	5.80			Correct TRMS Charges for Exp Org 003110	Yes	113305	TR-B
	0100	122	003110	003110	108901	0000	0575	0812	6.94			Correct TRMS Charges for Exp Org 003110	Yes	113270	A60409D
	0100	122	003110	003110	108901	0000	0575	0812	4.24			Correct TRMS Charges for Exp Org 003110	Yes	113270	A60409BB
	0100	303	003110	003110	163004	0000	0575	0000	10.07			Correct TRMS Charges for Exp Org 003110	Yes	113268	G25725C

Template Type: Functional Journal  
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Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	122	003110	003110	583001	0000	0575	0000	0.23		Correct TRMS Charges for Exp Org 003110	Yes	113258	G33278H
	0100	122	003110	003110	583001	0000	0575	0000	0.47		Correct TRMS Charges for Exp Org 003110	Yes	113250	OFFICE
	0100	122	003110	003110	583001	0000	0575	0812	1.53		Correct TRMS Charges for Exp Org 003110	Yes	113249	TRAINING
	0100	122	003110	003110	583001	0000	0575	0000	3.37		Correct TRMS Charges for Exp Org 003110	Yes	113249	TRAIN
	0100	122	003400	003110	583005	0000	0575	0699	0.02		Correct TRMS Charges for Exp Org 003110	Yes	TBRD3400H	C
	0100	122	003110	003110	583008	0000	0575	0000	1.17		Correct TRMS Charges for Exp Org 003110	Yes	113258	G33275H
	0100	122	003110	003110	583008	0000	0575	0000	0.91		Correct TRMS Charges for Exp Org 003110	Yes	113264	OIL
	0100	122	003110	003110	584001	0000	0575	0000	0.39		Correct TRMS Charges for Exp Org 003110	Yes	113258	G33279U
	0100	122	003110	003110	584001	0000	0575	0000	7.20		Correct TRMS Charges for Exp Org 003110	Yes	113258	G33279N
	0100	122	003110	003110	584001	0000	0575	0000	0.29		Correct TRMS Charges for Exp Org 003110	Yes	113258	G33278U
	0100	122	003110	003110	584008	0000	0575	0000	0.08		Correct TRMS Charges for Exp Org 003110	Yes	113258	G33275U
	0100	122	003110	003110	588100	0000	0575	0000	3.30		Correct TRMS Charges for Exp Org 003110	Yes	113266	TAILGATE
	0100	122	003400	003110	594002	0000	0575	0699	0.34		Correct TRMS Charges for Exp Org 003110	Yes	RNTPD340	UG-REPAIR
	0110	122	013010	003110	595100	0000	0575	5130	18.36		Correct TRMS Charges for Exp Org 003110	Yes	113274	MAINTENANCE
	0100	122	003110	003110	595100	0000	0575	0000	3.05		Correct TRMS Charges for Exp Org 003110	Yes	113259	MISC-SHOP
	0100	122	003110	003110	595100	0000	0575	0000	13.87		Correct TRMS Charges for Exp Org 003110	Yes	113255	OVHD
	0100	122	003110	003110	595100	0000	0575	0000	16.50		Correct TRMS Charges for Exp Org 003110	Yes	113255	UNDG
	0100	122	003110	003110	595100	0000	0575	0000	13.26		Correct TRMS Charges for Exp Org 003110	Yes	113255	3-PHASE
	0100	122	003110	003110	925004	0000	0575	0000	3.04		Correct TRMS Charges for Exp Org 003110	Yes	113264	SPILL-50
	0100	122	003110	003110	925004	0000	0575	0000	0.52		Correct TRMS Charges for Exp Org 003110	Yes	113264	DISPOSAL
	0100	122	003110	003110	925100	0000	0575	0000	1.84		Correct TRMS Charges for Exp Org 003110	Yes	113266	DOCTOR
	0100	121	003060	003160	107001	0000	0575	0901	0.32		Correct TRMS Charges for Exp Org 003160	Yes	LRSUB-11	TATTLETALE-IN
	0100	122	003160	003160	107001	0000	0575	0698	22.02		Correct TRMS Charges for Exp Org 003160	Yes	126734	WO-22016010
	0100	122	003160	003160	107001	0000	0575	0698	69.24		Correct TRMS Charges for Exp Org 003160	Yes	126734	XFRMINV
	0100	122	003160	003160	107001	0000	0575	0698	5.53		Correct TRMS Charges for Exp Org 003160	Yes	126466	JT-94400100
	0100	122	003160	003160	107001	0000	0575	0698	8.94		Correct TRMS Charges for Exp Org 003160	Yes	126466	JT-78019630
	0100	122	003160	003160	107001	0000	0575	0698	28.20		Correct TRMS Charges for Exp Org 003160	Yes	126466	JT-24016232
	0100	122	003160	003160	107001	0000	0575	0698	3.01		Correct TRMS Charges for Exp Org 003160	Yes	126466	JT-21037212
	0100	122	003160	003160	107001	0000	0575	0698	55.30		Correct TRMS Charges for Exp Org 003160	Yes	126466	JT-21036916
	0100	122	003160	003160	107001	0000	0575	0698	7.92		Correct TRMS Charges for Exp Org 003160	Yes	126466	JT-21036650
	0100	122	003160	003160	107001	0000	0575	0698	564.22		Correct TRMS Charges for Exp Org 003160	Yes	126466	JT-21016010
	0100	122	003160	003160	107001	0000	0575	0698	41.78		Correct TRMS Charges for Exp Org 003160	Yes	126466	JT-01017310
	0100	122	003160	003160	107001	0000	0575	0698	2.99		Correct TRMS Charges for Exp Org 003160	Yes	126450	SVTR2
	0100	122	003160	003160	107001	0000	0575	0698	1.50		Correct TRMS Charges for Exp Org 003160	Yes	126450	SOTR1
	0100	122	003160	003160	107001	0000	0575	0698	1.50		Correct TRMS Charges for Exp Org 003160	Yes	126450	OKTR1
	0100	122	003160	003160	107001	0000	0575	0812	0.79		Correct TRMS Charges for Exp Org 003160	Yes	126449	SECURITY
	0100	122	003160	003160	107001	0000	0575	0698	1.20		Correct TRMS Charges for Exp Org 003160	Yes	124669	OH-22036916
	0100	121	003010	003160	107001	0000	0575	0549	60.87		Correct TRMS Charges for Exp Org 003160	Yes	118209	TC4516-44 BKR-IN
	0110	121	015850	003160	107001	0000	0575	5150	1.64		Correct TRMS Charges for Exp Org 003160	Yes	KTRMUP-10	034-FLDSTUDY-IN

Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	121	003060	003160	107001	0000	0575	0500	11.57			Correct TRMS Charges for Exp Org 003160	Yes	LSURGE-11	MC-T5SA-IN
	0100	122	001015	003160	107001	0000	0575	0699	7.78			Correct TRMS Charges for Exp Org 003160	Yes	RELD01015	RECLOSER-TELCC
	0100	122	003230	003160	107001	0000	0575	0699	15.21			Correct TRMS Charges for Exp Org 003160	Yes	STRM03230	020211I
	0100	122	003230	003160	107001	0000	0575	0699	102.19			Correct TRMS Charges for Exp Org 003160	Yes	STRM03230	052810I
	0100	121	003060	003160	107001	0000	0575	0500	19.96			Correct TRMS Charges for Exp Org 003160	Yes	130638	INVEST
	0100	122	003160	003160	107001	0000	0575	0500	8.24			Correct TRMS Charges for Exp Org 003160	Yes	130649	AS-WL INSTALL
	0100	122	003160	003160	107001	0000	0575	0698	1.74			Correct TRMS Charges for Exp Org 003160	Yes	130649	WH-WL INSTALL
	0100	121	003060	003160	107001	0000	0575	0500	15.70			Correct TRMS Charges for Exp Org 003160	Yes	130898	INVEST
	0100	122	003160	003160	107001	0000	0575	0698	1.64			Correct TRMS Charges for Exp Org 003160	Yes	131309	LOCKS
	0100	111	008825	003160	107001	0000	0575	0231	5.70			Correct TRMS Charges for Exp Org 003160	Yes	131920	MILLCREEK3
	0100	111	008825	003160	107001	0000	0575	0241	6.02			Correct TRMS Charges for Exp Org 003160	Yes	131920	MILLCREEK4
	0100	111	002401	003160	107001	0000	0575	0231	2.53			Correct TRMS Charges for Exp Org 003160	Yes	132223	6140834
	0100	122	003160	003160	107001	0000	0575	0500	0.48			Correct TRMS Charges for Exp Org 003160	Yes	132384	INVESTMENT
	0100	111	002990	003160	107001	0000	0575	0321	0.75			Correct TRMS Charges for Exp Org 003160	Yes	117149	PLANTSUP
	0110	111	015795	003160	107001	0000	0575	0321	3.89			Correct TRMS Charges for Exp Org 003160	Yes	117150	PLANTSUP
	0100	121	003010	003160	107001	0000	0575	0549	2.09			Correct TRMS Charges for Exp Org 003160	Yes	118209	TC4541 BKR-IN
	0100	121	003010	003160	107001	0000	0575	0549	3.14			Correct TRMS Charges for Exp Org 003160	Yes	118209	TC4515-70 BKR-IN
	0100	122	003160	003160	108901	0000	0575	0500	0.95			Correct TRMS Charges for Exp Org 003160	Yes	131285	REMOVAL
	0100	121	003010	003160	108901	0000	0575	0549	2.09			Correct TRMS Charges for Exp Org 003160	Yes	118209	TC4516-44 BKR-RM
	0100	121	003060	003160	108901	0000	0575	0500	6.97			Correct TRMS Charges for Exp Org 003160	Yes	LSURGE-11	MC-T5SA-RM
	0100	122	003160	003160	108901	0000	0575	0500	23.71			Correct TRMS Charges for Exp Org 003160	Yes	132384	REMOVAL
	0100	121	003060	003160	108901	0000	0575	0500	2.99			Correct TRMS Charges for Exp Org 003160	Yes	LBR-11	TT-138KVTR3-RM
	0100	303	003160	003160	184602	0000	0575	0812	184.56			Correct TRMS Charges for Exp Org 003160	Yes	109303	LOCAL-ENG
	0100	303	008810	003160	184602	0000	0575	0000	85.69			Correct TRMS Charges for Exp Org 003160	Yes	117873	LE
	0100	111	002401	003160	513100	0000	0575	0231	35.96			Correct TRMS Charges for Exp Org 003160	Yes	MCTRF	6199657
	0100	111	002030	003160	513100	0000	0575	0101	19.49			Correct TRMS Charges for Exp Org 003160	Yes	CRPRD	6190882
	0100	111	002030	003160	513100	0000	0575	0161	1.27			Correct TRMS Charges for Exp Org 003160	Yes	CRPRD	6201837
	0100	111	002401	003160	513100	0000	0575	0241	5.23			Correct TRMS Charges for Exp Org 003160	Yes	MCPRD	6188516
	0100	111	002401	003160	513100	0000	0575	0231	38.18			Correct TRMS Charges for Exp Org 003160	Yes	MCTRF	5777098
	0100	111	002401	003160	513100	0000	0575	0241	392.49			Correct TRMS Charges for Exp Org 003160	Yes	MCTRF	6113754
	0100	111	002120	003160	544100	0000	0575	0450	2.85			Correct TRMS Charges for Exp Org 003160	Yes	OFTRF	6201363
	0100	111	002140	003160	553100	0000	0575	0171	3.64			Correct TRMS Charges for Exp Org 003160	Yes	CTCR11	6200900
	0100	111	002655	003160	553100	0000	0575	0472	0.30			Correct TRMS Charges for Exp Org 003160	Yes	TCALLCT	6140855
	0100	111	002140	003160	553100	0000	0575	0171	1.90			Correct TRMS Charges for Exp Org 003160	Yes	CTCR11	6202024
	0100	111	002140	003160	553100	0000	0575	0171	1.43			Correct TRMS Charges for Exp Org 003160	Yes	CTCR11	6203293
	0100	111	002655	003160	553100	0000	0575	0470	3.74			Correct TRMS Charges for Exp Org 003160	Yes	TC005CT	6155618
	0100	111	002655	003160	553100	0000	0575	0470	23.63			Correct TRMS Charges for Exp Org 003160	Yes	TC005CT	6181405
	0100	111	002655	003160	553100	0000	0575	0470	1.90			Correct TRMS Charges for Exp Org 003160	Yes	TC005CT	6205304
	0100	121	003060	003160	560900	0000	0575	0000	3.49			Correct TRMS Charges for Exp Org 003160	Yes	111340	COMPLIANCE
	0100	121	003060	003160	562100	0000	0575	0500	73.67			Correct TRMS Charges for Exp Org 003160	Yes	115645	6199843
	0100	121	003060	003160	562100	0000	0575	0500	1.43			Correct TRMS Charges for Exp Org 003160	Yes	112186	6143541

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Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	121	003060	003160	562100	0000	0575	0502	4.28			Correct TRMS Charges for Exp Org 003160	Yes	112194	6189278
	0100	121	003060	003160	562100	0000	0575	0698	2.69			Correct TRMS Charges for Exp Org 003160	Yes	112194	6189780
	0100	121	003060	003160	562100	0000	0575	0698	3.64			Correct TRMS Charges for Exp Org 003160	Yes	112194	6191251
	0100	121	003060	003160	562100	0000	0575	0500	4.75			Correct TRMS Charges for Exp Org 003160	Yes	112194	6203559
	0100	121	003060	003160	562100	0000	0575	0500	7.45			Correct TRMS Charges for Exp Org 003160	Yes	112195	6069569
	0100	121	003060	003160	562100	0000	0575	0698	1.11			Correct TRMS Charges for Exp Org 003160	Yes	112195	6086031
	0100	121	003060	003160	562100	0000	0575	0505	3.17			Correct TRMS Charges for Exp Org 003160	Yes	112195	6199839
	0100	121	003060	003160	562100	0000	0575	0505	9.35			Correct TRMS Charges for Exp Org 003160	Yes	112195	6203579
	0100	121	003060	003160	562100	0000	0575	0500	1.74			Correct TRMS Charges for Exp Org 003160	Yes	112195	6203780
	0100	121	003060	003160	562100	0000	0575	0500	0.32			Correct TRMS Charges for Exp Org 003160	Yes	112195	6204936
	0100	121	003060	003160	562100	0000	0575	0000	1.79			Correct TRMS Charges for Exp Org 003160	Yes	112197	TPM-REL
	0100	121	003060	003160	562100	0000	0575	0698	1.74			Correct TRMS Charges for Exp Org 003160	Yes	112199	6198146
	0100	121	003060	003160	562100	0000	0575	0500	31.21			Correct TRMS Charges for Exp Org 003160	Yes	112201	6064498
	0100	121	003060	003160	562100	0000	0575	0500	4.91			Correct TRMS Charges for Exp Org 003160	Yes	112201	6069240
	0100	121	003060	003160	562100	0000	0575	0500	19.01			Correct TRMS Charges for Exp Org 003160	Yes	112201	6191162
	0100	121	003060	003160	562100	0000	0575	0000	2.69			Correct TRMS Charges for Exp Org 003160	Yes	111338	TPM TFR FALLPRO
	0100	121	003060	003160	562100	0000	0575	0500	8.56			Correct TRMS Charges for Exp Org 003160	Yes	112194	6189770
	0100	121	003060	003160	562100	0000	0575	0500	7.45			Correct TRMS Charges for Exp Org 003160	Yes	112194	6189773
	0100	121	003060	003160	562100	0000	0575	0698	0.79			Correct TRMS Charges for Exp Org 003160	Yes	112194	6189777
	0100	121	003060	003160	562100	0000	0575	0698	8.40			Correct TRMS Charges for Exp Org 003160	Yes	112194	6189779
	0100	121	003060	003160	566100	0000	0575	2999	17.27			Correct TRMS Charges for Exp Org 003160	Yes	112203	TCM ADM
	0100	121	003060	003160	566100	0000	0575	2999	78.80			Correct TRMS Charges for Exp Org 003160	Yes	112184	TPM ADM
	0100	121	003060	003160	570100	0000	0575	0504	0.32			Correct TRMS Charges for Exp Org 003160	Yes	112216	6199924
	0100	121	003060	003160	570100	0000	0575	0500	6.85			Correct TRMS Charges for Exp Org 003160	Yes	112215	TCM PAN
	0100	121	003060	003160	570100	0000	0575	0500	1.27			Correct TRMS Charges for Exp Org 003160	Yes	112216	6203736
	0100	121	003060	003160	570100	0000	0575	0698	1.74			Correct TRMS Charges for Exp Org 003160	Yes	112216	6205617
	0100	121	003060	003160	570100	0000	0575	0500	23.95			Correct TRMS Charges for Exp Org 003160	Yes	112216	TCM REL
	0100	121	003060	003160	570100	0000	0575	0500	4.12			Correct TRMS Charges for Exp Org 003160	Yes	112217	5838914
	0100	121	003060	003160	570100	0000	0575	0500	1.50			Correct TRMS Charges for Exp Org 003160	Yes	112217	6180919
	0100	121	003060	003160	570100	0000	0575	0500	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112217	6199796
	0100	121	003060	003160	570100	0000	0575	0500	9.03			Correct TRMS Charges for Exp Org 003160	Yes	112217	6201220
	0100	121	003060	003160	570100	0000	0575	2999	2.02			Correct TRMS Charges for Exp Org 003160	Yes	112204	TCM ACS
	0100	121	003060	003160	570100	0000	0575	0005	2.85			Correct TRMS Charges for Exp Org 003160	Yes	112207	5801763
	0100	121	003060	003160	570100	0000	0575	0698	1.11			Correct TRMS Charges for Exp Org 003160	Yes	112208	6200807
	0100	121	003060	003160	570100	0000	0575	0698	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112208	6201577
	0100	121	003060	003160	570100	0000	0575	2999	3.44			Correct TRMS Charges for Exp Org 003160	Yes	112208	TCM DCS
	0100	121	003060	003160	570100	0000	0575	0000	7.21			Correct TRMS Charges for Exp Org 003160	Yes	111339	TCM MISC
	0100	121	003060	003160	570100	0000	0575	0000	1.94			Correct TRMS Charges for Exp Org 003160	Yes	111340	SAFETY
	0100	121	003060	003160	570100	0000	0575	0005	1.11			Correct TRMS Charges for Exp Org 003160	Yes	111340	6199151
	0100	121	003060	003160	570100	0000	0575	0005	2.06			Correct TRMS Charges for Exp Org 003160	Yes	111340	6199856
	0100	121	003060	003160	570100	0000	0575	0000	28.74			Correct TRMS Charges for Exp Org 003160	Yes	111340	TOM SAF

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Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	121	003060	003160	570100	0000	0575	0000	8.87			Correct TRMS Charges for Exp Org 003160	Yes	111340	TOM TTD
	0100	121	003060	003160	570100	0000	0575	0500	6.50			Correct TRMS Charges for Exp Org 003160	Yes	112217	6201770
	0100	121	003060	003160	570100	0000	0575	0698	20.44			Correct TRMS Charges for Exp Org 003160	Yes	112217	6203316
	0100	121	003060	003160	570100	0000	0575	0500	0.48			Correct TRMS Charges for Exp Org 003160	Yes	112217	6208204
	0100	121	003060	003160	570100	0000	0575	0500	6.43			Correct TRMS Charges for Exp Org 003160	Yes	112217	TCM TFR
	0100	121	003060	003160	570100	0000	0575	0812	31.41			Correct TRMS Charges for Exp Org 003160	Yes	112217	TCM-NITRO
	0100	121	003060	003160	570100	0000	0575	0500	9.35			Correct TRMS Charges for Exp Org 003160	Yes	115646	6155924
	0100	121	003060	003160	570100	0000	0575	0500	1.43			Correct TRMS Charges for Exp Org 003160	Yes	115646	6191089
	0100	121	003060	003160	570100	0000	0575	0500	1.43			Correct TRMS Charges for Exp Org 003160	Yes	115646	6195334
	0100	121	003060	003160	570100	0000	0575	0500	1.43			Correct TRMS Charges for Exp Org 003160	Yes	115646	6199462
	0100	121	003060	003160	570100	0000	0575	0500	15.21			Correct TRMS Charges for Exp Org 003160	Yes	115646	6205505
	0100	121	003060	003160	570100	0000	0575	0000	4.44			Correct TRMS Charges for Exp Org 003160	Yes	115646	TCM EHV GCB
	0100	121	003060	003160	570100	0000	0575	2999	2.99			Correct TRMS Charges for Exp Org 003160	Yes	112209	TCM DS
	0100	121	003060	003160	570100	0000	0575	0698	3.80			Correct TRMS Charges for Exp Org 003160	Yes	112211	6195805
	0100	121	003060	003160	570100	0000	0575	0698	4.44			Correct TRMS Charges for Exp Org 003160	Yes	112211	6201223
	0100	121	003060	003160	570100	0000	0575	0500	2.38			Correct TRMS Charges for Exp Org 003160	Yes	112211	6201233
	0100	121	003060	003160	570100	0000	0575	0698	1.43			Correct TRMS Charges for Exp Org 003160	Yes	112211	6203731
	0100	121	003060	003160	570100	0000	0575	0698	2.06			Correct TRMS Charges for Exp Org 003160	Yes	112211	6205634
	0100	121	003060	003160	570100	0000	0575	0500	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112211	6205635
	0100	121	003060	003160	570100	0000	0575	0500	2.22			Correct TRMS Charges for Exp Org 003160	Yes	112212	6201575
	0100	121	003060	003160	570100	0000	0575	0500	0.60			Correct TRMS Charges for Exp Org 003160	Yes	112212	TCM GCB
	0100	121	003060	003160	570100	0000	0575	0500	7.58			Correct TRMS Charges for Exp Org 003160	Yes	112213	TCM IM
	0100	121	003060	003160	570100	0000	0575	0501	2.53			Correct TRMS Charges for Exp Org 003160	Yes	112214	6165603
	0100	121	003060	003160	570100	0000	0575	0500	1.43			Correct TRMS Charges for Exp Org 003160	Yes	112214	6186075
	0100	121	003060	003160	570100	0000	0575	0698	5.70			Correct TRMS Charges for Exp Org 003160	Yes	112214	6198594
	0100	121	003060	003160	570100	0000	0575	0500	12.36			Correct TRMS Charges for Exp Org 003160	Yes	112214	6199124
	0100	121	003060	003160	570100	0000	0575	0500	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112214	6199373
	0100	121	003060	003160	570100	0000	0575	0500	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112214	6199375
	0100	121	003060	003160	570100	0000	0575	0500	8.71			Correct TRMS Charges for Exp Org 003160	Yes	112214	6199797
	0100	121	003060	003160	570100	0000	0575	0500	7.29			Correct TRMS Charges for Exp Org 003160	Yes	112214	6199917
	0100	121	003060	003160	570100	0000	0575	0698	1.43			Correct TRMS Charges for Exp Org 003160	Yes	112214	6201232
	0100	121	003060	003160	570100	0000	0575	0500	12.52			Correct TRMS Charges for Exp Org 003160	Yes	112214	6203641
	0100	121	003060	003160	570100	0000	0575	0500	6.34			Correct TRMS Charges for Exp Org 003160	Yes	112214	6205080
	0100	121	003060	003160	570100	0000	0575	0502	2.38			Correct TRMS Charges for Exp Org 003160	Yes	112214	6205269
	0100	121	003060	003160	570100	0000	0575	0698	0.95			Correct TRMS Charges for Exp Org 003160	Yes	112214	6208194
	0100	121	003060	003160	570100	0000	0575	0500	3.01			Correct TRMS Charges for Exp Org 003160	Yes	112214	6209221
	0100	121	003060	003160	570100	0000	0575	0500	1.11			Correct TRMS Charges for Exp Org 003160	Yes	112215	6199795
	0100	121	003060	003160	570100	0000	0575	0500	2.53			Correct TRMS Charges for Exp Org 003160	Yes	112215	6200875
	0100	121	003060	003160	570100	0000	0575	0698	1.11			Correct TRMS Charges for Exp Org 003160	Yes	112215	6201477
	0100	121	003060	003160	570100	0000	0575	0500	1.74			Correct TRMS Charges for Exp Org 003160	Yes	112216	6199942
	0100	121	003060	003160	573100	0000	0575	0500	2.31			Correct TRMS Charges for Exp Org 003160	Yes	112211	TCM FAC

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				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	122	003160	003160	582100	0000	0575	0698	0.95			Correct TRMS Charges for Exp Org 003160	Yes	112170	6191173
	0100	122	003160	003160	582100	0000	0575	0005	0.16			Correct TRMS Charges for Exp Org 003160	Yes	112790	6200563
	0100	122	003160	003160	582100	0000	0575	0698	7.45			Correct TRMS Charges for Exp Org 003160	Yes	112170	6070502
	0100	122	003160	003160	582100	0000	0575	0500	1.74			Correct TRMS Charges for Exp Org 003160	Yes	112168	6197549
	0100	122	003160	003160	582100	0000	0575	0000	31.41			Correct TRMS Charges for Exp Org 003160	Yes	113956	D-NITRO
	0100	122	003160	003160	582100	0000	0575	0005	0.16			Correct TRMS Charges for Exp Org 003160	Yes	112790	6200619
	0100	122	003160	003160	582100	0000	0575	0500	0.79			Correct TRMS Charges for Exp Org 003160	Yes	112172	6191234
	0100	122	003160	003160	582100	0000	0575	0005	0.16			Correct TRMS Charges for Exp Org 003160	Yes	112790	6200562
	0100	122	003160	003160	582100	0000	0575	0005	0.16			Correct TRMS Charges for Exp Org 003160	Yes	112790	6190605
	0100	122	003160	003160	582100	0000	0575	0000	6.26			Correct TRMS Charges for Exp Org 003160	Yes	112153	ACB O/H
	0100	122	003160	003160	582100	0000	0575	0500	1.43			Correct TRMS Charges for Exp Org 003160	Yes	112153	6203289
	0100	122	003160	003160	582100	0000	0575	0500	2.06			Correct TRMS Charges for Exp Org 003160	Yes	112153	6203288
	0100	122	003160	003160	582100	0000	0575	0500	2.06			Correct TRMS Charges for Exp Org 003160	Yes	112153	6203287
	0100	122	003160	003160	582100	0000	0575	0698	1.11			Correct TRMS Charges for Exp Org 003160	Yes	112153	6191517
	0100	122	003160	003160	582100	0000	0575	0698	3.96			Correct TRMS Charges for Exp Org 003160	Yes	112153	6180158
	0100	122	003160	003160	582100	0000	0575	0698	3.96			Correct TRMS Charges for Exp Org 003160	Yes	112153	6180157
	0100	122	003160	003160	582100	0000	0575	0698	3.96			Correct TRMS Charges for Exp Org 003160	Yes	112153	6180156
	0100	122	003160	003160	582100	0000	0575	0000	95.64			Correct TRMS Charges for Exp Org 003160	Yes	112150	PM-D ADMIN
	0100	122	003160	003160	582100	0000	0575	0812	3.44			Correct TRMS Charges for Exp Org 003160	Yes	112150	STANDBY
	0100	122	003160	003160	582100	0000	0575	0698	10.14			Correct TRMS Charges for Exp Org 003160	Yes	112172	6191191
	0100	122	003160	003160	582100	0000	0575	0698	0.32			Correct TRMS Charges for Exp Org 003160	Yes	112153	6177166
	0100	122	003160	003160	582100	0000	0575	0005	0.16			Correct TRMS Charges for Exp Org 003160	Yes	112790	6190537
	0100	122	003160	003160	582100	0000	0575	0005	0.16			Correct TRMS Charges for Exp Org 003160	Yes	112790	6190536
	0100	122	003160	003160	582100	0000	0575	0698	4.04			Correct TRMS Charges for Exp Org 003160	Yes	112175	6052374
	0100	122	003130	003160	582100	0000	0575	0000	17.95			Correct TRMS Charges for Exp Org 003160	Yes	122284	COPPER
	0100	122	003160	003160	582100	0000	0575	0698	7.92			Correct TRMS Charges for Exp Org 003160	Yes	112170	6182601
	0100	122	003160	003160	588100	0000	0575	0000	63.44			Correct TRMS Charges for Exp Org 003160	Yes	112263	SAFETY
	0100	122	003160	003160	588100	0000	0575	0000	38.39			Correct TRMS Charges for Exp Org 003160	Yes	111597	TRAINING
	0100	122	003160	003160	592100	0000	0575	0500	0.60			Correct TRMS Charges for Exp Org 003160	Yes	112252	6177675
	0100	122	003160	003160	592100	0000	0575	0698	2.06			Correct TRMS Charges for Exp Org 003160	Yes	112259	6202786
	0100	122	003160	003160	592100	0000	0575	0698	0.95			Correct TRMS Charges for Exp Org 003160	Yes	112252	6205618
	0100	122	003160	003160	592100	0000	0575	0000	2.99			Correct TRMS Charges for Exp Org 003160	Yes	112252	CM-INST
	0100	122	003160	003160	592100	0000	0575	0000	12.00			Correct TRMS Charges for Exp Org 003160	Yes	112253	CM-D MISC
	0100	122	003160	003160	592100	0000	0575	0698	3.96			Correct TRMS Charges for Exp Org 003160	Yes	112255	6202832
	0100	122	003160	003160	592100	0000	0575	0698	0.48			Correct TRMS Charges for Exp Org 003160	Yes	112255	6204806
	0100	122	003160	003160	592100	0000	0575	0698	1.27			Correct TRMS Charges for Exp Org 003160	Yes	112256	6199492
	0100	122	003160	003160	592100	0000	0575	0698	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112256	6208351
	0100	122	003160	003160	592100	0000	0575	0698	2.09			Correct TRMS Charges for Exp Org 003160	Yes	112258	6078286
	0100	122	003160	003160	592100	0000	0575	0698	7.52			Correct TRMS Charges for Exp Org 003160	Yes	112259	6156783
	0100	122	003160	003160	592100	0000	0575	0005	3.64			Correct TRMS Charges for Exp Org 003160	Yes	112791	6198829
	0100	122	003160	003160	592100	0000	0575	0005	1.11			Correct TRMS Charges for Exp Org 003160	Yes	112791	6199150

Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	122	003160	003160	592100	0000	0575	0005	3.01			Correct TRMS Charges for Exp Org 003160	Yes	112791	6201102
	0110	122	011019	003160	592100	0000	0575	5300	38.58			Correct TRMS Charges for Exp Org 003160	Yes	120386	6178106
	0100	122	003160	003160	592100	0000	0575	0500	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112259	6203006
	0100	122	003160	003160	592100	0000	0575	0698	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112259	6205633
	0100	122	003160	003160	592100	0000	0575	0502	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112259	6208410
	0100	122	003160	003160	592100	0000	0575	0698	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112259	6209220
	0100	122	003160	003160	592100	0000	0575	0500	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112259	6209224
	0100	122	003160	003160	592100	0000	0575	0000	58.88			Correct TRMS Charges for Exp Org 003160	Yes	112176	CM-D ADMIN
	0100	122	003160	003160	592100	0000	0575	0000	1.79			Correct TRMS Charges for Exp Org 003160	Yes	112177	CM-ACB
	0100	122	003160	003160	592100	0000	0575	0698	1.43			Correct TRMS Charges for Exp Org 003160	Yes	112177	5582331
	0100	122	003160	003160	592100	0000	0575	0698	6.34			Correct TRMS Charges for Exp Org 003160	Yes	112177	6200750
	0100	122	003160	003160	592100	0000	0575	0698	3.96			Correct TRMS Charges for Exp Org 003160	Yes	112177	6201284
	0100	122	003160	003160	592100	0000	0575	0698	7.60			Correct TRMS Charges for Exp Org 003160	Yes	112178	6115568
	0100	122	003160	003160	592100	0000	0575	0698	4.09			Correct TRMS Charges for Exp Org 003160	Yes	112183	6141330
	0100	122	003160	003160	592100	0000	0575	0698	0.95			Correct TRMS Charges for Exp Org 003160	Yes	112183	6182785
	0100	122	003160	003160	592100	0000	0575	0698	0.79			Correct TRMS Charges for Exp Org 003160	Yes	112183	6194242
	0100	122	003160	003160	592100	0000	0575	0698	0.79			Correct TRMS Charges for Exp Org 003160	Yes	112183	6199059
	0100	122	003160	003160	592100	0000	0575	0698	2.06			Correct TRMS Charges for Exp Org 003160	Yes	112259	6194387
	0100	122	003160	003160	592100	0000	0575	0698	6.81			Correct TRMS Charges for Exp Org 003160	Yes	112259	6195810
	0100	122	003160	003160	592100	0000	0575	0698	1.90			Correct TRMS Charges for Exp Org 003160	Yes	112259	6199058
	0100	122	003160	003160	592100	0000	0575	0698	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112259	6199282
	0100	122	003160	003160	592100	0000	0575	0698	0.48			Correct TRMS Charges for Exp Org 003160	Yes	112259	6199588
	0100	122	003160	003160	592100	0000	0575	0698	20.12			Correct TRMS Charges for Exp Org 003160	Yes	112259	6200782
	0100	122	003160	003160	592100	0000	0575	0698	0.63			Correct TRMS Charges for Exp Org 003160	Yes	112259	6200846
	0100	122	003160	003160	592100	0000	0575	0698	1.43			Correct TRMS Charges for Exp Org 003160	Yes	112259	6200847
	0100	122	003160	003160	592100	0000	0575	0698	1.11			Correct TRMS Charges for Exp Org 003160	Yes	112259	6200990
	0100	122	003160	003160	592100	0000	0575	0698	17.74			Correct TRMS Charges for Exp Org 003160	Yes	112259	6201367
	0100	122	003160	003160	592100	0000	0575	0500	2.69			Correct TRMS Charges for Exp Org 003160	Yes	112259	6201574
	0100	122	003160	003160	592100	0000	0575	0698	9.12			Correct TRMS Charges for Exp Org 003160	Yes	112252	6178573
	0100	122	003230	003200	580100	0000	0575	0699	1.29			Correct TRMS Charges for Exp Org 003200	Yes	STRM03230	121610-OPER
	0100	122	003230	003200	580100	0000	0575	0699	14.53			Correct TRMS Charges for Exp Org 003200	Yes	STRM03230	022811-OPER
	0100	122	003230	003200	580100	0000	0575	0699	10.90			Correct TRMS Charges for Exp Org 003200	Yes	STRM03230	022111-OPER
	0100	122	003230	003200	580100	0000	0575	0699	6.79			Correct TRMS Charges for Exp Org 003200	Yes	STRM03230	032311-OPER
	0100	122	003200	003200	583001	0000	0575	0699	0.82			Correct TRMS Charges for Exp Org 003200	Yes	ADMSP320	O
	0100	122	003200	003200	583001	0000	0575	0699	2.05			Correct TRMS Charges for Exp Org 003200	Yes	SWITCH320	O
	0100	122	003200	003200	583005	0000	0575	0699	47.55			Correct TRMS Charges for Exp Org 003200	Yes	DPATCH320	C
	0100	122	003200	003200	583005	0000	0575	0699	1,069.26			Correct TRMS Charges for Exp Org 003200	Yes	DPATCH320	R
	0100	122	003200	003200	583005	0000	0575	0000	3.38			Correct TRMS Charges for Exp Org 003200	Yes	DPATCH320	ADMIN
	0100	122	003200	003200	583005	0000	0575	0699	6.65			Correct TRMS Charges for Exp Org 003200	Yes	DPATCH320	K

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Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	122	001295	003200	586100	0000	0575	0000	0.55			Correct TRMS Charges for Exp Org 003200	Yes	115563	REC-R
	0100	122	001295	003200	586100	0000	0575	0000	25.46			Correct TRMS Charges for Exp Org 003200	Yes	122637	DISTRIBUTION
	0100	122	003200	003200	588100	0000	0575	0000	6.32			Correct TRMS Charges for Exp Org 003200	Yes	ADMSP320	TRAIN
	0100	122	003200	003200	588100	0000	0575	0000	0.82			Correct TRMS Charges for Exp Org 003200	Yes	ADMSP320	ADMIN
	0100	131	004270	003200	887100	0000	0575	0000	74.07			Correct TRMS Charges for Exp Org 003200	Yes	DOOM427	DISPATCH
	0100	122	003400	003210	107001	0000	0575	0699		0.36		Correct TRMS Charges for Exp Org 003210	Yes	RDPOLE340	I
	0100	122	003400	003210	107001	0000	0575	0699		0.37		Correct TRMS Charges for Exp Org 003210	Yes	NBSB340OH	8677340I
	0100	122	003400	003210	107001	0000	0575	0699		0.17		Correct TRMS Charges for Exp Org 003210	Yes	RDPOLE340	I9
	0100	122	003400	003210	107001	0000	0575	0699		0.18		Correct TRMS Charges for Exp Org 003210	Yes	NBRD340OH	272599510I
	0100	122	001015	003210	107001	0000	0575	0699		0.17		Correct TRMS Charges for Exp Org 003210	Yes	130156	254000510I
	0100	122	003400	003210	107001	0000	0575	0699		0.61		Correct TRMS Charges for Exp Org 003210	Yes	NBCD340OH	263474510I
	0100	122	003210	003210	593004	0000	0575	0000		53.80		Correct TRMS Charges for Exp Org 003210	Yes	108948	F
	0100	122	003230	003210	593004	0000	0575	0699		0.17		Correct TRMS Charges for Exp Org 003210	Yes	STRM03230	022111-TREE
	0100	122	003400	003300	107001	0000	0575	0699		86.32		Correct TRMS Charges for Exp Org 003300	Yes	RNTPD340	I-POLE
	0100	122	003400	003300	107001	0000	0575	0699		164.04		Correct TRMS Charges for Exp Org 003300	Yes	RNTPD340	I
	0100	122	003400	003300	107001	0000	0575	0699		57.08		Correct TRMS Charges for Exp Org 003300	Yes	NBCD340OH	I
	0100	122	003400	003300	107001	0000	0575	0699		8.48		Correct TRMS Charges for Exp Org 003300	Yes	NBCD340OH	28071740I
	0100	122	003400	003300	107001	0000	0575	0699		57.08		Correct TRMS Charges for Exp Org 003300	Yes	NBRD340OH	I
	0100	122	003400	003300	107001	0000	0575	0699		82.81		Correct TRMS Charges for Exp Org 003300	Yes	NBSV340OH	I
	0100	122	003400	003300	107001	0000	0575	0699		1.06		Correct TRMS Charges for Exp Org 003300	Yes	NBSV340UG	I
	0100	122	003400	003300	107001	0000	0575	0699		1,186.61		Correct TRMS Charges for Exp Org 003300	Yes	RDDD340OH	I
	0100	122	003400	003300	107001	0000	0575	0699		72.71		Correct TRMS Charges for Exp Org 003300	Yes	RDDD340UG	I
	0100	122	003400	003300	107001	0000	0575	0699		562.23		Correct TRMS Charges for Exp Org 003300	Yes	TBRD340OH	I
	0100	122	003400	003300	107001	0000	0575	0699		230.31		Correct TRMS Charges for Exp Org 003300	Yes	TBRD340UG	I
	0100	141	005540	003300	107001	0000	0575	0811		50.90		Correct TRMS Charges for Exp Org 003300	Yes	126620	ESC GENERATOR
	0100	141	005540	003300	107001	0000	0575	0812		9.01		Correct TRMS Charges for Exp Org 003300	Yes	126620	SSC GENERATOR
	0100	122	003400	003300	107001	0000	0575	0699		24.77		Correct TRMS Charges for Exp Org 003300	Yes	126655	23012840I
	0100	122	003400	003300	107001	0000	0575	0699		3.38		Correct TRMS Charges for Exp Org 003300	Yes	126655	230129610I
	0100	122	003400	003300	107001	0000	0575	0699		8.26		Correct TRMS Charges for Exp Org 003300	Yes	126655	235841310I
	0100	122	003400	003300	107001	0000	0575	0699		16.51		Correct TRMS Charges for Exp Org 003300	Yes	126655	246283010I
	0100	122	003400	003300	107001	0000	0575	0699		106.86		Correct TRMS Charges for Exp Org 003300	Yes	MCAPRR340	I
	0100	122	003230	003300	107001	0000	0575	0699		13.26		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	052810I
	0100	122	003230	003300	107001	0000	0575	0699		36.05		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	032311I
	0100	122	001015	003300	107001	0000	0575	0699		46.54		Correct TRMS Charges for Exp Org 003300	Yes	130164	264000810I
	0100	122	001015	003300	107001	0000	0575	0699		8.26		Correct TRMS Charges for Exp Org 003300	Yes	132194	258048510I
	0100	131	004190	003300	107001	0000	0575	0699		1.13		Correct TRMS Charges for Exp Org 003300	Yes	NBGS419	I
	0100	122	003400	003300	107001	0000	0575	0699		2.65		Correct TRMS Charges for Exp Org 003300	Yes	RCST340	I



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Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	122	003400	003300	107001	0000	0575	0699		1.50		Correct TRMS Charges for Exp Org 003300	Yes	RCST340	1889939101
	0100	122	003400	003300	107001	0000	0575	0699		28.10		Correct TRMS Charges for Exp Org 003300	Yes	RCST340	2754926101
	0100	122	003400	003300	107001	0000	0575	0699		7.95		Correct TRMS Charges for Exp Org 003300	Yes	RCST340	2792448101
	0100	122	003400	003300	107001	0000	0575	0699		111.46		Correct TRMS Charges for Exp Org 003300	Yes	XFRM340	I
	0100	122	003400	003300	107001	0000	0575	0699		39.24		Correct TRMS Charges for Exp Org 003300	Yes	RDD340UG	NA126411
	0100	122	003450	003300	107001	0000	0575	0699		4.88		Correct TRMS Charges for Exp Org 003300	Yes	RDD3450H	I
	0100	122	003400	003300	107001	0000	0575	0699		348.67		Correct TRMS Charges for Exp Org 003300	Yes	RDPOLE340	I
	0100	122	001015	003300	107001	0000	0575	0699		10.07		Correct TRMS Charges for Exp Org 003300	Yes	RELD01015	2590364101
	0100	122	001015	003300	107001	0000	0575	0699		36.59		Correct TRMS Charges for Exp Org 003300	Yes	RELD01015	2769435101
	0100	122	003400	003300	107001	0000	0575	0699		121.01		Correct TRMS Charges for Exp Org 003300	Yes	RELD3400H	I
	0100	122	003230	003300	107001	0000	0575	0699		75.82		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	0228111
	0100	122	003400	003300	108901	0000	0575	0699		6.76		Correct TRMS Charges for Exp Org 003300	Yes	MCAPRR340	RR
	0100	122	003400	003300	108901	0000	0575	0699		153.82		Correct TRMS Charges for Exp Org 003300	Yes	NBSV3400H	RR
	0100	122	003400	003300	108901	0000	0575	0699		26.86		Correct TRMS Charges for Exp Org 003300	Yes	NBSV340UG	RET
	0100	122	003400	003300	108901	0000	0575	0699		303.68		Correct TRMS Charges for Exp Org 003300	Yes	RDD3400H	RET
	0100	122	003400	003300	108901	0000	0575	0699		163.17		Correct TRMS Charges for Exp Org 003300	Yes	TBRD3400H	RR
	0100	122	003400	003300	108901	0000	0575	0699		1.88		Correct TRMS Charges for Exp Org 003300	Yes	TBRD3400H	R-HEAT
	0100	122	003400	003300	108901	0000	0575	0699		23.69		Correct TRMS Charges for Exp Org 003300	Yes	TBRD340UG	RR
	0100	122	001015	003300	108901	0000	0575	0699		13.51		Correct TRMS Charges for Exp Org 003300	Yes	130164	2640008R02
	0100	122	003400	003300	108901	0000	0575	0699		14.95		Correct TRMS Charges for Exp Org 003300	Yes	RDD340UG	RET
	0100	122	003400	003300	108901	0000	0575	0699		36.99		Correct TRMS Charges for Exp Org 003300	Yes	RDPOLE340	RR
	0100	122	001015	003300	108901	0000	0575	0699		19.62		Correct TRMS Charges for Exp Org 003300	Yes	RELD01015	2748594R02
	0100	122	003230	003300	108901	0000	0575	0699		20.68		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	022811R
	0100	122	003230	003300	108901	0000	0575	0699		12.20		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	032311R
	0100	122	003400	003300	108901	0000	0575	0699		80.43		Correct TRMS Charges for Exp Org 003300	Yes	XFRM340	RR
	0100	122	003400	003300	108901	0000	0575	0699		56.12		Correct TRMS Charges for Exp Org 003300	Yes	RNTPD340	RR
	0100	141	006250	003300	426501	0000	0575	0901		35.10		Correct TRMS Charges for Exp Org 003300	Yes	A02453	IBEW
	0100	122	003230	003300	580100	0000	0575	0699		1.06		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	032311-OPER
	0100	122	003230	003300	580100	0000	0575	0699		2.65		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	060910-OPER
	0100	122	003230	003300	580100	0000	0575	0699		18.56		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	022811-OPER
	0100	122	003230	003300	583001	0000	0575	0699		19.09		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	032311-OOL
	0100	122	003400	003300	583001	0000	0575	0000		778.08		Correct TRMS Charges for Exp Org 003300	Yes	TBRD3400H	O
	0100	122	003230	003300	583001	0000	0575	0699		9.01		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	022811-OOL
	0100	122	003400	003300	583001	0000	0575	0699		59.67		Correct TRMS Charges for Exp Org 003300	Yes	MCAPRR340	O
	0100	122	003450	003300	583001	0000	0575	0699		105.04		Correct TRMS Charges for Exp Org 003300	Yes	TRNG340	ON-SITE
	0100	122	003400	003300	583001	0000	0575	0699		49.16		Correct TRMS Charges for Exp Org 003300	Yes	RDPOLE340	O
	0100	122	003400	003300	583005	0000	0575	0699		9.01		Correct TRMS Charges for Exp Org 003300	Yes	TBRD3400H	C
	0100	122	003400	003300	583009	0000	0575	0699		1.28		Correct TRMS Charges for Exp Org 003300	Yes	NRINSP340	NRI-OH
	0100	122	003400	003300	583100	0000	0575	0699		344.45		Correct TRMS Charges for Exp Org 003300	Yes	RDD3400H	O
	0100	122	003400	003300	584001	0000	0575	0699		16.38		Correct TRMS Charges for Exp Org 003300	Yes	RDD340UG	O
	0100	122	003400	003300	584001	0000	0575	0000		29.30		Correct TRMS Charges for Exp Org 003300	Yes	TBRD340UG	O

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	122	003400	003300	584005	0000	0575	0699		11.31		Correct TRMS Charges for Exp Org 003300	Yes	TBRD340UG	C
	0100	122	003400	003300	584008	0000	0575	0699		7.53		Correct TRMS Charges for Exp Org 003300	Yes	XFRM340	O
	0100	122	001295	003300	586100	0000	0575	0000		75.59		Correct TRMS Charges for Exp Org 003300	Yes	122637	DISTRIBUTION
	0100	122	003450	003300	588100	0000	0575	0000		106.54		Correct TRMS Charges for Exp Org 003300	Yes	HLTSAF345	TAILGATE
	0100	122	003450	003300	588100	0000	0575	0000		26.05		Correct TRMS Charges for Exp Org 003300	Yes	HLTSAF345	EMP
	0100	122	003450	003300	588100	0000	0575	0000		90.43		Correct TRMS Charges for Exp Org 003300	Yes	ADMSP345	UB
	0100	122	003450	003300	588100	0000	0575	0699		15.51		Correct TRMS Charges for Exp Org 003300	Yes	ADMSP345	DARS
	0100	122	003400	003300	593001	0000	0575	0699		233.59		Correct TRMS Charges for Exp Org 003300	Yes	RDD3400H	M
	0100	122	003400	003300	593001	0000	0575	0699		155.22		Correct TRMS Charges for Exp Org 003300	Yes	TBRD3400H	M
	0100	122	003230	003300	593001	0000	0575	0699		49.31		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	022811-MPOLE
	0100	122	003400	003300	593002	0000	0575	0699		6.89		Correct TRMS Charges for Exp Org 003300	Yes	RDD3400H	N
	0100	122	003400	003300	593002	0000	0575	0699		123.90		Correct TRMS Charges for Exp Org 003300	Yes	RNTPD340	OH-REPAIR
	0100	122	003400	003300	593002	0000	0575	0699		6.00		Correct TRMS Charges for Exp Org 003300	Yes	RELD3400H	M
	0100	122	003230	003300	593002	0000	0575	0699		39.77		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	032311-MOL
	0100	122	001015	003300	593002	0000	0575	0699		11.26		Correct TRMS Charges for Exp Org 003300	Yes	130164	2640008M03
	0100	122	003400	003300	593002	0000	0575	0699		2.25		Correct TRMS Charges for Exp Org 003300	Yes	RDPOLE340	M
	0100	122	003400	003300	593002	0000	0575	0699		71.61		Correct TRMS Charges for Exp Org 003300	Yes	TBRD3400H	SWITCH
	0100	122	003400	003300	593002	0000	0575	0699		45.84		Correct TRMS Charges for Exp Org 003300	Yes	MCAPRR340	M
	0100	122	003400	003300	593002	0000	0575	0699		1,256.06		Correct TRMS Charges for Exp Org 003300	Yes	TBRD3400H	N
	0100	122	003230	003300	593002	0000	0575	0699		174.97		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	022811-MOL
	0100	122	003230	003300	593002	0000	0575	0699		3.18		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	060910-MOL
	0100	122	003230	003300	593003	0000	0575	0699		29.16		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	022811-MOS
	0100	122	003210	003300	593004	0000	0575	0000		13.51		Correct TRMS Charges for Exp Org 003300	Yes	108948	M
	0100	122	003400	003300	594002	0000	0575	0699		1.88		Correct TRMS Charges for Exp Org 003300	Yes	RDD340UG	CABLREP
	0100	122	003400	003300	594002	0000	0575	0699		2.34		Correct TRMS Charges for Exp Org 003300	Yes	RDD340UG	M
	0100	122	003400	003300	594002	0000	0575	0000		55.19		Correct TRMS Charges for Exp Org 003300	Yes	TBRD340UG	M
	0100	122	003400	003300	594002	0000	0575	0699		334.40		Correct TRMS Charges for Exp Org 003300	Yes	TBRD340UG	N
	0100	122	003230	003300	594002	0000	0575	0699		6.36		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	022811-MUL
	0100	122	003400	003300	594002	0000	0575	0699		58.25		Correct TRMS Charges for Exp Org 003300	Yes	RNTPD340	UG-REPAIR
	0100	122	003230	003300	595100	0000	0575	0699		6.89		Correct TRMS Charges for Exp Org 003300	Yes	STRM03230	022811-TRAN
	0100	122	003400	003300	596100	0000	0575	0699		0.49		Correct TRMS Charges for Exp Org 003300	Yes	TBRD3400H	STLTREPAIR
	0100	131	003385	003385	887100	0000	0575	2299		766.13		Correct TRMS Charges for Exp Org 003385	Yes	LINLO3385	GAS
	0100	122	003400	003400	107001	0000	0575	0699		87.86		Correct TRMS Charges for Exp Org 003400	Yes	TBRD3400H	I
	0100	122	003400	003400	107001	0000	0575	0699		0.04		Correct TRMS Charges for Exp Org 003400	Yes	RNTPD340	I-STANDARD
	0100	122	003230	003400	107001	0000	0575	0699		0.80		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	032311I
	0100	122	003230	003400	107001	0000	0575	0699		7.97		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	022811I
	0100	122	003400	003400	107001	0000	0575	0699		0.10		Correct TRMS Charges for Exp Org 003400	Yes	RELD3400H	I

Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	122	001015	003400	107001	0000	0575	0699		0.47		Correct TRMS Charges for Exp Org 003400	Yes	RELD01015	2769435101
	0100	122	001015	003400	107001	0000	0575	0699		3.59		Correct TRMS Charges for Exp Org 003400	Yes	RELD01015	I
	0100	122	003400	003400	107001	0000	0575	0699		34.61		Correct TRMS Charges for Exp Org 003400	Yes	RDPOLE340	I
	0100	122	003400	003400	107001	0000	0575	0699		8.86		Correct TRMS Charges for Exp Org 003400	Yes	RDDD340UG	I
	0100	122	003400	003400	107001	0000	0575	0699		152.30		Correct TRMS Charges for Exp Org 003400	Yes	RDDD340OH	I
	0100	122	003400	003400	107001	0000	0575	0699		6.47		Correct TRMS Charges for Exp Org 003400	Yes	NBSV340UG	I
	0100	122	003400	003400	107001	0000	0575	0699		9.86		Correct TRMS Charges for Exp Org 003400	Yes	NBSV340OH	I
	0100	122	003400	003400	107001	0000	0575	0699		0.36		Correct TRMS Charges for Exp Org 003400	Yes	NBSB340OH	I
	0100	122	003400	003400	107001	0000	0575	0699		7.08		Correct TRMS Charges for Exp Org 003400	Yes	NBRD340OH	I
	0100	122	003400	003400	107001	0000	0575	0699		0.25		Correct TRMS Charges for Exp Org 003400	Yes	NBCD340UG	2720446101
	0100	122	003400	003400	107001	0000	0575	0699		0.07		Correct TRMS Charges for Exp Org 003400	Yes	NBCD340UG	2567914101
	0100	122	003400	003400	107001	0000	0575	0699		9.82		Correct TRMS Charges for Exp Org 003400	Yes	NBCD340UG	I
	0100	122	003400	003400	107001	0000	0575	0699		7.16		Correct TRMS Charges for Exp Org 003400	Yes	NBCD340OH	I
	0100	122	003400	003400	107001	0000	0575	0699		0.57		Correct TRMS Charges for Exp Org 003400	Yes	MCAPRR340	I
	0100	122	003400	003400	107001	0000	0575	0699		13.75		Correct TRMS Charges for Exp Org 003400	Yes	RNTPD340	I-POLE
	0100	122	003400	003400	107001	0000	0575	0699		0.85		Correct TRMS Charges for Exp Org 003400	Yes	RNTPD340	I
	0100	122	003400	003400	107001	0000	0575	0699		3.15		Correct TRMS Charges for Exp Org 003400	Yes	XFRM340	I
	0100	122	003400	003400	107001	0000	0575	0699		4.64		Correct TRMS Charges for Exp Org 003400	Yes	RCST340	2792448101
	0100	122	003400	003400	107001	0000	0575	0699		15.46		Correct TRMS Charges for Exp Org 003400	Yes	TBRD340UG	I
	0100	122	001015	003400	107001	0000	0575	0699		0.51		Correct TRMS Charges for Exp Org 003400	Yes	I23137	I11
	0100	141	005540	003400	107001	0000	0575	0812		1.05		Correct TRMS Charges for Exp Org 003400	Yes	I26620	SSC GENERATOR
	0100	122	003400	003400	107001	0000	0575	0699		0.99		Correct TRMS Charges for Exp Org 003400	Yes	I30622	2506194101
	0100	122	003400	003400	107001	0000	0575	0699		0.04		Correct TRMS Charges for Exp Org 003400	Yes	RCST340	2306844101
	0100	122	003400	003400	107001	0000	0575	0699		0.11		Correct TRMS Charges for Exp Org 003400	Yes	RCST340	2754926101
	0100	122	003400	003400	107001	0000	0575	0699		1.23		Correct TRMS Charges for Exp Org 003400	Yes	RCST340	2775974101
	0100	122	003400	003400	108901	0000	0575	0699		1.97		Correct TRMS Charges for Exp Org 003400	Yes	NBSV340UG	RET
	0100	122	003400	003400	108901	0000	0575	0699		2.79		Correct TRMS Charges for Exp Org 003400	Yes	NBSV340OH	RR
	0100	122	003230	003400	108901	0000	0575	0699		0.25		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	032311R
	0100	122	003400	003400	108901	0000	0575	0699		0.25		Correct TRMS Charges for Exp Org 003400	Yes	RDDD340UG	2795455R
	0100	122	003400	003400	108901	0000	0575	0699		0.62		Correct TRMS Charges for Exp Org 003400	Yes	RDPOLE340	RR
	0100	122	003400	003400	108901	0000	0575	0699		21.12		Correct TRMS Charges for Exp Org 003400	Yes	RDDD340OH	RET
	0100	122	003230	003400	108901	0000	0575	0699		1.01		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	022811R
	0100	122	003400	003400	108901	0000	0575	0699		40.82		Correct TRMS Charges for Exp Org 003400	Yes	TBRD340OH	RR
	0100	122	003400	003400	108901	0000	0575	0699		1.11		Correct TRMS Charges for Exp Org 003400	Yes	RDDD340UG	RET
	0100	122	003400	003400	108901	0000	0575	0699		1.97		Correct TRMS Charges for Exp Org 003400	Yes	XFRM340	RR
	0100	122	003400	003400	108901	0000	0575	0699		0.40		Correct TRMS Charges for Exp Org 003400	Yes	RNTPD340	RR
	0100	122	003400	003400	108901	0000	0575	0699		1.04		Correct TRMS Charges for Exp Org 003400	Yes	TBRD340UG	RR
	0100	303	001055	003400	143022	0000	0575	0000		0.33		Correct TRMS Charges for Exp Org 003400	Yes	I15183	FBI
	0100	303	001055	003400	143022	0000	0575	0000		0.36		Correct TRMS Charges for Exp Org 003400	Yes	I15183	DEA
	0100	303	001055	003400	143022	0000	0575	0000		0.06		Correct TRMS Charges for Exp Org 003400	Yes	I15183	IRS
	0100	303	001055	003400	143022	0000	0575	0000		0.29		Correct TRMS Charges for Exp Org 003400	Yes	I15183	RIVER

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	303	001055	003400	143022	0000	0575	0699		0.04		Correct TRMS Charges for Exp Org 003400	Yes	115183	PUBLIC
	0100	141	006250	003400	426501	0000	0575	0901		0.07		Correct TRMS Charges for Exp Org 003400	Yes	A02453	NON-REIMB IBEW
	0100	141	006250	003400	426501	0000	0575	0901		0.22		Correct TRMS Charges for Exp Org 003400	Yes	A02453	IBEW
	0100	122	003230	003400	580100	0000	0575	0699		0.80		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	022811-OPER
	0100	122	003230	003400	580100	0000	0575	0699		0.07		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	032311-PSRT
	0100	122	003230	003400	580100	0000	0575	0699		1.09		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	032311-OPER
	0100	122	003230	003400	580100	0000	0575	0699		0.07		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	020211-OPER
	0100	122	003400	003400	583001	0000	0575	0699		0.54		Correct TRMS Charges for Exp Org 003400	Yes	MCAPRR340	O
	0100	122	003450	003400	583001	0000	0575	0000		0.25		Correct TRMS Charges for Exp Org 003400	Yes	COMSAF345	CC
	0100	122	003450	003400	583001	0000	0575	0699		10.69		Correct TRMS Charges for Exp Org 003400	Yes	TRNG345	ON-SITE
	0100	122	003400	003400	583001	0000	0575	0000		49.33		Correct TRMS Charges for Exp Org 003400	Yes	TBRD3400H	O
	0100	122	003230	003400	583001	0000	0575	0699		0.14		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	032311-OOL
	0100	122	003400	003400	583001	0000	0575	0699		0.68		Correct TRMS Charges for Exp Org 003400	Yes	RDDD3400H	THEFT
	0100	122	003400	003400	583009	0000	0575	0699		2.92		Correct TRMS Charges for Exp Org 003400	Yes	PVINSP340	O
	0100	122	003400	003400	583009	0000	0575	0699		0.50		Correct TRMS Charges for Exp Org 003400	Yes	NRINSP340	NRI-OH
	0100	122	003400	003400	583100	0000	0575	0699		9.88		Correct TRMS Charges for Exp Org 003400	Yes	RDDD3400H	O
	0100	122	003400	003400	584001	0000	0575	0000		0.17		Correct TRMS Charges for Exp Org 003400	Yes	TBRD340UG	O
	0100	122	003400	003400	584001	0000	0575	0699		2.12		Correct TRMS Charges for Exp Org 003400	Yes	RDDD340UG	O
	0100	122	003400	003400	584002	0000	0575	0699		0.07		Correct TRMS Charges for Exp Org 003400	Yes	NRINSP340	NRI-UG
	0100	122	001295	003400	586100	0000	0575	0000		17.97		Correct TRMS Charges for Exp Org 003400	Yes	122637	DISTRIBUTION
	0100	122	003450	003400	588100	0000	0575	0000		0.80		Correct TRMS Charges for Exp Org 003400	Yes	ADMSP345	UB
	0100	122	003450	003400	588100	0000	0575	0000		0.33		Correct TRMS Charges for Exp Org 003400	Yes	ADMSP345	ADMIN
	0100	122	003450	003400	588100	0000	0575	0699		2.05		Correct TRMS Charges for Exp Org 003400	Yes	ADMSP345	WEIGHT
	0100	122	003450	003400	588100	0000	0575	0000		0.32		Correct TRMS Charges for Exp Org 003400	Yes	HLTSAF345	SS
	0100	122	003450	003400	588100	0000	0575	0000		0.04		Correct TRMS Charges for Exp Org 003400	Yes	HLTSAF345	EMP
	0100	122	003450	003400	588100	0000	0575	0000		9.49		Correct TRMS Charges for Exp Org 003400	Yes	HLTSAF345	TAILGATE
	0100	122	003230	003400	593001	0000	0575	0699		0.65		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	022811-MPOLE
	0100	122	003400	003400	593001	0000	0575	0699		21.98		Correct TRMS Charges for Exp Org 003400	Yes	RDDD3400H	M
	0100	122	003400	003400	593001	0000	0575	0699		26.02		Correct TRMS Charges for Exp Org 003400	Yes	TBRD3400H	M
	0100	122	003400	003400	593002	0000	0575	0699		0.22		Correct TRMS Charges for Exp Org 003400	Yes	RELD3400H	M
	0100	122	003230	003400	593002	0000	0575	0699		7.90		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	022811-MOL
	0100	122	003230	003400	593002	0000	0575	0699		3.15		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	032311-MOL
	0100	122	003400	003400	593002	0000	0575	0699		34.63		Correct TRMS Charges for Exp Org 003400	Yes	TBRD3400H	N
	0100	122	003400	003400	593002	0000	0575	0699		2.00		Correct TRMS Charges for Exp Org 003400	Yes	TBRD3400H	SWITCH
	0100	122	003400	003400	593002	0000	0575	0699		4.69		Correct TRMS Charges for Exp Org 003400	Yes	RNTPD340	OH-REPAIR
	0100	122	003400	003400	593002	0000	0575	0699		2.43		Correct TRMS Charges for Exp Org 003400	Yes	MCAPRR340	M
	0100	122	003230	003400	593003	0000	0575	0699		0.07		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	022811-MOS
	0100	122	003210	003400	593004	0000	0575	0000		0.22		Correct TRMS Charges for Exp Org 003400	Yes	108948	M
	0100	122	003400	003400	594002	0000	0575	0699		0.06		Correct TRMS Charges for Exp Org 003400	Yes	RDDD340UG	CABLEREP
	0100	122	003400	003400	594002	0000	0575	0699		3.05		Correct TRMS Charges for Exp Org 003400	Yes	RDDD340UG	M
	0100	122	003230	003400	594002	0000	0575	0699		0.25		Correct TRMS Charges for Exp Org 003400	Yes	STRM03230	032311-MUL

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	122	003400	003400	594002	0000	0575	0699		0.63		Correct TRMS Charges for Exp Org 003400	Yes	RNTPD340	UG-REPAIR
	0100	122	003400	003400	594002	0000	0575	0000		6.51		Correct TRMS Charges for Exp Org 003400	Yes	TBRD340UG	M
	0100	122	003400	003400	594002	0000	0575	0699		2.50		Correct TRMS Charges for Exp Org 003400	Yes	TBRD340UG	N
	0100	122	003400	003400	596100	0000	0575	0699		0.22		Correct TRMS Charges for Exp Org 003400	Yes	RDSTLT340	M
	0100	122	003400	003400	596100	0000	0575	0699		0.61		Correct TRMS Charges for Exp Org 003400	Yes	TBRD340OH	STLTREPAIR
	0100	122	003320	003410	107001	0000	0575	0699		3.03		Correct TRMS Charges for Exp Org 003410	Yes	RDMV332	I
	0100	122	003320	003410	107001	0000	0575	0699		4.61		Correct TRMS Charges for Exp Org 003410	Yes	STLT332UG	I
	0100	122	003320	003410	107001	0000	0575	0699		3.15		Correct TRMS Charges for Exp Org 003410	Yes	STLT332OH	I
	0100	122	003320	003410	107001	0000	0575	0699		1.45		Correct TRMS Charges for Exp Org 003410	Yes	RDSTLT332	REPAIR-CAP
	0100	122	003400	003410	107001	0000	0575	0699		1.29		Correct TRMS Charges for Exp Org 003410	Yes	RDDD340OH	I
	0100	122	003410	003410	107001	0000	0575	0699		1.45		Correct TRMS Charges for Exp Org 003410	Yes	NBRD341UG	I
	0100	122	003410	003410	107001	0000	0575	0699		9.11		Correct TRMS Charges for Exp Org 003410	Yes	NBSB341UG	I
	0100	122	003410	003410	107001	0000	0575	0699		1.82		Correct TRMS Charges for Exp Org 003410	Yes	NBSB341UG	1909259101
	0100	122	003320	003410	108901	0000	0575	0699		0.72		Correct TRMS Charges for Exp Org 003410	Yes	RDMV332	R
	0100	122	003320	003410	108901	0000	0575	0699		1.58		Correct TRMS Charges for Exp Org 003410	Yes	RDSTLT332	REPAIR-REM
	0100	122	003230	003410	580100	0000	0575	0699		0.01		Correct TRMS Charges for Exp Org 003410	Yes	STRM03230	022811-PSRT
	0100	122	003230	003410	580100	0000	0575	0699	0.00			Correct TRMS Charges for Exp Org 003410	Yes	STRM03230	102610-PSRT
	0100	122	003450	003410	588100	0000	0575	0000		0.05		Correct TRMS Charges for Exp Org 003410	Yes	HLTSAF345	TAILGATE
	0100	122	003450	003410	588100	0000	0575	0000		0.12		Correct TRMS Charges for Exp Org 003410	Yes	HLTSAF345	TRAINING
	0100	122	003320	003410	596100	0000	0575	0000		0.25		Correct TRMS Charges for Exp Org 003410	Yes	RDSTLT332	REPAIR-OM
	0100	122	003400	003430	107001	0000	0575	0699		17.47		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2537995101
	0100	122	003400	003430	107001	0000	0575	0699		13.14		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2533457101
	0100	122	003400	003430	107001	0000	0575	0699		5.49		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2753254101
	0100	122	003400	003430	107001	0000	0575	0699		9.48		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2803808101
	0100	122	003400	003430	107001	0000	0575	0699		9.98		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2810574101
	0100	122	003400	003430	107001	0000	0575	0699		10.15		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340OH	2728154101
	0100	122	003400	003430	107001	0000	0575	0699		209.42		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	I
	0100	122	003400	003430	107001	0000	0575	0699		68.34		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2733705101
	0100	122	003400	003430	107001	0000	0575	0699		13.31		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2414247101
	0100	122	003400	003430	107001	0000	0575	0699		999.10		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2306844101
	0100	122	003400	003430	107001	0000	0575	0699		113.47		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2179778101
	0100	122	003400	003430	107001	0000	0575	0699		21.92		Correct TRMS Charges for Exp Org 003430	Yes	126655	2431905101
	0100	122	003400	003430	107001	0000	0575	0699		19.67		Correct TRMS Charges for Exp Org 003430	Yes	126655	2411704101
	0100	122	003400	003430	107001	0000	0575	0699		30.45		Correct TRMS Charges for Exp Org 003430	Yes	126655	2301184101
	0100	122	003400	003430	107001	0000	0575	0699		197.15		Correct TRMS Charges for Exp Org 003430	Yes	126655	2301175101
	0100	122	003400	003430	107001	0000	0575	0699		11.56		Correct TRMS Charges for Exp Org 003430	Yes	126655	CAP
	0100	141	005540	003430	107001	0000	0575	0811		31.78		Correct TRMS Charges for Exp Org 003430	Yes	126620	ESC GENERATOR

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	122	003400	003430	107001	0000	0575	0699		8.49		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	214125401
	0100	122	003400	003430	107001	0000	0575	0699		28.99		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2243638101
	0100	122	003400	003430	107001	0000	0575	0699		15.53		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2367628101
	0100	122	003400	003430	107001	0000	0575	0699		5.82		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2454664101
	0100	122	003400	003430	107001	0000	0575	0699		19.47		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2541336101
	0100	122	003400	003430	107001	0000	0575	0699		5.82		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2567914101
	0100	122	003400	003430	107001	0000	0575	0699		21.79		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2576166101
	0100	122	003400	003430	107001	0000	0575	0699		6.32		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2600220101
	0100	122	003400	003430	107001	0000	0575	0699		10.15		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2634540101
	0100	122	003400	003430	107001	0000	0575	0699		22.46		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2690591101
	0100	122	003400	003430	107001	0000	0575	0699		6.82		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2720446101
	0100	122	003400	003430	107001	0000	0575	0699		32.97		Correct TRMS Charges for Exp Org 003430	Yes	NBSV340UG	I
	0100	122	003430	003430	107001	0000	0575	0699		102.65		Correct TRMS Charges for Exp Org 003430	Yes	NETVLT343	I
	0100	122	003430	003430	107001	0000	0575	0699		158.43		Correct TRMS Charges for Exp Org 003430	Yes	NETVLT343	26789941
	0100	122	003400	003430	107001	0000	0575	0699		22.44		Correct TRMS Charges for Exp Org 003430	Yes	RDDD340UG	I
	0100	122	003400	003430	107001	0000	0575	0699		81.63		Correct TRMS Charges for Exp Org 003430	Yes	RDDD340UG	27438541
	0100	122	003400	003430	107001	0000	0575	0699		83.19		Correct TRMS Charges for Exp Org 003430	Yes	RDDD340UG	27954551
	0100	122	003400	003430	107001	0000	0575	0699		86.63		Correct TRMS Charges for Exp Org 003430	Yes	RDPOLE340	I
	0100	122	003230	003430	107001	0000	0575	0699		52.24		Correct TRMS Charges for Exp Org 003430	Yes	STRM03230	0228111
	0100	122	003400	003430	107001	0000	0575	2999		13.14		Correct TRMS Charges for Exp Org 003430	Yes	SYSENH340	COLLINS SUB
	0100	122	003400	003430	107001	0000	0575	0699		10.65		Correct TRMS Charges for Exp Org 003430	Yes	TBRD340UG	I
	0100	122	003400	003430	107001	0000	0575	0699		5.87		Correct TRMS Charges for Exp Org 003430	Yes	124866	2629807101
	0100	122	003160	003430	107001	0000	0575	0698		23.79		Correct TRMS Charges for Exp Org 003430	Yes	126466	JT-24026530
	0100	122	003400	003430	108901	0000	0575	0699		16.14		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2744727R01
	0100	122	003400	003430	108901	0000	0575	0699		8.82		Correct TRMS Charges for Exp Org 003430	Yes	NBCD340UG	2454664R02
	0100	122	003400	003430	108901	0000	0575	0699		6.43		Correct TRMS Charges for Exp Org 003430	Yes	NBSV340UG	RET
	0100	122	003400	003430	108901	0000	0575	0699		58.03		Correct TRMS Charges for Exp Org 003430	Yes	RDDD340UG	RET
	0100	122	003400	003430	108901	0000	0575	0699		25.20		Correct TRMS Charges for Exp Org 003430	Yes	RDDD340UG	274264R
	0100	122	003400	003430	108901	0000	0575	0699		26.75		Correct TRMS Charges for Exp Org 003430	Yes	RDDD340UG	2743854R
	0100	122	003400	003430	108901	0000	0575	0699		49.91		Correct TRMS Charges for Exp Org 003430	Yes	RDDD340UG	2795455R
	0100	122	003400	003430	108901	0000	0575	0699		25.89		Correct TRMS Charges for Exp Org 003430	Yes	RDPOLE340	RR
	0100	122	003230	003430	108901	0000	0575	0699		54.24		Correct TRMS Charges for Exp Org 003430	Yes	STRM03230	022811R
	0100	122	003400	003430	108901	0000	0575	0699		6.32		Correct TRMS Charges for Exp Org 003430	Yes	TBRD340UG	RR
	0100	122	003400	003430	108901	0000	0575	0699		19.67		Correct TRMS Charges for Exp Org 003430	Yes	126655	2411704R02
	0100	122	003400	003430	108901	0000	0575	0699		4.99		Correct TRMS Charges for Exp Org 003430	Yes	126655	2431905R02
	0100	122	003400	003430	108901	0000	0575	0699		3.83		Correct TRMS Charges for Exp Org 003430	Yes	RCST340	2533457R02
	0100	303	003600	003430	186049	0000	0575	2999		4.16		Correct TRMS Charges for Exp Org 003430	Yes	117194	KDL_UG-INSP
	0100	303	003600	003430	186049	0000	0575	2999		4.82		Correct TRMS Charges for Exp Org 003430	Yes	117194	INSIGHT_UG-INSP
	0100	303	003600	003430	186049	0000	0575	2999		11.44		Correct TRMS Charges for Exp Org 003430	Yes	117194	LOU_METRO_INSP
	0100	122	003400	003430	583001	0000	0575	0699		1.04		Correct TRMS Charges for Exp Org 003430	Yes	TLEQ340	TE-REPAIR
	0100	122	003450	003430	583001	0000	0575	0699		107.02		Correct TRMS Charges for Exp Org 003430	Yes	TRNG345	ON-SITE

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	122	003400	003430	584001	0000	0575	0000		43.09		Correct TRMS Charges for Exp Org 003430	Yes	TBRD340UG	O
	0100	122	003400	003430	584001	0000	0575	0699		52.57		Correct TRMS Charges for Exp Org 003430	Yes	RDDD340UG	O
	0100	122	003430	003430	584001	0000	0575	0699		3.33		Correct TRMS Charges for Exp Org 003430	Yes	NETVLT343	O
	0100	122	003450	003430	588100	0000	0575	0000		52.60		Correct TRMS Charges for Exp Org 003430	Yes	HLTSAF345	TAILGATE
	0100	122	003450	003430	588100	0000	0575	0000		49.58		Correct TRMS Charges for Exp Org 003430	Yes	TRNG345	OFF-SITE
	0100	122	003450	003430	588100	0000	0575	0699		5.00		Correct TRMS Charges for Exp Org 003430	Yes	ADMSP345	EET
	0100	122	003230	003430	593002	0000	0575	0699		1.00		Correct TRMS Charges for Exp Org 003430	Yes	STRM03230	022811-MOL
	0100	122	003400	003430	594002	0000	0575	0699		90.71		Correct TRMS Charges for Exp Org 003430	Yes	RDDD340UG	M
	0100	122	003230	003430	594002	0000	0575	0699		16.64		Correct TRMS Charges for Exp Org 003430	Yes	STRM03230	022811-MUL
	0100	122	003400	003430	594002	0000	0575	0699		22.46		Correct TRMS Charges for Exp Org 003430	Yes	TBRD340UG	N
	0100	122	003400	003430	594002	0000	0575	0699		10.66		Correct TRMS Charges for Exp Org 003430	Yes	RNTPD340	UG-REPAIR
	0100	122	003400	003450	107001	0000	0575	0699	5.30			Correct TRMS Charges for Exp Org 003450	Yes	RDDD340OH	I
	0100	122	003400	003450	107001	0000	0575	0699	2.65			Correct TRMS Charges for Exp Org 003450	Yes	RDDD340UG	I
	0100	122	003400	003450	107001	0000	0575	0699	2.64			Correct TRMS Charges for Exp Org 003450	Yes	TBRD340UG	I
	0100	122	003400	003450	107001	0000	0575	0699	2.65			Correct TRMS Charges for Exp Org 003450	Yes	TBRD340OH	I
	0100	303	003450	003450	184602	0000	0575	0000	68.85			Correct TRMS Charges for Exp Org 003450	Yes	MGMT345	ELECTRIC-LC
	0100	122	003450	003450	580100	0000	0575	0000	23.30			Correct TRMS Charges for Exp Org 003450	Yes	MGMT345	ELECTRIC-LM
	0100	122	003400	003450	593001	0000	0575	0699	2.48			Correct TRMS Charges for Exp Org 003450	Yes	RDDD340OH	M
	0100	122	003400	003450	593001	0000	0575	0699	2.48			Correct TRMS Charges for Exp Org 003450	Yes	TBRD340OH	M
	0100	122	003400	003450	594002	0000	0575	0699	2.47			Correct TRMS Charges for Exp Org 003450	Yes	RDDD340UG	M
	0100	303	004040	003470	184602	0000	0575	0000		90.33		Correct TRMS Charges for Exp Org 003470	Yes	NBCOH404	LE-SALESELEC
	0100	303	004010	003470	184602	0000	0575	0002		13.11		Correct TRMS Charges for Exp Org 003470	Yes	ADMSP401	ADLABLEE
	0100	503	004040	003470	184603	0000	0575	0000		89.39		Correct TRMS Charges for Exp Org 003470	Yes	NBCOH404	LE-SALESGAS
	0100	503	004010	003470	184603	0000	0575	0000		33.21		Correct TRMS Charges for Exp Org 003470	Yes	ADMSP401	TK
	0100	503	004010	003470	184603	0000	0575	0002		13.11		Correct TRMS Charges for Exp Org 003470	Yes	ADMSP401	ADLABLEG
	0100	122	004010	003470	588100	0000	0575	0000		18.87		Correct TRMS Charges for Exp Org 003470	Yes	ADMSP401	TK-OE
	0100	131	004010	003470	880100	0000	0575	0000		15.48		Correct TRMS Charges for Exp Org 003470	Yes	ADMSP401	TK-OG
	0100	122	003400	004010	107001	0000	0575	0699		9.46		Correct TRMS Charges for Exp Org 004010	Yes	NBCD340UG	DESIGN
	0100	122	003400	004010	107001	0000	0575	0699		18.94		Correct TRMS Charges for Exp Org 004010	Yes	NBRD340OH	DESIGN
	0100	131	004060	004010	107001	0000	0575	2299		13.55		Correct TRMS Charges for Exp Org 004010	Yes	GME406	DESIGN
	0100	122	003400	004010	107001	0000	0575	0699		18.92		Correct TRMS Charges for Exp Org 004010	Yes	NBCD340OH	DESIGN
	0100	303	004010	004010	184602	0000	0575	0002		17.55		Correct TRMS Charges for Exp Org 004010	Yes	ADMSP401	ADLABLEE
	0100	303	004040	004010	184602	0000	0575	0699		38.90		Correct TRMS Charges for Exp Org 004010	Yes	ENCOH404	LE-MGMTELEC
	0100	303	004040	004010	184602	0000	0575	0699		25.50		Correct TRMS Charges for Exp Org 004010	Yes	NBCOH404	LE-NBRUG
	0100	503	004040	004010	184602	0000	0575	0000		25.50		Correct TRMS Charges for Exp Org 004010	Yes	NBCOH404	LE-NBROH

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	303	004040	004010	184602	0000	0575	0699		69.45		Correct TRMS Charges for Exp Org 004010	Yes	NBCOH404	LE-MGMTELEC
	0100	503	004010	004010	184603	0000	0575	0002		17.55		Correct TRMS Charges for Exp Org 004010	Yes	ADMSP401	ADLABLEG
	0100	503	004040	004010	184603	0000	0575	2299		38.90		Correct TRMS Charges for Exp Org 004010	Yes	ENCOH404	LE-MGMTGAS
	0100	503	004040	004010	184603	0000	0575	2299		60.55		Correct TRMS Charges for Exp Org 004010	Yes	NBCOH404	LE-MGMTGAS
	0100	122	004010	004010	588100	0000	0575	0002		12.70		Correct TRMS Charges for Exp Org 004010	Yes	ADMSP401	LABE
	0100	122	003410	004040	107001	0000	0575	0699	134.48			Correct TRMS Charges for Exp Org 004040	Yes	NBSB341UG	DESIGN
	0100	122	003400	004040	107001	0000	0575	0699	148.88			Correct TRMS Charges for Exp Org 004040	Yes	NBCD340UG	DESIGN
	0100	122	003400	004040	107001	0000	0575	0699	141.65			Correct TRMS Charges for Exp Org 004040	Yes	NBCD340OH	DESIGN
	0100	131	004060	004040	107001	0000	0575	2299	402.98			Correct TRMS Charges for Exp Org 004040	Yes	GME406	DESIGN
	0100	122	003400	004040	107001	0000	0575	0699	167.47			Correct TRMS Charges for Exp Org 004040	Yes	127258	DESIGN
	0100	122	003400	004040	107001	0000	0575	0699	169.63			Correct TRMS Charges for Exp Org 004040	Yes	NBRD340OH	DESIGN
	0100	122	003410	004040	107001	0000	0575	0699	74.72			Correct TRMS Charges for Exp Org 004040	Yes	NBRD341UG	DESIGN
	0100	303	004040	004040	184602	0000	0575	0699	112.84			Correct TRMS Charges for Exp Org 004040	Yes	NBCOH404	LE-NBCUG
	0100	303	004040	004040	184602	0000	0575	0699	122.41			Correct TRMS Charges for Exp Org 004040	Yes	NBCOH404	LE-NBCOH
	0100	303	004040	004040	184602	0000	0575	0699	174.97			Correct TRMS Charges for Exp Org 004040	Yes	ENCOH404	LE-RELIA
	0100	303	004040	004040	184602	0000	0575	0699	492.38			Correct TRMS Charges for Exp Org 004040	Yes	NBCOH404	LE-NBSUG
	0100	303	004040	004040	184602	0000	0575	0699	525.25			Correct TRMS Charges for Exp Org 004040	Yes	NBCOH404	LE-NBSOH
	0100	122	003230	004040	580100	0000	0575	0699	16.99			Correct TRMS Charges for Exp Org 004040	Yes	STRM03230	022811-PSRT
	0100	131	004010	004040	880100	0000	0575	0002	78.45			Correct TRMS Charges for Exp Org 004040	Yes	HLTSAF401	TRAINING
	0100	131	004140	004060	107001	0000	0575	2299		27.28		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	UPRATE
	0100	131	004140	004060	107001	0000	0575	2999		19.57		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	RSSTILZ
	0100	131	004140	004060	107001	0000	0575	2299		9.33		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	RSSOUKAT
	0100	131	004190	004060	107001	0000	0575	0699		6.51		Correct TRMS Charges for Exp Org 004060	Yes	NBGS419	I
	0100	131	004060	004060	107001	0000	0575	2299		13.77		Correct TRMS Charges for Exp Org 004060	Yes	PBWK406G	I
	0100	131	004060	004060	107001	0000	0575	2299		10.13		Correct TRMS Charges for Exp Org 004060	Yes	RCST406G	2579522102
	0100	122	003410	004060	107001	0000	0575	0699	2.29			Correct TRMS Charges for Exp Org 004060	Yes	NBSB341UG	I
	0100	122	003410	004060	107001	0000	0575	0699	27.68			Correct TRMS Charges for Exp Org 004060	Yes	NBSB341UG	1909259101
	0100	131	003410	004060	107001	0000	0575	2299		5.14		Correct TRMS Charges for Exp Org 004060	Yes	NBSB341UG	1909259102
	0100	131	003410	004060	107001	0000	0575	2299		5.21		Correct TRMS Charges for Exp Org 004060	Yes	NBSB341UG	2537874102
	0100	122	003400	004060	107001	0000	0575	0699		3.42		Correct TRMS Charges for Exp Org 004060	Yes	RDDD340UG	I
	0100	131	004060	004060	107001	0000	0575	2299		26.23		Correct TRMS Charges for Exp Org 004060	Yes	SYSEN406G	2761626101
	0100	131	004600	004060	107001	0000	0575	2299		48.65		Correct TRMS Charges for Exp Org 004060	Yes	120596	LABOR
	0100	131	004510	004060	107001	0000	0575	2299		12.83		Correct TRMS Charges for Exp Org 004060	Yes	126482	BBURG
	0100	131	004510	004060	107001	0000	0575	2999		1.13		Correct TRMS Charges for Exp Org 004060	Yes	126482	NEWCUT
	0100	131	004510	004060	107001	0000	0575	2299		0.31		Correct TRMS Charges for Exp Org 004060	Yes	126482	RETBURG
	0100	131	004385	004060	107001	0000	0575	0797		0.77		Correct TRMS Charges for Exp Org 004060	Yes	127455	FTKNOX
	0100	131	004385	004060	107001	0000	0575	0797		0.12		Correct TRMS Charges for Exp Org 004060	Yes	127455	MILLCK



Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	131	004385	004060	107001	0000	0575	0797		0.77		Correct TRMS Charges for Exp Org 004060	Yes	127455	PENILE
	0100	131	004385	004060	107001	0000	0575	0797		0.12		Correct TRMS Charges for Exp Org 004060	Yes	127455	WPDRIP
	0100	131	004385	004060	107001	0000	0575	0797		0.12		Correct TRMS Charges for Exp Org 004060	Yes	127455	FTKDRIP
	0100	131	004385	004060	107001	0000	0575	0797		0.27		Correct TRMS Charges for Exp Org 004060	Yes	127455	LOGSDON
	0100	131	004385	004060	107001	0000	0575	0797		0.83		Correct TRMS Charges for Exp Org 004060	Yes	127455	PRESTON
	0100	131	004385	004060	107001	0000	0575	0797		0.71		Correct TRMS Charges for Exp Org 004060	Yes	127455	MAGNOLIA
	0100	131	004385	004060	107001	0000	0575	2299		1.04		Correct TRMS Charges for Exp Org 004060	Yes	127473	BIG NELLS
	0100	131	004385	004060	107001	0000	0575	2299		2.41		Correct TRMS Charges for Exp Org 004060	Yes	127473	MULDRAUGH
	0100	131	004385	004060	107001	0000	0575	2299		0.71		Correct TRMS Charges for Exp Org 004060	Yes	127473	SALT RIVER
	0100	131	004510	004060	107001	0000	0575	2999		9.19		Correct TRMS Charges for Exp Org 004060	Yes	130946	RIGGS
	0100	131	004480	004060	107001	0000	0575	0721		1.61		Correct TRMS Charges for Exp Org 004060	Yes	132153	CANMER
	0100	131	004480	004060	107001	0000	0575	0716		0.86		Correct TRMS Charges for Exp Org 004060	Yes	132153	CENTER
	0100	131	004480	004060	107001	0000	0575	0721		0.42		Correct TRMS Charges for Exp Org 004060	Yes	132153	MONROE
	0100	131	004480	004060	107001	0000	0575	0721		7.75		Correct TRMS Charges for Exp Org 004060	Yes	132153	MAGNOLIA
	0100	131	004060	004060	107001	0000	0575	2299		107.95		Correct TRMS Charges for Exp Org 004060	Yes	GME406	I
	0100	131	004060	004060	107001	0000	0575	2299		8.85		Correct TRMS Charges for Exp Org 004060	Yes	GME406	2299387101
	0100	131	004060	004060	107001	0000	0575	2299		7.72		Correct TRMS Charges for Exp Org 004060	Yes	GME406	2534594101
	0100	131	004140	004060	107001	0000	0575	2299		2.82		Correct TRMS Charges for Exp Org 004060	Yes	PMR414	SUNNY
	0100	131	004140	004060	107001	0000	0575	2299		12.39		Correct TRMS Charges for Exp Org 004060	Yes	PMR414	PS0067
	0100	131	004140	004060	107001	0000	0575	2299		17.53		Correct TRMS Charges for Exp Org 004060	Yes	PMR414	PS0070
	0100	131	004140	004060	107001	0000	0575	2299		3.18		Correct TRMS Charges for Exp Org 004060	Yes	PMR414	PS0071
	0100	131	004140	004060	107001	0000	0575	2299		27.78		Correct TRMS Charges for Exp Org 004060	Yes	PMR414	WESTWIND
	0100	131	004140	004060	107001	0000	0575	2299		50.93		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	SM2PL
	0100	131	004140	004060	107001	0000	0575	2299		16.74		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	SM4PL
	0100	131	004140	004060	107001	0000	0575	2299		8.43		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	SM6PL
	0100	131	004140	004060	107001	0000	0575	2299		35.77		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	SW2PL
	0100	131	004140	004060	107001	0000	0575	2299		8.81		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	SW4PL
	0100	131	004140	004060	107001	0000	0575	2299		0.04		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	GTCOMP
	0100	131	004140	004060	107001	0000	0575	2299		0.04		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	GTCUST
	0100	131	004140	004060	107001	0000	0575	2299		1.76		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	SACOMP
	0100	131	004140	004060	107001	0000	0575	2299		7.28		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	SMCOMP
	0100	131	004140	004060	107001	0000	0575	2299		7.49		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	SMCUST
	0100	131	004140	004060	107001	0000	0575	2299		23.35		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	SWCOMP
	0100	131	004140	004060	107001	0000	0575	2299		23.08		Correct TRMS Charges for Exp Org 004060	Yes	LSMR414	SWCUST
	0100	122	004060	004060	108901	0000	0575	2299		1.30		Correct TRMS Charges for Exp Org 004060	Yes	SYSEN406G	2761626R02
	0100	131	004140	004060	108901	0000	0575	2299		3.22		Correct TRMS Charges for Exp Org 004060	Yes	PMR414	RETSUNNY
	0100	122	004510	004060	108901	0000	0575	2299		7.84		Correct TRMS Charges for Exp Org 004060	Yes	126479	2517017R02
	0110	111	016300	004060	554100	0000	0575	5645		27.00		Correct TRMS Charges for Exp Org 004060	Yes	126668	5645
	0100	131	004385	004060	863100	0000	0575	2299		5.86		Correct TRMS Charges for Exp Org 004060	Yes	114867	ILICALVARY
	0100	131	004010	004060	880100	0000	0575	0002		9.70		Correct TRMS Charges for Exp Org 004060	Yes	TRNG401	ONSITE-G
	0100	131	004190	004060	887100	0000	0575	0000		6.04		Correct TRMS Charges for Exp Org 004060	Yes	GEN419G	TRNG

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Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
	0100	131	004510	004190	107001	0000	0575	2299		4.54		Correct TRMS Charges for Exp Org 004190	Yes	126482	BBURG
	0100	131	004060	004190	107001	0000	0575	2299		3.01		Correct TRMS Charges for Exp Org 004190	Yes	RCST406G	2579522102
	0100	131	004600	004190	107001	0000	0575	2299		0.29		Correct TRMS Charges for Exp Org 004190	Yes	126485	WELDED PIPE
	0100	122	003400	004190	107001	0000	0575	0699		0.33		Correct TRMS Charges for Exp Org 004190	Yes	XFRM340	I
	0100	131	004190	004190	107001	0000	0575	2299		25.00		Correct TRMS Charges for Exp Org 004190	Yes	RNTPD419	CAPITAL
	0100	131	004190	004190	107001	0000	0575	2299		152.08		Correct TRMS Charges for Exp Org 004190	Yes	NBGS419	ICONNECT
	0100	131	004190	004190	107001	0000	0575	2299		0.56		Correct TRMS Charges for Exp Org 004190	Yes	NBGS419	IN
	0100	131	004190	004190	107001	0000	0575	0699		159.66		Correct TRMS Charges for Exp Org 004190	Yes	NBGS419	I
	0100	131	004140	004190	107001	0000	0575	2299		22.52		Correct TRMS Charges for Exp Org 004190	Yes	LSMR414	DTWNSDN2011
	0100	131	004140	004190	107001	0000	0575	2299		25.42		Correct TRMS Charges for Exp Org 004190	Yes	LSMR414	UPRATE
	0100	131	004140	004190	107001	0000	0575	2299		1.06		Correct TRMS Charges for Exp Org 004190	Yes	LSMR414	SWCUST
	0100	131	004140	004190	107001	0000	0575	2299		22.52		Correct TRMS Charges for Exp Org 004190	Yes	LSMR414	SWCOMP
	0100	131	004480	004190	107001	0000	0575	0716		6.47		Correct TRMS Charges for Exp Org 004190	Yes	132153	CENTER
	0100	131	004480	004190	107001	0000	0575	0721		1.67		Correct TRMS Charges for Exp Org 004190	Yes	132153	MONROE
	0100	131	004480	004190	107001	0000	0575	0721		1.67		Correct TRMS Charges for Exp Org 004190	Yes	132153	MAGNOLIA
	0100	131	004385	004190	107001	0000	0575	0797		3.46		Correct TRMS Charges for Exp Org 004190	Yes	132235	WKYLWKENDALL
	0100	131	004140	004190	107001	0000	0575	2299		3.58		Correct TRMS Charges for Exp Org 004190	Yes	PMR414	PERIMETERINV
	0100	131	004510	004190	107001	0000	0575	2299		2.79		Correct TRMS Charges for Exp Org 004190	Yes	126479	2517017101
	0100	131	004600	004190	107001	0000	0575	2299		2.23		Correct TRMS Charges for Exp Org 004190	Yes	120596	LABOR
	0100	131	004060	004190	107001	0000	0575	2299		3.67		Correct TRMS Charges for Exp Org 004190	Yes	SYSEN406G	2761626101
	0100	122	003400	004190	107001	0000	0575	0699		0.78		Correct TRMS Charges for Exp Org 004190	Yes	RDDD340OH	I
	0100	131	004190	004190	107001	0000	0575	2299		14.59		Correct TRMS Charges for Exp Org 004190	Yes	RRCS419G	ADMIN-C
	0100	131	004190	004190	107001	0000	0575	2299		280.98		Correct TRMS Charges for Exp Org 004190	Yes	RRCS419G	IN
	0100	131	004140	004190	107001	0000	0575	2299		1.06		Correct TRMS Charges for Exp Org 004190	Yes	LSMR414	SMCOMP
	0100	131	004140	004190	108901	0000	0575	2299		13.82		Correct TRMS Charges for Exp Org 004190	Yes	PMR414	RETWEST
	0100	131	004140	004190	108901	0000	0575	2299		30.93		Correct TRMS Charges for Exp Org 004190	Yes	PMR414	RETGREEN
	0100	122	003400	004190	108901	0000	0575	0699		0.45		Correct TRMS Charges for Exp Org 004190	Yes	XFRM340	RR
	0100	131	004190	004190	108901	0000	0575	2299		38.27		Correct TRMS Charges for Exp Org 004190	Yes	RRCS419G	RR
	0100	131	004190	004190	108901	0000	0575	2299		13.44		Correct TRMS Charges for Exp Org 004190	Yes	TBRD419G	MCOR
	0100	503	004190	004190	184603	0000	0575	0000		89.04		Correct TRMS Charges for Exp Org 004190	Yes	101353	LE
	0100	131	004190	004190	416001	0000	0575	0000		1.33		Correct TRMS Charges for Exp Org 004190	Yes	RCS419G	RML1
	0110	111	016300	004190	554100	0000	0575	5645		13.34		Correct TRMS Charges for Exp Org 004190	Yes	126668	5645
	0100	122	001295	004190	586100	0000	0575	0000		11.31		Correct TRMS Charges for Exp Org 004190	Yes	122637	DISTRIBUTION
	0100	122	003400	004190	594002	0000	0575	0699		1.78		Correct TRMS Charges for Exp Org 004190	Yes	RNTPD340	UG-REPAIR
	0100	131	004190	004190	874001	0000	0575	0000		5.50		Correct TRMS Charges for Exp Org 004190	Yes	TRBL419G	DWMS
	0100	131	004190	004190	874001	0000	0575	0000		9.17		Correct TRMS Charges for Exp Org 004190	Yes	LEAK419G	NLF
	0100	131	004190	004190	874006	0000	0575	0000		0.77		Correct TRMS Charges for Exp Org 004190	Yes	COMP419	PIPEMARKERS
	0100	131	004190	004190	879100	0000	0575	0000		34.09		Correct TRMS Charges for Exp Org 004190	Yes	CUST419G	CC
	0100	131	004190	004190	880100	0000	0575	0000		134.79		Correct TRMS Charges for Exp Org 004190	Yes	GEN419G	ADMIN

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Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	131	004190	004190	880100	0000	0575	0000		2.42		Correct TRMS Charges for Exp Org 004190	Yes	COMP419	VENT
	0100	131	004190	004190	880100	0000	0575	0000		22.18		Correct TRMS Charges for Exp Org 004190	Yes	COMP419	STOPBOX
	0100	131	004190	004190	880100	0000	0575	0000		38.38		Correct TRMS Charges for Exp Org 004190	Yes	TRBL419G	SHA
	0100	131	004010	004190	880100	0000	0575	0002		0.77		Correct TRMS Charges for Exp Org 004190	Yes	TRNG401	ONSITE-G
	0100	131	004190	004190	887100	0000	0575	0000		38.28		Correct TRMS Charges for Exp Org 004190	Yes	RNTPD419	MAINT
	0100	131	004190	004190	887100	0000	0575	0000		0.97		Correct TRMS Charges for Exp Org 004190	Yes	GEN419G	SAFETY
	0100	131	004190	004190	887100	0000	0575	0000		3.19		Correct TRMS Charges for Exp Org 004190	Yes	COMP419	VALVEMAJNT
	0100	131	004280	004190	887100	0000	0575	0000		21.48		Correct TRMS Charges for Exp Org 004190	Yes	DOOM428	OTH
	0100	131	004190	004190	887100	0000	0575	0000		234.77		Correct TRMS Charges for Exp Org 004190	Yes	LEAK419G	CLAMP
	0100	131	004190	004190	887100	0000	0575	0000		41.06		Correct TRMS Charges for Exp Org 004190	Yes	GEN419G	OMM
	0100	131	004190	004190	887100	0000	0575	0000		0.19		Correct TRMS Charges for Exp Org 004190	Yes	TRBL419G	IL
	0100	131	004280	004190	887100	0000	0575	0000		188.04		Correct TRMS Charges for Exp Org 004190	Yes	115367	TROUBLE
	0100	131	004190	004190	887100	0000	0575	0000		8.33		Correct TRMS Charges for Exp Org 004190	Yes	LEAK419G	RV
	0100	131	004190	004190	887100	0000	0575	0000		88.61		Correct TRMS Charges for Exp Org 004190	Yes	GEN419G	TRNG
	0100	131	004190	004190	892100	0000	0575	0000		61.61		Correct TRMS Charges for Exp Org 004190	Yes	LEAK419G	RS
	0100	131	004190	004190	892100	0000	0575	0000		47.15		Correct TRMS Charges for Exp Org 004190	Yes	CUST419G	TON
	0100	131	004190	004190	892100	0000	0575	0000		95.77		Correct TRMS Charges for Exp Org 004190	Yes	CUST419G	TC
	0100	131	004190	004190	892100	0000	0575	0000		15.74		Correct TRMS Charges for Exp Org 004190	Yes	CUST419G	IF
	0100	131	004190	004190	892100	0000	0575	0000		24.60		Correct TRMS Charges for Exp Org 004190	Yes	CUST419G	TF
	0100	131	004190	004190	892100	0000	0575	0000		10.23		Correct TRMS Charges for Exp Org 004190	Yes	LEAK419G	RCML
	0100	131	004470	004210	107001	0000	0575	0715	3.71			Correct TRMS Charges for Exp Org 004210	Yes	123039	KENNEDY1
	0100	131	004385	004210	107001	0000	0575	0797	71.60			Correct TRMS Charges for Exp Org 004210	Yes	132235	WKYLWKENDALL
	0100	131	004470	004210	107001	0000	0575	0715	156.07			Correct TRMS Charges for Exp Org 004210	Yes	123039	SCREW COMP_300
	0100	131	004470	004210	107001	0000	0575	0715	10.20			Correct TRMS Charges for Exp Org 004210	Yes	123039	DEHN1
	0100	141	001345	004210	107001	0000	0575	0906	36.41			Correct TRMS Charges for Exp Org 004210	Yes	122650	SAMPLING
	0100	131	004210	004210	107001	0000	0575	2299	25.98			Correct TRMS Charges for Exp Org 004210	Yes	NBGS421	I
	0100	131	004210	004210	107001	0000	0575	2299	53.32			Correct TRMS Charges for Exp Org 004210	Yes	RRCS421G	I
	0100	131	004210	004210	108901	0000	0575	2299	1.62			Correct TRMS Charges for Exp Org 004210	Yes	RRCS421G	RR
	0100	503	004470	004210	184603	0000	0575	0000	57.05			Correct TRMS Charges for Exp Org 004210	Yes	101362	LE
	0100	131	004190	004210	416001	0000	0575	0000	4.37			Correct TRMS Charges for Exp Org 004210	Yes	RCS419G	RML1
	0100	141	006250	004210	426501	0000	0575	0901	1.97			Correct TRMS Charges for Exp Org 004210	Yes	A02453	NON-REIMB IBEW
	0100	122	001295	004210	586100	0000	0575	0000	400.70			Correct TRMS Charges for Exp Org 004210	Yes	122637	DISTRIBUTION
	0100	131	004470	004210	814003	0000	0575	0723	170.48			Correct TRMS Charges for Exp Org 004210	Yes	101029	OPSUP
	0100	131	004470	004210	816100	0000	0575	0713	29.32			Correct TRMS Charges for Exp Org 004210	Yes	123736	GAUGING
	0100	131	004470	004210	816100	0000	0575	0714	46.95			Correct TRMS Charges for Exp Org 004210	Yes	123735	GAUGING
	0100	131	004470	004210	817100	0000	0575	0714	72.29			Correct TRMS Charges for Exp Org 004210	Yes	123735	FIELD
	0100	131	004470	004210	817100	0000	0575	0714	115.46			Correct TRMS Charges for Exp Org 004210	Yes	123735	SURVEY
	0100	131	004470	004210	817100	0000	0575	0713	61.03			Correct TRMS Charges for Exp Org 004210	Yes	123736	FIELD
	0100	131	004470	004210	818100	0000	0575	0714	36.33			Correct TRMS Charges for Exp Org 004210	Yes	123735	WATER

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Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	131	004470	004210	818100	0000	0575	0714	253.73			Correct TRMS Charges for Exp Org 004210	Yes	123735	SHALE
	0100	131	004470	004210	818100	0000	0575	0723	377.06			Correct TRMS Charges for Exp Org 004210	Yes	101031	STAOPR
	0100	131	004470	004210	818100	0000	0575	0723	81.49			Correct TRMS Charges for Exp Org 004210	Yes	101031	MEETGS
	0100	131	004470	004210	830100	0000	0575	0723	113.66			Correct TRMS Charges for Exp Org 004210	Yes	101034	MNTSUP
	0100	131	004470	004210	832100	0000	0575	0714	122.34			Correct TRMS Charges for Exp Org 004210	Yes	123735	FRMTAP
	0100	131	004470	004210	833100	0000	0575	0713	95.43			Correct TRMS Charges for Exp Org 004210	Yes	123736	FMAINT
	0100	131	004470	004210	833100	0000	0575	0714	279.02			Correct TRMS Charges for Exp Org 004210	Yes	123735	FMAINT
	0100	131	004470	004210	834100	0000	0575	0714	454.92			Correct TRMS Charges for Exp Org 004210	Yes	123735	SMAINT
	0100	131	004470	004210	836100	0000	0575	0723	25.05			Correct TRMS Charges for Exp Org 004210	Yes	101032	PMMAINT
	0100	131	004470	004210	850100	0000	0575	0723	27.29			Correct TRMS Charges for Exp Org 004210	Yes	101037	TRNSVY
	0100	131	004470	004210	856100	0000	0575	0000	282.04			Correct TRMS Charges for Exp Org 004210	Yes	101037	TRNOPR
	0100	131	004470	004210	863100	0000	0575	0000	8.25			Correct TRMS Charges for Exp Org 004210	Yes	101037	WEST POINT
	0100	131	004210	004210	879100	0000	0575	0723	342.39			Correct TRMS Charges for Exp Org 004210	Yes	101495	IT
	0100	131	004210	004210	879100	0000	0575	0000	109.38			Correct TRMS Charges for Exp Org 004210	Yes	101764	TR
	0100	131	004210	004210	879100	0000	0575	0000	10.61			Correct TRMS Charges for Exp Org 004210	Yes	101762	CC
	0100	131	004210	004210	880100	0000	0575	0000	132.62			Correct TRMS Charges for Exp Org 004210	Yes	102417	T
	0100	131	004210	004210	880100	0000	0575	0000	297.67			Correct TRMS Charges for Exp Org 004210	Yes	101487	OF
	0100	131	004210	004210	887100	0000	0575	0000	93.21			Correct TRMS Charges for Exp Org 004210	Yes	101489	MM
	0100	131	004210	004210	892100	0000	0575	0000	6.03			Correct TRMS Charges for Exp Org 004210	Yes	101766	RSB
	0100	131	004190	004210	892100	0000	0575	0000	17.39			Correct TRMS Charges for Exp Org 004210	Yes	LEAK419G	RS
	0100	131	004210	004210	892100	0000	0575	0000	17.65			Correct TRMS Charges for Exp Org 004210	Yes	101497	CS
	0100	131	001345	004220	107001	0000	0575	0906		225.85		Correct TRMS Charges for Exp Org 004220	Yes	122650	GAS LABOR
	0100	131	004220	004220	107001	0000	0575	2299		19.93		Correct TRMS Charges for Exp Org 004220	Yes	NBGS422	I
	0100	122	001295	004220	586100	0000	0575	0000		3,215.43		Correct TRMS Charges for Exp Org 004220	Yes	122637	DISTRIBUTION
	0100	131	004220	004220	874005	0000	0575	0000		9.02		Correct TRMS Charges for Exp Org 004220	Yes	102661	LS
	0100	131	004220	004220	876100	0000	0575	0000		292.21		Correct TRMS Charges for Exp Org 004220	Yes	101500	MR
	0100	131	004220	004220	878100	0000	0575	0000		33.71		Correct TRMS Charges for Exp Org 004220	Yes	101481	TO
	0100	131	004220	004220	879100	0000	0575	0000		3,011.65		Correct TRMS Charges for Exp Org 004220	Yes	101496	IT
	0100	131	004220	004220	880100	0000	0575	0000		142.45		Correct TRMS Charges for Exp Org 004220	Yes	102416	T
	0100	131	004220	004220	880100	0000	0575	2299		54.09		Correct TRMS Charges for Exp Org 004220	Yes	101488	MEETGS
	0100	131	004220	004220	887100	0000	0575	0000		1,058.50		Correct TRMS Charges for Exp Org 004220	Yes	101490	MM
	0100	131	004220	004220	892100	0000	0575	0000		18.04		Correct TRMS Charges for Exp Org 004220	Yes	101765	RSB
	0100	122	003230	004270	580100	0000	0575	0699	1.32			Correct TRMS Charges for Exp Org 004270	Yes	STRM03230	032311-OPER
	0100	122	008810	004270	580100	0000	0575	0000	3.96			Correct TRMS Charges for Exp Org 004270	Yes	117696	LABORE
	0100	131	004270	004270	887100	0000	0575	0000	341.40			Correct TRMS Charges for Exp Org 004270	Yes	DOOM427	DISPATCH

Template Type: Functional Journal  
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 Database: OFMSPROD

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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	131	004190	004280	107001	0000	0575	2299	14.28			Correct TRMS Charges for Exp Org 004280	Yes	RNTPD419	CAPITAL
	0100	131	004190	004280	107001	0000	0575	2299	8.77			Correct TRMS Charges for Exp Org 004280	Yes	RRCS419G	IN
	0100	131	004280	004280	416001	0000	0575	0000	20.61			Correct TRMS Charges for Exp Org 004280	Yes	RCS428G	RML
	0100	122	001295	004280	586100	0000	0575	0000	87.30			Correct TRMS Charges for Exp Org 004280	Yes	122637	DISTRIBUTION
	0100	131	004280	004280	880100	0000	0575	0000	8.18			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	ARC
	0100	131	004190	004280	880100	0000	0575	0000	14.94			Correct TRMS Charges for Exp Org 004280	Yes	TRBL419G	SHA
	0100	131	004280	004280	880100	0000	0575	2299	5.17			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	1213B
	0100	131	004280	004280	887100	0000	0575	0000	1.99			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	CP
	0100	131	004280	004280	887100	0000	0575	0000	78.21			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	TRNG
	0100	131	004280	004280	887100	0000	0575	0000	25.50			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	IAP
	0100	131	004280	004280	887100	0000	0575	0000	51.92			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	ICO
	0100	131	004280	004280	887100	0000	0575	0000	5.57			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	IEX
	0100	131	004280	004280	887100	0000	0575	0000	30.81			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	IFI
	0100	131	004280	004280	887100	0000	0575	0000	3,423.75			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	LKINV
	0100	131	004280	004280	887100	0000	0575	0000	549.54			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	TO-TOFF
	0100	131	004280	004280	887100	0000	0575	0000	21.38			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	COL
	0100	131	004280	004280	887100	0000	0575	0000	40.34			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	OTH
	0100	131	004190	004280	887100	0000	0575	0000	17.74			Correct TRMS Charges for Exp Org 004280	Yes	RNTPD419	MAINT
	0100	131	004280	004280	887100	0000	0575	0000	77.02			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	IGO
	0100	131	004280	004280	887100	0000	0575	0000	52.73			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	IIN
	0100	131	004280	004280	887100	0000	0575	0000	24.96			Correct TRMS Charges for Exp Org 004280	Yes	DOOM428	ILP
	0100	131	004190	004280	892100	0000	0575	0000	13.77			Correct TRMS Charges for Exp Org 004280	Yes	LEAK419G	RCMLB42
	0100	303	004370	004370	184602	0000	0575	0000		79.65		Correct TRMS Charges for Exp Org 004370	Yes	100958	ELLE
	0100	503	004370	004370	184603	0000	0575	0000		62.53		Correct TRMS Charges for Exp Org 004370	Yes	100958	GLE
	0100	122	004370	004370	588100	0000	0575	0000		14.33		Correct TRMS Charges for Exp Org 004370	Yes	100958	ELOM
	0100	131	004370	004370	880100	0000	0575	0000		10.62		Correct TRMS Charges for Exp Org 004370	Yes	100958	GOM
	0100	131	004140	004380	107001	0000	0575	2299	115.14			Correct TRMS Charges for Exp Org 004380	Yes	LSMR414	SM2PL
	0100	131	004140	004380	107001	0000	0575	2999	6.34			Correct TRMS Charges for Exp Org 004380	Yes	LSMR414	RSSTILZ
	0100	131	004140	004380	107001	0000	0575	2299	107.14			Correct TRMS Charges for Exp Org 004380	Yes	LSMR414	SWCUST
	0100	131	004140	004380	107001	0000	0575	2299	87.93			Correct TRMS Charges for Exp Org 004380	Yes	LSMR414	SMCUST
	0100	131	004140	004380	107001	0000	0575	2299	8.39			Correct TRMS Charges for Exp Org 004380	Yes	LSMR414	SW4PL
	0100	131	004140	004380	107001	0000	0575	2299	87.93			Correct TRMS Charges for Exp Org 004380	Yes	LSMR414	SW2PL
	0100	131	004140	004380	107001	0000	0575	2299	22.55			Correct TRMS Charges for Exp Org 004380	Yes	LSMR414	SM6PL
	0100	131	004140	004380	107001	0000	0575	2299	4.66			Correct TRMS Charges for Exp Org 004380	Yes	LSMR414	SM4PL
	0100	131	004140	004380	107001	0000	0575	2299	1.49			Correct TRMS Charges for Exp Org 004380	Yes	PMR414	JEFFCTINV
	0100	131	004140	004380	107001	0000	0575	2299	25.15			Correct TRMS Charges for Exp Org 004380	Yes	PMR414	GREENHILL
	0100	131	004140	004380	107001	0000	0575	2299	1.49			Correct TRMS Charges for Exp Org 004380	Yes	PMR414	SUNNY

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Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	131	004140	004380	107001	0000	0575	2299	1.49			Correct TRMS Charges for Exp Org 004380	Yes	PMR414	PS0067
	0100	131	004140	004380	107001	0000	0575	2299	3.17			Correct TRMS Charges for Exp Org 004380	Yes	PMR414	PS0070
	0100	131	004140	004380	107001	0000	0575	2299	33.16			Correct TRMS Charges for Exp Org 004380	Yes	PMR414	WESTWIND
	0100	703	004380	004380	184603	0000	0575	0000	2,265.05			Correct TRMS Charges for Exp Org 004380	Yes	120266	LE
	0100	131	004380	004380	880100	0000	0575	0000	877.95			Correct TRMS Charges for Exp Org 004380	Yes	120266	LABORG
	0100	131	004385	004385	107001	0000	0575	0797	0.40			Correct TRMS Charges for Exp Org 004385	Yes	132235	WKYLWKENDALL
	0100	503	004600	004385	184603	0000	0575	0000	4.69			Correct TRMS Charges for Exp Org 004385	Yes	121542	LE
	0110	111	016300	004385	554100	0000	0575	5645	0.62			Correct TRMS Charges for Exp Org 004385	Yes	126668	5645
	0100	131	004385	004385	863100	0000	0575	2999	4.54			Correct TRMS Charges for Exp Org 004385	Yes	114868	PS1
	0100	131	004385	004385	887100	0000	0575	0000	0.28			Correct TRMS Charges for Exp Org 004385	Yes	114868	TRAINING
	0100	131	004385	004385	887100	0000	0575	0000	32.92			Correct TRMS Charges for Exp Org 004385	Yes	114868	ENGLABOR
	0100	131	004510	004450	107001	0000	0575	2299	58.65			Correct TRMS Charges for Exp Org 004450	Yes	126479	251701701
	0100	131	004385	004450	107001	0000	0575	0797	49.27			Correct TRMS Charges for Exp Org 004450	Yes	132235	WKYLWKENDALL
	0110	111	016300	004450	553100	0000	0575	5642	398.92			Correct TRMS Charges for Exp Org 004450	Yes	109506	5642
	0110	111	016300	004450	554100	0000	0575	5645	111.36			Correct TRMS Charges for Exp Org 004450	Yes	126668	5645
	0100	131	004450	004450	887100	0000	0575	0000	19.95			Correct TRMS Charges for Exp Org 004450	Yes	118199	TRAIN
	0100	131	004450	004450	887100	0000	0575	0000	177.94			Correct TRMS Charges for Exp Org 004450	Yes	118199	SHORTS
	0100	131	004450	004450	887100	0000	0575	2999	958.70			Correct TRMS Charges for Exp Org 004450	Yes	118199	CCADMIN
	0100	131	004450	004450	887100	0000	0575	0000	294.78			Correct TRMS Charges for Exp Org 004450	Yes	118199	CPREADS
	0100	131	004450	004450	887100	0000	0575	0000	499.17			Correct TRMS Charges for Exp Org 004450	Yes	118199	RECORDS
	0100	131	004450	004450	887100	0000	0575	2999	54.32			Correct TRMS Charges for Exp Org 004450	Yes	118199	CPISOSERV
	0100	131	004450	004450	887100	0000	0575	2299	15.94			Correct TRMS Charges for Exp Org 004450	Yes	118199	MISC
	0100	131	004450	004450	887100	0000	0575	2999	74.92			Correct TRMS Charges for Exp Org 004450	Yes	118199	SBL
	0100	131	004450	004450	887100	0000	0575	0000	167.44			Correct TRMS Charges for Exp Org 004450	Yes	118199	OMM
	0100	131	004450	004450	887100	0000	0575	2999	13.21			Correct TRMS Charges for Exp Org 004450	Yes	118199	200
	0100	131	004450	004450	887100	0000	0575	2999	17.62			Correct TRMS Charges for Exp Org 004450	Yes	118199	100
	0100	503	004470	004470	184603	0000	0575	0000	597.51			Correct TRMS Charges for Exp Org 004470	Yes	101362	LE
	0100	131	004470	004470	814003	0000	0575	0723	713.12			Correct TRMS Charges for Exp Org 004470	Yes	101029	OPSUP
	0100	131	004470	004470	818100	0000	0575	0723	13.74			Correct TRMS Charges for Exp Org 004470	Yes	101031	TRAIING
	0100	131	004470	004470	818100	0000	0575	0723	15.35			Correct TRMS Charges for Exp Org 004470	Yes	101036	ENGOPR
	0100	131	004470	004470	818100	0000	0575	0723	17.89			Correct TRMS Charges for Exp Org 004470	Yes	101031	MEETGS
	0100	131	004470	004470	821100	0000	0575	0723	3,934.16			Correct TRMS Charges for Exp Org 004470	Yes	101032	PUOPR
	0100	131	004470	004470	830100	0000	0575	0723	568.11			Correct TRMS Charges for Exp Org 004470	Yes	101034	MNTSUP
	0100	131	004470	004470	834100	0000	0575	0723	527.20			Correct TRMS Charges for Exp Org 004470	Yes	104448	MMAINT
	0100	131	004470	004470	834100	0000	0575	0714	50.72			Correct TRMS Charges for Exp Org 004470	Yes	123735	SMAINT

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Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	131	004470	004470	834100	0000	0575	0723	17.71			Correct TRMS Charges for Exp Org 004470	Yes	101036	PMMAINT
	0100	131	004470	004470	834100	0000	0575	0723	52.69			Correct TRMS Charges for Exp Org 004470	Yes	101036	EMMAINT
	0100	131	004470	004470	836100	0000	0575	0723	94.77			Correct TRMS Charges for Exp Org 004470	Yes	101032	PMMAINT
	0100	503	004475	004475	184603	0000	0575	0000	203.97			Correct TRMS Charges for Exp Org 004475	Yes	108572	LE
	0100	131	004475	004475	814003	0000	0575	0723	202.99			Correct TRMS Charges for Exp Org 004475	Yes	108549	OPSUP
	0100	503	004480	004480	184603	0000	0575	0000		40.27		Correct TRMS Charges for Exp Org 004480	Yes	101080	LEM
	0100	131	004480	004480	814003	0000	0575	0721		131.28		Correct TRMS Charges for Exp Org 004480	Yes	101058	OPSUP
	0100	131	004480	004480	818100	0000	0575	0721		59.00		Correct TRMS Charges for Exp Org 004480	Yes	101061	STAOPR
	0100	131	004480	004480	818100	0000	0575	0721		16.45		Correct TRMS Charges for Exp Org 004480	Yes	101061	TRAIING
	0100	131	004480	004480	818100	0000	0575	0721		0.70		Correct TRMS Charges for Exp Org 004480	Yes	101061	MEETGS
	0100	131	004480	004480	818100	0000	0575	0721		395.53		Correct TRMS Charges for Exp Org 004480	Yes	101062	ENGOPR
	0100	131	004480	004480	821100	0000	0575	0721		304.42		Correct TRMS Charges for Exp Org 004480	Yes	101063	PUROR
	0100	131	004480	004480	830100	0000	0575	0721		131.28		Correct TRMS Charges for Exp Org 004480	Yes	101059	MNTSUP
	0100	131	004480	004480	834100	0000	0575	0721		137.36		Correct TRMS Charges for Exp Org 004480	Yes	101075	EMMAINT
	0100	131	004480	004480	834100	0000	0575	0721		11.59		Correct TRMS Charges for Exp Org 004480	Yes	101076	PMMAINT
	0100	131	004480	004480	836100	0000	0575	0721		13.44		Correct TRMS Charges for Exp Org 004480	Yes	101076	PURMAINT
	0100	131	004480	004480	880100	0000	0575	2299		39.73		Correct TRMS Charges for Exp Org 004480	Yes	122768	OF
	0100	131	004485	004480	880100	0000	0575	2299		8.63		Correct TRMS Charges for Exp Org 004480	Yes	123841	OF
	0100	131	004480	004480	880100	0000	0575	2299		1.12		Correct TRMS Charges for Exp Org 004480	Yes	122768	STAFF
	0100	131	004480	004480	880100	0000	0575	2299		0.50		Correct TRMS Charges for Exp Org 004480	Yes	122768	MEETGS
	0100	131	004220	004485	107001	0000	0575	2299		50.90		Correct TRMS Charges for Exp Org 004485	Yes	NBGS422	I
	0100	131	004480	004485	107001	0000	0575	0721		196.65		Correct TRMS Charges for Exp Org 004485	Yes	132153	MAGNOLIA
	0100	131	004475	004485	107001	0000	0575	0721		76.22		Correct TRMS Charges for Exp Org 004485	Yes	130939	INSTALL
	0100	131	004475	004485	107001	0000	0575	0711		57.43		Correct TRMS Charges for Exp Org 004485	Yes	126422	T PEPPER #3
	0100	131	004475	004485	107001	0000	0575	0711		47.23		Correct TRMS Charges for Exp Org 004485	Yes	126422	SHUFFETT #6
	0100	131	004475	004485	107001	0000	0575	2299		193.76		Correct TRMS Charges for Exp Org 004485	Yes	126422	BUDGET
	0100	131	004475	004485	107001	0000	0575	0711		47.23		Correct TRMS Charges for Exp Org 004485	Yes	126422	BELL2
	0100	131	001345	004485	107001	0000	0575	0906		4.29		Correct TRMS Charges for Exp Org 004485	Yes	122650	GAS LABOR
	0100	141	001345	004485	107001	0000	0575	0906		11.81		Correct TRMS Charges for Exp Org 004485	Yes	122650	SAMPLING
	0100	503	004480	004485	184603	0000	0575	0000		163.46		Correct TRMS Charges for Exp Org 004485	Yes	101080	LEM
	0100	122	001295	004485	586100	0000	0575	0000		254.70		Correct TRMS Charges for Exp Org 004485	Yes	122637	DISTRIBUTION
	0100	122	001295	004485	586100	0000	0575	0000		383.11		Correct TRMS Charges for Exp Org 004485	Yes	115563	NPD
	0100	131	004480	004485	814003	0000	0575	0721		570.17		Correct TRMS Charges for Exp Org 004485	Yes	101058	OPSUP
	0100	131	004480	004485	817100	0000	0575	0721		5,238.76		Correct TRMS Charges for Exp Org 004485	Yes	101060	FIELD
	0100	131	004480	004485	817100	0000	0575	0721		12.15		Correct TRMS Charges for Exp Org 004485	Yes	101060	FRMTAP

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 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	131	004480	004485	817100	0000	0575	0721		315.25		Correct TRMS Charges for Exp Org 004485	Yes	101060	GAUGE
	0100	131	004480	004485	830100	0000	0575	0721		671.38		Correct TRMS Charges for Exp Org 004485	Yes	101059	MNTSUP
	0100	131	004480	004485	832100	0000	0575	0721		7.52		Correct TRMS Charges for Exp Org 004485	Yes	101077	ACIDIZE
	0100	131	004480	004485	832100	0000	0575	0721		230.36		Correct TRMS Charges for Exp Org 004485	Yes	101077	FMAINT
	0100	131	004485	004485	835100	0000	0575	0721		266.50		Correct TRMS Charges for Exp Org 004485	Yes	124596	MR
	0100	131	004480	004485	856100	0000	0575	0000		327.68		Correct TRMS Charges for Exp Org 004485	Yes	101078	TRNOPR
	0100	131	004480	004485	874001	0000	0575	0000		8.10		Correct TRMS Charges for Exp Org 004485	Yes	101079	DISCEN
	0100	131	004485	004485	874008	0000	0575	0721		234.77		Correct TRMS Charges for Exp Org 004485	Yes	124597	ODORANT
	0100	131	004485	004485	878100	0000	0575	2299		48.01		Correct TRMS Charges for Exp Org 004485	Yes	123840	TO
	0100	131	004485	004485	879100	0000	0575	2299		163.28		Correct TRMS Charges for Exp Org 004485	Yes	123843	IT
	0100	131	004485	004485	879100	0000	0575	2299		3.47		Correct TRMS Charges for Exp Org 004485	Yes	123846	TR
	0100	131	004485	004485	880100	0000	0575	2299		40.30		Correct TRMS Charges for Exp Org 004485	Yes	124598	INSP
	0100	131	004480	004485	880100	0000	0575	2299		18.25		Correct TRMS Charges for Exp Org 004485	Yes	122778	DCLG
	0100	131	004485	004485	880100	0000	0575	2299		120.76		Correct TRMS Charges for Exp Org 004485	Yes	123841	T
	0100	131	004485	004485	880100	0000	0575	2299		208.76		Correct TRMS Charges for Exp Org 004485	Yes	123841	OF
	0100	131	004485	004485	880100	0000	0575	2299		61.20		Correct TRMS Charges for Exp Org 004485	Yes	123841	STAFF
	0100	131	004485	004485	880100	0000	0575	2299		8.10		Correct TRMS Charges for Exp Org 004485	Yes	123841	MEETGS
	0100	131	004485	004485	880100	0000	0575	2299		7.52		Correct TRMS Charges for Exp Org 004485	Yes	123842	CL
	0100	131	004485	004485	887100	0000	0575	2299		1,016.15		Correct TRMS Charges for Exp Org 004485	Yes	123842	MM
	0100	131	004485	004485	892100	0000	0575	2299		31.81		Correct TRMS Charges for Exp Org 004485	Yes	123844	CC
	0100	131	004485	004485	892100	0000	0575	2299		28.98		Correct TRMS Charges for Exp Org 004485	Yes	123844	MRP
	0100	141	001280	004485	902002	0000	0575	0000		25.14		Correct TRMS Charges for Exp Org 004485	Yes	115562	MISC
	0100	131	004470	004500	107001	0000	0575	0715	19.45			Correct TRMS Charges for Exp Org 004500	Yes	123039	SCREW COMP_300
	0100	131	004385	004500	107001	0000	0575	0797	15.06			Correct TRMS Charges for Exp Org 004500	Yes	132235	WKYLWKENDALL
	0100	131	004500	004500	834100	0000	0575	0721	41.09			Correct TRMS Charges for Exp Org 004500	Yes	100916	MACE
	0100	131	004500	004500	834100	0000	0575	0723	72.40			Correct TRMS Charges for Exp Org 004500	Yes	100916	MUCE
	0100	131	004470	004500	834100	0000	0575	0714	0.26			Correct TRMS Charges for Exp Org 004500	Yes	123735	SMAINT
	0100	131	004500	004500	835100	0000	0575	0723	11.48			Correct TRMS Charges for Exp Org 004500	Yes	100917	MR
	0100	131	004500	004500	836100	0000	0575	0721	239.01			Correct TRMS Charges for Exp Org 004500	Yes	100918	MAP
	0100	131	004500	004500	836100	0000	0575	0723	186.64			Correct TRMS Charges for Exp Org 004500	Yes	100918	MUP
	0100	131	004500	004500	837100	0000	0575	0721	300.87			Correct TRMS Charges for Exp Org 004500	Yes	100919	MAOE
	0100	131	004500	004500	837100	0000	0575	0723	3.83			Correct TRMS Charges for Exp Org 004500	Yes	100919	MUOE
	0100	131	004500	004500	875100	0000	0575	0000	13.27			Correct TRMS Charges for Exp Org 004500	Yes	100922	OMR
	0100	131	004500	004500	876100	0000	0575	0000	908.93			Correct TRMS Charges for Exp Org 004500	Yes	100924	OIS
	0100	131	004500	004500	877100	0000	0575	0000	33.94			Correct TRMS Charges for Exp Org 004500	Yes	100920	S
	0100	131	004500	004500	877100	0000	0575	0000	41.78			Correct TRMS Charges for Exp Org 004500	Yes	100920	OCG
	0100	131	004500	004500	877100	0000	0575	0000	115.42			Correct TRMS Charges for Exp Org 004500	Yes	100920	T
	0100	131	004500	004500	887100	0000	0575	0000	29.55			Correct TRMS Charges for Exp Org 004500	Yes	100927	MOE
	0100	131	004500	004500	889100	0000	0575	0000	498.71			Correct TRMS Charges for Exp Org 004500	Yes	100923	MMR



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Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

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				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	131	004500	004500	890100	0000	0575	0000	16.61			Correct TRMS Charges for Exp Org 004500	Yes	100925	MIS
	0100	131	004500	004500	891100	0000	0575	0000	495.82			Correct TRMS Charges for Exp Org 004500	Yes	100934	MSE
	0100	131	004500	004500	891100	0000	0575	0000	628.65			Correct TRMS Charges for Exp Org 004500	Yes	100921	MCG
	0100	131	004500	004500	894100	0000	0575	0000	1,472.41			Correct TRMS Charges for Exp Org 004500	Yes	100935	MEE
	0100	131	004385	004510	107001	0000	0575	0797	182.04			Correct TRMS Charges for Exp Org 004510	Yes	132235	WKYLWKENDALL
	0100	131	004480	004510	107001	0000	0575	0721	0.23			Correct TRMS Charges for Exp Org 004510	Yes	132153	MAGNOLIA
	0100	131	004510	004510	107001	0000	0575	2299	16.70			Correct TRMS Charges for Exp Org 004510	Yes	126482	RETBURG
	0100	131	004510	004510	107001	0000	0575	2299	50.31			Correct TRMS Charges for Exp Org 004510	Yes	126482	BBURG
	0100	503	004510	004510	184603	0000	0575	2299	237.19			Correct TRMS Charges for Exp Org 004510	Yes	122216	LE
	0100	122	001295	004510	586100	0000	0575	0000	340.00			Correct TRMS Charges for Exp Org 004510	Yes	122637	DISTRIBUTION
	0100	131	004510	004510	874008	0000	0575	0000	180.99			Correct TRMS Charges for Exp Org 004510	Yes	101138	OO
	0100	131	004510	004510	875100	0000	0575	0000	75.50			Correct TRMS Charges for Exp Org 004510	Yes	101141	T
	0100	131	004510	004510	875100	0000	0575	0000	752.96			Correct TRMS Charges for Exp Org 004510	Yes	101141	ORS
	0100	131	004510	004510	876100	0000	0575	0000	968.87			Correct TRMS Charges for Exp Org 004510	Yes	101143	OM
	0100	131	004510	004510	876100	0000	0575	0000	8.81			Correct TRMS Charges for Exp Org 004510	Yes	101143	S
	0100	131	004510	004510	880100	0000	0575	2299	183.88			Correct TRMS Charges for Exp Org 004510	Yes	101144	ADMIN
	0100	131	004510	004510	880100	0000	0575	0000	224.21			Correct TRMS Charges for Exp Org 004510	Yes	101137	SI
	0100	131	004510	004510	889100	0000	0575	0000	3.04			Correct TRMS Charges for Exp Org 004510	Yes	101145	MRS
	0100	131	004510	004510	890100	0000	0575	0000	891.80			Correct TRMS Charges for Exp Org 004510	Yes	101147	MM
	0100	131	004510	004510	890100	0000	0575	0000	303.68			Correct TRMS Charges for Exp Org 004510	Yes	101147	CM
	0100	131	004510	004510	890100	0000	0575	0000	7.01			Correct TRMS Charges for Exp Org 004510	Yes	101147	CLR
	0100	131	004510	004600	107001	0000	0575	2299	2.06			Correct TRMS Charges for Exp Org 004600	Yes	126479	251701701
	0100	131	004600	004600	107001	0000	0575	2299	75.68			Correct TRMS Charges for Exp Org 004600	Yes	114268	CAPREGLABOR
	0100	503	004600	004600	184603	0000	0575	0000	80.00			Correct TRMS Charges for Exp Org 004600	Yes	121542	LE
	0100	122	003385	004600	583010	0000	0575	2999	65.13			Correct TRMS Charges for Exp Org 004600	Yes	LINLO3385	ELEC
	0100	131	004600	004600	874001	0000	0575	0000	295.72			Correct TRMS Charges for Exp Org 004600	Yes	112422	SUP
	0100	131	004600	004600	874001	0000	0575	0000	102.63			Correct TRMS Charges for Exp Org 004600	Yes	112422	GENADMIN
	0100	131	004600	004600	874005	0000	0575	2299	71.25			Correct TRMS Charges for Exp Org 004600	Yes	112420	QA
	0100	131	004600	004600	874007	0000	0575	2299	5.79			Correct TRMS Charges for Exp Org 004600	Yes	124917	FIXVALVE
	0100	131	004600	004600	874007	0000	0575	2299	16.55			Correct TRMS Charges for Exp Org 004600	Yes	124917	INSPVALVE
	0100	131	004385	004600	887100	0000	0575	2299	1.57			Correct TRMS Charges for Exp Org 004600	Yes	124928	RISERSURVEY
	0100	131	004450	004600	887100	0000	0575	2999	0.20			Correct TRMS Charges for Exp Org 004600	Yes	118199	100
	0100	131	003385	004600	887100	0000	0575	2299	65.16			Correct TRMS Charges for Exp Org 004600	Yes	LINLO3385	GAS
	0100	131	004450	004600	887100	0000	0575	2999	5.71			Correct TRMS Charges for Exp Org 004600	Yes	118199	200
	0100	703	005310	005310	184517	0000	0575	0000	12.97			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC MAINT

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			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	005310	005310	514100	0000	0575	0401	140.34			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC MAINT-GEN
	0100	111	005310	005310	514100	0000	0575	0401	12.66			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC PM-GEN
	0100	122	005310	005310	591003	0000	0575	0000	1.06			Correct TRMS Charges for Exp Org 005310	Yes	112730	7TH MAINT-ELEC
	0100	122	005310	005310	591003	0000	0575	0000	1.06			Correct TRMS Charges for Exp Org 005310	Yes	112730	7TH PM -ELEC
	0100	122	005310	005310	598100	0000	0575	0000	281.53			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC MAINT-ELEC
	0100	122	005310	005310	598100	0000	0575	0000	19.48			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC PM-ELEC
	0100	131	005310	005310	886100	0000	0575	0000	1.06			Correct TRMS Charges for Exp Org 005310	Yes	112730	7TH MAINT-GAS
	0100	131	005310	005310	886100	0000	0575	0000	142.23			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC MAINT-GAS
	0100	131	005310	005310	886100	0000	0575	0000	12.66			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC PM-GAS
	0100	131	005310	005310	886100	0000	0575	0000	1.06			Correct TRMS Charges for Exp Org 005310	Yes	112730	7TH PM -GAS
	0100	141	005310	005310	905001	0000	0575	0000	142.23			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC MAINT-CUST
	0100	141	005310	005310	905001	0000	0575	0000	12.66			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC PM-CUST
	0100	141	005310	005310	935101	0000	0575	0000	418.96			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC-MAINT-ADM
	0100	141	005310	005310	935101	0000	0575	0000	20.52			Correct TRMS Charges for Exp Org 005310	Yes	112730	TRAINING-ADMIN
	0100	141	005310	005310	935101	0000	0575	0000	8.88			Correct TRMS Charges for Exp Org 005310	Yes	112730	SAFETY-ADMIN
	0100	141	005310	005310	935101	0000	0575	0000	29.14			Correct TRMS Charges for Exp Org 005310	Yes	112730	BOC PM-ADMIN
	0100	121	003010	006630	107001	0000	0575	0549	192.06			Correct TRMS Charges for Exp Org 006630	Yes	118209	TC4515-70 BKR-IN
	0100	121	003070	006630	107001	0000	0575	2000	4.62			Correct TRMS Charges for Exp Org 006630	Yes	122513	LT3845-MAT
	0110	111	015730	006630	107001	0000	0575	5657	1.78			Correct TRMS Charges for Exp Org 006630	Yes	122609	PROJENG
	0100	141	008910	006630	107001	0000	0575	0902	47.85			Correct TRMS Charges for Exp Org 006630	Yes	132041	107001
	0100	131	005540	006630	107001	0000	0575	0721	45.17			Correct TRMS Charges for Exp Org 006630	Yes	131746	107001
	0110	105	018910	006630	107001	0000	0575	0902	47.49			Correct TRMS Charges for Exp Org 006630	Yes	132042	107001
	0100	141	008910	006630	107001	0000	0575	0902	15.51			Correct TRMS Charges for Exp Org 006630	Yes	130034	107001
	0110	121	015850	006630	107001	0000	0575	5150	15.29			Correct TRMS Charges for Exp Org 006630	Yes	126784	INVEST
	0100	111	008825	006630	107001	0000	0575	0242	27.03			Correct TRMS Charges for Exp Org 006630	Yes	126653	107001
	0100	141	005540	006630	107001	0000	0575	0812	59.82			Correct TRMS Charges for Exp Org 006630	Yes	126620	SSC GENERATOR
	0100	141	005540	006630	107001	0000	0575	0811	53.54			Correct TRMS Charges for Exp Org 006630	Yes	126620	ESC GENERATOR
	0100	122	003160	006630	107001	0000	0575	0698	31.02			Correct TRMS Charges for Exp Org 006630	Yes	126466	IT-01017310
	0110	105	018910	006630	107001	0000	0575	0901	14.94			Correct TRMS Charges for Exp Org 006630	Yes	125462	107001
	0100	111	002990	006630	107001	0000	0575	0321	1.78			Correct TRMS Charges for Exp Org 006630	Yes	117149	PROJENG
	0110	111	015795	006630	107001	0000	0575	0321	1.78			Correct TRMS Charges for Exp Org 006630	Yes	117150	PROJENG
	0100	141	008910	006630	107001	0000	0575	0999	32.13			Correct TRMS Charges for Exp Org 006630	Yes	125325	INVEST
	0110	111	015795	006630	107001	0000	0575	0321	1.78			Correct TRMS Charges for Exp Org 006630	Yes	121682	PE
	0100	111	002990	006630	107001	0000	0575	0321	1.78			Correct TRMS Charges for Exp Org 006630	Yes	121683	PE
	0100	121	003060	006630	108901	0000	0575	0698	26.67			Correct TRMS Charges for Exp Org 006630	Yes	122514	TELECOM-RM
	0100	111	008825	006630	426501	0000	0575	0401	6.65			Correct TRMS Charges for Exp Org 006630	Yes	GSBTL-LGE	BTLRELOC
	0110	105	018910	006630	426501	0000	0575	0000	9.96			Correct TRMS Charges for Exp Org 006630	Yes	119483	NON LABOR I BTL
	0110	111	018825	006630	426501	0000	0575	5591	6.65			Correct TRMS Charges for Exp Org 006630	Yes	GSBTL-KU	BTLRELOC
	0110	105	018910	006630	426501	0000	0575	0000	4.06			Correct TRMS Charges for Exp Org 006630	Yes	119485	NON LABOR I BTL

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			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	141	008910	006630	426501	0000	0575	0000	4.06			Correct TRMS Charges for Exp Org 006630	Yes	119029	NON LABOR I BTL
	0100	141	008910	006630	426501	0000	0575	0000	17.43			Correct TRMS Charges for Exp Org 006630	Yes	119025	NON LABOR I BTL
	0110	111	018820	006630	500900	0000	0575	5591	1.48			Correct TRMS Charges for Exp Org 006630	Yes	117544	I-STATIONS
	0100	111	008820	006630	500900	0000	0575	0401	1.48			Correct TRMS Charges for Exp Org 006630	Yes	117543	I-STATIONS
	0100	111	008825	006630	500900	0000	0575	0401	19.86			Correct TRMS Charges for Exp Org 006630	Yes	118131	5983461
	0110	111	018825	006630	500900	0000	0575	5591	13.10			Correct TRMS Charges for Exp Org 006630	Yes	118133	5983462
	0100	111	008827	006630	500900	0000	0575	0401	1.78			Correct TRMS Charges for Exp Org 006630	Yes	118169	MISC1
	0110	111	018827	006630	500900	0000	0575	5591	1.78			Correct TRMS Charges for Exp Org 006630	Yes	118164	MISC1
	0100	111	002650	006630	511100	0000	0575	0301	9.23			Correct TRMS Charges for Exp Org 006630	Yes	TC000STB	6196171
	0100	111	002650	006630	513100	0000	0575	0301	18.09			Correct TRMS Charges for Exp Org 006630	Yes	TC000PRD	6189302
	0100	111	002030	006630	513100	0000	0575	0101	2.59			Correct TRMS Charges for Exp Org 006630	Yes	CRPRD	6190882
	0100	111	002030	006630	513100	0000	0575	0101	9.97			Correct TRMS Charges for Exp Org 006630	Yes	CRPRD	6198828
	0100	111	005310	006630	514100	0000	0575	0401	3.32			Correct TRMS Charges for Exp Org 006630	Yes	112730	BOC MAINT-GEN
	0110	121	018830	006630	560900	0000	0575	0000	3.20			Correct TRMS Charges for Exp Org 006630	Yes	117598	I-EXPENSES
	0100	121	008830	006630	560900	0000	0575	0000	3.20			Correct TRMS Charges for Exp Org 006630	Yes	117597	I-EXPENSES
	0100	121	003040	006630	566100	0000	0575	0500	14.40			Correct TRMS Charges for Exp Org 006630	Yes	125354	DROPS-SIMPSONV
	0100	122	003200	006630	588100	0000	0575	0000	13.51			Correct TRMS Charges for Exp Org 006630	Yes	ADMSP320	ADMIN
	0100	122	003110	006630	595100	0000	0575	0000	6.28			Correct TRMS Charges for Exp Org 006630	Yes	113259	MISC-SHOP
	0100	131	004480	006630	818100	0000	0575	0721	15.51			Correct TRMS Charges for Exp Org 006630	Yes	101061	STAOPR
	0100	131	004600	006630	874001	0000	0575	0000	1.48			Correct TRMS Charges for Exp Org 006630	Yes	112422	GENADMIN
	0100	131	008810	006630	880100	0000	0575	0000	6.76			Correct TRMS Charges for Exp Org 006630	Yes	117622	OPER EXP
	0110	105	018850	006630	903001	0000	0575	0000	34.85			Correct TRMS Charges for Exp Org 006630	Yes	132592	GEN
	0100	141	008850	006630	903001	0000	0575	0000	34.85			Correct TRMS Charges for Exp Org 006630	Yes	132594	GEN
	0100	141	001120	006630	903007	0000	0575	0000	6.58			Correct TRMS Charges for Exp Org 006630	Yes	115550	BCO
	0100	141	008850	006630	903936	0000	0575	0000	6.76			Correct TRMS Charges for Exp Org 006630	Yes	117495	INQ
	0110	105	018910	006630	935391	0000	0575	0000	767.07			Correct TRMS Charges for Exp Org 006630	Yes	119479	DPS-LABOR I
	0004	000	009910	006630	935391	0000	0575	0000	6.77			Correct TRMS Charges for Exp Org 006630	Yes	CAP119017	SNAT-LABOR I
	0100	141	008910	006630	935391	0000	0575	0000	775.12			Correct TRMS Charges for Exp Org 006630	Yes	119017	LMR-LABOR I
	0100	141	008910	006630	935391	0000	0575	0000	768.51			Correct TRMS Charges for Exp Org 006630	Yes	119017	DPS-LABOR I
	0110	105	018910	006630	935391	0000	0575	0000	1,637.32			Correct TRMS Charges for Exp Org 006630	Yes	119479	SNAT-LABOR I
	0100	141	008910	006630	935391	0000	0575	0000	1,652.29			Correct TRMS Charges for Exp Org 006630	Yes	119017	SNAT-LABOR I
	0110	105	018910	006630	935391	0000	0575	0000	741.19			Correct TRMS Charges for Exp Org 006630	Yes	119479	LMR-LABOR I
	0100	303	008810	021015	184602	0000	0575	0000	128.70			Correct TRMS Charges for Exp Org 021015	Yes	117677	LE
	0110	303	018810	021015	184612	0000	0575	0000	128.71			Correct TRMS Charges for Exp Org 021015	Yes	117668	LE
	0110	122	018810	021015	580100	0000	0575	0000	128.71			Correct TRMS Charges for Exp Org 021015	Yes	117668	LABORE
	0100	122	008810	021015	580100	0000	0575	0000	128.70			Correct TRMS Charges for Exp Org 021015	Yes	117677	LABORE
	0100	122	008810	021035	588100	0000	0575	0000	12.56			Correct TRMS Charges for Exp Org 021035	Yes	117519	EXP

Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
	0100	303	008810	021045	184602	0000	0575	0000	47.13			Correct TRMS Charges for Exp Org 021045	Yes	117887	LABOR3
	0110	303	018810	021045	184602	0000	0575	0000	46.36			Correct TRMS Charges for Exp Org 021045	Yes	121875	LABOR2
	0100	122	008810	021045	580100	0000	0575	0000	93.49			Correct TRMS Charges for Exp Org 021045	Yes	117887	LABOR2
	0110	122	018810	021045	580100	0000	0575	0000	93.49			Correct TRMS Charges for Exp Org 021045	Yes	121875	LABOR1
	0100	131	008810	021045	880100	0000	0575	0000	93.47			Correct TRMS Charges for Exp Org 021045	Yes	117887	LABOR1
	0100	303	008810	021055	184602	0000	0575	0000	470.25			Correct TRMS Charges for Exp Org 021055	Yes	117667	LE
	0110	303	018810	021055	184612	0000	0575	0000	470.25			Correct TRMS Charges for Exp Org 021055	Yes	117890	LE
	0100	122	008810	021055	580900	0000	0575	0000	932.51			Correct TRMS Charges for Exp Org 021055	Yes	117667	LABORE
	0110	122	018810	021055	580900	0000	0575	0000	1,402.74			Correct TRMS Charges for Exp Org 021055	Yes	117890	LABOR
	0100	131	008810	021055	880900	0000	0575	0000	470.25			Correct TRMS Charges for Exp Org 021055	Yes	117667	LABORG
	0100	303	008810	021073	184602	0000	0575	0699		146.03		Correct TRMS Charges for Exp Org 021073	Yes	119743	PLANSCHLE
	0110	303	018810	021073	184602	0000	0575	0000		145.73		Correct TRMS Charges for Exp Org 021073	Yes	120138	PLANSCHLE
	0100	141	008850	021073	905001	0000	0575	0000		42.49		Correct TRMS Charges for Exp Org 021073	Yes	124803	GENERAL
	0110	105	018850	021073	905001	0000	0575	0000		42.50		Correct TRMS Charges for Exp Org 021073	Yes	124807	GENERAL
	0100	141	008850	021250	907001	0000	0575	0000		13.31		Correct TRMS Charges for Exp Org 021250	Yes	117489	EXPENSE
	0110	105	018850	021250	907001	0000	0575	0000		13.29		Correct TRMS Charges for Exp Org 021250	Yes	117490	EXPENSE
	0100	141	008850	021250	907900	0000	0575	0902		42.36		Correct TRMS Charges for Exp Org 021250	Yes	117489	EXP
	0110	105	018850	021250	907900	0000	0575	0902		42.37		Correct TRMS Charges for Exp Org 021250	Yes	117490	EXP
	0100	141	008840	021280	902001	0000	0575	0000	121.46			Correct TRMS Charges for Exp Org 021280	Yes	117513	EXPENSE
	0110	105	018840	021280	902001	0000	0575	0000	95.32			Correct TRMS Charges for Exp Org 021280	Yes	117514	EXPENSE
	0100	122	008840	021320	586100	0000	0575	0000	20.75			Correct TRMS Charges for Exp Org 021320	Yes	117515	EXPENSE
	0110	122	018840	021320	586100	0000	0575	0000	20.74			Correct TRMS Charges for Exp Org 021320	Yes	117516	EXPENSE
	0100	141	008850	021325	901001	0000	0575	0000	32.42			Correct TRMS Charges for Exp Org 021325	Yes	117507	EXPENSE
	0110	105	018850	021325	901001	0000	0575	0000	32.41			Correct TRMS Charges for Exp Org 021325	Yes	117508	EXPENSE
	0100	141	008850	021410	921903	0000	0575	0000	341.40			Correct TRMS Charges for Exp Org 021410	Yes	117501	PER-NL

Template Type: Functional Journal  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
	0100	111	002030	022025	513100	0000	0575	0101	37.27			Correct TRMS Charges for Exp Org 022025	Yes	CRTA	SERCOM
	0110	111	016520	022025	513100	0000	0575	5653	27.64			Correct TRMS Charges for Exp Org 022025	Yes	124858	6114144
	0100	111	002401	022025	513100	0000	0575	0201	4.91			Correct TRMS Charges for Exp Org 022025	Yes	MCTURBINE	MCCCOMMON
	0100	111	002401	022025	513100	0000	0575	0221	5.44			Correct TRMS Charges for Exp Org 022025	Yes	MCTURBINE	6185530
	0100	111	002401	022025	513100	0000	0575	0241	5.29			Correct TRMS Charges for Exp Org 022025	Yes	MCTURBINE	MC4
	0100	111	002401	022025	513100	0000	0575	0231	72.26			Correct TRMS Charges for Exp Org 022025	Yes	MCTURBINE	MC3
	0100	111	002401	022025	513100	0000	0575	0231	30.80			Correct TRMS Charges for Exp Org 022025	Yes	MC3S11TUR	6183438
	0100	111	002650	022025	513100	0000	0575	0311	4.98			Correct TRMS Charges for Exp Org 022025	Yes	TC-TA-	6123306
	0110	111	016520	022025	513100	0000	0575	5654	74.61			Correct TRMS Charges for Exp Org 022025	Yes	104590	5898829
	0110	111	016520	022025	513100	0000	0575	5652	3.65			Correct TRMS Charges for Exp Org 022025	Yes	104590	5892237
	0110	111	018820	022025	513900	0000	0575	5591	131.69			Correct TRMS Charges for Exp Org 022025	Yes	117604	COMMON
	0100	111	008820	022025	513900	0000	0575	0401	180.83			Correct TRMS Charges for Exp Org 022025	Yes	117603	COMMON
	0110	111	018825	022110	107001	0000	0575	5654	39.94			Correct TRMS Charges for Exp Org 022110	Yes	126638	107001
	0100	303	008825	022110	184600	0000	0575	0321	3.11			Correct TRMS Charges for Exp Org 022110	Yes	121300	6199155
	0100	303	008825	022110	184600	0000	0575	0201	0.61			Correct TRMS Charges for Exp Org 022110	Yes	121300	6115777
	0100	303	008825	022110	184600	0000	0575	0401	13.97			Correct TRMS Charges for Exp Org 022110	Yes	121300	6103837
	0100	303	008825	022110	184600	0000	0575	0401	21.09			Correct TRMS Charges for Exp Org 022110	Yes	121300	5983465
	0100	303	008825	022110	184600	0000	0575	0311	5.54			Correct TRMS Charges for Exp Org 022110	Yes	121300	5699547
	0100	303	008825	022110	184600	0000	0575	0301	7.56			Correct TRMS Charges for Exp Org 022110	Yes	121300	5343544
	0110	303	018825	022110	184600	0000	0575	5691	6.31			Correct TRMS Charges for Exp Org 022110	Yes	121295	6198689
	0110	303	018825	022110	184600	0000	0575	5623	5.14			Correct TRMS Charges for Exp Org 022110	Yes	121295	6163064
	0110	303	018825	022110	184600	0000	0575	5622	0.44			Correct TRMS Charges for Exp Org 022110	Yes	121295	6152802
	0110	303	018825	022110	184600	0000	0575	5620	2.00			Correct TRMS Charges for Exp Org 022110	Yes	121295	5365205
	0110	303	018825	022110	184600	0000	0575	5651	3.81			Correct TRMS Charges for Exp Org 022110	Yes	121295	5785270
	0110	303	018825	022110	184600	0000	0575	5591	21.31			Correct TRMS Charges for Exp Org 022110	Yes	121295	5983466
	0110	303	018825	022110	184600	0000	0575	5691	0.21			Correct TRMS Charges for Exp Org 022110	Yes	121295	6085362
	0110	303	018825	022110	184600	0000	0575	5591	18.86			Correct TRMS Charges for Exp Org 022110	Yes	121295	6103838
	0110	303	018825	022110	184600	0000	0575	5657	0.89			Correct TRMS Charges for Exp Org 022110	Yes	121295	6108454
	0110	303	018825	022110	184600	0000	0575	5657	1.22			Correct TRMS Charges for Exp Org 022110	Yes	121295	6108456
	0100	111	008825	022110	500900	0000	0575	0401	40.26			Correct TRMS Charges for Exp Org 022110	Yes	118131	5983461
	0110	111	018825	022110	500900	0000	0575	5591	0.57			Correct TRMS Charges for Exp Org 022110	Yes	118133	I-ADMIN
	0110	111	018825	022110	500900	0000	0575	5591	8.57			Correct TRMS Charges for Exp Org 022110	Yes	118133	5983475
	0110	111	018825	022110	500900	0000	0575	5591	21.43			Correct TRMS Charges for Exp Org 022110	Yes	118133	5983471
	0100	111	008825	022110	500900	0000	0575	0401	18.47			Correct TRMS Charges for Exp Org 022110	Yes	118131	5983470
	0100	111	008825	022110	500900	0000	0575	0401	1.01			Correct TRMS Charges for Exp Org 022110	Yes	118131	TRAINING
	0100	111	008825	022110	500900	0000	0575	0401	0.35			Correct TRMS Charges for Exp Org 022110	Yes	118131	I-ADMIN
	0100	111	008825	022110	500900	0000	0575	0401	7.94			Correct TRMS Charges for Exp Org 022110	Yes	118131	5983474

Template Type: Functional Journal  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	111	018825	022110	500900	0000	0575	5591	43.34			Correct TRMS Charges for Exp Org 022110	Yes	118133	5983462
	0110	111	018825	022110	510100	0000	0575	5591	15.01			Correct TRMS Charges for Exp Org 022110	Yes	118133	6058644
	0110	111	018825	022110	510100	0000	0575	5591	0.87			Correct TRMS Charges for Exp Org 022110	Yes	118133	6061954
	0100	111	008825	022110	510100	0000	0575	0401	19.99			Correct TRMS Charges for Exp Org 022110	Yes	118131	5310056
	0100	111	008825	022110	510100	0000	0575	0401	0.07			Correct TRMS Charges for Exp Org 022110	Yes	118131	5310075
	0100	111	008825	022110	510100	0000	0575	0401	3.10			Correct TRMS Charges for Exp Org 022110	Yes	118131	5310091
	0100	111	008825	022110	510100	0000	0575	0401	5.69			Correct TRMS Charges for Exp Org 022110	Yes	118131	5312625
	0100	111	008825	022110	510100	0000	0575	0401	9.46			Correct TRMS Charges for Exp Org 022110	Yes	118131	5327030
	0100	111	008825	022110	510100	0000	0575	0201	2.40			Correct TRMS Charges for Exp Org 022110	Yes	118131	5327078
	0100	111	008825	022110	510100	0000	0575	0301	3.17			Correct TRMS Charges for Exp Org 022110	Yes	118131	5379259
	0100	111	008825	022110	510100	0000	0575	0101	2.00			Correct TRMS Charges for Exp Org 022110	Yes	118131	5379260
	0100	111	008825	022110	510100	0000	0575	0401	15.40			Correct TRMS Charges for Exp Org 022110	Yes	118131	5671300
	0100	111	008825	022110	510100	0000	0575	0401	0.50			Correct TRMS Charges for Exp Org 022110	Yes	118131	5771588
	0100	111	008825	022110	510100	0000	0575	0401	8.23			Correct TRMS Charges for Exp Org 022110	Yes	118131	5774426
	0100	111	008825	022110	510100	0000	0575	0401	0.38			Correct TRMS Charges for Exp Org 022110	Yes	118131	5931240
	0100	111	008825	022110	510100	0000	0575	0401	34.14			Correct TRMS Charges for Exp Org 022110	Yes	118131	5981158
	0100	111	008825	022110	510100	0000	0575	0301	1.04			Correct TRMS Charges for Exp Org 022110	Yes	118131	5981212
	0100	111	008825	022110	510100	0000	0575	0161	0.46			Correct TRMS Charges for Exp Org 022110	Yes	118131	5992837
	0100	111	008825	022110	510100	0000	0575	0101	1.01			Correct TRMS Charges for Exp Org 022110	Yes	118131	5996723
	0100	111	008825	022110	510100	0000	0575	0301	1.21			Correct TRMS Charges for Exp Org 022110	Yes	118131	6004535
	0100	111	008825	022110	510100	0000	0575	0401	0.41			Correct TRMS Charges for Exp Org 022110	Yes	118131	6010576
	0100	111	008825	022110	510100	0000	0575	0101	1.09			Correct TRMS Charges for Exp Org 022110	Yes	118131	6061584
	0100	111	008825	022110	510100	0000	0575	0201	26.93			Correct TRMS Charges for Exp Org 022110	Yes	118131	6065034
	0100	111	008825	022110	510100	0000	0575	0101	0.10			Correct TRMS Charges for Exp Org 022110	Yes	118131	6065118
	0100	111	008825	022110	510100	0000	0575	0301	3.80			Correct TRMS Charges for Exp Org 022110	Yes	118131	6065120
	0100	111	008825	022110	510100	0000	0575	0401	0.95			Correct TRMS Charges for Exp Org 022110	Yes	118131	6067471
	0100	111	008825	022110	510100	0000	0575	0401	0.56			Correct TRMS Charges for Exp Org 022110	Yes	118131	6068779
	0100	111	008825	022110	510100	0000	0575	0401	12.96			Correct TRMS Charges for Exp Org 022110	Yes	118131	6074254
	0100	111	008825	022110	510100	0000	0575	0201	5.15			Correct TRMS Charges for Exp Org 022110	Yes	118131	6078933
	0100	111	008825	022110	510100	0000	0575	0401	0.10			Correct TRMS Charges for Exp Org 022110	Yes	118131	6085524
	0100	111	008825	022110	510100	0000	0575	0401	0.86			Correct TRMS Charges for Exp Org 022110	Yes	118131	6094695
	0100	111	008825	022110	510100	0000	0575	0401	2.92			Correct TRMS Charges for Exp Org 022110	Yes	118131	6100900
	0100	111	008825	022110	510100	0000	0575	0401	1.54			Correct TRMS Charges for Exp Org 022110	Yes	118131	6123257
	0100	111	008825	022110	510100	0000	0575	0401	1.76			Correct TRMS Charges for Exp Org 022110	Yes	118131	6152932
	0100	111	008825	022110	510100	0000	0575	0401	6.59			Correct TRMS Charges for Exp Org 022110	Yes	118131	6153053
	0100	111	008825	022110	510100	0000	0575	0201	0.50			Correct TRMS Charges for Exp Org 022110	Yes	118131	6153109
	0100	111	008825	022110	510100	0000	0575	0401	10.62			Correct TRMS Charges for Exp Org 022110	Yes	118131	6183700
	0100	111	008825	022110	510100	0000	0575	0101	1.22			Correct TRMS Charges for Exp Org 022110	Yes	118131	6185047
	0100	111	008825	022110	510100	0000	0575	0221	3.70			Correct TRMS Charges for Exp Org 022110	Yes	118131	6185537
	0100	111	008825	022110	510100	0000	0575	0401	1.38			Correct TRMS Charges for Exp Org 022110	Yes	118131	6185544
	0100	111	008825	022110	510100	0000	0575	0401	1.58			Correct TRMS Charges for Exp Org 022110	Yes	118131	6186496

Template Type: Functional Journal  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	008825	022110	510100	0000	0575	0231	17.31			Correct TRMS Charges for Exp Org 022110	Yes	118131	6200819
	0100	111	008825	022110	510100	0000	0575	0401	1.99			Correct TRMS Charges for Exp Org 022110	Yes	118131	6200830
	0100	111	008825	022110	510100	0000	0575	0401	1.22			Correct TRMS Charges for Exp Org 022110	Yes	118131	6203790
	0100	111	008825	022110	510100	0000	0575	0101	1.22			Correct TRMS Charges for Exp Org 022110	Yes	118131	6205409
	0100	111	008825	022110	510100	0000	0575	0161	8.35			Correct TRMS Charges for Exp Org 022110	Yes	118131	6205483
	0110	111	018825	022110	510100	0000	0575	5591	0.07			Correct TRMS Charges for Exp Org 022110	Yes	118133	5310083
	0110	111	018825	022110	510100	0000	0575	5591	3.70			Correct TRMS Charges for Exp Org 022110	Yes	118133	5310100
	0110	111	018825	022110	510100	0000	0575	5591	19.42			Correct TRMS Charges for Exp Org 022110	Yes	118133	5310348
	0110	111	018825	022110	510100	0000	0575	5591	6.21			Correct TRMS Charges for Exp Org 022110	Yes	118133	5312655
	0110	111	018825	022110	510100	0000	0575	5591	9.08			Correct TRMS Charges for Exp Org 022110	Yes	118133	5327048
	0110	111	018825	022110	510100	0000	0575	5657	4.96			Correct TRMS Charges for Exp Org 022110	Yes	118133	5327075
	0110	111	018825	022110	510100	0000	0575	5616	1.27			Correct TRMS Charges for Exp Org 022110	Yes	118133	5379255
	0110	111	018825	022110	510100	0000	0575	5620	9.32			Correct TRMS Charges for Exp Org 022110	Yes	118133	5379261
	0110	111	018825	022110	510100	0000	0575	5591	4.15			Correct TRMS Charges for Exp Org 022110	Yes	118133	5671306
	0110	111	018825	022110	510100	0000	0575	5651	9.79			Correct TRMS Charges for Exp Org 022110	Yes	118133	5771580
	0110	111	018825	022110	510100	0000	0575	5591	0.44			Correct TRMS Charges for Exp Org 022110	Yes	118133	5771585
	0110	111	018825	022110	510100	0000	0575	5591	14.33			Correct TRMS Charges for Exp Org 022110	Yes	118133	5774420
	0110	111	018825	022110	510100	0000	0575	5591	1.17			Correct TRMS Charges for Exp Org 022110	Yes	118133	5931238
	0110	111	018825	022110	510100	0000	0575	5657	0.50			Correct TRMS Charges for Exp Org 022110	Yes	118133	5964271
	0110	111	018825	022110	510100	0000	0575	5620	0.15			Correct TRMS Charges for Exp Org 022110	Yes	118133	5971483
	0110	111	018825	022110	510100	0000	0575	5591	36.62			Correct TRMS Charges for Exp Org 022110	Yes	118133	5981157
	0110	111	018825	022110	510100	0000	0575	5591	0.71			Correct TRMS Charges for Exp Org 022110	Yes	118133	6010583
	0110	111	018825	022110	510100	0000	0575	5657	7.54			Correct TRMS Charges for Exp Org 022110	Yes	118133	6065122
	0110	111	018825	022110	510100	0000	0575	5620	9.26			Correct TRMS Charges for Exp Org 022110	Yes	118133	6065124
	0110	111	018825	022110	510100	0000	0575	5616	3.29			Correct TRMS Charges for Exp Org 022110	Yes	118133	6065125
	0110	111	018825	022110	510100	0000	0575	5591	0.95			Correct TRMS Charges for Exp Org 022110	Yes	118133	6067472
	0110	111	018825	022110	510100	0000	0575	5591	0.66			Correct TRMS Charges for Exp Org 022110	Yes	118133	6068781
	0110	111	018825	022110	510100	0000	0575	5591	20.08			Correct TRMS Charges for Exp Org 022110	Yes	118133	6074259
	0110	111	018825	022110	510100	0000	0575	5591	0.10			Correct TRMS Charges for Exp Org 022110	Yes	118133	6085545
	0110	111	018825	022110	510100	0000	0575	5591	0.86			Correct TRMS Charges for Exp Org 022110	Yes	118133	6094696
	0110	111	018825	022110	510100	0000	0575	5591	3.07			Correct TRMS Charges for Exp Org 022110	Yes	118133	6100899
	0110	111	018825	022110	510100	0000	0575	5591	2.21			Correct TRMS Charges for Exp Org 022110	Yes	118133	6123268
	0110	111	018825	022110	510100	0000	0575	5591	3.69			Correct TRMS Charges for Exp Org 022110	Yes	118133	6152936
	0110	111	018825	022110	510100	0000	0575	5591	4.70			Correct TRMS Charges for Exp Org 022110	Yes	118133	6153054
	0110	111	018825	022110	510100	0000	0575	5620	2.44			Correct TRMS Charges for Exp Org 022110	Yes	118133	6153115
	0110	111	018825	022110	510100	0000	0575	5591	13.18			Correct TRMS Charges for Exp Org 022110	Yes	118133	6183701
	0110	111	018825	022110	510100	0000	0575	5616	7.21			Correct TRMS Charges for Exp Org 022110	Yes	118133	6183706
	0110	111	018825	022110	510100	0000	0575	5591	1.54			Correct TRMS Charges for Exp Org 022110	Yes	118133	6185542
	0110	111	018825	022110	510100	0000	0575	5653	4.84			Correct TRMS Charges for Exp Org 022110	Yes	118133	6200824
	0110	111	018825	022110	510100	0000	0575	5591	1.02			Correct TRMS Charges for Exp Org 022110	Yes	118133	6200834
	0110	111	018825	022110	510100	0000	0575	5591	1.22			Correct TRMS Charges for Exp Org 022110	Yes	118133	6203791

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Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	018825	022110	510100	0000	0575	5591	2.36			Correct TRMS Charges for Exp Org 022110	Yes	125090	5975743
	0100	111	008825	022110	510100	0000	0575	0221	0.57			Correct TRMS Charges for Exp Org 022110	Yes	125093	5973950
	0100	111	008825	022110	510100	0000	0575	0401	3.78			Correct TRMS Charges for Exp Org 022110	Yes	125098	5975766
	0110	111	018825	022110	510100	0000	0575	5591	26.12			Correct TRMS Charges for Exp Org 022110	Yes	125914	6000399
	0110	111	018825	022110	510100	0000	0575	5620	1.75			Correct TRMS Charges for Exp Org 022110	Yes	125914	6000456
	0110	111	018825	022110	510100	0000	0575	5657	1.93			Correct TRMS Charges for Exp Org 022110	Yes	125914	6000457
	0110	111	018825	022110	510100	0000	0575	5616	15.67			Correct TRMS Charges for Exp Org 022110	Yes	125914	6000458
	0110	111	018825	022110	510100	0000	0575	5605	11.11			Correct TRMS Charges for Exp Org 022110	Yes	125914	6000460
	0100	111	008825	022110	510100	0000	0575	0401	8.10			Correct TRMS Charges for Exp Org 022110	Yes	125915	6000389
	0100	111	008825	022110	510100	0000	0575	0201	4.43			Correct TRMS Charges for Exp Org 022110	Yes	125915	6000396
	0100	111	008825	022110	510100	0000	0575	0301	1.83			Correct TRMS Charges for Exp Org 022110	Yes	125915	6000397
	0110	111	018825	022110	510100	0000	0575	5591	0.72			Correct TRMS Charges for Exp Org 022110	Yes	126574	5975948
	0110	111	018825	022110	510100	0000	0575	5591	1.16			Correct TRMS Charges for Exp Org 022110	Yes	126575	5975649
	0100	111	008825	022110	510100	0000	0575	0401	1.01			Correct TRMS Charges for Exp Org 022110	Yes	126580	ADMIN
	0100	111	008825	022110	510100	0000	0575	0401	0.44			Correct TRMS Charges for Exp Org 022110	Yes	126580	5975942
	0100	111	008825	022110	510100	0000	0575	0401	0.95			Correct TRMS Charges for Exp Org 022110	Yes	126581	5975630
	0100	111	002401	022110	512005	0000	0575	0231	1.46			Correct TRMS Charges for Exp Org 022110	Yes	MCSDRS	6179455
	0110	111	018826	022800	501090	0000	0575	5591		59.81		Correct TRMS Charges for Exp Org 022800	Yes	117618	D-FLS CONTRC
	0100	111	008826	022800	501090	0000	0575	0401		66.39		Correct TRMS Charges for Exp Org 022800	Yes	117619	D-FLS CONTRC
	0100	111	008826	022810	501026	0000	0575	0201	1.60			Correct TRMS Charges for Exp Org 022810	Yes	117620	D-KOSMOSLBR3
	0110	111	018826	022810	501090	0000	0575	5591	0.70			Correct TRMS Charges for Exp Org 022810	Yes	117618	D-DIR FLS
	0100	111	008826	022810	501090	0000	0575	0401	0.86			Correct TRMS Charges for Exp Org 022810	Yes	117619	D-DIR-FLS
	0110	111	018826	022810	501990	0000	0575	5591	134.37			Correct TRMS Charges for Exp Org 022810	Yes	117618	I-DIR FLS
	0100	111	008826	022810	501990	0000	0575	0401	135.28			Correct TRMS Charges for Exp Org 022810	Yes	117619	I-DIR FLS
	0110	121	015870	022810	566900	0000	0575	4044	1.00			Correct TRMS Charges for Exp Org 022810	Yes	015870	MISCELLANEOUS
	0100	121	003010	023010	560900	0000	0575	0000		80.23		Correct TRMS Charges for Exp Org 023010	Yes	125135	I-LABOR
	0110	121	015830	023010	560900	0000	0575	0000		176.51		Correct TRMS Charges for Exp Org 023010	Yes	125136	I-LABOR
	0110	121	015850	023060	107001	0000	0575	5150	0.62			Correct TRMS Charges for Exp Org 023060	Yes	131390	INVEST
	0110	121	015850	023060	107001	0000	0575	5150	0.19			Correct TRMS Charges for Exp Org 023060	Yes	KBR-11	003-634-PRIN-IN
	0110	121	015850	023060	107001	0000	0575	5150	0.19			Correct TRMS Charges for Exp Org 023060	Yes	KBR-11	097-814-SPAD-IN
	0110	121	015850	023060	107001	0000	0575	5150	1.07			Correct TRMS Charges for Exp Org 023060	Yes	KBR-11	211-708-WFRK-IN
	0110	121	015850	023060	107001	0000	0575	5150	1.07			Correct TRMS Charges for Exp Org 023060	Yes	KRSUB-11	SPAREEQUIP-IN
	0110	121	015850	023060	107001	0000	0575	5150	2.23			Correct TRMS Charges for Exp Org 023060	Yes	KRSUB-11	159-602-WICK-IN



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Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	
	0110	121	015850	023060	107001	0000	0575	5150	0.30			Correct TRMS Charges for Exp Org 023060	Yes	KSTSVC11	123-SST-RPL-IN
	0110	121	015850	023060	107001	0000	0575	5150	0.82			Correct TRMS Charges for Exp Org 023060	Yes	KSTSVC11	165-SST-RPL-IN
	0100	121	003060	023060	107001	0000	0575	0500	4.98			Correct TRMS Charges for Exp Org 023060	Yes	LRSUB-10	MC-4501-BRKR-IN
	0110	121	015850	023060	107001	0000	0575	5150	1.33			Correct TRMS Charges for Exp Org 023060	Yes	KTRMUP-10	102-BRKR-REPL-IN
	0100	121	003010	023060	107001	0000	0575	0549	0.60			Correct TRMS Charges for Exp Org 023060	Yes	118209	TC4516 BKR-IN
	0100	121	003010	023060	107001	0000	0575	0549	0.22			Correct TRMS Charges for Exp Org 023060	Yes	118209	TC4516-44 BKR-IN
	0110	121	015850	023060	107001	0000	0575	5150	3.01			Correct TRMS Charges for Exp Org 023060	Yes	122177	107001
	0100	111	002401	023060	107001	0000	0575	0221	19.47			Correct TRMS Charges for Exp Org 023060	Yes	126128	6191909
	0110	121	015850	023060	107001	0000	0575	5150	4.32			Correct TRMS Charges for Exp Org 023060	Yes	126180	161-IN-NELI
	0110	121	015850	023060	107001	0000	0575	5150	5.64			Correct TRMS Charges for Exp Org 023060	Yes	126773	INVEST
	0110	121	015850	023060	107001	0000	0575	5150	0.78			Correct TRMS Charges for Exp Org 023060	Yes	126783	INVEST
	0110	121	015850	023060	107001	0000	0575	5150	21.11			Correct TRMS Charges for Exp Org 023060	Yes	126785	T&D
	0110	121	015850	023060	107001	0000	0575	5200	0.22			Correct TRMS Charges for Exp Org 023060	Yes	126795	INV BUDGET
	0110	121	015850	023060	107001	0000	0575	5200	0.20			Correct TRMS Charges for Exp Org 023060	Yes	126795	CAP BK IN/RM
	0110	121	015850	023060	107001	0000	0575	5150	1.07			Correct TRMS Charges for Exp Org 023060	Yes	126796	INV BUDGET
	0110	121	015850	023060	107001	0000	0575	5150	4.31			Correct TRMS Charges for Exp Org 023060	Yes	127162	107001-IN
	0100	121	003060	023060	107001	0000	0575	0901	2.93			Correct TRMS Charges for Exp Org 023060	Yes	127175	T&D
	0110	121	015850	023060	107001	0000	0575	5150	0.73			Correct TRMS Charges for Exp Org 023060	Yes	130011	107001
	0110	121	015850	023060	107001	0000	0575	5150	1.73			Correct TRMS Charges for Exp Org 023060	Yes	130895	INVEST
	0110	121	015850	023060	107001	0000	0575	5150	0.71			Correct TRMS Charges for Exp Org 023060	Yes	130895	BKR-912-IN
	0110	121	015850	023060	107001	0000	0575	5150	0.25			Correct TRMS Charges for Exp Org 023060	Yes	130895	BKR-914-IN
	0110	121	015850	023060	107001	0000	0575	5150	0.25			Correct TRMS Charges for Exp Org 023060	Yes	130895	BKR-924-IN
	0110	121	015850	023060	107001	0000	0575	5150	0.19			Correct TRMS Charges for Exp Org 023060	Yes	130895	BKR-934-IN
	0100	121	003060	023060	107001	0000	0575	0500	5.41			Correct TRMS Charges for Exp Org 023060	Yes	130898	INVEST
	0110	121	015850	023060	107001	0000	0575	5150	1.07			Correct TRMS Charges for Exp Org 023060	Yes	131327	INVEST
	0110	121	015850	023060	108901	0000	0575	5380	0.08			Correct TRMS Charges for Exp Org 023060	Yes	KBR-11	158-608-BOND-RM
	0110	121	015850	023060	108901	0000	0575	5150	0.85			Correct TRMS Charges for Exp Org 023060	Yes	KSTSVC11	165-SST-RPL-RM
	0110	121	015850	023060	108901	0000	0575	5150	1.04			Correct TRMS Charges for Exp Org 023060	Yes	KRSUB-10	111-BVLLMOS-R
	0100	303	008830	023060	184605	0000	0575	0420	31.13			Correct TRMS Charges for Exp Org 023060	Yes	117685	COH1
	0110	303	018830	023060	184605	0000	0575	4044	267.92			Correct TRMS Charges for Exp Org 023060	Yes	117686	COH1
	0100	121	003060	023060	560100	0000	0575	0000	2.72			Correct TRMS Charges for Exp Org 023060	Yes	111340	I-LABOR
	0110	121	015850	023060	560900	0000	0575	0000	11.79			Correct TRMS Charges for Exp Org 023060	Yes	111343	COMPLIANCE
	0110	121	015850	023060	560900	0000	0575	0000	0.91			Correct TRMS Charges for Exp Org 023060	Yes	111343	I-LABOR
	0100	121	003060	023060	560900	0000	0575	0000	3.19			Correct TRMS Charges for Exp Org 023060	Yes	111340	COMPLIANCE
	0110	121	018830	023060	560900	0000	0575	5691	17.26			Correct TRMS Charges for Exp Org 023060	Yes	117684	1A
	0100	121	008830	023060	560900	0000	0575	0420	2.45			Correct TRMS Charges for Exp Org 023060	Yes	117683	1A
	0100	121	003060	023060	562100	0000	0575	0000	7.97			Correct TRMS Charges for Exp Org 023060	Yes	112197	TPM-REL
	0110	121	015850	023060	566900	0000	0575	0000	1.29			Correct TRMS Charges for Exp Org 023060	Yes	111343	TRAIN
	0100	121	003060	023060	566900	0000	0575	0000	0.77			Correct TRMS Charges for Exp Org 023060	Yes	111340	TRAIN
	0100	121	003060	023060	570100	0000	0575	0000	0.93			Correct TRMS Charges for Exp Org 023060	Yes	111340	PROTTEST
	0110	121	015850	023060	570100	0000	0575	0000	0.38			Correct TRMS Charges for Exp Org 023060	Yes	112233	TPM TFR OIL

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			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015850	023060	570100	0000	0575	0000	1.71			Correct TRMS Charges for Exp Org 023060	Yes	111343	PROTTEST
	0110	121	015850	023060	570100	0000	0575	0000	36.06			Correct TRMS Charges for Exp Org 023060	Yes	112230	TPM REL
	0110	121	015850	023060	570100	0000	0575	5150	0.08			Correct TRMS Charges for Exp Org 023060	Yes	112240	6195398
	0110	121	015850	023060	570100	0000	0575	5150	0.08			Correct TRMS Charges for Exp Org 023060	Yes	112240	6195397
	0110	121	015850	023060	570100	0000	0575	4044	1.48			Correct TRMS Charges for Exp Org 023060	Yes	111343	TOM TRAINING
	0110	121	015850	023060	573100	0000	0575	4031	0.44			Correct TRMS Charges for Exp Org 023060	Yes	124902	EARLINGTON
	0110	121	015850	023060	573100	0000	0575	0000	11.79			Correct TRMS Charges for Exp Org 023060	Yes	111343	RTU SCALING
	0110	121	015850	023060	573100	0000	0575	0000	3.13			Correct TRMS Charges for Exp Org 023060	Yes	111343	OM-MISC
	0110	121	015850	023060	573100	0000	0575	4036	4.68			Correct TRMS Charges for Exp Org 023060	Yes	124902	PINEVILLE
	0100	121	003070	023070	107001	0000	0575	1999	6.19			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	MAR04-4535.I
	0100	121	003070	023070	107001	0000	0575	2000	11.50			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	MAR04-4560.I
	0100	121	003070	023070	107001	0000	0575	2000	4.57			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	STR43-6619.I
	0100	121	003070	023070	107001	0000	0575	2000	4.57			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	STR44-6690.I
	0100	121	003070	023070	107001	0000	0575	2000	10.18			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	STR88-89 6687.I
	0110	122	013660	023070	107001	0000	0575	5130	3.32			Correct TRMS Charges for Exp Org 023070	Yes	NBCD366UG	2777239101
	0110	121	015870	023070	107001	0000	0575	5200	4.86			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEB28STAN-SOM.I
	0110	121	015870	023070	107001	0000	0575	5200	2.22			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	MAR02MORG-WA
	0110	121	015870	023070	107001	0000	0575	5200	7.28			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	AUG05CRAB-BRO
	0110	121	015870	023070	107001	0000	0575	5200	2.43			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEB24MUHLCOTA
	0110	121	015870	023070	107001	0000	0575	5200	7.28			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	BRNCT-BARD.I
	0110	121	015870	023070	107001	0000	0575	5200	6.43			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	RICH-STR23.I
	0110	121	015870	023070	107001	0000	0575	5200	2.37			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	PAR-MILL395.I
	0110	121	015870	023070	107001	0000	0575	5200	17.53			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	DTS-GHT-WLEX.I
	0110	121	015870	023070	107001	0000	0575	5200	4.40			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	BRTWNBROWNCT
	0110	121	015870	023070	107001	0000	0575	5200	1.18			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	HORSECV611-799.
	0110	121	015870	023070	107001	0000	0575	5200	25.04			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	RKYBR-HRLN-REI
	0110	121	015870	023070	107001	0000	0575	5200	5.31			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	EF-WF.I
	0110	121	015870	023070	107001	0000	0575	5200	17.86			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	HC-ET.I
	0110	121	015870	023070	107001	0000	0575	5200	12.61			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	GRP-HILL.I
	0110	121	015870	023070	107001	0000	0575	5200	16.15			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	HILL-POWD.I
	0110	121	015870	023070	107001	0000	0575	5200	2.88			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	A-TY-STR28.I
	0110	121	015870	023070	107001	0000	0575	5200	16.82			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	PNV-RBOPGW.I
	0110	121	015870	023070	107001	0000	0575	5200	2.88			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	BRIDGEPORTSW.I
	0110	121	015870	023070	107001	0000	0575	5200	3.32			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	DIXLANC80-88.I
	0110	121	015870	023070	107001	0000	0575	5200	6.43			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	JANI9DOR-ARN.I
	0110	121	015870	023070	107001	0000	0575	5200	17.70			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	CRABORCHARDSV
	0110	121	015870	023070	107001	0000	0575	5200	21.91			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB22ROCK-CAW
	0110	121	015870	023070	107001	0000	0575	5200	2.43			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	MAR04MILL-MUR
	0110	121	015870	023070	107001	0000	0575	5200	2.22			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	MAR07ROSE-CAN

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Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015870	023070	107001	0000	0575	5200	1.53			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	P1STR128T9501.I
	0110	121	015870	023070	107001	0000	0575	5200	0.68			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	PINEHILLTAPP2.I
	0110	121	015870	023070	107001	0000	0575	5200	41.07			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	SEP03HAR-POCK.I
	0110	121	015870	023070	107001	0000	0575	5200	7.44			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	STR164LAN-DIX.I
	0110	121	015870	023070	107001	0000	0575	5200	4.86			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	ETOWN-ROGER13
	0110	121	015870	023070	107001	0000	0575	5200	11.94			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB10SPAD-CLIN.I
	0110	121	015870	023070	107001	0000	0575	5200	19.47			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB21-KDAM-LIV.I
	0110	121	015870	023070	107001	0000	0575	5200	3.54			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	GH-WL345BALMR
	0110	121	015870	023070	107001	0000	0575	5200	2.03			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	JAN13EFRK-WFRK
	0110	121	015870	023070	107001	0000	0575	5200	6.42			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	ROGERHARDIN18
	0110	121	015870	023070	107001	0000	0575	5200	3.39			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	STR120-122T133.I
	0100	121	003070	023070	107001	0000	0575	1999	3.76			Correct TRMS Charges for Exp Org 023070	Yes	L7-2011	MAR04-4535.I
	0100	121	003070	023070	107001	0000	0575	2000	3.76			Correct TRMS Charges for Exp Org 023070	Yes	L9-2010	JUN25423-815.I
	0100	121	003070	023070	107001	0000	0575	2000	14.32			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	JAN28-6617.I
	0110	121	015830	023070	107001	0000	0575	5200	5.75			Correct TRMS Charges for Exp Org 023070	Yes	118216	2
	0100	111	002020	023070	107001	0000	0575	0161	77.70			Correct TRMS Charges for Exp Org 023070	Yes	121620	LINERELC
	0110	121	015870	023070	107001	0000	0575	5200	0.44			Correct TRMS Charges for Exp Org 023070	Yes	122049	10701-T038
	0100	121	003070	023070	107001	0000	0575	2000	4.90			Correct TRMS Charges for Exp Org 023070	Yes	122513	I-T3845-TLLAB
	0100	121	003070	023070	107001	0000	0575	2000	3.39			Correct TRMS Charges for Exp Org 023070	Yes	122805	107001
	0100	121	003070	023070	107001	0000	0575	0698	43.00			Correct TRMS Charges for Exp Org 023070	Yes	123795	10701.T6658
	0100	121	003070	023070	107001	0000	0575	2000	9.14			Correct TRMS Charges for Exp Org 023070	Yes	123795	L6658.LABOR
	0110	121	015870	023070	107001	0000	0575	5200	25.54			Correct TRMS Charges for Exp Org 023070	Yes	125028	LT0110.TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	15.53			Correct TRMS Charges for Exp Org 023070	Yes	125677	10701.T054
	0110	121	015870	023070	107001	0000	0575	5200	31.94			Correct TRMS Charges for Exp Org 023070	Yes	125996	LT0089.TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	83.65			Correct TRMS Charges for Exp Org 023070	Yes	127080	I-GRE-OPGW-2010
	0100	121	002990	023070	107001	0000	0575	2000	9.74			Correct TRMS Charges for Exp Org 023070	Yes	127135	345KV.SUPPORT
	0110	121	015870	023070	107001	0000	0575	5200	5.25			Correct TRMS Charges for Exp Org 023070	Yes	127500	LT0110.TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	2.88			Correct TRMS Charges for Exp Org 023070	Yes	127512	T061.I
	0110	121	015870	023070	107001	0000	0575	5200	9.98			Correct TRMS Charges for Exp Org 023070	Yes	127556	LT119.TLLAB
	0110	121	015870	023070	107001	0000	0575	5350	25.72			Correct TRMS Charges for Exp Org 023070	Yes	127556	LT157.TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	3.55			Correct TRMS Charges for Exp Org 023070	Yes	130619	INSTALL.T0171
	0100	121	003060	023070	107001	0000	0575	0500	8.26			Correct TRMS Charges for Exp Org 023070	Yes	130898	INVEST
	0110	121	015870	023070	107001	0000	0575	5200	3.32			Correct TRMS Charges for Exp Org 023070	Yes	131144	I-T061-TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	3.55			Correct TRMS Charges for Exp Org 023070	Yes	131259	LT024.TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	42.93			Correct TRMS Charges for Exp Org 023070	Yes	131259	INSTALL.T024
	0110	121	015870	023070	107001	0000	0575	5200	17.70			Correct TRMS Charges for Exp Org 023070	Yes	131273	T061.I
	0110	121	015870	023070	107001	0000	0575	5200	24.34			Correct TRMS Charges for Exp Org 023070	Yes	131273	I-T061-TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	21.32			Correct TRMS Charges for Exp Org 023070	Yes	K5-2010	FORSTCRKJAD.I
	0110	121	015870	023070	107001	0000	0575	5200	6.42			Correct TRMS Charges for Exp Org 023070	Yes	K6-2011	DOTIKI.I
	0110	121	015870	023070	107001	0000	0575	5200	1.77			Correct TRMS Charges for Exp Org 023070	Yes	K7-2011	HIGBYTOWER.I
	0110	121	015830	023070	108901	0000	0575	5200	11.07			Correct TRMS Charges for Exp Org 023070	Yes	127260	MONROE.R

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			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015870	023070	108901	0000	0575	5350	14.04			Correct TRMS Charges for Exp Org 023070	Yes	127556	RT157.TLLAB
	0110	121	015870	023070	108901	0000	0575	5200	1.55			Correct TRMS Charges for Exp Org 023070	Yes	131273	T061.R
	0110	121	015870	023070	108901	0000	0575	5200	14.60			Correct TRMS Charges for Exp Org 023070	Yes	131273	R-T061-TLLAB
	0110	121	015870	023070	108901	0000	0575	5200	3.21			Correct TRMS Charges for Exp Org 023070	Yes	K5-2010	FORSTCRKJAD.R
	0110	121	015870	023070	108901	0000	0575	5200	1.55			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEBSTAN-SOM.R
	0110	121	015870	023070	108901	0000	0575	5200	22.87			Correct TRMS Charges for Exp Org 023070	Yes	127080	R-GRE-OPGW-2010
	0110	121	015830	023070	108901	0000	0575	5200	26.07			Correct TRMS Charges for Exp Org 023070	Yes	127260	CDH.R
	0100	121	003070	023070	108901	0000	0575	2000	1.33			Correct TRMS Charges for Exp Org 023070	Yes	L9-2010	JUN25423-815.R
	0110	121	015870	023070	108901	0000	0575	5200	0.33			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	STR120-122T133.R
	0110	121	015870	023070	108901	0000	0575	5200	1.18			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	JAN13EFRK-WFRK
	0110	121	015870	023070	108901	0000	0575	5200	5.98			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB21-KDAM-LIV.
	0110	121	015870	023070	108901	0000	0575	5200	3.32			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB10SPAD-CLIN.
	0110	121	015870	023070	108901	0000	0575	5200	3.21			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	STR164LAN-DIX.R
	0110	121	015870	023070	108901	0000	0575	5200	17.92			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	SEP03HAR-POCK.F
	0110	121	015870	023070	108901	0000	0575	5200	0.66			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	MAR07ROSE-CAN.
	0110	121	015870	023070	108901	0000	0575	5200	0.89			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	MAR04MILL-MUR
	0110	121	015870	023070	108901	0000	0575	5200	9.51			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB22ROCK-CAW.
	0110	121	015870	023070	108901	0000	0575	5200	0.66			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	MAR02MORG-WA
	0110	121	015870	023070	108901	0000	0575	5200	4.06			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	AUG05SCRAB-BRO
	0110	121	015870	023070	108901	0000	0575	5200	2.22			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEB24KYDAMSPA
	0110	121	015870	023070	108901	0000	0575	5200	0.66			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEB24KYDAMSPA
	0110	121	015870	023070	108901	0000	0575	5200	4.20			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEB24MUHLCOTA
	0110	121	015870	023070	108901	0000	0575	5200	1.53			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	BRNCT-BARD.R
	0110	121	015870	023070	108901	0000	0575	5200	3.55			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	RICH-STR23.R
	0110	121	015870	023070	108901	0000	0575	5200	1.18			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	PAR-MILL395.R
	0110	121	015870	023070	108901	0000	0575	5200	4.73			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	DTS-GHT-WLEX.R
	0110	121	015870	023070	108901	0000	0575	5200	1.18			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	HORSECV611-799.
	0110	121	015870	023070	108901	0000	0575	5200	6.43			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	RKYBR-HRLN-REI
	0110	121	015870	023070	108901	0000	0575	5200	5.98			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	HC-ET.R
	0110	121	015870	023070	108901	0000	0575	5200	0.68			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	A-TY-STR28.R
	0110	121	015870	023070	108901	0000	0575	5200	7.74			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	PNV-RBOPGW.R
	0110	121	015870	023070	108901	0000	0575	5200	0.44			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	DIXLANC80-88.R
	0110	121	015870	023070	108901	0000	0575	5200	5.31			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	CRABORCHARDSV
	0110	303	015870	023070	143022	0000	0575	0000	13.36			Correct TRMS Charges for Exp Org 023070	Yes	124415	EEI 12-2-10
	0100	303	004040	023070	184602	0000	0575	0699	6.09			Correct TRMS Charges for Exp Org 023070	Yes	ENCOH404	LE-RELIA
	0100	303	008830	023070	184605	0000	0575	0420	324.17			Correct TRMS Charges for Exp Org 023070	Yes	117687	COH
	0100	303	008830	023070	184605	0000	0575	0420	8.46			Correct TRMS Charges for Exp Org 023070	Yes	117685	COH1
	0100	303	008830	023070	184605	0000	0575	0420	0.66			Correct TRMS Charges for Exp Org 023070	Yes	117687	TRAINING
	0110	303	015870	023070	184605	0000	0575	5200	6.41			Correct TRMS Charges for Exp Org 023070	Yes	TRNG587	T1
	0110	303	018830	023070	184605	0000	0575	5200	1,844.93			Correct TRMS Charges for Exp Org 023070	Yes	117688	COH1
	0110	303	018830	023070	184605	0000	0575	5200	18.28			Correct TRMS Charges for Exp Org 023070	Yes	117688	TRAINING

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			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	303	003600	023070	186049	0000	0575	0000	0.89			Correct TRMS Charges for Exp Org 023070	Yes	119856	10-BILLTWN_UPG
	0110	121	015870	023070	560900	0000	0575	0000	80.73			Correct TRMS Charges for Exp Org 023070	Yes	015870	I-LABOR
	0100	121	003070	023070	560900	0000	0575	0000	32.46			Correct TRMS Charges for Exp Org 023070	Yes	03070	I-LABOR
	0110	121	015980	023070	561601	0000	0575	5190	11.69			Correct TRMS Charges for Exp Org 023070	Yes	126013	2010-023
	0110	121	015980	023070	561601	0000	0575	5190	11.50			Correct TRMS Charges for Exp Org 023070	Yes	126013	2010-024
	0110	121	015980	023070	561601	0000	0575	5190	4.08			Correct TRMS Charges for Exp Org 023070	Yes	126013	2010-019
	0110	121	015980	023070	561601	0000	0575	5190	11.82			Correct TRMS Charges for Exp Org 023070	Yes	126013	2010-020
	0110	121	015870	023070	563100	0000	0575	0000	83.09			Correct TRMS Charges for Exp Org 023070	Yes	KAP	56301
	0100	121	003070	023070	563100	0000	0575	2999	64.07			Correct TRMS Charges for Exp Org 023070	Yes	LAP	56301
	0110	121	015870	023070	563100	0000	0575	0000	8.63			Correct TRMS Charges for Exp Org 023070	Yes	015870	56301
	0110	121	015870	023070	571100	0000	0575	0000	51.95			Correct TRMS Charges for Exp Org 023070	Yes	KROW	56301
	0110	121	015870	023070	571100	0000	0575	0000	17.70			Correct TRMS Charges for Exp Org 023070	Yes	KCI	57120
	0100	121	003070	023070	571100	0000	0575	0000	47.83			Correct TRMS Charges for Exp Org 023070	Yes	LROW	56301
	0100	121	003070	023070	571100	0000	0575	2999	28.20			Correct TRMS Charges for Exp Org 023070	Yes	LROW	57102
	0110	121	015870	023070	571100	0000	0575	0000	14.20			Correct TRMS Charges for Exp Org 023070	Yes	STORMSK	BUDGET
	0110	121	015870	023070	571100	0000	0575	0000	161.44			Correct TRMS Charges for Exp Org 023070	Yes	KROW	57102
	0100	122	003110	023110	107001	0000	0575	0812	155.74			Correct TRMS Charges for Exp Org 023110	Yes	113270	A60409A
	0110	122	013010	023110	107001	0000	0575	5130	51.93			Correct TRMS Charges for Exp Org 023110	Yes	113305	TR
	0100	122	008810	023110	588900	0000	0575	0000	155.74			Correct TRMS Charges for Exp Org 023110	Yes	117876	SUPV
	0100	122	008810	023110	588900	0000	0575	0000	6.09			Correct TRMS Charges for Exp Org 023110	Yes	117876	TRAINING
	0110	122	018810	023110	588900	0000	0575	0000	51.93			Correct TRMS Charges for Exp Org 023110	Yes	117880	SUPV
	0110	122	018810	023110	588900	0000	0575	0000	6.10			Correct TRMS Charges for Exp Org 023110	Yes	117880	TRAINING
	0100	303	008810	023200	184602	0000	0575	0000		8.23		Correct TRMS Charges for Exp Org 023200	Yes	117888	LE
	0110	122	018810	023200	588900	0000	0575	0000		4.17		Correct TRMS Charges for Exp Org 023200	Yes	117891	ADMSP
	0100	122	008810	023200	588900	0000	0575	0000		20.62		Correct TRMS Charges for Exp Org 023200	Yes	117888	ADMSP
	0100	122	008810	023210	593004	0000	0575	0000	92.66			Correct TRMS Charges for Exp Org 023210	Yes	117694	LABOR
	0110	122	018810	023210	593004	0000	0575	0000	93.94			Correct TRMS Charges for Exp Org 023210	Yes	117662	LABOR
	0100	141	008995	025430	921902	0000	0575	0000	5,700.65			Correct TRMS Charges for Exp Org 025430	Yes	118394	NON LABOR I
	0100	303	008995	025450	163002	0000	0575	0000	14.29			Correct TRMS Charges for Exp Org 025450	Yes	118398	WAREHOUSE122
	0110	303	018995	025450	163002	0000	0575	0000	14.28			Correct TRMS Charges for Exp Org 025450	Yes	118399	WAREHOUSE122
	0100	303	008995	025450	163100	0000	0575	0000	22.97			Correct TRMS Charges for Exp Org 025450	Yes	118398	CLEARING122

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				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	303	018995	025450	163100	0000	0575	0000	35.75			Correct TRMS Charges for Exp Org 025450	Yes	118399	CLEARING122
	0100	141	008890	025510	921002	0000	0575	0000	1,283.81			Correct TRMS Charges for Exp Org 025510	Yes	117737	VEHICLE
	0110	303	015930	025530	184308	0000	0575	0000		977.18		Correct TRMS Charges for Exp Org 025530	Yes	X00002593	LOANERS
	0100	122	008890	025552	588100	0000	0575	0000		98.63		Correct TRMS Charges for Exp Org 025552	Yes	117578	LABOR-ELEC
	0100	131	008890	025552	880100	0000	0575	0000		98.62		Correct TRMS Charges for Exp Org 025552	Yes	117578	LABOR-GAS
	0100	122	008890	025553	588100	0000	0575	0000	2,686.17			Correct TRMS Charges for Exp Org 025553	Yes	117582	LABOR-ELEC
	0100	122	008890	025553	588100	0000	0575	0000	2,224.94			Correct TRMS Charges for Exp Org 025553	Yes	117583	LABOR-ELEC
	0100	131	008890	025553	880100	0000	0575	0000	1,037.49			Correct TRMS Charges for Exp Org 025553	Yes	117582	LABOR-GAS
	0100	141	008890	025554	921002	0000	0575	0000		230.01		Correct TRMS Charges for Exp Org 025554	Yes	117575	MILEAGE
	0100	141	008890	025560	921002	0000	0575	0000	2,537.11			Correct TRMS Charges for Exp Org 025560	Yes	117575	MILEAGE
	0100	303	004040	025580	184602	0000	0575	0699	55.65			Correct TRMS Charges for Exp Org 025580	Yes	121475	LE-ELECTRIC
	0100	503	004040	025580	184603	0000	0575	2299	55.64			Correct TRMS Charges for Exp Org 025580	Yes	121475	LE-GAS
	0100	141	008890	025590	921003	0000	0575	0000	44.19			Correct TRMS Charges for Exp Org 025590	Yes	117647	VEHICLE
	0100	141	008890	025593	921002	0000	0575	0000		32.41		Correct TRMS Charges for Exp Org 025593	Yes	117575	MILEAGE
	0100	141	008980	025620	921002	0000	0575	0000		442.14		Correct TRMS Charges for Exp Org 025620	Yes	118317	NON LABOR D
	0100	122	008810	025710	580100	0000	0575	0000	66.51			Correct TRMS Charges for Exp Org 025710	Yes	117692	LABORE
	0110	122	018810	025710	580100	0000	0575	0000	69.05			Correct TRMS Charges for Exp Org 025710	Yes	117665	LABOR
	0100	131	008810	025710	880100	0000	0575	0000	52.11			Correct TRMS Charges for Exp Org 025710	Yes	117692	LABORG
	0100	141	008840	025710	925004	0000	0575	0000	9.72			Correct TRMS Charges for Exp Org 025710	Yes	117521	EXPENSE

Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	105	018840	025710	925004	0000	0575	0000	9.71			Correct TRMS Charges for Exp Org 025710	Yes	117522	EXPENSE
	0100	141	008910	026610	921002	0000	0575	0000		484.12		Correct TRMS Charges for Exp Org 026610	Yes	119017	TRMS ALLOC
	0100	141	004390	026630	107001	0000	0575	0902		1.28		Correct TRMS Charges for Exp Org 026630	Yes	126386	GEN
	0004	000	009910	026630	107001	0000	0575	0000		0.03		Correct TRMS Charges for Exp Org 026630	Yes	CAP132041	107001
	0004	000	009910	026630	107001	0000	0575	0000		1.07		Correct TRMS Charges for Exp Org 026630	Yes	CAP125388	107001
	0110	105	015110	026630	107001	0000	0575	5190		1.26		Correct TRMS Charges for Exp Org 026630	Yes	132440	IT
	0100	141	008910	026630	107001	0000	0575	0902		0.39		Correct TRMS Charges for Exp Org 026630	Yes	132198	107001
	0110	105	018910	026630	107001	0000	0575	0902		0.40		Correct TRMS Charges for Exp Org 026630	Yes	132042	107001
	0100	141	008910	026630	107001	0000	0575	0902		0.37		Correct TRMS Charges for Exp Org 026630	Yes	132041	107001
	0110	122	013040	026630	107001	0000	0575	5100		2.23		Correct TRMS Charges for Exp Org 026630	Yes	130673	107001RTUSCADA
	0110	105	018910	026630	107001	0000	0575	0902		0.22		Correct TRMS Charges for Exp Org 026630	Yes	130174	107001
	0100	141	008910	026630	107001	0000	0575	0902		0.22		Correct TRMS Charges for Exp Org 026630	Yes	130173	107001
	0100	141	008910	026630	107001	0000	0575	0902		3.40		Correct TRMS Charges for Exp Org 026630	Yes	130034	107001
	0100	111	008825	026630	107001	0000	0575	0242		0.71		Correct TRMS Charges for Exp Org 026630	Yes	126653	107001
	0110	111	018825	026630	107001	0000	0575	5591		1.20		Correct TRMS Charges for Exp Org 026630	Yes	126639	107001
	0110	122	013040	026630	107001	0000	0575	5100		0.32		Correct TRMS Charges for Exp Org 026630	Yes	126534	107001D429
	0100	122	003160	026630	107001	0000	0575	0698		0.48		Correct TRMS Charges for Exp Org 026630	Yes	126466	JT-01017310
	0110	105	018995	026630	107001	0000	0575	0901		0.19		Correct TRMS Charges for Exp Org 026630	Yes	125644	CAPITAL
	0100	141	008995	026630	107001	0000	0575	0901		0.19		Correct TRMS Charges for Exp Org 026630	Yes	125643	CAPITAL
	0110	105	018910	026630	107001	0000	0575	0901		0.58		Correct TRMS Charges for Exp Org 026630	Yes	125460	107001
	0100	141	008910	026630	107001	0000	0575	0901		0.58		Correct TRMS Charges for Exp Org 026630	Yes	125445	107001
	0110	105	018910	026630	107001	0000	0575	0901		3.08		Correct TRMS Charges for Exp Org 026630	Yes	125436	107001
	0100	141	008910	026630	107001	0000	0575	0901		3.08		Correct TRMS Charges for Exp Org 026630	Yes	125388	107001
	0100	111	002140	026630	107001	0000	0575	0432		3.46		Correct TRMS Charges for Exp Org 026630	Yes	124410	6137060
	0110	111	015730	026630	107001	0000	0575	5623		8.53		Correct TRMS Charges for Exp Org 026630	Yes	123557	PROJENG
	0100	111	002020	026630	107001	0000	0575	0161		1.81		Correct TRMS Charges for Exp Org 026630	Yes	121620	COMM TOWER
	0110	111	015730	026630	107001	0000	0575	5630		0.69		Correct TRMS Charges for Exp Org 026630	Yes	120210	PROJENG
	0110	121	016900	026630	566900	0000	0575	5150		5.62		Correct TRMS Charges for Exp Org 026630	Yes	125156	SIMPFIRE
	0100	121	003020	026630	566900	0000	0575	0500		3.73		Correct TRMS Charges for Exp Org 026630	Yes	125155	SIMPFIRE
	0100	131	004500	026630	875100	0000	0575	0000		0.39		Correct TRMS Charges for Exp Org 026630	Yes	100922	OER
	0004	000	009910	026630	935391	0000	0575	0000		0.30		Correct TRMS Charges for Exp Org 026630	Yes	CAP119017	DPS-LABOR I
	0004	000	009910	026630	935391	0000	0575	0000		1.30		Correct TRMS Charges for Exp Org 026630	Yes	CAP119017	SNAT-LABOR I
	0100	141	008910	026630	935391	0000	0575	0000		28.54		Correct TRMS Charges for Exp Org 026630	Yes	119017	DPS-LABOR I
	0100	141	008910	026630	935391	0000	0575	0000		28.72		Correct TRMS Charges for Exp Org 026630	Yes	119017	SNA DN I
	0100	141	008910	026630	935391	0000	0575	0000		3.54		Correct TRMS Charges for Exp Org 026630	Yes	119017	LMR-LABOR I
	0100	141	008910	026630	935391	0000	0575	0000		55.21		Correct TRMS Charges for Exp Org 026630	Yes	119017	SNAT-LABOR I
	0100	141	008910	026630	935391	0000	0575	0000		3.42		Correct TRMS Charges for Exp Org 026630	Yes	119017	CELLP-LABOR I

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Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	105	018910	026630	935391	0000	0575	0000		29.47		Correct TRMS Charges for Exp Org 026630	Yes	119479	SNA DN I
	0110	105	018910	026630	935391	0000	0575	0000		28.86		Correct TRMS Charges for Exp Org 026630	Yes	119479	DPS-LABOR I
	0004	000	009910	026630	935391	0000	0575	0000		2.55		Correct TRMS Charges for Exp Org 026630	Yes	CAP119017	SNA DN I
	0110	105	018910	026630	935391	0000	0575	0000		3.42		Correct TRMS Charges for Exp Org 026630	Yes	119479	CELLP-LABOR I
	0110	105	018910	026630	935391	0000	0575	0000		54.99		Correct TRMS Charges for Exp Org 026630	Yes	119479	SNAT-LABOR I
	0110	105	018910	026630	935391	0000	0575	0000		3.54		Correct TRMS Charges for Exp Org 026630	Yes	119479	LMR-LABOR I
	0110	105	018910	026630	935488	0000	0575	0000		1.51		Correct TRMS Charges for Exp Org 026630	Yes	119482	INTERNET SUPP I
	0100	141	008910	026630	935488	0000	0575	0000		0.90		Correct TRMS Charges for Exp Org 026630	Yes	119023	INTERNET SUPP I
	0004	000	009910	026630	935488	0000	0575	0000		0.03		Correct TRMS Charges for Exp Org 026630	Yes	CAP119023	INTERNET SUPP I
	0100	141	008925	026925	921003	0000	0575	0000	149.43			Correct TRMS Charges for Exp Org 026925	Yes	123628	NON LABOR
	0110	111	018880	029660	556100	0000	0575	0000	1.11			Correct TRMS Charges for Exp Org 029660	Yes	117535	D-UTLLAB
	0110	111	018880	029660	556900	0000	0575	0000	32.19			Correct TRMS Charges for Exp Org 029660	Yes	117535	I-UTLLAB
	0100	111	008880	029660	556900	0000	0575	0000	22.25			Correct TRMS Charges for Exp Org 029660	Yes	117534	I-UTLLABOR
	0100	141	005550	029750	107001	0000	0575	0906	0.05			Correct TRMS Charges for Exp Org 029750	Yes	132587	PROJ MGMT
	0100	111	002990	029750	107001	0000	0575	0321	0.11			Correct TRMS Charges for Exp Org 029750	Yes	117149	AE
	0100	111	002990	029750	107001	0000	0575	0321	15.99			Correct TRMS Charges for Exp Org 029750	Yes	117149	PROJENG
	0110	111	015795	029750	107001	0000	0575	0321	0.43			Correct TRMS Charges for Exp Org 029750	Yes	117150	AE
	0110	111	015795	029750	107001	0000	0575	0321	52.86			Correct TRMS Charges for Exp Org 029750	Yes	117150	PROJENG
	0110	111	015730	029750	107001	0000	0575	5660	0.13			Correct TRMS Charges for Exp Org 029750	Yes	118251	PROJENG
	0110	111	015730	029750	107001	0000	0575	5620	4.05			Correct TRMS Charges for Exp Org 029750	Yes	119961	PROJENG
	0110	111	015730	029750	107001	0000	0575	5658	2.43			Correct TRMS Charges for Exp Org 029750	Yes	119962	PROJENG
	0110	111	015730	029750	107001	0000	0575	5661	0.43			Correct TRMS Charges for Exp Org 029750	Yes	120208	AE
	0110	111	015730	029750	107001	0000	0575	5661	35.14			Correct TRMS Charges for Exp Org 029750	Yes	120208	PROJENG
	0110	111	015730	029750	107001	0000	0575	5657	10.63			Correct TRMS Charges for Exp Org 029750	Yes	120209	PROJENG
	0110	111	015730	029750	107001	0000	0575	5630	0.13			Correct TRMS Charges for Exp Org 029750	Yes	120210	AE
	0110	111	015730	029750	107001	0000	0575	5630	27.93			Correct TRMS Charges for Exp Org 029750	Yes	120210	PROJENG
	0100	111	002020	029750	107001	0000	0575	0161	3.55			Correct TRMS Charges for Exp Org 029750	Yes	121620	PROJENG
	0110	111	015795	029750	107001	0000	0575	0321	0.11			Correct TRMS Charges for Exp Org 029750	Yes	121682	AE
	0110	111	015795	029750	107001	0000	0575	0321	7.62			Correct TRMS Charges for Exp Org 029750	Yes	121682	PE
	0110	111	015795	029750	107001	0000	0575	0321	7.76			Correct TRMS Charges for Exp Org 029750	Yes	121682	PROJENG
	0100	111	002990	029750	107001	0000	0575	0321	0.05			Correct TRMS Charges for Exp Org 029750	Yes	121683	AE
	0100	111	002990	029750	107001	0000	0575	0321	4.27			Correct TRMS Charges for Exp Org 029750	Yes	121683	PE
	0100	111	002990	029750	107001	0000	0575	0321	9.47			Correct TRMS Charges for Exp Org 029750	Yes	121683	PROJENG
	0100	111	002990	029750	107001	0000	0575	0321	0.03			Correct TRMS Charges for Exp Org 029750	Yes	121684	AE
	0100	111	002990	029750	107001	0000	0575	0321	4.23			Correct TRMS Charges for Exp Org 029750	Yes	121684	PROJENG



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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	015795	029750	107001	0000	0575	0321	0.13			Correct TRMS Charges for Exp Org 029750	Yes	121685	AE
	0110	111	015795	029750	107001	0000	0575	0321	25.01			Correct TRMS Charges for Exp Org 029750	Yes	121685	PROJENG
	0110	111	015730	029750	107001	0000	0575	5657	16.35			Correct TRMS Charges for Exp Org 029750	Yes	122609	PROJENG
	0110	111	015730	029750	107001	0000	0575	5623	0.30			Correct TRMS Charges for Exp Org 029750	Yes	123557	AE
	0110	111	015730	029750	107001	0000	0575	5623	37.48			Correct TRMS Charges for Exp Org 029750	Yes	123557	PROJENG
	0110	111	015730	029750	107001	0000	0575	5623	0.69			Correct TRMS Charges for Exp Org 029750	Yes	123557	SO3MITIGATION
	0100	111	002401	029750	107001	0000	0575	0231	1.42			Correct TRMS Charges for Exp Org 029750	Yes	123946	6098889
	0100	111	002401	029750	107001	0000	0575	0231	0.80			Correct TRMS Charges for Exp Org 029750	Yes	124060	5986389
	0110	111	015730	029750	107001	0000	0575	5620	0.13			Correct TRMS Charges for Exp Org 029750	Yes	125101	AE
	0110	111	015730	029750	107001	0000	0575	5620	14.96			Correct TRMS Charges for Exp Org 029750	Yes	125101	PROJENG
	0100	141	008910	029750	107001	0000	0575	0902	0.55			Correct TRMS Charges for Exp Org 029750	Yes	125348	107001
	0110	105	018910	029750	107001	0000	0575	0902	0.59			Correct TRMS Charges for Exp Org 029750	Yes	125534	107001
	0100	111	002401	029750	107001	0000	0575	0231	0.24			Correct TRMS Charges for Exp Org 029750	Yes	126143	6130358
	0100	141	005540	029750	107001	0000	0575	0811	2.14			Correct TRMS Charges for Exp Org 029750	Yes	126620	ESC GENERATOR
	0100	141	005540	029750	107001	0000	0575	0812	2.63			Correct TRMS Charges for Exp Org 029750	Yes	126620	SSC GENERATOR
	0100	111	002020	029750	107001	0000	0575	0451	4.93			Correct TRMS Charges for Exp Org 029750	Yes	127092	PROJENG
	0110	111	015795	029750	107001	0000	0575	0321	1.31			Correct TRMS Charges for Exp Org 029750	Yes	127134	PE
	0100	111	002990	029750	107001	0000	0575	0321	1.34			Correct TRMS Charges for Exp Org 029750	Yes	127135	PE
	0100	111	002990	029750	107001	0000	0575	0321	2.40			Correct TRMS Charges for Exp Org 029750	Yes	127136	PROJENG
	0110	111	015795	029750	107001	0000	0575	0321	1.39			Correct TRMS Charges for Exp Org 029750	Yes	127137	PROJENG
	0100	111	002020	029750	107001	0000	0575	0451	4.82			Correct TRMS Charges for Exp Org 029750	Yes	127205	PROJENG
	0100	111	002020	029750	107001	0000	0575	0172	3.90			Correct TRMS Charges for Exp Org 029750	Yes	127559	PROJENG
	0110	111	015730	029750	107001	0000	0575	0172	3.86			Correct TRMS Charges for Exp Org 029750	Yes	127560	PROJENG
	0100	111	002401	029750	107001	0000	0575	0231	0.91			Correct TRMS Charges for Exp Org 029750	Yes	127641	6144909
	0100	111	002020	029750	107001	0000	0575	0242	0.16			Correct TRMS Charges for Exp Org 029750	Yes	130478	AE
	0100	111	002020	029750	107001	0000	0575	0242	19.67			Correct TRMS Charges for Exp Org 029750	Yes	130478	PROJENG
	0100	111	002020	029750	107001	0000	0575	0241	0.08			Correct TRMS Charges for Exp Org 029750	Yes	130892	PROJENG
	0110	111	015730	029750	107001	0000	0575	5651	0.88			Correct TRMS Charges for Exp Org 029750	Yes	130905	PROJENG
	0110	111	015730	029750	107001	0000	0575	5652	0.88			Correct TRMS Charges for Exp Org 029750	Yes	130906	PROJENG
	0110	111	015730	029750	107001	0000	0575	5653	0.88			Correct TRMS Charges for Exp Org 029750	Yes	130907	PROJENG
	0110	111	015730	029750	107001	0000	0575	5654	0.88			Correct TRMS Charges for Exp Org 029750	Yes	130909	PROJENG
	0100	111	002020	029750	107001	0000	0575	0211	0.41			Correct TRMS Charges for Exp Org 029750	Yes	131693	MC1
	0100	111	002020	029750	107001	0000	0575	0221	0.41			Correct TRMS Charges for Exp Org 029750	Yes	131693	MC2
	0100	111	002020	029750	107001	0000	0575	0231	0.41			Correct TRMS Charges for Exp Org 029750	Yes	131693	MC3
	0100	111	002020	029750	107001	0000	0575	0241	0.41			Correct TRMS Charges for Exp Org 029750	Yes	131693	MC4
	0100	111	002020	029750	107001	0000	0575	0201	4.15			Correct TRMS Charges for Exp Org 029750	Yes	131693	PROJENG
	0110	111	015730	029750	107001	0000	0575	5591	4.90			Correct TRMS Charges for Exp Org 029750	Yes	131694	PROJENG
	0110	121	015920	029750	107001	0000	0575	5150	1.29			Correct TRMS Charges for Exp Org 029750	Yes	132213	GENERATOR
	0110	111	015730	029750	107001	0000	0575	5623	1.58			Correct TRMS Charges for Exp Org 029750	Yes	132371	PROJENG
	0110	105	015110	029750	107001	0000	0575	5190	0.24			Correct TRMS Charges for Exp Org 029750	Yes	132440	PROJ MGMT
	0100	111	008827	029750	500900	0000	0575	0401	1.50			Correct TRMS Charges for Exp Org 029750	Yes	118169	PPL SOURCE L

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Journal Name	Text: <b>J201-0100-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	018827	029750	500900	0000	0575	5591	2.70			Correct TRMS Charges for Exp Org 029750	Yes	118164	PELABOR
	0100	111	008827	029750	500900	0000	0575	0401	1.53			Correct TRMS Charges for Exp Org 029750	Yes	118169	ENVIRON COMPL
	0110	111	018827	029750	500900	0000	0575	5591	2.59			Correct TRMS Charges for Exp Org 029750	Yes	118164	TRAINING1
	0110	111	018827	029750	500900	0000	0575	5591	3.36			Correct TRMS Charges for Exp Org 029750	Yes	118164	PPL SOURCE L
	0110	111	018827	029750	500900	0000	0575	5591	1.53			Correct TRMS Charges for Exp Org 029750	Yes	118164	ENVIRON COMPL
	0100	111	008827	029750	500900	0000	0575	0401	0.38			Correct TRMS Charges for Exp Org 029750	Yes	118169	TRAINING1
	0100	111	008827	029750	500900	0000	0575	0401	3.09			Correct TRMS Charges for Exp Org 029750	Yes	118169	PELABOR
	0100	111	002480	029750	506100	0000	0575	0201	5.54			Correct TRMS Charges for Exp Org 029750	Yes	MCMMAINT	EDGLABOR
	0100	111	002401	029750	512100	0000	0575	0231	0.27			Correct TRMS Charges for Exp Org 029750	Yes	MC3S11PB	6183357
	0100	111	002401	029750	513100	0000	0575	0231	0.08			Correct TRMS Charges for Exp Org 029750	Yes	MC3S11TUR	6183438
	0100	121	008827	029750	560900	0000	0575	0401	7.52			Correct TRMS Charges for Exp Org 029750	Yes	118169	LABOR1
	0110	121	018827	029750	560900	0000	0575	5591	5.46			Correct TRMS Charges for Exp Org 029750	Yes	118164	LABOR1
	0004	000	009910	026774	107001	0000	0575	0000	1.39			Correct TRMS Charges for Exp Org 026774	Yes	CAP132041	107001
	0100	141	008910	026774	107001	0000	0575	0902	39.23			Correct TRMS Charges for Exp Org 026774	Yes	132041	107001
	0110	105	018910	026774	107001	0000	0575	0901	37.15			Correct TRMS Charges for Exp Org 026774	Yes	125489	107001
	0004	000	009910	026774	935488	0000	0575	0000	31.64			Correct TRMS Charges for Exp Org 026774	Yes	CAP119017	DO SUPP ANALYS
	0100	141	008910	026774	935488	0000	0575	0000	345.64			Correct TRMS Charges for Exp Org 026774	Yes	119017	DO SUPP ANALYS
	0110	105	018910	026774	935488	0000	0575	0000	350.07			Correct TRMS Charges for Exp Org 026774	Yes	119479	DO SUPP ANALYS
									<b>88,673.03</b>	<b>88,673.03</b>	<b>0.00</b>				

Description: Correct inter-departmental TRMS allocations for January 2011 and March 2011 that were incorrect due to incorrect percentages applied in TRMS import costs program.

Prepared By: Tom Bush 11/02/11

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** OFMSPROD

<b>Category</b>	List - Text: <b>Prior Period Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>31-Oct-11</b>
<b>Group ID</b>	Value: <b>8386</b>
<b>Batch Name</b>	Text: <b>TAB</b>
<b>Journal Name</b>	Text: <b>J201-0100-1011</b>
<b>Journal Description</b>	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text

Upload/concurrent ID: 25180945

Posted/Concurrent ID: \_\_\_\_\_

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	011018	011018	593004	0000	0575	5130	191.83			Correct TRMS Charges for Exp Org 011018	Yes	111422	DANVL
	0110	122	011018	011018	593004	0000	0575	5130	784.16			Correct TRMS Charges for Exp Org 011018	Yes	111422	LEXOC
	0110	122	011018	011018	593004	0000	0575	5130	461.70			Correct TRMS Charges for Exp Org 011018	Yes	111422	EARLTN
	0110	122	011018	011018	593004	0000	0575	5130	178.07			Correct TRMS Charges for Exp Org 011018	Yes	111422	LONDON
	0110	122	011018	011018	593004	0000	0575	5130	248.49			Correct TRMS Charges for Exp Org 011018	Yes	111422	MAYSVL
	0110	122	011018	011018	593004	0000	0575	0000	241.59			Correct TRMS Charges for Exp Org 011018	Yes	111422	MIDWAY
	0110	122	011018	011018	593004	0000	0575	5130	232.38			Correct TRMS Charges for Exp Org 011018	Yes	111422	NORTON
	0110	122	011018	011018	593004	0000	0575	5130	258.34			Correct TRMS Charges for Exp Org 011018	Yes	111422	PINEVL
	0110	122	011018	011018	593004	0000	0575	5130	259.44			Correct TRMS Charges for Exp Org 011018	Yes	111422	RICHMD
	0110	122	011018	011018	593004	0000	0575	5130	168.04			Correct TRMS Charges for Exp Org 011018	Yes	132583	A
	0110	105	011065	011065	901001	0000	0575	0000	142.38			Correct TRMS Charges for Exp Org 011065	Yes	115542	BOMS
	0110	105	011065	011065	903003	0000	0575	0000	179.29			Correct TRMS Charges for Exp Org 011065	Yes	115542	BOS
	0110	105	011065	011065	903003	0000	0575	0000	264.60			Correct TRMS Charges for Exp Org 011065	Yes	115542	BCO
	0110	105	011065	011065	903030	0000	0575	0000	12.28			Correct TRMS Charges for Exp Org 011065	Yes	115542	VOIP
	0110	121	015850	011090	107001	0000	0575	5150	177.22			Correct TRMS Charges for Exp Org 011090	Yes	KRSUB-11	159-602-WICK-IN
	0110	121	015870	011090	107001	0000	0575	5200	10.93			Correct TRMS Charges for Exp Org 011090	Yes	K8-2011	MAR20EAR-GRN.I
	0100	121	003060	011090	107001	0000	0575	0901	413.30			Correct TRMS Charges for Exp Org 011090	Yes	127175	T&D
	0110	121	015850	011090	107001	0000	0575	5150	850.24			Correct TRMS Charges for Exp Org 011090	Yes	126785	T&D
	0110	122	011090	011090	107001	0000	0575	5100	392.25			Correct TRMS Charges for Exp Org 011090	Yes	126517	107001D803
	0110	121	015850	011090	107001	0000	0575	5150	114.23			Correct TRMS Charges for Exp Org 011090	Yes	126180	161-IN-NELI
	0110	121	015850	011090	107001	0000	0575	5150	12.76			Correct TRMS Charges for Exp Org 011090	Yes	KSURGE-11	159-T351SA-IN
	0110	122	011090	011090	107001	0000	0575	5100	42.82			Correct TRMS Charges for Exp Org 011090	Yes	130652	INS EDDYPRISON
	0110	122	011560	011090	107001	0000	0575	5130	46.01			Correct TRMS Charges for Exp Org 011090	Yes	130884	2264525101
	0110	121	015850	011090	108901	0000	0575	5150	40.09			Correct TRMS Charges for Exp Org 011090	Yes	KRSUB-11	159-602-WICK-RM
	0110	303	011090	011090	163002	0000	0575	0000	20.50			Correct TRMS Charges for Exp Org 011090	Yes	111724	STORES
	0110	303	011090	011090	184612	0000	0575	0000	8.20			Correct TRMS Charges for Exp Org 011090	Yes	111775	184612
	0110	121	015850	011090	562100	0000	0575	5150	26.88			Correct TRMS Charges for Exp Org 011090	Yes	112227	6198846
	0110	121	015850	011090	562100	0000	0575	5150	134.39			Correct TRMS Charges for Exp Org 011090	Yes	112228	6198794
	0110	121	015850	011090	562100	0000	0575	5150	45.56			Correct TRMS Charges for Exp Org 011090	Yes	112228	6198821
	0110	121	015850	011090	562100	0000	0575	5150	28.25			Correct TRMS Charges for Exp Org 011090	Yes	112227	6198845
	0110	121	015850	011090	562100	0000	0575	5150	29.61			Correct TRMS Charges for Exp Org 011090	Yes	112228	6198826
	0110	121	015850	011090	566100	0000	0575	0000	501.12			Correct TRMS Charges for Exp Org 011090	Yes	112236	TCM ADM
	0110	121	015850	011090	566100	0000	0575	0000	685.20			Correct TRMS Charges for Exp Org 011090	Yes	112218	TPM ADM
	0110	121	015850	011090	570100	0000	0575	0000	16.40			Correct TRMS Charges for Exp Org 011090	Yes	112375	TPM STA OIL
	0110	121	015850	011090	570100	0000	0575	0000	9.11			Correct TRMS Charges for Exp Org 011090	Yes	112246	TCM OCB
	0110	121	015850	011090	570100	0000	0575	5150	6.38			Correct TRMS Charges for Exp Org 011090	Yes	112246	6203400
	0110	121	015850	011090	570100	0000	0575	5150	11.39			Correct TRMS Charges for Exp Org 011090	Yes	112246	6190952
	0110	121	015850	011090	570100	0000	0575	5150	35.31			Correct TRMS Charges for Exp Org 011090	Yes	112244	1335939

Template Type: Functional Journal  
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Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015850	011090	570100	0000	0575	0000	55.58			Correct TRMS Charges for Exp Org 011090	Yes	112241	TCM DS
	0110	121	015850	011090	570100	0000	0575	5150	46.01			Correct TRMS Charges for Exp Org 011090	Yes	112240	5886588
	0110	121	015850	011090	570100	0000	0575	0000	10.02			Correct TRMS Charges for Exp Org 011090	Yes	112233	TPM TFR OIL
	0110	121	015850	011090	570100	0000	0575	0000	410.37			Correct TRMS Charges for Exp Org 011090	Yes	112232	TPM STA INSP
	0110	121	015850	011090	570100	0000	0575	0000	20.96			Correct TRMS Charges for Exp Org 011090	Yes	112228	TPM OCB OH
	0110	121	015850	011090	570100	0000	0575	0000	30.07			Correct TRMS Charges for Exp Org 011090	Yes	112226	TPM OCB OIL
	0110	121	015850	011090	570100	0000	0575	5150	71.83			Correct TRMS Charges for Exp Org 011090	Yes	112221	TPM FAC
	0110	121	015850	011090	570100	0000	0575	0000	2.73			Correct TRMS Charges for Exp Org 011090	Yes	112220	TPM DS
	0110	121	015850	011090	570100	0000	0575	0000	102.76			Correct TRMS Charges for Exp Org 011090	Yes	112219	TPM DCS
	0110	121	015850	011090	573100	0000	0575	0000	66.97			Correct TRMS Charges for Exp Org 011090	Yes	112242	TCM ENV
	0110	122	011090	011090	582100	0000	0575	5100	20.04			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194288
	0110	122	011090	011090	582100	0000	0575	5100	20.04			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194292
	0110	122	011090	011090	582100	0000	0575	5100	30.07			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194301
	0110	122	011090	011090	582100	0000	0575	5100	16.85			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194302
	0110	122	011090	011090	582100	0000	0575	5100	16.85			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194303
	0110	122	011090	011090	582100	0000	0575	5100	40.09			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194307
	0110	122	011090	011090	582100	0000	0575	5100	40.09			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194323
	0110	122	011090	011090	582100	0000	0575	5100	33.71			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194325
	0110	122	011090	011090	582100	0000	0575	5100	16.85			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194326
	0110	122	011090	011090	582100	0000	0575	5100	16.85			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194327
	0110	122	011090	011090	582100	0000	0575	5100	16.85			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194328
	0110	122	011090	011090	582100	0000	0575	5100	51.94			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194333
	0110	122	011090	011090	582100	0000	0575	5100	20.04			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194334
	0110	122	011090	011090	582100	0000	0575	5100	57.86			Correct TRMS Charges for Exp Org 011090	Yes	112126	6194339
	0110	122	011090	011090	582100	0000	0575	0000	54.21			Correct TRMS Charges for Exp Org 011090	Yes	112370	DPM STA OIL
	0110	122	011019	011090	582100	0000	0575	0000	17.99			Correct TRMS Charges for Exp Org 011090	Yes	120343	34PM DCS
	0110	122	011019	011090	582100	0000	0575	0000	29.99			Correct TRMS Charges for Exp Org 011090	Yes	120357	34PM STA INSP
	0110	122	015740	011090	582100	0000	0575	0000	10.93			Correct TRMS Charges for Exp Org 011090	Yes	122283	COPPER EARL
	0110	122	011090	011090	582100	0000	0575	0000	1,029.71			Correct TRMS Charges for Exp Org 011090	Yes	112096	PM-D ADMIN
	0110	122	011090	011090	582100	0000	0575	0000	80.22			Correct TRMS Charges for Exp Org 011090	Yes	112100	DPM DCS
	0110	122	011090	011090	582100	0000	0575	0000	59.10			Correct TRMS Charges for Exp Org 011090	Yes	112102	DPM FAC
	0110	122	011090	011090	582100	0000	0575	5100	17.31			Correct TRMS Charges for Exp Org 011090	Yes	112110	6194293
	0110	122	011090	011090	582100	0000	0575	5100	14.58			Correct TRMS Charges for Exp Org 011090	Yes	112110	6194294
	0110	122	011090	011090	582100	0000	0575	5100	17.31			Correct TRMS Charges for Exp Org 011090	Yes	112110	6194304
	0110	122	011090	011090	582100	0000	0575	5100	11.39			Correct TRMS Charges for Exp Org 011090	Yes	112110	6194309
	0110	122	011090	011090	582100	0000	0575	5100	11.39			Correct TRMS Charges for Exp Org 011090	Yes	112110	6194311
	0110	122	011090	011090	582100	0000	0575	0000	20.50			Correct TRMS Charges for Exp Org 011090	Yes	112113	DPM RCL RM
	0110	122	011090	011090	582100	0000	0575	0000	349.22			Correct TRMS Charges for Exp Org 011090	Yes	112114	DPM RCL OH
	0110	122	011090	011090	582100	0000	0575	5100	9.95			Correct TRMS Charges for Exp Org 011090	Yes	112116	6092134
	0110	122	011090	011090	582100	0000	0575	0000	140.19			Correct TRMS Charges for Exp Org 011090	Yes	112116	DPM REG OH
	0110	122	011090	011090	582100	0000	0575	0000	499.19			Correct TRMS Charges for Exp Org 011090	Yes	112119	DPM STA INSP

Template Type: Functional Journal  
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Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	122	011090	011090	582100	0000	0575	0000	99.88			Correct TRMS Charges for Exp Org 011090	Yes	112120	TFR-OIL
	0110	122	011090	011090	588100	0000	0575	0000	390.44			Correct TRMS Charges for Exp Org 011090	Yes	111706	CL
	0110	122	011090	011090	588100	0000	0575	0000	207.91			Correct TRMS Charges for Exp Org 011090	Yes	111706	TRAIN
	0110	122	011090	011090	588100	0000	0575	0000	308.94			Correct TRMS Charges for Exp Org 011090	Yes	111706	HSP
	0110	122	011090	011090	592100	0000	0575	0000	369.58			Correct TRMS Charges for Exp Org 011090	Yes	112127	CM-D ADMIN
	0110	122	011090	011090	592100	0000	0575	5100	5.01			Correct TRMS Charges for Exp Org 011090	Yes	112129	6198856
	0110	122	011090	011090	592100	0000	0575	0000	6.38			Correct TRMS Charges for Exp Org 011090	Yes	112133	DCM DS
	0110	122	011090	011090	592100	0000	0575	5100	34.17			Correct TRMS Charges for Exp Org 011090	Yes	112133	6199717
	0110	122	011090	011090	592100	0000	0575	0000	19.14			Correct TRMS Charges for Exp Org 011090	Yes	112139	DCM PAN
	0110	122	011090	011090	592100	0000	0575	0000	30.07			Correct TRMS Charges for Exp Org 011090	Yes	112140	DCM REC
	0110	122	011090	011090	592100	0000	0575	5100	16.85			Correct TRMS Charges for Exp Org 011090	Yes	112141	6201550
	0110	122	011090	011090	592100	0000	0575	5100	7.29			Correct TRMS Charges for Exp Org 011090	Yes	112141	6208219
	0110	122	011090	011090	592100	0000	0575	0000	13.21			Correct TRMS Charges for Exp Org 011090	Yes	112144	DCM TFR
	0110	122	011090	011090	592100	0000	0575	5100	10.02			Correct TRMS Charges for Exp Org 011090	Yes	112146	6201551
	0110	122	011090	011090	592100	0000	0575	5100	10.93			Correct TRMS Charges for Exp Org 011090	Yes	112146	6203401
	0110	122	011090	011090	592100	0000	0575	0000	19.47			Correct TRMS Charges for Exp Org 011090	Yes	112147	DCM VCB
	0110	122	011090	011090	592100	0000	0575	0000	86.60			Correct TRMS Charges for Exp Org 011090	Yes	112148	D-ENVIRO
	0110	122	013150	011345	588100	0000	0575	0000	20.52			Correct TRMS Charges for Exp Org 011345	Yes	HLTSAF315	HSP
	0110	105	011345	011345	903008	0000	0575	0000	847.03			Correct TRMS Charges for Exp Org 011345	Yes	115572	ITD
	0110	122	012360	011370	107001	0000	0575	5130	212.24			Correct TRMS Charges for Exp Org 011370	Yes	NBSV236UG	I
	0110	122	012360	011370	107001	0000	0575	5130	168.13			Correct TRMS Charges for Exp Org 011370	Yes	NBSV236OH	I
	0110	122	011560	011370	107001	0000	0575	5130	66.79			Correct TRMS Charges for Exp Org 011370	Yes	STLT156	FIELDSV
	0110	122	013085	011370	580100	0000	0575	5130	16.54			Correct TRMS Charges for Exp Org 011370	Yes	STRM13660	032311-PSRT
	0110	122	011370	011370	586100	0000	0575	0000	48,406.06			Correct TRMS Charges for Exp Org 011370	Yes	115564	FSI
	0110	122	011370	011370	586100	0000	0575	0000	8.27			Correct TRMS Charges for Exp Org 011370	Yes	122636	DISTRIBUTION
	0110	122	011370	011370	586100	0000	0575	0000	168.13			Correct TRMS Charges for Exp Org 011370	Yes	115564	LUMPSUM
	0110	122	011370	011370	586100	0000	0575	0000	914.69			Correct TRMS Charges for Exp Org 011370	Yes	115564	BUDGET
	0110	122	011370	011370	586100	0000	0575	0000	594.07			Correct TRMS Charges for Exp Org 011370	Yes	115564	TRAIN
	0110	122	011370	011370	586100	0000	0575	0000	159.87			Correct TRMS Charges for Exp Org 011370	Yes	115564	MISC
	0100	122	001295	011370	586100	0000	0575	0000	914.69			Correct TRMS Charges for Exp Org 011370	Yes	115563	BUDGET
	0110	122	012360	011370	593002	0000	0575	5130	30.32			Correct TRMS Charges for Exp Org 011370	Yes	PMINSP236	PM
	0110	122	013660	011370	593002	0000	0575	5130	40.96			Correct TRMS Charges for Exp Org 011370	Yes	TBRD366OH	M
	0110	122	013085	011370	593003	0000	0575	5330	16.54			Correct TRMS Charges for Exp Org 011370	Yes	STRM17660	030911-WIND
	0110	105	013180	011370	902001	0000	0575	0000	526.02			Correct TRMS Charges for Exp Org 011370	Yes	115561	MRI
	0110	105	013180	011370	902001	0000	0575	0000	14.81			Correct TRMS Charges for Exp Org 011370	Yes	115561	TRAIN
	0110	121	015870	011560	107001	0000	0575	5200	106.03			Correct TRMS Charges for Exp Org 011560	Yes	K9-2011	FEB21-KDAM-LIV.
	0110	122	011560	011560	107001	0000	0575	5130	901.29			Correct TRMS Charges for Exp Org 011560	Yes	POLD156	I
	0110	122	011560	011560	107001	0000	0575	5130	726.46			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	I

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	011560	011560	107001	0000	0575	5130	450.63			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	208195401
	0110	122	011560	011560	107001	0000	0575	5130	87.10			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	2656290101
	0110	122	011560	011560	107001	0000	0575	5130	268.86			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	274578401
	0110	122	011560	011560	107001	0000	0575	5130	7.57			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	2785930101
	0110	122	011560	011560	107001	0000	0575	5130	109.82			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	279777401
	0110	122	011560	011560	107001	0000	0575	5130	18.94			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	280694401
	0110	122	011560	011560	107001	0000	0575	5130	18.94			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	280824101
	0110	122	011560	011560	107001	0000	0575	5130	7.57			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	280888401
	0110	122	011560	011560	107001	0000	0575	5130	2,104.76			Correct TRMS Charges for Exp Org 011560	Yes	STLT156	I
	0110	122	011560	011560	107001	0000	0575	5130	240.51			Correct TRMS Charges for Exp Org 011560	Yes	XFRM156	I
	0110	122	011560	011560	107001	0000	0575	5130	488.79			Correct TRMS Charges for Exp Org 011560	Yes	RNTPD156	I
	0110	122	011560	011560	107001	0000	0575	5130	1,303.37			Correct TRMS Charges for Exp Org 011560	Yes	NBCD156OH	I
	0110	122	011560	011560	107001	0000	0575	5130	112.37			Correct TRMS Charges for Exp Org 011560	Yes	NBCD156UG	I
	0110	122	011560	011560	107001	0000	0575	5130	2,977.65			Correct TRMS Charges for Exp Org 011560	Yes	NBRD156OH	I
	0110	122	011560	011560	107001	0000	0575	5130	257.50			Correct TRMS Charges for Exp Org 011560	Yes	NBRD156OH	166631901
	0110	122	011560	011560	107001	0000	0575	5130	535.26			Correct TRMS Charges for Exp Org 011560	Yes	NBRD156UG	I
	0110	122	011560	011560	107001	0000	0575	5130	1,998.33			Correct TRMS Charges for Exp Org 011560	Yes	NBSV156OH	I
	0110	122	011560	011560	107001	0000	0575	5130	1,927.70			Correct TRMS Charges for Exp Org 011560	Yes	NBSV156UG	I
	0110	122	011560	011560	107001	0000	0575	5130	6,122.52			Correct TRMS Charges for Exp Org 011560	Yes	RDDD156OH	I
	0110	122	011560	011560	107001	0000	0575	5130	69.41			Correct TRMS Charges for Exp Org 011560	Yes	RDDD156UG	I
	0110	122	011560	011560	107001	0000	0575	5130	2,501.73			Correct TRMS Charges for Exp Org 011560	Yes	RDPOLD156	I
	0110	122	011560	011560	107001	0000	0575	5130	6,182.50			Correct TRMS Charges for Exp Org 011560	Yes	RDPOLE156	I
	0110	122	011560	011560	107001	0000	0575	5130	1,132.50			Correct TRMS Charges for Exp Org 011560	Yes	RDSTLT156	I
	0110	122	011560	011560	107001	0000	0575	5130	224.33			Correct TRMS Charges for Exp Org 011560	Yes	RELD156OH	I
	0110	122	013085	011560	107001	0000	0575	5130	60.59			Correct TRMS Charges for Exp Org 011560	Yes	STRM11560	022811-I
	0110	122	011560	011560	107001	0000	0575	5130	322.86			Correct TRMS Charges for Exp Org 011560	Yes	SYSENH156	I
	0110	122	011560	011560	107001	0000	0575	5130	122.29			Correct TRMS Charges for Exp Org 011560	Yes	SYSENH156	239726801
	0110	122	011560	011560	107001	0000	0575	5130	45.44			Correct TRMS Charges for Exp Org 011560	Yes	SYSENH156	281423701
	0110	122	011560	011560	107001	0000	0575	5130	37.87			Correct TRMS Charges for Exp Org 011560	Yes	TBRD156OH	I
	0110	122	011560	011560	107001	0000	0575	5130	1,153.93			Correct TRMS Charges for Exp Org 011560	Yes	TRBORD156	I
	0110	122	010610	011560	107001	0000	0575	5130	147.69			Correct TRMS Charges for Exp Org 011560	Yes	123136	EAROC-PI 11
	0110	121	015850	011560	107001	0000	0575	5150	18.94			Correct TRMS Charges for Exp Org 011560	Yes	126180	161-IN-NEL.I
	0110	122	011090	011560	107001	0000	0575	5100	833.10			Correct TRMS Charges for Exp Org 011560	Yes	126517	107001D803
	0110	121	015870	011560	107001	0000	0575	5200	109.20			Correct TRMS Charges for Exp Org 011560	Yes	127080	I-GRE-OPGW-2010
	0110	122	011560	011560	107001	0000	0575	5130	22.72			Correct TRMS Charges for Exp Org 011560	Yes	130884	I
	0110	122	011560	011560	107001	0000	0575	5130	1,447.67			Correct TRMS Charges for Exp Org 011560	Yes	130884	226452501
	0110	122	011560	011560	107001	0000	0575	5130	97.29			Correct TRMS Charges for Exp Org 011560	Yes	FUSE156	I
	0110	121	015870	011560	107001	0000	0575	5200	196.91			Correct TRMS Charges for Exp Org 011560	Yes	K8-2011	MAR20EAR-GRN.I
	0110	121	015870	011560	107001	0000	0575	5200	34.08			Correct TRMS Charges for Exp Org 011560	Yes	K8-2011	MAR02MORG-WA
	0110	122	011560	011560	108901	0000	0575	5130	97.98			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	R
	0110	122	011560	011560	108901	0000	0575	5130	134.81			Correct TRMS Charges for Exp Org 011560	Yes	TRBORD156	R

Template Type: Functional Journal  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	011560	011560	108901	0000	0575	5130	30.29			Correct TRMS Charges for Exp Org 011560	Yes	SYSENH156	2397268R02
	0110	122	011560	011560	108901	0000	0575	5130	18.94			Correct TRMS Charges for Exp Org 011560	Yes	SYSENH156	R
	0110	122	011560	011560	108901	0000	0575	5130	85.16			Correct TRMS Charges for Exp Org 011560	Yes	XFRM156	R
	0110	122	011560	011560	108901	0000	0575	5130	22.72			Correct TRMS Charges for Exp Org 011560	Yes	NBCD156OH	R
	0110	122	011560	011560	108901	0000	0575	5130	690.26			Correct TRMS Charges for Exp Org 011560	Yes	RDPOLE156	R
	0110	122	011560	011560	108901	0000	0575	5130	178.67			Correct TRMS Charges for Exp Org 011560	Yes	RDPOLD156	R
	0110	122	011560	011560	108901	0000	0575	5130	46.27			Correct TRMS Charges for Exp Org 011560	Yes	RDDD156UG	R
	0110	122	011560	011560	108901	0000	0575	5130	687.50			Correct TRMS Charges for Exp Org 011560	Yes	RDDD156OH	R
	0110	122	011560	011560	108901	0000	0575	5130	26.51			Correct TRMS Charges for Exp Org 011560	Yes	NBSV156UG	R
	0110	122	011560	011560	108901	0000	0575	5130	61.49			Correct TRMS Charges for Exp Org 011560	Yes	RNTPD156	R
	0110	122	011560	011560	108901	0000	0575	5130	686.26			Correct TRMS Charges for Exp Org 011560	Yes	NBSV156OH	R
	0110	122	011560	011560	108901	0000	0575	5130	806.59			Correct TRMS Charges for Exp Org 011560	Yes	130884	2264525R02
	0110	122	011560	011560	108901	0000	0575	5130	179.29			Correct TRMS Charges for Exp Org 011560	Yes	POLD156	R
	0110	122	011560	011560	108901	0000	0575	5130	26.03			Correct TRMS Charges for Exp Org 011560	Yes	RDSTLT156	R
	0110	122	011560	011560	108901	0000	0575	5130	59.14			Correct TRMS Charges for Exp Org 011560	Yes	NBRD156OH	R
	0110	303	011560	011560	143022	0000	0575	5130	278.17			Correct TRMS Charges for Exp Org 011560	Yes	BTM156	265617601
	0110	303	015326	011560	163002	0000	0575	0000	329.05			Correct TRMS Charges for Exp Org 011560	Yes	108438	LABOR122
	0110	303	015326	011560	163100	0000	0575	0000	109.69			Correct TRMS Charges for Exp Org 011560	Yes	108440	LABOR122
	0110	303	011560	011560	184612	0000	0575	0000	2,471.70			Correct TRMS Charges for Exp Org 011560	Yes	MNCOH156	LE
	0110	303	011560	011560	184612	0000	0575	0000	3,506.03			Correct TRMS Charges for Exp Org 011560	Yes	ENCOH156	LE
	0110	303	011560	011560	184612	0000	0575	0000	5,188.25			Correct TRMS Charges for Exp Org 011560	Yes	NBCOH156	LE
	0110	121	015870	011560	566100	0000	0575	0000	11.36			Correct TRMS Charges for Exp Org 011560	Yes	015870	56601
	0110	121	015850	011560	570100	0000	0575	0000	41.65			Correct TRMS Charges for Exp Org 011560	Yes	112241	TCM DS
	0110	121	015870	011560	571100	0000	0575	0000	397.62			Correct TRMS Charges for Exp Org 011560	Yes	STORMSK	BUDGET
	0110	121	015870	011560	571100	0000	0575	0000	643.76			Correct TRMS Charges for Exp Org 011560	Yes	KROW	57102
	0110	122	011560	011560	583001	0000	0575	0000	18.94			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	O
	0110	122	011560	011560	583001	0000	0575	5130	447.69			Correct TRMS Charges for Exp Org 011560	Yes	TRBORD156	O
	0110	122	011560	011560	583001	0000	0575	5130	132.20			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	2735159O01
	0110	122	011560	011560	583001	0000	0575	5130	51.02			Correct TRMS Charges for Exp Org 011560	Yes	NRINSP156	O
	0110	122	011560	011560	583001	0000	0575	5130	59.14			Correct TRMS Charges for Exp Org 011560	Yes	SWITCH156	O
	0110	122	011560	011560	583001	0000	0575	5130	156.16			Correct TRMS Charges for Exp Org 011560	Yes	LINLOC156	O
	0110	122	013085	011560	583001	0000	0575	5130	34.08			Correct TRMS Charges for Exp Org 011560	Yes	STRM11560	022811-MOL
	0110	122	011560	011560	583001	0000	0575	5130	1,636.58			Correct TRMS Charges for Exp Org 011560	Yes	ADMSP156	O
	0110	122	011560	011560	583001	0000	0575	5130	54.39			Correct TRMS Charges for Exp Org 011560	Yes	RDSTLT156	O
	0110	122	011560	011560	583001	0000	0575	0000	1,683.83			Correct TRMS Charges for Exp Org 011560	Yes	PMINSP156	O
	0110	122	011370	011560	586100	0000	0575	0000	36.36			Correct TRMS Charges for Exp Org 011560	Yes	122636	DISTRIBUTION
	0110	122	011560	011560	588100	0000	0575	5130	701.36			Correct TRMS Charges for Exp Org 011560	Yes	TRNG156	T
	0110	122	011560	011560	588100	0000	0575	0000	2,029.80			Correct TRMS Charges for Exp Org 011560	Yes	HLTSAF156	HSP
	0110	122	011090	011560	592100	0000	0575	5100	56.80			Correct TRMS Charges for Exp Org 011560	Yes	112133	6199717
	0110	122	011560	011560	593001	0000	0575	5130	18.45			Correct TRMS Charges for Exp Org 011560	Yes	SWITCH156	M
	0110	122	013085	011560	593001	0000	0575	5130	227.21			Correct TRMS Charges for Exp Org 011560	Yes	STRM11560	032311-MOL



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	011560	011560	593001	0000	0575	5130	68.51			Correct TRMS Charges for Exp Org 011560	Yes	LINLOC156	M
	0110	122	011560	011560	593001	0000	0575	5130	56.80			Correct TRMS Charges for Exp Org 011560	Yes	NRINSP156	M
	0110	122	011560	011560	593002	0000	0575	5130	3,101.80			Correct TRMS Charges for Exp Org 011560	Yes	TRBORD156	M
	0110	122	011560	011560	593002	0000	0575	5130	33.53			Correct TRMS Charges for Exp Org 011560	Yes	TBRD156OH	M
	0110	122	011560	011560	593002	0000	0575	5130	353.56			Correct TRMS Charges for Exp Org 011560	Yes	RDSTLT156	M
	0110	122	011560	011560	593002	0000	0575	5130	93.71			Correct TRMS Charges for Exp Org 011560	Yes	RDPOLE156	M
	0110	122	011560	011560	593002	0000	0575	5130	41.65			Correct TRMS Charges for Exp Org 011560	Yes	MCAPR156	M
	0110	122	011560	011560	593002	0000	0575	5130	223.09			Correct TRMS Charges for Exp Org 011560	Yes	RDPOLD156	M
	0110	122	011560	011560	593002	0000	0575	5130	2,770.38			Correct TRMS Charges for Exp Org 011560	Yes	RDDD156OH	M
	0110	122	011560	011560	593002	0000	0575	5130	3,001.46			Correct TRMS Charges for Exp Org 011560	Yes	PMINSP156	PM
	0110	122	011560	011560	593002	0000	0575	0000	865.90			Correct TRMS Charges for Exp Org 011560	Yes	PMINSP156	M
	0110	122	013085	011560	593002	0000	0575	5130	26.51			Correct TRMS Charges for Exp Org 011560	Yes	STRM11560	030511-MOL
	0110	122	011560	011560	593002	0000	0575	0000	519.45			Correct TRMS Charges for Exp Org 011560	Yes	RCST156	M
	0110	122	011560	011560	594001	0000	0575	5130	60.59			Correct TRMS Charges for Exp Org 011560	Yes	RNTPD156	M
	0110	122	011560	011560	594001	0000	0575	5130	9.89			Correct TRMS Charges for Exp Org 011560	Yes	RDDD156UG	M
	0110	122	012160	012160	107001	0000	0575	5130		106.30		Correct TRMS Charges for Exp Org 012160	Yes	RCST216	278169010
	0110	122	012160	012160	107001	0000	0575	5130		574.43		Correct TRMS Charges for Exp Org 012160	Yes	RCST216	I
	0110	122	012160	012160	107001	0000	0575	5130		291.95		Correct TRMS Charges for Exp Org 012160	Yes	XFRM216	I
	0110	122	012160	012160	107001	0000	0575	5130		233.32		Correct TRMS Charges for Exp Org 012160	Yes	MCAPR216	I
	0110	122	012160	012160	107001	0000	0575	5130		318.76		Correct TRMS Charges for Exp Org 012160	Yes	RNTPD216	I
	0110	122	012160	012160	107001	0000	0575	5130		273.45		Correct TRMS Charges for Exp Org 012160	Yes	RNTPD216	IO
	0110	122	012160	012160	107001	0000	0575	5130		100.23		Correct TRMS Charges for Exp Org 012160	Yes	RNTPD216	CC107001
	0110	122	012160	012160	107001	0000	0575	5130		22.87		Correct TRMS Charges for Exp Org 012160	Yes	SWITC216	I
	0110	122	012160	012160	107001	0000	0575	5130		41.71		Correct TRMS Charges for Exp Org 012160	Yes	ECAPRR216	I
	0110	122	012160	012160	107001	0000	0575	5130		1,716.91		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216OH	I
	0110	122	012160	012160	107001	0000	0575	5130		49.35		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216OH	262702610
	0110	122	012160	012160	107001	0000	0575	5130		92.85		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216OH	264787810
	0110	122	012160	012160	107001	0000	0575	5130		4,233.82		Correct TRMS Charges for Exp Org 012160	Yes	STLT216	I
	0110	122	012160	012160	107001	0000	0575	5130		2,406.69		Correct TRMS Charges for Exp Org 012160	Yes	POLD216	I
	0110	122	012160	012160	107001	0000	0575	5130		916.99		Correct TRMS Charges for Exp Org 012160	Yes	FUSE216	I
	0110	122	012160	012160	107001	0000	0575	5130		494.84		Correct TRMS Charges for Exp Org 012160	Yes	TRBORD216	I
	0110	122	012160	012160	107001	0000	0575	5130		24.67		Correct TRMS Charges for Exp Org 012160	Yes	TBRD216UG	I
	0110	122	012160	012160	107001	0000	0575	5130		154.74		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216OH	270509810
	0110	122	012160	012160	107001	0000	0575	5130		32.29		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216OH	274117610
	0110	122	012160	012160	107001	0000	0575	5130		32.29		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216OH	276530410
	0110	122	012160	012160	107001	0000	0575	5130		44.40		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216OH	277132610
	0110	122	012160	012160	107001	0000	0575	5130		40.37		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216OH	281321710
	0110	122	012160	012160	107001	0000	0575	5130		1,514.22		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216UG	I
	0110	122	012160	012160	107001	0000	0575	5130		666.17		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216UG	230060610
	0110	122	012160	012160	107001	0000	0575	5130		373.62		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216UG	235880510

Template Type: Functional Journal  
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Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	012160	012160	107001	0000	0575	5130		10.76		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216UG	243159401
	0110	122	012160	012160	107001	0000	0575	5130		130.52		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216UG	263990401
	0110	122	012160	012160	107001	0000	0575	5130		44.40		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216UG	281250401
	0110	122	012160	012160	107001	0000	0575	5130		150.66		Correct TRMS Charges for Exp Org 012160	Yes	NBRD216OH	I
	0110	122	012160	012160	107001	0000	0575	5130		761.14		Correct TRMS Charges for Exp Org 012160	Yes	NBRD216UG	I
	0110	122	012160	012160	107001	0000	0575	5130		195.11		Correct TRMS Charges for Exp Org 012160	Yes	NBRD216UG	259340401
	0110	122	012160	012160	107001	0000	0575	5130		4,166.20		Correct TRMS Charges for Exp Org 012160	Yes	NBRD216OH	I
	0110	122	012160	012160	107001	0000	0575	5130		197.38		Correct TRMS Charges for Exp Org 012160	Yes	NBRD216OH	2719128
	0110	122	012160	012160	107001	0000	0575	5130		40.37		Correct TRMS Charges for Exp Org 012160	Yes	NBRD216OH	272591601
	0110	122	012160	012160	107001	0000	0575	5130		16.15		Correct TRMS Charges for Exp Org 012160	Yes	NBRD216OH	277108201
	0110	122	012160	012160	107001	0000	0575	5130		1,753.13		Correct TRMS Charges for Exp Org 012160	Yes	NBRD216UG	I
	0110	122	012160	012160	107001	0000	0575	5130		26.91		Correct TRMS Charges for Exp Org 012160	Yes	NBSB216OH	I
	0110	122	012160	012160	107001	0000	0575	5130		69.08		Correct TRMS Charges for Exp Org 012160	Yes	NBSB216UG	I
	0110	122	012160	012160	107001	0000	0575	5130		2,723.30		Correct TRMS Charges for Exp Org 012160	Yes	NBSV216OH	I
	0110	122	012160	012160	107001	0000	0575	5130		2,302.67		Correct TRMS Charges for Exp Org 012160	Yes	NBSV216UG	I
	0110	122	012160	012160	107001	0000	0575	5130		2,191.87		Correct TRMS Charges for Exp Org 012160	Yes	RDDD216OH	I
	0110	122	012160	012160	107001	0000	0575	5130		190.45		Correct TRMS Charges for Exp Org 012160	Yes	RDDD216UG	I
	0110	122	012160	012160	107001	0000	0575	5130		649.35		Correct TRMS Charges for Exp Org 012160	Yes	RDPOLD216	I
	0110	122	012160	012160	107001	0000	0575	5130		1,658.11		Correct TRMS Charges for Exp Org 012160	Yes	RDPOLE216	I
	0110	122	012160	012160	107001	0000	0575	5130		771.62		Correct TRMS Charges for Exp Org 012160	Yes	RDSTLT216	I
	0110	122	012160	012160	107001	0000	0575	5130		316.37		Correct TRMS Charges for Exp Org 012160	Yes	RELD216OH	I
	0110	122	012160	012160	107001	0000	0575	5130		2,438.97		Correct TRMS Charges for Exp Org 012160	Yes	SYSENH216	I
	0110	122	012160	012160	107001	0000	0575	5130		71.32		Correct TRMS Charges for Exp Org 012160	Yes	SYSENH216	256592501
	0110	122	012160	012160	107001	0000	0575	5130		28.26		Correct TRMS Charges for Exp Org 012160	Yes	SYSENH216	257058901
	0110	122	012160	012160	107001	0000	0575	5130		55.17		Correct TRMS Charges for Exp Org 012160	Yes	SYSENH216	281243801
	0110	122	012160	012160	107001	0000	0575	5130		603.34		Correct TRMS Charges for Exp Org 012160	Yes	TBRD216OH	I
	0110	122	012160	012160	108901	0000	0575	5130		8.07		Correct TRMS Charges for Exp Org 012160	Yes	STLT216	R
	0110	122	012160	012160	108901	0000	0575	5130		10.58		Correct TRMS Charges for Exp Org 012160	Yes	XFRM216	R
	0110	122	012160	012160	108901	0000	0575	5130		24.67		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216OH	R
	0110	122	012160	012160	108901	0000	0575	5130		257.30		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216UG	2300606R02
	0110	122	012160	012160	108901	0000	0575	5130		8.07		Correct TRMS Charges for Exp Org 012160	Yes	NBCD216UG	2812504R02
	0110	122	012160	012160	108901	0000	0575	5130		20.18		Correct TRMS Charges for Exp Org 012160	Yes	NBRD216OH	R
	0110	122	012160	012160	108901	0000	0575	5130		8.07		Correct TRMS Charges for Exp Org 012160	Yes	NBRD216UG	R
	0110	122	012160	012160	108901	0000	0575	5130		101.83		Correct TRMS Charges for Exp Org 012160	Yes	NBSV216OH	R
	0110	122	012160	012160	108901	0000	0575	5130		8.07		Correct TRMS Charges for Exp Org 012160	Yes	NBSV216UG	R
	0110	122	012160	012160	108901	0000	0575	5130		8.07		Correct TRMS Charges for Exp Org 012160	Yes	RDDD216OH	R
	0110	122	012160	012160	108901	0000	0575	5130		49.35		Correct TRMS Charges for Exp Org 012160	Yes	RDPOLD216	R
	0110	122	012160	012160	108901	0000	0575	5130		123.10		Correct TRMS Charges for Exp Org 012160	Yes	RDPOLE216	R
	0110	122	012160	012160	108901	0000	0575	5130		141.05		Correct TRMS Charges for Exp Org 012160	Yes	RDSTLT216	R
	0110	122	013085	012160	108901	0000	0575	5130		141.29		Correct TRMS Charges for Exp Org 012160	Yes	STRM12160	022811-R
	0110	122	012160	012160	108901	0000	0575	5130		16.15		Correct TRMS Charges for Exp Org 012160	Yes	TBRD216OH	R

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	012160	012160	108901	0000	0575	5130		169.76		Correct TRMS Charges for Exp Org 012160	Yes	POLD216	R
	0110	303	012160	012160	143022	0000	0575	5130		8.07		Correct TRMS Charges for Exp Org 012160	Yes	BTM216	2813439101
	0110	303	012160	012160	143022	0000	0575	5130		352.76		Correct TRMS Charges for Exp Org 012160	Yes	BTM216	2560846101
	0110	121	015850	012160	570100	0000	0575	0000		8.07		Correct TRMS Charges for Exp Org 012160	Yes	112232	TPM STA INSP
	0110	122	013040	012160	582100	0000	0575	0000		181.66		Correct TRMS Charges for Exp Org 012160	Yes	111949	DPM STA INSP
	0110	122	012160	012160	583001	0000	0575	5130		377.85		Correct TRMS Charges for Exp Org 012160	Yes	MCAPRR216	O
	0110	122	012160	012160	583001	0000	0575	5130		374.94		Correct TRMS Charges for Exp Org 012160	Yes	LINLOC216	O
	0110	122	012160	012160	583001	0000	0575	5130		45.82		Correct TRMS Charges for Exp Org 012160	Yes	ECAPRR216	O
	0110	122	012160	012160	583001	0000	0575	5130		62.48		Correct TRMS Charges for Exp Org 012160	Yes	SWITC216	O
	0110	122	012160	012160	583001	0000	0575	5130		4.04		Correct TRMS Charges for Exp Org 012160	Yes	MCAPR216	O
	0110	122	012160	012160	583001	0000	0575	5130		444.36		Correct TRMS Charges for Exp Org 012160	Yes	RELD216OH	O
	0110	122	012160	012160	583001	0000	0575	5130		24.67		Correct TRMS Charges for Exp Org 012160	Yes	RCST216	O
	0110	122	012160	012160	583001	0000	0575	5130		192.38		Correct TRMS Charges for Exp Org 012160	Yes	FUSE216	O
	0110	122	012160	012160	583001	0000	0575	5130		728.81		Correct TRMS Charges for Exp Org 012160	Yes	TRBORD216	O
	0110	122	012160	012160	583001	0000	0575	5130		1,612.57		Correct TRMS Charges for Exp Org 012160	Yes	TBRD216OH	O
	0110	122	012160	012160	583001	0000	0575	5130		210.33		Correct TRMS Charges for Exp Org 012160	Yes	SWITCH216	O
	0110	122	012160	012160	583001	0000	0575	5130		147.91		Correct TRMS Charges for Exp Org 012160	Yes	RDSTLT216	O
	0110	122	012160	012160	583001	0000	0575	5130		13.46		Correct TRMS Charges for Exp Org 012160	Yes	RDPOLD216	O
	0110	122	012160	012160	584001	0000	0575	5130		28.26		Correct TRMS Charges for Exp Org 012160	Yes	RDDD216UG	O
	0110	122	012160	012160	584001	0000	0575	5130		12.11		Correct TRMS Charges for Exp Org 012160	Yes	RNTPD216	O
	0110	122	012160	012160	584001	0000	0575	5130		88.12		Correct TRMS Charges for Exp Org 012160	Yes	RCST216	OUL
	0110	122	012160	012160	588100	0000	0575	5190		406.30		Correct TRMS Charges for Exp Org 012160	Yes	ENCOH216	G
	0110	122	012160	012160	588100	0000	0575	5430		400.85		Correct TRMS Charges for Exp Org 012160	Yes	TRNG216	T
	0110	122	012160	012160	588100	0000	0575	0000		1,932.19		Correct TRMS Charges for Exp Org 012160	Yes	HLTSAF216	HSP
	0110	122	013040	012160	592100	0000	0575	5100		84.77		Correct TRMS Charges for Exp Org 012160	Yes	111971	6178874
	0110	122	012160	012160	593001	0000	0575	5130		31.72		Correct TRMS Charges for Exp Org 012160	Yes	SWITCH216	M
	0110	122	012160	012160	593001	0000	0575	5130		24.67		Correct TRMS Charges for Exp Org 012160	Yes	MCAPRR216	M
	0110	122	012160	012160	593002	0000	0575	5130		121.10		Correct TRMS Charges for Exp Org 012160	Yes	RELD216OH	M
	0110	122	012160	012160	593002	0000	0575	5130		148.04		Correct TRMS Charges for Exp Org 012160	Yes	FUSE216	M
	0110	122	012160	012160	593002	0000	0575	5130		138.49		Correct TRMS Charges for Exp Org 012160	Yes	RDSTLT216	M
	0110	122	012160	012160	593002	0000	0575	5130		372.64		Correct TRMS Charges for Exp Org 012160	Yes	TRBORD216	M
	0110	122	012160	012160	593002	0000	0575	5130		625.78		Correct TRMS Charges for Exp Org 012160	Yes	TBRD216OH	M
	0110	122	012160	012160	593002	0000	0575	5130		1,722.53		Correct TRMS Charges for Exp Org 012160	Yes	PMINSP216	PM
	0110	122	012160	012160	593002	0000	0575	5130		269.52		Correct TRMS Charges for Exp Org 012160	Yes	RDDD216OH	M
	0110	122	013085	012160	598100	0000	0575	5130		4.04		Correct TRMS Charges for Exp Org 012160	Yes	STRM12160	022811-MOL
	0110	122	013085	012160	598100	0000	0575	5130		86.17		Correct TRMS Charges for Exp Org 012160	Yes	STRM12160	032311-MOL
	0110	122	012360	012360	107001	0000	0575	5130		648.58		Correct TRMS Charges for Exp Org 012360	Yes	RELD236OH	I
	0110	122	012360	012360	107001	0000	0575	5130		2,479.44		Correct TRMS Charges for Exp Org 012360	Yes	STLT236	I
	0110	122	012360	012360	107001	0000	0575	5130		24.71		Correct TRMS Charges for Exp Org 012360	Yes	RCST236	2781962101
	0110	122	012360	012360	107001	0000	0575	5130		107.85		Correct TRMS Charges for Exp Org 012360	Yes	RCST236	2670708101

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	012360	012360	107001	0000	0575	5130		991.29		Correct TRMS Charges for Exp Org 012360	Yes	RCST236	2631100101
	0110	122	012360	012360	107001	0000	0575	5130		190.99		Correct TRMS Charges for Exp Org 012360	Yes	RCST236	2253137101
	0110	122	012360	012360	107001	0000	0575	5130		3,688.37		Correct TRMS Charges for Exp Org 012360	Yes	RCST236	I
	0110	122	012360	012360	107001	0000	0575	5130		738.70		Correct TRMS Charges for Exp Org 012360	Yes	POLD236	I
	0110	122	010610	012360	107001	0000	0575	5130		74.15		Correct TRMS Charges for Exp Org 012360	Yes	123136	RICOC-PI 11
	0110	122	012360	012360	107001	0000	0575	5130		1,614.98		Correct TRMS Charges for Exp Org 012360	Yes	RDSTLT236	I
	0110	122	012360	012360	107001	0000	0575	5130		3,709.76		Correct TRMS Charges for Exp Org 012360	Yes	RDPOLE236	I
	0110	122	012360	012360	107001	0000	0575	5130		3,925.35		Correct TRMS Charges for Exp Org 012360	Yes	RDPOLD236	I
	0110	122	012360	012360	107001	0000	0575	5130		531.53		Correct TRMS Charges for Exp Org 012360	Yes	RDDD236UG	I
	0110	122	012360	012360	107001	0000	0575	5130		12,131.18		Correct TRMS Charges for Exp Org 012360	Yes	RDDD236OH	I
	0110	122	012360	012360	107001	0000	0575	5130		2,195.71		Correct TRMS Charges for Exp Org 012360	Yes	PBWK236OH	I
	0110	122	012360	012360	107001	0000	0575	5130		7,299.11		Correct TRMS Charges for Exp Org 012360	Yes	NBSV236UG	I
	0110	122	012360	012360	107001	0000	0575	5130		8,651.41		Correct TRMS Charges for Exp Org 012360	Yes	NBSV236OH	I
	0110	122	012360	012360	107001	0000	0575	5130		1,432.97		Correct TRMS Charges for Exp Org 012360	Yes	NBSB236UG	I
	0110	122	012360	012360	107001	0000	0575	5130		1,321.63		Correct TRMS Charges for Exp Org 012360	Yes	NBSB236OH	I
	0110	122	012360	012360	107001	0000	0575	5130		4,489.65		Correct TRMS Charges for Exp Org 012360	Yes	NBRD236UG	I
	0110	122	012360	012360	107001	0000	0575	5130		101.12		Correct TRMS Charges for Exp Org 012360	Yes	NBRD236OH	2792291101
	0110	122	012360	012360	107001	0000	0575	5130		101.12		Correct TRMS Charges for Exp Org 012360	Yes	NBRD236OH	2736890101
	0110	122	012360	012360	107001	0000	0575	5130		7,481.44		Correct TRMS Charges for Exp Org 012360	Yes	NBRD236OH	I
	0110	122	012360	012360	107001	0000	0575	5130		269.64		Correct TRMS Charges for Exp Org 012360	Yes	NBID236UG	2736752101
	0110	122	012360	012360	107001	0000	0575	5130		1,528.62		Correct TRMS Charges for Exp Org 012360	Yes	NBID236OH	I
	0110	122	012360	012360	107001	0000	0575	5130		648.58		Correct TRMS Charges for Exp Org 012360	Yes	SYSENH236	I
	0110	122	012360	012360	107001	0000	0575	5130		62.92		Correct TRMS Charges for Exp Org 012360	Yes	SYSENH236	2802897101
	0110	122	012360	012360	107001	0000	0575	5130		58.42		Correct TRMS Charges for Exp Org 012360	Yes	TBRD236OH	I
	0110	122	012360	012360	107001	0000	0575	5130		121.86		Correct TRMS Charges for Exp Org 012360	Yes	TBRD236UG	I
	0110	122	012360	012360	107001	0000	0575	5130		2,988.12		Correct TRMS Charges for Exp Org 012360	Yes	XFRM236	I
	0110	122	012360	012360	107001	0000	0575	5130		522.74		Correct TRMS Charges for Exp Org 012360	Yes	XFRM236	INSTALL
	0110	122	012360	012360	107001	0000	0575	5130		1,207.90		Correct TRMS Charges for Exp Org 012360	Yes	RNTPD236	I
	0110	122	012360	012360	107001	0000	0575	5130		26.96		Correct TRMS Charges for Exp Org 012360	Yes	RNTPD236	2813415101
	0110	122	012360	012360	107001	0000	0575	5130		29.21		Correct TRMS Charges for Exp Org 012360	Yes	ECAPRR236	I
	0110	122	012360	012360	107001	0000	0575	5130		9,962.74		Correct TRMS Charges for Exp Org 012360	Yes	NBCD236OH	I
	0110	122	012360	012360	107001	0000	0575	5130		166.28		Correct TRMS Charges for Exp Org 012360	Yes	NBCD236OH	2793514101
	0110	122	012360	012360	107001	0000	0575	5130		3,280.85		Correct TRMS Charges for Exp Org 012360	Yes	NBCD236UG	I
	0110	122	012360	012360	107001	0000	0575	5130		64.85		Correct TRMS Charges for Exp Org 012360	Yes	NBCD236UG	2693235101
	0110	122	012360	012360	108901	0000	0575	5130		62.92		Correct TRMS Charges for Exp Org 012360	Yes	NBCD236OH	R
	0110	122	012360	012360	108901	0000	0575	5130		782.46		Correct TRMS Charges for Exp Org 012360	Yes	RDPOLE236	R
	0110	122	012360	012360	108901	0000	0575	5130		6.74		Correct TRMS Charges for Exp Org 012360	Yes	RDSTLT236	R
	0110	122	012360	012360	108901	0000	0575	5130		314.99		Correct TRMS Charges for Exp Org 012360	Yes	RNTPD236	R
	0110	122	012360	012360	108901	0000	0575	5130		6.74		Correct TRMS Charges for Exp Org 012360	Yes	NBSV236UG	R
	0110	122	012360	012360	108901	0000	0575	5130		89.88		Correct TRMS Charges for Exp Org 012360	Yes	XFRM236	R
	0110	122	012360	012360	108901	0000	0575	5130		472.48		Correct TRMS Charges for Exp Org 012360	Yes	NBCD236OH	2563554R01

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	012360	012360	108901	0000	0575	5130		78.65		Correct TRMS Charges for Exp Org 012360	Yes	NBCD236OH	2789665R01
	0110	122	012360	012360	108901	0000	0575	5130	1,188.66		Correct TRMS Charges for Exp Org 012360	Yes	NBCD236OH	2792565R01	
	0110	122	012360	012360	108901	0000	0575	5130	138.97		Correct TRMS Charges for Exp Org 012360	Yes	NBRD236UG	R	
	0110	122	012360	012360	108901	0000	0575	5130	696.01		Correct TRMS Charges for Exp Org 012360	Yes	RDDD236OH	R	
	0110	122	012360	012360	108901	0000	0575	5130	135.93		Correct TRMS Charges for Exp Org 012360	Yes	NBSV236OH	R	
	0110	122	012360	012360	108901	0000	0575	5130	24.71		Correct TRMS Charges for Exp Org 012360	Yes	NBRD236OH	2779966R01	
	0110	122	012360	012360	108901	0000	0575	5130	120.44		Correct TRMS Charges for Exp Org 012360	Yes	STLT236	R	
	0110	122	012360	012360	108901	0000	0575	5130	139.83		Correct TRMS Charges for Exp Org 012360	Yes	RDPOLD236	R	
	0110	122	012360	012360	108901	0000	0575	5130	352.05		Correct TRMS Charges for Exp Org 012360	Yes	NBRD236OH	R	
	0110	303	012360	012360	143022	0000	0575	5130	44.94		Correct TRMS Charges for Exp Org 012360	Yes	BTM236	277528701	
	0110	303	012360	012360	143022	0000	0575	5130	377.50		Correct TRMS Charges for Exp Org 012360	Yes	BTM236	272415401	
	0110	122	013085	012360	583001	0000	0575	5130	35.95		Correct TRMS Charges for Exp Org 012360	Yes	STRM12360	022811-OOL	
	0110	122	012360	012360	583001	0000	0575	5130	353.02		Correct TRMS Charges for Exp Org 012360	Yes	SWITCH236	O	
	0110	122	012360	012360	583001	0000	0575	5130	634.23		Correct TRMS Charges for Exp Org 012360	Yes	TBRD236OH	O	
	0110	122	012360	012360	583001	0000	0575	5130	64.85		Correct TRMS Charges for Exp Org 012360	Yes	MCAPR236	O	
	0110	122	012360	012360	583001	0000	0575	5130	204.96		Correct TRMS Charges for Exp Org 012360	Yes	LINLOC236	O	
	0110	122	012360	012360	583001	0000	0575	5130	150.20		Correct TRMS Charges for Exp Org 012360	Yes	NRINSP236	O	
	0110	122	012360	012360	583001	0000	0575	5130	483.75		Correct TRMS Charges for Exp Org 012360	Yes	PMINSP236	O	
	0110	122	012360	012360	583001	0000	0575	5130	1,055.59		Correct TRMS Charges for Exp Org 012360	Yes	RDDD236OH	O	
	0110	122	012360	012360	583001	0000	0575	5130	46.32		Correct TRMS Charges for Exp Org 012360	Yes	RDPOLD236	O	
	0110	122	012360	012360	583001	0000	0575	5130	235.83		Correct TRMS Charges for Exp Org 012360	Yes	MNMR236	O	
	0110	122	012360	012360	583001	0000	0575	5130	27.79		Correct TRMS Charges for Exp Org 012360	Yes	RCST236	O	
	0110	122	012360	012360	584001	0000	0575	5130	101.91		Correct TRMS Charges for Exp Org 012360	Yes	TBRD236UG	O	
	0110	122	012360	012360	588100	0000	0575	5130	924.30		Correct TRMS Charges for Exp Org 012360	Yes	TRNG236	T	
	0110	122	012360	012360	588100	0000	0575	0000	4,167.77		Correct TRMS Charges for Exp Org 012360	Yes	HLTSAF236	HSP	
	0110	122	012360	012360	588100	0000	0575	5130	1,908.50		Correct TRMS Charges for Exp Org 012360	Yes	TRNG236	TR	
	0110	122	012360	012360	593001	0000	0575	5130	232.75		Correct TRMS Charges for Exp Org 012360	Yes	SWITCH236	M	
	0110	122	012360	012360	593001	0000	0575	5130	60.67		Correct TRMS Charges for Exp Org 012360	Yes	MCAPRR236	M	
	0110	122	012360	012360	593002	0000	0575	5130	83.38		Correct TRMS Charges for Exp Org 012360	Yes	MCAPR236	M	
	0110	122	012360	012360	593002	0000	0575	5130	6,699.80		Correct TRMS Charges for Exp Org 012360	Yes	TBRD236OH	M	
	0110	122	013085	012360	593002	0000	0575	5130	42.69		Correct TRMS Charges for Exp Org 012360	Yes	STRM12360	032311-MOL	
	0110	122	012360	012360	593002	0000	0575	5130	259.40		Correct TRMS Charges for Exp Org 012360	Yes	RDPOLE236	M	
	0110	122	012360	012360	593002	0000	0575	5130	284.12		Correct TRMS Charges for Exp Org 012360	Yes	RDSTLT236	M	
	0110	122	013085	012360	593002	0000	0575	5130	157.29		Correct TRMS Charges for Exp Org 012360	Yes	STRM12360	022811-MOL	
	0110	122	012360	012360	593002	0000	0575	5130	370.58		Correct TRMS Charges for Exp Org 012360	Yes	RDPOLD236	M	
	0110	122	012360	012360	593002	0000	0575	5130	1,265.74		Correct TRMS Charges for Exp Org 012360	Yes	RDDD236OH	M	
	0110	122	012360	012360	593002	0000	0575	5130	231.61		Correct TRMS Charges for Exp Org 012360	Yes	PBWK236OH	M	
	0110	122	012360	012360	593002	0000	0575	5130	407.63		Correct TRMS Charges for Exp Org 012360	Yes	PMINSP236	M	
	0110	122	012360	012360	593002	0000	0575	5130	3,321.30		Correct TRMS Charges for Exp Org 012360	Yes	PMINSP236	PM	
	0110	122	012360	012360	594001	0000	0575	5130	230.82		Correct TRMS Charges for Exp Org 012360	Yes	RDDD236UG	M	
	0110	122	012360	012360	594001	0000	0575	5130	391.66		Correct TRMS Charges for Exp Org 012360	Yes	RNTPD236	M	

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	012360	012360	594002	0000	0575	5130		588.15		Correct TRMS Charges for Exp Org 012360	Yes	TBRD236UG	M
	0110	105	012360	012360	903003	0000	0575	0000		186.75		Correct TRMS Charges for Exp Org 012360	Yes	126360	RET
	0110	122	012460	012460	107001	0000	0575	5130	1,238.94			Correct TRMS Charges for Exp Org 012460	Yes	RDPOLE246	I
	0110	122	012460	012460	107001	0000	0575	5130	2,525.46			Correct TRMS Charges for Exp Org 012460	Yes	RDD2460H	I
	0110	122	012460	012460	107001	0000	0575	5130	192.61			Correct TRMS Charges for Exp Org 012460	Yes	PBWK246UG	I
	0110	122	012460	012460	107001	0000	0575	5130	144.93			Correct TRMS Charges for Exp Org 012460	Yes	PBWK246OH	I
	0110	122	012460	012460	107001	0000	0575	5130	3,338.40			Correct TRMS Charges for Exp Org 012460	Yes	NBSV246UG	I
	0110	122	012460	012460	107001	0000	0575	5130	3,776.86			Correct TRMS Charges for Exp Org 012460	Yes	NBSV246OH	I
	0110	122	012460	012460	107001	0000	0575	5130	1,554.07			Correct TRMS Charges for Exp Org 012460	Yes	NBSB246UG	I
	0110	122	012460	012460	107001	0000	0575	5130	787.27			Correct TRMS Charges for Exp Org 012460	Yes	NBSB246OH	I
	0110	122	012460	012460	107001	0000	0575	5130	461.22			Correct TRMS Charges for Exp Org 012460	Yes	NBRD246UG	I
	0110	122	012460	012460	107001	0000	0575	5130	1,010.64			Correct TRMS Charges for Exp Org 012460	Yes	NBRD246OH	I
	0110	122	012460	012460	107001	0000	0575	5130	218.02			Correct TRMS Charges for Exp Org 012460	Yes	NBCD246UG	2686654101
	0110	122	012460	012460	107001	0000	0575	5130	1,248.71			Correct TRMS Charges for Exp Org 012460	Yes	NBCD246UG	I
	0110	122	012460	012460	107001	0000	0575	5130	631.21			Correct TRMS Charges for Exp Org 012460	Yes	NBCD246OH	2673365101
	0110	122	012460	012460	107001	0000	0575	5130	286.99			Correct TRMS Charges for Exp Org 012460	Yes	NBCD246OH	2651364101
	0110	122	012460	012460	107001	0000	0575	5130	1,134.43			Correct TRMS Charges for Exp Org 012460	Yes	NBCD246OH	I
	0110	122	012460	012460	107001	0000	0575	5130	446.16			Correct TRMS Charges for Exp Org 012460	Yes	ECAPRR246	I
	0110	122	012460	012460	107001	0000	0575	5130	335.49			Correct TRMS Charges for Exp Org 012460	Yes	RNTPD246	I
	0110	122	012460	012460	107001	0000	0575	5130	131.58			Correct TRMS Charges for Exp Org 012460	Yes	MCAPR246	I
	0110	122	012460	012460	107001	0000	0575	5130	348.98			Correct TRMS Charges for Exp Org 012460	Yes	XFRM246	INSTALL
	0110	122	012460	012460	107001	0000	0575	5130	159.14			Correct TRMS Charges for Exp Org 012460	Yes	XFRM246	I
	0110	122	012460	012460	107001	0000	0575	5130	1,683.15			Correct TRMS Charges for Exp Org 012460	Yes	STLT246	I
	0110	122	012460	012460	107001	0000	0575	5130	489.67			Correct TRMS Charges for Exp Org 012460	Yes	RCST246	I
	0110	122	012460	012460	107001	0000	0575	5130	16.89			Correct TRMS Charges for Exp Org 012460	Yes	POLD246	I
	0110	122	011560	012460	107001	0000	0575	5130	119.91			Correct TRMS Charges for Exp Org 012460	Yes	130884	2264525101
	0110	122	012460	012460	107001	0000	0575	5130	1,091.22			Correct TRMS Charges for Exp Org 012460	Yes	TBRD246OH	I
	0110	122	013085	012460	107001	0000	0575	5130	16.35			Correct TRMS Charges for Exp Org 012460	Yes	STRM12460	032311-I
	0110	122	013085	012460	107001	0000	0575	5130	386.99			Correct TRMS Charges for Exp Org 012460	Yes	STRM12460	022811-I
	0110	122	012460	012460	107001	0000	0575	5130	302.79			Correct TRMS Charges for Exp Org 012460	Yes	RELD246OH	I
	0110	122	012460	012460	107001	0000	0575	5130	239.03			Correct TRMS Charges for Exp Org 012460	Yes	RDSTLT246	I
	0110	122	012460	012460	107001	0000	0575	5130	43.59			Correct TRMS Charges for Exp Org 012460	Yes	RDPOLD246	I
	0110	122	012460	012460	108901	0000	0575	5130	22.89			Correct TRMS Charges for Exp Org 012460	Yes	NBSV246UG	R
	0110	122	012460	012460	108901	0000	0575	5130	74.49			Correct TRMS Charges for Exp Org 012460	Yes	STLT246	R
	0110	122	012460	012460	108901	0000	0575	5130	20.98			Correct TRMS Charges for Exp Org 012460	Yes	NBRD246OH	R
	0110	122	011560	012460	108901	0000	0575	5130	112.65			Correct TRMS Charges for Exp Org 012460	Yes	130884	2264525R02
	0110	122	012460	012460	108901	0000	0575	5130	194.40			Correct TRMS Charges for Exp Org 012460	Yes	NBCD246OH	2561037R01
	0110	122	012460	012460	108901	0000	0575	5130	531.35			Correct TRMS Charges for Exp Org 012460	Yes	NBSV246OH	R
	0110	122	012460	012460	108901	0000	0575	5130	43.60			Correct TRMS Charges for Exp Org 012460	Yes	NBCD246UG	R
	0110	303	012460	012460	184612	0000	0575	0000	1,750.67			Correct TRMS Charges for Exp Org 012460	Yes	NBCOH246	LE

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	303	012460	012460	184612	0000	0575	0000	875.33			Correct TRMS Charges for Exp Org 012460	Yes	ENCOH246	LE
	0110	303	012460	012460	184612	0000	0575	0000	875.33			Correct TRMS Charges for Exp Org 012460	Yes	MNCOH246	LE
	0110	122	012460	012460	583001	0000	0575	5130	1,308.17			Correct TRMS Charges for Exp Org 012460	Yes	ADMSP246	O
	0110	122	012460	012460	583001	0000	0575	5130	183.76			Correct TRMS Charges for Exp Org 012460	Yes	NRINSP246	O
	0110	122	012460	012460	583001	0000	0575	0000	32.42			Correct TRMS Charges for Exp Org 012460	Yes	PMINSP246	O
	0110	122	012460	012460	583001	0000	0575	5130	263.69			Correct TRMS Charges for Exp Org 012460	Yes	LINLOC246	O
	0110	122	012460	012460	588100	0000	0575	0000	283.27			Correct TRMS Charges for Exp Org 012460	Yes	HLTSAF246	HSP
	0110	122	012460	012460	588100	0000	0575	5430	528.24			Correct TRMS Charges for Exp Org 012460	Yes	TRNG246	T
	0110	122	012460	012460	593001	0000	0575	5130	59.96			Correct TRMS Charges for Exp Org 012460	Yes	SWITCH246	M
	0110	122	012460	012460	593001	0000	0575	5130	532.69			Correct TRMS Charges for Exp Org 012460	Yes	MCAPRR246	M
	0110	122	013085	012460	593002	0000	0575	5130	406.98			Correct TRMS Charges for Exp Org 012460	Yes	STRM12460	032311-MOL
	0110	122	012460	012460	593002	0000	0575	5130	1,159.02			Correct TRMS Charges for Exp Org 012460	Yes	TBRD246OH	M
	0110	122	012460	012460	593002	0000	0575	5130	105.35			Correct TRMS Charges for Exp Org 012460	Yes	RDDD246OH	M
	0110	122	012460	012460	593002	0000	0575	0000	230.77			Correct TRMS Charges for Exp Org 012460	Yes	PMINSP246	M
	0110	122	012460	012460	593002	0000	0575	5130	696.98			Correct TRMS Charges for Exp Org 012460	Yes	MCAPR246	M
	0110	122	012460	012460	593002	0000	0575	5130	92.66			Correct TRMS Charges for Exp Org 012460	Yes	ECAPRR246	M
	0110	122	012460	012460	593002	0000	0575	5130	696.28			Correct TRMS Charges for Exp Org 012460	Yes	RDPOLD246	M
	0110	122	012460	012460	593002	0000	0575	5130	1,725.06			Correct TRMS Charges for Exp Org 012460	Yes	RDSTLT246	M
	0110	122	012460	012460	594002	0000	0575	5130	70.88			Correct TRMS Charges for Exp Org 012460	Yes	TBRD246UG	M
	0110	122	012560	012560	107001	0000	0575	5130	160.25			Correct TRMS Charges for Exp Org 012560	Yes	RCST256	2408912I02
	0110	122	012560	012560	107001	0000	0575	5130	119.26			Correct TRMS Charges for Exp Org 012560	Yes	RCST256	2514354I02
	0110	122	012560	012560	107001	0000	0575	5130	54.00			Correct TRMS Charges for Exp Org 012560	Yes	RCST256	2634808I01
	0110	122	012560	012560	107001	0000	0575	5130	6.97			Correct TRMS Charges for Exp Org 012560	Yes	RCST256	2686204I01
	0110	122	012560	012560	107001	0000	0575	5130	1,242.28			Correct TRMS Charges for Exp Org 012560	Yes	STLT256	I
	0110	122	012560	012560	107001	0000	0575	5130	260.50			Correct TRMS Charges for Exp Org 012560	Yes	XFRM256	I
	0110	122	012560	012560	107001	0000	0575	5130	202.06			Correct TRMS Charges for Exp Org 012560	Yes	XFRM256	INSTALL
	0110	122	012560	012560	107001	0000	0575	5130	200.22			Correct TRMS Charges for Exp Org 012560	Yes	RNTPD256	I
	0110	122	012560	012560	107001	0000	0575	5130	2,198.49			Correct TRMS Charges for Exp Org 012560	Yes	NBCD256OH	I
	0110	122	012560	012560	107001	0000	0575	5130	322.05			Correct TRMS Charges for Exp Org 012560	Yes	NBCD256OH	2652584I01
	0110	122	012560	012560	107001	0000	0575	5130	420.88			Correct TRMS Charges for Exp Org 012560	Yes	NBCD256OH	2776469I01
	0110	122	012560	012560	107001	0000	0575	5130	51.16			Correct TRMS Charges for Exp Org 012560	Yes	NBCD256OH	2787999I01
	0110	122	012560	012560	107001	0000	0575	5130	72.09			Correct TRMS Charges for Exp Org 012560	Yes	NBCD256OH	2808466I01
	0110	122	012560	012560	107001	0000	0575	5130	40.69			Correct TRMS Charges for Exp Org 012560	Yes	NBCD256OH	2808585I01
	0110	122	012560	012560	107001	0000	0575	5130	593.89			Correct TRMS Charges for Exp Org 012560	Yes	NBCD256UG	I
	0110	122	012560	012560	107001	0000	0575	5130	362.26			Correct TRMS Charges for Exp Org 012560	Yes	NBCD256UG	2559701I01
	0110	122	012560	012560	107001	0000	0575	5130	1,831.00			Correct TRMS Charges for Exp Org 012560	Yes	NBRD256OH	I
	0110	122	012560	012560	107001	0000	0575	5130	66.27			Correct TRMS Charges for Exp Org 012560	Yes	NBRD256OH	2814974I01
	0110	122	012560	012560	107001	0000	0575	5130	69.76			Correct TRMS Charges for Exp Org 012560	Yes	NBRD256OH	2815124I01
	0110	122	012560	012560	107001	0000	0575	5130	1,499.27			Correct TRMS Charges for Exp Org 012560	Yes	NBRD256UG	I
	0110	122	012560	012560	107001	0000	0575	5130	769.33			Correct TRMS Charges for Exp Org 012560	Yes	NBSB256UG	I

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	012560	012560	107001	0000	0575	5130	1,279.81			Correct TRMS Charges for Exp Org 012560	Yes	NBSV256OH	I
	0110	122	012560	012560	107001	0000	0575	5130	1,341.38			Correct TRMS Charges for Exp Org 012560	Yes	NBSV256UG	I
	0110	122	012560	012560	107001	0000	0575	5130	54.53			Correct TRMS Charges for Exp Org 012560	Yes	PBWK256OH	I
	0110	122	012560	012560	107001	0000	0575	5130	1,802.08			Correct TRMS Charges for Exp Org 012560	Yes	RDDD256OH	I
	0110	122	012560	012560	107001	0000	0575	5130	1,278.00			Correct TRMS Charges for Exp Org 012560	Yes	RDPOLE256	I
	0110	122	012560	012560	107001	0000	0575	5130	1,309.98			Correct TRMS Charges for Exp Org 012560	Yes	RDPOLE256	I
	0110	122	012560	012560	107001	0000	0575	5130	953.11			Correct TRMS Charges for Exp Org 012560	Yes	RDSTLT256	I
	0110	122	012560	012560	107001	0000	0575	5130	538.58			Correct TRMS Charges for Exp Org 012560	Yes	RELD256OH	I
	0110	122	013085	012560	107001	0000	0575	5130	15.11			Correct TRMS Charges for Exp Org 012560	Yes	STRM12560	022811-I
	0110	122	013085	012560	107001	0000	0575	5130	53.48			Correct TRMS Charges for Exp Org 012560	Yes	STRM12560	032311-I
	0110	122	012560	012560	107001	0000	0575	5130	353.39			Correct TRMS Charges for Exp Org 012560	Yes	SYSENH256	I
	0110	122	012560	012560	107001	0000	0575	5130	620.77			Correct TRMS Charges for Exp Org 012560	Yes	TBRD256OH	I
	0110	122	012560	012560	107001	0000	0575	5130	87.75			Correct TRMS Charges for Exp Org 012560	Yes	TBRD256UG	I
	0110	122	010610	012560	107001	0000	0575	5130	4,193.72			Correct TRMS Charges for Exp Org 012560	Yes	I23136	SHEOC-PI 11
	0110	122	012560	012560	107001	0000	0575	5130	200.26			Correct TRMS Charges for Exp Org 012560	Yes	FUSE256	I
	0110	122	012560	012560	107001	0000	0575	5130	832.33			Correct TRMS Charges for Exp Org 012560	Yes	POLD256	I
	0110	122	012560	012560	107001	0000	0575	5130	13.50			Correct TRMS Charges for Exp Org 012560	Yes	RCST256	I
	0110	122	012560	012560	107001	0000	0575	5130	110.22			Correct TRMS Charges for Exp Org 012560	Yes	RCST256	IO
	0110	122	010610	012560	108901	0000	0575	5130	83.71			Correct TRMS Charges for Exp Org 012560	Yes	I23136	SHEOC-PR 11
	0110	122	012560	012560	108901	0000	0575	5130	6.97			Correct TRMS Charges for Exp Org 012560	Yes	NBID256OH	R
	0110	122	012560	012560	108901	0000	0575	5130	6.97			Correct TRMS Charges for Exp Org 012560	Yes	NBCD256OH	R
	0110	122	012560	012560	108901	0000	0575	5130	71.97			Correct TRMS Charges for Exp Org 012560	Yes	POLD256	R
	0110	122	012560	012560	108901	0000	0575	5130	12.79			Correct TRMS Charges for Exp Org 012560	Yes	RDDD256OH	R
	0110	122	012560	012560	108901	0000	0575	5130	65.48			Correct TRMS Charges for Exp Org 012560	Yes	NBSV256UG	R
	0110	122	012560	012560	108901	0000	0575	5130	29.25			Correct TRMS Charges for Exp Org 012560	Yes	TBRD256UG	R
	0110	122	013085	012560	108901	0000	0575	5130	12.79			Correct TRMS Charges for Exp Org 012560	Yes	STRM12560	032311-R
	0110	122	012560	012560	108901	0000	0575	5130	96.75			Correct TRMS Charges for Exp Org 012560	Yes	NBCD256UG	2729295R01
	0110	122	012560	012560	108901	0000	0575	5130	25.58			Correct TRMS Charges for Exp Org 012560	Yes	NBRD256OH	R
	0110	122	012560	012560	108901	0000	0575	5130	373.27			Correct TRMS Charges for Exp Org 012560	Yes	RDPOLE256	R
	0110	122	013085	012560	108901	0000	0575	5130	61.62			Correct TRMS Charges for Exp Org 012560	Yes	STRM12560	022811-R
	0110	122	012560	012560	108901	0000	0575	5130	160.02			Correct TRMS Charges for Exp Org 012560	Yes	NBSV256OH	R
	0110	122	012560	012560	583001	0000	0575	5130	813.69			Correct TRMS Charges for Exp Org 012560	Yes	LINLOC256	O
	0110	122	013085	012560	583001	0000	0575	5130	8.14			Correct TRMS Charges for Exp Org 012560	Yes	STRM12560	022811-OOL
	0110	122	012560	012560	583001	0000	0575	5130	24.75			Correct TRMS Charges for Exp Org 012560	Yes	RCST256	O
	0110	122	012560	012560	583001	0000	0575	5130	380.16			Correct TRMS Charges for Exp Org 012560	Yes	NRINSP256	O
	0110	122	011370	012560	586100	0000	0575	0000	30.49			Correct TRMS Charges for Exp Org 012560	Yes	I15564	MISC
	0110	122	012560	012560	588100	0000	0575	5130	770.33			Correct TRMS Charges for Exp Org 012560	Yes	TRNG256	T
	0110	122	012560	012560	588100	0000	0575	0000	659.85			Correct TRMS Charges for Exp Org 012560	Yes	HLTSAF256	HSP
	0110	122	012460	012560	588100	0000	0575	0000	3.49			Correct TRMS Charges for Exp Org 012560	Yes	HLTSAF246	HSP
	0110	122	012560	012560	593001	0000	0575	5130	52.32			Correct TRMS Charges for Exp Org 012560	Yes	MCAPRR256	M
	0110	122	012560	012560	593001	0000	0575	5130	249.05			Correct TRMS Charges for Exp Org 012560	Yes	SWITCH256	M



Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	010610	012560	593001	0000	0575	5130	103.47			Correct TRMS Charges for Exp Org 012560	Yes	123136	SHEOC-C 11
	0110	122	012560	012560	593001	0000	0575	5130	67.50			Correct TRMS Charges for Exp Org 012560	Yes	RDPOLE256	PLTRT
	0110	122	013085	012560	593002	0000	0575	5130	89.52			Correct TRMS Charges for Exp Org 012560	Yes	STRM12560	032311-MOL
	0110	122	013085	012560	593002	0000	0575	5130	91.85			Correct TRMS Charges for Exp Org 012560	Yes	STRM12560	022811-MOL
	0110	122	012560	012560	593002	0000	0575	5130	105.65			Correct TRMS Charges for Exp Org 012560	Yes	RDSTLT256	M
	0110	122	012560	012560	593002	0000	0575	5130	188.53			Correct TRMS Charges for Exp Org 012560	Yes	RDPOLD256	M
	0110	122	012560	012560	593002	0000	0575	5130	333.74			Correct TRMS Charges for Exp Org 012560	Yes	RDDD256OH	M
	0110	122	012560	012560	593002	0000	0575	5130	848.85			Correct TRMS Charges for Exp Org 012560	Yes	PMINSP256	PM
	0110	122	012560	012560	593002	0000	0575	5130	1,088.28			Correct TRMS Charges for Exp Org 012560	Yes	OPMNTC256	MOL
	0110	122	012560	012560	593002	0000	0575	5130	24.75			Correct TRMS Charges for Exp Org 012560	Yes	RCST256	M
	0110	122	012560	012560	593002	0000	0575	5130	1,390.61			Correct TRMS Charges for Exp Org 012560	Yes	TBRD256OH	M
	0110	122	013085	012560	593003	0000	0575	5130	12.79			Correct TRMS Charges for Exp Org 012560	Yes	STRM12560	022811-MOS
	0110	122	013085	012560	593004	0000	0575	5130	8.14			Correct TRMS Charges for Exp Org 012560	Yes	STRM12560	032311-TREE
	0110	122	012560	012560	594001	0000	0575	5130	6.75			Correct TRMS Charges for Exp Org 012560	Yes	RDDD256UG	MUG
	0110	122	012560	012560	594001	0000	0575	5130	15.11			Correct TRMS Charges for Exp Org 012560	Yes	RDDD256UG	M
	0110	122	012560	012560	594001	0000	0575	5130	15.11			Correct TRMS Charges for Exp Org 012560	Yes	RNTPD256	M
	0110	122	012560	012560	594001	0000	0575	5130	84.46			Correct TRMS Charges for Exp Org 012560	Yes	OPMNTC256	MUG
	0110	122	012560	012560	594002	0000	0575	5130	24.75			Correct TRMS Charges for Exp Org 012560	Yes	TBRD256UG	M
	0110	105	013180	012560	902002	0000	0575	0000	20.25			Correct TRMS Charges for Exp Org 012560	Yes	115561	MISC
	0110	105	011071	012560	903003	0000	0575	0000	27.01			Correct TRMS Charges for Exp Org 012560	Yes	115549	BOS
	0110	303	015345	013030	143022	0000	0575	0000	66.09			Correct TRMS Charges for Exp Org 013030	Yes	114071	MTCE
	0110	122	015820	013030	586100	0000	0575	0000	11,653.27			Correct TRMS Charges for Exp Org 013030	Yes	115565	MI
	0110	121	015850	013040	107001	0000	0575	5150	21.77			Correct TRMS Charges for Exp Org 013040	Yes	KSURGE-11	108-T375SA-IN
	0110	121	015850	013040	107001	0000	0575	5150	77.54			Correct TRMS Charges for Exp Org 013040	Yes	KTRMUP-10	102-FENCE-IN
	0110	122	013150	013040	107001	0000	0575	5130	14.86			Correct TRMS Charges for Exp Org 013040	Yes	SYSENH315	280495401
	0110	105	018910	013040	107001	0000	0575	0901	50.40			Correct TRMS Charges for Exp Org 013040	Yes	125462	107001
	0110	122	013040	013040	107001	0000	0575	5100	1,055.27			Correct TRMS Charges for Exp Org 013040	Yes	126528	107001D223
	0110	122	013040	013040	107001	0000	0575	5100	52.98			Correct TRMS Charges for Exp Org 013040	Yes	126531	107001D743
	0110	122	013040	013040	107001	0000	0575	5100	238.59			Correct TRMS Charges for Exp Org 013040	Yes	126534	107001D429
	0110	122	013040	013040	107001	0000	0575	5100	14.84			Correct TRMS Charges for Exp Org 013040	Yes	126535	107001D108
	0110	122	013040	013040	107001	0000	0575	5100	1,203.05			Correct TRMS Charges for Exp Org 013040	Yes	126536	107001
	0110	122	013040	013040	107001	0000	0575	5100	631.09			Correct TRMS Charges for Exp Org 013040	Yes	126539	107001
	0110	122	013040	013040	107001	0000	0575	5100	17.18			Correct TRMS Charges for Exp Org 013040	Yes	126542	107001D898
	0110	122	013040	013040	107001	0000	0575	5100	38.41			Correct TRMS Charges for Exp Org 013040	Yes	126550	107001
	0110	121	015850	013040	107001	0000	0575	5150	487.70			Correct TRMS Charges for Exp Org 013040	Yes	126785	T&D
	0110	121	015850	013040	107001	0000	0575	5200	12.92			Correct TRMS Charges for Exp Org 013040	Yes	126795	I
	0110	121	015850	013040	107001	0000	0575	5200	27.14			Correct TRMS Charges for Exp Org 013040	Yes	126795	CAP BK IN/RM
	0110	121	015850	013040	107001	0000	0575	5150	14.22			Correct TRMS Charges for Exp Org 013040	Yes	126796	INV BUDGET
	0110	121	015850	013040	107001	0000	0575	5150	792.85			Correct TRMS Charges for Exp Org 013040	Yes	126796	CAP BANK-IN

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Accounting Date	List - Date: <b>31-Oct-11</b>
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Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	121	003060	013040	107001	0000	0575	0901	272.39			Correct TRMS Charges for Exp Org 013040	Yes	127175	T&D
	0110	121	015850	013040	107001	0000	0575	5150	448.25			Correct TRMS Charges for Exp Org 013040	Yes	130011	107001
	0110	122	013040	013040	107001	0000	0575	5100	165.46			Correct TRMS Charges for Exp Org 013040	Yes	130673	107001D825
	0110	122	013040	013040	107001	0000	0575	5100	91.04			Correct TRMS Charges for Exp Org 013040	Yes	130709	107001D731
	0110	122	013040	013040	107001	0000	0575	5100	49.48			Correct TRMS Charges for Exp Org 013040	Yes	130709	107001D846
	0110	122	013040	013040	107001	0000	0575	5100	4.95			Correct TRMS Charges for Exp Org 013040	Yes	130709	107001D848
	0110	122	013040	013040	107001	0000	0575	5100	14.84			Correct TRMS Charges for Exp Org 013040	Yes	130709	107001D731W
	0110	122	014940	013040	107001	0000	0575	5300	2.97			Correct TRMS Charges for Exp Org 013040	Yes	130713	107001D116
	0110	122	014940	013040	107001	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	130713	107001D602
	0110	122	013040	013040	107001	0000	0575	5150	404.73			Correct TRMS Charges for Exp Org 013040	Yes	130726	107001D22
	0110	121	015850	013040	107001	0000	0575	5150	7.92			Correct TRMS Charges for Exp Org 013040	Yes	130895	INVEST
	0110	122	013040	013040	107001	0000	0575	5100	52.98			Correct TRMS Charges for Exp Org 013040	Yes	130993	INVESTMENT
	0110	122	013040	013040	107001	0000	0575	5100	24.55			Correct TRMS Charges for Exp Org 013040	Yes	131223	KENTON
	0110	122	013040	013040	107001	0000	0575	5100	29.72			Correct TRMS Charges for Exp Org 013040	Yes	131223	AO SMITH
	0110	122	013040	013040	107001	0000	0575	5100	53.44			Correct TRMS Charges for Exp Org 013040	Yes	131223	CENT BRK
	0110	122	013040	013040	107001	0000	0575	5100	14.84			Correct TRMS Charges for Exp Org 013040	Yes	131223	PICADOME
	0110	122	013040	013040	107001	0000	0575	5100	108.55			Correct TRMS Charges for Exp Org 013040	Yes	131223	PINE BRK
	0110	122	013040	013040	107001	0000	0575	5100	32.31			Correct TRMS Charges for Exp Org 013040	Yes	131223	REYNOLDS
	0110	122	013040	013040	107001	0000	0575	5100	10.89			Correct TRMS Charges for Exp Org 013040	Yes	131223	RICHMOND
	0110	122	013040	013040	107001	0000	0575	5100	11.87			Correct TRMS Charges for Exp Org 013040	Yes	131223	EARL 12KV
	0110	121	015850	013040	107001	0000	0575	5100	8.91			Correct TRMS Charges for Exp Org 013040	Yes	131390	107001
	0110	122	014940	013040	107001	0000	0575	5300	38.77			Correct TRMS Charges for Exp Org 013040	Yes	132447	107001D362
	0110	121	015850	013040	107001	0000	0575	5150	1,129.15			Correct TRMS Charges for Exp Org 013040	Yes	KRSUB-10	094-MVRMOS-IN
	0110	121	015850	013040	107001	0000	0575	5150	52.98			Correct TRMS Charges for Exp Org 013040	Yes	KRSUB-10	060-LANSPCC-IN
	0110	121	015850	013040	107001	0000	0575	5150	95.63			Correct TRMS Charges for Exp Org 013040	Yes	KRSUB-10	111-BVLLMOS-IN
	0110	121	015850	013040	107001	0000	0575	5150	14.84			Correct TRMS Charges for Exp Org 013040	Yes	KRSUB-11	INVESTBUD
	0110	121	015850	013040	107001	0000	0575	5150	126.66			Correct TRMS Charges for Exp Org 013040	Yes	KRSUB-11	STOLENMAT-IN
	0110	121	015850	013040	107001	0000	0575	5150	150.41			Correct TRMS Charges for Exp Org 013040	Yes	KSTSVC11	165-SST-RPL-IN
	0110	121	015850	013040	107001	0000	0575	5150	6.46			Correct TRMS Charges for Exp Org 013040	Yes	KRELAY-11	165-714-IN
	0110	121	015850	013040	107001	0000	0575	5150	35.62			Correct TRMS Charges for Exp Org 013040	Yes	KSURGE-11	064-T345SA-IN
	0110	121	015850	013040	108901	0000	0575	5150	52.98			Correct TRMS Charges for Exp Org 013040	Yes	KTRMUP-10	102-FENCE-RM
	0110	121	015850	013040	108901	0000	0575	5150	14.84			Correct TRMS Charges for Exp Org 013040	Yes	KSTSVC11	161-SST-RPL-RM
	0110	121	015850	013040	108901	0000	0575	5150	4.95			Correct TRMS Charges for Exp Org 013040	Yes	KSURGE-11	064-T345SA-RM
	0110	121	015850	013040	108901	0000	0575	5150	15.83			Correct TRMS Charges for Exp Org 013040	Yes	KSURGE-11	108-T375SA-RM
	0110	121	015850	013040	108901	0000	0575	5150	160.24			Correct TRMS Charges for Exp Org 013040	Yes	KRSUB-10	111-BVLLMOS-R
	0110	122	013040	013040	108901	0000	0575	5150	34.63			Correct TRMS Charges for Exp Org 013040	Yes	130726	108901D22
	0110	122	013040	013040	108901	0000	0575	5100	50.47			Correct TRMS Charges for Exp Org 013040	Yes	130709	108901D727 1
	0110	122	013040	013040	108901	0000	0575	5100	1.98			Correct TRMS Charges for Exp Org 013040	Yes	130709	108901D848
	0110	122	013040	013040	108901	0000	0575	5100	41.56			Correct TRMS Charges for Exp Org 013040	Yes	130709	108901D846
	0110	122	013040	013040	108901	0000	0575	5100	93.02			Correct TRMS Charges for Exp Org 013040	Yes	126528	108901D223
	0110	122	013040	013040	108901	0000	0575	5100	171.19			Correct TRMS Charges for Exp Org 013040	Yes	126534	108901D429

Template Type: Functional Journal  
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Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013040	013040	108901	0000	0575	5100	27.14			Correct TRMS Charges for Exp Org 013040	Yes	126536	108901
	0110	122	013040	013040	108901	0000	0575	5100	21.77			Correct TRMS Charges for Exp Org 013040	Yes	126539	108901
	0110	122	013040	013040	108901	0000	0575	5100	14.22			Correct TRMS Charges for Exp Org 013040	Yes	126542	108901D898
	0110	121	015850	013040	108901	0000	0575	5150	154.37			Correct TRMS Charges for Exp Org 013040	Yes	130011	108901
	0110	122	013040	013040	108901	0000	0575	5100	50.47			Correct TRMS Charges for Exp Org 013040	Yes	130673	108901D825
	0110	122	013040	013040	108901	0000	0575	5100	14.84			Correct TRMS Charges for Exp Org 013040	Yes	130709	108901D731
	0110	303	015345	013040	143022	0000	0575	0000	21.77			Correct TRMS Charges for Exp Org 013040	Yes	114138	MTCE
	0110	303	015345	013040	143022	0000	0575	0000	16.82			Correct TRMS Charges for Exp Org 013040	Yes	114071	MTCE
	0110	303	015345	013040	143022	0000	0575	0000	2.58			Correct TRMS Charges for Exp Org 013040	Yes	114386	MTCE
	0110	303	013040	013040	163002	0000	0575	0000	569.20			Correct TRMS Charges for Exp Org 013040	Yes	111725	STORES
	0110	303	018810	013040	184612	0000	0575	0000	319.78			Correct TRMS Charges for Exp Org 013040	Yes	117881	LE
	0110	303	013040	013040	184612	0000	0575	0000	385.55			Correct TRMS Charges for Exp Org 013040	Yes	124900	184612
	0110	111	016220	013040	512100	0000	0575	5622	222.65			Correct TRMS Charges for Exp Org 013040	Yes	BR2AUXOT0	5622
	0110	111	016220	013040	513100	0000	0575	5624	2.58			Correct TRMS Charges for Exp Org 013040	Yes	104500	6175874
	0110	111	016220	013040	513100	0000	0575	5621	2.58			Correct TRMS Charges for Exp Org 013040	Yes	104500	6175875
	0110	111	016220	013040	513100	0000	0575	5622	2.58			Correct TRMS Charges for Exp Org 013040	Yes	104500	6175876
	0110	111	016220	013040	513100	0000	0575	5623	2.58			Correct TRMS Charges for Exp Org 013040	Yes	104500	6175878
	0110	111	016220	013040	513100	0000	0575	5623	2.58			Correct TRMS Charges for Exp Org 013040	Yes	104500	6175879
	0110	111	016220	013040	513100	0000	0575	5623	2.58			Correct TRMS Charges for Exp Org 013040	Yes	104500	6178169
	0110	111	016220	013040	513100	0000	0575	5621	5.17			Correct TRMS Charges for Exp Org 013040	Yes	104500	6175643
	0110	111	016220	013040	513100	0000	0575	5623	2.58			Correct TRMS Charges for Exp Org 013040	Yes	104500	6175877
	0110	111	016910	013040	544100	0000	0575	5691	2.58			Correct TRMS Charges for Exp Org 013040	Yes	113122	6178167
	0110	111	016910	013040	544100	0000	0575	5691	5.17			Correct TRMS Charges for Exp Org 013040	Yes	113122	6178170
	0110	111	016300	013040	553100	0000	0575	5637	2.58			Correct TRMS Charges for Exp Org 013040	Yes	109497	6178173
	0110	111	016300	013040	553100	0000	0575	5636	2.58			Correct TRMS Charges for Exp Org 013040	Yes	109497	6178174
	0110	111	016300	013040	553100	0000	0575	5642	2.58			Correct TRMS Charges for Exp Org 013040	Yes	109497	6178175
	0110	111	016300	013040	553100	0000	0575	5640	5.17			Correct TRMS Charges for Exp Org 013040	Yes	109497	6178185
	0110	111	016300	013040	553100	0000	0575	5635	5.17			Correct TRMS Charges for Exp Org 013040	Yes	109497	6178166
	0110	111	016300	013040	553100	0000	0575	5637	2.58			Correct TRMS Charges for Exp Org 013040	Yes	109497	6178172
	0110	111	016300	013040	553100	0000	0575	5636	2.58			Correct TRMS Charges for Exp Org 013040	Yes	109497	6178171
	0110	121	015850	013040	562100	0000	0575	5150	15.83			Correct TRMS Charges for Exp Org 013040	Yes	112233	6176557
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112233	6177294
	0110	121	015850	013040	562100	0000	0575	5150	26.72			Correct TRMS Charges for Exp Org 013040	Yes	112234	6199318
	0110	121	015850	013040	562100	0000	0575	5150	53.44			Correct TRMS Charges for Exp Org 013040	Yes	112234	6204827
	0110	121	015850	013040	562100	0000	0575	5150	31.67			Correct TRMS Charges for Exp Org 013040	Yes	112234	6208853
	0110	121	015850	013040	562100	0000	0575	5150	6.46			Correct TRMS Charges for Exp Org 013040	Yes	112219	6170952
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112375	6171222
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112219	6170955
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112219	6170985
	0110	121	015850	013040	562100	0000	0575	5150	19.38			Correct TRMS Charges for Exp Org 013040	Yes	112219	6171001
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112219	6171009

Template Type: Functional Journal  
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Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015850	013040	562100	0000	0575	5150	16.80			Correct TRMS Charges for Exp Org 013040	Yes	112219	6171010
	0110	121	015850	013040	562100	0000	0575	5150	7.75			Correct TRMS Charges for Exp Org 013040	Yes	112219	6171029
	0110	121	015850	013040	562100	0000	0575	5150	14.22			Correct TRMS Charges for Exp Org 013040	Yes	112219	6171030
	0110	121	015850	013040	562100	0000	0575	5150	7.75			Correct TRMS Charges for Exp Org 013040	Yes	112219	6171053
	0110	121	015850	013040	562100	0000	0575	5150	3.88			Correct TRMS Charges for Exp Org 013040	Yes	112219	6171278
	0110	121	015850	013040	562100	0000	0575	5150	10.34			Correct TRMS Charges for Exp Org 013040	Yes	112219	6171279
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112219	6172090
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112219	6172091
	0110	121	015850	013040	562100	0000	0575	5150	9.90			Correct TRMS Charges for Exp Org 013040	Yes	112223	6082391
	0110	121	015850	013040	562100	0000	0575	5150	27.71			Correct TRMS Charges for Exp Org 013040	Yes	112223	6196557
	0110	121	015850	013040	562100	0000	0575	5150	26.72			Correct TRMS Charges for Exp Org 013040	Yes	112223	6200857
	0110	121	015850	013040	562100	0000	0575	5150	15.83			Correct TRMS Charges for Exp Org 013040	Yes	112223	6200858
	0110	121	015850	013040	562100	0000	0575	5150	5.94			Correct TRMS Charges for Exp Org 013040	Yes	112223	6201119
	0110	121	015850	013040	562100	0000	0575	5150	6.93			Correct TRMS Charges for Exp Org 013040	Yes	112223	6201121
	0110	121	015850	013040	562100	0000	0575	5150	36.61			Correct TRMS Charges for Exp Org 013040	Yes	112223	6201123
	0110	121	015850	013040	562100	0000	0575	5150	32.66			Correct TRMS Charges for Exp Org 013040	Yes	112223	6203310
	0110	121	015850	013040	562100	0000	0575	5150	27.71			Correct TRMS Charges for Exp Org 013040	Yes	112227	6082312
	0110	121	015850	013040	562100	0000	0575	5150	15.83			Correct TRMS Charges for Exp Org 013040	Yes	112227	6199311
	0110	121	015850	013040	562100	0000	0575	5150	11.87			Correct TRMS Charges for Exp Org 013040	Yes	112227	6199314
	0110	121	015850	013040	562100	0000	0575	5150	15.83			Correct TRMS Charges for Exp Org 013040	Yes	112227	6199316
	0110	121	015850	013040	562100	0000	0575	5150	25.73			Correct TRMS Charges for Exp Org 013040	Yes	112227	6199319
	0110	121	015850	013040	562100	0000	0575	5150	24.74			Correct TRMS Charges for Exp Org 013040	Yes	112227	6199320
	0110	121	015850	013040	562100	0000	0575	5150	19.79			Correct TRMS Charges for Exp Org 013040	Yes	112227	6200855
	0110	121	015850	013040	562100	0000	0575	5150	29.69			Correct TRMS Charges for Exp Org 013040	Yes	112227	6200856
	0110	121	015850	013040	562100	0000	0575	5150	9.90			Correct TRMS Charges for Exp Org 013040	Yes	112227	6201089
	0110	121	015850	013040	562100	0000	0575	5150	16.82			Correct TRMS Charges for Exp Org 013040	Yes	112227	6201092
	0110	121	015850	013040	562100	0000	0575	5150	25.73			Correct TRMS Charges for Exp Org 013040	Yes	112227	6201110
	0110	121	015850	013040	562100	0000	0575	5150	21.77			Correct TRMS Charges for Exp Org 013040	Yes	112227	6205639
	0110	121	015850	013040	562100	0000	0575	5150	46.51			Correct TRMS Charges for Exp Org 013040	Yes	112228	6199321
	0110	121	015850	013040	562100	0000	0575	5150	51.46			Correct TRMS Charges for Exp Org 013040	Yes	112228	6201050
	0110	121	015850	013040	562100	0000	0575	5150	35.62			Correct TRMS Charges for Exp Org 013040	Yes	112228	6201075
	0110	121	015850	013040	562100	0000	0575	5150	50.47			Correct TRMS Charges for Exp Org 013040	Yes	112228	6201078
	0110	121	015850	013040	562100	0000	0575	5150	206.90			Correct TRMS Charges for Exp Org 013040	Yes	112228	6201080
	0110	121	015850	013040	562100	0000	0575	5150	78.17			Correct TRMS Charges for Exp Org 013040	Yes	112228	6201081
	0110	121	015850	013040	562100	0000	0575	5150	30.68			Correct TRMS Charges for Exp Org 013040	Yes	112228	6208103
	0110	121	015850	013040	562100	0000	0575	5150	65.31			Correct TRMS Charges for Exp Org 013040	Yes	112228	6208104
	0110	121	015850	013040	562100	0000	0575	5150	32.66			Correct TRMS Charges for Exp Org 013040	Yes	112228	6208105
	0110	121	015850	013040	562100	0000	0575	5150	2.97			Correct TRMS Charges for Exp Org 013040	Yes	112232	6194980
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112233	6170885
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112233	6174036
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112375	6171269

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112375	6171281
	0110	121	015850	013040	562100	0000	0575	5150	7.75			Correct TRMS Charges for Exp Org 013040	Yes	112375	6171284
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112375	6171308
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112375	6171324
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112375	6171330
	0110	121	015850	013040	562100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112375	6171334
	0110	121	015850	013040	562100	0000	0575	5150	14.22			Correct TRMS Charges for Exp Org 013040	Yes	112375	6171608
	0110	121	015850	013040	566100	0000	0575	0000	839.48			Correct TRMS Charges for Exp Org 013040	Yes	112218	TPM ADM
	0110	121	015850	013040	566100	0000	0575	0000	487.80			Correct TRMS Charges for Exp Org 013040	Yes	112236	TCM ADM
	0110	121	015850	013040	566900	0000	0575	0000	236.19			Correct TRMS Charges for Exp Org 013040	Yes	111343	TRAIN
	0110	121	015850	013040	570100	0000	0575	5150	2.97			Correct TRMS Charges for Exp Org 013040	Yes	115643	6203744
	0110	121	015850	013040	570100	0000	0575	5150	2.97			Correct TRMS Charges for Exp Org 013040	Yes	115643	6203746
	0110	121	015850	013040	570100	0000	0575	5150	2.97			Correct TRMS Charges for Exp Org 013040	Yes	115643	6203748
	0110	121	015850	013040	570100	0000	0575	5150	27.71			Correct TRMS Charges for Exp Org 013040	Yes	115643	6205637
	0110	121	015850	013040	570100	0000	0575	5150	14.84			Correct TRMS Charges for Exp Org 013040	Yes	115643	6208100
	0110	121	015850	013040	570100	0000	0575	0000	81.15			Correct TRMS Charges for Exp Org 013040	Yes	112239	TCM CBI
	0110	121	015850	013040	570100	0000	0575	5150	24.74			Correct TRMS Charges for Exp Org 013040	Yes	112240	6195397
	0110	121	015850	013040	570100	0000	0575	5150	12.86			Correct TRMS Charges for Exp Org 013040	Yes	112240	6195398
	0110	121	015850	013040	570100	0000	0575	5150	38.77			Correct TRMS Charges for Exp Org 013040	Yes	112241	6178217
	0110	121	015850	013040	570100	0000	0575	5150	138.27			Correct TRMS Charges for Exp Org 013040	Yes	111342	6180797
	0110	121	015850	013040	570100	0000	0575	5150	6.93			Correct TRMS Charges for Exp Org 013040	Yes	112247	6199326
	0110	121	015850	013040	570100	0000	0575	5150	11.87			Correct TRMS Charges for Exp Org 013040	Yes	112247	6199732
	0110	121	015850	013040	570100	0000	0575	5150	7.92			Correct TRMS Charges for Exp Org 013040	Yes	112247	6202808
	0110	121	015850	013040	570100	0000	0575	5150	5.94			Correct TRMS Charges for Exp Org 013040	Yes	112247	6204692
	0110	121	015850	013040	570100	0000	0575	0000	43.11			Correct TRMS Charges for Exp Org 013040	Yes	112248	TCM REL
	0110	121	015850	013040	570100	0000	0575	5150	12.86			Correct TRMS Charges for Exp Org 013040	Yes	112249	6167817
	0110	121	015850	013040	570100	0000	0575	5150	6.46			Correct TRMS Charges for Exp Org 013040	Yes	112249	6183149
	0110	121	015850	013040	570100	0000	0575	5150	6.46			Correct TRMS Charges for Exp Org 013040	Yes	112249	6183200
	0110	121	015850	013040	570100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112249	6183877
	0110	121	015850	013040	570100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112249	6185860
	0110	121	015850	013040	570100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112249	6185861
	0110	121	015850	013040	570100	0000	0575	5150	2.97			Correct TRMS Charges for Exp Org 013040	Yes	112249	6202810
	0110	121	015850	013040	570100	0000	0575	0000	7.75			Correct TRMS Charges for Exp Org 013040	Yes	112222	TPM GCB RD
	0110	121	015850	013040	570100	0000	0575	5150	78.83			Correct TRMS Charges for Exp Org 013040	Yes	112241	6181005
	0110	121	015850	013040	570100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112243	6183223
	0110	121	015850	013040	570100	0000	0575	5150	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112243	6183881
	0110	121	015850	013040	570100	0000	0575	5150	2.97			Correct TRMS Charges for Exp Org 013040	Yes	112244	6161099
	0110	121	015850	013040	570100	0000	0575	5150	2.58			Correct TRMS Charges for Exp Org 013040	Yes	112244	6181694
	0110	121	015850	013040	570100	0000	0575	0000	6.46			Correct TRMS Charges for Exp Org 013040	Yes	112244	TCM GCB
	0110	121	015850	013040	570100	0000	0575	5150	12.92			Correct TRMS Charges for Exp Org 013040	Yes	112246	6178753
	0110	121	015850	013040	570100	0000	0575	5150	9.05			Correct TRMS Charges for Exp Org 013040	Yes	112246	6178871

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015850	013040	570100	0000	0575	5150	29.72			Correct TRMS Charges for Exp Org 013040	Yes	112246	6180642
	0110	121	015850	013040	570100	0000	0575	5150	81.41			Correct TRMS Charges for Exp Org 013040	Yes	112246	6180643
	0110	121	015850	013040	570100	0000	0575	5150	14.22			Correct TRMS Charges for Exp Org 013040	Yes	112246	6181163
	0110	121	015850	013040	570100	0000	0575	5150	416.10			Correct TRMS Charges for Exp Org 013040	Yes	112246	6185645
	0110	121	015850	013040	570100	0000	0575	5150	5.94			Correct TRMS Charges for Exp Org 013040	Yes	112246	6189816
	0110	121	015850	013040	570100	0000	0575	5150	5.94			Correct TRMS Charges for Exp Org 013040	Yes	112246	6199322
	0110	121	015850	013040	570100	0000	0575	5150	1.98			Correct TRMS Charges for Exp Org 013040	Yes	112246	6200752
	0110	121	015850	013040	570100	0000	0575	5150	6.93			Correct TRMS Charges for Exp Org 013040	Yes	112246	6208918
	0110	121	015850	013040	570100	0000	0575	0000	15.83			Correct TRMS Charges for Exp Org 013040	Yes	112246	TCM OCB
	0110	121	015850	013040	570100	0000	0575	5150	68.49			Correct TRMS Charges for Exp Org 013040	Yes	112247	6185582
	0110	121	015850	013040	570100	0000	0575	5150	12.86			Correct TRMS Charges for Exp Org 013040	Yes	112247	6199052
	0110	121	015850	013040	570100	0000	0575	5150	2.97			Correct TRMS Charges for Exp Org 013040	Yes	115643	6098778
	0110	121	015850	013040	570100	0000	0575	5150	2.97			Correct TRMS Charges for Exp Org 013040	Yes	115643	6169622
	0110	121	015850	013040	570100	0000	0575	5150	7.75			Correct TRMS Charges for Exp Org 013040	Yes	115643	6181504
	0110	121	015850	013040	570100	0000	0575	5150	9.90			Correct TRMS Charges for Exp Org 013040	Yes	115643	6199733
	0110	121	015850	013040	570100	0000	0575	5150	21.77			Correct TRMS Charges for Exp Org 013040	Yes	115643	6200861
	0110	121	015870	013040	571100	0000	0575	0000	40.06			Correct TRMS Charges for Exp Org 013040	Yes	STORMSK	BUDGET
	0110	121	015850	013040	573100	0000	0575	0000	12.86			Correct TRMS Charges for Exp Org 013040	Yes	111343	OM-MISC
	0110	121	015850	013040	573100	0000	0575	0000	79.24			Correct TRMS Charges for Exp Org 013040	Yes	111342	CM-MISC
	0110	121	015850	013040	573100	0000	0575	0000	157.68			Correct TRMS Charges for Exp Org 013040	Yes	111341	PM-MISC
	0110	121	015850	013040	573100	0000	0575	0000	45.92			Correct TRMS Charges for Exp Org 013040	Yes	124902	CENTRAL
	0110	122	015740	013040	582100	0000	0575	0000	95.63			Correct TRMS Charges for Exp Org 013040	Yes	122283	COPPER CENTR
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171198
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171199
	0110	122	013040	013040	582100	0000	0575	5100	19.38			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171215
	0110	122	013040	013040	582100	0000	0575	5100	6.46			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171244
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171268
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171298
	0110	122	013040	013040	582100	0000	0575	5100	7.75			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171299
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171300
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171305
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171306
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171309
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171333
	0110	122	013040	013040	582100	0000	0575	5100	1.98			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171338
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171342
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171345
	0110	122	013040	013040	582100	0000	0575	5100	6.46			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171417
	0110	122	013040	013040	582100	0000	0575	5100	4.56			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171605
	0110	122	013040	013040	582100	0000	0575	5100	10.34			Correct TRMS Charges for Exp Org 013040	Yes	112374	6171607
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	112374	6173847

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	112374	6173849
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	112374	6173850
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176227
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176384
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176387
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176398
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176430
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176431
	0110	122	013040	013040	582100	0000	0575	5100	6.46			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176432
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176433
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176554
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176561
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176563
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176564
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176566
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6177383
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111950	6177410
	0110	122	013040	013040	582100	0000	0575	5100	1.98			Correct TRMS Charges for Exp Org 013040	Yes	111950	6179963
	0110	122	013040	013040	582100	0000	0575	0000	19.79			Correct TRMS Charges for Exp Org 013040	Yes	111951	DPM TFR OSD
	0110	122	013040	013040	582100	0000	0575	5100	52.45			Correct TRMS Charges for Exp Org 013040	Yes	111956	6203028
	0110	122	013040	013040	582100	0000	0575	5100	16.82			Correct TRMS Charges for Exp Org 013040	Yes	111956	6203137
	0110	122	013040	013040	582100	0000	0575	0000	570.80			Correct TRMS Charges for Exp Org 013040	Yes	111957	PM-D ADMIN
	0110	122	013040	013040	582100	0000	0575	5100	9.05			Correct TRMS Charges for Exp Org 013040	Yes	111949	6171458
	0110	122	013040	013040	582100	0000	0575	5100	12.92			Correct TRMS Charges for Exp Org 013040	Yes	111949	6171459
	0110	122	013040	013040	582100	0000	0575	5100	20.68			Correct TRMS Charges for Exp Org 013040	Yes	111949	6172140
	0110	122	013040	013040	582100	0000	0575	5100	11.63			Correct TRMS Charges for Exp Org 013040	Yes	111949	6173843
	0110	122	013040	013040	582100	0000	0575	5100	19.38			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176237
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176251
	0110	122	013040	013040	582100	0000	0575	5100	9.05			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176252
	0110	122	013040	013040	582100	0000	0575	5100	19.02			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176253
	0110	122	013040	013040	582100	0000	0575	5100	9.05			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176254
	0110	122	013040	013040	582100	0000	0575	5100	14.22			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176267
	0110	122	013040	013040	582100	0000	0575	5100	12.92			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176268
	0110	122	013040	013040	582100	0000	0575	5100	12.92			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176269
	0110	122	013040	013040	582100	0000	0575	5100	9.05			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176270
	0110	122	013040	013040	582100	0000	0575	5100	15.51			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176271
	0110	122	013040	013040	582100	0000	0575	5100	12.92			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176272
	0110	122	013040	013040	582100	0000	0575	5100	11.63			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176326
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111949	6176869
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111949	6177159
	0110	122	013040	013040	582100	0000	0575	5100	31.01			Correct TRMS Charges for Exp Org 013040	Yes	111949	6177160

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013040	013040	582100	0000	0575	5100	12.92			Correct TRMS Charges for Exp Org 013040	Yes	111949	6177303
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111949	6178895
	0110	122	013040	013040	582100	0000	0575	5100	18.09			Correct TRMS Charges for Exp Org 013040	Yes	111949	6184632
	0110	122	013040	013040	582100	0000	0575	5100	0.99			Correct TRMS Charges for Exp Org 013040	Yes	111949	6187332
	0110	122	013040	013040	582100	0000	0575	5100	11.87			Correct TRMS Charges for Exp Org 013040	Yes	111949	6187334
	0110	122	013040	013040	582100	0000	0575	5100	6.93			Correct TRMS Charges for Exp Org 013040	Yes	111949	6187376
	0110	122	013040	013040	582100	0000	0575	5100	6.93			Correct TRMS Charges for Exp Org 013040	Yes	111949	6187633
	0110	122	013040	013040	582100	0000	0575	5100	6.93			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194951
	0110	122	013040	013040	582100	0000	0575	5100	0.99			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194963
	0110	122	013040	013040	582100	0000	0575	5100	12.86			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194964
	0110	122	013040	013040	582100	0000	0575	5100	10.89			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194965
	0110	122	013040	013040	582100	0000	0575	5100	5.94			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194966
	0110	122	013040	013040	582100	0000	0575	5100	6.93			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194967
	0110	122	013040	013040	582100	0000	0575	5100	11.87			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194968
	0110	122	013040	013040	582100	0000	0575	5100	10.89			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194969
	0110	122	013040	013040	582100	0000	0575	5100	8.91			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194970
	0110	122	013040	013040	582100	0000	0575	5100	8.91			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194971
	0110	122	013040	013040	582100	0000	0575	5100	6.93			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194972
	0110	122	013040	013040	582100	0000	0575	5100	6.93			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194973
	0110	122	013040	013040	582100	0000	0575	5100	5.94			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194974
	0110	122	013040	013040	582100	0000	0575	5100	5.94			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194975
	0110	122	013040	013040	582100	0000	0575	5100	5.94			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194976
	0110	122	013040	013040	582100	0000	0575	5100	19.79			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194977
	0110	122	013040	013040	582100	0000	0575	5100	5.94			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194978
	0110	122	013040	013040	582100	0000	0575	5100	5.94			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194979
	0110	122	013040	013040	582100	0000	0575	5100	11.87			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194983
	0110	122	013040	013040	582100	0000	0575	5100	6.93			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194984
	0110	122	013040	013040	582100	0000	0575	5100	6.93			Correct TRMS Charges for Exp Org 013040	Yes	111949	6194985
	0110	122	013040	013040	582100	0000	0575	5100	6.93			Correct TRMS Charges for Exp Org 013040	Yes	111949	6195026
	0110	122	013040	013040	582100	0000	0575	5100	3.96			Correct TRMS Charges for Exp Org 013040	Yes	111949	6195029
	0110	122	013040	013040	582100	0000	0575	5100	21.77			Correct TRMS Charges for Exp Org 013040	Yes	111949	6195030
	0110	122	013040	013040	582100	0000	0575	5100	5.94			Correct TRMS Charges for Exp Org 013040	Yes	111949	6195040
	0110	122	013040	013040	582100	0000	0575	5100	6.93			Correct TRMS Charges for Exp Org 013040	Yes	111949	6195041
	0110	122	013040	013040	582100	0000	0575	5100	5.94			Correct TRMS Charges for Exp Org 013040	Yes	111949	6197341
	0110	122	013040	013040	582100	0000	0575	0000	5.25			Correct TRMS Charges for Exp Org 013040	Yes	111949	DPM STA INSP
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111950	6170666
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111950	6170838
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6170854
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6170925
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111950	6170926
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111950	6170928



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6170934
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111950	6170938
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111950	6172135
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111950	6176225
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171067
	0110	122	013040	013040	582100	0000	0575	5100	6.85			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171071
	0110	122	013040	013040	582100	0000	0575	5100	14.22			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171072
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111929	6172138
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111929	6173491
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111929	6173887
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111929	6173894
	0110	122	013040	013040	582100	0000	0575	5100	10.34			Correct TRMS Charges for Exp Org 013040	Yes	111929	6173905
	0110	122	013040	013040	582100	0000	0575	0000	7.92			Correct TRMS Charges for Exp Org 013040	Yes	111929	DPM DCS
	0110	122	013040	013040	582100	0000	0575	5100	65.31			Correct TRMS Charges for Exp Org 013040	Yes	111941	6203544
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	4895495
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6057435
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6165999
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166003
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166009
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166023
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166024
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166030
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166036
	0110	122	013040	013040	582100	0000	0575	5100	13.31			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166041
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166047
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166050
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166058
	0110	122	013040	013040	582100	0000	0575	5100	16.28			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166063
	0110	122	013040	013040	582100	0000	0575	5100	16.28			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166067
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166077
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6166079
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6167356
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6167367
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6191102
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6193551
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6193553
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6193554
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6193555
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6193574
	0110	122	013040	013040	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111944	6193575
	0110	122	013040	013040	582100	0000	0575	0000	207.18			Correct TRMS Charges for Exp Org 013040	Yes	111944	DPM RCL OH

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	122	013040	013040	582100	0000	0575	0000	6.46			Correct TRMS Charges for Exp Org 013040	Yes	111945	DPM REG RM
	0110	122	013040	013040	582100	0000	0575	0000	7.75			Correct TRMS Charges for Exp Org 013040	Yes	111948	DPM IRS RM
	0110	122	013040	013040	582100	0000	0575	5100	16.80			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170679
	0110	122	013040	013040	582100	0000	0575	5100	16.80			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170680
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170698
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170704
	0110	122	013040	013040	582100	0000	0575	5100	6.46			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170769
	0110	122	013040	013040	582100	0000	0575	5100	9.05			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170789
	0110	122	013040	013040	582100	0000	0575	5100	7.75			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170791
	0110	122	013040	013040	582100	0000	0575	5100	10.34			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170792
	0110	122	013040	013040	582100	0000	0575	5100	9.05			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170793
	0110	122	013040	013040	582100	0000	0575	5100	10.34			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170830
	0110	122	013040	013040	582100	0000	0575	5100	11.63			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170831
	0110	122	013040	013040	582100	0000	0575	5100	11.63			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170832
	0110	122	013040	013040	582100	0000	0575	5100	12.92			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170833
	0110	122	013040	013040	582100	0000	0575	5100	9.05			Correct TRMS Charges for Exp Org 013040	Yes	111949	6170834
	0110	122	013040	013040	582100	0000	0575	5100	7.75			Correct TRMS Charges for Exp Org 013040	Yes	111949	6171395
	0110	122	013040	013040	582100	0000	0575	0000	7.75			Correct TRMS Charges for Exp Org 013040	Yes	111686	DEM
	0110	122	013040	013040	582100	0000	0575	0000	386.39			Correct TRMS Charges for Exp Org 013040	Yes	111686	MISC
	0110	122	013040	013040	582100	0000	0575	5100	5.94			Correct TRMS Charges for Exp Org 013040	Yes	111928	5539346
	0110	122	013040	013040	582100	0000	0575	5100	9.90			Correct TRMS Charges for Exp Org 013040	Yes	111929	6170947
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111929	6170983
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111929	6170984
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111929	6170987
	0110	122	013040	013040	582100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111929	6170991
	0110	122	013040	013040	582100	0000	0575	5100	7.75			Correct TRMS Charges for Exp Org 013040	Yes	111929	6170992
	0110	122	013040	013040	582100	0000	0575	5100	7.75			Correct TRMS Charges for Exp Org 013040	Yes	111929	6170999
	0110	122	013040	013040	582100	0000	0575	5100	11.63			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171000
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171007
	0110	122	013040	013040	582100	0000	0575	5100	11.63			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171023
	0110	122	013040	013040	582100	0000	0575	5100	9.05			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171052
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171054
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171055
	0110	122	013040	013040	582100	0000	0575	5100	2.58			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171057
	0110	122	013040	013040	582100	0000	0575	5100	5.17			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171059
	0110	122	013040	013040	582100	0000	0575	5100	10.89			Correct TRMS Charges for Exp Org 013040	Yes	111929	6171066
	0110	122	013040	013040	588100	0000	0575	0000	147.64			Correct TRMS Charges for Exp Org 013040	Yes	111707	TRAIN
	0110	122	013040	013040	588100	0000	0575	0000	9.90			Correct TRMS Charges for Exp Org 013040	Yes	111707	STANDBY
	0110	122	013040	013040	588100	0000	0575	0000	38.77			Correct TRMS Charges for Exp Org 013040	Yes	111679	3904
	0110	122	013040	013040	588100	0000	0575	0000	9.13			Correct TRMS Charges for Exp Org 013040	Yes	111679	3906
	0110	122	013040	013040	588100	0000	0575	0000	21.00			Correct TRMS Charges for Exp Org 013040	Yes	111679	5662

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
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Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013040	013040	588100	0000	0575	0000	8.14			Correct TRMS Charges for Exp Org 013040	Yes	111679	5912
	0110	122	013040	013040	588100	0000	0575	0000	3.96			Correct TRMS Charges for Exp Org 013040	Yes	111679	5913
	0110	122	013040	013040	588100	0000	0575	0000	6.54			Correct TRMS Charges for Exp Org 013040	Yes	111679	9009
	0110	122	013040	013040	588100	0000	0575	0000	27.14			Correct TRMS Charges for Exp Org 013040	Yes	111679	MISC
	0110	122	013040	013040	588100	0000	0575	0000	186.08			Correct TRMS Charges for Exp Org 013040	Yes	111679	TO338
	0110	122	013040	013040	588100	0000	0575	0000	24.55			Correct TRMS Charges for Exp Org 013040	Yes	111679	3613
	0110	122	013040	013040	588100	0000	0575	5190	9.05			Correct TRMS Charges for Exp Org 013040	Yes	111679	3852
	0110	122	013040	013040	588100	0000	0575	0000	80.11			Correct TRMS Charges for Exp Org 013040	Yes	111707	BE
	0110	122	013040	013040	588100	0000	0575	0000	664.75			Correct TRMS Charges for Exp Org 013040	Yes	111707	CL
	0110	122	013040	013040	588100	0000	0575	0000	439.37			Correct TRMS Charges for Exp Org 013040	Yes	111707	INFO MEET
	0110	122	013040	013040	588100	0000	0575	0000	509.36			Correct TRMS Charges for Exp Org 013040	Yes	111707	HSP
	0110	122	013040	013040	592100	0000	0575	0000	199.25			Correct TRMS Charges for Exp Org 013040	Yes	111688	MISC
	0110	122	013040	013040	592100	0000	0575	0000	18.09			Correct TRMS Charges for Exp Org 013040	Yes	111688	DEM
	0110	122	013040	013040	592100	0000	0575	5100	19.79			Correct TRMS Charges for Exp Org 013040	Yes	111971	6199840
	0110	122	013040	013040	592100	0000	0575	5100	15.83			Correct TRMS Charges for Exp Org 013040	Yes	111984	6201472
	0110	122	013040	013040	592100	0000	0575	5100	136.98			Correct TRMS Charges for Exp Org 013040	Yes	111984	6186095
	0110	122	013040	013040	592100	0000	0575	5100	15.51			Correct TRMS Charges for Exp Org 013040	Yes	111984	6186094
	0110	122	013040	013040	592100	0000	0575	5100	62.21			Correct TRMS Charges for Exp Org 013040	Yes	111984	6183366
	0110	122	013040	013040	592100	0000	0575	5100	37.47			Correct TRMS Charges for Exp Org 013040	Yes	111984	6178384
	0110	122	013040	013040	592100	0000	0575	5100	66.30			Correct TRMS Charges for Exp Org 013040	Yes	111983	6204721
	0110	122	013040	013040	592100	0000	0575	5100	8.91			Correct TRMS Charges for Exp Org 013040	Yes	111983	6201827
	0110	122	013040	013040	592100	0000	0575	5100	477.96			Correct TRMS Charges for Exp Org 013040	Yes	111983	6201583
	0110	122	013040	013040	592100	0000	0575	5100	1.98			Correct TRMS Charges for Exp Org 013040	Yes	111983	6199834
	0110	122	013040	013040	592100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111983	6178854
	0110	122	013040	013040	592100	0000	0575	0000	94.36			Correct TRMS Charges for Exp Org 013040	Yes	111980	DCM REL
	0110	122	013040	013040	592100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111980	6205181
	0110	122	013040	013040	592100	0000	0575	5100	38.77			Correct TRMS Charges for Exp Org 013040	Yes	111980	6183610
	0110	122	013040	013040	592100	0000	0575	0000	303.72			Correct TRMS Charges for Exp Org 013040	Yes	111959	CM-D ADMIN
	0110	122	013040	013040	592100	0000	0575	5100	35.62			Correct TRMS Charges for Exp Org 013040	Yes	111967	6196393
	0110	122	013040	013040	592100	0000	0575	5100	14.84			Correct TRMS Charges for Exp Org 013040	Yes	111969	6201700
	0110	122	013040	013040	592100	0000	0575	5100	20.78			Correct TRMS Charges for Exp Org 013040	Yes	111970	6146324
	0110	122	013040	013040	592100	0000	0575	5100	5.94			Correct TRMS Charges for Exp Org 013040	Yes	111971	6159256
	0110	122	013040	013040	592100	0000	0575	5100	36.61			Correct TRMS Charges for Exp Org 013040	Yes	111971	6178874
	0110	122	013040	013040	592100	0000	0575	0000	111.37			Correct TRMS Charges for Exp Org 013040	Yes	111985	D-ENVIRO
	0110	122	013040	013040	592100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 013040	Yes	111976	6178856
	0110	122	013040	013040	592100	0000	0575	5100	10.89			Correct TRMS Charges for Exp Org 013040	Yes	111977	6189539
	0110	122	013040	013040	592100	0000	0575	5100	4.95			Correct TRMS Charges for Exp Org 013040	Yes	111977	6195446
	0110	122	013040	013040	592100	0000	0575	5100	12.86			Correct TRMS Charges for Exp Org 013040	Yes	111977	6199832
	0110	122	013040	013040	592100	0000	0575	0000	29.91			Correct TRMS Charges for Exp Org 013040	Yes	111977	DCM PAN
	0110	122	013040	013040	592100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 013040	Yes	111978	6167464
	0110	122	013040	013040	592100	0000	0575	5100	11.63			Correct TRMS Charges for Exp Org 013040	Yes	111979	6185574

Template Type: Functional Journal  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013040	013040	592100	0000	0575	5100	23.26			Correct TRMS Charges for Exp Org 013040	Yes	111979	6185580
	0110	122	013040	013040	592100	0000	0575	5100	15.83			Correct TRMS Charges for Exp Org 013040	Yes	111979	6201727
	0110	122	013040	013040	592100	0000	0575	0000	865.81			Correct TRMS Charges for Exp Org 013040	Yes	111979	DCM REG
	0110	122	013040	013040	592100	0000	0575	5100	18.09			Correct TRMS Charges for Exp Org 013040	Yes	111980	6181854
	0110	122	012460	013040	593002	0000	0575	5130	17.81			Correct TRMS Charges for Exp Org 013040	Yes	RELD246OH	M
	0110	122	013040	013040	925004	0000	0575	0000	1.29			Correct TRMS Charges for Exp Org 013040	Yes	111707	RG
	0110	122	013040	013040	935403	0000	0575	0000	25.78			Correct TRMS Charges for Exp Org 013040	Yes	111707	BGB
	0110	122	013085	013080	107001	0000	0575	5130	6.07			Correct TRMS Charges for Exp Org 013080	Yes	STRM13660	020211-I
	0110	122	013080	013080	580100	0000	0575	0000	142.37			Correct TRMS Charges for Exp Org 013080	Yes	013080	58001
	0110	122	013085	013080	580100	0000	0575	5130	2.90			Correct TRMS Charges for Exp Org 013080	Yes	STRM13150	020211-OPER
	0110	122	013085	013080	580100	0000	0575	5130	1.03			Correct TRMS Charges for Exp Org 013080	Yes	STRM13660	032311-OPER
	0110	122	013080	013080	583001	0000	0575	0000	31.60			Correct TRMS Charges for Exp Org 013080	Yes	013080	SHIFT
	0110	122	013080	013080	588100	0000	0575	0000	668.80			Correct TRMS Charges for Exp Org 013080	Yes	013080	58801
	0110	122	013080	013080	588100	0000	0575	5130	8.18			Correct TRMS Charges for Exp Org 013080	Yes	013080	TRAINING
	0110	122	013085	013080	593002	0000	0575	5130	2.75			Correct TRMS Charges for Exp Org 013080	Yes	STRM13150	020211-MOL
	0110	122	013085	013080	593002	0000	0575	5130	2.48			Correct TRMS Charges for Exp Org 013080	Yes	STRM13660	020211-MOL
	0110	122	013085	013080	593002	0000	0575	5330	0.61			Correct TRMS Charges for Exp Org 013080	Yes	STRM17660	062410-MOL
	0110	122	013085	013080	598100	0000	0575	5130	3.22			Correct TRMS Charges for Exp Org 013080	Yes	STRM13660	020211-MISC
	0110	122	013085	013080	598100	0000	0575	5130	2.28			Correct TRMS Charges for Exp Org 013080	Yes	STRM12560	022811-MISC
	0110	122	011370	013180	586100	0000	0575	0000	94.20			Correct TRMS Charges for Exp Org 013180	Yes	115564	FSI
	0110	105	013180	013180	902001	0000	0575	0000	908.40			Correct TRMS Charges for Exp Org 013180	Yes	115561	MRI
	0110	105	013180	013180	902001	0000	0575	0000	13.40			Correct TRMS Charges for Exp Org 013180	Yes	115561	TRAIN
	0110	105	013180	013180	902002	0000	0575	0000	40.37			Correct TRMS Charges for Exp Org 013180	Yes	115561	MISC
	0110	122	013660	013660	107001	0000	0575	5130		9.70		Correct TRMS Charges for Exp Org 013660	Yes	RNTPD366	2776989I01
	0110	122	013660	013660	107001	0000	0575	5130		242.88		Correct TRMS Charges for Exp Org 013660	Yes	RNTPD366	I
	0110	122	013660	013660	107001	0000	0575	5130		67.21		Correct TRMS Charges for Exp Org 013660	Yes	ECAPRR366	I
	0110	122	013660	013660	107001	0000	0575	5130		4,164.63		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366OH	I
	0110	122	013660	013660	107001	0000	0575	5130		93.10		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366OH	2781757I01
	0110	122	013660	013660	107001	0000	0575	5130		54.31		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366OH	2789690I01
	0110	122	013660	013660	107001	0000	0575	5130		56.25		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366OH	2802605I01
	0110	122	013660	013660	107001	0000	0575	5130		1,996.72		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366UG	I
	0110	122	013660	013660	107001	0000	0575	5130		277.36		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366UG	2657028I01
	0110	122	013660	013660	107001	0000	0575	5130		223.05		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366UG	2667319I01
	0110	122	013660	013660	107001	0000	0575	5130		73.70		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366UG	2753564I01
	0110	122	013660	013660	107001	0000	0575	5130		56.25		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366UG	2775025I01
	0110	122	013660	013660	107001	0000	0575	5130		56.25		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366UG	2809984I01
	0110	122	013660	013660	107001	0000	0575	5130		3,994.87		Correct TRMS Charges for Exp Org 013660	Yes	NBRD366OH	I
	0110	122	013660	013660	107001	0000	0575	5130		340.03		Correct TRMS Charges for Exp Org 013660	Yes	NBRD366OH	2684545I01

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013660	013660	107001	0000	0575	5130		309.67		Correct TRMS Charges for Exp Org 013660	Yes	NBRD366OH	2685925101
	0110	122	013660	013660	107001	0000	0575	5130		69.82		Correct TRMS Charges for Exp Org 013660	Yes	NBRD366OH	2778659101
	0110	122	013660	013660	107001	0000	0575	5130		27.15		Correct TRMS Charges for Exp Org 013660	Yes	NBRD366OH	2792693101
	0110	122	013660	013660	107001	0000	0575	5130		147.41		Correct TRMS Charges for Exp Org 013660	Yes	NBRD366OH	2796924101
	0110	122	013660	013660	107001	0000	0575	5130		1,958.10		Correct TRMS Charges for Exp Org 013660	Yes	NBRD366UG	I
	0110	122	013660	013660	107001	0000	0575	5130		36.85		Correct TRMS Charges for Exp Org 013660	Yes	NBRD366UG	2569970101
	0110	122	013040	013660	107001	0000	0575	5100		387.92		Correct TRMS Charges for Exp Org 013660	Yes	126528	107001D223
	0110	122	013660	013660	107001	0000	0575	5130		1,215.38		Correct TRMS Charges for Exp Org 013660	Yes	POLD366	I
	0110	122	013660	013660	107001	0000	0575	5130		4,830.60		Correct TRMS Charges for Exp Org 013660	Yes	NBSV366OH	I
	0110	122	013660	013660	107001	0000	0575	5130		3,550.88		Correct TRMS Charges for Exp Org 013660	Yes	NBSV366UG	I
	0110	122	013660	013660	107001	0000	0575	5130		115.37		Correct TRMS Charges for Exp Org 013660	Yes	PBWK366OH	I
	0110	122	013660	013660	107001	0000	0575	5130		2,554.90		Correct TRMS Charges for Exp Org 013660	Yes	RDDD366OH	I
	0110	122	013660	013660	107001	0000	0575	5130		13.58		Correct TRMS Charges for Exp Org 013660	Yes	RDDD366UG	I
	0110	122	013660	013660	107001	0000	0575	5130		940.04		Correct TRMS Charges for Exp Org 013660	Yes	RDPOLD366	I
	0110	122	013660	013660	107001	0000	0575	5130		9,639.25		Correct TRMS Charges for Exp Org 013660	Yes	RDPOLE366	I
	0110	122	013660	013660	107001	0000	0575	5130		1,204.51		Correct TRMS Charges for Exp Org 013660	Yes	RDSTLT366	I
	0110	122	013660	013660	107001	0000	0575	5130		27.15		Correct TRMS Charges for Exp Org 013660	Yes	RELD366OH	2747764101
	0110	122	013085	013660	107001	0000	0575	5130		126.07		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	022811-I
	0110	122	013085	013660	107001	0000	0575	5130		213.36		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	032311-I
	0110	122	013660	013660	107001	0000	0575	5130		170.01		Correct TRMS Charges for Exp Org 013660	Yes	SYSENH366	I
	0110	122	013660	013660	107001	0000	0575	5130		60.72		Correct TRMS Charges for Exp Org 013660	Yes	SYSENH366	2527890101
	0110	122	013660	013660	107001	0000	0575	5130		1,040.74		Correct TRMS Charges for Exp Org 013660	Yes	TBRD366OH	I
	0110	122	013660	013660	107001	0000	0575	5130		72.86		Correct TRMS Charges for Exp Org 013660	Yes	RCST366	I
	0110	122	013660	013660	107001	0000	0575	5130		32.97		Correct TRMS Charges for Exp Org 013660	Yes	RCST366	2803724101
	0110	122	013660	013660	107001	0000	0575	5130		1,994.60		Correct TRMS Charges for Exp Org 013660	Yes	STLT366	I
	0110	122	013660	013660	107001	0000	0575	5130		500.51		Correct TRMS Charges for Exp Org 013660	Yes	XFRM366	INSTALL
	0110	122	013660	013660	107001	0000	0575	5130		29.09		Correct TRMS Charges for Exp Org 013660	Yes	RNTPD366	2791304101
	0110	122	013660	013660	108901	0000	0575	5130		9.70		Correct TRMS Charges for Exp Org 013660	Yes	RNTPD366	2776989R02
	0110	122	013660	013660	108901	0000	0575	5130		121.44		Correct TRMS Charges for Exp Org 013660	Yes	RNTPD366	R
	0110	122	013660	013660	108901	0000	0575	5130		331.59		Correct TRMS Charges for Exp Org 013660	Yes	XFRM366	R
	0110	122	013660	013660	108901	0000	0575	5130		5.82		Correct TRMS Charges for Exp Org 013660	Yes	RCST366	2803724R02
	0110	122	013660	013660	108901	0000	0575	5130		820.55		Correct TRMS Charges for Exp Org 013660	Yes	TBRD366OH	R
	0110	122	013085	013660	108901	0000	0575	5130		95.04		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	032311-R
	0110	122	013085	013660	108901	0000	0575	5130		54.31		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	022811-R
	0110	122	013660	013660	108901	0000	0575	5130		27.15		Correct TRMS Charges for Exp Org 013660	Yes	RELD366OH	2747764R02
	0110	122	013660	013660	108901	0000	0575	5130		1,266.07		Correct TRMS Charges for Exp Org 013660	Yes	RDPOLE366	R
	0110	122	013660	013660	108901	0000	0575	5130		60.72		Correct TRMS Charges for Exp Org 013660	Yes	RDPOLD366	R
	0110	122	013660	013660	108901	0000	0575	5130		1,101.88		Correct TRMS Charges for Exp Org 013660	Yes	RDDD366OH	R
	0110	122	013660	013660	108901	0000	0575	5130		50.43		Correct TRMS Charges for Exp Org 013660	Yes	NBSV366UG	R
	0110	122	013660	013660	108901	0000	0575	5130		3,243.66		Correct TRMS Charges for Exp Org 013660	Yes	NBSV366OH	R
	0110	122	013660	013660	108901	0000	0575	5130		110.56		Correct TRMS Charges for Exp Org 013660	Yes	NBRD366UG	2569970R02

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013660	013660	108901	0000	0575	5130		131.14		Correct TRMS Charges for Exp Org 013660	Yes	POLD366	R
	0110	121	015870	013660	108901	0000	0575	5200		36.85		Correct TRMS Charges for Exp Org 013660	Yes	K9-2011	MAR04MILL-MUR
	0110	122	013660	013660	108901	0000	0575	5130		42.67		Correct TRMS Charges for Exp Org 013660	Yes	NBRD366OH	2778659R02
	0110	122	013660	013660	108901	0000	0575	5130		19.39		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366UG	2753564R02
	0110	122	013660	013660	108901	0000	0575	5130		36.85		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366OH	2802605R02
	0110	122	013660	013660	108901	0000	0575	5130		27.15		Correct TRMS Charges for Exp Org 013660	Yes	NBCD366OH	2789690R02
	0110	122	013660	013660	108901	0000	0575	5130		36.85		Correct TRMS Charges for Exp Org 013660	Yes	ECAPRR366	R
	0110	122	013660	013660	108901	0000	0575	5130		23.28		Correct TRMS Charges for Exp Org 013660	Yes	RNTPD366	2791304R02
	0110	122	013660	013660	108901	0000	0575	5130		9.70		Correct TRMS Charges for Exp Org 013660	Yes	RNTPD366	2784344R02
	0110	303	013660	013660	143022	0000	0575	5130		7.76		Correct TRMS Charges for Exp Org 013660	Yes	BTM366	2761796I01
	0110	303	013660	013660	184612	0000	0575	0000		5,010.99		Correct TRMS Charges for Exp Org 013660	Yes	NBCOH366	LE
	0110	122	013085	013660	583001	0000	0575	5130		95.04		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	022811-MOL
	0110	122	013660	013660	583001	0000	0575	5130		684.27		Correct TRMS Charges for Exp Org 013660	Yes	SWITCH366	O
	0110	122	013660	013660	583001	0000	0575	5130		280.23		Correct TRMS Charges for Exp Org 013660	Yes	LINLOC366	O
	0110	122	013660	013660	583001	0000	0575	5130		85.01		Correct TRMS Charges for Exp Org 013660	Yes	RNMR366	O
	0110	122	013660	013660	583001	0000	0575	5130		11.64		Correct TRMS Charges for Exp Org 013660	Yes	TBRD366OH	O
	0110	122	013660	013660	583009	0000	0575	5130		2,620.44		Correct TRMS Charges for Exp Org 013660	Yes	PMINSP366	O
	0110	122	011370	013660	586100	0000	0575	0000		177.77		Correct TRMS Charges for Exp Org 013660	Yes	122636	DISTRIBUTION
	0110	122	013660	013660	587100	0000	0575	5130		31.03		Correct TRMS Charges for Exp Org 013660	Yes	RCST366	2785774O01
	0110	122	013660	013660	588100	0000	0575	5430		1,567.48		Correct TRMS Charges for Exp Org 013660	Yes	TRNG366	T
	0110	122	013660	013660	588100	0000	0575	0000		3,720.13		Correct TRMS Charges for Exp Org 013660	Yes	HLTSAF366	HSP
	0110	122	013660	013660	588100	0000	0575	5130		642.61		Correct TRMS Charges for Exp Org 013660	Yes	ADMSP366	OMS
	0110	122	013660	013660	593001	0000	0575	5130		807.57		Correct TRMS Charges for Exp Org 013660	Yes	RDPOLE366	PLTRT
	0110	122	013660	013660	593002	0000	0575	5130		720.53		Correct TRMS Charges for Exp Org 013660	Yes	RDPOLE366	M
	0110	122	013660	013660	593002	0000	0575	5130		735.45		Correct TRMS Charges for Exp Org 013660	Yes	MCAPR366	M
	0110	122	013660	013660	593002	0000	0575	0000		60.72		Correct TRMS Charges for Exp Org 013660	Yes	PMINSP366	M
	0110	122	013085	013660	593002	0000	0575	5130		184.26		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	022511-MOL
	0110	122	013085	013660	593002	0000	0575	5130		31.03		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	022711-MOL
	0110	122	013660	013660	593002	0000	0575	5130		413.98		Correct TRMS Charges for Exp Org 013660	Yes	RDPOLE366	M
	0110	122	013085	013660	593002	0000	0575	5130		415.07		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	032311-MOL
	0110	122	013660	013660	593002	0000	0575	5130		6,159.74		Correct TRMS Charges for Exp Org 013660	Yes	TBRD366OH	M
	0110	122	013660	013660	593002	0000	0575	5130		3,843.18		Correct TRMS Charges for Exp Org 013660	Yes	RDDD366OH	M
	0110	122	013660	013660	593002	0000	0575	5130		874.69		Correct TRMS Charges for Exp Org 013660	Yes	RDSTLT366	M
	0110	122	013085	013660	593003	0000	0575	5130		31.03		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	022711-MOS
	0110	122	013085	013660	593003	0000	0575	5130		124.13		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	032311-MOS
	0110	122	013085	013660	593004	0000	0575	5130		15.52		Correct TRMS Charges for Exp Org 013660	Yes	STRM13660	032311-TREE
	0110	122	013660	013660	594001	0000	0575	5130		91.16		Correct TRMS Charges for Exp Org 013660	Yes	RNTPD366	M
	0110	105	013660	013660	903003	0000	0575	0000		33.99		Correct TRMS Charges for Exp Org 013660	Yes	126363	RET
	0110	122	013150	013910	107001	0000	0575	5130	1,508.48			Correct TRMS Charges for Exp Org 013910	Yes	XFRM315	INSTALL
	0110	122	013150	013910	107001	0000	0575	5130	321.81			Correct TRMS Charges for Exp Org 013910	Yes	MCAPR315	I

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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013150	013910	107001	0000	0575	5130	1,644.31			Correct TRMS Charges for Exp Org 013910	Yes	RNTPD315	I
	0110	122	013150	013910	107001	0000	0575	5130	80.45			Correct TRMS Charges for Exp Org 013910	Yes	RNTPD315	2783895101
	0110	122	013150	013910	107001	0000	0575	5130	3,491.43			Correct TRMS Charges for Exp Org 013910	Yes	NBCD315OH	I
	0110	122	013150	013910	107001	0000	0575	5130	145.57			Correct TRMS Charges for Exp Org 013910	Yes	NBCD315OH	2623045101
	0110	122	013150	013910	107001	0000	0575	5130	111.40			Correct TRMS Charges for Exp Org 013910	Yes	NBCD315OH	2761158101
	0110	122	013150	013910	107001	0000	0575	5130	154.72			Correct TRMS Charges for Exp Org 013910	Yes	NBCD315OH	2776440101
	0110	122	013150	013910	107001	0000	0575	5130	2,945.66			Correct TRMS Charges for Exp Org 013910	Yes	NBCD315UG	I
	0110	122	013150	013910	107001	0000	0575	5130	89.58			Correct TRMS Charges for Exp Org 013910	Yes	NBCD315UG	2563594101
	0110	122	013150	013910	107001	0000	0575	5130	74.26			Correct TRMS Charges for Exp Org 013910	Yes	NBCD315UG	2746024101
	0110	122	013150	013910	107001	0000	0575	5130	154.72			Correct TRMS Charges for Exp Org 013910	Yes	NBCD315UG	2747715101
	0110	122	013150	013910	107001	0000	0575	5130	179.47			Correct TRMS Charges for Exp Org 013910	Yes	NBCD315UG	2763096101
	0110	122	013660	013910	107001	0000	0575	5130	43.32			Correct TRMS Charges for Exp Org 013910	Yes	NBCD366UG	2657028101
	0110	122	013660	013910	107001	0000	0575	5130	433.21			Correct TRMS Charges for Exp Org 013910	Yes	NBCD366UG	2667319101
	0110	122	014260	013910	107001	0000	0575	5130	24.75			Correct TRMS Charges for Exp Org 013910	Yes	NBCD426UG	2668920101
	0110	122	013150	013910	107001	0000	0575	5130	4,686.64			Correct TRMS Charges for Exp Org 013910	Yes	NBRD315OH	I
	0110	122	013150	013910	107001	0000	0575	5130	145.57			Correct TRMS Charges for Exp Org 013910	Yes	NBRD315OH	2664715101
	0110	122	013150	013910	107001	0000	0575	5130	167.09			Correct TRMS Charges for Exp Org 013910	Yes	NBRD315OH	2783884101
	0110	122	013150	013910	107001	0000	0575	5130	7,484.97			Correct TRMS Charges for Exp Org 013910	Yes	NBRD315UG	I
	0110	122	013150	013910	107001	0000	0575	5130	162.36			Correct TRMS Charges for Exp Org 013910	Yes	NBRD315UG	2177304
	0110	122	013150	013910	107001	0000	0575	5130	95.18			Correct TRMS Charges for Exp Org 013910	Yes	NBRD315UG	2544596
	0110	122	013150	013910	107001	0000	0575	5130	123.77			Correct TRMS Charges for Exp Org 013910	Yes	NBRD315UG	2779104
	0110	122	013150	013910	107001	0000	0575	5130	83.98			Correct TRMS Charges for Exp Org 013910	Yes	NBSB315UG	1138034101
	0110	122	013150	013910	107001	0000	0575	5130	139.97			Correct TRMS Charges for Exp Org 013910	Yes	I26426	2430488101
	0110	122	013150	013910	107001	0000	0575	5130	1,355.31			Correct TRMS Charges for Exp Org 013910	Yes	I26435	2504955101
	0110	122	010610	013910	107001	0000	0575	5130	173.28			Correct TRMS Charges for Exp Org 013910	Yes	I30152	2561396101
	0110	122	013150	013910	107001	0000	0575	5130	1,890.96			Correct TRMS Charges for Exp Org 013910	Yes	POLD315	I
	0110	122	012560	013910	107001	0000	0575	5130	604.66			Correct TRMS Charges for Exp Org 013910	Yes	RCST256	2686204101
	0110	122	013150	013910	107001	0000	0575	5130	1,308.99			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	IO
	0110	122	013150	013910	107001	0000	0575	5130	200.98			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	IU
	0110	122	013150	013910	107001	0000	0575	5130	736.45			Correct TRMS Charges for Exp Org 013910	Yes	NBSB315UG	2495195101
	0110	122	013150	013910	107001	0000	0575	5130	321.81			Correct TRMS Charges for Exp Org 013910	Yes	NBSB315UG	2647649101
	0110	122	013150	013910	107001	0000	0575	5130	7,412.79			Correct TRMS Charges for Exp Org 013910	Yes	NBSV315OH	I
	0110	122	013150	013910	107001	0000	0575	5130	8,714.36			Correct TRMS Charges for Exp Org 013910	Yes	NBSV315UG	I
	0110	122	013150	013910	107001	0000	0575	5130	371.60			Correct TRMS Charges for Exp Org 013910	Yes	PBWK315OH	I
	0110	122	013150	013910	107001	0000	0575	5130	593.46			Correct TRMS Charges for Exp Org 013910	Yes	PBWK315OH	1842104101
	0110	122	013150	013910	107001	0000	0575	5130	2,232.23			Correct TRMS Charges for Exp Org 013910	Yes	RDDD315OH	I
	0110	122	013150	013910	107001	0000	0575	5130	1,558.27			Correct TRMS Charges for Exp Org 013910	Yes	RDDD315UG	I
	0110	122	013150	013910	107001	0000	0575	5130	918.79			Correct TRMS Charges for Exp Org 013910	Yes	RDPOLD315	I
	0110	122	013150	013910	107001	0000	0575	5130	4,902.07			Correct TRMS Charges for Exp Org 013910	Yes	RDPOLE315	I
	0110	122	013150	013910	107001	0000	0575	5130	2,484.18			Correct TRMS Charges for Exp Org 013910	Yes	RDSTLT315	I
	0110	122	010610	013910	107001	0000	0575	5130	129.96			Correct TRMS Charges for Exp Org 013910	Yes	RELD10610	2778134101

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013150	013910	107001	0000	0575	5130	371.60			Correct TRMS Charges for Exp Org 013910	Yes	RELD315OH	I
	0110	122	013150	013910	107001	0000	0575	5130	482.72			Correct TRMS Charges for Exp Org 013910	Yes	RELD315OH	273701701
	0110	122	013150	013910	107001	0000	0575	5130	55.70			Correct TRMS Charges for Exp Org 013910	Yes	RELD315OH	275645801
	0110	122	013150	013910	107001	0000	0575	5130	204.23			Correct TRMS Charges for Exp Org 013910	Yes	RELD315OH	277987401
	0110	122	013150	013910	107001	0000	0575	5130	940.68			Correct TRMS Charges for Exp Org 013910	Yes	RELD315UG	258902401
	0110	122	013150	013910	107001	0000	0575	5130	4,094.20			Correct TRMS Charges for Exp Org 013910	Yes	SYSENH315	I
	0110	122	013150	013910	107001	0000	0575	5130	526.04			Correct TRMS Charges for Exp Org 013910	Yes	SYSENH315	232495801
	0110	122	013150	013910	107001	0000	0575	5130	204.23			Correct TRMS Charges for Exp Org 013910	Yes	SYSENH315	280495401
	0110	122	013150	013910	107001	0000	0575	5130	296.73			Correct TRMS Charges for Exp Org 013910	Yes	TBRD315OH	I
	0110	122	013150	013910	107001	0000	0575	5130	122.88			Correct TRMS Charges for Exp Org 013910	Yes	TRBORD315	I
	0110	122	013150	013910	107001	0000	0575	5130	145.57			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	183082501
	0110	122	013150	013910	107001	0000	0575	5130	1,225.35			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	248533401
	0110	122	013150	013910	107001	0000	0575	5130	160.91			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	258828402
	0110	122	013150	013910	107001	0000	0575	5130	377.51			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	272234401
	0110	122	013150	013910	107001	0000	0575	5130	241.36			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	272577401
	0110	122	013150	013910	107001	0000	0575	5130	123.77			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	273036501
	0110	122	013150	013910	107001	0000	0575	5130	1,027.27			Correct TRMS Charges for Exp Org 013910	Yes	STLT315	I
	0110	122	013150	013910	107001	0000	0575	5130	671.58			Correct TRMS Charges for Exp Org 013910	Yes	XFRM315	I
	0110	122	013150	013910	108901	0000	0575	5130	193.61			Correct TRMS Charges for Exp Org 013910	Yes	POLD315	R
	0110	122	013150	013910	108901	0000	0575	5130	449.39			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	RO
	0110	122	013150	013910	108901	0000	0575	5130	200.98			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	RU
	0110	122	013150	013910	108901	0000	0575	5130	74.26			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	1329315R02
	0110	122	013150	013910	108901	0000	0575	5130	11.20			Correct TRMS Charges for Exp Org 013910	Yes	RDPOLE315	R
	0110	122	013150	013910	108901	0000	0575	5130	65.13			Correct TRMS Charges for Exp Org 013910	Yes	RDPOLE315	R
	0110	122	013150	013910	108901	0000	0575	5130	37.13			Correct TRMS Charges for Exp Org 013910	Yes	RELD315OH	2756458R02
	0110	122	013150	013910	108901	0000	0575	5130	185.66			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	2485334R02
	0110	122	013150	013910	108901	0000	0575	5130	341.52			Correct TRMS Charges for Exp Org 013910	Yes	STLT315	R
	0110	122	013150	013910	143022	0000	0575	5130	207.15			Correct TRMS Charges for Exp Org 013910	Yes	BTM315	LOUISVILLE FORC
	0110	303	013150	013910	184612	0000	0575	0000	851.64			Correct TRMS Charges for Exp Org 013910	Yes	ENCOH315	LE
	0110	303	013150	013910	184612	0000	0575	0000	631.81			Correct TRMS Charges for Exp Org 013910	Yes	MNCOH315	LE
	0110	303	013150	013910	184612	0000	0575	0000	631.81			Correct TRMS Charges for Exp Org 013910	Yes	NBCOH315	LE
	0110	122	013150	013910	583001	0000	0575	5130	602.33			Correct TRMS Charges for Exp Org 013910	Yes	NRINSP315	O
	0110	122	013150	013910	583001	0000	0575	5130	608.52			Correct TRMS Charges for Exp Org 013910	Yes	MNMR315	O
	0110	122	013150	013910	583001	0000	0575	5130	6,498.63			Correct TRMS Charges for Exp Org 013910	Yes	TBRD315OH	O
	0110	122	013150	013910	583001	0000	0575	5130	680.42			Correct TRMS Charges for Exp Org 013910	Yes	RDDD315OH	O
	0110	122	013150	013910	583001	0000	0575	5130	484.46			Correct TRMS Charges for Exp Org 013910	Yes	SWITCH315	O
	0110	122	013150	013910	584001	0000	0575	5130	347.12			Correct TRMS Charges for Exp Org 013910	Yes	RDDD315UG	O
	0110	122	013150	013910	584001	0000	0575	5130	378.67			Correct TRMS Charges for Exp Org 013910	Yes	TBRD315UG	O
	0110	122	013150	013910	584001	0000	0575	5130	288.49			Correct TRMS Charges for Exp Org 013910	Yes	RNTPD315	O
	0110	122	011370	013910	586100	0000	0575	0000	6.19			Correct TRMS Charges for Exp Org 013910	Yes	115564	FSI
	0110	122	013150	013910	588100	0000	0575	0000	607.65			Correct TRMS Charges for Exp Org 013910	Yes	013150	58801



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Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	013150	013910	588100	0000	0575	5430	1,035.79			Correct TRMS Charges for Exp Org 013910	Yes	TRNG315	T
	0110	122	013150	013910	588100	0000	0575	0000	2,753.50			Correct TRMS Charges for Exp Org 013910	Yes	HLTSAF315	HSP
	0110	122	013150	013910	593001	0000	0575	5130	3,052.68			Correct TRMS Charges for Exp Org 013910	Yes	MCAPRR315	M
	0110	122	013150	013910	593001	0000	0575	5130	594.38			Correct TRMS Charges for Exp Org 013910	Yes	NRINSP315	M
	0110	122	013085	013910	593002	0000	0575	5130	18.57			Correct TRMS Charges for Exp Org 013910	Yes	STRM13150	060410-MOL
	0110	122	013085	013910	593002	0000	0575	5130	18.57			Correct TRMS Charges for Exp Org 013910	Yes	STRM13150	032311-MOL
	0110	122	013085	013910	593002	0000	0575	5130	835.47			Correct TRMS Charges for Exp Org 013910	Yes	STRM13150	022811-MOL
	0110	122	013150	013910	593002	0000	0575	5130	3,522.95			Correct TRMS Charges for Exp Org 013910	Yes	RDSTLT315	M
	0110	122	013150	013910	593002	0000	0575	5130	1,437.75			Correct TRMS Charges for Exp Org 013910	Yes	RDPOLE315	M
	0110	122	013150	013910	593002	0000	0575	5130	1,180.17			Correct TRMS Charges for Exp Org 013910	Yes	RDPOLE315	M
	0110	122	013150	013910	593002	0000	0575	5130	9,033.55			Correct TRMS Charges for Exp Org 013910	Yes	RDDD3150H	M
	0110	122	013150	013910	593002	0000	0575	5130	299.69			Correct TRMS Charges for Exp Org 013910	Yes	PMINSP315	PM
	0110	122	013150	013910	593002	0000	0575	5130	74.26			Correct TRMS Charges for Exp Org 013910	Yes	PMINSP315	M
	0110	122	013150	013910	593002	0000	0575	5130	18.57			Correct TRMS Charges for Exp Org 013910	Yes	RCST315	M
	0110	122	013150	013910	593002	0000	0575	5130	111.97			Correct TRMS Charges for Exp Org 013910	Yes	MCAPR315	M
	0110	122	013150	013910	593002	0000	0575	5130	3,498.17			Correct TRMS Charges for Exp Org 013910	Yes	TRBORD315	M
	0110	122	013150	013910	593002	0000	0575	5130	1,871.86			Correct TRMS Charges for Exp Org 013910	Yes	TBRD3150H	M
	0110	122	013150	013910	594001	0000	0575	5130	541.32			Correct TRMS Charges for Exp Org 013910	Yes	RNTPD315	M
	0110	122	013150	013910	594001	0000	0575	5130	1,479.32			Correct TRMS Charges for Exp Org 013910	Yes	RDDD315UG	M
	0110	122	013150	013910	594002	0000	0575	5130	358.04			Correct TRMS Charges for Exp Org 013910	Yes	TBRD315UG	M
	0110	122	013150	013910	595100	0000	0575	5130	71.90			Correct TRMS Charges for Exp Org 013910	Yes	XFRM315	M
	0110	105	013150	013910	903003	0000	0575	0000	6.10			Correct TRMS Charges for Exp Org 013910	Yes	126364	RET
	0110	122	014160	014160	107001	0000	0575	5130	198.99			Correct TRMS Charges for Exp Org 014160	Yes	STLT416	I
	0110	122	014160	014160	107001	0000	0575	5130	334.96			Correct TRMS Charges for Exp Org 014160	Yes	NBCD4160H	I
	0110	122	014160	014160	107001	0000	0575	5130	23.16			Correct TRMS Charges for Exp Org 014160	Yes	NBCD4160H	2819857101
	0110	122	014160	014160	107001	0000	0575	5130	11.58			Correct TRMS Charges for Exp Org 014160	Yes	NBCD416UG	I
	0110	122	014160	014160	107001	0000	0575	5130	241.78			Correct TRMS Charges for Exp Org 014160	Yes	NBCD416UG	2413825101
	0110	122	014160	014160	107001	0000	0575	5130	601.99			Correct TRMS Charges for Exp Org 014160	Yes	NBRD4160H	I
	0110	122	014160	014160	107001	0000	0575	5130	37.92			Correct TRMS Charges for Exp Org 014160	Yes	NBRD416UG	I
	0110	122	014160	014160	107001	0000	0575	5130	32.71			Correct TRMS Charges for Exp Org 014160	Yes	NBSB4160H	I
	0110	122	014160	014160	107001	0000	0575	5130	876.31			Correct TRMS Charges for Exp Org 014160	Yes	NBSV4160H	I
	0110	122	014160	014160	107001	0000	0575	5130	131.62			Correct TRMS Charges for Exp Org 014160	Yes	NBSV416UG	I
	0110	122	014160	014160	107001	0000	0575	5130	62.62			Correct TRMS Charges for Exp Org 014160	Yes	RDDD4160H	I
	0110	122	014160	014160	107001	0000	0575	5130	155.42			Correct TRMS Charges for Exp Org 014160	Yes	RDPOLE416	I
	0110	122	014160	014160	107001	0000	0575	5130	152.07			Correct TRMS Charges for Exp Org 014160	Yes	RDPOLE416	I
	0110	122	014160	014160	107001	0000	0575	5130	15.93			Correct TRMS Charges for Exp Org 014160	Yes	RDSTLT416	ROVE CAP
	0110	122	014160	014160	107001	0000	0575	5130	441.83			Correct TRMS Charges for Exp Org 014160	Yes	RELD4160H	I
	0110	122	014160	014160	107001	0000	0575	5130	26.06			Correct TRMS Charges for Exp Org 014160	Yes	RELD4160H	2813806101
	0110	122	014160	014160	107001	0000	0575	5130	26.06			Correct TRMS Charges for Exp Org 014160	Yes	SYSENH416	2785924101
	0110	122	014160	014160	107001	0000	0575	5130	23.39			Correct TRMS Charges for Exp Org 014160	Yes	TBRD4160H	I

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015870	014160	107001	0000	0575	5200	34.61			Correct TRMS Charges for Exp Org 014160	Yes	K9-2010	RKYBR-HRLN-REL
	0110	122	014160	014160	107001	0000	0575	5130	1,065.26			Correct TRMS Charges for Exp Org 014160	Yes	POLD416	I
	0110	122	014160	014160	107001	0000	0575	5130	23.16			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	I
	0110	122	014160	014160	107001	0000	0575	5130	252.48			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	202401401
	0110	122	014160	014160	107001	0000	0575	5130	2.71			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	270272401
	0110	122	014160	014160	107001	0000	0575	5130	0.68			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	273655401
	0110	122	014160	014160	107001	0000	0575	5130	69.49			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	277279401
	0110	122	014160	014160	107001	0000	0575	5130	1.45			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	278217401
	0110	122	014160	014160	107001	0000	0575	5130	35.47			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	278545401
	0110	122	014160	014160	107001	0000	0575	5130	2.90			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	278817301
	0110	122	014160	014160	107001	0000	0575	5130	13.03			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	279095401
	0110	122	014160	014160	107001	0000	0575	5130	2.17			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	279121401
	0110	122	014160	014160	107001	0000	0575	5130	2.90			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	279512801
	0110	122	014160	014160	107001	0000	0575	5130	0.72			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	279515601
	0110	122	014160	014160	107001	0000	0575	5130	2.90			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	280442901
	0110	122	014160	014160	107001	0000	0575	5130	2.90			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	281206001
	0110	122	014160	014160	107001	0000	0575	5130	3.62			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	281206701
	0110	122	014160	014160	107001	0000	0575	5130	2.17			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	281623401
	0110	122	014160	014160	107001	0000	0575	5130	2.90			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	281781401
	0110	122	014160	014160	107001	0000	0575	5130	6.51			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	281802401
	0110	122	014160	014160	108901	0000	0575	5130	55.79			Correct TRMS Charges for Exp Org 014160	Yes	NBSV416OH	R
	0110	122	014160	014160	108901	0000	0575	5130	5.43			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	RO
	0110	122	014160	014160	108901	0000	0575	5130	26.06			Correct TRMS Charges for Exp Org 014160	Yes	RELD416OH	2817604R01
	0110	122	014160	014160	108901	0000	0575	5130	18.33			Correct TRMS Charges for Exp Org 014160	Yes	TBRD416OH	R
	0110	121	015870	014160	108901	0000	0575	5200	56.46			Correct TRMS Charges for Exp Org 014160	Yes	K9-2011	PNV-RBOPGW.R
	0110	122	014160	014160	108901	0000	0575	5130	8.69			Correct TRMS Charges for Exp Org 014160	Yes	NBRD416OH	R
	0110	122	013085	014160	108901	0000	0575	5130	4.34			Correct TRMS Charges for Exp Org 014160	Yes	STRM14160	022811-R
	0110	122	014160	014160	108901	0000	0575	5130	23.89			Correct TRMS Charges for Exp Org 014160	Yes	RDD416OH	R
	0110	122	014160	014160	108901	0000	0575	5130	19.91			Correct TRMS Charges for Exp Org 014160	Yes	POLD416	R
	0110	122	014160	014160	108901	0000	0575	5130	18.10			Correct TRMS Charges for Exp Org 014160	Yes	XFRM416	R
	0110	122	014160	014160	108901	0000	0575	5130	17.78			Correct TRMS Charges for Exp Org 014160	Yes	RDPOLE416	R
	0110	122	014160	014160	108901	0000	0575	5130	11.58			Correct TRMS Charges for Exp Org 014160	Yes	RDPOLE416	R
	0110	303	014160	014160	184612	0000	0575	0000	617.55			Correct TRMS Charges for Exp Org 014160	Yes	ENCOH416	LE
	0110	303	014160	014160	184612	0000	0575	0000	1,406.81			Correct TRMS Charges for Exp Org 014160	Yes	NBCOH416	LE
	0110	121	014160	014160	562100	0000	0575	0000	4.75			Correct TRMS Charges for Exp Org 014160	Yes	SUBISP416	TS
	0110	121	015850	014160	570100	0000	0575	5150	6.51			Correct TRMS Charges for Exp Org 014160	Yes	112241	5874273
	0110	121	015870	014160	571100	0000	0575	0000	7.24			Correct TRMS Charges for Exp Org 014160	Yes	STORM	BUDGET
	0110	122	013085	014160	580100	0000	0575	5130	4.34			Correct TRMS Charges for Exp Org 014160	Yes	STRM14160	022811-OPER
	0110	122	014160	014160	582100	0000	0575	0000	53.57			Correct TRMS Charges for Exp Org 014160	Yes	SUBISP416	DS
	0110	122	014160	014160	583001	0000	0575	5130	0.72			Correct TRMS Charges for Exp Org 014160	Yes	TBRD416OH	O
	0110	122	014160	014160	583001	0000	0575	5130	9.50			Correct TRMS Charges for Exp Org 014160	Yes	FUSE416	O

Template Type: Functional Journal  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	014160	014160	583001	0000	0575	5130	58.23			Correct TRMS Charges for Exp Org 014160	Yes	SWITCH416	O
	0110	122	014160	014160	583001	0000	0575	5130	811.75			Correct TRMS Charges for Exp Org 014160	Yes	ADMSP416	O
	0110	122	014160	014160	584001	0000	0575	5130	9.50			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	OUL
	0110	122	014160	014160	588100	0000	0575	5130	51.40			Correct TRMS Charges for Exp Org 014160	Yes	TRNG416	T
	0110	122	012360	014160	588100	0000	0575	0000	44.57			Correct TRMS Charges for Exp Org 014160	Yes	HLTSAF236	HSP
	0110	122	014160	014160	588100	0000	0575	5130	527.29			Correct TRMS Charges for Exp Org 014160	Yes	OPMNTC416	OMS
	0110	122	014160	014160	588100	0000	0575	0000	399.06			Correct TRMS Charges for Exp Org 014160	Yes	HLTSAF416	HSP
	0110	122	014160	014160	593001	0000	0575	5130	4.34			Correct TRMS Charges for Exp Org 014160	Yes	LINLOC416	M
	0110	122	014160	014160	593001	0000	0575	5130	118.32			Correct TRMS Charges for Exp Org 014160	Yes	NRINSP416	M
	0110	122	014160	014160	593001	0000	0575	5130	21.22			Correct TRMS Charges for Exp Org 014160	Yes	NRINSP416	TS
	0110	122	014260	014160	593002	0000	0575	5130	10.13			Correct TRMS Charges for Exp Org 014160	Yes	TBRD426UG	M
	0110	122	014260	014160	593002	0000	0575	5130	23.16			Correct TRMS Charges for Exp Org 014160	Yes	TBRD426OH	M
	0110	122	014160	014160	593002	0000	0575	5130	2,442.74			Correct TRMS Charges for Exp Org 014160	Yes	TBRD416OH	M
	0110	122	014160	014160	593002	0000	0575	5130	77.87			Correct TRMS Charges for Exp Org 014160	Yes	SYSENH416	M
	0110	122	013085	014160	593002	0000	0575	5130	239.61			Correct TRMS Charges for Exp Org 014160	Yes	STRM14160	022811-MOL
	0110	122	014160	014160	593002	0000	0575	5130	20.99			Correct TRMS Charges for Exp Org 014160	Yes	RDSTLT416	ROVE MAIN
	0110	122	014160	014160	593002	0000	0575	5130	8.69			Correct TRMS Charges for Exp Org 014160	Yes	RDPOLE416	M
	0110	122	014160	014160	593002	0000	0575	5130	629.73			Correct TRMS Charges for Exp Org 014160	Yes	RDPOLD416	M
	0110	122	014160	014160	593002	0000	0575	5130	36.92			Correct TRMS Charges for Exp Org 014160	Yes	RDDD416OH	MOL
	0110	122	014160	014160	593002	0000	0575	5130	411.46			Correct TRMS Charges for Exp Org 014160	Yes	RDDD416OH	M
	0110	122	014160	014160	593002	0000	0575	5130	138.81			Correct TRMS Charges for Exp Org 014160	Yes	PMINSP416	PM
	0110	122	014160	014160	593002	0000	0575	5130	95.20			Correct TRMS Charges for Exp Org 014160	Yes	PMINSP416	M
	0110	122	014160	014160	593002	0000	0575	5130	327.48			Correct TRMS Charges for Exp Org 014160	Yes	OPMNTC416	MOL
	0110	122	014160	014160	593002	0000	0575	5130	145.15			Correct TRMS Charges for Exp Org 014160	Yes	RDSTLT416	M
	0110	122	014160	014160	593002	0000	0575	5130	2.17			Correct TRMS Charges for Exp Org 014160	Yes	RCST416	M
	0110	122	013085	014160	593004	0000	0575	5130	6.51			Correct TRMS Charges for Exp Org 014160	Yes	STRM14160	022811-TREE
	0110	122	014160	014160	594002	0000	0575	5130	2.17			Correct TRMS Charges for Exp Org 014160	Yes	TBRD416UG	M
	0110	122	014160	014160	595100	0000	0575	5130	32.57			Correct TRMS Charges for Exp Org 014160	Yes	XFRM416	M
	0110	122	014160	014160	925004	0000	0575	5130	29.20			Correct TRMS Charges for Exp Org 014160	Yes	RBGS416	RG
	0110	122	014260	014260	107001	0000	0575	5130		36.11		Correct TRMS Charges for Exp Org 014260	Yes	SYSENH426	I
	0110	122	014260	014260	107001	0000	0575	5130		3,002.39		Correct TRMS Charges for Exp Org 014260	Yes	TBRD426OH	I
	0110	122	010610	014260	107001	0000	0575	5130		114.35		Correct TRMS Charges for Exp Org 014260	Yes	I23136	LONOC-A 11
	0110	122	010610	014260	107001	0000	0575	5130		42.13		Correct TRMS Charges for Exp Org 014260	Yes	I23136	LONOC-PI 10
	0110	122	010610	014260	107001	0000	0575	5130		363.10		Correct TRMS Charges for Exp Org 014260	Yes	I23136	LONOC-PI 11
	0110	122	014260	014260	107001	0000	0575	5130		1,054.14		Correct TRMS Charges for Exp Org 014260	Yes	POLD426	I
	0110	122	014260	014260	107001	0000	0575	5130		161.75		Correct TRMS Charges for Exp Org 014260	Yes	RCST426	IO
	0110	122	014260	014260	107001	0000	0575	5130		1,961.51		Correct TRMS Charges for Exp Org 014260	Yes	STLT426	I
	0110	122	014260	014260	107001	0000	0575	5130		8.20		Correct TRMS Charges for Exp Org 014260	Yes	XFRM426	INSTALL
	0110	122	014260	014260	107001	0000	0575	5130		71.16		Correct TRMS Charges for Exp Org 014260	Yes	MCAPR426	I
	0110	122	014260	014260	107001	0000	0575	5130		163.44		Correct TRMS Charges for Exp Org 014260	Yes	RNTPD426	I

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	122	014260	014260	107001	0000	0575	5130		41.06		Correct TRMS Charges for Exp Org 014260	Yes	RNTPD426	272749401
	0110	122	014260	014260	107001	0000	0575	5130		11.03		Correct TRMS Charges for Exp Org 014260	Yes	RNTPD426	2808145101
	0110	122	014260	014260	107001	0000	0575	5130		1,920.71		Correct TRMS Charges for Exp Org 014260	Yes	NBCD4260H	I
	0110	122	014260	014260	107001	0000	0575	5130		1,034.78		Correct TRMS Charges for Exp Org 014260	Yes	NBCD426UG	I
	0110	122	014260	014260	107001	0000	0575	5130		2,964.40		Correct TRMS Charges for Exp Org 014260	Yes	NBRD4260H	I
	0110	122	014260	014260	107001	0000	0575	5130		637.16		Correct TRMS Charges for Exp Org 014260	Yes	NBRD4260H	278812401
	0110	122	014260	014260	107001	0000	0575	5130		1,837.68		Correct TRMS Charges for Exp Org 014260	Yes	NBRD426UG	I
	0110	122	014260	014260	107001	0000	0575	5130		31.09		Correct TRMS Charges for Exp Org 014260	Yes	NBRD426UG	279697801
	0110	122	014260	014260	107001	0000	0575	5130		1,931.26		Correct TRMS Charges for Exp Org 014260	Yes	NBSV4260H	I
	0110	122	014260	014260	107001	0000	0575	5130		1,657.61		Correct TRMS Charges for Exp Org 014260	Yes	NBSV426UG	I
	0110	122	014260	014260	107001	0000	0575	5130		714.31		Correct TRMS Charges for Exp Org 014260	Yes	RDDD4260H	I
	0110	122	014260	014260	107001	0000	0575	5130		50.15		Correct TRMS Charges for Exp Org 014260	Yes	RDDD426UG	I
	0110	122	014260	014260	107001	0000	0575	5130		344.83		Correct TRMS Charges for Exp Org 014260	Yes	RDPOLE426	I
	0110	122	014260	014260	107001	0000	0575	5130		304.12		Correct TRMS Charges for Exp Org 014260	Yes	RDPOLE426	I
	0110	122	014260	014260	107001	0000	0575	5130		42.96		Correct TRMS Charges for Exp Org 014260	Yes	RDSTLT426	I
	0110	122	014260	014260	107001	0000	0575	5130		82.25		Correct TRMS Charges for Exp Org 014260	Yes	RDSTLT426	ROVE CAP
	0110	122	013085	014260	107001	0000	0575	5130		53.16		Correct TRMS Charges for Exp Org 014260	Yes	STRM14260	022811-I
	0110	122	014260	014260	108901	0000	0575	5130		8.21		Correct TRMS Charges for Exp Org 014260	Yes	RNTPD426	2727494R02
	0110	122	014260	014260	108901	0000	0575	5130		159.29		Correct TRMS Charges for Exp Org 014260	Yes	STLT426	R
	0110	122	014260	014260	108901	0000	0575	5130		25.08		Correct TRMS Charges for Exp Org 014260	Yes	RCST426	RWIPCORR
	0110	122	014260	014260	108901	0000	0575	5130		7.02		Correct TRMS Charges for Exp Org 014260	Yes	RCST426	RO
	0110	122	014260	014260	108901	0000	0575	5130		128.27		Correct TRMS Charges for Exp Org 014260	Yes	POLD426	R
	0110	122	013085	014260	108901	0000	0575	5130		12.04		Correct TRMS Charges for Exp Org 014260	Yes	STRM14260	022511-R
	0110	122	010610	014260	108901	0000	0575	5130		37.11		Correct TRMS Charges for Exp Org 014260	Yes	123136	LONOC-PR 11
	0110	122	014260	014260	108901	0000	0575	5130		380.97		Correct TRMS Charges for Exp Org 014260	Yes	RDPOLE426	R
	0110	122	014260	014260	108901	0000	0575	5130		34.48		Correct TRMS Charges for Exp Org 014260	Yes	RDPOLE426	R
	0110	122	014260	014260	108901	0000	0575	5130		6.02		Correct TRMS Charges for Exp Org 014260	Yes	RDDD426UG	R
	0110	122	014260	014260	108901	0000	0575	5130		39.12		Correct TRMS Charges for Exp Org 014260	Yes	RDDD4260H	R
	0110	122	014260	014260	108901	0000	0575	5130		213.49		Correct TRMS Charges for Exp Org 014260	Yes	NBSV426UG	R
	0110	122	014260	014260	108901	0000	0575	5130		115.28		Correct TRMS Charges for Exp Org 014260	Yes	NBSV4260H	R
	0110	122	014260	014260	108901	0000	0575	5130		135.75		Correct TRMS Charges for Exp Org 014260	Yes	NBCD4260H	R
	0110	122	014260	014260	108901	0000	0575	5130		188.19		Correct TRMS Charges for Exp Org 014260	Yes	NBCD426UG	R
	0110	122	014260	014260	108901	0000	0575	5130		568.19		Correct TRMS Charges for Exp Org 014260	Yes	NBRD4260H	R
	0110	303	014260	014260	143022	0000	0575	5130		22.07		Correct TRMS Charges for Exp Org 014260	Yes	BTM426	278322601
	0110	303	014260	014260	163002	0000	0575	0000		2,160.96		Correct TRMS Charges for Exp Org 014260	Yes	MSO014260	ST
	0110	303	014260	014260	184612	0000	0575	0000		311.24		Correct TRMS Charges for Exp Org 014260	Yes	ENCOH426	LE
	0110	303	014260	014260	184612	0000	0575	0000		1,819.32		Correct TRMS Charges for Exp Org 014260	Yes	NBCOH426	LE
	0110	122	014260	014260	582100	0000	0575	0000		243.95		Correct TRMS Charges for Exp Org 014260	Yes	SUBISP426	DS
	0110	122	014260	014260	583001	0000	0575	5130		47.70		Correct TRMS Charges for Exp Org 014260	Yes	SWITCH426	O
	0110	122	014260	014260	583001	0000	0575	5130		262.53		Correct TRMS Charges for Exp Org 014260	Yes	MNMR426	O
	0110	122	014260	014260	583001	0000	0575	5130		1,117.81		Correct TRMS Charges for Exp Org 014260	Yes	ADMSP426	O

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
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Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	122	014260	014260	583001	0000	0575	5130		1,150.93		Correct TRMS Charges for Exp Org 014260	Yes	TBRD426OH	O
	0110	122	014260	014260	583001	0000	0575	5130		110.18		Correct TRMS Charges for Exp Org 014260	Yes	LINLOC426	O
	0110	122	014260	014260	583001	0000	0575	5130		9.03		Correct TRMS Charges for Exp Org 014260	Yes	RDDD426OH	O
	0110	122	014260	014260	583001	0000	0575	5130		6.02		Correct TRMS Charges for Exp Org 014260	Yes	RDPOLD426	O
	0110	122	014260	014260	583001	0000	0575	5130		354.21		Correct TRMS Charges for Exp Org 014260	Yes	RDPOLE426	O
	0110	122	014260	014260	583001	0000	0575	5130		44.06		Correct TRMS Charges for Exp Org 014260	Yes	RDSTLT426	O
	0110	122	013085	014260	583001	0000	0575	5130		19.06		Correct TRMS Charges for Exp Org 014260	Yes	STRM14260	022811-OOL
	0110	122	014260	014260	584001	0000	0575	5130		37.11		Correct TRMS Charges for Exp Org 014260	Yes	RNTPD426	O
	0110	122	011370	014260	586100	0000	0575	0000		5.01		Correct TRMS Charges for Exp Org 014260	Yes	115564	FSI
	0110	122	011370	014260	586100	0000	0575	0000		116.18		Correct TRMS Charges for Exp Org 014260	Yes	122636	DISTRIBUTION
	0110	122	011370	014260	587100	0000	0575	0000		3.01		Correct TRMS Charges for Exp Org 014260	Yes	115564	TAMPERING
	0110	122	014260	014260	588100	0000	0575	5430		583.15		Correct TRMS Charges for Exp Org 014260	Yes	TRNG426	T
	0110	122	014260	014260	588100	0000	0575	0000		1,264.09		Correct TRMS Charges for Exp Org 014260	Yes	HLTSAF426	HSP
	0110	122	014260	014260	588100	0000	0575	5130		23.07		Correct TRMS Charges for Exp Org 014260	Yes	OPMNTC426	OMS
	0110	122	010610	014260	593001	0000	0575	5130		28.09		Correct TRMS Charges for Exp Org 014260	Yes	123136	LONOC-O 11
	0110	122	014260	014260	593001	0000	0575	5130		10.03		Correct TRMS Charges for Exp Org 014260	Yes	SWITCH426	M
	0110	122	014260	014260	593001	0000	0575	5130		66.20		Correct TRMS Charges for Exp Org 014260	Yes	NRINSP426	M
	0110	122	014260	014260	593001	0000	0575	5130		65.69		Correct TRMS Charges for Exp Org 014260	Yes	MCAPRR426	M
	0110	122	014260	014260	593002	0000	0575	5130		529.79		Correct TRMS Charges for Exp Org 014260	Yes	TBRD426OH	M
	0110	122	014260	014260	593002	0000	0575	5130		15.05		Correct TRMS Charges for Exp Org 014260	Yes	TBRD426UG	M
	0110	122	014260	014260	593002	0000	0575	5130		17.05		Correct TRMS Charges for Exp Org 014260	Yes	SYSENH426	M
	0110	122	014260	014260	593002	0000	0575	5130		739.10		Correct TRMS Charges for Exp Org 014260	Yes	RDSTLT426	M
	0110	122	014260	014260	593002	0000	0575	5130		68.43		Correct TRMS Charges for Exp Org 014260	Yes	ECAPRR426	M
	0110	122	013085	014260	593002	0000	0575	5130		98.30		Correct TRMS Charges for Exp Org 014260	Yes	STRM14260	022811-MOL
	0110	122	014260	014260	593002	0000	0575	5130		125.38		Correct TRMS Charges for Exp Org 014260	Yes	RDSTLT426	ROVE MAIN
	0110	122	014260	014260	593002	0000	0575	5130		90.27		Correct TRMS Charges for Exp Org 014260	Yes	RELD426OH	M
	0110	122	014260	014260	593002	0000	0575	5130		314.25		Correct TRMS Charges for Exp Org 014260	Yes	OPMNTC426	MOL
	0110	122	014260	014260	593002	0000	0575	5130		156.01		Correct TRMS Charges for Exp Org 014260	Yes	PMINSP426	M
	0110	122	014260	014260	593002	0000	0575	5130		996.13		Correct TRMS Charges for Exp Org 014260	Yes	PMINSP426	PM
	0110	122	014260	014260	593002	0000	0575	5130		236.81		Correct TRMS Charges for Exp Org 014260	Yes	RDDD426OH	M
	0110	122	014260	014260	593002	0000	0575	5130		157.07		Correct TRMS Charges for Exp Org 014260	Yes	RDDD426OH	MOL
	0110	122	014260	014260	593002	0000	0575	5130		939.05		Correct TRMS Charges for Exp Org 014260	Yes	RDPOLD426	M
	0110	122	014260	014260	593002	0000	0575	5130		87.64		Correct TRMS Charges for Exp Org 014260	Yes	RDPOLE426	M
	0110	122	013085	014260	593004	0000	0575	5130		19.06		Correct TRMS Charges for Exp Org 014260	Yes	STRM14260	022811-TREE
	0110	122	014260	014260	593004	0000	0575	5130		230.86		Correct TRMS Charges for Exp Org 014260	Yes	ROW426	ROW
	0110	122	014260	014260	595100	0000	0575	5130		4.02		Correct TRMS Charges for Exp Org 014260	Yes	XFRM426	M
	0110	303	014370	014370	184612	0000	0575	5130	385.18			Correct TRMS Charges for Exp Org 014370	Yes	108392	ELLE
	0110	122	014370	014370	588100	0000	0575	5130		51.07		Correct TRMS Charges for Exp Org 014370	Yes	108392	ELOM
	0110	122	014370	014370	588100	0000	0575	5130		2.16		Correct TRMS Charges for Exp Org 014370	Yes	108393	ELOM
	0110	122	014370	014370	588100	0000	0575	5130		2.34		Correct TRMS Charges for Exp Org 014370	Yes	108395	ELTR

Template Type: Functional Journal  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	014370	014370	925004	0000	0575	5130	1.72			Correct TRMS Charges for Exp Org 014370	Yes	113064	SAFETY
	0110	121	015850	014940	107001	0000	0575	5150	19.61			Correct TRMS Charges for Exp Org 014940	Yes	KCR-10	CAPBANKCANS-IN
	0110	121	015850	014940	107001	0000	0575	5150	28.11			Correct TRMS Charges for Exp Org 014940	Yes	KRSUB-10	INVESTBUD
	0110	122	014940	014940	107001	0000	0575	5300	58.31			Correct TRMS Charges for Exp Org 014940	Yes	126497	COPPER INV
	0110	121	015850	014940	107001	0000	0575	5150	2.40			Correct TRMS Charges for Exp Org 014940	Yes	KRELAY-11	INV BUDGET
	0110	121	015850	014940	107001	0000	0575	5150	155.45			Correct TRMS Charges for Exp Org 014940	Yes	126785	T&D
	0110	122	014940	014940	107001	0000	0575	5300	42.06			Correct TRMS Charges for Exp Org 014940	Yes	132447	107001D362
	0110	122	014940	014940	107001	0000	0575	5300	109.27			Correct TRMS Charges for Exp Org 014940	Yes	130713	107001D116
	0110	122	014940	014940	107001	0000	0575	5100	2.17			Correct TRMS Charges for Exp Org 014940	Yes	130713	107001D573
	0110	122	014940	014940	107001	0000	0575	5100	1.14			Correct TRMS Charges for Exp Org 014940	Yes	130713	107001D779
	0110	122	014940	014940	107001	0000	0575	5100	5.70			Correct TRMS Charges for Exp Org 014940	Yes	130713	107001D868
	0110	122	014940	014940	107001	0000	0575	5100	2.40			Correct TRMS Charges for Exp Org 014940	Yes	130738	107001D557
	0110	122	014940	014940	107001	0000	0575	5100	6.27			Correct TRMS Charges for Exp Org 014940	Yes	130710	107001D403
	0110	122	014940	014940	108901	0000	0575	5100	32.74			Correct TRMS Charges for Exp Org 014940	Yes	126509	108901D0325
	0110	121	015850	014940	108901	0000	0575	5150		0.34		Correct TRMS Charges for Exp Org 014940	Yes	KRSUB-10	096-BRKR-RM
	0110	303	014940	014940	163002	0000	0575	0000	4.90			Correct TRMS Charges for Exp Org 014940	Yes	111726	STORES
	0110	303	014940	014940	184612	0000	0575	0000	134.02			Correct TRMS Charges for Exp Org 014940	Yes	111774	184612
	0110	121	015850	014940	562100	0000	0575	5150	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112232	6179157
	0110	121	015850	014940	562100	0000	0575	5150	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112232	6179159
	0110	121	015850	014940	562100	0000	0575	5150	1.14			Correct TRMS Charges for Exp Org 014940	Yes	112233	6197546
	0110	121	015850	014940	562100	0000	0575	5150	1.14			Correct TRMS Charges for Exp Org 014940	Yes	112233	6197547
	0110	121	015850	014940	562100	0000	0575	5150	1.14			Correct TRMS Charges for Exp Org 014940	Yes	112233	6197559
	0110	121	015850	014940	562100	0000	0575	5150	1.94			Correct TRMS Charges for Exp Org 014940	Yes	112233	6203111
	0110	121	015850	014940	562100	0000	0575	5150	35.70			Correct TRMS Charges for Exp Org 014940	Yes	115641	6195758
	0110	121	015850	014940	562100	0000	0575	5150	2.28			Correct TRMS Charges for Exp Org 014940	Yes	112219	6187418
	0110	121	015850	014940	562100	0000	0575	5150	2.85			Correct TRMS Charges for Exp Org 014940	Yes	112219	6187424
	0110	121	015850	014940	562100	0000	0575	5150	2.28			Correct TRMS Charges for Exp Org 014940	Yes	112219	6187427
	0110	121	015850	014940	562100	0000	0575	5150	3.88			Correct TRMS Charges for Exp Org 014940	Yes	112219	6187514
	0110	121	015850	014940	562100	0000	0575	5380	8.44			Correct TRMS Charges for Exp Org 014940	Yes	112223	6073076
	0110	121	015850	014940	562100	0000	0575	5380	10.38			Correct TRMS Charges for Exp Org 014940	Yes	112223	6187406
	0110	121	015850	014940	562100	0000	0575	5150	11.06			Correct TRMS Charges for Exp Org 014940	Yes	112223	6204813
	0110	121	015850	014940	562100	0000	0575	5150	6.73			Correct TRMS Charges for Exp Org 014940	Yes	112227	6193238
	0110	121	015850	014940	562100	0000	0575	5150	13.35			Correct TRMS Charges for Exp Org 014940	Yes	112227	6195531
	0110	121	015850	014940	562100	0000	0575	5150	12.55			Correct TRMS Charges for Exp Org 014940	Yes	112227	6195535
	0110	121	015850	014940	562100	0000	0575	5150	7.30			Correct TRMS Charges for Exp Org 014940	Yes	112227	6195536
	0110	121	015850	014940	562100	0000	0575	5150	3.31			Correct TRMS Charges for Exp Org 014940	Yes	112227	6195537
	0110	121	015850	014940	562100	0000	0575	5150	13.00			Correct TRMS Charges for Exp Org 014940	Yes	112227	6195749
	0110	121	015850	014940	562100	0000	0575	5150	3.88			Correct TRMS Charges for Exp Org 014940	Yes	112227	6195751
	0110	121	015850	014940	562100	0000	0575	5150	19.28			Correct TRMS Charges for Exp Org 014940	Yes	112227	6195776
	0110	121	015850	014940	562100	0000	0575	5150	21.90			Correct TRMS Charges for Exp Org 014940	Yes	112227	6199389

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015850	014940	562100	0000	0575	5150	21.90			Correct TRMS Charges for Exp Org 014940	Yes	112227	6199390
	0110	121	015850	014940	562100	0000	0575	5150	6.73			Correct TRMS Charges for Exp Org 014940	Yes	112227	6204815
	0110	121	015850	014940	562100	0000	0575	5150	11.86			Correct TRMS Charges for Exp Org 014940	Yes	112228	6195746
	0110	121	015850	014940	562100	0000	0575	5150	18.25			Correct TRMS Charges for Exp Org 014940	Yes	112228	6195750
	0110	121	015850	014940	562100	0000	0575	5150	2.05			Correct TRMS Charges for Exp Org 014940	Yes	112228	6195752
	0110	121	015850	014940	562100	0000	0575	5380	124.34			Correct TRMS Charges for Exp Org 014940	Yes	112228	6195762
	0110	121	015850	014940	562100	0000	0575	5380	20.19			Correct TRMS Charges for Exp Org 014940	Yes	112228	6195763
	0110	121	015850	014940	562100	0000	0575	5150	23.61			Correct TRMS Charges for Exp Org 014940	Yes	112228	6195774
	0110	121	015850	014940	562100	0000	0575	5380	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112231	6180018
	0110	121	015850	014940	562100	0000	0575	5380	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112231	6180032
	0110	121	015850	014940	562100	0000	0575	5380	4.61			Correct TRMS Charges for Exp Org 014940	Yes	112231	6180034
	0110	121	015850	014940	562100	0000	0575	5150	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112231	6192785
	0110	121	015850	014940	562100	0000	0575	5150	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112231	6192791
	0110	121	015850	014940	562100	0000	0575	5150	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112231	6192794
	0110	121	015850	014940	562100	0000	0575	5150	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112231	6192795
	0110	121	015850	014940	562100	0000	0575	5150	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112231	6192796
	0110	121	015850	014940	562100	0000	0575	5150	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112231	6192797
	0110	121	015850	014940	562100	0000	0575	5150	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112231	6192900
	0110	121	015850	014940	562100	0000	0575	5380	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112232	6168878
	0110	121	015850	014940	562100	0000	0575	5380	4.22			Correct TRMS Charges for Exp Org 014940	Yes	112232	6176209
	0110	121	015850	014940	562100	0000	0575	5380	2.40			Correct TRMS Charges for Exp Org 014940	Yes	112232	6176210
	0110	121	015850	014940	562100	0000	0575	5380	2.28			Correct TRMS Charges for Exp Org 014940	Yes	112232	6176286
	0110	121	015850	014940	562100	0000	0575	5150	2.85			Correct TRMS Charges for Exp Org 014940	Yes	112232	6179050
	0110	121	015850	014940	562100	0000	0575	5150	2.85			Correct TRMS Charges for Exp Org 014940	Yes	112232	6179082
	0110	121	015850	014940	562100	0000	0575	5150	1.60			Correct TRMS Charges for Exp Org 014940	Yes	112232	6179121
	0110	121	015850	014940	562100	0000	0575	5150	1.60			Correct TRMS Charges for Exp Org 014940	Yes	112232	6179135
	0110	121	015850	014940	562100	0000	0575	5150	6.50			Correct TRMS Charges for Exp Org 014940	Yes	112232	6179142
	0110	121	015850	014940	562100	0000	0575	5150	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112232	6179144
	0110	121	015850	014940	566100	0000	0575	0000	196.77			Correct TRMS Charges for Exp Org 014940	Yes	112218	TPM ADM
	0110	121	015850	014940	570100	0000	0575	5380	9.13			Correct TRMS Charges for Exp Org 014940	Yes	112238	6196414
	0110	121	015850	014940	570100	0000	0575	5380	13.57			Correct TRMS Charges for Exp Org 014940	Yes	112246	6199135
	0110	121	015850	014940	570100	0000	0575	5380	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112246	6201016
	0110	121	015850	014940	570100	0000	0575	5150	5.36			Correct TRMS Charges for Exp Org 014940	Yes	112246	6201463
	0110	121	015850	014940	570100	0000	0575	5150	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112246	6208434
	0110	121	015850	014940	570100	0000	0575	5150	6.62			Correct TRMS Charges for Exp Org 014940	Yes	112247	6201259
	0110	121	015850	014940	570100	0000	0575	5380	2.28			Correct TRMS Charges for Exp Org 014940	Yes	112247	6203324
	0110	121	015850	014940	570100	0000	0575	5380	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112248	6202834
	0110	121	015850	014940	570100	0000	0575	5150	14.41			Correct TRMS Charges for Exp Org 014940	Yes	112249	6177698
	0110	121	015850	014940	570100	0000	0575	5380	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112249	6196403
	0110	121	015850	014940	570100	0000	0575	5150	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112249	6199893
	0110	121	015850	014940	570100	0000	0575	5380	3.76			Correct TRMS Charges for Exp Org 014940	Yes	112249	6205282

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015850	014940	570100	0000	0575	5150	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112249	6205696
	0110	121	015850	014940	570100	0000	0575	0000	1.60			Correct TRMS Charges for Exp Org 014940	Yes	112249	TCM TFR
	0110	121	015850	014940	570100	0000	0575	5380	11.09			Correct TRMS Charges for Exp Org 014940	Yes	115643	6179432
	0110	121	015850	014940	570100	0000	0575	5380	1.03			Correct TRMS Charges for Exp Org 014940	Yes	115643	6199921
	0110	121	015850	014940	570100	0000	0575	5380	0.34			Correct TRMS Charges for Exp Org 014940	Yes	111342	6196381
	0110	121	015850	014940	570100	0000	0575	5150	3.31			Correct TRMS Charges for Exp Org 014940	Yes	112243	6201565
	0110	121	015850	014940	570100	0000	0575	5150	3.31			Correct TRMS Charges for Exp Org 014940	Yes	112243	6201559
	0110	121	015850	014940	570100	0000	0575	5150	1.71			Correct TRMS Charges for Exp Org 014940	Yes	112243	6201557
	0110	121	015850	014940	570100	0000	0575	5150	7.07			Correct TRMS Charges for Exp Org 014940	Yes	112243	6201555
	0110	121	015850	014940	570100	0000	0575	5150	7.07			Correct TRMS Charges for Exp Org 014940	Yes	112243	6201554
	0110	121	015850	014940	570100	0000	0575	5150	175.84			Correct TRMS Charges for Exp Org 014940	Yes	112241	6204951
	0110	121	015850	014940	570100	0000	0575	5150	1.14			Correct TRMS Charges for Exp Org 014940	Yes	112240	6205694
	0110	121	015850	014940	570100	0000	0575	5380	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112239	6203550
	0110	121	015850	014940	570100	0000	0575	5150	2.17			Correct TRMS Charges for Exp Org 014940	Yes	112238	6201317
	0110	121	015850	014940	570100	0000	0575	5150	1.94			Correct TRMS Charges for Exp Org 014940	Yes	112243	6204791
	0110	121	015850	014940	570100	0000	0575	5150	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112243	6204999
	0110	121	015850	014940	573100	0000	0575	0000	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112242	TCM ENV
	0110	121	015850	014940	573100	0000	0575	0000	6.71			Correct TRMS Charges for Exp Org 014940	Yes	111341	PM-MISC
	0110	122	011019	014940	582100	0000	0575	5300	1.94			Correct TRMS Charges for Exp Org 014940	Yes	120357	6176192
	0110	122	015740	014940	582100	0000	0575	0000	4.79			Correct TRMS Charges for Exp Org 014940	Yes	122283	COPPER PINE
	0110	122	011019	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	120357	6170605
	0110	122	014940	014940	582100	0000	0575	5300	2.28			Correct TRMS Charges for Exp Org 014940	Yes	112065	6206556
	0110	122	014940	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112065	6206605
	0110	122	014940	014940	582100	0000	0575	5300	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112065	6206664
	0110	122	014940	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112065	6206665
	0110	122	014940	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112065	6206700
	0110	122	014940	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112065	6206735
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112065	6206736
	0110	122	014940	014940	582100	0000	0575	5300	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112065	6206743
	0110	122	014940	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112065	6208208
	0110	122	014940	014940	582100	0000	0575	0000	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112065	DPM TFR RD
	0110	122	014940	014940	582100	0000	0575	5100	12.13			Correct TRMS Charges for Exp Org 014940	Yes	112070	6183882
	0110	122	014940	014940	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 014940	Yes	112070	6188805
	0110	122	014940	014940	582100	0000	0575	5100	4.33			Correct TRMS Charges for Exp Org 014940	Yes	112070	6198678
	0110	122	014940	014940	582100	0000	0575	5100	10.04			Correct TRMS Charges for Exp Org 014940	Yes	112070	6198680
	0110	122	014940	014940	582100	0000	0575	5100	3.19			Correct TRMS Charges for Exp Org 014940	Yes	112070	6199472
	0110	122	014940	014940	582100	0000	0575	5100	2.62			Correct TRMS Charges for Exp Org 014940	Yes	112070	6205071
	0110	122	014940	014940	582100	0000	0575	5100	2.62			Correct TRMS Charges for Exp Org 014940	Yes	112070	6205075
	0110	122	014940	014940	582100	0000	0575	5300	3.08			Correct TRMS Charges for Exp Org 014940	Yes	112070	6205232
	0110	122	014940	014940	582100	0000	0575	5300	5.02			Correct TRMS Charges for Exp Org 014940	Yes	112070	6205522
	0110	122	014940	014940	582100	0000	0575	5100	14.96			Correct TRMS Charges for Exp Org 014940	Yes	112071	6185336



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	014940	014940	582100	0000	0575	5100	2.97			Correct TRMS Charges for Exp Org 014940	Yes	112071	6188799
	0110	122	014940	014940	582100	0000	0575	5100	4.33			Correct TRMS Charges for Exp Org 014940	Yes	112071	6198677
	0110	122	014940	014940	582100	0000	0575	5100	3.19			Correct TRMS Charges for Exp Org 014940	Yes	112071	6199471
	0110	122	014940	014940	582100	0000	0575	5100	2.62			Correct TRMS Charges for Exp Org 014940	Yes	112071	6205072
	0110	122	014940	014940	582100	0000	0575	5100	2.62			Correct TRMS Charges for Exp Org 014940	Yes	112071	6205074
	0110	122	014940	014940	582100	0000	0575	5300	3.08			Correct TRMS Charges for Exp Org 014940	Yes	112071	6205231
	0110	122	014940	014940	582100	0000	0575	5300	5.02			Correct TRMS Charges for Exp Org 014940	Yes	112071	6205523
	0110	122	014940	014940	582100	0000	0575	5300	2.28			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176849
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112064	6177095
	0110	122	014940	014940	582100	0000	0575	5300	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112064	6177232
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112064	6177233
	0110	122	014940	014940	582100	0000	0575	5100	1.71			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179059
	0110	122	014940	014940	582100	0000	0575	5100	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179060
	0110	122	014940	014940	582100	0000	0575	5100	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179080
	0110	122	014940	014940	582100	0000	0575	5100	2.17			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179081
	0110	122	014940	014940	582100	0000	0575	5100	2.17			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179086
	0110	122	014940	014940	582100	0000	0575	5100	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179090
	0110	122	014940	014940	582100	0000	0575	5100	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179120
	0110	122	014940	014940	582100	0000	0575	5100	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179124
	0110	122	014940	014940	582100	0000	0575	5100	1.94			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179147
	0110	122	014940	014940	582100	0000	0575	5100	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179151
	0110	122	014940	014940	582100	0000	0575	5100	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179153
	0110	122	014940	014940	582100	0000	0575	5100	1.94			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179154
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179155
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179156
	0110	122	014940	014940	582100	0000	0575	5100	1.48			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179161
	0110	122	014940	014940	582100	0000	0575	5100	1.94			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179162
	0110	122	014940	014940	582100	0000	0575	5100	1.94			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179164
	0110	122	014940	014940	582100	0000	0575	5100	4.64			Correct TRMS Charges for Exp Org 014940	Yes	112064	6179870
	0110	122	014940	014940	582100	0000	0575	5100	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112064	6182345
	0110	122	014940	014940	582100	0000	0575	5100	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112064	6182402
	0110	122	014940	014940	582100	0000	0575	0000	44.89			Correct TRMS Charges for Exp Org 014940	Yes	112064	DPM STA INSP
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112065	6142704
	0110	122	014940	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112065	6142873
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112065	6142875
	0110	122	014940	014940	582100	0000	0575	5100	1.48			Correct TRMS Charges for Exp Org 014940	Yes	112065	6176205
	0110	122	014940	014940	582100	0000	0575	5100	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112065	6176325
	0110	122	014940	014940	582100	0000	0575	5100	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112065	6179860
	0110	122	014940	014940	582100	0000	0575	5100	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112065	6179868
	0110	122	014940	014940	582100	0000	0575	5100	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112065	6179875
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112065	6179879

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112065	6179919
	0110	122	014940	014940	582100	0000	0575	5100	1.71			Correct TRMS Charges for Exp Org 014940	Yes	112065	6179978
	0110	122	014940	014940	582100	0000	0575	5100	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112065	6179981
	0110	122	014940	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112065	6180048
	0110	122	014940	014940	582100	0000	0575	5100	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112065	6180246
	0110	122	014940	014940	582100	0000	0575	5100	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112065	6180480
	0110	122	014940	014940	582100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112065	6182351
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112065	6190421
	0110	122	014940	014940	582100	0000	0575	5100	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112065	6192747
	0110	122	014940	014940	582100	0000	0575	5100	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112065	6192751
	0110	122	014940	014940	582100	0000	0575	5100	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112065	6192895
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112065	6198638
	0110	122	014940	014940	582100	0000	0575	5100	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112065	6198639
	0110	122	014940	014940	582100	0000	0575	5100	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112065	6199043
	0110	122	014940	014940	582100	0000	0575	5100	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112065	6199121
	0110	122	014940	014940	582100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112065	6200350
	0110	122	014940	014940	582100	0000	0575	5100	2.74			Correct TRMS Charges for Exp Org 014940	Yes	112065	6202304
	0110	122	014940	014940	582100	0000	0575	5100	1.37			Correct TRMS Charges for Exp Org 014940	Yes	112065	6202316
	0110	122	014940	014940	582100	0000	0575	5300	3.54			Correct TRMS Charges for Exp Org 014940	Yes	112065	6206540
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205416
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205418
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205420
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205422
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205423
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205424
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205501
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205515
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205517
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205519
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205533
	0110	122	014940	014940	582100	0000	0575	5100	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205535
	0110	122	014940	014940	582100	0000	0575	5100	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205537
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112064	6145841
	0110	122	014940	014940	582100	0000	0575	5300	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112064	6168872
	0110	122	014940	014940	582100	0000	0575	5100	4.39			Correct TRMS Charges for Exp Org 014940	Yes	112064	6168880
	0110	122	014940	014940	582100	0000	0575	5100	1.94			Correct TRMS Charges for Exp Org 014940	Yes	112064	6170814
	0110	122	014940	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112064	6171320
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176191
	0110	122	014940	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176195
	0110	122	014940	014940	582100	0000	0575	5300	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176198

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176206
	0110	122	014940	014940	582100	0000	0575	5300	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176207
	0110	122	014940	014940	582100	0000	0575	5300	2.28			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176208
	0110	122	014940	014940	582100	0000	0575	5380	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176211
	0110	122	014940	014940	582100	0000	0575	5300	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176246
	0110	122	014940	014940	582100	0000	0575	5300	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176275
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176279
	0110	122	014940	014940	582100	0000	0575	5300	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176288
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112064	6176848
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112061	6180039
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112061	6180040
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112061	6180041
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112061	6180042
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112061	6180043
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112061	6180320
	0110	122	014940	014940	582100	0000	0575	5300	1.55			Correct TRMS Charges for Exp Org 014940	Yes	112061	6183722
	0110	122	014940	014940	582100	0000	0575	5300	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112063	6171084
	0110	122	014940	014940	582100	0000	0575	5300	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112063	6177462
	0110	122	014940	014940	582100	0000	0575	5300	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112063	6177463
	0110	122	014940	014940	582100	0000	0575	5300	1.55			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180022
	0110	122	014940	014940	582100	0000	0575	5300	2.32			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180023
	0110	122	014940	014940	582100	0000	0575	5300	2.12			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180025
	0110	122	014940	014940	582100	0000	0575	5300	2.32			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180026
	0110	122	014940	014940	582100	0000	0575	5300	2.80			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180028
	0110	122	014940	014940	582100	0000	0575	5300	1.55			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180033
	0110	122	014940	014940	582100	0000	0575	5380	1.55			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180079
	0110	122	014940	014940	582100	0000	0575	5300	1.55			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180080
	0110	122	014940	014940	582100	0000	0575	5300	1.55			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180082
	0110	122	014940	014940	582100	0000	0575	5300	1.55			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180212
	0110	122	014940	014940	582100	0000	0575	5300	2.32			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180249
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180357
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180358
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180359
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180360
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180365
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180366
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180367
	0110	122	014940	014940	582100	0000	0575	5300	1.55			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180368
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180396
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180397
	0110	122	014940	014940	582100	0000	0575	5300	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112063	6180408

Template Type: Functional Journal  
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 Database: OFMSPROD

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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

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			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	014940	014940	582100	0000	0575	5100	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112063	6182365
	0110	122	014940	014940	582100	0000	0575	5100	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112063	6184638
	0110	122	014940	014940	582100	0000	0575	5100	1.03			Correct TRMS Charges for Exp Org 014940	Yes	112063	6184641
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6192778
	0110	122	014940	014940	582100	0000	0575	5100	0.68			Correct TRMS Charges for Exp Org 014940	Yes	112063	6192780
	0110	122	014940	014940	582100	0000	0575	5100	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112063	6199626
	0110	122	014940	014940	582100	0000	0575	5100	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112063	6199628
	0110	122	014940	014940	582100	0000	0575	5100	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112063	6199901
	0110	122	014940	014940	582100	0000	0575	5100	0.57			Correct TRMS Charges for Exp Org 014940	Yes	112063	6199902
	0110	122	014940	014940	582100	0000	0575	5100	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112063	6202806
	0110	122	014940	014940	582100	0000	0575	5100	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112063	6202807
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6203757
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6203761
	0110	122	014940	014940	582100	0000	0575	5100	0.46			Correct TRMS Charges for Exp Org 014940	Yes	112063	6205415
	0110	122	014940	014940	582100	0000	0575	0000	666.18			Correct TRMS Charges for Exp Org 014940	Yes	112041	PM-D ADMIN
	0110	122	014940	014940	582100	0000	0575	5100	2.28			Correct TRMS Charges for Exp Org 014940	Yes	112045	6187420
	0110	122	014940	014940	582100	0000	0575	5100	2.28			Correct TRMS Charges for Exp Org 014940	Yes	112045	6187423
	0110	122	014940	014940	582100	0000	0575	0000	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112045	DPM DCS
	0110	122	014940	014940	582100	0000	0575	5100	4.56			Correct TRMS Charges for Exp Org 014940	Yes	112055	6119484
	0110	122	014940	014940	582100	0000	0575	5100	4.56			Correct TRMS Charges for Exp Org 014940	Yes	112056	6208420
	0110	122	014940	014940	582100	0000	0575	5300	13.42			Correct TRMS Charges for Exp Org 014940	Yes	112059	6183107
	0110	122	014940	014940	582100	0000	0575	0000	85.82			Correct TRMS Charges for Exp Org 014940	Yes	112059	DPM RCL OH
	0110	122	014940	014940	582100	0000	0575	0000	22.96			Correct TRMS Charges for Exp Org 014940	Yes	112060	DPM REG OH
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112061	6171192
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112061	6171193
	0110	122	014940	014940	582100	0000	0575	5300	0.77			Correct TRMS Charges for Exp Org 014940	Yes	112061	6171194
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112061	6171408
	0110	122	014940	014940	582100	0000	0575	5300	0.91			Correct TRMS Charges for Exp Org 014940	Yes	112061	6176789
	0110	122	014940	014940	582100	0000	0575	5300	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112061	6176790
	0110	122	014940	014940	588100	0000	0575	0000	0.68			Correct TRMS Charges for Exp Org 014940	Yes	111682	5868
	0110	122	014940	014940	588100	0000	0575	0000	17.46			Correct TRMS Charges for Exp Org 014940	Yes	111682	5879
	0110	122	014940	014940	588100	0000	0575	0000	2.32			Correct TRMS Charges for Exp Org 014940	Yes	111682	MISC
	0110	122	014940	014940	588100	0000	0575	0000	28.83			Correct TRMS Charges for Exp Org 014940	Yes	111708	BE
	0110	122	014940	014940	588100	0000	0575	0000	73.72			Correct TRMS Charges for Exp Org 014940	Yes	111708	CL
	0110	122	014940	014940	588100	0000	0575	0000	9.55			Correct TRMS Charges for Exp Org 014940	Yes	111708	DAP
	0110	122	014940	014940	588100	0000	0575	0000	138.18			Correct TRMS Charges for Exp Org 014940	Yes	111708	HSP
	0110	122	014940	014940	588100	0000	0575	0000	186.98			Correct TRMS Charges for Exp Org 014940	Yes	111708	TRAIN
	0110	122	014940	014940	588100	0000	0575	0000	76.89			Correct TRMS Charges for Exp Org 014940	Yes	111708	MEETINGS
	0110	122	014940	014940	588100	0000	0575	0000	3.17			Correct TRMS Charges for Exp Org 014940	Yes	111682	3508
	0110	122	014940	014940	592100	0000	0575	0000	169.51			Correct TRMS Charges for Exp Org 014940	Yes	111692	MISC
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112089	6205708

Template Type: Functional Journal  
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				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	122	011019	014940	592100	0000	0575	5300	1.94			Correct TRMS Charges for Exp Org 014940	Yes	120380	6199726
	0110	122	011019	014940	592100	0000	0575	5300	15.74			Correct TRMS Charges for Exp Org 014940	Yes	120383	6175775
	0110	122	011019	014940	592100	0000	0575	5300	1.60			Correct TRMS Charges for Exp Org 014940	Yes	120385	6203140
	0110	122	011019	014940	592100	0000	0575	5300	39.73			Correct TRMS Charges for Exp Org 014940	Yes	120386	6178106
	0110	122	011019	014940	592100	0000	0575	5300	23.99			Correct TRMS Charges for Exp Org 014940	Yes	120390	6175774
	0110	122	014940	014940	592100	0000	0575	0000	1.55			Correct TRMS Charges for Exp Org 014940	Yes	112089	DCM TFR
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112089	6205060
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112089	6203303
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112089	6199308
	0110	122	014940	014940	592100	0000	0575	5300	1.55			Correct TRMS Charges for Exp Org 014940	Yes	112089	6178604
	0110	122	014940	014940	592100	0000	0575	0000	218.24			Correct TRMS Charges for Exp Org 014940	Yes	112086	DCM REG
	0110	122	014940	014940	592100	0000	0575	0000	40.51			Correct TRMS Charges for Exp Org 014940	Yes	112085	DCM RCL
	0110	122	014940	014940	592100	0000	0575	5100	3.88			Correct TRMS Charges for Exp Org 014940	Yes	112085	6199725
	0110	122	014940	014940	592100	0000	0575	5100	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112079	6208187
	0110	122	014940	014940	592100	0000	0575	5100	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112079	6208186
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112079	6205059
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112079	6205058
	0110	122	014940	014940	592100	0000	0575	5300	1.25			Correct TRMS Charges for Exp Org 014940	Yes	112079	6196402
	0110	122	014940	014940	592100	0000	0575	5100	1.14			Correct TRMS Charges for Exp Org 014940	Yes	112078	6199614
	0110	122	014940	014940	592100	0000	0575	5100	2.85			Correct TRMS Charges for Exp Org 014940	Yes	112078	6199350
	0110	122	014940	014940	592100	0000	0575	5100	11.87			Correct TRMS Charges for Exp Org 014940	Yes	112078	6181183
	0110	122	014940	014940	592100	0000	0575	5100	0.23			Correct TRMS Charges for Exp Org 014940	Yes	112090	6208196
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112090	6205710
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112090	6203753
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112090	6203750
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112090	6199623
	0110	122	014940	014940	592100	0000	0575	5300	0.34			Correct TRMS Charges for Exp Org 014940	Yes	112090	6199621
	0110	105	018910	014940	935391	0000	0575	0000	14.75			Correct TRMS Charges for Exp Org 014940	Yes	119479	SNAT-LABOR I
	0110	303	015322	015324	163002	0000	0575	0000		3,253.62		Correct TRMS Charges for Exp Org 015324	Yes	108432	LABOR
	0110	303	015324	015324	163002	0000	0575	0000		4,576.21		Correct TRMS Charges for Exp Org 015324	Yes	108435	LABOR
	0110	122	011560	015326	107001	0000	0575	5130		8.55		Correct TRMS Charges for Exp Org 015326	Yes	TRBORD156	I
	0110	303	015326	015326	163002	0000	0575	0000		1,587.60		Correct TRMS Charges for Exp Org 015326	Yes	108438	LABOR
	0110	105	018910	015970	107001	0000	0575	0901	1.95			Correct TRMS Charges for Exp Org 015970	Yes	125469	ADAMS
	0110	105	018910	015970	107001	0000	0575	0902	22.74			Correct TRMS Charges for Exp Org 015970	Yes	132042	107001
	0100	141	008910	015970	107001	0000	0575	0902	24.54			Correct TRMS Charges for Exp Org 015970	Yes	132041	107001
	0110	105	015160	015970	107001	0000	0575	0902	22.79			Correct TRMS Charges for Exp Org 015970	Yes	131101	GEN
	0110	122	013040	015970	107001	0000	0575	5100	16.50			Correct TRMS Charges for Exp Org 015970	Yes	130673	107001RTUSCADA
	0110	121	015870	015970	107001	0000	0575	5200	22.60			Correct TRMS Charges for Exp Org 015970	Yes	127500	INVEST

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			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	018825	015970	107001	0000	0575	5654	90.42			Correct TRMS Charges for Exp Org 015970	Yes	126638	107001
	0110	121	015850	015970	107001	0000	0575	5150	42.27			Correct TRMS Charges for Exp Org 015970	Yes	126180	161-IN-NEL.I
	0110	105	018910	015970	107001	0000	0575	0901	56.69			Correct TRMS Charges for Exp Org 015970	Yes	125469	TOYOTA S
	0110	105	018910	015970	107001	0000	0575	0901	37.21			Correct TRMS Charges for Exp Org 015970	Yes	125469	107001
	0004	000	009910	015970	107001	0000	0575	0000	0.39			Correct TRMS Charges for Exp Org 015970	Yes	CAP132041	107001
	0110	105	018910	015970	107001	0000	0575	0901	173.70			Correct TRMS Charges for Exp Org 015970	Yes	125462	107001
	0110	121	015850	015970	107001	0000	0575	5150	2.92			Correct TRMS Charges for Exp Org 015970	Yes	122177	107001
	0110	105	015110	015970	108901	0000	0575	5190	30.19			Correct TRMS Charges for Exp Org 015970	Yes	131502	GREENVL REM
	0110	121	015850	015970	560900	0000	0575	0000	2.14			Correct TRMS Charges for Exp Org 015970	Yes	111343	TELETECH
	0110	122	013040	015970	588100	0000	0575	0000	10.13			Correct TRMS Charges for Exp Org 015970	Yes	111707	BE
	0100	141	008910	015970	935391	0000	0575	0000	1,219.49			Correct TRMS Charges for Exp Org 015970	Yes	119017	SNAT-LABOR I
	0110	105	018910	015970	935391	0000	0575	0000	1,256.14			Correct TRMS Charges for Exp Org 015970	Yes	119479	SNAT-LABOR I
	0110	105	018910	015970	935391	0000	0575	0000	104.79			Correct TRMS Charges for Exp Org 015970	Yes	119479	LMR-LABOR I
	0110	105	018910	015970	935391	0000	0575	0000	81.89			Correct TRMS Charges for Exp Org 015970	Yes	119479	DPS-LABOR I
	0004	000	009910	015970	935391	0000	0575	0000	2.51			Correct TRMS Charges for Exp Org 015970	Yes	CAP119017	DPS-LABOR I
	0100	141	008910	015970	935391	0000	0575	0000	103.79			Correct TRMS Charges for Exp Org 015970	Yes	119017	LMR-LABOR I
	0100	141	008910	015970	935391	0000	0575	0000	81.26			Correct TRMS Charges for Exp Org 015970	Yes	119017	DPS-LABOR I
	0004	000	009910	015970	935391	0000	0575	0000	54.31			Correct TRMS Charges for Exp Org 015970	Yes	CAP119017	SNAT-LABOR I
	0110	111	016020	016020	500100	0000	0575	5605	2,681.82			Correct TRMS Charges for Exp Org 016020	Yes	116396	5605
	0110	303	016120	016100	163002	0000	0575	4014	46.86			Correct TRMS Charges for Exp Org 016100	Yes	MSO016120	16330
	0110	111	016120	016100	510100	0000	0575	5616	60.00			Correct TRMS Charges for Exp Org 016100	Yes	GR51001	5616
	0110	303	016120	016120	163002	0000	0575	4014	16.52			Correct TRMS Charges for Exp Org 016120	Yes	MSO016120	16330
	0110	303	016120	016120	163002	0000	0575	4014	109.96			Correct TRMS Charges for Exp Org 016120	Yes	MSO016120	16330B
	0110	111	016120	016120	500100	0000	0575	5616	118.48			Correct TRMS Charges for Exp Org 016120	Yes	GR50001	PLTMGR
	0110	111	016120	016120	502004	0000	0575	5616	35.63			Correct TRMS Charges for Exp Org 016120	Yes	GR50203	5616
	0110	111	016120	016120	502004	0000	0575	5616	35.63			Correct TRMS Charges for Exp Org 016120	Yes	GR50204	5616
	0110	111	016120	016120	502004	0000	0575	5616	35.63			Correct TRMS Charges for Exp Org 016120	Yes	GR50202	5616
	0110	111	016120	016120	506001	0000	0575	5616	35.63			Correct TRMS Charges for Exp Org 016120	Yes	GR50605	5616
	0110	111	016120	016120	506100	0000	0575	5616	103.95			Correct TRMS Charges for Exp Org 016120	Yes	GR50604	5616
	0110	111	016120	016120	506100	0000	0575	5616	48.49			Correct TRMS Charges for Exp Org 016120	Yes	GR50001	BUDGET
	0110	111	016120	016120	506100	0000	0575	5616	57.90			Correct TRMS Charges for Exp Org 016120	Yes	GR51001	BUDGET
	0110	111	016120	016120	510100	0000	0575	5616	117.16			Correct TRMS Charges for Exp Org 016120	Yes	GR51001	CLERICAL
	0110	111	016120	016120	510100	0000	0575	5616	118.48			Correct TRMS Charges for Exp Org 016120	Yes	GR51001	PLTMGR
	0110	111	016120	016120	510100	0000	0575	5616	178.56			Correct TRMS Charges for Exp Org 016120	Yes	GR51001	5616
	0110	111	016220	016220	500100	0000	0575	5620	5,125.45			Correct TRMS Charges for Exp Org 016220	Yes	106681	5620
	0110	111	016220	016220	506100	0000	0575	5620	3,147.61			Correct TRMS Charges for Exp Org 016220	Yes	106697	5620
	0110	111	016220	016220	510100	0000	0575	5620	4,465.52			Correct TRMS Charges for Exp Org 016220	Yes	106857	5620

Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
	0110	111	015730	016250	107001	0000	0575	5630	5.57			Correct TRMS Charges for Exp Org 016250	Yes	120210	PLANTSUP
	0110	111	015730	016250	107001	0000	0575	5623	0.39			Correct TRMS Charges for Exp Org 016250	Yes	123557	PLANTSUP
	0110	111	016220	016250	107001	0000	0575	5623	1.36			Correct TRMS Charges for Exp Org 016250	Yes	124276	6103790
	0110	111	016020	016250	506100	0000	0575	5603	0.33			Correct TRMS Charges for Exp Org 016250	Yes	TY3LAYUP	5603
	0110	111	016220	016250	510100	0000	0575	5620	65.18			Correct TRMS Charges for Exp Org 016250	Yes	106857	5620
	0110	111	016020	016250	510100	0000	0575	5605	2.02			Correct TRMS Charges for Exp Org 016250	Yes	TY51001	5605
	0110	111	016220	016250	511100	0000	0575	5620	0.21			Correct TRMS Charges for Exp Org 016250	Yes	104516	6201879
	0110	111	016220	016250	511100	0000	0575	5620	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104516	6202951
	0110	111	016220	016250	511100	0000	0575	5620	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104516	6202952
	0110	111	016220	016250	511100	0000	0575	5620	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104516	6203395
	0110	111	016220	016250	511100	0000	0575	5623	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104516	6203929
	0110	111	016220	016250	511100	0000	0575	5620	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104516	6204909
	0110	111	016220	016250	511100	0000	0575	5620	1.87			Correct TRMS Charges for Exp Org 016250	Yes	104516	6208146
	0110	111	016220	016250	511100	0000	0575	5630	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDMPE	6186040
	0110	111	016220	016250	511100	0000	0575	5630	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDMPE	6186041
	0110	111	016220	016250	511100	0000	0575	5630	0.36			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDMPE	6199940
	0110	111	016220	016250	511100	0000	0575	5630	0.30			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDMPE	6208145
	0110	111	016220	016250	511100	0000	0575	5630	0.47			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDMPE	6208537
	0110	111	016220	016250	511100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104514	6198968
	0110	111	016220	016250	511100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104514	6201187
	0110	111	016220	016250	511100	0000	0575	5623	0.21			Correct TRMS Charges for Exp Org 016250	Yes	104514	6205123
	0110	111	016220	016250	511100	0000	0575	5620	1.10			Correct TRMS Charges for Exp Org 016250	Yes	104516	5441050
	0110	111	016220	016250	511100	0000	0575	5620	0.50			Correct TRMS Charges for Exp Org 016250	Yes	104516	6017661
	0110	111	016220	016250	511100	0000	0575	5620	1.10			Correct TRMS Charges for Exp Org 016250	Yes	104516	6174984
	0110	111	016220	016250	511100	0000	0575	5620	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104516	6175220
	0110	111	016220	016250	511100	0000	0575	5620	23.45			Correct TRMS Charges for Exp Org 016250	Yes	104516	6175227
	0110	111	016220	016250	511100	0000	0575	5620	3.94			Correct TRMS Charges for Exp Org 016250	Yes	104516	6175240
	0110	111	016220	016250	511100	0000	0575	5620	1.24			Correct TRMS Charges for Exp Org 016250	Yes	104516	6181251
	0110	111	016220	016250	511100	0000	0575	5623	0.36			Correct TRMS Charges for Exp Org 016250	Yes	104516	6181761
	0110	111	016220	016250	511100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104516	6200934
	0110	111	016220	016250	511100	0000	0575	5620	2.61			Correct TRMS Charges for Exp Org 016250	Yes	104516	6200763
	0110	111	016220	016250	511100	0000	0575	5620	1.24			Correct TRMS Charges for Exp Org 016250	Yes	104516	6200053
	0110	111	016220	016250	511100	0000	0575	5620	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104516	6198983
	0110	111	016220	016250	511100	0000	0575	5620	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104516	6196804
	0110	111	016220	016250	511100	0000	0575	5620	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104516	6196786
	0110	111	016220	016250	511100	0000	0575	5620	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104516	6196785
	0110	111	016220	016250	511100	0000	0575	5620	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104516	6196232
	0110	111	016220	016250	511100	0000	0575	5623	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104516	6191005
	0110	111	016220	016250	511100	0000	0575	5620	0.53			Correct TRMS Charges for Exp Org 016250	Yes	104516	6181908
	0110	111	016220	016250	511100	0000	0575	5620	32.78			Correct TRMS Charges for Exp Org 016250	Yes	104516	6185424

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016220	016250	511100	0000	0575	5623	0.27			Correct TRMS Charges for Exp Org 016250	Yes	104516	6186201
	0110	111	016220	016250	512005	0000	0575	5630	1.13			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6184272
	0110	111	016220	016250	512005	0000	0575	5630	0.24			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6185640
	0110	111	016220	016250	512005	0000	0575	5630	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6196942
	0110	111	016220	016250	512005	0000	0575	5630	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6196943
	0110	111	016220	016250	512005	0000	0575	5630	0.06			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6198778
	0110	111	016220	016250	512005	0000	0575	5630	0.47			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6198854
	0110	111	016220	016250	512005	0000	0575	5630	0.53			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6199263
	0110	111	016220	016250	512005	0000	0575	5630	0.21			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6200974
	0110	111	016220	016250	512005	0000	0575	5630	0.83			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6201352
	0110	111	016220	016250	512005	0000	0575	5630	0.24			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6203726
	0110	111	016220	016250	512005	0000	0575	5630	0.39			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6203988
	0110	111	016220	016250	512005	0000	0575	5630	0.21			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6204041
	0110	111	016220	016250	512005	0000	0575	5630	0.24			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6205144
	0110	111	016220	016250	512005	0000	0575	5630	0.24			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDABS	6205613
	0110	111	016220	016250	512005	0000	0575	5630	0.18			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDAEE	6203104
	0110	111	016220	016250	512005	0000	0575	5630	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDGY5	6208608
	0110	111	016220	016250	512005	0000	0575	5630	1.96			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLHD	6203345
	0110	111	016220	016250	512005	0000	0575	5630	1.13			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLHD	6203519
	0110	111	016220	016250	512005	0000	0575	5630	0.06			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6175535
	0110	111	016220	016250	512005	0000	0575	5630	0.06			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6175536
	0110	111	016220	016250	512005	0000	0575	5630	0.09			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6175644
	0110	111	016220	016250	512005	0000	0575	5630	0.62			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6180829
	0110	111	016220	016250	512005	0000	0575	5630	0.68			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6185445
	0110	111	016220	016250	512005	0000	0575	5630	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6186043
	0110	111	016220	016250	512005	0000	0575	5630	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6186044
	0110	111	016220	016250	512005	0000	0575	5630	0.21			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6195682
	0110	111	016220	016250	512005	0000	0575	5630	0.71			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6196947
	0110	111	016220	016250	512005	0000	0575	5630	0.06			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6199862
	0110	111	016220	016250	512005	0000	0575	5630	0.15			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6200031
	0110	111	016220	016250	512005	0000	0575	5630	0.92			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6200799
	0110	111	016220	016250	512005	0000	0575	5630	0.21			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6200973
	0110	111	016220	016250	512005	0000	0575	5630	0.44			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6203968
	0110	111	016220	016250	512005	0000	0575	5630	0.53			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6204761
	0110	111	016220	016250	512005	0000	0575	5630	0.53			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6204768
	0110	111	016220	016250	512005	0000	0575	5630	0.09			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6204923
	0110	111	016220	016250	512005	0000	0575	5630	23.77			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6205347
	0110	111	016220	016250	512005	0000	0575	5630	1.60			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDLPR	6205496
	0110	111	016220	016250	512005	0000	0575	5630	0.12			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDS-G	6196805
	0110	111	016220	016250	512005	0000	0575	5630	0.12			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDS-G	6202979
	0110	111	016220	016250	512005	0000	0575	5630	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BRFGDWTR	6205143



Template Type: Functional Journal  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
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Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016220	016250	512011	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6125500
	0110	111	016220	016250	512017	0000	0575	5621	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104504	6208395
	0110	111	016220	016250	512017	0000	0575	5620	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104504	6208396
	0110	111	016220	016250	512017	0000	0575	5622	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104504	6208936
	0110	111	016220	016250	512017	0000	0575	5622	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104504	6208941
	0110	111	016220	016250	512017	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104504	6208942
	0110	111	016220	016250	512017	0000	0575	5623	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104504	6208945
	0110	111	016220	016250	512017	0000	0575	5623	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104504	6208963
	0110	111	016220	016250	512017	0000	0575	5623	0.41			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6191551
	0110	111	016220	016250	512017	0000	0575	5623	0.59			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6198585
	0110	111	016220	016250	512017	0000	0575	5622	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104504	6202893
	0110	111	016220	016250	512017	0000	0575	5624	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104504	6202894
	0110	111	016220	016250	512017	0000	0575	5623	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104504	6202988
	0110	111	016220	016250	512017	0000	0575	5621	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104504	6203011
	0110	111	016220	016250	512017	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104504	6203283
	0110	111	016220	016250	512017	0000	0575	5621	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104504	6203328
	0110	111	016220	016250	512017	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104504	6203949
	0110	111	016220	016250	512017	0000	0575	5622	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104504	6204928
	0110	111	016220	016250	512017	0000	0575	5620	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104504	6043161
	0110	111	016220	016250	512017	0000	0575	5623	0.30			Correct TRMS Charges for Exp Org 016250	Yes	104504	6076926
	0110	111	016220	016250	512017	0000	0575	5622	1.48			Correct TRMS Charges for Exp Org 016250	Yes	104504	6158652
	0110	111	016220	016250	512017	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104504	6158752
	0110	111	016220	016250	512017	0000	0575	5624	25.49			Correct TRMS Charges for Exp Org 016250	Yes	104504	6175219
	0110	111	016220	016250	512017	0000	0575	5621	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104504	6180851
	0110	111	016220	016250	512017	0000	0575	5623	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104504	6182835
	0110	111	016220	016250	512017	0000	0575	5622	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104504	6192494
	0110	111	016220	016250	512017	0000	0575	5620	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104504	6192535
	0110	111	016220	016250	512017	0000	0575	5622	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104504	6195962
	0110	111	016220	016250	512017	0000	0575	5622	0.36			Correct TRMS Charges for Exp Org 016250	Yes	104504	6199379
	0110	111	016220	016250	512017	0000	0575	5622	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104504	6199546
	0110	111	016220	016250	512017	0000	0575	5622	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104504	6199782
	0110	111	016220	016250	512017	0000	0575	5623	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104504	6200791
	0110	111	016220	016250	512017	0000	0575	5624	0.27			Correct TRMS Charges for Exp Org 016250	Yes	104504	6201737
	0110	111	016220	016250	512017	0000	0575	5623	0.39			Correct TRMS Charges for Exp Org 016250	Yes	104504	6201751
	0110	111	016220	016250	512017	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104504	6202794
	0110	111	016220	016250	512017	0000	0575	5621	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104504	6202892
	0110	111	016220	016250	512017	0000	0575	5624	0.21			Correct TRMS Charges for Exp Org 016250	Yes	104504	6204977
	0110	111	016220	016250	512017	0000	0575	5622	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104504	6205000
	0110	111	016220	016250	512100	0000	0575	5620	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104504	5620
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104512	6184286
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104505	5253155

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016220	016250	512100	0000	0575	5622	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104505	6182030
	0110	111	016220	016250	512100	0000	0575	5623	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104505	6200793
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104505	6202886
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104505	6202887
	0110	111	016220	016250	512100	0000	0575	5623	0.21			Correct TRMS Charges for Exp Org 016250	Yes	104505	6203906
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104506	6181902
	0110	111	016220	016250	512100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104506	6198954
	0110	111	016220	016250	512100	0000	0575	5622	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104506	6199417
	0110	111	016220	016250	512100	0000	0575	5622	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104506	6199582
	0110	111	016220	016250	512100	0000	0575	5623	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104506	6199678
	0110	111	016220	016250	512100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104506	6200920
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104506	6201802
	0110	111	016220	016250	512100	0000	0575	5622	2.28			Correct TRMS Charges for Exp Org 016250	Yes	104507	6124018
	0110	111	016220	016250	512100	0000	0575	5622	0.68			Correct TRMS Charges for Exp Org 016250	Yes	104507	6124020
	0110	111	016220	016250	512100	0000	0575	5622	0.27			Correct TRMS Charges for Exp Org 016250	Yes	104507	6185506
	0110	111	016220	016250	512100	0000	0575	5621	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104507	6196347
	0110	111	016220	016250	512100	0000	0575	5623	0.39			Correct TRMS Charges for Exp Org 016250	Yes	104507	6208931
	0110	111	016220	016250	512100	0000	0575	5623	4.77			Correct TRMS Charges for Exp Org 016250	Yes	104509	6179123
	0110	111	016220	016250	512100	0000	0575	5623	1.22			Correct TRMS Charges for Exp Org 016250	Yes	104509	6183599
	0110	111	016220	016250	512100	0000	0575	5623	0.27			Correct TRMS Charges for Exp Org 016250	Yes	104509	6185551
	0110	111	016220	016250	512100	0000	0575	5623	0.21			Correct TRMS Charges for Exp Org 016250	Yes	104509	6186200
	0110	111	016220	016250	512100	0000	0575	5622	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104509	6186209
	0110	111	016220	016250	512100	0000	0575	5623	0.39			Correct TRMS Charges for Exp Org 016250	Yes	104509	6199014
	0110	111	016220	016250	512100	0000	0575	5621	1.16			Correct TRMS Charges for Exp Org 016250	Yes	104509	6200032
	0110	111	016220	016250	512100	0000	0575	5623	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104509	6200097
	0110	111	016220	016250	512100	0000	0575	5623	4.71			Correct TRMS Charges for Exp Org 016250	Yes	104509	6203087
	0110	111	016220	016250	512100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104509	6205150
	0110	111	016220	016250	512100	0000	0575	5621	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104509	6205440
	0110	111	016220	016250	512100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104509	6205558
	0110	111	016220	016250	512100	0000	0575	5623	0.92			Correct TRMS Charges for Exp Org 016250	Yes	104509	6208114
	0110	111	016220	016250	512100	0000	0575	5623	5.04			Correct TRMS Charges for Exp Org 016250	Yes	104512	6165906
	0110	111	016220	016250	512100	0000	0575	5623	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104515	6205163
	0110	111	016220	016250	512100	0000	0575	5623	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104515	6205165
	0110	111	016220	016250	512100	0000	0575	5623	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104515	6205166
	0110	111	016220	016250	512100	0000	0575	5623	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104515	6205167
	0110	111	016220	016250	512100	0000	0575	5623	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104515	6205245
	0110	111	016220	016250	512100	0000	0575	5622	0.50			Correct TRMS Charges for Exp Org 016250	Yes	104515	6205350
	0110	111	016220	016250	512100	0000	0575	5622	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104515	6208364
	0110	111	016220	016250	512100	0000	0575	5622	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104515	6209241
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104512	6184289
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104512	6203052

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104512	6203053
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104512	6203904
	0110	111	016220	016250	512100	0000	0575	5623	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104512	6205967
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104513	6192431
	0110	111	016220	016250	512100	0000	0575	5620	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104513	6199252
	0110	111	016220	016250	512100	0000	0575	5621	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104513	6201939
	0110	111	016220	016250	512100	0000	0575	5623	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104515	6126339
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6126340
	0110	111	016220	016250	512100	0000	0575	5622	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104515	6139976
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6141947
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104515	6141948
	0110	111	016220	016250	512100	0000	0575	5623	2.28			Correct TRMS Charges for Exp Org 016250	Yes	104515	6147067
	0110	111	016220	016250	512100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6142044
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6168195
	0110	111	016220	016250	512100	0000	0575	5622	0.68			Correct TRMS Charges for Exp Org 016250	Yes	104515	6178244
	0110	111	016220	016250	512100	0000	0575	5623	2.52			Correct TRMS Charges for Exp Org 016250	Yes	104515	6179488
	0110	111	016220	016250	512100	0000	0575	5622	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6186604
	0110	111	016220	016250	512100	0000	0575	5622	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6186605
	0110	111	016220	016250	512100	0000	0575	5622	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6186606
	0110	111	016220	016250	512100	0000	0575	5622	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6186607
	0110	111	016220	016250	512100	0000	0575	5622	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104515	6188607
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104515	6191397
	0110	111	016220	016250	512100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104515	6192057
	0110	111	016220	016250	512100	0000	0575	5621	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104515	6195677
	0110	111	016220	016250	512100	0000	0575	5622	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104515	6195680
	0110	111	016220	016250	512100	0000	0575	5623	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104515	6195681
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6196229
	0110	111	016220	016250	512100	0000	0575	5623	0.30			Correct TRMS Charges for Exp Org 016250	Yes	104515	6196242
	0110	111	016220	016250	512100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104515	6196503
	0110	111	016220	016250	512100	0000	0575	5621	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104515	6199409
	0110	111	016220	016250	512100	0000	0575	5622	0.74			Correct TRMS Charges for Exp Org 016250	Yes	104515	6199448
	0110	111	016220	016250	512100	0000	0575	5621	0.21			Correct TRMS Charges for Exp Org 016250	Yes	104515	6199705
	0110	111	016220	016250	512100	0000	0575	5621	1.99			Correct TRMS Charges for Exp Org 016250	Yes	104515	6199786
	0110	111	016220	016250	512100	0000	0575	5623	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104515	6200789
	0110	111	016220	016250	512100	0000	0575	5622	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104515	6200867
	0110	111	016220	016250	512100	0000	0575	5622	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104515	6200868
	0110	111	016220	016250	512100	0000	0575	5622	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104515	6200869
	0110	111	016220	016250	512100	0000	0575	5622	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104515	6200870
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6201104
	0110	111	016220	016250	512100	0000	0575	5621	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104515	6202039
	0110	111	016220	016250	512100	0000	0575	5622	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6202042

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016220	016250	512100	0000	0575	5621	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104515	6202738
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6202890
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6202945
	0110	111	016220	016250	512100	0000	0575	5622	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104515	6202946
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104515	6203563
	0110	111	016220	016250	512100	0000	0575	5621	0.77			Correct TRMS Charges for Exp Org 016250	Yes	104515	6203872
	0110	111	016220	016250	512100	0000	0575	5623	0.27			Correct TRMS Charges for Exp Org 016250	Yes	104515	6205016
	0110	111	016220	016250	512100	0000	0575	5620	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104522	6185011
	0110	111	016220	016250	512100	0000	0575	5620	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104522	6201581
	0110	111	016220	016250	512100	0000	0575	5620	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104522	6203192
	0110	111	016220	016250	512100	0000	0575	5622	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104515	6209243
	0110	111	016220	016250	512100	0000	0575	5622	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104515	6209244
	0110	111	016220	016250	512100	0000	0575	5621	0.62			Correct TRMS Charges for Exp Org 016250	Yes	104517	6059578
	0110	111	016220	016250	512100	0000	0575	5623	0.68			Correct TRMS Charges for Exp Org 016250	Yes	104517	6139989
	0110	111	016220	016250	512100	0000	0575	5621	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104517	6145009
	0110	111	016220	016250	512100	0000	0575	5623	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104517	6164003
	0110	111	016220	016250	512100	0000	0575	5621	0.50			Correct TRMS Charges for Exp Org 016250	Yes	104517	6175272
	0110	111	016220	016250	512100	0000	0575	5622	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104517	6186675
	0110	111	016220	016250	512100	0000	0575	5622	1.16			Correct TRMS Charges for Exp Org 016250	Yes	104517	6193678
	0110	111	016220	016250	512100	0000	0575	5621	0.47			Correct TRMS Charges for Exp Org 016250	Yes	104517	6196920
	0110	111	016220	016250	512100	0000	0575	5621	1.07			Correct TRMS Charges for Exp Org 016250	Yes	104517	6196922
	0110	111	016220	016250	512100	0000	0575	5623	0.27			Correct TRMS Charges for Exp Org 016250	Yes	104517	6199383
	0110	111	016220	016250	512100	0000	0575	5622	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104517	6199388
	0110	111	016220	016250	512100	0000	0575	5622	1.66			Correct TRMS Charges for Exp Org 016250	Yes	104517	6199434
	0110	111	016220	016250	512100	0000	0575	5622	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104517	6199534
	0110	111	016220	016250	512100	0000	0575	5622	1.10			Correct TRMS Charges for Exp Org 016250	Yes	104517	6199941
	0110	111	016220	016250	512100	0000	0575	5622	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104517	6200128
	0110	111	016220	016250	512100	0000	0575	5621	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104517	6200977
	0110	111	016220	016250	512100	0000	0575	5622	0.27			Correct TRMS Charges for Exp Org 016250	Yes	104517	6201250
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104517	6201340
	0110	111	016220	016250	512100	0000	0575	5622	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104517	6201341
	0110	111	016220	016250	512100	0000	0575	5622	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104517	6201342
	0110	111	016220	016250	512100	0000	0575	5622	0.80			Correct TRMS Charges for Exp Org 016250	Yes	104517	6201343
	0110	111	016220	016250	512100	0000	0575	5622	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104517	6201345
	0110	111	016220	016250	512100	0000	0575	5622	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104517	6201347
	0110	111	016220	016250	512100	0000	0575	5622	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104517	6201348
	0110	111	016220	016250	512100	0000	0575	5621	0.56			Correct TRMS Charges for Exp Org 016250	Yes	104517	6201820
	0110	111	016220	016250	512100	0000	0575	5622	0.77			Correct TRMS Charges for Exp Org 016250	Yes	104517	6201970
	0110	111	016220	016250	512100	0000	0575	5623	0.47			Correct TRMS Charges for Exp Org 016250	Yes	104517	6203521
	0110	111	016220	016250	512100	0000	0575	5623	0.41			Correct TRMS Charges for Exp Org 016250	Yes	104517	6203665
	0110	111	016220	016250	512100	0000	0575	5623	0.24			Correct TRMS Charges for Exp Org 016250	Yes	104517	6203678

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016220	016250	512100	0000	0575	5623	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104517	6205139
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104517	6205286
	0110	111	016220	016250	512100	0000	0575	5621	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104517	6205565
	0110	111	016220	016250	512100	0000	0575	5621	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104517	6205566
	0110	111	016220	016250	512100	0000	0575	5621	0.15			Correct TRMS Charges for Exp Org 016250	Yes	104517	6205567
	0110	111	016220	016250	512100	0000	0575	5621	0.27			Correct TRMS Charges for Exp Org 016250	Yes	104517	6205569
	0110	111	016220	016250	512100	0000	0575	5622	0.21			Correct TRMS Charges for Exp Org 016250	Yes	104517	6205573
	0110	111	016220	016250	512100	0000	0575	5623	1.96			Correct TRMS Charges for Exp Org 016250	Yes	104517	6205940
	0110	111	016220	016250	512100	0000	0575	5623	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104517	6208966
	0110	111	016220	016250	512100	0000	0575	5623	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104517	6208969
	0110	111	016220	016250	512100	0000	0575	5623	0.39			Correct TRMS Charges for Exp Org 016250	Yes	104519	6203518
	0110	111	016220	016250	512100	0000	0575	5623	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104521	6017710
	0110	111	016220	016250	512100	0000	0575	5623	4.68			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6199115
	0110	111	016220	016250	512100	0000	0575	5623	0.15			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6200842
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6208614
	0110	111	016220	016250	512100	0000	0575	5621	0.50			Correct TRMS Charges for Exp Org 016250	Yes	104521	6178074
	0110	111	016220	016250	512100	0000	0575	5622	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6196768
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6196770
	0110	111	016220	016250	512100	0000	0575	5621	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104521	6202728
	0110	111	016220	016250	512100	0000	0575	5622	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104521	6202729
	0110	111	016220	016250	512100	0000	0575	5623	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104521	6202733
	0110	111	016220	016250	512100	0000	0575	5623	0.56			Correct TRMS Charges for Exp Org 016250	Yes	104521	6202745
	0110	111	016220	016250	512100	0000	0575	5620	0.50			Correct TRMS Charges for Exp Org 016250	Yes	104522	6181230
	0110	111	016220	016250	512100	0000	0575	5621	116.38			Correct TRMS Charges for Exp Org 016250	Yes	BRPULVMN1	6181463
	0110	111	016220	016250	512100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BR1AUXOT1	6202879
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6115998
	0110	111	016220	016250	512100	0000	0575	5623	2.40			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6137600
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6139079
	0110	111	016220	016250	512100	0000	0575	5623	0.44			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6141073
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6152993
	0110	111	016220	016250	512100	0000	0575	5623	0.62			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6157660
	0110	111	016220	016250	512100	0000	0575	5623	0.27			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6169796
	0110	111	016220	016250	512100	0000	0575	5623	0.41			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6181960
	0110	111	016220	016250	512100	0000	0575	5623	0.71			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6183248
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6185222
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6185226
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6185230
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6185231
	0110	111	016220	016250	512100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6185232
	0110	111	016220	016250	512100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6185233
	0110	111	016220	016250	512100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6185235

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016220	016250	513100	0000	0575	5621	2.99			Correct TRMS Charges for Exp Org 016250	Yes	104510	6174975
	0110	111	016220	016250	513100	0000	0575	5623	1.04			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6198782
	0110	111	016220	016250	513100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104510	6204975
	0110	111	016220	016250	513100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104510	6204979
	0110	111	016220	016250	513100	0000	0575	5624	0.21			Correct TRMS Charges for Exp Org 016250	Yes	104514	6130666
	0110	111	016220	016250	513100	0000	0575	5620	0.06			Correct TRMS Charges for Exp Org 016250	Yes	104514	6202934
	0110	111	016220	016250	513100	0000	0575	5620	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104514	6208286
	0110	111	016220	016250	513100	0000	0575	5621	0.12			Correct TRMS Charges for Exp Org 016250	Yes	104508	6196603
	0110	111	016220	016250	513100	0000	0575	5623	0.41			Correct TRMS Charges for Exp Org 016250	Yes	104508	6203821
	0110	111	016220	016250	513100	0000	0575	5623	0.62			Correct TRMS Charges for Exp Org 016250	Yes	104508	6205942
	0110	111	016220	016250	513100	0000	0575	5623	0.62			Correct TRMS Charges for Exp Org 016250	Yes	104508	6205943
	0110	111	016220	016250	513100	0000	0575	5623	0.39			Correct TRMS Charges for Exp Org 016250	Yes	104508	6208588
	0110	111	016220	016250	513100	0000	0575	5623	0.33			Correct TRMS Charges for Exp Org 016250	Yes	104500	6204073
	0110	111	016220	016250	513100	0000	0575	5621	0.39			Correct TRMS Charges for Exp Org 016250	Yes	104508	6146710
	0110	111	016220	016250	513100	0000	0575	5623	0.27			Correct TRMS Charges for Exp Org 016250	Yes	104521	6179499
	0110	111	016220	016250	513100	0000	0575	5623	0.50			Correct TRMS Charges for Exp Org 016250	Yes	104521	6179500
	0110	111	016220	016250	513100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6191323
	0110	111	016220	016250	513100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6195707
	0110	111	016220	016250	513100	0000	0575	5622	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6196216
	0110	111	016220	016250	513100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6196217
	0110	111	016220	016250	513100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6196231
	0110	111	016220	016250	513100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6199206
	0110	111	016220	016250	513100	0000	0575	5622	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6199544
	0110	111	016220	016250	513100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6199545
	0110	111	016220	016250	513100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6199553
	0110	111	016220	016250	513100	0000	0575	5623	0.18			Correct TRMS Charges for Exp Org 016250	Yes	104521	6200123
	0110	111	016220	016250	513100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6201178
	0110	111	016220	016250	513100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104521	6201388
	0110	111	016220	016250	513100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104521	6201413
	0110	111	016220	016250	513100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6203213
	0110	111	016220	016250	513100	0000	0575	5622	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6203471
	0110	111	016220	016250	513100	0000	0575	5621	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6203472
	0110	111	016220	016250	513100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104521	6203488
	0110	111	016220	016250	513100	0000	0575	5623	0.09			Correct TRMS Charges for Exp Org 016250	Yes	104521	6205542
	0110	111	016220	016250	513100	0000	0575	5621	0.27			Correct TRMS Charges for Exp Org 016250	Yes	BR1AUXOT1	6186106
	0110	111	016220	016250	513100	0000	0575	5621	0.18			Correct TRMS Charges for Exp Org 016250	Yes	BR1AUXOT1	6200841
	0110	111	016220	016250	513100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6185240
	0110	111	016220	016250	513100	0000	0575	5623	5.37			Correct TRMS Charges for Exp Org 016250	Yes	104519	6135242
	0110	111	016220	016250	513100	0000	0575	5621	1.07			Correct TRMS Charges for Exp Org 016250	Yes	104519	6174991
	0110	111	016220	016250	513100	0000	0575	5620	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104519	6196771
	0110	111	016220	016250	513100	0000	0575	5623	0.59			Correct TRMS Charges for Exp Org 016250	Yes	104519	6199789

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	111	016220	016250	513100	0000	0575	5623	0.41			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6185262
	0110	111	016220	016250	513100	0000	0575	5623	0.12			Correct TRMS Charges for Exp Org 016250	Yes	BR3AUXOT1	6191322
	0110	111	016220	016250	513100	0000	0575	5622	26.56			Correct TRMS Charges for Exp Org 016250	Yes	104510	6183139
	0110	111	016220	016250	514100	0000	0575	5620	2.37			Correct TRMS Charges for Exp Org 016250	Yes	104514	6182115
	0110	111	016220	016250	514100	0000	0575	5620	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104514	6198967
	0110	111	016220	016250	514100	0000	0575	5623	0.03			Correct TRMS Charges for Exp Org 016250	Yes	104514	5705079
	0110	111	016300	016250	554100	0000	0575	5642	0.09			Correct TRMS Charges for Exp Org 016250	Yes	114906	6200839
	0110	111	016300	016250	554100	0000	0575	5642	0.39			Correct TRMS Charges for Exp Org 016250	Yes	114906	6203862
	0110	111	016300	016250	554100	0000	0575	5642	0.62			Correct TRMS Charges for Exp Org 016250	Yes	114906	6205443
	0110	111	016300	016250	554100	0000	0575	5642	8.01			Correct TRMS Charges for Exp Org 016250	Yes	114906	6183949
	0110	111	015730	016270	107001	0000	0575	5630	42.11			Correct TRMS Charges for Exp Org 016270	Yes	120210	PLANTSUP
	0110	111	016220	016270	500100	0000	0575	5620	1.80			Correct TRMS Charges for Exp Org 016270	Yes	106681	5620
	0110	111	016220	016270	501090	0000	0575	5620	1,089.26			Correct TRMS Charges for Exp Org 016270	Yes	106684	5620
	0110	111	016220	016270	502002	0000	0575	5620	22.21			Correct TRMS Charges for Exp Org 016270	Yes	106688	5620
	0110	111	016220	016270	505100	0000	0575	5620	21.02			Correct TRMS Charges for Exp Org 016270	Yes	106693	5620
	0110	111	016220	016300	511100	0000	0575	5620		0.15		Correct TRMS Charges for Exp Org 016300	Yes	104516	6192093
	0110	111	016220	016300	511100	0000	0575	5620	0.27			Correct TRMS Charges for Exp Org 016300	Yes	104514	6204910
	0110	111	016300	016300	546100	0000	0575	5642	291.82			Correct TRMS Charges for Exp Org 016300	Yes	109490	5642
	0110	111	016300	016300	551100	0000	0575	5642	141.73			Correct TRMS Charges for Exp Org 016300	Yes	109495	5642
	0110	111	016300	016300	552100	0000	0575	5642	0.68			Correct TRMS Charges for Exp Org 016300	Yes	109512	6195971
	0110	111	016300	016300	552100	0000	0575	5642	361.16			Correct TRMS Charges for Exp Org 016300	Yes	109512	6175000
	0110	111	016300	016300	552100	0000	0575	5642	5.09			Correct TRMS Charges for Exp Org 016300	Yes	109512	6193236
	0110	111	016300	016300	552100	0000	0575	5642	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109512	6191403
	0110	111	016300	016300	552100	0000	0575	5642	3.08			Correct TRMS Charges for Exp Org 016300	Yes	109512	6191380
	0110	111	016300	016300	552100	0000	0575	5642	120.15			Correct TRMS Charges for Exp Org 016300	Yes	109512	6174993
	0110	111	016300	016300	552100	0000	0575	5638	1.75			Correct TRMS Charges for Exp Org 016300	Yes	109512	6183798
	0110	111	016300	016300	552100	0000	0575	5642	0.58			Correct TRMS Charges for Exp Org 016300	Yes	109512	6148792
	0110	111	016300	016300	552100	0000	0575	5642	2.06			Correct TRMS Charges for Exp Org 016300	Yes	109512	6066813
	0110	111	016300	016300	552100	0000	0575	5642	23.08			Correct TRMS Charges for Exp Org 016300	Yes	109512	6175002
	0110	111	016300	016300	552100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109512	6196775
	0110	111	016300	016300	552100	0000	0575	5642	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109512	6199772
	0110	111	016300	016300	552100	0000	0575	5637	1.33			Correct TRMS Charges for Exp Org 016300	Yes	109512	6200887
	0110	111	016300	016300	552100	0000	0575	5636	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109512	6203835
	0110	111	016300	016300	552100	0000	0575	5636	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109512	6203837
	0110	111	016300	016300	552100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109512	6193910
	0110	111	016300	016300	553100	0000	0575	5635	0.53			Correct TRMS Charges for Exp Org 016300	Yes	109513	6190078
	0110	111	016300	016300	553100	0000	0575	5641	1.75			Correct TRMS Charges for Exp Org 016300	Yes	109513	6202876
	0110	111	016300	016300	553100	0000	0575	5639	2.35			Correct TRMS Charges for Exp Org 016300	Yes	109513	6203651
	0110	111	016300	016300	553100	0000	0575	5637	1.48			Correct TRMS Charges for Exp Org 016300	Yes	109513	6203754

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016300	016300	553100	0000	0575	5638	1.33			Correct TRMS Charges for Exp Org 016300	Yes	109513	6205214
	0110	111	016300	016300	553100	0000	0575	5638	2.21			Correct TRMS Charges for Exp Org 016300	Yes	109513	6205215
	0110	111	016300	016300	553100	0000	0575	5640	1.48			Correct TRMS Charges for Exp Org 016300	Yes	109513	6205258
	0110	111	016300	016300	553100	0000	0575	5637	2.74			Correct TRMS Charges for Exp Org 016300	Yes	109513	6208134
	0110	111	016300	016300	553100	0000	0575	5633	2.35			Correct TRMS Charges for Exp Org 016300	Yes	110612	6196089
	0110	111	016300	016300	553100	0000	0575	5633	1.14			Correct TRMS Charges for Exp Org 016300	Yes	110612	6200048
	0110	111	016300	016300	553100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109506	6199769
	0110	111	016300	016300	553100	0000	0575	5642	5.24			Correct TRMS Charges for Exp Org 016300	Yes	109506	6199779
	0110	111	016300	016300	553100	0000	0575	5636	8.17			Correct TRMS Charges for Exp Org 016300	Yes	109506	6199883
	0110	111	016300	016300	553100	0000	0575	5637	9.72			Correct TRMS Charges for Exp Org 016300	Yes	109506	6199884
	0110	111	016300	016300	553100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109506	6203224
	0110	111	016300	016300	553100	0000	0575	5642	1.14			Correct TRMS Charges for Exp Org 016300	Yes	109506	6203809
	0110	111	016300	016300	553100	0000	0575	5642	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109506	6205803
	0110	111	016300	016300	553100	0000	0575	5642	4.10			Correct TRMS Charges for Exp Org 016300	Yes	109506	6208328
	0110	111	016300	016300	553100	0000	0575	5642	8.17			Correct TRMS Charges for Exp Org 016300	Yes	109506	6208333
	0110	111	016300	016300	553100	0000	0575	5638	3.66			Correct TRMS Charges for Exp Org 016300	Yes	109507	6174485
	0110	111	016300	016300	553100	0000	0575	5636	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109507	6201199
	0110	111	016300	016300	553100	0000	0575	5637	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109507	6201200
	0110	111	016300	016300	553100	0000	0575	5638	0.53			Correct TRMS Charges for Exp Org 016300	Yes	109508	6190161
	0110	111	016300	016300	553100	0000	0575	5635	3.86			Correct TRMS Charges for Exp Org 016300	Yes	109497	6178337
	0110	111	016300	016300	553100	0000	0575	5635	3.86			Correct TRMS Charges for Exp Org 016300	Yes	109497	6178339
	0110	111	016300	016300	553100	0000	0575	5642	7.44			Correct TRMS Charges for Exp Org 016300	Yes	109510	6169908
	0110	111	016300	016300	553100	0000	0575	5642	4.68			Correct TRMS Charges for Exp Org 016300	Yes	109510	6169962
	0110	111	016300	016300	553100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109510	6196929
	0110	111	016300	016300	553100	0000	0575	5641	1.82			Correct TRMS Charges for Exp Org 016300	Yes	109511	6168310
	0110	111	016300	016300	553100	0000	0575	5642	2.38			Correct TRMS Charges for Exp Org 016300	Yes	109512	5642
	0110	111	016300	016300	553100	0000	0575	5642	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109502	6198774
	0110	111	016300	016300	553100	0000	0575	5642	1.55			Correct TRMS Charges for Exp Org 016300	Yes	109502	6201026
	0110	111	016300	016300	553100	0000	0575	5636	1.14			Correct TRMS Charges for Exp Org 016300	Yes	109502	6201409
	0110	111	016300	016300	553100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109502	6205610
	0110	111	016300	016300	553100	0000	0575	5642	0.46			Correct TRMS Charges for Exp Org 016300	Yes	109502	6205611
	0110	111	016300	016300	553100	0000	0575	5642	1.75			Correct TRMS Charges for Exp Org 016300	Yes	109506	4913767
	0110	111	016300	016300	553100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109506	6034551
	0110	111	016300	016300	553100	0000	0575	5639	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109506	6132632
	0110	111	016300	016300	553100	0000	0575	5642	0.29			Correct TRMS Charges for Exp Org 016300	Yes	109506	6144972
	0110	111	016300	016300	553100	0000	0575	5635	1.77			Correct TRMS Charges for Exp Org 016300	Yes	109513	6167815
	0110	111	016300	016300	553100	0000	0575	5638	0.53			Correct TRMS Charges for Exp Org 016300	Yes	109496	6191001
	0110	111	016300	016300	553100	0000	0575	5639	0.53			Correct TRMS Charges for Exp Org 016300	Yes	109496	6191021
	0110	111	016300	016300	553100	0000	0575	5640	0.53			Correct TRMS Charges for Exp Org 016300	Yes	109496	6192099
	0110	111	016300	016300	553100	0000	0575	5641	0.53			Correct TRMS Charges for Exp Org 016300	Yes	109496	6192103
	0110	111	016300	016300	553100	0000	0575	5640	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109496	6193906



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016300	016300	553100	0000	0575	5638	0.87			Correct TRMS Charges for Exp Org 016300	Yes	109496	6201668
	0110	111	016300	016300	553100	0000	0575	5639	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109496	6201868
	0110	111	016300	016300	553100	0000	0575	5642	0.95			Correct TRMS Charges for Exp Org 016300	Yes	109497	6193601
	0110	111	016300	016300	553100	0000	0575	5636	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6193698
	0110	111	016300	016300	553100	0000	0575	5637	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6193700
	0110	111	016300	016300	553100	0000	0575	5642	2.35			Correct TRMS Charges for Exp Org 016300	Yes	109497	6196523
	0110	111	016300	016300	553100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109497	6198965
	0110	111	016300	016300	553100	0000	0575	5636	0.34			Correct TRMS Charges for Exp Org 016300	Yes	109497	6198976
	0110	111	016300	016300	553100	0000	0575	5637	0.34			Correct TRMS Charges for Exp Org 016300	Yes	109497	6198978
	0110	111	016300	016300	553100	0000	0575	5635	0.34			Correct TRMS Charges for Exp Org 016300	Yes	109497	6198981
	0110	111	016300	016300	553100	0000	0575	5635	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199236
	0110	111	016300	016300	553100	0000	0575	5636	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199237
	0110	111	016300	016300	553100	0000	0575	5637	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199238
	0110	111	016300	016300	553100	0000	0575	5638	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199239
	0110	111	016300	016300	553100	0000	0575	5639	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199240
	0110	111	016300	016300	553100	0000	0575	5640	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199241
	0110	111	016300	016300	553100	0000	0575	5641	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199242
	0110	111	016300	016300	553100	0000	0575	5641	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199246
	0110	111	016300	016300	553100	0000	0575	5640	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199247
	0110	111	016300	016300	553100	0000	0575	5639	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199248
	0110	111	016300	016300	553100	0000	0575	5638	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199249
	0110	111	016300	016300	553100	0000	0575	5635	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109497	6199554
	0110	111	016300	016300	553100	0000	0575	5636	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6202085
	0110	111	016300	016300	553100	0000	0575	5637	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6202087
	0110	111	016300	016300	553100	0000	0575	5635	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109497	6202090
	0110	111	016300	016300	553100	0000	0575	5635	4.22			Correct TRMS Charges for Exp Org 016300	Yes	109498	6155700
	0110	111	016300	016300	553100	0000	0575	5638	0.87			Correct TRMS Charges for Exp Org 016300	Yes	109498	6192329
	0110	111	016300	016300	553100	0000	0575	5637	26.07			Correct TRMS Charges for Exp Org 016300	Yes	109499	6200102
	0110	111	016300	016300	553100	0000	0575	5637	2.62			Correct TRMS Charges for Exp Org 016300	Yes	109499	6200103
	0110	111	016300	016300	553100	0000	0575	5635	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109500	6200094
	0110	111	016300	016300	553100	0000	0575	5635	3.66			Correct TRMS Charges for Exp Org 016300	Yes	109502	6128187
	0110	111	016300	016300	553100	0000	0575	5641	3.54			Correct TRMS Charges for Exp Org 016300	Yes	109502	6165826
	0110	111	016300	016300	553100	0000	0575	5636	67.24			Correct TRMS Charges for Exp Org 016300	Yes	109502	6175001
	0110	111	016300	016300	553100	0000	0575	5642	17.36			Correct TRMS Charges for Exp Org 016300	Yes	109502	6175004
	0110	111	016300	016300	553100	0000	0575	5640	2.09			Correct TRMS Charges for Exp Org 016300	Yes	109502	6196342
	0110	111	016300	016300	553100	0000	0575	5642	2.35			Correct TRMS Charges for Exp Org 016300	Yes	109506	6145431
	0110	111	016300	016300	553100	0000	0575	5638	3.83			Correct TRMS Charges for Exp Org 016300	Yes	109506	6155394
	0110	111	016300	016300	553100	0000	0575	5642	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109506	6157287
	0110	111	016300	016300	553100	0000	0575	5642	0.58			Correct TRMS Charges for Exp Org 016300	Yes	109506	6161515
	0110	111	016300	016300	553100	0000	0575	5642	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109506	6164219
	0110	111	016300	016300	553100	0000	0575	5642	7.90			Correct TRMS Charges for Exp Org 016300	Yes	109506	6169833

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016300	016300	553100	0000	0575	5642	3.83			Correct TRMS Charges for Exp Org 016300	Yes	109506	6175638
	0110	111	016300	016300	553100	0000	0575	5642	10.91			Correct TRMS Charges for Exp Org 016300	Yes	109506	6179367
	0110	111	016300	016300	553100	0000	0575	5638	0.29			Correct TRMS Charges for Exp Org 016300	Yes	109506	6181013
	0110	111	016300	016300	553100	0000	0575	5642	3.49			Correct TRMS Charges for Exp Org 016300	Yes	109506	6189975
	0110	111	016300	016300	553100	0000	0575	5642	2.96			Correct TRMS Charges for Exp Org 016300	Yes	109506	6189981
	0110	111	016300	016300	553100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109506	6190072
	0110	111	016300	016300	553100	0000	0575	5642	0.87			Correct TRMS Charges for Exp Org 016300	Yes	109506	6190076
	0110	111	016300	016300	553100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109506	6193694
	0110	111	016300	016300	553100	0000	0575	5642	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109506	6196592
	0110	111	016300	016300	553100	0000	0575	5642	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109506	6196773
	0110	111	016300	016300	553100	0000	0575	5642	336.26			Correct TRMS Charges for Exp Org 016300	Yes	109506	6199055
	0110	111	016300	016300	553100	0000	0575	5642	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109506	6199392
	0110	111	016300	016300	553100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109506	6199766
	0110	111	016300	016300	554100	0000	0575	5642	2.01			Correct TRMS Charges for Exp Org 016300	Yes	109501	6175534
	0110	111	016300	016300	554100	0000	0575	5633	1.79			Correct TRMS Charges for Exp Org 016300	Yes	110612	6208294
	0110	111	016300	016300	554100	0000	0575	5633	1.14			Correct TRMS Charges for Exp Org 016300	Yes	110612	6194687
	0110	111	016300	016300	554100	0000	0575	5633	0.61			Correct TRMS Charges for Exp Org 016300	Yes	110612	6192331
	0110	111	016300	016300	554100	0000	0575	5642	2.81			Correct TRMS Charges for Exp Org 016300	Yes	109514	6199551
	0110	111	016300	016300	554100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109514	6196506
	0110	111	016300	016300	554100	0000	0575	5642	11.25			Correct TRMS Charges for Exp Org 016300	Yes	109514	6170064
	0110	111	016300	016300	554100	0000	0575	5642	4.68			Correct TRMS Charges for Exp Org 016300	Yes	109514	6168520
	0110	111	016300	016300	554100	0000	0575	5642	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109514	6168409
	0110	111	016300	016300	554100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109509	6205609
	0110	111	016300	016300	554100	0000	0575	5636	3.08			Correct TRMS Charges for Exp Org 016300	Yes	109509	6205057
	0110	111	016300	016300	554100	0000	0575	5642	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109509	6204064
	0110	111	016300	016300	554100	0000	0575	5642	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109509	6204000
	0110	111	016300	016300	554100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109509	6203487
	0110	111	016300	016300	554100	0000	0575	5642	1.55			Correct TRMS Charges for Exp Org 016300	Yes	109509	6202969
	0110	111	016300	016300	554100	0000	0575	5638	0.87			Correct TRMS Charges for Exp Org 016300	Yes	109509	6201404
	0110	111	016300	016300	554100	0000	0575	5636	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109509	6201096
	0110	111	016300	016300	554100	0000	0575	5636	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109509	6201024
	0110	111	016300	016300	554100	0000	0575	5642	0.15			Correct TRMS Charges for Exp Org 016300	Yes	109509	6200051
	0110	111	016300	016300	554100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109509	6197065
	0110	111	016300	016300	554100	0000	0575	5642	0.27			Correct TRMS Charges for Exp Org 016300	Yes	109509	6197064
	0110	111	016300	016300	554100	0000	0575	5635	2.81			Correct TRMS Charges for Exp Org 016300	Yes	109509	6196788
	0110	111	016300	016300	554100	0000	0575	5642	0.68			Correct TRMS Charges for Exp Org 016300	Yes	109509	6194689
	0110	111	016300	016300	554100	0000	0575	5642	0.73			Correct TRMS Charges for Exp Org 016300	Yes	109509	6194222
	0110	111	016300	016300	554100	0000	0575	5642	0.53			Correct TRMS Charges for Exp Org 016300	Yes	109509	6193417
	0110	111	016300	016300	554100	0000	0575	5641	2.21			Correct TRMS Charges for Exp Org 016300	Yes	109509	6191822
	0110	111	016300	016300	554100	0000	0575	5640	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109509	6191820
	0110	111	016300	016300	554100	0000	0575	5642	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109509	6191009

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016300	016300	554100	0000	0575	5642	1.75			Correct TRMS Charges for Exp Org 016300	Yes	109509	6191000
	0110	111	016300	016300	554100	0000	0575	5639	46.75			Correct TRMS Charges for Exp Org 016300	Yes	109509	6177763
	0110	111	016300	016300	554100	0000	0575	5642	1.09			Correct TRMS Charges for Exp Org 016300	Yes	109509	6183791
	0110	111	016300	016300	554100	0000	0575	5642	0.53			Correct TRMS Charges for Exp Org 016300	Yes	109501	6190164
	0110	111	016300	016300	554100	0000	0575	5642	0.61			Correct TRMS Charges for Exp Org 016300	Yes	109501	6199762
	0110	111	016300	016300	554100	0000	0575	5642	0.40			Correct TRMS Charges for Exp Org 016300	Yes	109501	6199763
	0110	111	016220	016360	510100	0000	0575	5620	35.39			Correct TRMS Charges for Exp Org 016360	Yes	106857	5620
	0110	111	016910	016360	539100	0000	0575	5691	0.23			Correct TRMS Charges for Exp Org 016360	Yes	113113	5691
	0110	111	016520	016520	500100	0000	0575	5657		10.05		Correct TRMS Charges for Exp Org 016520	Yes	GH50001	5657
	0110	111	016520	016520	506100	0000	0575	5657		4.02		Correct TRMS Charges for Exp Org 016520	Yes	GH50604	5657
	0110	111	016520	016520	510100	0000	0575	5657		7.66		Correct TRMS Charges for Exp Org 016520	Yes	GH51001	5657
	0110	111	016520	016520	511100	0000	0575	5657		0.02		Correct TRMS Charges for Exp Org 016520	Yes	104584	6198926
	0110	111	016520	016520	511100	0000	0575	5657		0.94		Correct TRMS Charges for Exp Org 016520	Yes	104584	6174957
	0110	111	016520	016520	514100	0000	0575	5653		0.04		Correct TRMS Charges for Exp Org 016520	Yes	126942	6192428
	0110	111	016520	016520	514100	0000	0575	5657		0.02		Correct TRMS Charges for Exp Org 016520	Yes	104582	6198923
	0110	111	016520	016520	514100	0000	0575	5652		0.02		Correct TRMS Charges for Exp Org 016520	Yes	126942	6199752
	0110	111	016520	016520	514100	0000	0575	5653		0.02		Correct TRMS Charges for Exp Org 016520	Yes	126942	6198947
	0110	111	016520	016520	514100	0000	0575	5652		0.02		Correct TRMS Charges for Exp Org 016520	Yes	126942	6198946
	0110	111	016520	016520	514100	0000	0575	5651		0.02		Correct TRMS Charges for Exp Org 016520	Yes	126942	6198945
	0110	111	016520	016520	514100	0000	0575	5653		0.02		Correct TRMS Charges for Exp Org 016520	Yes	126942	6198944
	0110	111	016520	016520	514100	0000	0575	5652		0.02		Correct TRMS Charges for Exp Org 016520	Yes	126942	6198943
	0110	111	016520	016520	514100	0000	0575	5651		0.02		Correct TRMS Charges for Exp Org 016520	Yes	126942	6198942
	0110	111	016520	016520	514100	0000	0575	5652		0.04		Correct TRMS Charges for Exp Org 016520	Yes	126942	6193898
	0110	111	016520	016520	514100	0000	0575	5653		0.02		Correct TRMS Charges for Exp Org 016520	Yes	126942	6191805
	0110	111	016520	016520	514100	0000	0575	5657		1.49		Correct TRMS Charges for Exp Org 016520	Yes	126942	6165968
	0110	111	016520	016520	514100	0000	0575	5657		0.12		Correct TRMS Charges for Exp Org 016520	Yes	126942	6175117
	0110	111	016520	016550	506100	0000	0575	5657	3.78			Correct TRMS Charges for Exp Org 016550	Yes	127031	TRAINING
	0110	111	016520	016550	510100	0000	0575	5657	0.97			Correct TRMS Charges for Exp Org 016550	Yes	GH51001	5657
	0110	111	016520	016550	510100	0000	0575	5656	7.35			Correct TRMS Charges for Exp Org 016550	Yes	GH51001	5656
	0110	111	016520	016550	510100	0000	0575	5655	8.61			Correct TRMS Charges for Exp Org 016550	Yes	GH51001	5655
	0110	111	016520	016550	511100	0000	0575	5657	0.03			Correct TRMS Charges for Exp Org 016550	Yes	104584	6174775
	0110	111	016520	016550	511100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104582	6196203
	0110	111	016520	016550	511100	0000	0575	5652	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104582	6127904
	0110	111	016520	016550	511100	0000	0575	5651	1.28			Correct TRMS Charges for Exp Org 016550	Yes	104582	6058792
	0110	111	016520	016550	511100	0000	0575	5654	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104584	6209110
	0110	111	016520	016550	511100	0000	0575	5651	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104584	6205289
	0110	111	016520	016550	511100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104584	6201702
	0110	111	016520	016550	511100	0000	0575	5652	0.40			Correct TRMS Charges for Exp Org 016550	Yes	104584	6183928

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016550	511100	0000	0575	5657	5.49			Correct TRMS Charges for Exp Org 016550	Yes	104584	6174820
	0110	111	016520	016550	511100	0000	0575	5657	0.01			Correct TRMS Charges for Exp Org 016550	Yes	104582	6199194
	0110	111	016520	016550	511100	0000	0575	5653	0.31			Correct TRMS Charges for Exp Org 016550	Yes	104584	6000838
	0110	111	016520	016550	511100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104591	6203924
	0110	111	016520	016550	511100	0000	0575	5651	0.01			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177920
	0110	111	016520	016550	511100	0000	0575	5653	0.32			Correct TRMS Charges for Exp Org 016550	Yes	124861	6201694
	0110	111	016520	016550	512005	0000	0575	5651	0.01			Correct TRMS Charges for Exp Org 016550	Yes	104564	6201426
	0110	111	016520	016550	512005	0000	0575	5653	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104564	6189389
	0110	111	016520	016550	512005	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104580	6194463
	0110	111	016520	016550	512005	0000	0575	5657	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104660	6181362
	0110	111	016520	016550	512005	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104660	6203944
	0110	111	016520	016550	512005	0000	0575	5657	0.08			Correct TRMS Charges for Exp Org 016550	Yes	104581	6189998
	0110	111	016520	016550	512005	0000	0575	5657	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104581	6194455
	0110	111	016520	016550	512005	0000	0575	5653	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104564	6189387
	0110	111	016520	016550	512005	0000	0575	5653	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104564	6066896
	0110	111	016520	016550	512005	0000	0575	5654	0.08			Correct TRMS Charges for Exp Org 016550	Yes	104564	6140822
	0110	111	016520	016550	512005	0000	0575	5653	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104564	6189388
	0110	111	016520	016550	512005	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104579	5937473
	0110	111	016520	016550	512005	0000	0575	5657	0.37			Correct TRMS Charges for Exp Org 016550	Yes	104580	6181363
	0110	111	016520	016550	512005	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104580	6194462
	0110	111	016520	016550	512005	0000	0575	5657	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104581	6199245
	0110	111	016520	016550	512017	0000	0575	5653	0.05			Correct TRMS Charges for Exp Org 016550	Yes	104569	6169640
	0110	111	016520	016550	512017	0000	0575	5651	0.13			Correct TRMS Charges for Exp Org 016550	Yes	104569	6194609
	0110	111	016520	016550	512017	0000	0575	5651	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104569	6194682
	0110	111	016520	016550	512017	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6196220
	0110	111	016520	016550	512017	0000	0575	5654	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104569	6197068
	0110	111	016520	016550	512017	0000	0575	5654	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104569	6198897
	0110	111	016520	016550	512017	0000	0575	5656	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6198932
	0110	111	016520	016550	512017	0000	0575	5653	0.34			Correct TRMS Charges for Exp Org 016550	Yes	104569	6199523
	0110	111	016520	016550	512017	0000	0575	5653	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104569	6199525
	0110	111	016520	016550	512017	0000	0575	5654	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104569	6199574
	0110	111	016520	016550	512017	0000	0575	5653	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104569	6199581
	0110	111	016520	016550	512017	0000	0575	5652	0.64			Correct TRMS Charges for Exp Org 016550	Yes	104569	6199783
	0110	111	016520	016550	512017	0000	0575	5654	0.18			Correct TRMS Charges for Exp Org 016550	Yes	104569	6200764
	0110	111	016520	016550	512017	0000	0575	5656	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6200912
	0110	111	016520	016550	512017	0000	0575	5653	0.31			Correct TRMS Charges for Exp Org 016550	Yes	104569	6200987
	0110	111	016520	016550	512017	0000	0575	5652	0.19			Correct TRMS Charges for Exp Org 016550	Yes	104569	6202802
	0110	111	016520	016550	512017	0000	0575	5656	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6202913
	0110	111	016520	016550	512017	0000	0575	5652	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6202994
	0110	111	016520	016550	512017	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6203166
	0110	111	016520	016550	512017	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6203248

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016550	512017	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6203515
	0110	111	016520	016550	512017	0000	0575	5652	0.13			Correct TRMS Charges for Exp Org 016550	Yes	104569	6203659
	0110	111	016520	016550	512017	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104569	6203692
	0110	111	016520	016550	512017	0000	0575	5656	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6204868
	0110	111	016520	016550	512017	0000	0575	5654	0.09			Correct TRMS Charges for Exp Org 016550	Yes	104569	6205504
	0110	111	016520	016550	512017	0000	0575	5651	0.15			Correct TRMS Charges for Exp Org 016550	Yes	104569	6205948
	0110	111	016520	016550	512017	0000	0575	5654	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104569	6208236
	0110	111	016520	016550	512017	0000	0575	5652	0.17			Correct TRMS Charges for Exp Org 016550	Yes	104569	6208240
	0110	111	016520	016550	512017	0000	0575	5653	0.27			Correct TRMS Charges for Exp Org 016550	Yes	104569	6208378
	0110	111	016520	016550	512017	0000	0575	5653	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	5964845
	0110	111	016520	016550	512017	0000	0575	5653	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6074850
	0110	111	016520	016550	512017	0000	0575	5652	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104569	6124184
	0110	111	016520	016550	512017	0000	0575	5653	0.30			Correct TRMS Charges for Exp Org 016550	Yes	104569	6140924
	0110	111	016520	016550	512017	0000	0575	5652	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104569	6145061
	0110	111	016520	016550	512017	0000	0575	5652	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104569	6145172
	0110	111	016520	016550	512017	0000	0575	5651	0.08			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177986
	0110	111	016520	016550	512017	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124859	6192386
	0110	111	016520	016550	512017	0000	0575	5653	1.34			Correct TRMS Charges for Exp Org 016550	Yes	124861	6097001
	0110	111	016520	016550	512017	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124859	6128035
	0110	111	016520	016550	512017	0000	0575	5651	0.19			Correct TRMS Charges for Exp Org 016550	Yes	124859	6140092
	0110	111	016520	016550	512017	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124859	6169584
	0110	111	016520	016550	512017	0000	0575	5652	0.14			Correct TRMS Charges for Exp Org 016550	Yes	104569	6181250
	0110	111	016520	016550	512017	0000	0575	5654	0.22			Correct TRMS Charges for Exp Org 016550	Yes	104569	6181856
	0110	111	016520	016550	512017	0000	0575	5652	0.15			Correct TRMS Charges for Exp Org 016550	Yes	104569	6183981
	0110	111	016520	016550	512017	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6185315
	0110	111	016520	016550	512017	0000	0575	5651	0.22			Correct TRMS Charges for Exp Org 016550	Yes	104569	6191636
	0110	111	016520	016550	512017	0000	0575	5653	6.36			Correct TRMS Charges for Exp Org 016550	Yes	104569	6192257
	0110	111	016520	016550	512017	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6192528
	0110	111	016520	016550	512017	0000	0575	5657	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104569	6193395
	0110	111	016520	016550	512017	0000	0575	5652	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104569	6194405
	0110	111	016520	016550	512100	0000	0575	5653	0.10			Correct TRMS Charges for Exp Org 016550	Yes	124861	6179471
	0110	111	016520	016550	512100	0000	0575	5653	1.47			Correct TRMS Charges for Exp Org 016550	Yes	124861	6181423
	0110	111	016520	016550	512100	0000	0575	5653	5.20			Correct TRMS Charges for Exp Org 016550	Yes	124861	6181473
	0110	111	016520	016550	512100	0000	0575	5653	0.13			Correct TRMS Charges for Exp Org 016550	Yes	124861	6181475
	0110	111	016520	016550	512100	0000	0575	5653	0.50			Correct TRMS Charges for Exp Org 016550	Yes	124861	6181478
	0110	111	016520	016550	512100	0000	0575	5653	2.32			Correct TRMS Charges for Exp Org 016550	Yes	124861	6181479
	0110	111	016520	016550	512100	0000	0575	5653	0.34			Correct TRMS Charges for Exp Org 016550	Yes	124861	6181955
	0110	111	016520	016550	512100	0000	0575	5653	0.45			Correct TRMS Charges for Exp Org 016550	Yes	124861	6183898
	0110	111	016520	016550	512100	0000	0575	5651	0.18			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177939
	0110	111	016520	016550	512100	0000	0575	5651	0.17			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177940
	0110	111	016520	016550	512100	0000	0575	5651	0.15			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177941

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016550	512100	0000	0575	5651	0.18			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177942
	0110	111	016520	016550	512100	0000	0575	5651	0.21			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177943
	0110	111	016520	016550	512100	0000	0575	5651	0.08			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177944
	0110	111	016520	016550	512100	0000	0575	5651	0.37			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177988
	0110	111	016520	016550	512100	0000	0575	5651	0.10			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177989
	0110	111	016520	016550	512100	0000	0575	5651	0.18			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177990
	0110	111	016520	016550	512100	0000	0575	5651	0.26			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177992
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177993
	0110	111	016520	016550	512100	0000	0575	5651	0.10			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177994
	0110	111	016520	016550	512100	0000	0575	5651	0.20			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177995
	0110	111	016520	016550	512100	0000	0575	5651	0.11			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177996
	0110	111	016520	016550	512100	0000	0575	5653	0.66			Correct TRMS Charges for Exp Org 016550	Yes	124861	6152496
	0110	111	016520	016550	512100	0000	0575	5653	0.37			Correct TRMS Charges for Exp Org 016550	Yes	124861	6152666
	0110	111	016520	016550	512100	0000	0575	5653	0.23			Correct TRMS Charges for Exp Org 016550	Yes	124861	6152667
	0110	111	016520	016550	512100	0000	0575	5653	0.73			Correct TRMS Charges for Exp Org 016550	Yes	124861	6152698
	0110	111	016520	016550	512100	0000	0575	5653	0.10			Correct TRMS Charges for Exp Org 016550	Yes	124861	6153329
	0110	111	016520	016550	512100	0000	0575	5653	0.83			Correct TRMS Charges for Exp Org 016550	Yes	124861	6153331
	0110	111	016520	016550	512100	0000	0575	5653	0.29			Correct TRMS Charges for Exp Org 016550	Yes	124861	6155512
	0110	111	016520	016550	512100	0000	0575	5653	0.29			Correct TRMS Charges for Exp Org 016550	Yes	124861	6155576
	0110	111	016520	016550	512100	0000	0575	5653	2.98			Correct TRMS Charges for Exp Org 016550	Yes	124861	6156002
	0110	111	016520	016550	512100	0000	0575	5653	1.14			Correct TRMS Charges for Exp Org 016550	Yes	124861	6158643
	0110	111	016520	016550	512100	0000	0575	5653	0.12			Correct TRMS Charges for Exp Org 016550	Yes	124861	6158644
	0110	111	016520	016550	512100	0000	0575	5653	0.14			Correct TRMS Charges for Exp Org 016550	Yes	124861	6158645
	0110	111	016520	016550	512100	0000	0575	5653	0.33			Correct TRMS Charges for Exp Org 016550	Yes	124861	6159097
	0110	111	016520	016550	512100	0000	0575	5653	0.15			Correct TRMS Charges for Exp Org 016550	Yes	124861	6167748
	0110	111	016520	016550	512100	0000	0575	5651	0.06			Correct TRMS Charges for Exp Org 016550	Yes	124859	6151302
	0110	111	016520	016550	512100	0000	0575	5651	0.06			Correct TRMS Charges for Exp Org 016550	Yes	124859	6151304
	0110	111	016520	016550	512100	0000	0575	5651	0.12			Correct TRMS Charges for Exp Org 016550	Yes	124859	6153007
	0110	111	016520	016550	512100	0000	0575	5651	0.57			Correct TRMS Charges for Exp Org 016550	Yes	124859	6156034
	0110	111	016520	016550	512100	0000	0575	5651	0.16			Correct TRMS Charges for Exp Org 016550	Yes	124859	6157840
	0110	111	016520	016550	512100	0000	0575	5651	0.16			Correct TRMS Charges for Exp Org 016550	Yes	124859	6159775
	0110	111	016520	016550	512100	0000	0575	5651	0.03			Correct TRMS Charges for Exp Org 016550	Yes	124859	6165769
	0110	111	016520	016550	512100	0000	0575	5651	0.17			Correct TRMS Charges for Exp Org 016550	Yes	124859	6169986
	0110	111	016520	016550	512100	0000	0575	5654	0.03			Correct TRMS Charges for Exp Org 016550	Yes	104585	6199147
	0110	111	016520	016550	512100	0000	0575	5654	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104585	6199486
	0110	111	016520	016550	512100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104585	6199489
	0110	111	016520	016550	512100	0000	0575	5652	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104585	6199649
	0110	111	016520	016550	512100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104585	6199749
	0110	111	016520	016550	512100	0000	0575	5654	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104585	6199811
	0110	111	016520	016550	512100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104585	6200801
	0110	111	016520	016550	512100	0000	0575	5653	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6200802

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016550	512100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104585	6200803
	0110	111	016520	016550	512100	0000	0575	5652	0.42			Correct TRMS Charges for Exp Org 016550	Yes	104585	6201247
	0110	111	016520	016550	512100	0000	0575	5654	0.28			Correct TRMS Charges for Exp Org 016550	Yes	104585	6201441
	0110	111	016520	016550	512100	0000	0575	5652	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6201781
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104585	6201934
	0110	111	016520	016550	512100	0000	0575	5651	0.56			Correct TRMS Charges for Exp Org 016550	Yes	104585	6202883
	0110	111	016520	016550	512100	0000	0575	5652	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104585	6202993
	0110	111	016520	016550	512100	0000	0575	5654	0.03			Correct TRMS Charges for Exp Org 016550	Yes	104585	6203882
	0110	111	016520	016550	512100	0000	0575	5651	0.17			Correct TRMS Charges for Exp Org 016550	Yes	104585	6204943
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6205442
	0110	111	016520	016550	512100	0000	0575	5651	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104585	6205473
	0110	111	016520	016550	512100	0000	0575	5654	0.38			Correct TRMS Charges for Exp Org 016550	Yes	104588	6204039
	0110	111	016520	016550	512100	0000	0575	5654	0.14			Correct TRMS Charges for Exp Org 016550	Yes	104588	6205300
	0110	111	016520	016550	512100	0000	0575	5651	0.95			Correct TRMS Charges for Exp Org 016550	Yes	124859	6178000
	0110	111	016520	016550	512100	0000	0575	5651	1.12			Correct TRMS Charges for Exp Org 016550	Yes	124859	6178001
	0110	111	016520	016550	512100	0000	0575	5651	6.23			Correct TRMS Charges for Exp Org 016550	Yes	124859	6178003
	0110	111	016520	016550	512100	0000	0575	5651	0.27			Correct TRMS Charges for Exp Org 016550	Yes	124859	6178004
	0110	111	016520	016550	512100	0000	0575	5651	0.21			Correct TRMS Charges for Exp Org 016550	Yes	124859	6178006
	0110	111	016520	016550	512100	0000	0575	5651	0.27			Correct TRMS Charges for Exp Org 016550	Yes	124859	6178059
	0110	111	016520	016550	512100	0000	0575	5651	0.05			Correct TRMS Charges for Exp Org 016550	Yes	124859	6178944
	0110	111	016520	016550	512100	0000	0575	5651	0.57			Correct TRMS Charges for Exp Org 016550	Yes	124859	6181944
	0110	111	016520	016550	512100	0000	0575	5651	0.06			Correct TRMS Charges for Exp Org 016550	Yes	124859	6190925
	0110	111	016520	016550	512100	0000	0575	5651	0.09			Correct TRMS Charges for Exp Org 016550	Yes	124859	6199164
	0110	111	016520	016550	512100	0000	0575	5651	0.04			Correct TRMS Charges for Exp Org 016550	Yes	124859	6199701
	0110	111	016520	016550	512100	0000	0575	5651	0.21			Correct TRMS Charges for Exp Org 016550	Yes	124859	6200014
	0110	111	016520	016550	512100	0000	0575	5651	0.51			Correct TRMS Charges for Exp Org 016550	Yes	124859	6200046
	0110	111	016520	016550	512100	0000	0575	5657	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124859	6201240
	0110	111	016520	016550	512100	0000	0575	5653	0.03			Correct TRMS Charges for Exp Org 016550	Yes	124861	5587637
	0110	111	016520	016550	512100	0000	0575	5653	0.44			Correct TRMS Charges for Exp Org 016550	Yes	124861	5604404
	0110	111	016520	016550	512100	0000	0575	5653	0.93			Correct TRMS Charges for Exp Org 016550	Yes	124861	5792459
	0110	111	016520	016550	512100	0000	0575	5653	1.04			Correct TRMS Charges for Exp Org 016550	Yes	124861	5867892
	0110	111	016520	016550	512100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124861	5961567
	0110	111	016520	016550	512100	0000	0575	5653	0.02			Correct TRMS Charges for Exp Org 016550	Yes	124861	6017844
	0110	111	016520	016550	512100	0000	0575	5653	0.33			Correct TRMS Charges for Exp Org 016550	Yes	124861	6080290
	0110	111	016520	016550	512100	0000	0575	5653	1.12			Correct TRMS Charges for Exp Org 016550	Yes	124861	6103612
	0110	111	016520	016550	512100	0000	0575	5653	0.80			Correct TRMS Charges for Exp Org 016550	Yes	124861	6111668
	0110	111	016520	016550	512100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	124861	6138043
	0110	111	016520	016550	512100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	124861	6146703
	0110	111	016520	016550	512100	0000	0575	5656	0.51			Correct TRMS Charges for Exp Org 016550	Yes	104591	6168251
	0110	111	016520	016550	512100	0000	0575	5656	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104591	6201354
	0110	111	016520	016550	512100	0000	0575	5653	0.17			Correct TRMS Charges for Exp Org 016550	Yes	124861	6178111

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016550	512100	0000	0575	5653	0.12			Correct TRMS Charges for Exp Org 016550	Yes	124861	6178112
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104583	6178030
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104583	6181954
	0110	111	016520	016550	512100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104583	6185382
	0110	111	016520	016550	512100	0000	0575	5651	0.01			Correct TRMS Charges for Exp Org 016550	Yes	104583	6188640
	0110	111	016520	016550	512100	0000	0575	5652	0.14			Correct TRMS Charges for Exp Org 016550	Yes	104583	6189158
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104583	6194441
	0110	111	016520	016550	512100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104583	6197069
	0110	111	016520	016550	512100	0000	0575	5653	0.89			Correct TRMS Charges for Exp Org 016550	Yes	104583	6199120
	0110	111	016520	016550	512100	0000	0575	5651	0.12			Correct TRMS Charges for Exp Org 016550	Yes	104583	6199960
	0110	111	016520	016550	512100	0000	0575	5652	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104585	6114590
	0110	111	016520	016550	512100	0000	0575	5651	0.08			Correct TRMS Charges for Exp Org 016550	Yes	104585	6131351
	0110	111	016520	016550	512100	0000	0575	5652	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104585	6182914
	0110	111	016520	016550	512100	0000	0575	5652	0.24			Correct TRMS Charges for Exp Org 016550	Yes	104585	6183309
	0110	111	016520	016550	512100	0000	0575	5651	0.13			Correct TRMS Charges for Exp Org 016550	Yes	124859	6089781
	0110	111	016520	016550	512100	0000	0575	5651	0.10			Correct TRMS Charges for Exp Org 016550	Yes	124859	6108837
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124859	6116401
	0110	111	016520	016550	512100	0000	0575	5651	1.17			Correct TRMS Charges for Exp Org 016550	Yes	124859	6118177
	0110	111	016520	016550	512100	0000	0575	5651	0.81			Correct TRMS Charges for Exp Org 016550	Yes	124859	6118179
	0110	111	016520	016550	512100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6186326
	0110	111	016520	016550	512100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6191038
	0110	111	016520	016550	512100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6191039
	0110	111	016520	016550	512100	0000	0575	5657	0.08			Correct TRMS Charges for Exp Org 016550	Yes	104578	6192315
	0110	111	016520	016550	512100	0000	0575	5657	0.08			Correct TRMS Charges for Exp Org 016550	Yes	104578	6192330
	0110	111	016520	016550	512100	0000	0575	5657	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104578	6195627
	0110	111	016520	016550	512100	0000	0575	5657	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104578	6203979
	0110	111	016520	016550	512100	0000	0575	5652	0.01			Correct TRMS Charges for Exp Org 016550	Yes	104578	6205314
	0110	111	016520	016550	512100	0000	0575	5655	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6205317
	0110	111	016520	016550	512100	0000	0575	5651	0.01			Correct TRMS Charges for Exp Org 016550	Yes	104578	6205320
	0110	111	016520	016550	512100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6205321
	0110	111	016520	016550	512100	0000	0575	5657	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104578	6208094
	0110	111	016520	016550	512100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6208166
	0110	111	016520	016550	512100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6208168
	0110	111	016520	016550	512100	0000	0575	5651	0.84			Correct TRMS Charges for Exp Org 016550	Yes	104574	6169326
	0110	111	016520	016550	512100	0000	0575	5651	0.19			Correct TRMS Charges for Exp Org 016550	Yes	104574	6205932
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197024
	0110	111	016520	016550	512100	0000	0575	5654	0.05			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197025
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197026
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197028
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197029
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197030



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016550	512100	0000	0575	5654	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197031
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197032
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197033
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197035
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197036
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197037
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197040
	0110	111	016520	016550	512100	0000	0575	5654	0.03			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197041
	0110	111	016520	016550	512100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197047
	0110	111	016520	016550	512100	0000	0575	5653	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197051
	0110	111	016520	016550	512100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197052
	0110	111	016520	016550	512100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197055
	0110	111	016520	016550	512100	0000	0575	5653	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104585	6197056
	0110	111	016520	016550	512100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104585	6198852
	0110	111	016520	016550	512100	0000	0575	5651	0.18			Correct TRMS Charges for Exp Org 016550	Yes	104583	6094842
	0110	111	016520	016550	512100	0000	0575	5651	0.08			Correct TRMS Charges for Exp Org 016550	Yes	104583	6177958
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104583	6177959
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104583	6177960
	0110	111	016520	016550	512100	0000	0575	5651	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104583	6177961
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104583	6177962
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104583	6177963
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	0110	111	016520	016550	512100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104577	6208671
	0110	111	016520	016550	512100	0000	0575	5657	0.05			Correct TRMS Charges for Exp Org 016550	Yes	104578	6111694
	0110	111	016520	016550	512100	0000	0575	5657	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104578	6152447
	0110	111	016520	016550	512100	0000	0575	5657	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104578	6152448
	0110	111	016520	016550	512100	0000	0575	5657	0.19			Correct TRMS Charges for Exp Org 016550	Yes	104578	6161391
	0110	111	016520	016550	512100	0000	0575	5657	0.17			Correct TRMS Charges for Exp Org 016550	Yes	104578	6167635
	0110	111	016520	016550	512100	0000	0575	5657	0.19			Correct TRMS Charges for Exp Org 016550	Yes	104578	6168519
	0110	111	016520	016550	512100	0000	0575	5654	1.38			Correct TRMS Charges for Exp Org 016550	Yes	104570	6178389
	0110	111	016520	016550	512100	0000	0575	5654	0.14			Correct TRMS Charges for Exp Org 016550	Yes	104570	6181087
	0110	111	016520	016550	512100	0000	0575	5651	0.24			Correct TRMS Charges for Exp Org 016550	Yes	104583	6200099
	0110	111	016520	016550	512100	0000	0575	5654	0.12			Correct TRMS Charges for Exp Org 016550	Yes	104583	6201325
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	0110	111	016520	016550	512100	0000	0575	5654	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104583	6203456
	0110	111	016520	016550	512100	0000	0575	5654	0.14			Correct TRMS Charges for Exp Org 016550	Yes	104583	6203457
	0110	111	016520	016550	512100	0000	0575	5653	0.17			Correct TRMS Charges for Exp Org 016550	Yes	104583	6204779
	0110	111	016520	016550	512100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6183794
	0110	111	016520	016550	512100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6183795
	0110	111	016520	016550	512100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6183796

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016550	512100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6183797
	0110	111	016520	016550	512100	0000	0575	5654	0.05			Correct TRMS Charges for Exp Org 016550	Yes	104578	6184010
	0110	111	016520	016550	512100	0000	0575	5654	0.05			Correct TRMS Charges for Exp Org 016550	Yes	104578	6184011
	0110	111	016520	016550	512100	0000	0575	5654	0.05			Correct TRMS Charges for Exp Org 016550	Yes	104578	6184012
	0110	111	016520	016550	512100	0000	0575	5656	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104578	6184028
	0110	111	016520	016550	512100	0000	0575	5655	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6186317
	0110	111	016520	016550	512100	0000	0575	5655	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6186318
	0110	111	016520	016550	512100	0000	0575	5657	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104578	6186325
	0110	111	016520	016550	512100	0000	0575	5651	0.03			Correct TRMS Charges for Exp Org 016550	Yes	104570	6181369
	0110	111	016520	016550	512100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104570	6184046
	0110	111	016520	016550	512100	0000	0575	5653	0.03			Correct TRMS Charges for Exp Org 016550	Yes	104570	6195657
	0110	111	016520	016550	512100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104570	6195862
	0110	111	016520	016550	512100	0000	0575	5652	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104570	6196241
	0110	111	016520	016550	512100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104570	6199053
	0110	111	016520	016550	512100	0000	0575	5654	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104570	6200812
	0110	111	016520	016550	512100	0000	0575	5651	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104570	6201666
	0110	111	016520	016550	512100	0000	0575	5651	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104570	6201673
	0110	111	016520	016550	512100	0000	0575	5653	1.48			Correct TRMS Charges for Exp Org 016550	Yes	104570	6201816
	0110	111	016520	016550	512100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104570	6201852
	0110	111	016520	016550	512100	0000	0575	5654	0.03			Correct TRMS Charges for Exp Org 016550	Yes	104570	6203813
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104570	6205348
	0110	111	016520	016550	512100	0000	0575	5654	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104570	6208463
	0110	111	016520	016550	512100	0000	0575	5651	0.31			Correct TRMS Charges for Exp Org 016550	Yes	104571	6169370
	0110	111	016520	016550	512100	0000	0575	5651	0.64			Correct TRMS Charges for Exp Org 016550	Yes	104571	6174811
	0110	111	016520	016550	512100	0000	0575	5654	0.08			Correct TRMS Charges for Exp Org 016550	Yes	104571	6199143
	0110	111	016520	016550	512100	0000	0575	5651	0.10			Correct TRMS Charges for Exp Org 016550	Yes	104571	6199550
	0110	111	016520	016550	512100	0000	0575	5654	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104571	6201806
	0110	111	016520	016550	512100	0000	0575	5654	0.40			Correct TRMS Charges for Exp Org 016550	Yes	104571	6201906
	0110	111	016520	016550	512100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104571	6203164
	0110	111	016520	016550	512100	0000	0575	5651	0.23			Correct TRMS Charges for Exp Org 016550	Yes	104571	6208383
	0110	111	016520	016550	512100	0000	0575	5651	0.12			Correct TRMS Charges for Exp Org 016550	Yes	104570	5899781
	0110	111	016520	016550	512100	0000	0575	5652	0.13			Correct TRMS Charges for Exp Org 016550	Yes	104570	6153000
	0110	111	016520	016550	512100	0000	0575	5652	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104577	5874668
	0110	111	016520	016550	512100	0000	0575	5652	0.22			Correct TRMS Charges for Exp Org 016550	Yes	104577	6144501
	0110	111	016520	016550	512100	0000	0575	5652	0.03			Correct TRMS Charges for Exp Org 016550	Yes	104577	6195614
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104577	6195970
	0110	111	016520	016550	512100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104577	6196504
	0110	111	016520	016550	512100	0000	0575	5653	17.82			Correct TRMS Charges for Exp Org 016550	Yes	104577	6200877
	0110	111	016520	016550	512100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104577	6201825
	0110	111	016520	016550	512100	0000	0575	5651	0.03			Correct TRMS Charges for Exp Org 016550	Yes	104577	6203739
	0110	111	016520	016550	513100	0000	0575	5653	0.02			Correct TRMS Charges for Exp Org 016550	Yes	124861	6181476

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016550	513100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124861	6181798
	0110	111	016520	016550	513100	0000	0575	5653	0.37			Correct TRMS Charges for Exp Org 016550	Yes	124861	6183112
	0110	111	016520	016550	513100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124859	6174496
	0110	111	016520	016550	513100	0000	0575	5651	1.26			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177856
	0110	111	016520	016550	513100	0000	0575	5651	0.10			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177972
	0110	111	016520	016550	513100	0000	0575	5651	0.58			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177928
	0110	111	016520	016550	513100	0000	0575	5651	0.26			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177929
	0110	111	016520	016550	513100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177971
	0110	111	016520	016550	513100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177972
	0110	111	016520	016550	513100	0000	0575	5651	0.35			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177979
	0110	111	016520	016550	513100	0000	0575	5651	2.38			Correct TRMS Charges for Exp Org 016550	Yes	124859	6177997
	0110	111	016520	016550	513100	0000	0575	5653	0.15			Correct TRMS Charges for Exp Org 016550	Yes	124861	6152454
	0110	111	016520	016550	513100	0000	0575	5653	0.26			Correct TRMS Charges for Exp Org 016550	Yes	124861	6153435
	0110	111	016520	016550	513100	0000	0575	5653	0.12			Correct TRMS Charges for Exp Org 016550	Yes	124861	6153440
	0110	111	016520	016550	513100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124861	6175645
	0110	111	016520	016550	513100	0000	0575	5652	0.55			Correct TRMS Charges for Exp Org 016550	Yes	104573	6169765
	0110	111	016520	016550	513100	0000	0575	5651	0.05			Correct TRMS Charges for Exp Org 016550	Yes	104573	6194678
	0110	111	016520	016550	513100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104573	6196233
	0110	111	016520	016550	513100	0000	0575	5654	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104573	6199062
	0110	111	016520	016550	513100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104573	6203707
	0110	111	016520	016550	513100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104573	6205640
	0110	111	016520	016550	513100	0000	0575	5653	0.19			Correct TRMS Charges for Exp Org 016550	Yes	104566	5983592
	0110	111	016520	016550	513100	0000	0575	5651	0.29			Correct TRMS Charges for Exp Org 016550	Yes	104566	6077863
	0110	111	016520	016550	513100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104575	6183800
	0110	111	016520	016550	513100	0000	0575	5652	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104575	6184051
	0110	111	016520	016550	513100	0000	0575	5651	0.20			Correct TRMS Charges for Exp Org 016550	Yes	104575	6196914
	0110	111	016520	016550	513100	0000	0575	5657	5.78			Correct TRMS Charges for Exp Org 016550	Yes	104582	6174806
	0110	111	016520	016550	513100	0000	0575	5657	0.15			Correct TRMS Charges for Exp Org 016550	Yes	104582	6203377
	0110	111	016520	016550	513100	0000	0575	5656	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104589	6198935
	0110	111	016520	016550	513100	0000	0575	5655	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104589	6199955
	0110	111	016520	016550	513100	0000	0575	5655	0.11			Correct TRMS Charges for Exp Org 016550	Yes	104589	6200011
	0110	111	016520	016550	513100	0000	0575	5656	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104589	6200913
	0110	111	016520	016550	513100	0000	0575	5656	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104589	6202915
	0110	111	016520	016550	513100	0000	0575	5656	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104589	6204870
	0110	111	016520	016550	513100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104590	6029219
	0110	111	016520	016550	513100	0000	0575	5653	0.01			Correct TRMS Charges for Exp Org 016550	Yes	104590	6155162
	0110	111	016520	016550	513100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	104590	6167638
	0110	111	016520	016550	513100	0000	0575	5651	0.81			Correct TRMS Charges for Exp Org 016550	Yes	104590	6174764
	0110	111	016520	016550	513100	0000	0575	5653	1.69			Correct TRMS Charges for Exp Org 016550	Yes	124858	6114144
	0110	111	016520	016550	513100	0000	0575	5651	0.01			Correct TRMS Charges for Exp Org 016550	Yes	124859	6123313
	0110	111	016520	016550	513100	0000	0575	5651	0.51			Correct TRMS Charges for Exp Org 016550	Yes	124859	6123970

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016550	513100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	124859	6127261
	0110	111	016520	016550	513100	0000	0575	5651	0.41			Correct TRMS Charges for Exp Org 016550	Yes	124859	6140075
	0110	111	016520	016550	513100	0000	0575	5651	0.03			Correct TRMS Charges for Exp Org 016550	Yes	124859	6141631
	0110	111	016520	016550	513100	0000	0575	5651	0.06			Correct TRMS Charges for Exp Org 016550	Yes	124859	6141638
	0110	111	016520	016550	513100	0000	0575	5651	0.52			Correct TRMS Charges for Exp Org 016550	Yes	124859	6158576
	0110	111	016520	016550	513100	0000	0575	5651	0.20			Correct TRMS Charges for Exp Org 016550	Yes	124859	6163549
	0110	111	016520	016550	513100	0000	0575	5651	1.96			Correct TRMS Charges for Exp Org 016550	Yes	124859	6167510
	0110	111	016520	016550	513100	0000	0575	5651	0.27			Correct TRMS Charges for Exp Org 016550	Yes	124859	6169583
	0110	111	016520	016550	513100	0000	0575	5655	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104588	6109096
	0110	111	016520	016550	513100	0000	0575	5655	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104588	6134556
	0110	111	016520	016550	513100	0000	0575	5654	1.70			Correct TRMS Charges for Exp Org 016550	Yes	104588	6175852
	0110	111	016520	016550	513100	0000	0575	5655	0.01			Correct TRMS Charges for Exp Org 016550	Yes	104588	6179356
	0110	111	016520	016550	513100	0000	0575	5655	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104588	6190174
	0110	111	016520	016550	513100	0000	0575	5655	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104588	6200000
	0110	111	016520	016550	513100	0000	0575	5655	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104588	6201674
	0110	111	016520	016550	513100	0000	0575	5651	0.05			Correct TRMS Charges for Exp Org 016550	Yes	104588	6203444
	0110	111	016520	016550	513100	0000	0575	5651	0.18			Correct TRMS Charges for Exp Org 016550	Yes	124859	6179424
	0110	111	016520	016550	513100	0000	0575	5651	0.05			Correct TRMS Charges for Exp Org 016550	Yes	124859	6179425
	0110	111	016520	016550	513100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124859	6181064
	0110	111	016520	016550	513100	0000	0575	5651	0.06			Correct TRMS Charges for Exp Org 016550	Yes	124859	6196815
	0110	111	016520	016550	513100	0000	0575	5651	4.22			Correct TRMS Charges for Exp Org 016550	Yes	124859	6196871
	0110	111	016520	016550	513100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124859	6199016
	0110	111	016520	016550	513100	0000	0575	5651	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124859	6199636
	0110	111	016520	016550	513100	0000	0575	5653	0.05			Correct TRMS Charges for Exp Org 016550	Yes	124861	6093034
	0110	111	016520	016550	513100	0000	0575	5653	0.07			Correct TRMS Charges for Exp Org 016550	Yes	124861	6107069
	0110	111	016520	016550	513100	0000	0575	5653	0.05			Correct TRMS Charges for Exp Org 016550	Yes	124861	6113807
	0110	111	016520	016550	513100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	124861	6144884
	0110	111	016520	016550	513100	0000	0575	5654	0.03			Correct TRMS Charges for Exp Org 016550	Yes	104590	6178972
	0110	111	016520	016550	513100	0000	0575	5651	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104590	6181892
	0110	111	016520	016550	513100	0000	0575	5651	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104590	6186634
	0110	111	016520	016550	513100	0000	0575	5651	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104590	6189364
	0110	111	016520	016550	513100	0000	0575	5653	0.04			Correct TRMS Charges for Exp Org 016550	Yes	104590	6194150
	0110	111	016520	016550	513100	0000	0575	5654	0.06			Correct TRMS Charges for Exp Org 016550	Yes	104590	6202888
	0110	111	016520	016550	513100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104590	6203094
	0110	111	016520	016550	513100	0000	0575	5652	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104590	6203095
	0110	111	016520	016550	513100	0000	0575	5654	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104590	6203097
	0110	111	016520	016550	513100	0000	0575	5651	0.02			Correct TRMS Charges for Exp Org 016550	Yes	104590	6203357
	0110	111	016520	016550	513100	0000	0575	5653	0.05			Correct TRMS Charges for Exp Org 016550	Yes	124861	6179049
	0110	111	016520	016550	514100	0000	0575	5657	1.43			Correct TRMS Charges for Exp Org 016550	Yes	104582	6185658
	0110	111	016520	016550	514100	0000	0575	5657		0.47		Correct TRMS Charges for Exp Org 016550	Yes	126942	6192530

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016570	108901	0000	0575	5651	0.11			Correct TRMS Charges for Exp Org 016570	Yes	132626	6183718
	0110	111	016520	016570	501090	0000	0575	5657	28.33			Correct TRMS Charges for Exp Org 016570	Yes	GH50106	5657
	0110	111	016520	016570	506100	0000	0575	5657	0.54			Correct TRMS Charges for Exp Org 016570	Yes	127031	TRAINING
	0110	111	016520	016570	506100	0000	0575	5657	0.06			Correct TRMS Charges for Exp Org 016570	Yes	GH50604	5657
	0110	111	016520	016570	511100	0000	0575	5657	0.04			Correct TRMS Charges for Exp Org 016570	Yes	124859	6199923
	0110	111	016520	016570	512005	0000	0575	5657	0.04			Correct TRMS Charges for Exp Org 016570	Yes	104660	6200025
	0110	111	016520	016570	512100	0000	0575	5657	0.20			Correct TRMS Charges for Exp Org 016570	Yes	124859	6188429
	0110	111	016520	016570	512100	0000	0575	5657	0.04			Correct TRMS Charges for Exp Org 016570	Yes	104578	6201046
	0110	111	016520	016570	512100	0000	0575	5652	0.04			Correct TRMS Charges for Exp Org 016570	Yes	104578	6200885
	0110	111	016520	016570	512100	0000	0575	5657	0.03			Correct TRMS Charges for Exp Org 016570	Yes	104578	6199328
	0110	111	016520	016570	512100	0000	0575	5657	0.03			Correct TRMS Charges for Exp Org 016570	Yes	104578	6199327
	0110	111	016520	016570	512100	0000	0575	5657	5.81			Correct TRMS Charges for Exp Org 016570	Yes	104578	5657
	0110	111	016520	016570	512100	0000	0575	5657	0.20			Correct TRMS Charges for Exp Org 016570	Yes	104578	6185888
	0110	111	016520	016570	513100	0000	0575	5651	0.15			Correct TRMS Charges for Exp Org 016570	Yes	124859	6175577
	0110	111	016520	016630	107001	0000	0575	5655		2.20		Correct TRMS Charges for Exp Org 016630	Yes	130580	6180924
	0110	303	016520	016630	163002	0000	0575	0000		385.71		Correct TRMS Charges for Exp Org 016630	Yes	MSO016520	16330
	0110	111	016520	016630	500100	0000	0575	5657		125.19		Correct TRMS Charges for Exp Org 016630	Yes	GH50001	5657
	0110	111	016520	016630	506100	0000	0575	5657		52.06		Correct TRMS Charges for Exp Org 016630	Yes	GH50603	5657
	0110	111	016520	016630	510100	0000	0575	5657		71.04		Correct TRMS Charges for Exp Org 016630	Yes	GH51001	5657
	0110	111	016520	016630	511100	0000	0575	5651		3.57		Correct TRMS Charges for Exp Org 016630	Yes	124859	6177920
	0110	111	016520	016630	511100	0000	0575	5657		2.20		Correct TRMS Charges for Exp Org 016630	Yes	124859	6199923
	0110	111	016520	016630	512100	0000	0575	5651		2.20		Correct TRMS Charges for Exp Org 016630	Yes	124859	6177994
	0110	111	016520	016630	512100	0000	0575	5651		2.75		Correct TRMS Charges for Exp Org 016630	Yes	124859	6169986
	0110	111	016520	016650	502002	0000	0575	5652		20.95		Correct TRMS Charges for Exp Org 016650	Yes	GH50201	5652
	0110	111	016520	016650	502002	0000	0575	5657		7.79		Correct TRMS Charges for Exp Org 016650	Yes	GH50201	TRAINING
	0110	111	016520	016650	502002	0000	0575	5656		23.94		Correct TRMS Charges for Exp Org 016650	Yes	GH50201	5656
	0110	111	016520	016650	502002	0000	0575	5653		21.03		Correct TRMS Charges for Exp Org 016650	Yes	GH50201	5653
	0110	111	016520	016650	502002	0000	0575	5654		19.30		Correct TRMS Charges for Exp Org 016650	Yes	GH50201	5654
	0110	111	016520	016650	502002	0000	0575	5655		30.47		Correct TRMS Charges for Exp Org 016650	Yes	GH50201	5655
	0110	111	016520	016650	502002	0000	0575	5651		21.73		Correct TRMS Charges for Exp Org 016650	Yes	GH50201	5651
	0110	111	016520	016650	502003	0000	0575	5654		14.72		Correct TRMS Charges for Exp Org 016650	Yes	GH50205	FGD.LABOR-GH4
	0110	111	016520	016650	502003	0000	0575	5653		20.24		Correct TRMS Charges for Exp Org 016650	Yes	GH50205	FGD.LABOR-GH3
	0110	111	016520	016650	502003	0000	0575	5652		11.32		Correct TRMS Charges for Exp Org 016650	Yes	GH50205	FGD.LABOR-GH2
	0110	111	016520	016650	502003	0000	0575	5651		13.11		Correct TRMS Charges for Exp Org 016650	Yes	GH50205	FGD.LABOR-GH1
	0110	111	016520	016650	502003	0000	0575	5657		15.57		Correct TRMS Charges for Exp Org 016650	Yes	GH50205	LS HANDLING
	0110	111	016520	016650	502003	0000	0575	5650		4.70		Correct TRMS Charges for Exp Org 016650	Yes	GH50205	LABOR
	0110	111	016520	016650	502100	0000	0575	5657		19.60		Correct TRMS Charges for Exp Org 016650	Yes	GH50201	5657
	0110	111	016520	016650	505100	0000	0575	5657		0.36		Correct TRMS Charges for Exp Org 016650	Yes	GH50501	KUHCSYS
	0110	111	016520	016650	505100	0000	0575	5657		17.74		Correct TRMS Charges for Exp Org 016650	Yes	GH50501	5657

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
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Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016650	505100	0000	0575	5656		23.81		Correct TRMS Charges for Exp Org 016650	Yes	GH50501	5656
	0110	111	016520	016650	505100	0000	0575	5654		19.06		Correct TRMS Charges for Exp Org 016650	Yes	GH50501	5654
	0110	111	016520	016650	505100	0000	0575	5651		20.72		Correct TRMS Charges for Exp Org 016650	Yes	GH50501	5651
	0110	111	016520	016650	505100	0000	0575	5652		20.94		Correct TRMS Charges for Exp Org 016650	Yes	GH50501	5652
	0110	111	016520	016650	505100	0000	0575	5653		20.95		Correct TRMS Charges for Exp Org 016650	Yes	GH50501	5653
	0110	111	016520	016650	505100	0000	0575	5655		30.47		Correct TRMS Charges for Exp Org 016650	Yes	GH50501	5655
	0110	111	016520	016650	506100	0000	0575	5652		0.36		Correct TRMS Charges for Exp Org 016650	Yes	GH50604	5652
	0110	111	016520	016650	506100	0000	0575	5657		6.19		Correct TRMS Charges for Exp Org 016650	Yes	GH50603	5657
	0110	111	016520	016650	506100	0000	0575	5657		5.47		Correct TRMS Charges for Exp Org 016650	Yes	127031	TRAINING
	0110	111	016520	016650	511100	0000	0575	5653		0.53		Correct TRMS Charges for Exp Org 016650	Yes	124861	6201694
	0110	111	016520	016650	512005	0000	0575	5653		0.18		Correct TRMS Charges for Exp Org 016650	Yes	124861	6205632
	0110	111	016520	016650	512005	0000	0575	5653		0.11		Correct TRMS Charges for Exp Org 016650	Yes	124861	6205638
	0110	111	016520	016650	512011	0000	0575	5653		0.10		Correct TRMS Charges for Exp Org 016650	Yes	124861	5959465
	0110	111	016520	016650	512017	0000	0575	5653		0.10		Correct TRMS Charges for Exp Org 016650	Yes	124861	6183470
	0110	111	016520	016650	512017	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	104569	6196926
	0110	111	016520	016650	512017	0000	0575	5653		0.08		Correct TRMS Charges for Exp Org 016650	Yes	104569	6140924
	0110	111	016520	016650	512017	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	104569	6196199
	0110	111	016520	016650	512100	0000	0575	5653		0.06		Correct TRMS Charges for Exp Org 016650	Yes	104583	6137835
	0110	111	016520	016650	512100	0000	0575	5653		0.06		Correct TRMS Charges for Exp Org 016650	Yes	104583	6155858
	0110	111	016520	016650	512100	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	104583	6155860
	0110	111	016520	016650	512100	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	104583	6155861
	0110	111	016520	016650	512100	0000	0575	5653		0.08		Correct TRMS Charges for Exp Org 016650	Yes	104583	6156004
	0110	111	016520	016650	512100	0000	0575	5653		0.08		Correct TRMS Charges for Exp Org 016650	Yes	104583	6156006
	0110	111	016520	016650	512100	0000	0575	5653		0.10		Correct TRMS Charges for Exp Org 016650	Yes	104583	6204779
	0110	111	016520	016650	512100	0000	0575	5651		2.08		Correct TRMS Charges for Exp Org 016650	Yes	124859	6089442
	0110	111	016520	016650	512100	0000	0575	5653		0.02		Correct TRMS Charges for Exp Org 016650	Yes	124861	5325316
	0110	111	016520	016650	512100	0000	0575	5653		0.49		Correct TRMS Charges for Exp Org 016650	Yes	124861	5867892
	0110	111	016520	016650	512100	0000	0575	5653		0.03		Correct TRMS Charges for Exp Org 016650	Yes	124861	5961567
	0110	111	016520	016650	512100	0000	0575	5653		0.86		Correct TRMS Charges for Exp Org 016650	Yes	124861	6103612
	0110	111	016520	016650	512100	0000	0575	5653		0.10		Correct TRMS Charges for Exp Org 016650	Yes	124861	6118868
	0110	111	016520	016650	512100	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	124861	6120670
	0110	111	016520	016650	512100	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	124861	6120671
	0110	111	016520	016650	512100	0000	0575	5653		0.40		Correct TRMS Charges for Exp Org 016650	Yes	124861	6153331
	0110	111	016520	016650	512100	0000	0575	5653		0.13		Correct TRMS Charges for Exp Org 016650	Yes	124861	6153436
	0110	111	016520	016650	512100	0000	0575	5653		0.23		Correct TRMS Charges for Exp Org 016650	Yes	124861	6153565
	0110	111	016520	016650	512100	0000	0575	5653		0.13		Correct TRMS Charges for Exp Org 016650	Yes	124861	6155068
	0110	111	016520	016650	512100	0000	0575	5653		0.06		Correct TRMS Charges for Exp Org 016650	Yes	124861	6155676
	0110	111	016520	016650	512100	0000	0575	5653		0.88		Correct TRMS Charges for Exp Org 016650	Yes	124861	6156002
	0110	111	016520	016650	512100	0000	0575	5653		0.42		Correct TRMS Charges for Exp Org 016650	Yes	124861	6158643
	0110	111	016520	016650	512100	0000	0575	5653		0.36		Correct TRMS Charges for Exp Org 016650	Yes	124861	6159097
	0110	111	016520	016650	512100	0000	0575	5653		0.11		Correct TRMS Charges for Exp Org 016650	Yes	124861	6167748

Template Type: Functional Journal  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016520	016650	512100	0000	0575	5653		0.06		Correct TRMS Charges for Exp Org 016650	Yes	124861	6178112
	0110	111	016520	016650	512100	0000	0575	5653		0.06		Correct TRMS Charges for Exp Org 016650	Yes	124861	6181473
	0110	111	016520	016650	512100	0000	0575	5653		0.08		Correct TRMS Charges for Exp Org 016650	Yes	124861	6181475
	0110	111	016520	016650	512100	0000	0575	5653		0.18		Correct TRMS Charges for Exp Org 016650	Yes	124861	6181478
	0110	111	016520	016650	512100	0000	0575	5653		1.54		Correct TRMS Charges for Exp Org 016650	Yes	124861	6181479
	0110	111	016520	016650	512100	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	124861	6203652
	0110	111	016520	016650	512100	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	124861	6203653
	0110	111	016520	016650	512100	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	124861	6203654
	0110	111	016520	016650	512100	0000	0575	5653		0.06		Correct TRMS Charges for Exp Org 016650	Yes	104574	6155064
	0110	111	016520	016650	512100	0000	0575	5653		0.06		Correct TRMS Charges for Exp Org 016650	Yes	104574	6155065
	0110	111	016520	016650	512100	0000	0575	5653		0.10		Correct TRMS Charges for Exp Org 016650	Yes	104574	6155100
	0110	111	016520	016650	512100	0000	0575	5651		0.06		Correct TRMS Charges for Exp Org 016650	Yes	104577	6202018
	0110	111	016520	016650	513100	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	104588	6196202
	0110	111	016520	016650	513100	0000	0575	5653		0.08		Correct TRMS Charges for Exp Org 016650	Yes	124861	6153440
	0110	111	016520	016650	513100	0000	0575	5653		0.16		Correct TRMS Charges for Exp Org 016650	Yes	124861	5968441
	0110	111	016520	016650	513100	0000	0575	5653		0.03		Correct TRMS Charges for Exp Org 016650	Yes	124861	6120672
	0110	111	016520	016650	513100	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	124861	6120673
	0110	111	016520	016650	513100	0000	0575	5653		0.06		Correct TRMS Charges for Exp Org 016650	Yes	124861	6153435
	0110	111	016520	016650	513100	0000	0575	5653		0.05		Correct TRMS Charges for Exp Org 016650	Yes	104573	6196927
	0110	111	016520	016650	513100	0000	0575	5653		0.19		Correct TRMS Charges for Exp Org 016650	Yes	124861	6155295
	0110	111	016520	016650	513100	0000	0575	5653		0.21		Correct TRMS Charges for Exp Org 016650	Yes	124861	6163449
	0110	111	016520	016650	513100	0000	0575	5653		0.29		Correct TRMS Charges for Exp Org 016650	Yes	124861	6163450
	0110	111	016520	016650	513100	0000	0575	5653		0.10		Correct TRMS Charges for Exp Org 016650	Yes	124861	6165955
	0110	111	016520	016650	513100	0000	0575	5653		0.42		Correct TRMS Charges for Exp Org 016650	Yes	124861	6165956
	0110	111	016910	016910	107001	0000	0575	5691	5.82			Correct TRMS Charges for Exp Org 016910	Yes	124213	6181403
	0110	111	016220	016910	511100	0000	0575	5620	5.00			Correct TRMS Charges for Exp Org 016910	Yes	104516	6203631
	0110	111	016220	016910	511100	0000	0575	5620	42.00			Correct TRMS Charges for Exp Org 016910	Yes	104516	6167872
	0110	111	016220	016910	511100	0000	0575	5620	2.31			Correct TRMS Charges for Exp Org 016910	Yes	104516	6203294
	0110	111	016220	016910	511100	0000	0575	5620	23.14			Correct TRMS Charges for Exp Org 016910	Yes	104516	6178713
	0110	111	016220	016910	511100	0000	0575	5620	0.48			Correct TRMS Charges for Exp Org 016910	Yes	104516	6202956
	0110	111	016220	016910	511100	0000	0575	5620	6.58			Correct TRMS Charges for Exp Org 016910	Yes	104516	6167873
	0110	111	016220	016910	511100	0000	0575	5620	3.99			Correct TRMS Charges for Exp Org 016910	Yes	104516	6204996
	0110	111	016220	016910	511100	0000	0575	5623	1.78			Correct TRMS Charges for Exp Org 016910	Yes	104516	6205540
	0110	111	016220	016910	511100	0000	0575	5620	14.24			Correct TRMS Charges for Exp Org 016910	Yes	104514	6199020
	0110	111	016220	016910	511100	0000	0575	5620	0.91			Correct TRMS Charges for Exp Org 016910	Yes	104514	6199021
	0110	111	016220	016910	511100	0000	0575	5620	1.39			Correct TRMS Charges for Exp Org 016910	Yes	104516	5737358
	0110	111	016220	016910	511100	0000	0575	5620	12.36			Correct TRMS Charges for Exp Org 016910	Yes	104516	6198762
	0110	111	016220	016910	511100	0000	0575	5620	4.97			Correct TRMS Charges for Exp Org 016910	Yes	104516	6167469
	0110	111	016220	016910	511100	0000	0575	5620	0.24			Correct TRMS Charges for Exp Org 016910	Yes	104516	6167832
	0110	111	016220	016910	511100	0000	0575	5620	165.06			Correct TRMS Charges for Exp Org 016910	Yes	104516	6167861

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
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Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016220	016910	511100	0000	0575	5620	1.68			Correct TRMS Charges for Exp Org 016910	Yes	104516	6179022
	0110	111	016220	016910	512005	0000	0575	5630	6.04			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6110719
	0110	111	016220	016910	512005	0000	0575	5630	2.66			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6179152
	0110	111	016220	016910	512005	0000	0575	5630	25.16			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6110713
	0110	111	016220	016910	512005	0000	0575	5630	1.54			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6181131
	0110	111	016220	016910	512005	0000	0575	5630	3.13			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6182963
	0110	111	016220	016910	512005	0000	0575	5630	25.40			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6183641
	0110	111	016220	016910	512005	0000	0575	5630	2.47			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6203911
	0110	111	016220	016910	512005	0000	0575	5630	4.71			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6203816
	0110	111	016220	016910	512005	0000	0575	5630	1.54			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6203329
	0110	111	016220	016910	512005	0000	0575	5630	1.78			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6203184
	0110	111	016220	016910	512005	0000	0575	5630	40.98			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6202788
	0110	111	016220	016910	512005	0000	0575	5630	1.34			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6202784
	0110	111	016220	016910	512005	0000	0575	5630	0.43			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6201323
	0110	111	016220	016910	512005	0000	0575	5630	2.02			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6200970
	0110	111	016220	016910	512005	0000	0575	5630	16.46			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6200021
	0110	111	016220	016910	512005	0000	0575	5630	1.34			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6198855
	0110	111	016220	016910	512005	0000	0575	5630	1.78			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6196581
	0110	111	016220	016910	512005	0000	0575	5630	1.78			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6196009
	0110	111	016220	016910	512005	0000	0575	5630	7.84			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6191631
	0110	111	016220	016910	512005	0000	0575	5630	1.78			Correct TRMS Charges for Exp Org 016910	Yes	BRFGDLHD	6191415
	0110	111	016220	016910	512017	0000	0575	5620	13.22			Correct TRMS Charges for Exp Org 016910	Yes	104504	6175258
	0110	111	016220	016910	512017	0000	0575	5620	10.49			Correct TRMS Charges for Exp Org 016910	Yes	104504	6196135
	0110	111	016220	016910	512100	0000	0575	5624	13.86			Correct TRMS Charges for Exp Org 016910	Yes	104513	6120966
	0110	111	016220	016910	512100	0000	0575	5620	0.40			Correct TRMS Charges for Exp Org 016910	Yes	104513	5620
	0110	111	016220	016910	512100	0000	0575	5620	0.91			Correct TRMS Charges for Exp Org 016910	Yes	BR3AUXOT1	6178517
	0110	111	016220	016910	512100	0000	0575	5620	2.65			Correct TRMS Charges for Exp Org 016910	Yes	BR3AUXOT1	6178508
	0110	111	016220	016910	512100	0000	0575	5623	0.91			Correct TRMS Charges for Exp Org 016910	Yes	BR3AUXOT1	6178496
	0110	111	016220	016910	512100	0000	0575	5623	15.06			Correct TRMS Charges for Exp Org 016910	Yes	BR3AUXOT1	6178495
	0110	111	016220	016910	512100	0000	0575	5620	3.99			Correct TRMS Charges for Exp Org 016910	Yes	BR3AUXOT1	6146578
	0110	111	016220	016910	512100	0000	0575	5621	32.38			Correct TRMS Charges for Exp Org 016910	Yes	BR1AUXOT1	6192176
	0110	111	016220	016910	512100	0000	0575	5620	2.21			Correct TRMS Charges for Exp Org 016910	Yes	104513	6208476
	0110	111	016220	016910	512100	0000	0575	5620	1.78			Correct TRMS Charges for Exp Org 016910	Yes	104513	6208161
	0110	111	016220	016910	512100	0000	0575	5620	0.91			Correct TRMS Charges for Exp Org 016910	Yes	104513	6205028
	0110	111	016220	016910	512100	0000	0575	5620	3.66			Correct TRMS Charges for Exp Org 016910	Yes	104513	6204956
	0110	111	016220	016910	512100	0000	0575	5620	3.22			Correct TRMS Charges for Exp Org 016910	Yes	104513	6204803
	0110	111	016220	016910	512100	0000	0575	5620	3.18			Correct TRMS Charges for Exp Org 016910	Yes	104513	6204780
	0110	111	016220	016910	512100	0000	0575	5623	2.02			Correct TRMS Charges for Exp Org 016910	Yes	104513	6204006
	0110	111	016220	016910	512100	0000	0575	5620	4.81			Correct TRMS Charges for Exp Org 016910	Yes	104513	6203434
	0110	111	016220	016910	512100	0000	0575	5620	0.24			Correct TRMS Charges for Exp Org 016910	Yes	104513	6202089
	0110	111	016220	016910	512100	0000	0575	5623	0.91			Correct TRMS Charges for Exp Org 016910	Yes	104513	6201997



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016220	016910	512100	0000	0575	5620	1.11			Correct TRMS Charges for Exp Org 016910	Yes	104513	6201993
	0110	111	016220	016910	512100	0000	0575	5620	3.75			Correct TRMS Charges for Exp Org 016910	Yes	104513	6201084
	0110	111	016220	016910	512100	0000	0575	5620	2.21			Correct TRMS Charges for Exp Org 016910	Yes	104513	6200829
	0110	111	016220	016910	512100	0000	0575	5620	150.39			Correct TRMS Charges for Exp Org 016910	Yes	104513	6178780
	0110	111	016220	016910	512100	0000	0575	5623	2.55			Correct TRMS Charges for Exp Org 016910	Yes	104513	6179024
	0110	111	016220	016910	512100	0000	0575	5620	1.78			Correct TRMS Charges for Exp Org 016910	Yes	104513	6196802
	0110	111	016220	016910	513100	0000	0575	5621	21.07			Correct TRMS Charges for Exp Org 016910	Yes	104519	6178307
	0110	111	016220	016910	513100	0000	0575	5622	1.75			Correct TRMS Charges for Exp Org 016910	Yes	104510	6158514
	0110	111	016220	016910	513100	0000	0575	5620	0.91			Correct TRMS Charges for Exp Org 016910	Yes	104514	6199959
	0110	111	016220	016910	513100	0000	0575	5622	3.56			Correct TRMS Charges for Exp Org 016910	Yes	104510	6204072
	0110	111	016220	016910	513100	0000	0575	5621	0.91			Correct TRMS Charges for Exp Org 016910	Yes	BR1AUXOT1	6204971
	0110	111	016220	016910	513100	0000	0575	5621	1.34			Correct TRMS Charges for Exp Org 016910	Yes	104510	6203439
	0110	111	016220	016910	514100	0000	0575	5620	26.84			Correct TRMS Charges for Exp Org 016910	Yes	104514	6169885
	0110	111	016220	016910	514100	0000	0575	5620	0.91			Correct TRMS Charges for Exp Org 016910	Yes	104514	6209107
	0110	111	016220	016910	514100	0000	0575	5620	0.43			Correct TRMS Charges for Exp Org 016910	Yes	104514	6202948
	0110	111	016220	016910	514100	0000	0575	5620	3.13			Correct TRMS Charges for Exp Org 016910	Yes	104514	6202947
	0110	111	016910	016910	541100	0000	0575	5691	237.03			Correct TRMS Charges for Exp Org 016910	Yes	113128	5691
	0110	111	016910	016910	542100	0000	0575	5691	22.79			Correct TRMS Charges for Exp Org 016910	Yes	113126	6167856
	0110	111	016910	016910	542100	0000	0575	5691	10.74			Correct TRMS Charges for Exp Org 016910	Yes	113126	6185923
	0110	111	016910	016910	542100	0000	0575	5691	0.43			Correct TRMS Charges for Exp Org 016910	Yes	113126	6194582
	0110	111	016910	016910	542100	0000	0575	5691	0.24			Correct TRMS Charges for Exp Org 016910	Yes	113126	6195650
	0110	111	016910	016910	542100	0000	0575	5691	9.67			Correct TRMS Charges for Exp Org 016910	Yes	113126	6199667
	0110	111	016910	016910	542100	0000	0575	5691	0.43			Correct TRMS Charges for Exp Org 016910	Yes	113126	6201676
	0110	111	016910	016910	542100	0000	0575	5691	0.43			Correct TRMS Charges for Exp Org 016910	Yes	113126	6201677
	0110	111	016910	016910	542100	0000	0575	5691	1.11			Correct TRMS Charges for Exp Org 016910	Yes	113126	6202782
	0110	111	016910	016910	542100	0000	0575	5691	0.43			Correct TRMS Charges for Exp Org 016910	Yes	113126	6203485
	0110	111	016910	016910	542100	0000	0575	5691	0.43			Correct TRMS Charges for Exp Org 016910	Yes	113126	6203486
	0110	111	016910	016910	542100	0000	0575	5691	9.05			Correct TRMS Charges for Exp Org 016910	Yes	113126	6203582
	0110	111	016910	016910	544100	0000	0575	5691	4.96			Correct TRMS Charges for Exp Org 016910	Yes	113125	6199664
	0110	111	016910	016910	544100	0000	0575	5691	5.34			Correct TRMS Charges for Exp Org 016910	Yes	113125	6186018
	0110	111	016910	016910	544100	0000	0575	5691	5.07			Correct TRMS Charges for Exp Org 016910	Yes	113125	6185804
	0110	111	016910	016910	544100	0000	0575	5691	4.43			Correct TRMS Charges for Exp Org 016910	Yes	113125	6159446
	0110	111	016910	016910	544100	0000	0575	5691	0.91			Correct TRMS Charges for Exp Org 016910	Yes	113127	6205801
	0110	111	016910	016910	544100	0000	0575	5691	0.91			Correct TRMS Charges for Exp Org 016910	Yes	113127	6205800
	0110	111	016910	016910	544100	0000	0575	5691	0.91			Correct TRMS Charges for Exp Org 016910	Yes	113127	6205799
	0110	111	016910	016910	544100	0000	0575	5691	0.24			Correct TRMS Charges for Exp Org 016910	Yes	113127	6205438
	0110	111	016910	016910	544100	0000	0575	5691	2.93			Correct TRMS Charges for Exp Org 016910	Yes	113127	6204685
	0110	111	016910	016910	544100	0000	0575	5691	0.91			Correct TRMS Charges for Exp Org 016910	Yes	113127	6203233
	0110	111	016910	016910	544100	0000	0575	5691	0.43			Correct TRMS Charges for Exp Org 016910	Yes	113127	6203232
	0110	111	016910	016910	544100	0000	0575	5691	0.68			Correct TRMS Charges for Exp Org 016910	Yes	113127	6203231
	0110	111	016910	016910	544100	0000	0575	5691	5.10			Correct TRMS Charges for Exp Org 016910	Yes	113127	6201623

Template Type: Functional Journal  
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Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	016910	016910	544100	0000	0575	5691	1.92			Correct TRMS Charges for Exp Org 016910	Yes	113127	6201047
	0110	111	016910	016910	544100	0000	0575	5691	1.34			Correct TRMS Charges for Exp Org 016910	Yes	113127	6199967
	0110	111	016910	016910	544100	0000	0575	5691	1.59			Correct TRMS Charges for Exp Org 016910	Yes	113127	6199966
	0110	111	016910	016910	544100	0000	0575	5691	1.59			Correct TRMS Charges for Exp Org 016910	Yes	113127	6199965
	0110	111	016910	016910	544100	0000	0575	5691	12.69			Correct TRMS Charges for Exp Org 016910	Yes	113127	6167857
	0110	111	016910	016910	544100	0000	0575	5691	0.43			Correct TRMS Charges for Exp Org 016910	Yes	113127	6199228
	0110	111	016910	016910	544100	0000	0575	5691	0.43			Correct TRMS Charges for Exp Org 016910	Yes	113127	6199229
	0110	111	016910	016910	544100	0000	0575	5691	0.43			Correct TRMS Charges for Exp Org 016910	Yes	113127	6199230
	0110	111	016910	016910	545100	0000	0575	5691	0.24			Correct TRMS Charges for Exp Org 016910	Yes	113125	6203484
	0110	111	016910	016910	545100	0000	0575	5691	0.24			Correct TRMS Charges for Exp Org 016910	Yes	113125	6203478
	0110	111	016910	016910	545100	0000	0575	5691	0.43			Correct TRMS Charges for Exp Org 016910	Yes	113125	6202944
	0110	111	016910	016910	545100	0000	0575	5691	8.73			Correct TRMS Charges for Exp Org 016910	Yes	113125	6059278
	0110	111	016300	016910	553100	0000	0575	5642	14.82			Correct TRMS Charges for Exp Org 016910	Yes	109514	5642
	0110	122	017660	017660	107001	0000	0575	5330		193.19		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2573845101
	0110	122	017660	017660	107001	0000	0575	5330		1,778.64		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2723744101
	0110	122	017660	017660	107001	0000	0575	5330		268.47		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2744205101
	0110	122	017660	017660	107001	0000	0575	5330		180.31		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2767394101
	0110	122	017660	017660	107001	0000	0575	5330		216.37		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2771165101
	0110	122	017660	017660	107001	0000	0575	5330		23.18		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2771854101
	0110	122	017660	017660	107001	0000	0575	5330		61.82		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2772684101
	0110	122	017660	017660	107001	0000	0575	5330		61.82		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2777828101
	0110	122	017660	017660	107001	0000	0575	5330		61.82		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2780084101
	0110	122	017660	017660	107001	0000	0575	5330		100.46		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2794778101
	0110	122	017660	017660	107001	0000	0575	5330		64.40		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2803464101
	0110	122	017660	017660	107001	0000	0575	5330		46.37		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2803485101
	0110	122	017660	017660	107001	0000	0575	5330		61.82		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2809794101
	0110	122	017660	017660	107001	0000	0575	5130		846.41		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766UG	I
	0110	122	017660	017660	107001	0000	0575	5330		121.07		Correct TRMS Charges for Exp Org 017660	Yes	NBRD766UG	2808877101
	0110	122	017660	017660	107001	0000	0575	5130		30.91		Correct TRMS Charges for Exp Org 017660	Yes	NBSB766UG	I
	0110	122	017660	017660	107001	0000	0575	5130		7,750.31		Correct TRMS Charges for Exp Org 017660	Yes	NBSV766OH	I
	0110	122	017660	017660	107001	0000	0575	5130		2,264.16		Correct TRMS Charges for Exp Org 017660	Yes	NBSV766UG	I
	0110	122	010610	017660	107001	0000	0575	5130		2,000.55		Correct TRMS Charges for Exp Org 017660	Yes	I23136	NOROC-PI 11
	0110	122	017660	017660	107001	0000	0575	5330		2,887.13		Correct TRMS Charges for Exp Org 017660	Yes	POLD766	I
	0110	122	017660	017660	107001	0000	0575	5130		145.42		Correct TRMS Charges for Exp Org 017660	Yes	RCST766	I
	0110	122	017660	017660	107001	0000	0575	5330		436.05		Correct TRMS Charges for Exp Org 017660	Yes	STLT766	I
	0110	122	017660	017660	107001	0000	0575	5330		1,015.83		Correct TRMS Charges for Exp Org 017660	Yes	XFRM766	I
	0110	122	017660	017660	107001	0000	0575	5330		128.80		Correct TRMS Charges for Exp Org 017660	Yes	PBWK766OH	2775365101
	0110	122	017660	017660	107001	0000	0575	5130		1,822.59		Correct TRMS Charges for Exp Org 017660	Yes	RDD766OH	I
	0110	122	017660	017660	107001	0000	0575	5130		610.03		Correct TRMS Charges for Exp Org 017660	Yes	RDPOLD766	I
	0110	122	017660	017660	107001	0000	0575	5130		8,938.56		Correct TRMS Charges for Exp Org 017660	Yes	RDPOLE766	I

Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	122	017660	017660	107001	0000	0575	5130		20.61		Correct TRMS Charges for Exp Org 017660	Yes	RDSTLT766	I
	0110	122	010610	017660	107001	0000	0575	5330	141.67			Correct TRMS Charges for Exp Org 017660	Yes	RELD10610	2740236101
	0110	122	010610	017660	107001	0000	0575	5330	95.31			Correct TRMS Charges for Exp Org 017660	Yes	RELD10610	2740237101
	0110	122	010610	017660	107001	0000	0575	5330	234.40			Correct TRMS Charges for Exp Org 017660	Yes	RELD10610	2741139101
	0110	122	010610	017660	107001	0000	0575	5330	162.28			Correct TRMS Charges for Exp Org 017660	Yes	RELD10610	2741140101
	0110	122	017660	017660	107001	0000	0575	5130	406.47			Correct TRMS Charges for Exp Org 017660	Yes	RELD766OH	I
	0110	122	017660	017660	107001	0000	0575	5330	984.41			Correct TRMS Charges for Exp Org 017660	Yes	RELD766OH	2691494101
	0110	122	017660	017660	107001	0000	0575	5330	249.86			Correct TRMS Charges for Exp Org 017660	Yes	RELD766OH	2785784101
	0110	122	013085	017660	107001	0000	0575	5330	97.88			Correct TRMS Charges for Exp Org 017660	Yes	STRM17660	0309111
	0110	122	013085	017660	107001	0000	0575	5330	79.85			Correct TRMS Charges for Exp Org 017660	Yes	STRM17660	022820111
	0110	122	017660	017660	107001	0000	0575	5130	157.34			Correct TRMS Charges for Exp Org 017660	Yes	SYSENH766	I
	0110	122	017660	017660	107001	0000	0575	5330	77.28			Correct TRMS Charges for Exp Org 017660	Yes	SYSENH766	2799978101
	0110	122	017660	017660	107001	0000	0575	5130	5,224.05			Correct TRMS Charges for Exp Org 017660	Yes	TBRD766OH	I
	0110	122	017660	017660	107001	0000	0575	5130	1,342.37			Correct TRMS Charges for Exp Org 017660	Yes	MCAPR766	I
	0110	122	017660	017660	107001	0000	0575	5330	350.32			Correct TRMS Charges for Exp Org 017660	Yes	RNTPD766	0307STPAUL
	0110	122	017660	017660	107001	0000	0575	5130	3,211.84			Correct TRMS Charges for Exp Org 017660	Yes	NBCD766OH	I
	0110	122	017660	017660	107001	0000	0575	5330	113.34			Correct TRMS Charges for Exp Org 017660	Yes	NBCD766OH	2690124101
	0110	122	017660	017660	107001	0000	0575	5330	213.80			Correct TRMS Charges for Exp Org 017660	Yes	NBCD766OH	2772743101
	0110	122	017660	017660	107001	0000	0575	5330	82.43			Correct TRMS Charges for Exp Org 017660	Yes	NBCD766OH	2776785101
	0110	122	017660	017660	107001	0000	0575	5330	46.37			Correct TRMS Charges for Exp Org 017660	Yes	NBCD766OH	2790496101
	0110	122	017660	017660	107001	0000	0575	5130	341.48			Correct TRMS Charges for Exp Org 017660	Yes	NBCD766UG	I
	0110	122	017660	017660	107001	0000	0575	5330	30.91			Correct TRMS Charges for Exp Org 017660	Yes	NBCD766UG	2530374101
	0110	122	017660	017660	107001	0000	0575	5130	22,574.06			Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	I
	0110	122	017660	017660	108901	0000	0575	5330	15.45			Correct TRMS Charges for Exp Org 017660	Yes	NBCD766OH	2772743R02
	0110	122	017660	017660	108901	0000	0575	5130	712.85			Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	R
	0110	122	017660	017660	108901	0000	0575	5330	61.82			Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2779204R01
	0110	122	017660	017660	108901	0000	0575	5330	82.43			Correct TRMS Charges for Exp Org 017660	Yes	NBRD766OH	2798578R01
	0110	122	017660	017660	108901	0000	0575	5130	567.64			Correct TRMS Charges for Exp Org 017660	Yes	NBSV766OH	R
	0110	122	010610	017660	108901	0000	0575	5130	1,081.19			Correct TRMS Charges for Exp Org 017660	Yes	123136	NOROC-PR 11
	0110	122	017660	017660	108901	0000	0575	5330	420.67			Correct TRMS Charges for Exp Org 017660	Yes	POLD766	R
	0110	122	017660	017660	108901	0000	0575	5130	78.30			Correct TRMS Charges for Exp Org 017660	Yes	RCST766	R
	0110	122	017660	017660	108901	0000	0575	5330	28.33			Correct TRMS Charges for Exp Org 017660	Yes	STLT766	R
	0110	122	017660	017660	108901	0000	0575	5330	578.12			Correct TRMS Charges for Exp Org 017660	Yes	XFRM766	R
	0110	122	017660	017660	108901	0000	0575	5330	87.58			Correct TRMS Charges for Exp Org 017660	Yes	PBWK766OH	2775365R02
	0110	122	017660	017660	108901	0000	0575	5130	436.05			Correct TRMS Charges for Exp Org 017660	Yes	RDD766OH	R
	0110	122	017660	017660	108901	0000	0575	5130	124.67			Correct TRMS Charges for Exp Org 017660	Yes	RDPOLD766	R
	0110	122	017660	017660	108901	0000	0575	5130	1,196.96			Correct TRMS Charges for Exp Org 017660	Yes	RDPOLE766	R
	0110	122	017660	017660	108901	0000	0575	5130	41.29			Correct TRMS Charges for Exp Org 017660	Yes	RDSTLT766	R
	0110	122	013085	017660	108901	0000	0575	5330	38.64			Correct TRMS Charges for Exp Org 017660	Yes	STRM17660	030911R
	0110	122	013085	017660	108901	0000	0575	5330	15.45			Correct TRMS Charges for Exp Org 017660	Yes	STRM17660	02282011R
	0110	122	017660	017660	108901	0000	0575	5130	2,874.90			Correct TRMS Charges for Exp Org 017660	Yes	TBRD766OH	R

Template Type: Functional Journal  
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 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
	0110	122	017660	017660	108901	0000	0575	5130		67.12		Correct TRMS Charges for Exp Org 017660	Yes	MCAPR766	R
	0110	122	017660	017660	108901	0000	0575	5130		268.47		Correct TRMS Charges for Exp Org 017660	Yes	NBCD766OH	R
	0110	303	017660	017660	184612	0000	0575	0000		24,473.84		Correct TRMS Charges for Exp Org 017660	Yes	MNCOH766	LE
	0110	303	017660	017660	184612	0000	0575	0000		44.75		Correct TRMS Charges for Exp Org 017660	Yes	NBCOH766	LE
	0110	121	015850	017660	570100	0000	0575	5150		36.06		Correct TRMS Charges for Exp Org 017660	Yes	112241	5874273
	0110	122	013085	017660	580100	0000	0575	5330		41.21		Correct TRMS Charges for Exp Org 017660	Yes	STRM17660	022811-OPER
	0110	122	017660	017660	582100	0000	0575	0000		123.64		Correct TRMS Charges for Exp Org 017660	Yes	SUBISP766	DS
	0110	122	017660	017660	583001	0000	0575	5330		33.49		Correct TRMS Charges for Exp Org 017660	Yes	OPMNTC766	OOL
	0110	122	017660	017660	583001	0000	0575	5130		3,388.17		Correct TRMS Charges for Exp Org 017660	Yes	LINLOC766	O
	0110	122	017660	017660	583001	0000	0575	5130		33.56		Correct TRMS Charges for Exp Org 017660	Yes	LINLO766	O
	0110	122	017660	017660	583001	0000	0575	5130		212.54		Correct TRMS Charges for Exp Org 017660	Yes	TBRD766OH	O
	0110	122	017660	017660	583001	0000	0575	5130		4,053.91		Correct TRMS Charges for Exp Org 017660	Yes	ADMSP766	O
	0110	122	011370	017660	586100	0000	0575	0000		144.46		Correct TRMS Charges for Exp Org 017660	Yes	115564	FSI
	0110	122	017660	017660	588100	0000	0575	5430		72.12		Correct TRMS Charges for Exp Org 017660	Yes	TRNG766	T
	0110	122	017660	017660	588100	0000	0575	5330		3,347.10		Correct TRMS Charges for Exp Org 017660	Yes	OPMNTC766	OMS
	0110	122	017660	017660	588100	0000	0575	0000		3,579.37		Correct TRMS Charges for Exp Org 017660	Yes	HLTSAF766	HSP
	0110	122	017660	017660	593001	0000	0575	5130		1,286.44		Correct TRMS Charges for Exp Org 017660	Yes	RDPOLE766	PLTRT
	0110	122	017660	017660	593001	0000	0575	5130		514.58		Correct TRMS Charges for Exp Org 017660	Yes	MCAPRR766	M
	0110	122	017660	017660	593001	0000	0575	5130		198.71		Correct TRMS Charges for Exp Org 017660	Yes	SWITCH766	M
	0110	122	013085	017660	593002	0000	0575	5330		409.57		Correct TRMS Charges for Exp Org 017660	Yes	STRM17660	022811-MOL
	0110	122	017660	017660	593002	0000	0575	5130		1,691.81		Correct TRMS Charges for Exp Org 017660	Yes	RDSTLT766	M
	0110	122	017660	017660	593002	0000	0575	5130		103.03		Correct TRMS Charges for Exp Org 017660	Yes	ECAPRR766	M
	0110	122	017660	017660	593002	0000	0575	5130		1,645.30		Correct TRMS Charges for Exp Org 017660	Yes	RDPOLD766	M
	0110	122	017660	017660	593002	0000	0575	5330		180.31		Correct TRMS Charges for Exp Org 017660	Yes	OPMNTC766	MOL
	0110	122	017660	017660	593002	0000	0575	5130		826.84		Correct TRMS Charges for Exp Org 017660	Yes	MCAPR766	M
	0110	122	017660	017660	593002	0000	0575	5130		100.68		Correct TRMS Charges for Exp Org 017660	Yes	SYSENH766	M
	0110	122	017660	017660	593002	0000	0575	5130		12,287.36		Correct TRMS Charges for Exp Org 017660	Yes	TBRD766OH	M
	0110	122	013085	017660	593003	0000	0575	5330		368.35		Correct TRMS Charges for Exp Org 017660	Yes	STRM17660	030911-WIND
	0110	122	013085	017660	593004	0000	0575	5330		61.82		Correct TRMS Charges for Exp Org 017660	Yes	STRM17660	022811-TREE
	0110	122	013085	017660	593004	0000	0575	5330		144.25		Correct TRMS Charges for Exp Org 017660	Yes	STRM17660	030911-TREE
	0110	122	017660	017660	593004	0000	0575	5330		1,014.81		Correct TRMS Charges for Exp Org 017660	Yes	ROW766	ROW
	0110	122	017660	017660	595100	0000	0575	5130		72.15		Correct TRMS Charges for Exp Org 017660	Yes	XFRM766	M
	0100	303	008810	021015	184602	0000	0575	0000	19.19			Correct TRMS Charges for Exp Org 021015	Yes	117677	LE
	0110	303	018810	021015	184612	0000	0575	0000	19.19			Correct TRMS Charges for Exp Org 021015	Yes	117668	LE
	0110	122	018810	021015	580100	0000	0575	0000	19.19			Correct TRMS Charges for Exp Org 021015	Yes	117668	LABORE
	0100	122	008810	021015	580100	0000	0575	0000	19.20			Correct TRMS Charges for Exp Org 021015	Yes	117677	LABORE
	0110	303	018810	021020	184612	0000	0575	0000	294.37			Correct TRMS Charges for Exp Org 021020	Yes	117660	LE
	0110	122	018810	021020	580100	0000	0575	0000	99.03			Correct TRMS Charges for Exp Org 021020	Yes	117660	LABORE

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	105	018850	021205	901900	0000	0575	0000	54.88			Correct TRMS Charges for Exp Org 021205	Yes	117492	MS
	0100	141	008850	021205	901900	0000	0575	0000	60.40			Correct TRMS Charges for Exp Org 021205	Yes	117491	MS
	0100	141	008850	021205	903030	0000	0575	0000	0.06			Correct TRMS Charges for Exp Org 021205	Yes	117491	IC DIRECT
	0110	105	018850	021205	903030	0000	0575	0000	0.12			Correct TRMS Charges for Exp Org 021205	Yes	117492	IC DIRECT
	0110	105	018850	021205	903912	0000	0575	0000	50.84			Correct TRMS Charges for Exp Org 021205	Yes	117492	BOS
	0100	141	008850	021205	903912	0000	0575	0000	43.28			Correct TRMS Charges for Exp Org 021205	Yes	117491	BOS
	0100	141	008850	021205	903930	0000	0575	0000	0.98			Correct TRMS Charges for Exp Org 021205	Yes	117491	LUMPSUM
	0110	105	018850	021205	903930	0000	0575	0000	439.72			Correct TRMS Charges for Exp Org 021205	Yes	117492	IC
	0100	141	008850	021205	903930	0000	0575	0000	381.02			Correct TRMS Charges for Exp Org 021205	Yes	117491	IC
	0110	105	018850	021205	903930	0000	0575	0000	1.16			Correct TRMS Charges for Exp Org 021205	Yes	117492	LUMPSUM
	0110	105	018850	021205	905001	0000	0575	0000	0.18			Correct TRMS Charges for Exp Org 021205	Yes	132585	RECRUIT
	0100	141	008850	021205	905001	0000	0575	0000	0.23			Correct TRMS Charges for Exp Org 021205	Yes	132586	RECRUIT
	0100	141	008850	021220	901001	0000	0575	0000	89.44			Correct TRMS Charges for Exp Org 021220	Yes	117505	EXPENSE
	0110	105	018850	021220	901001	0000	0575	0000	149.05			Correct TRMS Charges for Exp Org 021220	Yes	117506	EXPENSE
	0100	141	008850	021220	903930	0000	0575	0000	195.31			Correct TRMS Charges for Exp Org 021220	Yes	117505	OS
	0110	105	018850	021220	905002	0000	0575	0000	151.70			Correct TRMS Charges for Exp Org 021220	Yes	117506	OS
	0110	111	018825	022065	500900	0000	0575	5591		184.71		Correct TRMS Charges for Exp Org 022065	Yes	118129	I-LABOR
	0100	111	008825	022065	500900	0000	0575	0401		130.70		Correct TRMS Charges for Exp Org 022065	Yes	118127	I-LABOR
	0100	111	008825	022065	501090	0000	0575	0401		57.43		Correct TRMS Charges for Exp Org 022065	Yes	132414	FUEL
	0110	111	018825	022065	501090	0000	0575	5591		94.73		Correct TRMS Charges for Exp Org 022065	Yes	132414KU	FUEL
	0110	111	018825	022065	502100	0000	0575	5591		21.24		Correct TRMS Charges for Exp Org 022065	Yes	118129	PLTWTR
	0110	111	018825	022065	502100	0000	0575	5591		6.06		Correct TRMS Charges for Exp Org 022065	Yes	118129	MERCURY
	0110	111	018825	022065	502100	0000	0575	5591		1.51		Correct TRMS Charges for Exp Org 022065	Yes	118129	ASBESTOS
	0110	111	018825	022065	502100	0000	0575	5591		35.81		Correct TRMS Charges for Exp Org 022065	Yes	118129	ENVWTR
	0110	111	018825	022065	502100	0000	0575	5591		49.94		Correct TRMS Charges for Exp Org 022065	Yes	118129	CEMS
	0110	111	018825	022065	502100	0000	0575	5591		1.13		Correct TRMS Charges for Exp Org 022065	Yes	118129	OIL
	0100	111	008825	022065	502100	0000	0575	0401		1.90		Correct TRMS Charges for Exp Org 022065	Yes	118127	ASBESTOS
	0100	111	008825	022065	502100	0000	0575	0401		14.99		Correct TRMS Charges for Exp Org 022065	Yes	118127	MERCURY
	0100	111	008825	022065	502100	0000	0575	0401		20.88		Correct TRMS Charges for Exp Org 022065	Yes	118127	PLTWTR
	0100	111	008825	022065	502100	0000	0575	0401		22.92		Correct TRMS Charges for Exp Org 022065	Yes	118127	ENVWTR
	0100	111	008825	022065	502100	0000	0575	0401		45.11		Correct TRMS Charges for Exp Org 022065	Yes	118127	CEMS
	0100	111	008825	022065	502100	0000	0575	0401		0.98		Correct TRMS Charges for Exp Org 022065	Yes	118127	OIL
	0100	121	008830	022065	566100	0000	0575	0000		1.04		Correct TRMS Charges for Exp Org 022065	Yes	118155	TRANSM
	0110	121	018830	022065	566100	0000	0575	0000		4.92		Correct TRMS Charges for Exp Org 022065	Yes	118157	TRANSM
	0110	121	018830	022065	566100	0000	0575	0000		3.31		Correct TRMS Charges for Exp Org 022065	Yes	118157	BREAKERS
	0110	122	018810	022065	588100	0000	0575	0000		23.82		Correct TRMS Charges for Exp Org 022065	Yes	118160	DISTRIB
	0100	122	008810	022065	588100	0000	0575	0000		25.36		Correct TRMS Charges for Exp Org 022065	Yes	118159	DISTRIB
	0110	111	018825	022110	107001	0000	0575	5654	54.23			Correct TRMS Charges for Exp Org 022110	Yes	126638	107001

Template Type: Functional Journal  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	303	008825	022110	184600	0000	0575	0321	3.35			Correct TRMS Charges for Exp Org 022110	Yes	121300	6199155
	0110	303	018825	022110	184600	0000	0575	5620	2.36			Correct TRMS Charges for Exp Org 022110	Yes	121295	5365205
	0110	303	018825	022110	184600	0000	0575	5591	30.11			Correct TRMS Charges for Exp Org 022110	Yes	121295	5983466
	0110	303	018825	022110	184600	0000	0575	5691	0.22			Correct TRMS Charges for Exp Org 022110	Yes	121295	6085362
	0110	303	018825	022110	184600	0000	0575	5591	23.21			Correct TRMS Charges for Exp Org 022110	Yes	121295	6103838
	0110	303	018825	022110	184600	0000	0575	5657	1.53			Correct TRMS Charges for Exp Org 022110	Yes	121295	6108454
	0110	303	018825	022110	184600	0000	0575	5657	1.32			Correct TRMS Charges for Exp Org 022110	Yes	121295	6108456
	0110	303	018825	022110	184600	0000	0575	5622	0.77			Correct TRMS Charges for Exp Org 022110	Yes	121295	6152802
	0100	303	008825	022110	184600	0000	0575	0201	0.65			Correct TRMS Charges for Exp Org 022110	Yes	121300	6115777
	0100	303	008825	022110	184600	0000	0575	0401	16.96			Correct TRMS Charges for Exp Org 022110	Yes	121300	6103837
	0100	303	008825	022110	184600	0000	0575	0401	29.73			Correct TRMS Charges for Exp Org 022110	Yes	121300	5983465
	0100	303	008825	022110	184600	0000	0575	0311	6.42			Correct TRMS Charges for Exp Org 022110	Yes	121300	5699547
	0100	303	008825	022110	184600	0000	0575	0301	12.94			Correct TRMS Charges for Exp Org 022110	Yes	121300	5343544
	0110	303	018825	022110	184600	0000	0575	5691	6.80			Correct TRMS Charges for Exp Org 022110	Yes	121295	6198689
	0110	303	018825	022110	184600	0000	0575	5623	7.90			Correct TRMS Charges for Exp Org 022110	Yes	121295	6163064
	0110	303	018825	022110	184600	0000	0575	5651	5.64			Correct TRMS Charges for Exp Org 022110	Yes	121295	5785270
	0100	111	008825	022110	500900	0000	0575	0401	0.60			Correct TRMS Charges for Exp Org 022110	Yes	118131	I-ADMIN
	0100	111	008825	022110	500900	0000	0575	0401	26.87			Correct TRMS Charges for Exp Org 022110	Yes	118131	5983470
	0100	111	008825	022110	500900	0000	0575	0401	54.75			Correct TRMS Charges for Exp Org 022110	Yes	118131	5983461
	0110	111	018825	022110	500900	0000	0575	5591	0.99			Correct TRMS Charges for Exp Org 022110	Yes	118133	I-ADMIN
	0100	111	008825	022110	500900	0000	0575	0401	1.76			Correct TRMS Charges for Exp Org 022110	Yes	118131	TRAINING
	0110	111	018825	022110	500900	0000	0575	5591	13.43			Correct TRMS Charges for Exp Org 022110	Yes	118133	5983475
	0110	111	018825	022110	500900	0000	0575	5591	31.04			Correct TRMS Charges for Exp Org 022110	Yes	118133	5983471
	0110	111	018825	022110	500900	0000	0575	5591	57.81			Correct TRMS Charges for Exp Org 022110	Yes	118133	5983462
	0100	111	008825	022110	500900	0000	0575	0401	12.23			Correct TRMS Charges for Exp Org 022110	Yes	118131	5983474
	0100	111	008825	022110	510100	0000	0575	0401	27.21			Correct TRMS Charges for Exp Org 022110	Yes	118131	5310056
	0100	111	008825	022110	510100	0000	0575	0401	0.11			Correct TRMS Charges for Exp Org 022110	Yes	118131	5310075
	0100	111	008825	022110	510100	0000	0575	0401	3.95			Correct TRMS Charges for Exp Org 022110	Yes	118131	5310091
	0100	111	008825	022110	510100	0000	0575	0401	9.10			Correct TRMS Charges for Exp Org 022110	Yes	118131	5312625
	0100	111	008825	022110	510100	0000	0575	0401	12.84			Correct TRMS Charges for Exp Org 022110	Yes	118131	5327030
	0100	111	008825	022110	510100	0000	0575	0201	2.90			Correct TRMS Charges for Exp Org 022110	Yes	118131	5327078
	0100	111	008825	022110	510100	0000	0575	0301	3.63			Correct TRMS Charges for Exp Org 022110	Yes	118131	5379259
	0100	111	008825	022110	510100	0000	0575	0101	2.70			Correct TRMS Charges for Exp Org 022110	Yes	118131	5379260
	0100	111	008825	022110	510100	0000	0575	0401	19.32			Correct TRMS Charges for Exp Org 022110	Yes	118131	5671300
	0100	111	008825	022110	510100	0000	0575	0401	0.88			Correct TRMS Charges for Exp Org 022110	Yes	118131	5771588
	0100	111	008825	022110	510100	0000	0575	0401	11.69			Correct TRMS Charges for Exp Org 022110	Yes	118131	5774426
	0100	111	008825	022110	510100	0000	0575	0401	0.65			Correct TRMS Charges for Exp Org 022110	Yes	118131	5931240
	0100	111	008825	022110	510100	0000	0575	0401	44.44			Correct TRMS Charges for Exp Org 022110	Yes	118131	5981158
	0100	111	008825	022110	510100	0000	0575	0301	1.81			Correct TRMS Charges for Exp Org 022110	Yes	118131	5981212
	0100	111	008825	022110	510100	0000	0575	0401	0.71			Correct TRMS Charges for Exp Org 022110	Yes	118131	6068779
	0100	111	008825	022110	510100	0000	0575	0401	16.07			Correct TRMS Charges for Exp Org 022110	Yes	118131	6074254

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	008825	022110	510100	0000	0575	0201	5.55			Correct TRMS Charges for Exp Org 022110	Yes	118131	6078933
	0100	111	008825	022110	510100	0000	0575	0401	0.11			Correct TRMS Charges for Exp Org 022110	Yes	118131	6085524
	0100	111	008825	022110	510100	0000	0575	0401	1.48			Correct TRMS Charges for Exp Org 022110	Yes	118131	6094695
	0100	111	008825	022110	510100	0000	0575	0401	5.00			Correct TRMS Charges for Exp Org 022110	Yes	118131	6100900
	0100	111	008825	022110	510100	0000	0575	0401	1.87			Correct TRMS Charges for Exp Org 022110	Yes	118131	6123257
	0100	111	008825	022110	510100	0000	0575	0401	2.30			Correct TRMS Charges for Exp Org 022110	Yes	118131	6152932
	0100	111	008825	022110	510100	0000	0575	0401	9.27			Correct TRMS Charges for Exp Org 022110	Yes	118131	6153053
	0100	111	008825	022110	510100	0000	0575	0201	0.88			Correct TRMS Charges for Exp Org 022110	Yes	118131	6153109
	0100	111	008825	022110	510100	0000	0575	0401	14.53			Correct TRMS Charges for Exp Org 022110	Yes	118131	6183700
	0100	111	008825	022110	510100	0000	0575	0101	1.32			Correct TRMS Charges for Exp Org 022110	Yes	118131	6185047
	0100	111	008825	022110	510100	0000	0575	0221	4.28			Correct TRMS Charges for Exp Org 022110	Yes	118131	6185537
	0100	111	008825	022110	510100	0000	0575	0401	1.87			Correct TRMS Charges for Exp Org 022110	Yes	118131	6185544
	0100	111	008825	022110	510100	0000	0575	0401	2.74			Correct TRMS Charges for Exp Org 022110	Yes	118131	6186496
	0100	111	008825	022110	510100	0000	0575	0231	18.66			Correct TRMS Charges for Exp Org 022110	Yes	118131	6200819
	0100	111	008825	022110	510100	0000	0575	0401	2.14			Correct TRMS Charges for Exp Org 022110	Yes	118131	6200830
	0100	111	008825	022110	510100	0000	0575	0401	1.32			Correct TRMS Charges for Exp Org 022110	Yes	118131	6203790
	0100	111	008825	022110	510100	0000	0575	0101	1.32			Correct TRMS Charges for Exp Org 022110	Yes	118131	6205409
	0100	111	008825	022110	510100	0000	0575	0161	9.00			Correct TRMS Charges for Exp Org 022110	Yes	118131	6205483
	0110	111	018825	022110	510100	0000	0575	5591	0.11			Correct TRMS Charges for Exp Org 022110	Yes	118133	5310083
	0110	111	018825	022110	510100	0000	0575	5591	4.61			Correct TRMS Charges for Exp Org 022110	Yes	118133	5310100
	0110	111	018825	022110	510100	0000	0575	5591	24.91			Correct TRMS Charges for Exp Org 022110	Yes	118133	5310348
	0110	111	018825	022110	510100	0000	0575	5591	9.81			Correct TRMS Charges for Exp Org 022110	Yes	118133	5312655
	0110	111	018825	022110	510100	0000	0575	5591	12.18			Correct TRMS Charges for Exp Org 022110	Yes	118133	5327048
	0110	111	018825	022110	510100	0000	0575	5657	6.04			Correct TRMS Charges for Exp Org 022110	Yes	118133	5327075
	0110	111	018825	022110	510100	0000	0575	5616	1.48			Correct TRMS Charges for Exp Org 022110	Yes	118133	5379255
	0110	111	018825	022110	510100	0000	0575	5620	12.24			Correct TRMS Charges for Exp Org 022110	Yes	118133	5379261
	0110	111	018825	022110	510100	0000	0575	5591	7.18			Correct TRMS Charges for Exp Org 022110	Yes	118133	5671306
	0110	111	018825	022110	510100	0000	0575	5651	13.22			Correct TRMS Charges for Exp Org 022110	Yes	118133	5771580
	0110	111	018825	022110	510100	0000	0575	5591	0.77			Correct TRMS Charges for Exp Org 022110	Yes	118133	5771585
	0110	111	018825	022110	510100	0000	0575	5591	20.24			Correct TRMS Charges for Exp Org 022110	Yes	118133	5774420
	0110	111	018825	022110	510100	0000	0575	5591	2.03			Correct TRMS Charges for Exp Org 022110	Yes	118133	5931238
	0110	111	018825	022110	510100	0000	0575	5657	0.88			Correct TRMS Charges for Exp Org 022110	Yes	118133	5964271
	0110	111	018825	022110	510100	0000	0575	5620	0.16			Correct TRMS Charges for Exp Org 022110	Yes	118133	5971483
	0110	111	018825	022110	510100	0000	0575	5591	47.51			Correct TRMS Charges for Exp Org 022110	Yes	118133	5981157
	0110	111	018825	022110	510100	0000	0575	5591	0.77			Correct TRMS Charges for Exp Org 022110	Yes	118133	6010583
	0110	111	018825	022110	510100	0000	0575	5591	16.19			Correct TRMS Charges for Exp Org 022110	Yes	118133	6058644
	0110	111	018825	022110	510100	0000	0575	5591	0.93			Correct TRMS Charges for Exp Org 022110	Yes	118133	6061954
	0110	111	018825	022110	510100	0000	0575	5657	8.12			Correct TRMS Charges for Exp Org 022110	Yes	118133	6065122
	0110	111	018825	022110	510100	0000	0575	5620	14.10			Correct TRMS Charges for Exp Org 022110	Yes	118133	6065124
	0110	111	018825	022110	510100	0000	0575	5616	3.84			Correct TRMS Charges for Exp Org 022110	Yes	118133	6065125
	0110	111	018825	022110	510100	0000	0575	5591	1.64			Correct TRMS Charges for Exp Org 022110	Yes	118133	6067472

Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	111	018825	022110	510100	0000	0575	5591	0.83			Correct TRMS Charges for Exp Org 022110	Yes	118133	6068781
	0110	111	018825	022110	510100	0000	0575	5591	24.20			Correct TRMS Charges for Exp Org 022110	Yes	118133	6074259
	0110	111	018825	022110	510100	0000	0575	5591	0.11			Correct TRMS Charges for Exp Org 022110	Yes	118133	6085545
	0110	111	018825	022110	510100	0000	0575	5591	1.48			Correct TRMS Charges for Exp Org 022110	Yes	118133	6094696
	0110	111	018825	022110	510100	0000	0575	5591	5.26			Correct TRMS Charges for Exp Org 022110	Yes	118133	6100899
	0110	111	018825	022110	510100	0000	0575	5591	2.58			Correct TRMS Charges for Exp Org 022110	Yes	118133	6123268
	0110	111	018825	022110	510100	0000	0575	5591	4.50			Correct TRMS Charges for Exp Org 022110	Yes	118133	6152936
	0110	111	018825	022110	510100	0000	0575	5591	6.48			Correct TRMS Charges for Exp Org 022110	Yes	118133	6153054
	0110	111	018825	022110	510100	0000	0575	5620	3.29			Correct TRMS Charges for Exp Org 022110	Yes	118133	6153115
	0110	111	018825	022110	510100	0000	0575	5591	18.49			Correct TRMS Charges for Exp Org 022110	Yes	118133	6183701
	0110	111	018825	022110	510100	0000	0575	5616	11.08			Correct TRMS Charges for Exp Org 022110	Yes	118133	6183706
	0110	111	018825	022110	510100	0000	0575	5591	2.14			Correct TRMS Charges for Exp Org 022110	Yes	118133	6185542
	0110	111	018825	022110	510100	0000	0575	5653	5.22			Correct TRMS Charges for Exp Org 022110	Yes	118133	6200824
	0110	111	018825	022110	510100	0000	0575	5591	1.09			Correct TRMS Charges for Exp Org 022110	Yes	118133	6200834
	0110	111	018825	022110	510100	0000	0575	5591	1.32			Correct TRMS Charges for Exp Org 022110	Yes	118133	6203791
	0110	111	018825	022110	510100	0000	0575	5591	3.18			Correct TRMS Charges for Exp Org 022110	Yes	125090	5975743
	0100	111	008825	022110	510100	0000	0575	0221	0.99			Correct TRMS Charges for Exp Org 022110	Yes	125093	5973950
	0100	111	008825	022110	510100	0000	0575	0401	3.13			Correct TRMS Charges for Exp Org 022110	Yes	125098	5975766
	0110	111	018825	022110	510100	0000	0575	5591	37.02			Correct TRMS Charges for Exp Org 022110	Yes	125914	6000399
	0110	111	018825	022110	510100	0000	0575	5620	3.01			Correct TRMS Charges for Exp Org 022110	Yes	125914	6000456
	0110	111	018825	022110	510100	0000	0575	5657	2.08			Correct TRMS Charges for Exp Org 022110	Yes	125914	6000457
	0110	111	018825	022110	510100	0000	0575	5616	17.41			Correct TRMS Charges for Exp Org 022110	Yes	125914	6000458
	0110	111	018825	022110	510100	0000	0575	5605	19.14			Correct TRMS Charges for Exp Org 022110	Yes	125914	6000460
	0100	111	008825	022110	510100	0000	0575	0401	8.72			Correct TRMS Charges for Exp Org 022110	Yes	125915	6000389
	0100	111	008825	022110	510100	0000	0575	0201	4.78			Correct TRMS Charges for Exp Org 022110	Yes	125915	6000396
	0100	111	008825	022110	510100	0000	0575	0301	1.97			Correct TRMS Charges for Exp Org 022110	Yes	125915	6000397
	0110	111	018825	022110	510100	0000	0575	5591	1.26			Correct TRMS Charges for Exp Org 022110	Yes	126574	5975948
	0110	111	018825	022110	510100	0000	0575	5591	1.86			Correct TRMS Charges for Exp Org 022110	Yes	126575	5975649
	0100	111	008825	022110	510100	0000	0575	0401	1.76			Correct TRMS Charges for Exp Org 022110	Yes	126580	ADMIN
	0100	111	008825	022110	510100	0000	0575	0401	0.77			Correct TRMS Charges for Exp Org 022110	Yes	126580	5975942
	0100	111	008825	022110	510100	0000	0575	0401	1.64			Correct TRMS Charges for Exp Org 022110	Yes	126581	5975630
	0100	111	008825	022110	510100	0000	0575	0161	0.49			Correct TRMS Charges for Exp Org 022110	Yes	118131	5992837
	0100	111	008825	022110	510100	0000	0575	0101	1.76			Correct TRMS Charges for Exp Org 022110	Yes	118131	5996723
	0100	111	008825	022110	510100	0000	0575	0301	2.08			Correct TRMS Charges for Exp Org 022110	Yes	118131	6004535
	0100	111	008825	022110	510100	0000	0575	0401	0.44			Correct TRMS Charges for Exp Org 022110	Yes	118131	6010576
	0100	111	008825	022110	510100	0000	0575	0101	1.38			Correct TRMS Charges for Exp Org 022110	Yes	118131	6061584
	0100	111	008825	022110	510100	0000	0575	0201	31.56			Correct TRMS Charges for Exp Org 022110	Yes	118131	6065034
	0100	111	008825	022110	510100	0000	0575	0101	0.11			Correct TRMS Charges for Exp Org 022110	Yes	118131	6065118
	0100	111	008825	022110	510100	0000	0575	0301	4.28			Correct TRMS Charges for Exp Org 022110	Yes	118131	6065120
	0100	111	008825	022110	510100	0000	0575	0401	1.64			Correct TRMS Charges for Exp Org 022110	Yes	118131	6067471
	0100	111	002401	022110	512005	0000	0575	0231	2.41			Correct TRMS Charges for Exp Org 022110	Yes	MCSDRS	6179455



Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
	0100	111	008826	022810	501026	0000	0575	0201	9.04			Correct TRMS Charges for Exp Org 022810	Yes	117620	D-KOSMOSLBR3
	0110	111	018826	022810	501090	0000	0575	5591	3.95			Correct TRMS Charges for Exp Org 022810	Yes	117618	D-DIR FLS
	0100	111	008826	022810	501090	0000	0575	0401	4.84			Correct TRMS Charges for Exp Org 022810	Yes	117619	D-DIR-FLS
	0100	111	008826	022810	501990	0000	0575	0401	763.16			Correct TRMS Charges for Exp Org 022810	Yes	117619	I-DIR FLS
	0110	111	018826	022810	501990	0000	0575	5591	758.06			Correct TRMS Charges for Exp Org 022810	Yes	117618	I-DIR FLS
	0110	121	015870	022810	566900	0000	0575	4044	5.67			Correct TRMS Charges for Exp Org 022810	Yes	015870	MISCELLANEOUS
	0110	121	015850	023060	107001	0000	0575	5150	19.56			Correct TRMS Charges for Exp Org 023060	Yes	130895	INVEST
	0110	121	015850	023060	107001	0000	0575	5150	15.69			Correct TRMS Charges for Exp Org 023060	Yes	KTRMUP-10	102-BRKR-REPL-IN
	0100	121	003060	023060	107001	0000	0575	0500	58.59			Correct TRMS Charges for Exp Org 023060	Yes	LRSUB-10	MC-4501-BRKR-IN
	0110	121	015850	023060	107001	0000	0575	5150	8.54			Correct TRMS Charges for Exp Org 023060	Yes	KSTSVC11	165-SST-RPL-IN
	0110	121	015850	023060	107001	0000	0575	5150	3.13			Correct TRMS Charges for Exp Org 023060	Yes	KSTSVC11	123-SST-RPL-IN
	0110	121	015850	023060	107001	0000	0575	5150	23.06			Correct TRMS Charges for Exp Org 023060	Yes	KRSUB-11	159-602-WICK-IN
	0110	121	015850	023060	107001	0000	0575	5150	11.10			Correct TRMS Charges for Exp Org 023060	Yes	KRSUB-11	SPAREEQUIP-IN
	0110	121	015850	023060	107001	0000	0575	5150	11.10			Correct TRMS Charges for Exp Org 023060	Yes	KBR-11	211-708-WFRK-IN
	0110	121	015850	023060	107001	0000	0575	5150	1.99			Correct TRMS Charges for Exp Org 023060	Yes	KBR-11	097-814-SPAD-IN
	0110	121	015850	023060	107001	0000	0575	5150	1.99			Correct TRMS Charges for Exp Org 023060	Yes	KBR-11	003-634-PRIN-IN
	0110	121	015850	023060	107001	0000	0575	5150	7.32			Correct TRMS Charges for Exp Org 023060	Yes	131390	INVEST
	0110	121	015850	023060	107001	0000	0575	5150	11.10			Correct TRMS Charges for Exp Org 023060	Yes	131327	INVEST
	0100	121	003060	023060	107001	0000	0575	0500	58.70			Correct TRMS Charges for Exp Org 023060	Yes	130898	INVEST
	0110	121	015850	023060	107001	0000	0575	5150	1.99			Correct TRMS Charges for Exp Org 023060	Yes	130895	BKR-934-IN
	0110	121	015850	023060	107001	0000	0575	5150	2.56			Correct TRMS Charges for Exp Org 023060	Yes	130895	BKR-924-IN
	0100	121	003010	023060	107001	0000	0575	0549	7.06			Correct TRMS Charges for Exp Org 023060	Yes	118209	TC4516 BKR-IN
	0100	121	003010	023060	107001	0000	0575	0549	2.62			Correct TRMS Charges for Exp Org 023060	Yes	118209	TC4516-44 BKR-IN
	0110	121	015850	023060	107001	0000	0575	5150	31.59			Correct TRMS Charges for Exp Org 023060	Yes	122177	107001
	0100	121	003060	023060	107001	0000	0575	0698	132.08			Correct TRMS Charges for Exp Org 023060	Yes	122514	107001
	0100	111	002401	023060	107001	0000	0575	0221	5.12			Correct TRMS Charges for Exp Org 023060	Yes	126128	6191909
	0110	121	015850	023060	107001	0000	0575	5150	49.14			Correct TRMS Charges for Exp Org 023060	Yes	126180	161-IN-NELI
	0110	121	015850	023060	107001	0000	0575	5150	61.65			Correct TRMS Charges for Exp Org 023060	Yes	126773	INVEST
	0110	121	015850	023060	107001	0000	0575	5150	9.15			Correct TRMS Charges for Exp Org 023060	Yes	126783	INVEST
	0110	121	015850	023060	107001	0000	0575	5150	95.70			Correct TRMS Charges for Exp Org 023060	Yes	126785	T&D
	0110	121	015850	023060	107001	0000	0575	5200	2.62			Correct TRMS Charges for Exp Org 023060	Yes	126795	INV BUDGET
	0110	121	015850	023060	107001	0000	0575	5200	2.35			Correct TRMS Charges for Exp Org 023060	Yes	126795	CAP BK IN/RM
	0110	121	015850	023060	107001	0000	0575	5150	11.10			Correct TRMS Charges for Exp Org 023060	Yes	126796	INV BUDGET
	0110	121	015850	023060	107001	0000	0575	5150	47.94			Correct TRMS Charges for Exp Org 023060	Yes	127162	107001-IN
	0100	121	003060	023060	107001	0000	0575	0901	113.46			Correct TRMS Charges for Exp Org 023060	Yes	127175	T&D
	0110	121	015850	023060	107001	0000	0575	5150	8.63			Correct TRMS Charges for Exp Org 023060	Yes	130011	107001
	0110	121	015850	023060	107001	0000	0575	5150	7.40			Correct TRMS Charges for Exp Org 023060	Yes	130895	BKR-912-IN
	0110	121	015850	023060	107001	0000	0575	5150	135.16			Correct TRMS Charges for Exp Org 023060	Yes	130895	BKR-914-IN
	0110	121	015850	023060	108901	0000	0575	5150	8.79			Correct TRMS Charges for Exp Org 023060	Yes	KSTSVC11	165-SST-RPL-RM

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Group ID	Value: <b>8386</b>
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Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015850	023060	108901	0000	0575	5380	0.86			Correct TRMS Charges for Exp Org 023060	Yes	KBR-11	158-608-BOND-RM
	0110	121	015850	023060	108901	0000	0575	5150	12.29			Correct TRMS Charges for Exp Org 023060	Yes	KRSUB-10	111-BVLLMOS-R
	0110	303	018830	023060	184605	0000	0575	4044	2,942.94			Correct TRMS Charges for Exp Org 023060	Yes	117686	COH1
	0100	303	008830	023060	184605	0000	0575	0420	349.15			Correct TRMS Charges for Exp Org 023060	Yes	117685	COH1
	0100	121	003060	023060	560100	0000	0575	0000	28.19			Correct TRMS Charges for Exp Org 023060	Yes	111340	I-LABOR
	0110	121	015850	023060	560900	0000	0575	0000	130.96			Correct TRMS Charges for Exp Org 023060	Yes	111343	COMPLIANCE
	0100	121	008830	023060	560900	0000	0575	0420	28.77			Correct TRMS Charges for Exp Org 023060	Yes	117683	1A
	0110	121	018830	023060	560900	0000	0575	5691	189.11			Correct TRMS Charges for Exp Org 023060	Yes	117684	1A
	0100	121	003060	023060	560900	0000	0575	0000	33.03			Correct TRMS Charges for Exp Org 023060	Yes	111340	COMPLIANCE
	0110	121	015850	023060	560900	0000	0575	0000	9.40			Correct TRMS Charges for Exp Org 023060	Yes	111343	I-LABOR
	0100	121	003060	023060	562100	0000	0575	0000	82.56			Correct TRMS Charges for Exp Org 023060	Yes	112197	TPM-REL
	0100	121	003060	023060	566900	0000	0575	0000	7.97			Correct TRMS Charges for Exp Org 023060	Yes	111340	TRAIN
	0110	121	015850	023060	566900	0000	0575	0000	13.38			Correct TRMS Charges for Exp Org 023060	Yes	111343	TRAIN
	0110	121	015850	023060	570100	0000	0575	4044	15.37			Correct TRMS Charges for Exp Org 023060	Yes	111343	TOM TRAINING
	0110	121	015850	023060	570100	0000	0575	0000	18.35			Correct TRMS Charges for Exp Org 023060	Yes	111343	PROTTEST
	0100	121	003060	023060	570100	0000	0575	0000	9.68			Correct TRMS Charges for Exp Org 023060	Yes	111340	PROTTEST
	0110	121	015850	023060	570100	0000	0575	5150	0.86			Correct TRMS Charges for Exp Org 023060	Yes	112240	6195398
	0110	121	015850	023060	570100	0000	0575	5150	0.86			Correct TRMS Charges for Exp Org 023060	Yes	112240	6195397
	0110	121	015850	023060	570100	0000	0575	0000	4.45			Correct TRMS Charges for Exp Org 023060	Yes	112233	TPM TFR OIL
	0110	121	015850	023060	570100	0000	0575	0000	404.58			Correct TRMS Charges for Exp Org 023060	Yes	112230	TPM REL
	0110	121	015850	023060	573100	0000	0575	0000	36.88			Correct TRMS Charges for Exp Org 023060	Yes	111343	OM-MISC
	0110	121	015850	023060	573100	0000	0575	4031	4.56			Correct TRMS Charges for Exp Org 023060	Yes	124902	EARLINGTON
	0110	121	015850	023060	573100	0000	0575	4036	48.12			Correct TRMS Charges for Exp Org 023060	Yes	124902	PINEVILLE
	0110	121	015850	023060	573100	0000	0575	0000	122.15			Correct TRMS Charges for Exp Org 023060	Yes	111343	RTU SCALING
	0110	121	015870	023070	107001	0000	0575	5200	44.52			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	DTS-GHT-WLEX.I
	0110	121	015870	023070	107001	0000	0575	5200	12.10			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	BRTWNBROWNCT
	0110	121	015870	023070	107001	0000	0575	5200	3.26			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	HORSECV611-799.
	0110	121	015870	023070	107001	0000	0575	5200	68.85			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	RKYBR-HRLN-REL
	0110	121	015870	023070	107001	0000	0575	5200	11.44			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	EF-WFI
	0110	121	015870	023070	107001	0000	0575	5200	41.59			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	HC-ET.I
	0110	121	015870	023070	107001	0000	0575	5200	27.17			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	GRP-HILL.I
	0110	121	015870	023070	107001	0000	0575	5200	34.80			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	HILL-POWD.I
	0110	121	015870	023070	107001	0000	0575	5200	7.91			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	A-TY-STR28.I
	0110	121	015870	023070	107001	0000	0575	5200	36.23			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	PNV-RBOPGW.I
	0110	121	015870	023070	107001	0000	0575	5200	7.91			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	BRIDGEPORTSW.I
	0110	121	015870	023070	107001	0000	0575	5200	8.86			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	DIXLANC80-88.I
	0110	121	015870	023070	107001	0000	0575	5200	17.68			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	JAN19DOR-ARN.I
	0110	121	015870	023070	107001	0000	0575	5200	38.13			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	CRABORCHARDSV
	0110	121	015870	023070	107001	0000	0575	5200	47.19			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB22ROCK-CAW
	0110	121	015870	023070	107001	0000	0575	5200	5.24			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	MAR04MILL-MUR

Template Type: Functional Journal  
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Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015870	023070	107001	0000	0575	5200	4.77			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	MAR07ROSE-CAN
	0110	121	015870	023070	107001	0000	0575	5200	4.19			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	P1STR128T9501.I
	0110	121	015870	023070	107001	0000	0575	5200	1.86			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	PINEHILLTAPP2.I
	0110	121	015870	023070	107001	0000	0575	5200	94.63			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	SEP03HAR-POCK.I
	0110	121	015870	023070	107001	0000	0575	5200	20.47			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	STR164LAN-DIX.I
	0110	121	015870	023070	107001	0000	0575	5200	10.49			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	ETOWN-ROGER13
	0110	121	015870	023070	107001	0000	0575	5200	25.74			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB10SPAD-CLIN.I
	0110	121	015870	023070	107001	0000	0575	5200	41.95			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB21-KDAM-LIV.I
	0110	121	015870	023070	107001	0000	0575	5200	7.63			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	GH-WL345BALMR
	0110	121	015870	023070	107001	0000	0575	5200	5.58			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	JAN13EFRK-WFRK
	0110	121	015870	023070	107001	0000	0575	5200	13.82			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	ROGERHARDIN18
	0110	121	015870	023070	107001	0000	0575	5200	9.30			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	STR120-122T133.I
	0100	121	003070	023070	107001	0000	0575	1999	8.10			Correct TRMS Charges for Exp Org 023070	Yes	L7-2011	MAR04-4535.I
	0100	121	003070	023070	107001	0000	0575	2000	8.10			Correct TRMS Charges for Exp Org 023070	Yes	L9-2010	JUN25423-815.I
	0100	121	003070	023070	107001	0000	0575	2000	32.25			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	JAN28-6617.I
	0100	121	003070	023070	107001	0000	0575	1999	13.35			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	MAR04-4535.I
	0100	121	003070	023070	107001	0000	0575	2000	24.79			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	MAR04-4560.I
	0100	121	003070	023070	107001	0000	0575	2000	12.56			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	STR43-6619.I
	0100	121	003070	023070	107001	0000	0575	2000	12.56			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	STR44-6690.I
	0100	121	003070	023070	107001	0000	0575	2000	21.93			Correct TRMS Charges for Exp Org 023070	Yes	L9-2011	STR88-89 6687.I
	0110	122	013660	023070	107001	0000	0575	5130	7.15			Correct TRMS Charges for Exp Org 023070	Yes	NBCD366UG	277723901
	0110	121	015830	023070	107001	0000	0575	5200	15.82			Correct TRMS Charges for Exp Org 023070	Yes	118216	2
	0100	111	002020	023070	107001	0000	0575	0161	196.00			Correct TRMS Charges for Exp Org 023070	Yes	121620	LINERELC
	0110	121	015870	023070	107001	0000	0575	5200	0.95			Correct TRMS Charges for Exp Org 023070	Yes	122049	10701-T038
	0100	121	003070	023070	107001	0000	0575	2000	13.49			Correct TRMS Charges for Exp Org 023070	Yes	122513	I-T3845-TLLAB
	0100	121	003070	023070	107001	0000	0575	2000	9.30			Correct TRMS Charges for Exp Org 023070	Yes	122805	107001
	0100	121	003070	023070	107001	0000	0575	0698	103.62			Correct TRMS Charges for Exp Org 023070	Yes	123795	10701.T6658
	0100	121	003070	023070	107001	0000	0575	2000	25.12			Correct TRMS Charges for Exp Org 023070	Yes	123795	L6658.LABOR
	0110	121	015870	023070	107001	0000	0575	5200	63.40			Correct TRMS Charges for Exp Org 023070	Yes	125028	LT0110.TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	36.37			Correct TRMS Charges for Exp Org 023070	Yes	125677	10701.T054
	0110	121	015870	023070	107001	0000	0575	5200	78.07			Correct TRMS Charges for Exp Org 023070	Yes	125996	LT0089.TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	208.00			Correct TRMS Charges for Exp Org 023070	Yes	127080	I-GRE-OPGW-2010
	0100	121	002990	023070	107001	0000	0575	2000	20.97			Correct TRMS Charges for Exp Org 023070	Yes	127135	345KV-SUPPORT
	0110	121	015870	023070	107001	0000	0575	5200	14.42			Correct TRMS Charges for Exp Org 023070	Yes	127500	LT0110.TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	7.91			Correct TRMS Charges for Exp Org 023070	Yes	127512	T061.I
	0110	121	015870	023070	107001	0000	0575	5200	27.45			Correct TRMS Charges for Exp Org 023070	Yes	127556	LT119.TLLAB
	0110	121	015870	023070	107001	0000	0575	5350	70.71			Correct TRMS Charges for Exp Org 023070	Yes	127556	LT157.TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	8.06			Correct TRMS Charges for Exp Org 023070	Yes	130619	INSTALL.T0171
	0100	121	003060	023070	107001	0000	0575	0500	26.88			Correct TRMS Charges for Exp Org 023070	Yes	130898	INVEST
	0110	121	015870	023070	107001	0000	0575	5200	7.15			Correct TRMS Charges for Exp Org 023070	Yes	131144	I-T061-TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	9.77			Correct TRMS Charges for Exp Org 023070	Yes	131259	LT024.TLLAB

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Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015870	023070	107001	0000	0575	5200	94.80			Correct TRMS Charges for Exp Org 023070	Yes	131259	INSTALL.T024
	0110	121	015870	023070	107001	0000	0575	5200	38.13			Correct TRMS Charges for Exp Org 023070	Yes	131273	T061.I
	0110	121	015870	023070	107001	0000	0575	5200	52.43			Correct TRMS Charges for Exp Org 023070	Yes	131273	I-T061-TLLAB
	0110	121	015870	023070	107001	0000	0575	5200	58.62			Correct TRMS Charges for Exp Org 023070	Yes	K5-2010	FORSTCRKJAD.I
	0110	121	015870	023070	107001	0000	0575	5200	13.82			Correct TRMS Charges for Exp Org 023070	Yes	K6-2011	DOTIKLI
	0110	121	015870	023070	107001	0000	0575	5200	3.81			Correct TRMS Charges for Exp Org 023070	Yes	K7-2011	HIGBYTOWER.I
	0110	121	015870	023070	107001	0000	0575	5200	10.49			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEB28STAN-SOM.I
	0110	121	015870	023070	107001	0000	0575	5200	4.77			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	MAR02MORG-WA
	0110	121	015870	023070	107001	0000	0575	5200	20.00			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	AUG05CRAB-BRO
	0110	121	015870	023070	107001	0000	0575	5200	5.24			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEB24MUHLCOTA
	0110	121	015870	023070	107001	0000	0575	5200	20.00			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	BRNCT-BARD.I
	0110	121	015870	023070	107001	0000	0575	5200	17.68			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	RICH-STR23.I
	0110	121	015870	023070	107001	0000	0575	5200	6.51			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	PAR-MILL395.I
	0110	121	015870	023070	108901	0000	0575	5200	31.46			Correct TRMS Charges for Exp Org 023070	Yes	131273	R-T061-TLLAB
	0110	121	015830	023070	108901	0000	0575	5200	66.94			Correct TRMS Charges for Exp Org 023070	Yes	127260	CDH.R
	0110	121	015870	023070	108901	0000	0575	5200	55.54			Correct TRMS Charges for Exp Org 023070	Yes	127080	R-GRE-OPGW-2010
	0110	121	015870	023070	108901	0000	0575	5200	3.34			Correct TRMS Charges for Exp Org 023070	Yes	131273	T061.R
	0110	121	015870	023070	108901	0000	0575	5200	16.68			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	PNV-RBOPGW.R
	0110	121	015870	023070	108901	0000	0575	5200	0.95			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	DIXLANC80-88.R
	0110	121	015870	023070	108901	0000	0575	5200	11.44			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	CRABORCHARDSV
	0110	121	015870	023070	108901	0000	0575	5200	20.50			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB22ROCK-CAW
	0110	121	015870	023070	108901	0000	0575	5200	1.91			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	MAR04MILL-MUR
	0110	121	015870	023070	108901	0000	0575	5200	1.43			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	MAR07ROSE-CAN
	0110	121	015870	023070	108901	0000	0575	5200	38.61			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	SEP03HAR-POCK.F
	0110	121	015870	023070	108901	0000	0575	5200	8.84			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	STR164LAN-DIX.R
	0110	121	015870	023070	108901	0000	0575	5200	7.15			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB10SPAD-CLIN.I
	0110	121	015870	023070	108901	0000	0575	5200	12.87			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	FEB21-KDAM-LIV
	0110	121	015870	023070	108901	0000	0575	5200	3.26			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	JAN13EFRK-WFRK
	0110	121	015870	023070	108901	0000	0575	5200	0.93			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	STR120-122T133.R
	0100	121	003070	023070	108901	0000	0575	2000	2.86			Correct TRMS Charges for Exp Org 023070	Yes	L9-2010	JUN25423-815.R
	0110	121	015870	023070	108901	0000	0575	5200	3.26			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	PAR-MILL395.R
	0110	121	015870	023070	108901	0000	0575	5200	10.88			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	DTS-GHT-WLEX.R
	0110	121	015870	023070	108901	0000	0575	5350	38.61			Correct TRMS Charges for Exp Org 023070	Yes	127556	R.T157.TLLAB
	0110	121	015830	023070	108901	0000	0575	5200	23.83			Correct TRMS Charges for Exp Org 023070	Yes	127260	MONROE.R
	0110	121	015870	023070	108901	0000	0575	5200	8.84			Correct TRMS Charges for Exp Org 023070	Yes	K5-2010	FORSTCRKJAD.R
	0110	121	015870	023070	108901	0000	0575	5200	9.77			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	RICH-STR23.R
	0110	121	015870	023070	108901	0000	0575	5200	4.19			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	BRNCT-BARD.R
	0110	121	015870	023070	108901	0000	0575	5200	9.06			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEB24MUHLCOTA
	0110	121	015870	023070	108901	0000	0575	5200	1.43			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEB24KYDAMSPA
	0110	121	015870	023070	108901	0000	0575	5200	4.77			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEB24KYDAMSPA
	0110	121	015870	023070	108901	0000	0575	5200	3.26			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	HORSECV611-799

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			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	121	015870	023070	108901	0000	0575	5200	17.68			Correct TRMS Charges for Exp Org 023070	Yes	K9-2010	RKYBR-HRLN-REI
	0110	121	015870	023070	108901	0000	0575	5200	11.17			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	AUG05CRAB-BRO
	0110	121	015870	023070	108901	0000	0575	5200	12.87			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	HC-ET.R
	0110	121	015870	023070	108901	0000	0575	5200	1.86			Correct TRMS Charges for Exp Org 023070	Yes	K9-2011	A-TY-STR28.R
	0110	121	015870	023070	108901	0000	0575	5200	1.43			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	MAR02MORG-WA
	0110	121	015870	023070	108901	0000	0575	5200	3.34			Correct TRMS Charges for Exp Org 023070	Yes	K8-2011	FEBSTAN-SOM.R
	0110	303	015870	023070	143022	0000	0575	0000	36.75			Correct TRMS Charges for Exp Org 023070	Yes	124415	EET 12-2-10
	0100	303	004040	023070	184602	0000	0575	0699	16.75			Correct TRMS Charges for Exp Org 023070	Yes	ENCOH404	LE-RELIA
	0110	303	018830	023070	184605	0000	0575	5200	48.96			Correct TRMS Charges for Exp Org 023070	Yes	117688	TRAINING
	0110	303	018830	023070	184605	0000	0575	5200	4,382.39			Correct TRMS Charges for Exp Org 023070	Yes	117688	COH1
	0100	303	008830	023070	184605	0000	0575	0420	862.69			Correct TRMS Charges for Exp Org 023070	Yes	117687	COH
	0100	303	008830	023070	184605	0000	0575	0420	23.26			Correct TRMS Charges for Exp Org 023070	Yes	117685	COH1
	0110	303	015870	023070	184605	0000	0575	5200	13.82			Correct TRMS Charges for Exp Org 023070	Yes	TRNG587	T1
	0100	303	008830	023070	184605	0000	0575	0420	1.43			Correct TRMS Charges for Exp Org 023070	Yes	117687	TRAINING
	0100	303	003600	023070	186049	0000	0575	0000	1.91			Correct TRMS Charges for Exp Org 023070	Yes	119856	10-BILLTWN_UPG
	0110	121	015870	023070	560900	0000	0575	0000	188.53			Correct TRMS Charges for Exp Org 023070	Yes	015870	I-LABOR
	0100	121	003070	023070	560900	0000	0575	0000	74.76			Correct TRMS Charges for Exp Org 023070	Yes	03070	I-LABOR
	0110	121	015980	023070	561601	0000	0575	5190	29.99			Correct TRMS Charges for Exp Org 023070	Yes	126013	2010-020
	0110	121	015980	023070	561601	0000	0575	5190	9.88			Correct TRMS Charges for Exp Org 023070	Yes	126013	2010-019
	0110	121	015980	023070	561601	0000	0575	5190	30.82			Correct TRMS Charges for Exp Org 023070	Yes	126013	2010-023
	0110	121	015980	023070	561601	0000	0575	5190	24.79			Correct TRMS Charges for Exp Org 023070	Yes	126013	2010-024
	0110	121	015870	023070	563100	0000	0575	0000	184.77			Correct TRMS Charges for Exp Org 023070	Yes	KAP	56301
	0110	121	015870	023070	563100	0000	0575	0000	18.59			Correct TRMS Charges for Exp Org 023070	Yes	015870	56301
	0100	121	003070	023070	563100	0000	0575	2999	138.64			Correct TRMS Charges for Exp Org 023070	Yes	LAP	56301
	0110	121	015870	023070	571100	0000	0575	0000	38.13			Correct TRMS Charges for Exp Org 023070	Yes	KCI	57120
	0110	121	015870	023070	571100	0000	0575	0000	31.38			Correct TRMS Charges for Exp Org 023070	Yes	STORMSK	BUDGET
	0100	121	003070	023070	571100	0000	0575	0000	126.51			Correct TRMS Charges for Exp Org 023070	Yes	LROW	56301
	0100	121	003070	023070	571100	0000	0575	2999	70.83			Correct TRMS Charges for Exp Org 023070	Yes	LROW	57102
	0110	121	015870	023070	571100	0000	0575	0000	134.26			Correct TRMS Charges for Exp Org 023070	Yes	KROW	56301
	0110	121	015870	023070	571100	0000	0575	0000	394.21			Correct TRMS Charges for Exp Org 023070	Yes	KROW	57102
	0110	105	018995	025430	921902	0000	0575	0000		229.80		Correct TRMS Charges for Exp Org 025430	Yes	118395	NON LABOR I
	0110	303	015930	025530	184308	0000	0575	0000		509.12		Correct TRMS Charges for Exp Org 025530	Yes	X00002593	LOANERS
	0110	105	018890	025555	921002	0000	0575	0000	258.00			Correct TRMS Charges for Exp Org 025555	Yes	117576	MILEAGE
	0110	122	018810	025710	580100	0000	0575	0000	531.48			Correct TRMS Charges for Exp Org 025710	Yes	117665	LABOR
	0100	122	008810	025710	580100	0000	0575	0000	512.29			Correct TRMS Charges for Exp Org 025710	Yes	117692	LABORE
	0100	131	008810	025710	880100	0000	0575	0000	401.82			Correct TRMS Charges for Exp Org 025710	Yes	117692	LABORG
	0110	105	018840	025710	925004	0000	0575	0000	74.88			Correct TRMS Charges for Exp Org 025710	Yes	117522	EXPENSE

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	141	008840	025710	925004	0000	0575	0000	74.89			Correct TRMS Charges for Exp Org 025710	Yes	117521	EXPENSE
	0110	105	018910	026610	921002	0000	0575	0000		61.62		Correct TRMS Charges for Exp Org 026610	Yes	119479	TRMS ALLOC
	0110	122	013040	026630	107001	0000	0575	5100	0.64			Correct TRMS Charges for Exp Org 026630	Yes	126534	107001D429
	0110	111	018825	026630	107001	0000	0575	5591	2.36			Correct TRMS Charges for Exp Org 026630	Yes	126639	107001
	0100	111	008825	026630	107001	0000	0575	0242	1.41			Correct TRMS Charges for Exp Org 026630	Yes	126653	107001
	0100	141	008910	026630	107001	0000	0575	0902	6.52			Correct TRMS Charges for Exp Org 026630	Yes	130034	107001
	0100	141	008910	026630	107001	0000	0575	0902	0.40			Correct TRMS Charges for Exp Org 026630	Yes	130173	107001
	0110	105	018910	026630	107001	0000	0575	0902	0.40			Correct TRMS Charges for Exp Org 026630	Yes	130174	107001
	0110	122	013040	026630	107001	0000	0575	5100	4.40			Correct TRMS Charges for Exp Org 026630	Yes	130673	107001RTUSCADA
	0100	141	008910	026630	107001	0000	0575	0902	0.72			Correct TRMS Charges for Exp Org 026630	Yes	132041	107001
	0110	105	018910	026630	107001	0000	0575	0902	0.78			Correct TRMS Charges for Exp Org 026630	Yes	132042	107001
	0100	141	008910	026630	107001	0000	0575	0902	0.72			Correct TRMS Charges for Exp Org 026630	Yes	132198	107001
	0110	105	015110	026630	107001	0000	0575	5190	2.29			Correct TRMS Charges for Exp Org 026630	Yes	132440	IT
	0004	000	009910	026630	107001	0000	0575	0000	1.94			Correct TRMS Charges for Exp Org 026630	Yes	CAP125388	107001
	0004	000	009910	026630	107001	0000	0575	0000	0.06			Correct TRMS Charges for Exp Org 026630	Yes	CAP132041	107001
	0110	111	015730	026630	107001	0000	0575	5630	1.26			Correct TRMS Charges for Exp Org 026630	Yes	120210	PROJENG
	0100	111	002020	026630	107001	0000	0575	0161	3.29			Correct TRMS Charges for Exp Org 026630	Yes	121620	COMM TOWER
	0110	111	015730	026630	107001	0000	0575	5623	10.54			Correct TRMS Charges for Exp Org 026630	Yes	123557	PROJENG
	0100	111	002140	026630	107001	0000	0575	0432	1.63			Correct TRMS Charges for Exp Org 026630	Yes	124410	6137060
	0100	141	008910	026630	107001	0000	0575	0901	5.61			Correct TRMS Charges for Exp Org 026630	Yes	125388	107001
	0110	105	018910	026630	107001	0000	0575	0901	5.61			Correct TRMS Charges for Exp Org 026630	Yes	125436	107001
	0100	141	008910	026630	107001	0000	0575	0901	1.06			Correct TRMS Charges for Exp Org 026630	Yes	125445	107001
	0110	105	018910	026630	107001	0000	0575	0901	1.06			Correct TRMS Charges for Exp Org 026630	Yes	125460	107001
	0100	141	008995	026630	107001	0000	0575	0901	0.35			Correct TRMS Charges for Exp Org 026630	Yes	125643	CAPITAL
	0110	105	018995	026630	107001	0000	0575	0901	5.34			Correct TRMS Charges for Exp Org 026630	Yes	125644	CAPITAL
	0100	141	004390	026630	107001	0000	0575	0902	7.19			Correct TRMS Charges for Exp Org 026630	Yes	126386	GEN
	0100	122	003160	026630	107001	0000	0575	0698	0.95			Correct TRMS Charges for Exp Org 026630	Yes	126466	JT-01017310
	0100	121	003020	026630	566900	0000	0575	0500	7.06			Correct TRMS Charges for Exp Org 026630	Yes	125155	SIMP FIRE
	0110	121	016900	026630	566900	0000	0575	5150	10.61			Correct TRMS Charges for Exp Org 026630	Yes	125156	SIMP FIRE
	0100	131	004500	026630	875100	0000	0575	0000	0.72			Correct TRMS Charges for Exp Org 026630	Yes	100922	OER
	0004	000	009910	026630	935391	0000	0575	0000	4.64			Correct TRMS Charges for Exp Org 026630	Yes	CAP119017	SNA DN I
	0004	000	009910	026630	935391	0000	0575	0000	0.57			Correct TRMS Charges for Exp Org 026630	Yes	CAP119017	DPS-LABOR I
	0110	105	018910	026630	935391	0000	0575	0000	6.74			Correct TRMS Charges for Exp Org 026630	Yes	119479	CELLP-LABOR I
	0110	105	018910	026630	935391	0000	0575	0000	105.55			Correct TRMS Charges for Exp Org 026630	Yes	119479	SNAT-LABOR I
	0110	105	018910	026630	935391	0000	0575	0000	6.44			Correct TRMS Charges for Exp Org 026630	Yes	119479	LMR-LABOR I
	0110	105	018910	026630	935391	0000	0575	0000	53.64			Correct TRMS Charges for Exp Org 026630	Yes	119479	SNA DN I
	0100	141	008910	026630	935391	0000	0575	0000	6.74			Correct TRMS Charges for Exp Org 026630	Yes	119017	CELLP-LABOR I
	0100	141	008910	026630	935391	0000	0575	0000	105.98			Correct TRMS Charges for Exp Org 026630	Yes	119017	SNAT-LABOR I
	0100	141	008910	026630	935391	0000	0575	0000	6.44			Correct TRMS Charges for Exp Org 026630	Yes	119017	LMR-LABOR I

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 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
				List - Text					Value	Value	Value	Text	Text	Text	Text
	0100	141	008910	026630	935391	0000	0575	0000	55.12			Correct TRMS Charges for Exp Org 026630	Yes	119017	DPS-LABOR I
	0100	141	008910	026630	935391	0000	0575	0000	52.27			Correct TRMS Charges for Exp Org 026630	Yes	119017	SNA DN I
	0004	000	009910	026630	935391	0000	0575	0000	2.56			Correct TRMS Charges for Exp Org 026630	Yes	CAP119017	SNAT-LABOR I
	0110	105	018910	026630	935391	0000	0575	0000	55.72			Correct TRMS Charges for Exp Org 026630	Yes	119479	DPS-LABOR I
	0004	000	009910	026630	935488	0000	0575	0000	0.06			Correct TRMS Charges for Exp Org 026630	Yes	CAP119023	INTERNET SUPP I
	0110	105	018910	026630	935488	0000	0575	0000	2.75			Correct TRMS Charges for Exp Org 026630	Yes	119482	INTERNET SUPP I
	0100	141	008910	026630	935488	0000	0575	0000	1.67			Correct TRMS Charges for Exp Org 026630	Yes	119023	INTERNET SUPP I
	0100	141	004390	026660	107001	0000	0575	0902	35.22			Correct TRMS Charges for Exp Org 026660	Yes	126386	GEN
	0004	000	009910	026660	935391	0000	0575	0000	6.63			Correct TRMS Charges for Exp Org 026660	Yes	CAP119017	SNA DN I
	0110	105	018910	026660	935391	0000	0575	0000	73.67			Correct TRMS Charges for Exp Org 026660	Yes	119479	SNA DN I
	0100	141	008910	026660	935391	0000	0575	0000	70.85			Correct TRMS Charges for Exp Org 026660	Yes	119017	SNA DN I
	0110	105	018910	026660	935488	0000	0575	0000	26.79			Correct TRMS Charges for Exp Org 026660	Yes	119482	INTRANET SUPP I
	0110	105	018910	026660	935488	0000	0575	0000	47.70			Correct TRMS Charges for Exp Org 026660	Yes	119482	MSSQL DB SUPP I
	0110	105	018910	026660	935488	0000	0575	0000	131.12			Correct TRMS Charges for Exp Org 026660	Yes	119482	ORACLE DB SUPP
	0004	000	009910	026660	935488	0000	0575	0000	22.83			Correct TRMS Charges for Exp Org 026660	Yes	CAP119017	ORACLE DB SUPP
	0004	000	009910	026660	935488	0000	0575	0000	4.79			Correct TRMS Charges for Exp Org 026660	Yes	CAP119023	DB2 SUPP I
	0004	000	009910	026660	935488	0000	0575	0000	3.93			Correct TRMS Charges for Exp Org 026660	Yes	CAP119023	INTERNET SUPP I
	0004	000	009910	026660	935488	0000	0575	0000	3.93			Correct TRMS Charges for Exp Org 026660	Yes	CAP119023	INTRANET SUPP I
	0004	000	009910	026660	935488	0000	0575	0000	0.13			Correct TRMS Charges for Exp Org 026660	Yes	CAP119023	MSSQL DB SUPP I
	0004	000	009910	026660	935488	0000	0575	0000	5.46			Correct TRMS Charges for Exp Org 026660	Yes	CAP119023	ORACLE DB SUPP
	0110	105	018910	026660	935488	0000	0575	0000	26.79			Correct TRMS Charges for Exp Org 026660	Yes	119482	INTERNET SUPP I
	0110	105	018910	026660	935488	0000	0575	0000	27.53			Correct TRMS Charges for Exp Org 026660	Yes	119482	WINDOWS SUPP I
	0110	105	018910	026660	935488	0000	0575	0000	4.79			Correct TRMS Charges for Exp Org 026660	Yes	119482	IMS SUPP I
	0110	105	018910	026660	935488	0000	0575	0000	2.83			Correct TRMS Charges for Exp Org 026660	Yes	119479	PRINT MGMT I
	0100	141	008910	026660	935488	0000	0575	0000	131.13			Correct TRMS Charges for Exp Org 026660	Yes	119023	ORACLE DB SUPP
	0110	105	018910	026660	935488	0000	0575	0000	2.83			Correct TRMS Charges for Exp Org 026660	Yes	119479	CSS I
	0110	105	018910	026660	935488	0000	0575	0000	96.25			Correct TRMS Charges for Exp Org 026660	Yes	119479	OFMS I
	0110	105	018910	026660	935488	0000	0575	0000	111.58			Correct TRMS Charges for Exp Org 026660	Yes	119479	CCS I
	0110	105	018910	026660	935488	0000	0575	0000	5.75			Correct TRMS Charges for Exp Org 026660	Yes	119479	CRM I
	0100	141	008910	026660	935488	0000	0575	0000	111.58			Correct TRMS Charges for Exp Org 026660	Yes	119017	CCS I
	0100	141	008910	026660	935488	0000	0575	0000	5.75			Correct TRMS Charges for Exp Org 026660	Yes	119017	CRM I
	0100	141	008910	026660	935488	0000	0575	0000	2.83			Correct TRMS Charges for Exp Org 026660	Yes	119017	CSS I
	0100	141	008910	026660	935488	0000	0575	0000	88.53			Correct TRMS Charges for Exp Org 026660	Yes	119017	OFMS I
	0100	141	008910	026660	935488	0000	0575	0000	2.83			Correct TRMS Charges for Exp Org 026660	Yes	119017	PRINT MGMT I
	0100	141	008910	026660	935488	0000	0575	0000	44.46			Correct TRMS Charges for Exp Org 026660	Yes	119023	MSSQL DB SUPP I
	0100	141	008910	026660	935488	0000	0575	0000	26.73			Correct TRMS Charges for Exp Org 026660	Yes	119023	INTRANET SUPP I
	0100	141	008910	026660	935488	0000	0575	0000	26.73			Correct TRMS Charges for Exp Org 026660	Yes	119023	INTERNET SUPP I
	0100	141	008910	026660	935488	0000	0575	0000	27.53			Correct TRMS Charges for Exp Org 026660	Yes	119023	WINDOWS SUPP I
	0100	141	008910	026660	935488	0000	0575	0000	4.78			Correct TRMS Charges for Exp Org 026660	Yes	119023	DB2 SUPP I

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0110	105	018950	026850	426491	0000	0575	0000	23.29			Correct TRMS Charges for Exp Org 026850	Yes	119276	LABOR-I
	0100	141	008950	026850	426491	0000	0575	0000	14.97			Correct TRMS Charges for Exp Org 026850	Yes	119279	LABOR-I
	0110	105	018950	026850	426491	0000	0575	0000	144.82			Correct TRMS Charges for Exp Org 026850	Yes	119278	LABOR-I
	0100	141	008950	026850	426491	0000	0575	0000	92.83			Correct TRMS Charges for Exp Org 026850	Yes	119277	LABOR OFF-I
	0100	141	008950	026850	426491	0000	0575	0000	23.29			Correct TRMS Charges for Exp Org 026850	Yes	119277	LABOR-I
	0110	105	018950	026850	426491	0000	0575	0000	92.84			Correct TRMS Charges for Exp Org 026850	Yes	119276	LABOR OFF-I
	0110	111	015730	029750	107001	0000	0575	5660	0.20			Correct TRMS Charges for Exp Org 029750	Yes	118251	PROJENG
	0110	111	015730	029750	107001	0000	0575	5620	4.07			Correct TRMS Charges for Exp Org 029750	Yes	119961	PROJENG
	0110	111	015730	029750	107001	0000	0575	5658	3.00			Correct TRMS Charges for Exp Org 029750	Yes	119962	PROJENG
	0110	111	015730	029750	107001	0000	0575	5661	0.42			Correct TRMS Charges for Exp Org 029750	Yes	120208	AE
	0110	111	015730	029750	107001	0000	0575	5661	47.42			Correct TRMS Charges for Exp Org 029750	Yes	120208	PROJENG
	0110	111	015730	029750	107001	0000	0575	5657	11.76			Correct TRMS Charges for Exp Org 029750	Yes	120209	PROJENG
	0110	111	015730	029750	107001	0000	0575	5630	0.13			Correct TRMS Charges for Exp Org 029750	Yes	120210	AE
	0110	111	015730	029750	107001	0000	0575	5630	37.04			Correct TRMS Charges for Exp Org 029750	Yes	120210	PROJENG
	0100	111	002020	029750	107001	0000	0575	0161	4.90			Correct TRMS Charges for Exp Org 029750	Yes	121620	PROJENG
	0110	111	015795	029750	107001	0000	0575	0321	0.11			Correct TRMS Charges for Exp Org 029750	Yes	121682	AE
	0110	111	015795	029750	107001	0000	0575	0321	10.95			Correct TRMS Charges for Exp Org 029750	Yes	121682	PE
	0110	111	015795	029750	107001	0000	0575	0321	10.87			Correct TRMS Charges for Exp Org 029750	Yes	121682	PROJENG
	0100	111	002990	029750	107001	0000	0575	0321	0.04			Correct TRMS Charges for Exp Org 029750	Yes	121683	AE
	0100	111	002990	029750	107001	0000	0575	0321	6.29			Correct TRMS Charges for Exp Org 029750	Yes	121683	PE
	0100	111	002990	029750	107001	0000	0575	0321	13.15			Correct TRMS Charges for Exp Org 029750	Yes	121683	PROJENG
	0100	111	002990	029750	107001	0000	0575	0321	0.06			Correct TRMS Charges for Exp Org 029750	Yes	121684	AE
	0100	111	002990	029750	107001	0000	0575	0321	5.42			Correct TRMS Charges for Exp Org 029750	Yes	121684	PROJENG
	0110	111	015795	029750	107001	0000	0575	0321	0.25			Correct TRMS Charges for Exp Org 029750	Yes	121685	AE
	0110	111	015795	029750	107001	0000	0575	0321	33.73			Correct TRMS Charges for Exp Org 029750	Yes	121685	PROJENG
	0110	111	015730	029750	107001	0000	0575	5657	26.22			Correct TRMS Charges for Exp Org 029750	Yes	122609	PROJENG
	0110	111	015730	029750	107001	0000	0575	5623	0.29			Correct TRMS Charges for Exp Org 029750	Yes	123557	AE
	0110	111	015730	029750	107001	0000	0575	5623	54.00			Correct TRMS Charges for Exp Org 029750	Yes	123557	PROJENG
	0110	111	015730	029750	107001	0000	0575	5623	0.66			Correct TRMS Charges for Exp Org 029750	Yes	123557	SO3MITIGATION
	0100	111	002401	029750	107001	0000	0575	0231	2.75			Correct TRMS Charges for Exp Org 029750	Yes	123946	6098889
	0100	111	002401	029750	107001	0000	0575	0231	1.54			Correct TRMS Charges for Exp Org 029750	Yes	124060	5986389
	0110	111	015730	029750	107001	0000	0575	5620	0.13			Correct TRMS Charges for Exp Org 029750	Yes	125101	AE
	0110	111	015730	029750	107001	0000	0575	5620	19.99			Correct TRMS Charges for Exp Org 029750	Yes	125101	PROJENG
	0100	141	008910	029750	107001	0000	0575	0902	0.53			Correct TRMS Charges for Exp Org 029750	Yes	125348	107001
	0110	105	018910	029750	107001	0000	0575	0902	0.58			Correct TRMS Charges for Exp Org 029750	Yes	125534	107001
	0100	111	002401	029750	107001	0000	0575	0231	0.46			Correct TRMS Charges for Exp Org 029750	Yes	126143	6130358
	0100	141	005540	029750	107001	0000	0575	0811	4.14			Correct TRMS Charges for Exp Org 029750	Yes	126620	ESC GENERATOR
	0100	141	005540	029750	107001	0000	0575	0812	3.16			Correct TRMS Charges for Exp Org 029750	Yes	126620	SSC GENERATOR
	0100	111	002020	029750	107001	0000	0575	0451	8.53			Correct TRMS Charges for Exp Org 029750	Yes	127092	PROJENG
	0110	111	015795	029750	107001	0000	0575	0321	1.87			Correct TRMS Charges for Exp Org 029750	Yes	127134	PE



Template Type: Functional Journal  
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 Set of Books: LGE ENERGY LLC  
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Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
			List - Text						Value	Value	Value	Text	Text	Text	Text
	0100	111	002990	029750	107001	0000	0575	0321	1.94			Correct TRMS Charges for Exp Org 029750	Yes	127135	PE
	0100	111	002990	029750	107001	0000	0575	0321	3.55			Correct TRMS Charges for Exp Org 029750	Yes	127136	PROJENG
	0110	111	015795	029750	107001	0000	0575	0321	1.61			Correct TRMS Charges for Exp Org 029750	Yes	127137	PROJENG
	0100	111	002020	029750	107001	0000	0575	0451	4.67			Correct TRMS Charges for Exp Org 029750	Yes	127205	PROJENG
	0100	111	002020	029750	107001	0000	0575	0172	5.33			Correct TRMS Charges for Exp Org 029750	Yes	127559	PROJENG
	0110	111	015730	029750	107001	0000	0575	0172	5.13			Correct TRMS Charges for Exp Org 029750	Yes	127560	PROJENG
	0100	111	002401	029750	107001	0000	0575	0231	1.76			Correct TRMS Charges for Exp Org 029750	Yes	127641	6144909
	0100	111	002020	029750	107001	0000	0575	0242	0.31			Correct TRMS Charges for Exp Org 029750	Yes	130478	AE
	0100	111	002020	029750	107001	0000	0575	0242	25.44			Correct TRMS Charges for Exp Org 029750	Yes	130478	PROJENG
	0100	111	002020	029750	107001	0000	0575	0241	0.15			Correct TRMS Charges for Exp Org 029750	Yes	130892	PROJENG
	0110	111	015730	029750	107001	0000	0575	5651	1.25			Correct TRMS Charges for Exp Org 029750	Yes	130905	PROJENG
	0110	111	015730	029750	107001	0000	0575	5652	1.25			Correct TRMS Charges for Exp Org 029750	Yes	130906	PROJENG
	0110	111	015730	029750	107001	0000	0575	5653	1.25			Correct TRMS Charges for Exp Org 029750	Yes	130907	PROJENG
	0110	111	015730	029750	107001	0000	0575	5654	1.25			Correct TRMS Charges for Exp Org 029750	Yes	130909	PROJENG
	0100	111	002020	029750	107001	0000	0575	0211	0.40			Correct TRMS Charges for Exp Org 029750	Yes	131693	MC1
	0100	111	002020	029750	107001	0000	0575	0221	0.40			Correct TRMS Charges for Exp Org 029750	Yes	131693	MC2
	0100	111	002020	029750	107001	0000	0575	0231	0.40			Correct TRMS Charges for Exp Org 029750	Yes	131693	MC3
	0100	111	002020	029750	107001	0000	0575	0241	0.40			Correct TRMS Charges for Exp Org 029750	Yes	131693	MC4
	0100	111	002020	029750	107001	0000	0575	0201	7.23			Correct TRMS Charges for Exp Org 029750	Yes	131693	PROJENG
	0110	111	015730	029750	107001	0000	0575	5591	8.32			Correct TRMS Charges for Exp Org 029750	Yes	131694	PROJENG
	0110	121	015920	029750	107001	0000	0575	5150	1.27			Correct TRMS Charges for Exp Org 029750	Yes	132213	GENERATOR
	0110	111	015730	029750	107001	0000	0575	5623	2.49			Correct TRMS Charges for Exp Org 029750	Yes	132371	PROJENG
	0100	105	015110	029750	107001	0000	0575	5190	0.46			Correct TRMS Charges for Exp Org 029750	Yes	132440	PROJ MGMT
	0100	141	005550	029750	107001	0000	0575	0906	0.09			Correct TRMS Charges for Exp Org 029750	Yes	132587	PROJ MGMT
	0100	111	002990	029750	107001	0000	0575	0321	0.22			Correct TRMS Charges for Exp Org 029750	Yes	117149	AE
	0100	111	002990	029750	107001	0000	0575	0321	20.38			Correct TRMS Charges for Exp Org 029750	Yes	117149	PROJENG
	0110	111	015795	029750	107001	0000	0575	0321	0.83			Correct TRMS Charges for Exp Org 029750	Yes	117150	AE
	0110	111	015795	029750	107001	0000	0575	0321	68.54			Correct TRMS Charges for Exp Org 029750	Yes	117150	PROJENG
	0110	111	018827	029750	500900	0000	0575	5591	5.22			Correct TRMS Charges for Exp Org 029750	Yes	118164	PELABOR
	0100	111	008827	029750	500900	0000	0575	0401	2.90			Correct TRMS Charges for Exp Org 029750	Yes	118169	PPL SOURCE L
	0100	111	008827	029750	500900	0000	0575	0401	0.44			Correct TRMS Charges for Exp Org 029750	Yes	118169	TRAINING1
	0100	111	008827	029750	500900	0000	0575	0401	5.96			Correct TRMS Charges for Exp Org 029750	Yes	118169	PELABOR
	0110	111	018827	029750	500900	0000	0575	5591	1.48			Correct TRMS Charges for Exp Org 029750	Yes	118164	ENVIRON COMPL
	0110	111	018827	029750	500900	0000	0575	5591	6.48			Correct TRMS Charges for Exp Org 029750	Yes	118164	PPL SOURCE L
	0110	111	018827	029750	500900	0000	0575	5591	2.95			Correct TRMS Charges for Exp Org 029750	Yes	118164	TRAINING1
	0100	111	008827	029750	500900	0000	0575	0401	1.48			Correct TRMS Charges for Exp Org 029750	Yes	118169	ENVIRON COMPL
	0100	111	002480	029750	506100	0000	0575	0201	8.04			Correct TRMS Charges for Exp Org 029750	Yes	MCMMAINT	EDGLABOR
	0100	111	002401	029750	512100	0000	0575	0231	0.53			Correct TRMS Charges for Exp Org 029750	Yes	MC3S11PB	6183357
	0100	111	002401	029750	513100	0000	0575	0231	0.15			Correct TRMS Charges for Exp Org 029750	Yes	MC3S11TUR	6183438
	0100	121	008827	029750	560900	0000	0575	0401	7.99			Correct TRMS Charges for Exp Org 029750	Yes	118169	LABOR1
	0110	121	018827	029750	560900	0000	0575	5591	5.48			Correct TRMS Charges for Exp Org 029750	Yes	118164	LABOR1

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: OFMSPROD

Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>31-Oct-11</b>
Group ID	Value: <b>8386</b>
Batch Name	Text: <b>TAB</b>
Journal Name	Text: <b>J201-0110-1011</b>
Journal Description	Text: <b>Correct Inter-Departmental TRMS Allocations</b>

Upl	COMPANY	PRODUCT	ORGANIZATI ON	EXPENDITUR E ORG	ACCOUNT	INTERCOMPAN Y	EXPENDITURE TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
	0110	111	018820	029760	921902	0000	0575	5591	747.76			Correct TRMS Charges for Exp Org 029760	Yes	117609	I-NON-LABOR
	0004	000	009910	026774	107001	0000	0575	0000	1.79			Correct TRMS Charges for Exp Org 026774	Yes	CAP132041	107001
	0100	141	008910	026774	107001	0000	0575	0902	50.69			Correct TRMS Charges for Exp Org 026774	Yes	132041	107001
	0110	105	018910	026774	107001	0000	0575	0901	48.00			Correct TRMS Charges for Exp Org 026774	Yes	125489	107001
	0004	000	009910	026774	935488	0000	0575	0000	40.87			Correct TRMS Charges for Exp Org 026774	Yes	CAP119017	DO SUPP ANALYS
	0100	141	008910	026774	935488	0000	0575	0000	446.56			Correct TRMS Charges for Exp Org 026774	Yes	119017	DO SUPP ANALYS
	0110	105	018910	026774	935488	0000	0575	0000	452.28			Correct TRMS Charges for Exp Org 026774	Yes	119479	DO SUPP ANALYS
									<b>431,025.36</b>	<b>431,025.36</b>	<b>0.00</b>				

Description: Correct inter-departmental TRMS allocations for January 2011 and March 2011 that were incorrect due to incorrect percentages applied in TRMS import costs program.

Prepared By: Tom Bush 11/02/11 Approved By: \_\_\_\_\_ Posted By: \_\_\_\_\_

Upload/concurrent ID: 25180959 Posted/Concurrent ID: \_\_\_\_\_



\*1221-0110-0511\*

Balance Type **Actual**  
 Database **DBORA91.OFMSPROD**  
 Set of Books **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>5/1/2011</b>
<b>Group ID</b>	Number <b>26211</b>
<b>Batch Name</b>	Text <b>DRB</b>
<b>Journal Name</b>	Text <b>J221-0110-0511</b>
<b>Journal Description</b>	Text <b>Correct allocation for TC2 addition to cancelled policy</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text
<b>Clearing Company</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
					* List - Text				* Number	* Number	Text	Number	List - Text
	0110	105	015590	015590	924100	0000	0696	0000		53,231.26	Correct allocation for TC2 addition		Yes.119651.119651K
	0110	303	015590	015590	165001	0000	0696	0000	106,462.50		Correct allocation for TC2 addition		Yes.PPY015590.16503
	0100	703	006250	006250	165001	0000	0696	0000		106,462.50	Correct allocation for TC2 addition		Yes.114211.ALL RISK FIRE
	0100	113	006250	006250	924100	0000	0696	0000	53,231.26		Correct allocation for TC2 addition		Yes.102655.102655K
<b>Totals:</b>									159,693.76	159,693.76		0	

Description: Refund received in March 2011 should have posted to prepaid insurance to offset portion of balance in account related to this refund that was on an amortization schedule.

Prepared By: Delcia Boyd 8/14/2012

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: 24151835

Posted/Concurrent ID: \_\_\_\_\_

Reverse: \_\_\_\_\_

Reverse Post: \_\_\_\_\_

Reupload: \_\_\_\_\_

Repost: \_\_\_\_\_

**Louisville Gas and Electric Company**  
**Case No. 2012-00222**  
**Out-of-Period Adjustments**

GL Period Entered	Account	Date adjustment pertaining to	Increase/ (Decrease)				Journal Entry/Change in Distribution	Description	
			Amount	Revenue Requirement	Electric Revenue	Electric Gas			
11-May	165100	Feb-11	(17,743.75)	-	-	-	J221-0110-0511	Reclass refund from expense; Correct allocation of prepaid insurance for TC2 addition	
11-May	165100	Mar-11	(17,743.75)	-	-	-	J221-0110-0511	Reclass refund from expense; Correct allocation of prepaid insurance for TC2 addition	
11-May	165100	Apr-11	(17,743.75)	-	-	-	J221-0110-0511	Reclass refund from expense; Correct allocation of prepaid insurance for TC2 addition	
			<u>(53,231.25)</u>	<u>-</u>	<u>-</u>	<u>-</u>			
11-May	924100	Feb-11	17,743.75	(17,743.75)	-	(14,195.00)	(3,548.75)	J221-0110-0511	Reclass refund from expense; Correct allocation of prepaid insurance for TC2 addition
11-May	924100	Mar-11	17,743.75	(17,743.75)	-	(14,195.00)	(3,548.75)	J221-0110-0511	Reclass refund from expense; Correct allocation of prepaid insurance for TC2 addition
11-May	924100	Apr-11	17,743.75	-	-	-	-	J221-0110-0511	Reclass refund from expense; Correct allocation of prepaid insurance for TC2 addition
			<u>53,231.25</u>	<u>(35,487.50)</u>	<u>-</u>	<u>(28,390.00)</u>	<u>(7,097.50)</u>		



\*1222-0110-0511\*

Balance Type **Actual**  
 Database **DBORA91.OFMSPROD**  
 Set of Books **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>5/1/2011</b>
<b>Group ID</b>	Number <b>26211</b>
<b>Batch Name</b>	Text <b>DRB</b>
<b>Journal Name</b>	Text <b>J222-0110-0511</b>
<b>Journal Description</b>	Text <b>Correct allocation for Dix Dam sublimit increase to cancelled policy</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text
<b>Clearing Company</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
					* List - Text				* Number	* Number	Text	Number	List - Text
	0110	105	015590	015590	924100	0000	0696	0000		15,439.68	Correct allocation for Dix Dam sublimit increase		Yes.119651.119651K
	0110	303	015590	015590	165001	0000	0696	0000	30,879.32		Correct allocation for Dix Dam sublimit increase		Yes.PPY015590.16503
	0100	703	006250	006250	165001	0000	0696	0000		30,879.32	Correct allocation for Dix Dam sublimit increase		Yes.114211.ALL RISK FIRE
	0100	113	006250	006250	924100	0000	0696	0000	15,439.68		Correct allocation for Dix Dam sublimit increase		Yes.102655.102655K
<b>Totals:</b>									46,319.00	46,319.00		0	

Description: Payment processed February 2011 allocated incorrectly for prepaid insurance.

Prepared By: Delcia Boyd 8/14/2012

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: 24152023

Posted/Concurrent ID: \_\_\_\_\_

Reverse: \_\_\_\_\_

Reverse Post: \_\_\_\_\_

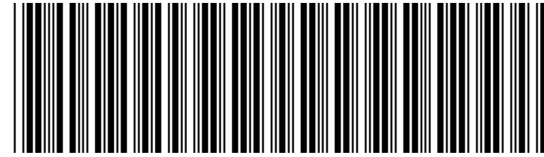
Reupload: \_\_\_\_\_

Repost: \_\_\_\_\_

**Louisville Gas and Electric Company  
Case No. 2012-00222  
Out-of-Period Adjustments**

GL Period Entered	Account	Date adjustment pertaining to	Increase/ (Decrease)		Electric Revenue	Electric	Gas	Journal Entry/Change in Distribution	Description
			Amount	Revenue Requirement					
11-May	165100	Feb-11	(5,146.56)	-	-	-	-	J222-0110-0511	Correct allocation for Dix Dam sublimit increase
11-May	165100	Mar-11	(5,146.56)	-	-	-	-	J222-0110-0511	Correct allocation for Dix Dam sublimit increase
11-May	165100	Apr-11	(5,146.56)	-	-	-	-	J222-0110-0511	Correct allocation for Dix Dam sublimit increase
			<u>(15,439.68)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		
11-May	924100	Feb-11	5,146.56	(5,146.56)	-	(4,117.25)	(1,029.31)	J222-0110-0511	Correct allocation for Dix Dam sublimit increase
11-May	924100	Mar-11	5,146.56	(5,146.56)	-	(4,117.25)	(1,029.31)	J222-0110-0511	Correct allocation for Dix Dam sublimit increase
11-May	924100	Apr-11	5,146.56	-	-	-	-	J222-0110-0511	Correct allocation for Dix Dam sublimit increase
			<u>15,439.68</u>	<u>(10,293.12)</u>	<u>-</u>	<u>(8,234.50)</u>	<u>(2,058.62)</u>		

Balance Type **Actual**  
 Database **DBORA91.OFMSPROD**  
 Set of Books **LGE ENERGY LLC**



\* J 4 2 9 - 0 1 0 0 - 0 4 1 1 \*

<b>Category</b>	* List - Text <b>Prior Period Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>4/1/2011</b>
<b>Group ID</b>	Number <b>4034</b>
<b>Batch Name</b>	Text <b>PAD-BMR</b>
<b>Journal Name</b>	Text <b>J429-0100-0411</b>
<b>Journal Description</b>	Text <b>To transfer additional remaining 107 charges to O&amp;M per T. Harder</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	111	002030	002030	107001	0000	0375	0161		2,015.00			Yes.124778.6000674
	0100	111	002030	002030	512005	0000	0375	0101	2,015.00				Yes.CRSDRS.FGD EVAL
<b>Totals:</b>									2,015.00	2,015.00		0.00	

Description: To transfer additional remaining 107 charges to O&M per T. Harder. Balance of charges previously cleared out, as capital project was cancelled.

Prepared By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_ Posted/Concurrent ID: \_\_\_\_\_

Balance Type Actual  
 Database DBORA91.OFMSPROD  
 Set of Books LGE ENERGY LLC



<b>Category</b>	* List - Text <b>Prior Period Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>31-May-2011</b>
<b>Group ID</b>	Number <b>5011</b>
<b>Batch Name</b>	Text <b>PAD-DKW</b>
<b>Journal Name</b>	Text <b>J424-0110-0511</b>
<b>Journal Description</b>	Text <b>Correction of IT Training to O&amp;M from Capital</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO * List - Text	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit * Number	Credit * Number	Line Description Text	Stat Amount Number	Line DFF List - Text
	0110	105	018910	026660	107001	0000	0375	0901		4,332.65	Reclass Training from CWIP		Yes.125438.107001
	0110	105	018910	026660	921903	0000	0699	0000	4,332.65		Reclass Training from CWIP		Yes.119483.NON LABOR I
<b>Totals:</b>									4,332.65	4,332.65		0.00	

Description: Reclass of IT Training from Capital to O&M, per Sharon Wright. Training expenses are not valid Capital charges.

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_





\* J 4 3 0 - 0 1 0 0 - 0 7 1 1 \*

Balance Type **Actual**  
 Database **DBORA91.OFMSPROD**  
 Set of Books **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Prior Period Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Jul-2011</b>
<b>Group ID</b>	Number <b>11368</b>
<b>Batch Name</b>	Text <b>PAD-LDC</b>
<b>Journal Name</b>	Text <b>J430-0100-0711</b>
<b>Journal Description</b>	Text <b>Move balances from 126449-Copper INV to 122284-COPPER</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

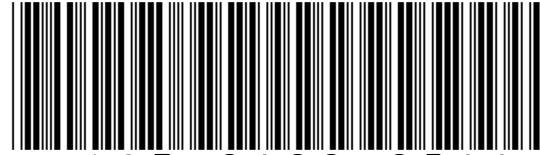
Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
⌘	0100	122	003160	003160	107001	0000	0375	0812		904.43	Transfer between projects		Yes.126449.COPPER INV
⌘	0100	122	003160	003160	107001	0000	0475	0812		337.78	Transfer between projects		Yes.126449.COPPER INV
⌘	0100	122	003130	003130	582100	0000	0375	0000	904.43		Transfer between projects		Yes.122284.COPPER
⌘	0100	122	003130	003130	582100	0000	0475	0000	337.78		Transfer between projects		Yes.122284.COPPER
<b>Totals:</b>									1,242.21	1,242.21		0.00	

Description: Move balances from investmt project 126449-COPPER INV to Opex project 122284-COPPER. There were no capital additions associated with 126449.

Prepared By: \_\_\_\_\_  
 Lynda Clark  
 Upload/concurrent ID: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_  
 Posted/Concurrent ID: \_\_\_\_\_



Balance Type                    **Actual**  
 Database                        **DBORA91.OFMSPROD**  
 Set of Books                    **LGE ENERGY LLC**

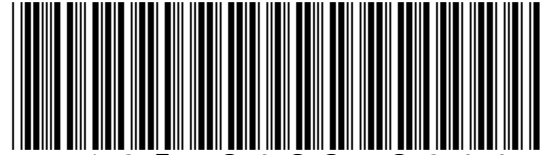
<b>Category</b>	* List - Text <b>Prior Period Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Jul-2011</b>
<b>Group ID</b>	Number <b>10454</b>
<b>Batch Name</b>	Text <b>PAD-PML</b>
<b>Journal Name</b>	Text <b>J423-0100-0711</b>
<b>Journal Description</b>	Text <b>Project 126340-CANMER PUMP</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	131	004480	004480	107001	0000	0475	0721		1,140.16			Yes.126340.CANMER PUMP
	0100	131	004480	004480	818100	0000	0475	0721	1,140.16				Yes.101061.STAOPR
<b>Totals:</b>									1,140.16	1,140.16		0.00	

Description: CANMER PUMP task on project 126340 did not qualify as capital asset. This JE will move CANMER PUMP charges to O&M. Per Janice Porter/Pam McDonald email attached from May. I should have uploaded in May.

Prepared By: Pat Leenerts                    7/18/2011                    Approved By: \_\_\_\_\_                    Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_                    Posted/Concurrent ID: \_\_\_\_\_



Balance Type **Actual**  
 Database **DBORA91.OFMSPROD**  
 Set of Books **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Prior Period Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Sep-2011</b>
<b>Group ID</b>	Number <b>4774</b>
<b>Batch Name</b>	Text <b>PAD-EGC</b>
<b>Journal Name</b>	Text <b>J425-0100-0911</b>
<b>Journal Description</b>	Text <b>Reclass charges to O&amp;M</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	121	003070	003070	571100	0000	0375	0000	4,754.66				Yes.125935.L9
	0100	121	003070	003070	571100	0000	0475	0000	379.09				Yes.125935.L9
	0100	121	003070	003070	571100	0000	0699	0000	1.06				Yes.125935.L9
	0100	121	003070	003070	571100	0000	0375	0000	2,142.11				Yes.125935.L9
	0100	121	003070	003070	571100	0000	0475	0000	104.46				Yes.125935.L9
	0100	121	003070	003070	571100	0000	0699	0000	0.10				Yes.125935.L9
	0100	121	003070	003070	107001	0000	0375	0211		4,754.66			Yes.L9-2010.OCT27-MILUNIT1\I
	0100	121	003070	003070	107001	0000	0375	0211		379.09			Yes.L9-2010.OCT27-MILUNIT1\I
	0100	121	003070	003070	107001	0000	0375	0211		1.06			Yes.L9-2010.OCT27-MILUNIT1\I
	0100	121	003070	003070	107001	0000	0375	0211		2,142.11			Yes.L9-2010.OCT27-MILUNIT1\R
	0100	121	003070	003070	107001	0000	0375	0211		104.46			Yes.L9-2010.OCT27-MILUNIT1\R
	0100	121	003070	003070	107001	0000	0375	0211		0.10			Yes.L9-2010.OCT27-MILUNIT1\R
<b>Totals:</b>									<b>7,381.48</b>	<b>7,381.48</b>		<b>0.00</b>	

Description: To reclass CWIP charges to O&M as per agreed with Robby Trimble. There was no unitizable material charged to these tasks.

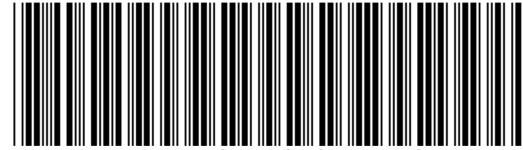
Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_



Balance Type **Actual**  
 Database **DBORA91.OFMSPROD**  
 Set of Books **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Prior Period Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Oct-2011</b>
<b>Group ID</b>	Number <b>11368</b>
<b>Batch Name</b>	Text <b>PAD-LDC</b>
<b>Journal Name</b>	Text <b>J428-0100-1011</b>
<b>Journal Description</b>	Text <b>Transfer charges from capital project 131309 to O&amp;M project 112211</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

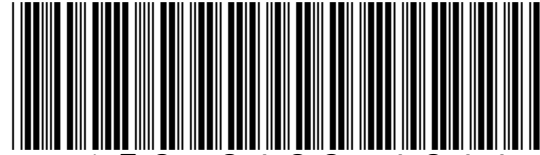
Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	122	003160	003160	107001	0000	0699	0698		602.61	Move non-unitizable charges		Yes.131309.FENCE WORK
	0100	121	003060	003060	570100	0000	0699	0698	602.61		Move non-unitizable charges		Yes.112211.6180645
<b>Totals:</b>									602.61	602.61		0.00	

Description: Transfer charges from project 131309 task FENCE WORK to O&M project 112211 (no capitalizable materials).

Prepared By: \_\_\_\_\_  
 Upload/concurrent ID: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_  
 Posted/Concurrent ID: \_\_\_\_\_



Balance Type                    **Actual**  
 Database                        **DBORA91.OFMSPROD**  
 Set of Books                    **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Prior Period Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Oct-2011</b>
<b>Group ID</b>	Number <b>4774</b>
<b>Batch Name</b>	Text <b>PAD-EGC</b>
<b>Journal Name</b>	Text <b>J430-0100-1011</b>
<b>Journal Description</b>	Text <b>Reclass charges to O&amp;M</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	121	003070	003070	571100	0000	0699	0000		166.64			Yes.125935.L9
	0100	121	003070	003070	107001	0000	0699	2000	166.64				Yes.L9-2011.FEB04-6672\I
<b>Totals:</b>									166.64	166.64		0.00	

Description: To clear PP CR allocations to O&M after all charges had been cleared previously from task.

Prepared By: Edward G. Clark

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_



\* J 4 2 1 - 0 1 0 0 - 1 1 1 1 \*

Balance Type **Actual**  
 Database **DBORA91.OFMSPROD**  
 Set of Books **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Prior Period Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Nov-2011</b>
<b>Group ID</b>	Number <b>11368</b>
<b>Batch Name</b>	Text <b>PAD-LDC</b>
<b>Journal Name</b>	Text <b>J421-0100-1111</b>
<b>Journal Description</b>	Text <b>Move noncapitalizable charges to O&amp;M</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	122	003160	003160	107001	0000	0175	0698		1,133.16	Transfer between projects		Yes.131309.LOCKS
	0100	122	003160	003160	107001	0000	0375	0698		772.32	Transfer between projects		Yes.131309.LOCKS
	0100	122	003160	003160	107001	0000	0575	0698		69.68	Transfer between projects		Yes.131309.LOCKS
	0100	122	003160	003160	107001	0000	0475	0698		987.90	Transfer between projects		Yes.131309.LOCKS
	0100	122	003160	003160	592100	0000	0175	0000	566.58		Transfer between projects		Yes.112183.FACILITY
	0100	122	003160	003160	592100	0000	0375	0000	386.16		Transfer between projects		Yes.112183.FACILITY
	0100	122	003160	003160	592100	0000	0575	0000	34.84		Transfer between projects		Yes.112183.FACILITY
	0100	122	003160	003160	592100	0000	0475	0000	493.95		Transfer between projects		Yes.112183.FACILITY
	0100	121	003060	003060	573100	0000	0175	0500	566.58		Transfer between projects		Yes.112211.TCM FAC
	0100	121	003060	003060	573100	0000	0375	0500	386.16		Transfer between projects		Yes.112211.TCM FAC
	0100	121	003060	003060	573100	0000	0575	0500	34.84		Transfer between projects		Yes.112211.TCM FAC
	0100	121	003060	003060	573100	0000	0475	0500	493.95		Transfer between projects		Yes.112211.TCM FAC
<b>Totals:</b>									2,963.06	2,963.06		0.00	

Description: Move noncapitalizable charges related to lock purchases on project 131309-LOCKS to O&M projects.

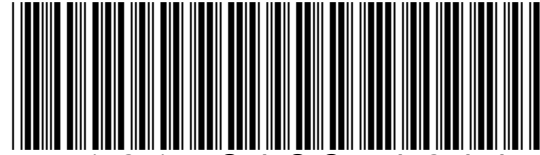
Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_



Balance Type                    **Actual**  
 Database                        **DBORA91.OFMSPROD**  
 Set of Books                    **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Prior Period Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Dec-2011</b>
<b>Group ID</b>	Number <b>4774</b>
<b>Batch Name</b>	Text <b>PAD-EGC</b>
<b>Journal Name</b>	Text <b>J424-0100-1211</b>
<b>Journal Description</b>	Text <b>Transfer balance to O&amp;M</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	121	003070	003070	571100	0000	0699	0000	1.86				Yes.125935.L9
	0100	121	003070	003070	107001	0000	0699	2000		1.86			Yes.L9-2011.FEB04-6672\I
<b>Totals:</b>									1.86	1.86		0.00	

Description: This entry to clear remaining balance on task to O&M as per Robby Trimble. Balance was a result of PP CR allocation.

Prepared By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_ Posted/Concurrent ID: \_\_\_\_\_

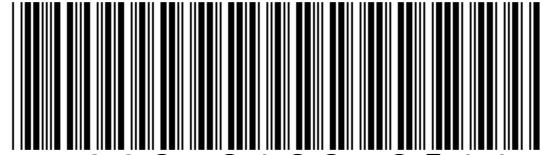
## Louisville Gas and Electric Company

Case No. 2012-00222

## Out-of-Period Adjustments

GL Period Entered	Account	Date adjustment pertaining to	Amount	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas	Journal Entry/Change in Distribution	Description
Dec-11	107001	Feb-11	(677.08)	-	-	-	-	J424-0100-1211	Reclassify from Capital to O&M
Dec-11	107001	Mar-11	843.72	-	-	-	-	J424-0100-1211	Reclassify from O&M to Capital
Dec-11	107001	Oct-11	(154.59)	-	-	-	-	J424-0100-1211	Reclassify from Capital to O&M
Dec-11	107001	Nov-11	(13.91)	-	-	-	-	J424-0100-1211	Reclassify from Capital to O&M
			(1.86)	-	-	-	-		
Dec-11	571100	Feb-11	677.08	(677.08)	-	(677.08)	-	J424-0100-1211	Reclassify from Capital to O&M
Dec-11	571100	Mar-11	(843.72)	843.72	-	843.72	-	J424-0100-1211	Reclassify from O&M to Capital
Dec-11	571100	Oct-11	154.59	-	-	-	-	J424-0100-1211	Reclassify from Capital to O&M
Dec-11	571100	Nov-11	13.91	-	-	-	-	J424-0100-1211	Reclassify from Capital to O&M
			1.86	166.64	-	166.64	-		





Balance Type                    **Actual**  
 Database                        **DBORA91.OFMSPROD**  
 Set of Books                    **LGE ENERGY LLC**

\* J 2 2 0 - 0 1 0 0 - 0 7 1 1 \*

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Jul-2011</b>
<b>Group ID</b>	Number <b>26368</b>
<b>Batch Name</b>	Text <b>JLS</b>
<b>Journal Name</b>	Text <b>J220-0100-0711</b>
<b>Journal Description</b>	Text <b>To move gas charges to correct task</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	122	001295	004210	408105	0000	0175	0000		42.41			
	0100	122	001295	004220	408105	0000	0175	0000		34.75			
	0100	122	001295	004280	408105	0000	0175	0000		9.79			
	0100	122	001295	004470	408105	0000	0175	0000		0.03			
	0100	122	001295	004485	408105	0000	0175	0000		6.61			
	0100	122	001295	004510	408105	0000	0175	0000		37.66			
	0100	131	001295	004190	408105	0000	0175	2299	7.79				
	0100	131	001295	004210	408105	0000	0175	2299	42.41				
	0100	131	001295	004220	408105	0000	0175	2299	34.75				
	0100	131	001295	004280	408105	0000	0175	2299	9.79				
	0100	131	001295	004470	408105	0000	0175	2299	0.03				
	0100	131	001295	004485	408105	0000	0175	2299	6.61				
	0100	131	001295	004510	408105	0000	0175	2299	37.66				
	0100	122	001295	004190	408106	0000	0175	0000		859.19			
	0100	122	001295	004210	408106	0000	0175	0000		4,624.19			
	0100	122	001295	004220	408106	0000	0175	0000		3,820.66			
	0100	122	001295	004280	408106	0000	0175	0000		1,057.29			
	0100	122	001295	004470	408106	0000	0175	0000		3.53			
	0100	122	001295	004485	408106	0000	0175	0000		719.25			
	0100	122	001295	004510	408106	0000	0175	0000		4,059.27			
	0100	131	001295	004190	408106	0000	0175	2299	859.19				
	0100	131	001295	004210	408106	0000	0175	2299	4,624.19				
	0100	131	001295	004220	408106	0000	0175	2299	3,820.66				
	0100	131	001295	004280	408106	0000	0175	2299	1,057.29				
	0100	131	001295	004470	408106	0000	0175	2299	3.53				
	0100	131	001295	004485	408106	0000	0175	2299	719.25				
	0100	131	001295	004510	408106	0000	0175	2299	4,059.27				
	0100	122	001295	004190	408107	0000	0175	0000		11.09			
	0100	122	001295	004210	408107	0000	0175	0000		60.67			
	0100	122	001295	004220	408107	0000	0175	0000		49.84			
	0100	122	001295	004280	408107	0000	0175	0000		14.05			
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	0100	122	001295	004485	408107	0000	0175	0000		9.44			
	0100	122	001295	004510	408107	0000	0175	0000		53.54			
	0100	131	001295	004190	408107	0000	0175	2299	11.09				
	0100	131	001295	004210	408107	0000	0175	2299	60.67				
	0100	131	001295	004220	408107	0000	0175	2299	49.84				
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	0100	131	001295	004470	408107	0000	0175	2299	0.05				
	0100	131	001295	004485	408107	0000	0175	2299	9.44				
	0100	131	001295	004510	408107	0000	0175	2299	53.54				
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Yes.122637.DISTRIBUTION

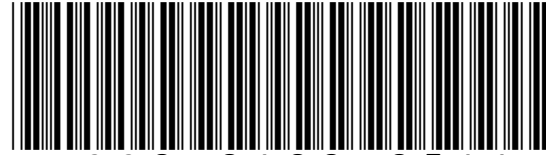


Balance Type Actual  
 Database DBORA91.OFMSPROD  
 Set of Books LGE ENERGY LLC

Category	* List - Text Adjustment
Source	* List - Text Spreadsheet
Currency	* List - Text USD
Accounting Date	* List - Date 1-Jul-2011
Group ID	Number 26368
Batch Name	Text JLS
Journal Name	Text J220-0100-0711
Journal Description	Text To move gas charges to correct task
Reverse Journal	List - Text
Reversal Period	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	122	001295	004190	586100	0000	0375	0000		7,206.28			Yes.122637.DISTRIBUTION
	0100	122	001295	004190	586100	0000	0575	0000		2,732.10			Yes.122637.DISTRIBUTION
	0100	122	001295	004210	586100	0000	0175	0000		55,360.11			Yes.122637.DISTRIBUTION
	0100	122	001295	004210	586100	0000	0699	0000		42.00			Yes.122637.DISTRIBUTION
	0100	122	001295	004210	586100	0000	0575	0000		16,336.34			Yes.122637.DISTRIBUTION
	0100	122	001295	004220	586100	0000	0175	0000		47,843.06			Yes.122637.DISTRIBUTION
	0100	122	001295	004220	586100	0000	0575	0000		20,009.23			Yes.122637.DISTRIBUTION
	0100	122	001295	004280	586100	0000	0175	0000		13,536.27			Yes.122637.DISTRIBUTION
	0100	122	001295	004280	586100	0000	0575	0000		3,203.36			Yes.122637.DISTRIBUTION
	0100	122	001295	004470	586100	0000	0175	0000		40.24			Yes.122637.DISTRIBUTION
	0100	122	001295	004470	586100	0000	0575	0000		2.03			Yes.122637.DISTRIBUTION
	0100	122	001295	004485	586100	0000	0175	0000		8,990.40			Yes.122637.DISTRIBUTION
	0100	122	001295	004485	586100	0000	0575	0000		2,997.48			Yes.122637.DISTRIBUTION
	0100	122	001295	004510	586100	0000	0175	0000		49,614.36			Yes.122637.DISTRIBUTION
	0100	122	001295	004510	586100	0000	0699	0000		96.00			Yes.122637.DISTRIBUTION
	0100	122	001295	004510	586100	0000	0575	0000		9,220.61			Yes.122637.DISTRIBUTION
	0100	131	001295	004190	878100	0000	0175	2299	10,680.69				Yes.122637.GAS
	0100	131	001295	004190	878100	0000	0375	2299	7,206.28				Yes.122637.GAS
	0100	131	001295	004190	878100	0000	0575	2299	2,732.10				Yes.122637.GAS
	0100	131	001295	004210	878100	0000	0175	2299	55,360.11				Yes.122637.GAS
	0100	131	001295	004210	878100	0000	0699	2299	42.00				Yes.122637.GAS
	0100	131	001295	004210	878100	0000	0575	2299	16,336.34				Yes.122637.GAS
	0100	131	001295	004220	878100	0000	0175	2299	47,843.06				Yes.122637.GAS
	0100	131	001295	004220	878100	0000	0575	2299	20,009.23				Yes.122637.GAS
	0100	131	001295	004280	878100	0000	0175	2299	13,536.27				Yes.122637.GAS
	0100	131	001295	004280	878100	0000	0575	2299	3,203.36				Yes.122637.GAS
	0100	131	001295	004470	878100	0000	0175	2299	40.24				Yes.122637.GAS
	0100	131	001295	004470	878100	0000	0575	2299	2.03				Yes.122637.GAS
	0100	131	001295	004485	878100	0000	0175	2299	8,990.40				Yes.122637.GAS
	0100	131	001295	004485	878100	0000	0575	2299	2,997.48				Yes.122637.GAS
	0100	131	001295	004510	878100	0000	0175	2299	49,614.36				Yes.122637.GAS
	0100	131	001295	004510	878100	0000	0699	2299	96.00				Yes.122637.GAS
	0100	131	001295	004510	878100	0000	0575	2299	9,220.61				Yes.122637.GAS
	0100	122	001295	004190	925002	0000	0175	0000		120.10			
	0100	122	001295	004210	925002	0000	0175	0000		483.45			
	0100	122	001295	004220	925002	0000	0175	0000		559.51			
	0100	122	001295	004280	925002	0000	0175	0000		137.22			
	0100	122	001295	004470	925002	0000	0175	0000		0.47			
	0100	122	001295	004485	925002	0000	0175	0000		104.59			
	0100	122	001295	004510	925002	0000	0175	0000		492.80			
	0100	131	001295	004190	925002	0000	0175	2299	120.10				
	0100	131	001295	004210	925002	0000	0175	2299	483.45				
	0100	131	001295	004220	925002	0000	0175	2299	559.51				

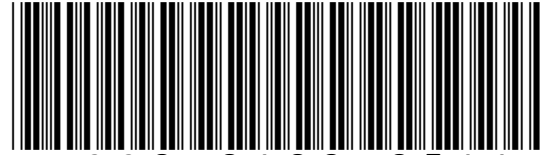
Balance Type Actual  
 Database DBORA91.OFMSPROD  
 Set of Books LGE ENERGY LLC



\* J 2 2 0 - 0 1 0 0 - 0 7 1 1 \*

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Jul-2011</b>
<b>Group ID</b>	Number <b>26368</b>
<b>Batch Name</b>	Text <b>JLS</b>
<b>Journal Name</b>	Text <b>J220-0100-0711</b>
<b>Journal Description</b>	Text <b>To move gas charges to correct task</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	131	001295	004280	925002	0000	0175	2299	137.22				
	0100	131	001295	004470	925002	0000	0175	2299	0.47				
	0100	131	001295	004485	925002	0000	0175	2299	104.59				
	0100	131	001295	004510	925002	0000	0175	2299	492.80				
	0100	122	001295	004190	926002	0000	0175	0000		41.21			
	0100	122	001295	004210	926002	0000	0175	0000		166.59			
	0100	122	001295	004220	926002	0000	0175	0000		192.27			
	0100	122	001295	004280	926002	0000	0175	0000		50.15			
	0100	122	001295	004470	926002	0000	0175	0000		0.17			
	0100	122	001295	004485	926002	0000	0175	0000		36.03			
	0100	122	001295	004510	926002	0000	0175	0000		169.98			
	0100	131	001295	004190	926002	0000	0175	2299	41.21				
	0100	131	001295	004210	926002	0000	0175	2299	166.59				
	0100	131	001295	004220	926002	0000	0175	2299	192.27				
	0100	131	001295	004280	926002	0000	0175	2299	50.15				
	0100	131	001295	004470	926002	0000	0175	2299	0.17				
	0100	131	001295	004485	926002	0000	0175	2299	36.03				
	0100	131	001295	004510	926002	0000	0175	2299	169.98				
	0100	122	001295	004190	926003	0000	0175	0000		1,171.25			
	0100	122	001295	004210	926003	0000	0175	0000		4,678.03			
	0100	122	001295	004220	926003	0000	0175	0000		5,448.08			
	0100	122	001295	004280	926003	0000	0175	0000		1,370.17			
	0100	122	001295	004470	926003	0000	0175	0000		4.63			
	0100	122	001295	004485	926003	0000	0175	0000		1,011.98			
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	0100	131	001295	004190	926003	0000	0175	2299	1,171.25				
	0100	131	001295	004210	926003	0000	0175	2299	4,678.03				
	0100	131	001295	004220	926003	0000	0175	2299	5,448.08				
	0100	131	001295	004280	926003	0000	0175	2299	1,370.17				
	0100	131	001295	004470	926003	0000	0175	2299	4.63				
	0100	131	001295	004485	926003	0000	0175	2299	1,011.98				
	0100	131	001295	004510	926003	0000	0175	2299	4,747.94				
	0100	122	001295	004190	926004	0000	0175	0000		69.48			
	0100	122	001295	004210	926004	0000	0175	0000		280.14			
	0100	122	001295	004220	926004	0000	0175	0000		323.94			
	0100	122	001295	004280	926004	0000	0175	0000		81.34			
	0100	122	001295	004470	926004	0000	0175	0000		0.27			
	0100	122	001295	004485	926004	0000	0175	0000		60.61			
	0100	122	001295	004510	926004	0000	0175	0000		285.53			
	0100	131	001295	004190	926004	0000	0175	2299	69.48				
	0100	131	001295	004210	926004	0000	0175	2299	280.14				
	0100	131	001295	004220	926004	0000	0175	2299	323.94				
	0100	131	001295	004280	926004	0000	0175	2299	81.34				



\* J 2 2 0 - 0 1 0 0 - 0 7 1 1 \*

Balance Type

Actual

Database

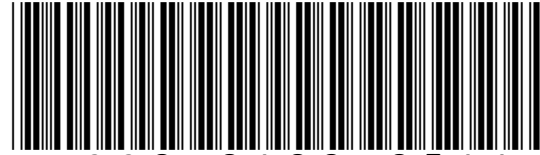
DBORA91.OFMSPROD

Set of Books

LGE ENERGY LLC

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Jul-2011</b>
<b>Group ID</b>	Number <b>26368</b>
<b>Batch Name</b>	Text <b>JLS</b>
<b>Journal Name</b>	Text <b>J220-0100-0711</b>
<b>Journal Description</b>	Text <b>To move gas charges to correct task</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	131	001295	004470	926004	0000	0175	2299	0.27				
	0100	131	001295	004485	926004	0000	0175	2299	60.61				
	0100	131	001295	004510	926004	0000	0175	2299	285.53				
	0100	122	001295	004190	926005	0000	0175	0000		52.78			
	0100	122	001295	004210	926005	0000	0175	0000		194.79			
	0100	122	001295	004220	926005	0000	0175	0000		237.68			
	0100	122	001295	004280	926005	0000	0175	0000		58.85			
	0100	122	001295	004470	926005	0000	0175	0000		0.08			
	0100	122	001295	004485	926005	0000	0175	0000		42.59			
	0100	122	001295	004510	926005	0000	0175	0000		199.78			
	0100	131	001295	004190	926005	0000	0175	2299	52.78				
	0100	131	001295	004210	926005	0000	0175	2299	194.79				
	0100	131	001295	004220	926005	0000	0175	2299	237.68				
	0100	131	001295	004280	926005	0000	0175	2299	58.85				
	0100	131	001295	004470	926005	0000	0175	2299	0.08				
	0100	131	001295	004485	926005	0000	0175	2299	42.59				
	0100	131	001295	004510	926005	0000	0175	2299	199.78				
	0100	122	001295	004190	586100	0000	0175	0000		139.64			Yes.122637.DISTRIBUTION
	0100	122	001295	004210	586100	0000	0175	0000		528.21			Yes.122637.DISTRIBUTION
	0100	122	001295	004220	586100	0000	0175	0000		641.25			Yes.122637.DISTRIBUTION
	0100	122	001295	004280	586100	0000	0175	0000		158.48			Yes.122637.DISTRIBUTION
	0100	122	001295	004470	586100	0000	0175	0000		0.56			Yes.122637.DISTRIBUTION
	0100	122	001295	004485	586100	0000	0175	0000		114.30			Yes.122637.DISTRIBUTION
	0100	122	001295	004510	586100	0000	0175	0000		522.94			Yes.122637.DISTRIBUTION
	0100	131	001295	004190	878100	0000	0175	2299	139.64				Yes.122637.GAS
	0100	131	001295	004210	878100	0000	0175	2299	528.21				Yes.122637.GAS
	0100	131	001295	004220	878100	0000	0175	2299	641.25				Yes.122637.GAS
	0100	131	001295	004280	878100	0000	0175	2299	158.48				Yes.122637.GAS
	0100	131	001295	004470	878100	0000	0175	2299	0.56				Yes.122637.GAS
	0100	131	001295	004485	878100	0000	0175	2299	114.30				Yes.122637.GAS
	0100	131	001295	004510	878100	0000	0175	2299	522.94				Yes.122637.GAS
	0100	122	001295	004190	926101	0000	0175	0000		2,469.80			
	0100	122	001295	004190	926101	0000	0175	0000	26.84				
	0100	122	001295	004210	926101	0000	0175	0000		10,197.37			
	0100	122	001295	004210	926101	0000	0175	0000	61.90				
	0100	122	001295	004220	926101	0000	0175	0000		11,592.06			
	0100	122	001295	004220	926101	0000	0175	0000	64.84				
	0100	122	001295	004280	926101	0000	0175	0000		2,946.27			
	0100	122	001295	004280	926101	0000	0175	0000	15.19				
	0100	122	001295	004470	926101	0000	0175	0000		11.97			
	0100	122	001295	004485	926101	0000	0175	0000		2,192.02			
	0100	122	001295	004485	926101	0000	0175	0000	7.30				
	0100	122	001295	004510	926101	0000	0175	0000		10,359.37			

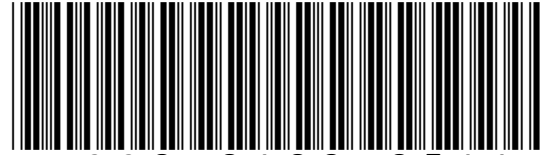


\* J 2 2 0 - 0 1 0 0 - 0 7 1 1 \*

Balance Type Actual  
 Database DBORA91.OFMSPROD  
 Set of Books LGE ENERGY LLC

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Jul-2011</b>
<b>Group ID</b>	Number <b>26368</b>
<b>Batch Name</b>	Text <b>JLS</b>
<b>Journal Name</b>	Text <b>J220-0100-0711</b>
<b>Journal Description</b>	Text <b>To move gas charges to correct task</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	122	001295	004510	926101	0000	0175	0000	67.73				
	0100	131	001295	004190	926101	0000	0175	2299	2,469.80				
	0100	131	001295	004190	926101	0000	0175	2299		26.84			
	0100	131	001295	004210	926101	0000	0175	2299	10,197.37				
	0100	131	001295	004210	926101	0000	0175	2299		61.90			
	0100	131	001295	004220	926101	0000	0175	2299	11,592.06				
	0100	131	001295	004220	926101	0000	0175	2299		64.84			
	0100	131	001295	004280	926101	0000	0175	2299	2,946.27				
	0100	131	001295	004280	926101	0000	0175	2299		15.19			
	0100	131	001295	004470	926101	0000	0175	2299	11.97				
	0100	131	001295	004485	926101	0000	0175	2299	2,192.02				
	0100	131	001295	004485	926101	0000	0175	2299		7.30			
	0100	131	001295	004510	926101	0000	0175	2299	10,359.37				
	0100	131	001295	004510	926101	0000	0175	2299		67.73			
	0100	122	001295	004190	926102	0000	0175	0000		405.45			
	0100	122	001295	004210	926102	0000	0175	0000		1,635.71			
	0100	122	001295	004220	926102	0000	0175	0000		1,890.62			
	0100	122	001295	004280	926102	0000	0175	0000		477.51			
	0100	122	001295	004470	926102	0000	0175	0000		1.60			
	0100	122	001295	004485	926102	0000	0175	0000		353.84			
	0100	122	001295	004510	926102	0000	0175	0000		1,667.36			
	0100	131	001295	004190	926102	0000	0175	2299	405.45				
	0100	131	001295	004210	926102	0000	0175	2299	1,635.71				
	0100	131	001295	004220	926102	0000	0175	2299	1,890.62				
	0100	131	001295	004280	926102	0000	0175	2299	477.51				
	0100	131	001295	004470	926102	0000	0175	2299	1.60				
	0100	131	001295	004485	926102	0000	0175	2299	353.84				
	0100	131	001295	004510	926102	0000	0175	2299	1,667.36				
	0100	122	001295	004190	926105	0000	0175	0000		77.95			
	0100	122	001295	004210	926105	0000	0175	0000		333.92			
	0100	122	001295	004220	926105	0000	0175	0000		368.47			
	0100	122	001295	004280	926105	0000	0175	0000		87.16			
	0100	122	001295	004470	926105	0000	0175	0000		0.29			
	0100	122	001295	004485	926105	0000	0175	0000		72.28			
	0100	122	001295	004510	926105	0000	0175	0000		350.15			
	0100	131	001295	004190	926105	0000	0175	2299	77.95				
	0100	131	001295	004210	926105	0000	0175	2299	333.92				
	0100	131	001295	004220	926105	0000	0175	2299	368.47				
	0100	131	001295	004280	926105	0000	0175	2299	87.16				
	0100	131	001295	004470	926105	0000	0175	2299	0.29				
	0100	131	001295	004485	926105	0000	0175	2299	72.28				
	0100	131	001295	004510	926105	0000	0175	2299	350.15				
	0100	122	001295	004190	926106	0000	0175	0000		786.32			



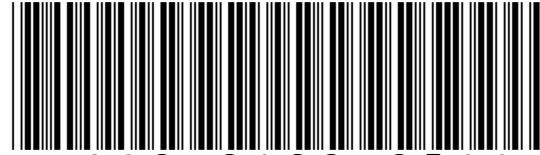
\* J 2 2 0 - 0 1 0 0 - 0 7 1 1 \*

Balance Type Actual  
 Database DBORA91.OFMSPROD  
 Set of Books LGE ENERGY LLC

Category	* List - Text Adjustment
Source	* List - Text Spreadsheet
Currency	* List - Text USD
Accounting Date	* List - Date 1-Jul-2011
Group ID	Number 26368
Batch Name	Text JLS
Journal Name	Text J220-0100-0711
Journal Description	Text To move gas charges to correct task
Reverse Journal	List - Text
Reversal Period	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	122	001295	004190	926106	0000	0175	0000		151.44			
	0100	122	001295	004210	926106	0000	0175	0000		3,431.76			
	0100	122	001295	004210	926106	0000	0175	0000		349.18			
	0100	122	001295	004220	926106	0000	0175	0000		4,005.90			
	0100	122	001295	004220	926106	0000	0175	0000		365.79			
	0100	122	001295	004280	926106	0000	0175	0000		1,015.65			
	0100	122	001295	004280	926106	0000	0175	0000		88.06			
	0100	122	001295	004470	926106	0000	0175	0000		3.69			
	0100	122	001295	004485	926106	0000	0175	0000		776.75			
	0100	122	001295	004485	926106	0000	0175	0000		41.21			
	0100	122	001295	004510	926106	0000	0175	0000		3,472.61			
	0100	122	001295	004510	926106	0000	0175	0000		381.66			
	0100	131	001295	004190	926106	0000	0175	2299	786.32				
	0100	131	001295	004190	926106	0000	0175	2299	151.44				
	0100	131	001295	004210	926106	0000	0175	2299	3,431.76				
	0100	131	001295	004210	926106	0000	0175	2299	349.18				
	0100	131	001295	004220	926106	0000	0175	2299	4,005.90				
	0100	131	001295	004220	926106	0000	0175	2299	365.79				
	0100	131	001295	004280	926106	0000	0175	2299	1,015.65				
	0100	131	001295	004280	926106	0000	0175	2299	88.06				
	0100	131	001295	004470	926106	0000	0175	2299	3.69				
	0100	131	001295	004485	926106	0000	0175	2299	776.75				
	0100	131	001295	004485	926106	0000	0175	2299	41.21				
	0100	131	001295	004510	926106	0000	0175	2299	3,472.61				
	0100	131	001295	004510	926106	0000	0175	2299	381.66				
	0100	122	001295	004190	926116	0000	0175	0000		41.38			
	0100	122	001295	004210	926116	0000	0175	0000		167.21			
	0100	122	001295	004220	926116	0000	0175	0000		193.10			
	0100	122	001295	004280	926116	0000	0175	0000		49.55			
	0100	122	001295	004470	926116	0000	0175	0000		0.17			
	0100	122	001295	004485	926116	0000	0175	0000		36.18			
	0100	122	001295	004510	926116	0000	0175	0000		170.45			
	0100	131	001295	004190	926116	0000	0175	2299	41.38				
	0100	131	001295	004210	926116	0000	0175	2299	167.21				
	0100	131	001295	004220	926116	0000	0175	2299	193.10				
	0100	131	001295	004280	926116	0000	0175	2299	49.55				
	0100	131	001295	004470	926116	0000	0175	2299	0.17				
	0100	131	001295	004485	926116	0000	0175	2299	36.18				
	0100	131	001295	004510	926116	0000	0175	2299	170.45				
	0100	122	001295	004190	408105	0000	0175	0000		7.79			
<b>Totals:</b>									351,634.55	351,634.55		0.00	

Balance Type                    **Actual**  
 Database                        **DBORA91.OFMSPROD**  
 Set of Books                    **LGE ENERGY LLC**



\* J 2 2 0 - 0 1 0 0 - 0 7 1 1 \*

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Jul-2011</b>
<b>Group ID</b>	Number <b>26368</b>
<b>Batch Name</b>	Text <b>JLS</b>
<b>Journal Name</b>	Text <b>J220-0100-0711</b>
<b>Journal Description</b>	Text <b>To move gas charges to correct task</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
* List - Text									* Number	* Number	Text	Number	List - Text

Description: This JE moves GAS charges from the Electric task to the Gas task.

Prepared By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_ Posted/Concurrent ID: \_\_\_\_\_

Louisville Gas and Electric Company  
 Case No. 2012-00222  
 Out-of-Period Adjustments

GL Period Entered	Account	Date adjustment pertaining to	Amount	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas	Journal Entry/Change in Distribution	Description
11-Jul	586100	Jan-11	(35,196.12)	35,196.12	-	35,196.12	-	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	586100	Jan-11	(291.28)	291.28	-	291.28	-	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	586100	Feb-11	(43,096.10)	43,096.10	-	43,096.10	-	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	586100	Feb-11	(384.99)	384.99	-	384.99	-	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	586100	Mar-11	(43,522.55)	43,522.55	-	43,522.55	-	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	586100	Mar-11	(368.55)	368.55	-	368.55	-	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	586100	Apr-11 - Jul-11	(127,156.35)	-	-	-	-	J220-0100-0711	Move gas charges from the electric task to the gas task
			<u>(250,015.94)</u>	<u>122,859.59</u>	-	<u>122,859.59</u>	-		
11-Jul	878100	Jan-11	35,196.12	(35,196.12)	-	-	(35,196.12)	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	878100	Jan-11	291.28	(291.28)	-	-	(291.28)	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	878100	Feb-11	43,096.10	(43,096.10)	-	-	(43,096.10)	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	878100	Feb-11	384.99	(384.99)	-	-	(384.99)	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	878100	Mar-11	43,522.55	(43,522.55)	-	-	(43,522.55)	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	878100	Mar-11	368.55	(368.55)	-	-	(368.55)	J220-0100-0711	Move gas charges from the electric task to the gas task
11-Jul	878100	Apr-11 - Jul-11	127,156.35	-	-	-	-	J220-0100-0711	Move gas charges from the electric task to the gas task
			<u>250,015.94</u>	<u>(122,859.59)</u>	-	-	<u>(122,859.59)</u>		
				<u>-</u>	-	<u>122,859.59</u>	<u>(122,859.59)</u>		





**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Other</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>31-Mar-12</b>
<b>Group ID</b>	Value: <b>10896</b>
<b>Batch Name</b>	Text: <b>JLS</b>
<b>Journal Name</b>	Text: <b>J092-0100-0312</b>
<b>Journal Description</b>	Text: <b>Legal Accrual</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE_ORG	ACCOUNT	INTERCOMPANY	EXPENDITURE_TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
									Value	Value	Value	Text	Text	Text	Text
				List - Text											
	0100	141	006250	006250	925001	0000	0699	0000	19,946.34			RMSC Claims Accrual	Yes	119274	925001
	0100	141	006250	006250	925003	0000	0699	0000	108,344.33			RMSC Claims Accrual	Yes	119274	925003
	0100	703	006250	006250	232001	0000	0699	0000		128,290.67		RMSC Claims Accrual	Yes	102893	ACCRUAL
	0100	141	006250	006250	925100	0000	0699	0000	21,540.00			Loss Contingencies Accrual	Yes	119274	925100
	0100	703	006250	006250	232001	0000	0699	0000		21,540.00		Loss Contingencies Accrual	Yes	102893	ACCRUAL
	0100	121	003010	003010	426301	0000	0670	0000	26,250.00			SERC Penalty Accrual	Yes	124411	SERC COMPLIANCE
	0100	703	006250	006250	232001	0000	0699	0000		26,250.00		SERC Penalty Accrual	Yes	102893	ACCRUAL
									176,080.67	176,080.67					

O Description: To accrue aggregate claims for LGE Auto/General Liability Open Claims, Loss Contingencies from Legal, and SERC Self Report Penalties

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_

**Louisville Gas and Electric Company**  
**Case No. 2012-00222**  
**Out-of-Period Adjustments**

<b>GL Period Entered</b>	<b>Account</b>	<b>Date adjustment pertaining to</b>	<b>Amount</b>	<b>Increase/ (Decrease) Revenue Requirement</b>	<b>Electric Revenue</b>	<b>Electric</b>	<b>Gas</b>	<b>Journal Entry/Change in Distribution</b>	<b>Description</b>
Mar-12	232001	Aug 2005, Oct 2007, Sep 2008, Oct 2008, Feb 2009, May 2010, Aug 2010	(19,946.34)	-	-	-	-	J092-0100-0312	Injuries and Damages
Mar-12	952001	Aug 2005, Oct 2007, Sep 2008, Oct 2008, Feb 2009, May 2010, Aug 2010	5,810.50	(5,810.50)	-	(4,648.40)	(1,162.10)	J092-0100-0312	Injuries and Damages
Mar-12	952001	Aug 2005, Oct 2007, Sep 2008, Oct 2008, Feb 2009, May 2010, Aug 2010	14,135.84	-	-	-	-	J092-0100-0312	Injuries and Damages
				(5,810.50)	-	(4,648.40)	(1,162.10)		
Mar-12	232001	Aug 2005, Oct 2007, Sep 2008, Oct 2008, Feb 2009, May 2010, Aug 2010	(108,344.33)	-	-	-	-	J092-0100-0312	Injuries and Damages
Mar-12	925003	Aug 2005, Oct 2007, Sep 2008, Oct 2008, Feb 2009, May 2010, Aug 2010	23,339.53	(23,339.53)	-	(18,671.62)	(4,667.91)	J224-0100-0811	Injuries and Damages
Mar-12	925003	Aug 2005, Oct 2007, Sep 2008, Oct 2008, Feb 2009, May 2010, Aug 2010	85,004.80	-	-	-	-	J224-0100-0811	Injuries and Damages
				(23,339.53)	-	(18,671.62)	(4,667.91)		
				(29,150.03)	-	(23,320.02)	(5,830.01)		

# CHANGE OF DISTRIBUTION REQUEST FORM

\*\*\*\* If procard transaction, copy of cardholder statement must accompany request \*\*\*\*

Vendor Name: Louisville Metro Air Pollution Control District

Original Invoice Number / Expense

ID Number: LOUMET122110F (Show leading zeros if they exist); see Help worksheet if necessary

PO Number: \_\_\_\_\_

Charges to be Reversed (show amount as negative)						Charges to Target				
Project	Task	Exp Type	Exp Org	Direct - "Raw" Amount (*)		Project	Task	Exp Type	Exp Org	Direct - "Raw" Amount (*)
119643	TITLE V-CR	0630	025650	(413,245.11)		121402	EMISSION FEES	0699	006250	413,245.11
<b>Total</b>				<b>(413,245.11)</b>		<b>Total</b>				<b>413,245.11</b>

\_\_\_\_\_  
Prepared By (Printed)

\_\_\_\_\_  
Preparer's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Approved By (Printed)

\_\_\_\_\_  
Approver's Signature

\_\_\_\_\_  
Date

(\*): Accounting & Amount being reversed should match direct charge of original invoice distribution line.

# CHANGE OF DISTRIBUTION REQUEST FORM

\*\*\*\*\* If procard transaction, copy of cardholder statement must accompany request \*\*\*\*\*

Vendor Name: Louisville Metro Air Pollution Control District

Original Invoice Number / Expense

ID Number: LOUMET122110G (Show leading zeros if they exist); see Help worksheet if necessary

PO Number: \_\_\_\_\_

Charges to be Reversed (show amount as negative)						Charges to Target				
Project	Task	Exp Type	Exp Org	Direct - "Raw" Amount (*)		Project	Task	Exp Type	Exp Org	Direct - "Raw" Amount (*)
119643	TITLE V-MC	0630	025650	(477,204.10)		121402	EMISSION FEES	0699	006250	477,204.10
<b>Total</b>				<b>(477,204.10)</b>		<b>Total</b>				<b>477,204.10</b>

\_\_\_\_\_  
Prepared By (Printed)

\_\_\_\_\_  
Preparer's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Approved By (Printed)

\_\_\_\_\_  
Approver's Signature

\_\_\_\_\_  
Date

(\*): Accounting & Amount being reversed should match direct charge of original invoice distribution line.



**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>4/1/2011</b>
<b>Group ID</b>	Value: <b>26708</b>
<b>Batch Name</b>	Text: <b>MGW</b>
<b>Journal Name</b>	Text: <b>J240-0100-0411</b>
<b>Journal Description</b>	Text: <b>Corr Transmission Accruals (PPA)</b>
<b>Reverse Journal</b>	List - Text: <b>No</b>
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE_ORG	ACCOUNT	INTERCOMPANY	EXPENDITURE_TYPE	LOCATION	Debit	Credit	at Amou	Description	Line DFF Contex	Line DFF 1	Line DFF 2
									Value	Value	Value	Text	Text	Text	Text
					List - Text										
	0100	303	006250	006250	232011	0000	0699	0000		41.46		Reverse MISO Pass-Through charges - Q1 2010	Yes	TSX006250	232MISO00
	0100	121	002950	002950	565006	0000	0695	0000	41.46			Reverse MISO Pass-Through charges - Q1 2010	Yes	TSX002950	565MISO-LGESCH26
	0100	303	006250	006250	232011	0000	0699	0000		41.46		Record MISO Pass-Through charges - Q1 2010	Yes	TSX006250	232MISO00
	0100	121	002950	002950	565006	0000	0695	0000	41.46			Record MISO Pass-Through charges - Q1 2010	Yes	TSX002950	565MISO-LGESCH26
	0100	121	003010	003010	565005	0000	0695	0000			0.02	Record MISO Pass-Through Charges - Nov & Dec 2010	Yes	NL003010	565MISO-LGESCH2
	0100	303	006250	006250	232011	0000	0699	0000	0.02			Record MISO Pass-Through Charges - Nov & Dec 2010	Yes	TSX006250	232MISO00
	0100	121	006250	006250	566100	0000	0695	0000	1,949.37			True-up Hoosier Hold Harmless Accrual Mar 2011	Yes	122833	566HENG
	0100	303	006250	006250	232011	0000	0699	0000		1,949.37		True-up Hoosier Hold Harmless Accrual Mar 2011	Yes	TSX006250	232HOOS00
									2,032.31	2,032.31					

Description: Corr Transmission Accruals (PPA)

Prepared By: Mandy Watkins 4/29/2011 Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_



Template Type:  
 Template Style:  
 Set of Books:  
 Database:

Functional Journal  
 Single Journal Entry  
 LGE ENERGY LLC  
 ofmsprod

<b>Category</b>	List - Text: <b>Accrual</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>4/30/2011</b>
<b>Group ID</b>	Value: <b>26186</b>
<b>Batch Name</b>	Text: <b>SHW</b>
<b>Journal Name</b>	Text: <b>J222-0110-0411</b>
<b>Journal Description</b>	Text: <b>Corr Transmission Payable</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE	ORC	ACCOUNT	ITERCOMP	APKPENDITURE	TYF	LOCATION	Debit	Credit	Amd	Description	DFP Co	Line DFF 1	Line DFF 2
											Value	Value	Value	Text	Text	Text	Text
		0110	121	015830		015830	565005	0000		0695	0000	10,348.52		Transm Purch Exp NL - MISO Energy	Yes	NL015830	565MISO-KUENGY
		0110	303	015590		015590	232011	0000		0699	0000		10,348.52	XM Accts Payable-Adj MISO Energy	Yes	TSX015590	232MISO00
		0100	121	003010		003010	565005	0000		0695	0000	1,610.19		Transm Purch Exp NL - MISO Energy	Yes	NL003010	565MISO-LGEENGY
		0100	121	002950		002950	565006	0000		0695	0000	3.12		Transm Purch Exp OSS MISO Energy	Yes	TSX002950	565MISO-LGEENGY
		0100	303	006250		006250	232011	0000		0699	0000		1,613.31	XM Accts Payable-Adj MISO Energy	Yes	TSX006250	232MISO00
		0100	303	006250		006250	232011	0000		0699	0000		2.42	Corr XM Payable - MISO	Yes	TSX006250	232MISO00
		0110	303	015590		015590	232011	0000		0699	0000	2.42		Corr XM Payable - MISO	Yes	TSX015590	232MISO00
		0100	303	006250		006250	232011	0000		0699	0000		0.01	Corr XM Payable - MISO	Yes	TSX006250	232MISO00
		0110	303	015590		015590	232011	0000		0699	0000	0.01		Corr XM Payable - MISO	Yes	TSX015590	232MISO00
		0110	121	015830		015830	565005	0000		0695	0000		0.17	Corr XM Payable - MISO	Yes	NL015830	565MISO-KUENGY
		0110	303	015590		015590	232011	0000		0699	0000	0.17		Corr XM Payable - MISO	Yes	TSX015590	232MISO00
		0100	121	003010		003010	565005	0000		0695	0000		0.05	Corr XM Payable - MISO	Yes	NL003010	565MISO-LGEENGY
		0100	303	006250		006250	232011	0000		0699	0000	0.05		Corr XM Payable - MISO	Yes	TSX006250	232MISO00
		0100	303	006250		006250	232011	0000		0699	0000	64.24		True up XM Exp - TVA		TSX006250	232TVA00
		0100	121	003010		003010	565005	0000		0695	0000		61.66	True up XM Exp - TVA		NL003010	565TVA-LGEENGY
		0100	121	002950		002950	565002	0000		0695	0000		2.58	True up XM Exp - TVA		TSX002950	565TVA-LGEENGY
		0100	303	006250		006250	232011	0000		0699	0000		0.95	True up XM Exp - TVA		TSX006250	232TVA00
		0100	121	003010		003010	565005	0000		0695	0000	0.56		True up XM Exp - TVA		NL003010	565TVA-LGEENGY
		0100	121	002950		002950	565002	0000		0695	0000	0.39		True up XM Exp - TVA		TSX002950	565TVA-LGEENGY
		0110	121	015830		015830	565005	0000		0695	0000		485.76	True up XM Exp - TVA		NL015830	565TVA-KUENGY
		0110	303	015590		015590	232011	0000		0699	0000	485.76		True up XM Exp - TVA		TSX015590	232TVA00
		0110	121	015830		015830	565005	0000		0695	0000	10.39		True up XM Exp - TVA		NL015830	565TVA-KUENGY
		0110	303	015590		015590	232011	0000		0699	0000		10.39	True up XM Exp - TVA		TSX015590	232TVA00
<b>Totals:</b>											12,525.82	12,525.82					

Description: Corr Transmission Payable

Prepared By: Sherrie H. Whitaker      Approved By: \_\_\_\_\_      Posted By: \_\_\_\_\_  
 Upload/concurrent ID: \_\_\_\_\_      Posted/Concurrent ID: \_\_\_\_\_



**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>4/30/2011</b>
<b>Group ID</b>	Value: <b>26186</b>
<b>Batch Name</b>	Text: <b>SHW</b>
<b>Journal Name</b>	Text: <b>J221-0100-0411</b>
<b>Journal Description</b>	Text: <b>Corr PJM and MISO AR/AP</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE	COUNTER	COMP	EXPENDITURE	LOCATION	Debit Value	Credit Value	Stat Amount Value	Description Text	he DFF Contd Text	Line DFF 1 Text	Line DFF 2 Text
	0110	303	015590	015590	142003	0000	0699	0000		0.09		Correct MISO A/R - KU	Yes	FS015590	142MIS200
	0100	303	006250	006250	142003	0000	0699	0000	0.10			Correct MISO A/R - LGE	Yes	FS006250	142MIS200
	0110	303	015590	015590	232010	0000	0699	0000		0.01		Correct MISO A/P-KU	Yes	PUR015590	232MIS200
	0100	303	006250	006250	142003	0000	0699	0000	2.03			Corr PJM A/R between LGE/KU	Yes	FS006250	142MIS200
	0110	111	015830	015830	557208	0000	0695	0000	0.09			Write off unreconciled balance - PJM A/R Feb 11	Yes	NL015830	557PJM208
	0110	303	015590	015590	142003	0000	0699	0000		2.12		Corr PJM A/R between LGE/KU	Yes	FS015590	142MIS200
	0100	303	006250	006250	142003	0000	0699	0000		1.62		Write unreconciled balance - PJM A/R Jan 11	Yes	FS006250	142PJM00
	0100	111	003010	003010	557208	0000	0695	0000	1.62			Write unreconciled balance - PJM A/R Jan 11	Yes	NL003010	557PJM208
									3.84	3.84					

Description: Corr PJM and MISO AR/AP

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_



**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>5/31/2011</b>
<b>Group ID</b>	Value: <b>26186</b>
<b>Batch Name</b>	Text: <b>SHW</b>
<b>Journal Name</b>	Text: <b>J222-0100-0511</b>
<b>Journal Description</b>	Text: <b>Corr Cost Allocation - PJM Chgs</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	DEBIT	COUNTER	COMP	DEBIT	LOCATION	Debit Value	Credit Value	Stat Amount Value	Description Text	he DFF Contd Text	Line DFF 1 Text	Line DFF 2 Text
	0110	111	015830	015830	557211	0000	0695	0000	713.34			Reclass PJM Oper Reserve chrg from OSS - Feb 11	Yes	NL015830	557PJM211
	0100	111	002950	002950	557212	0000	0695	0000		713.34		Reclass PJM Oper Reserve chrg to NL - Feb 11	Yes	OSS002950	557PJM212
	0100	121	002950	002950	565002	0000	0695	0000		107.65		Reclass PJM XM to NL - Feb 11	Yes	TSX002950	565PJM-LGEOTH
	0100	121	002950	002950	565002	0000	0695	0000		88.34		Reclass PJM Sch 1 to NL - Feb 11	Yes	TSX002950	565PJM-LGESCH1
	0100	121	002950	002950	565002	0000	0695	0000		86.82		Reclass PJM Sch 2 to NL - Feb 11	Yes	TSX002950	565PJM-LGESCH2
	0110	121	015830	015830	565005	0000	0695	0000	107.65			Reclass PJM XM from OSS - Feb 11	Yes	NL015830	565PJM-KUOTH
	0110	121	015830	015830	565005	0000	0695	0000	88.34			Reclass PJM Sch 1 from OSS - Feb 11	Yes	NL015830	565PJM-KUSCH1
	0110	121	015830	015830	565005	0000	0695	0000	86.82			Reclass PJM Sch 2 from OSS - Feb 11	Yes	NL015830	565PJM-KUSCH2
	0110	111	015830	015830	557211	0000	0695	0000	6,712.27			Reclass PJM Oper Reserve chrg from OSS -Mar 11	Yes	NL015830	557PJM211
	0100	111	002950	002950	557212	0000	0695	0000		6,712.27		Reclass PJM Oper Reserve chrg to NL - Mar 11	Yes	OSS002950	557PJM212
	0100	121	002950	002950	565002	0000	0695	0000		4,111.33		Reclass PJM XM to NL - Mar 11	Yes	TSX002950	565PJM-LGEOTH
	0100	121	002950	002950	565002	0000	0695	0000		4,498.19		Reclass PJM Sch 1 to NL - Mar 11	Yes	TSX002950	565PJM-LGESCH1
	0100	121	002950	002950	565002	0000	0695	0000		1,138.39		Reclass PJM Sch 2 to NL - Mar 11	Yes	TSX002950	565PJM-LGESCH2
	0110	121	015830	015830	565005	0000	0695	0000	4,111.33			Reclass PJM XM from OSS - Mar 11	Yes	NL015830	565PJM-KUOTH
	0110	121	015830	015830	565005	0000	0695	0000	4,498.19			Reclass PJM Sch 1 from OSS - Mar 11	Yes	NL015830	565PJM-KUSCH1
	0110	121	015830	015830	565005	0000	0695	0000	1,138.39			Reclass PJM Sch 2 from OSS - Mar 11	Yes	NL015830	565PJM-KUSCH2
	0110	111	015830	015830	557211	0000	0695	0000	42,298.61			Reclass PJM Oper Reserve chrg from OSS - Apr 11	Yes	NL015830	557PJM211
	0100	111	002950	002950	557212	0000	0695	0000		42,298.61		Reclass PJM Oper Reserve chrg to NL - Apr 11	Yes	OSS002950	557PJM212
	0100	121	002950	002950	565002	0000	0695	0000		2,810.20		Reclass PJM XM to NL - Apr 11	Yes	TSX002950	565PJM-LGEOTH
	0100	121	002950	002950	565002	0000	0695	0000		11,604.65		Reclass PJM Sch 1 to NL - Apr 11	Yes	TSX002950	565PJM-LGESCH1
	0100	121	002950	002950	565002	0000	0695	0000		5,769.11		Reclass PJM Sch 2 to NL - Apr 11	Yes	TSX002950	565PJM-LGESCH2
	0110	121	015830	015830	565005	0000	0695	0000	2,810.20			Reclass PJM XM from OSS - Apr 11	Yes	NL015830	565PJM-KUOTH
	0110	121	015830	015830	565005	0000	0695	0000	11,604.65			Reclass PJM Sch 1 from OSS - Apr 11	Yes	NL015830	565PJM-KUSCH1
	0110	121	015830	015830	565005	0000	0695	0000	5,769.11			Reclass PJM Sch 2 from OSS - Apr 11	Yes	NL015830	565PJM-KUSCH2
<b>0</b>									79,938.90	79,938.90					

Description: Corr Cost Allocation - PJM Chgs

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_





**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>8/31/2011</b>
<b>Group ID</b>	Value: <b>26186</b>
<b>Batch Name</b>	Text: <b>SHW</b>
<b>Journal Name</b>	Text: <b>J222-0100-0811</b>
<b>Journal Description</b>	Text: <b>Corr PJM A/P and A/R</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE	COUNTER	COMPONENT	EXPENDITURE	LOCATION	Debit Value	Credit Value	Stat Amount Value	Description Text	he DFF Contd Text	Line DFF 1 Text	Line DFF 2 Text	
Rb	0100	303	006250	006250	232010	0000	0699	0000		59.40		Reverse July Adjustment	Yes	PUR006250	232PJM00	
Rb	0110	303	015590	015590	232010	0000	0699	0000	59.40			Reverse July Adjustment	Yes	PUR015590	232PJM00	
Rb	0110	105	015590	015590	447050	0000	0695	0000		1.85		Reverse July Adjustment	Yes	FS015590	447PJM32	
Rb	0110	303	015590	015590	142003	0000	0699	0000	1.85			Reverse July Adjustment	Yes	FS015590	142PJM00	
Rb	0100	303	006250	006250	142003	0000	0699	0000	59.40			Correct A/R allocation between LG&E and KU	Yes	FS006250	142PJM00	
Rb	0110	303	015590	015590	142003	0000	0699	0000		59.40		Correct A/R allocation between LG&E and KU	Yes	FS015590	142PJM00	
Rb	0100	303	006250	006250	232010	0000	0699	0000	197.63			Reclassify PJM non-energy charges - May	Yes	PUR006250	232PJM00	
Rb	0100	303	006250	006250	232042	0000	0699	0000		197.63		Reclassify PJM non-energy charges - May	Yes	PUR006250	232PJM42	
Rb	0100	303	006250	006250	142003	0000	0699	0000	1,331.52			Correct PJM Energy Payable	Yes	FS006250	142PJM00	
Rb	0100	303	006250	006250	232010	0000	0699	0000		1,331.52		Correct PJM Energy Payable	Yes	PUR006250	232PJM00	
Rb	0110	303	015590	015590	142003	0000	0699	0000	684.83			Correct A/R allocation between LG&E and KU - June	Yes	FS015590	142PJM00	
Rb	0100	303	006250	006250	142003	0000	0699	0000		684.83		Correct A/R allocation between LG&E and KU - June	Yes	FS006250	142PJM00	
Rb	0100	303	006250	006250	232010	0000	0699	0000	1.85			Correct A/P allocation between LG&E and KU	Yes	PUR006250	232PJM00	
Rb	0110	303	015590	015590	232010	0000	0699	0000		1.85		Correct A/P allocation between LG&E and KU	Yes	PUR015590	232PJM00	
Rb	0110	303	015590	015590	232010	0000	0699	0000	1,778.66			Reclassify PJM non-energy charges - May	Yes	PUR015590	232PJM00	
Rb	0110	303	015590	015590	232042	0000	0699	0000		1,778.66		Reclassify PJM non-energy charges - May	Yes	PUR015590	232PJM42	
Rb	0110	303	015590	015590	232010	0000	0699	0000	716.90			Reclassify PJM non-energy charges - June	Yes	PUR015590	232PJM00	
Rb	0110	303	015590	015590	232042	0000	0699	0000		716.90		Reclassify PJM non-energy charges - June	Yes	PUR015590	232PJM42	
Rb	0100	121	002950	002950	565002	0000	0695	0000		30.82		Reverse PJM XM duplicate - Q1 2011	Yes	TSX002950	565PJM-LGEENGY	
Rb	0100	303	006250	006250	232011	0000	0699	0000	30.82			Reverse PJM XM duplicate - Q1 2011	Yes	TSX006250	232PJM00	
Rb	0110	303	015590	015590	232011	0000	0699	0000	0.45			Correct A/P allocation between LG&E and KU	Yes	TSX015590	232PJM00	
Rb	0100	303	006250	006250	232011	0000	0699	0000		0.45		Correct A/P allocation between LG&E and KU	Yes	TSX006250	232PJM00	
<b>0</b>									<b>4,863.31</b>	<b>4,863.31</b>						

Description: Corr PJM A/P and A/R

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_



Template Type:  
 Template Style:  
 Set of Books:  
 Database:

Functional Journal  
 Single Journal Entry  
 LGE ENERGY LLC  
 ofmsprod

<b>Category</b>	List - Text: <b>Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>8/31/2011</b>
<b>Group ID</b>	Value: <b>26186</b>
<b>Batch Name</b>	Text: <b>SHW</b>
<b>Journal Name</b>	Text: <b>J224-0100-0811</b>
<b>Journal Description</b>	Text: <b>Correct Dynegy Transmission Payable</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	PENDITURE	CACOUNTER	COMP	PENDITURE	LOCATION	Debit	Credit	Stat Amount	Description	DFF Con	Line DFF 1	Line DFF 2
									Value	Value	Value	Text	Text	Text	Text
	0100	303	006250	006250	232011	0000	0699	0000	415.58			Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSX006250	232EKPC00
	0100	113	006250	006250	456109	0000	0695	0000		415.58		Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSR006250	456EKPC-LGEDMD
	0100	303	006250	006250	232011	0000	0699	0000	5.70			Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSX006250	232HOOS00
	0100	121	006250	006250	566100	0000	0695	0000		5.70		Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	122833	566HENG
	0100	303	006250	006250	232011	0000	0699	0000	84.40			Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSX006250	232CARG00
	0100	121	006250	006250	456109	0000	0695	0000		84.40		Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSR006250	456CARG-LGEENGY
	0100	303	006250	006250	232011	0000	0699	0000	7,502.03			Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSX006250	232DYN00
	0100	121	006250	006250	456109	0000	0695	0000		7,502.03		Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSR006250	456DYN-LGESCH12
	0110	303	015590	015590	232011	0000	0699	0000	947.87			Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSX015590	232EKPC00
	0110	105	015590	015590	456109	0000	0695	0000		947.87		Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSR015590	456EKPC-KUDMD
	0110	303	015590	015590	232011	0000	0699	0000	12.99			Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSX015590	232HOOS00
	0110	121	015590	015590	566100	0000	0695	0000		12.99		Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	122832	566HENG
	0110	303	015590	015590	232011	0000	0699	0000	192.49			Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSX015590	232CARG00
	0110	121	015590	015590	456109	0000	0695	0000		192.49		Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSR015590	456CARG-KUENGY
	0110	303	015590	015590	232011	0000	0699	0000	17,110.91			Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSX015590	232DYN00
	0110	121	015590	015590	456109	0000	0695	0000		17,110.91		Corr Dynegy Trans. Payable - Schedule 12 Penalty	Yes	TSR015590	456DYN-KUSCH12
									26,271.97	26,271.97					

Description: Correct Dynegy Transmission Payable

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_

**Louisville Gas and Electric Company  
Case No. 2012-00222  
Out-of-Period Adjustments**

GL Period Entered	Account	Date adjustment pertaining to	Amount	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas	Journal Entry/Change in Distribution	Description
11-Aug	232011	Sep-10	415.58	-	-	-	-	J224-0100-0811	Correct Dynegy Transmission Payable - Schedule 12 Penalty
11-Aug	232011	Aug-10	5.70	-	-	-	-	J224-0100-0811	Correct Dynegy Transmission Payable - Schedule 12 Penalty
11-Aug	232011	Oct-10	84.40	-	-	-	-	J224-0100-0811	Correct Dynegy Transmission Payable - Schedule 12 Penalty
11-Aug	232011	Aug-09	7,502.03	-	-	-	-	J224-0100-0811	Correct Dynegy Transmission Payable - Schedule 12 Penalty
			<u>8,007.71</u>	-	-	-	-		
11-Aug	456109	Sep-10	(415.58)	415.58	415.58	-	-	J224-0100-0811	Correct Dynegy Transmission Payable - Schedule 12 Penalty
11-Aug	456109	Oct-10	(84.40)	84.40	84.40	-	-	J224-0100-0811	Correct Dynegy Transmission Payable - Schedule 12 Penalty
11-Aug	456109	Aug-09	(7,502.03)	7,502.03	7,502.03	-	-	J224-0100-0811	Correct Dynegy Transmission Payable - Schedule 12 Penalty
			<u>(8,002.01)</u>	<u>8,002.01</u>	<u>8,002.01</u>	-	-		
11-Aug	566100	Aug-10	(5.70)	5.70	-	5.70	-	J224-0100-0811	Correct Dynegy Transmission Payable - Schedule 12 Penalty
				<u>8,007.71</u>	<u>8,002.01</u>	<u>5.70</u>	<u>0</u>		



Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: ofmsprod

Category	List - Text: <b>Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>5/31/2011</b>
Group ID	Value: <b>26186</b>
Batch Name	Text: <b>SHW</b>
Journal Name	Text: <b>J223-0100-0511</b>
Journal Description	Text: <b>Corr PJM Transmission Payable</b>
Reverse Journal	List - Text:
Reversal Period	List - Text:

Upl	COMPANY	PRODUCT	GANIZATI	PENDITURE	ACOUNTER	COMPANDITURE	LOCATION	Debit	Credit	at Amou	Description	e DFF Con	Line DFF 1	Line DFF 2
								Value	Value	Value	Text	Text	Text	Text
				List - Text										
	0100	121	003010	003010	565005	0000	0695		6.74	6.74	Corr PJM Sch 1 Chg. - 4th Qtr 2010	Yes	NL003010	565PJM-LGESCH1
	0100	303	006250	006250	232011	0000	0699				Corr PJM Sch 1 Chg. - 4th Qtr 2010	Yes	TSX006250	232PJM00
	0100	121	002950	002950	565002	0000	0695			263.41	Rev PJM Q4 Entry recorded in error	Yes	TSX002950	565PJM-LGESCH1
	0100	121	002950	002950	565002	0000	0695	0.02			Rev PJM Q4 Entry recorded in error	Yes	TSX002950	565PJM-LGESCH2
	0100	121	003010	003010	565005	0000	0695			0.04	Rev PJM Q4 Entry recorded in error	Yes	NL003010	565PJM-LGESCH1
	0100	303	006250	006250	232011	0000	0699	263.43			Rev PJM Q4 Entry recorded in error	Yes	TSX006250	232PJM00
	0100	121	002950	002950	565002	0000	0695			248.66	Corr PJM Other charges - 4th Qtr 2010	Yes	TSX002950	565PJM-LGEOETH
	0100	121	002950	002950	565002	0000	0695			66.41	Corr PJM Sch 1 charges - 4th Qtr 2010	Yes	TSX002950	565PJM-LGESCH1
	0100	121	002950	002950	565002	0000	0695	90.12			Corr PJM Sch 2 charges - 4th Qtr 2010	Yes	TSX002950	565PJM-LGESCH2
	0100	303	006250	006250	232011	0000	0699	224.95			Corr PJM XM charges - 4th Qtr 2010	Yes	TSX006250	232PJM00
	0100	121	002950	002950	565002	0000	0695			318.88	Rev PJM DMD chargres recorded in error	Yes	TSX002950	565PJM-LGEDMD
	0100	121	002950	002950	565002	0000	0695	315.21			Corr PJM DMD charges - 4th Qtr 2010	Yes	TSX002950	565PJM-LGEDMD
	0100	303	006250	006250	232011	0000	0699	3.67			Corr PJM XM charges - 4th Qtr 2010	Yes	TSX006250	232PJM00
	0100	121	002950	002950	565002	0000	0695			0.12	Corr PJM Sch 1 charges - 4th Qtr 2010	Yes	TSX002950	565PJM-LGESCH1
	0100	303	006250	006250	232011	0000	0699	0.12			Corr PJM Sch 1 charges - 4th Qtr 2010	Yes	TSX006250	232PJM00
	0100	121	003010	003010	566151	0000	0699	6.09			True-up KMPA Pmt - 2nd Qtr 2010	Yes	NL003010	566151
	0100	303	006250	006250	232011	0000	0699			6.09	True-up KMPA Pmt - 2nd Qtr 2010	Yes	TSX006250	232KMPA00
	0100	121	006250	006250	456109	0000	0699			0.03	True-up BREC Pmt - 3rd Qtr 2010	Yes	TSR006250	456BREC-LGEDMD
	0100	303	006250	006250	232011	0000	0699	0.03			True-up BREC Pmt - 3rd Qtr 2010	Yes	TSX006250	232BREC00
								910.38	910.38					

Description: Corr PJM Transmission Payable

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_

**Louisville Gas and Electric Company**  
**Case No. 2012-00222**  
**Out-of-Period Adjustments**

GL Period Entered	Account	Date adjustment pertaining to	Amount	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas	Journal Entry/Change in Distribution	Description
11-May	232011	Dec-10	6.74	-	-	-	-	J223-0100-0511	Corr PJM Sch 1 Chg. - 4th Qtr 2010
11-May	232011	Jan-11	263.43	-	-	-	-	J223-0100-0511	Rev PJM Q4 Entry recorded in error
11-May	232011	Jan-11	224.95	-	-	-	-	J223-0100-0511	Corr PJM XM charges - 4th Qtr 2010
11-May	232011	Jan-11	3.67	-	-	-	-	J223-0100-0511	Corr PJM XM charges - 4th Qtr 2010
11-May	232011	Jan-11	0.12	-	-	-	-	J223-0100-0511	Corr PJM Sch 1 charges - 4th Qtr 2010
11-May	232011	Jul-10	(6.09)	-	-	-	-	J223-0100-0511	True-up KMPA Pmt - 2nd Qtr 2010
11-May	232011	Jul-10	0.03	-	-	-	-	J223-0100-0511	True-up BREC Pmt - 3rd Qtr 2010
			492.85	-	-	-	-		
11-May	456109	Jul-10	(0.03)	0.03	0.03	-	-	J223-0100-0511	True-up BREC Pmt - 3rd Qtr 2010
11-May	565002	Jan-11	(263.41)	263.41	-	263.41	-	J223-0100-0511	Rev PJM Q4 Entry recorded in error
11-May	565002	Jan-11	0.02	(0.02)	-	(0.02)	-	J223-0100-0511	Rev PJM Q4 Entry recorded in error
11-May	565002	Jan-11	(248.66)	248.66	-	248.66	-	J223-0100-0511	Corr PJM Other charges - 4th Qtr 2010
11-May	565002	Jan-11	(66.41)	66.41	-	66.41	-	J223-0100-0511	Corr PJM Sch 1 charges - 4th Qtr 2010
11-May	565002	Jan-11	90.12	(90.12)	-	(90.12)	-	J223-0100-0511	Corr PJM Sch 2 charges - 4th Qtr 2010
11-May	565002	Jan-11	(318.88)	318.88	-	318.88	-	J223-0100-0511	Rev PJM DMD charges recorded in error
11-May	565002	Jan-11	315.21	(315.21)	-	(315.21)	-	J223-0100-0511	Corr PJM DMD charges - 4th Qtr 2010
11-May	565002	Jan-11	(0.12)	0.12	-	0.12	-	J223-0100-0511	Corr PJM Sch 1 charges - 4th Qtr 2010
			(492.13)	492.13	-	492.13	-		
11-May	565005	Dec-10	(6.74)	6.74	-	6.74	-	J223-0100-0511	Corr PJM Sch 1 Chg. - 4th Qtr 2010
11-May	565005	Jan-11	(0.04)	0.04	-	0.04	-	J223-0100-0511	Rev PJM Q4 Entry recorded in error
			(6.78)	6.78	-	6.78	-		
11-May	566151	Jul-10	6.09	(6.09)	-	(6.09)	-	J223-0100-0511	True-up KMPA Pmt - 2nd Qtr 2010
				486.07	0.03	486.04	-		



**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>3/31/2011</b>
<b>Group ID</b>	Value: <b>26186</b>
<b>Batch Name</b>	Text: <b>SHW</b>
<b>Journal Name</b>	Text: <b>J213-0100-0311</b>
<b>Journal Description</b>	Text: <b>Correct PJM Non Energy Charges - PPA's</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	PENDITURE	CACOUNTER	COMP	PENDITURE	LOCATION	Debit	Credit	Stat Amount	Description	he DFF Contd	Line DFF 1	Line DFF 2
									Value	Value	Value	Text	Text	Text	Text
	0100	111	003010	003010	557208	0000	0695	0000	6.48			PJM Other-NL - 1210	Yes	NL003010	557PJM208
	0100	303	006250	006250	232010	0000	0699	0000		6.48		Whle. Accounts Payable-PJM - 1210	Yes	PUR006250	232PJM00
	0100	111	002950	002950	557212	0000	0695	0000	39.36			PJM Operating Reserves-OSS - 0111	Yes	PUR015590	232MIS200
	0100	111	003010	003010	557211	0000	0695	0000	655.55			PJM Operating Reserves-NL - 0111	Yes	OSS002950	557PJM212
	0100	111	003010	003010	557208	0000	0695	0000	329.59			PJM Other-NL - 0111	Yes	NL003010	557PJM211
	0100	303	006250	006250	232010	0000	0699	0000		1,024.50		Whle. Accounts Payable-PJM - 0111	Yes	NL003010	557PJM208
	0100	111	002950	002950	557212	0000	0695	0000		289.94		PJM Operating Reserves-OSS - PPA	Yes	PUR006250	232PJM00
	0100	111	003010	003010	557211	0000	0695	0000		16.35		PJM Operating Reserves-NL - PPA	Yes	NL015830	557PJM211
	0100	303	006250	006250	232010	0000	0699	0000	306.29			Whle. Accounts Payable-PJM - PPA	Yes	OSS002950	557PJM212
	0100	111	002950	002950	557212	0000	0695	0000		3,560.86		PJM Operating Reserves-OSS - 1210	Yes	OSS002950	557PJM212
	0100	111	002950	002950	557209	0000	0695	0000	0.01			PJM Other-OSS - 1210	Yes	OSS002950	557PJM209
	0100	111	003010	003010	557208	0000	0695	0000	6.48			PJM Other-NL - 1210	Yes	NL003010	557PJM208
	0100	303	006250	006250	232010	0000	0699	0000	3,554.37			Whle. Accounts Payable-PJM - 1210	Yes	PUR006250	232PJM00
	0100	111	002950	002950	557212	0000	0695	0000		2,049.98		PJM Operating Reserves-OSS - 0111	Yes	OSS002950	557PJM212
	0100	111	002950	002950	557209	0000	0695	0000		0.33		PJM Other-OSS - 0111	Yes	OSS002950	557PJM209
	0100	303	006250	006250	232010	0000	0699	0000	2,050.31			Whle. Accounts Payable-PJM - 0111	Yes	PUR006250	232PJM00
									6,948.44	6,948.44					

Description: Correct PJM Non Energy Charges - PPA's

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_

**Louisville Gas and Electric Company**  
**Case No. 2012-00222**  
**Out-of-Period Adjustments**

GL Period Entered	Account	Date adjustment pertaining to	Amount	Increase/ (Decrease) Revenue Requirement	Electric Revenue	Electric	Gas	Journal Entry/Change in Distribution	Description
11-Mar	232010	Dec-10	(6.48)	-	-	-	-	J213-0100-0311	Whle. Accounts Payable-PJM - 1210
11-Mar	232010	Jan-11	(1,024.50)	-	-	-	-	J213-0100-0311	Whle. Accounts Payable-PJM - 0111
11-Mar	232010	Jan-11	306.29	-	-	-	-	J213-0100-0311	Whle. Accounts Payable-PJM - PPA
11-Mar	232010	Jan-11	3,554.37	-	-	-	-	J213-0100-0311	Whle. Accounts Payable-PJM - 1210
11-Mar	232010	Jan-11	2,050.31	-	-	-	-	J213-0100-0311	Whle. Accounts Payable-PJM - 0111
			<u>4,879.99</u>	-	-	-	-		
11-Mar	557208	Dec-10	6.48	(6.48)	-	(6.48)	-	J213-0100-0311	PJM Other-NL - 1210
11-Mar	557208	Jan-11	329.59	(329.59)	-	(329.59)	-	J213-0100-0311	PJM Other-NL - 0111
11-Mar	557208	Jan-11	6.48	(6.48)	-	(6.48)	-	J213-0100-0311	PJM Other-NL - 1210
			<u>342.55</u>	<u>(342.55)</u>	-	<u>(342.55)</u>	-		
11-Mar	557209	Jan-11	0.01	(0.01)	-	(0.01)	-	J213-0100-0311	PJM Other-OSS - 1210
11-Mar	557209	Jan-11	(0.33)	0.33	-	0.33	-	J213-0100-0311	PJM Other-OSS - 0111
			<u>(0.32)</u>	<u>0.32</u>	-	<u>0.32</u>	-		
11-Mar	557211	Jan-11	655.55	(655.55)	-	(655.55)	-	J213-0100-0311	PJM Operating Reserves-NL - 0111
11-Mar	557211	Jan-11	(16.35)	16.35	-	16.35	-	J213-0100-0311	PJM Operating Reserves-NL - PPA
			<u>639.20</u>	<u>(639.20)</u>	-	<u>(639.20)</u>	-		
11-Mar	557212	Jan-11	39.36	(39.36)	-	(39.36)	-	J213-0100-0311	PJM Operating Reserves-OSS - 0111
11-Mar	557212	Jan-11	(289.94)	289.94	-	289.94	-	J213-0100-0311	PJM Operating Reserves-OSS - PPA
11-Mar	557212	Jan-11	(3,560.86)	3,560.86	-	3,560.86	-	J213-0100-0311	PJM Operating Reserves-OSS - 1210
11-Mar	557212	Jan-11	(2,049.98)	2,049.98	-	2,049.98	-	J213-0100-0311	PJM Operating Reserves-OSS - 0111
			<u>(5,861.42)</u>	<u>5,861.42</u>	-	<u>5,861.42</u>	-		
				<u>4,879.99</u>	-	<u>4,879.99</u>	-		

Balance Type                    **Actual**  
 Database                        **DBORA91.OFMSPROD**  
 Set of Books                    **LGE ENERGY LLC**



★ J 2 0 1 - 0 1 0 0 - 0 6 1 1 ★

<b>Category</b>	* List - Text <b>Prior Period Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Jun-2011</b>
<b>Group ID</b>	Number <b>5084</b>
<b>Batch Name</b>	Text <b>JLG</b>
<b>Journal Name</b>	Text <b>J201-0100-0611</b>
<b>Journal Description</b>	Text <b>To clear difference between escheat database and escheat project and task to correct account.</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit * Number	Credit * Number	Line Description Text	Stat Amount Number	Line DFF List - Text
	0100	703	006250	006250	232001	0000	0699	0901	332.38		ACCTS PAYABLE - REG		
	0100	141	006250	006250	930207	0000	0699	0000		332.38	OTHER MISC GEN EXP		Yes.111642.930207
<b>Totals:</b>									332.38	332.38		0.00	

Description: To clear the difference between the escheat database and the escheat project and task to the correct account. J200-0100-0511 cleared the project and task to the GL account.

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_





**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Prior Period Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>1-Sep-11</b>
<b>Group ID</b>	Value: <b>5084</b>
<b>Batch Name</b>	Text: <b>JLG</b>
<b>Journal Name</b>	Text: <b>J203-0100-0911</b>
<b>Journal Description</b>	Text: <b>To correct and clear old recon items from bank recons</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPAN	RODU	ORGANIZATI	ENDITURE	ACCOUNTER	COMP	AITURE	LOCATION	Debit	Credit	Am	Description	DFF Cor	Line DFF 1	Line DFF 2
List - Text									Value	Value	alu	Text	Text	Text	Text
	0100	703	006250	006250	131092	0000	0699	0000	70.00			LGE Funding - OCT-10	No		
	0100	141	006250	006250	930207	0000	0699	0000		70.00		OTHER MISC GEN EXP OCT-10	Yes	111642	930207
	0100	703	006250	006250	131092	0000	0699	0000	288.89			LGE Funding - AUG-10	No		
	0100	141	006250	006250	930207	0000	0699	0000		288.89		OTHER MISC GEN EXP AUG-10	Yes	111642	930207
	0100	703	006250	006250	131092	0000	0699	0000	431.40			LGE Funding - SEP-10	No		
	0100	141	006250	006250	930207	0000	0699	0000		431.40		OTHER MISC GEN EXP SEP-10	Yes	111642	930207
<b>Totals:</b>									790.29	790.29					

Descriptio To correct \$70 item that was charged off in October 2010, but had a correcting entry made through CCS which would have offset it. Also to charge off old items remaining on the  
 recons that cannot be located.

Prepared By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Posted By: \_\_\_\_\_

Date: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_ Posted/Concurrent ID: \_\_\_\_\_



**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Prior Period Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>1-Sep-11</b>
<b>Group ID</b>	Value: <b>5084</b>
<b>Batch Name</b>	Text: <b>JLG</b>
<b>Journal Name</b>	Text: <b>J204-0100-0911</b>
<b>Journal Description</b>	Text: <b>To clear old recon items from bank recons</b>
<b>Reverse Journal</b>	List - Text: <b>Yes</b>
<b>Reversal Period</b>	List - Text: <b>OCT-2011</b>

Up	COMPAN	RODU	ORGANIZATI	ENDITURE	ACCOUNTER	COMP	PAIDITURE	LOCATION	Debit	Credit	Am	Description	DFF Cor	Line DFF 1	Line DFF 2
				List - Text					Value	Value	alu	Text	Text	Text	Text
	0100	703	006250	006250	131092	0000	0699	0000	155.65			LGE Funding - DEC-10	No		
	0100	141	006250	006250	930207	0000	0699	0000		155.65		OTHER MISC GEN EXP DEC-10	Yes	111642	930207
<b>Totals:</b>									155.65	155.65					

- Descriptio To charge off old items remaining on the recon. However, item is still being researched and may be able to be corrected.
- \_\_\_\_\_
  
- Prepared By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Posted By: \_\_\_\_\_
- Date: \_\_\_\_\_
- Upload/concurrent ID: \_\_\_\_\_ Posted/Concurrent ID: \_\_\_\_\_
- Reversal ID \_\_\_\_\_ Reversal Posting ID \_\_\_\_\_



Balance Type                    **Actual**  
 Database                        **DBORA91.OFMSPROD**  
 Set of Books                    **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>10/1/2011</b>
<b>Group ID</b>	Number <b>26761</b>
<b>Batch Name</b>	Text <b>SLC</b>
<b>Journal Name</b>	Text <b>J243-0100-1011</b>
<b>Journal Description</b>	Text <b>Correct Dynegy Transmission Payable</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit * Number	Credit * Number	Line Description Text	at Amou Number	Line DFF List - Text
	0100	113	006250	006250	456109	0000	0695	0000		149.30	Correct Dynegy Trans. Payable - EKPC		Yes.TSR006250.456EKPC-LGEDMD
	0100	121	006250	006250	456109	0000	0695	0000		2,712.89	Correct Dynegy Trans. Payable - Affiliates		Yes.TSR006250.456DYN-LGESCH12
	0100	303	006250	006250	232011	0000	0699	0000	2,862.19		Correct Dynegy Trans. Payable		Yes.TSX006250.232DYN00
	0100	303	006250	006250	232011	0000	0699	0000		0.40	Correct September Dynegy Trans. Payable Entry		Yes.TSX006250.232DYN00
	0100	303	006250	006250	232011	0000	0699	0000	0.40		Correct September Dynegy Trans. Payable Entry		Yes.TSX006250.232EKPC00
<b>Totals:</b>									2,862.59	2,862.59		0.00	

Description: Correct Dynegy Transmission Payable

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_



**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Other</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>1-Nov-11</b>
<b>Group ID</b>	Value: <b>26759</b>
<b>Batch Name</b>	Text: <b>CAM</b>
<b>Journal Name</b>	Text: <b>J241-0100-1111</b>
<b>Journal Description</b>	Text: <b>Reclass amortization of Reg asset</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE_ORG	ACCOUNT	INTERCOMPANY	EXPENDITURE_TYPE	LOCATION	Debit	Credit	Net Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
0100	113	006250	006250	427190	0000	0699	0000			17,149.88		Reclassify January Amortization	No		
0100	131	006250	006250	427190	0000	0699	0000			4,389.78		Reclassify January Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000	17,149.88				Reclassify January Amortization	No	135841	ELECTRIC
0100	131	006250	006250	930201	0000	0699	0000	4,389.78				Reclassify January Amortization	No	135841	GAS
0100	113	006250	006250	427190	0000	0699	0000			17,149.88		Reclassify February Amortization	No		
0100	131	006250	006250	427190	0000	0699	0000			4,389.78		Reclassify February Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000	17,149.88				Reclassify February Amortization	No	135841	ELECTRIC
0100	131	006250	006250	930201	0000	0699	0000	4,389.78				Reclassify February Amortization	No	135841	GAS
0100	113	006250	006250	427190	0000	0699	0000			17,149.88		Reclassify March Amortization	No		
0100	131	006250	006250	427190	0000	0699	0000			4,389.78		Reclassify March Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000	17,149.88				Reclassify March Amortization	No	135841	ELECTRIC
0100	131	006250	006250	930201	0000	0699	0000	4,389.78				Reclassify March Amortization	No	135841	GAS
0100	113	006250	006250	427190	0000	0699	0000			17,149.88		Reclassify April Amortization	No		
0100	131	006250	006250	427190	0000	0699	0000			4,389.78		Reclassify April Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000	17,149.88				Reclassify April Amortization	No	135841	ELECTRIC
0100	131	006250	006250	930201	0000	0699	0000	4,389.78				Reclassify April Amortization	No	135841	GAS
0100	113	006250	006250	427190	0000	0699	0000			17,149.88		Reclassify May Amortization	No		
0100	131	006250	006250	427190	0000	0699	0000			4,389.78		Reclassify May Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000	17,149.88				Reclassify May Amortization	No	135841	ELECTRIC
0100	131	006250	006250	930201	0000	0699	0000	4,389.78				Reclassify May Amortization	No	135841	GAS
0100	113	006250	006250	427190	0000	0699	0000			17,149.88		Reclassify June Amortization	No		
0100	131	006250	006250	427190	0000	0699	0000			4,389.78		Reclassify June Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000	17,149.88				Reclassify June Amortization	No	135841	ELECTRIC
0100	131	006250	006250	930201	0000	0699	0000	4,389.78				Reclassify June Amortization	No	135841	GAS
0100	113	006250	006250	427190	0000	0699	0000			17,149.88		Reclassify July Amortization	No		
0100	131	006250	006250	427190	0000	0699	0000			4,389.78		Reclassify July Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000	17,149.88				Reclassify July Amortization	No	135841	ELECTRIC
0100	131	006250	006250	930201	0000	0699	0000	4,389.78				Reclassify July Amortization	No	135841	GAS
0100	113	006250	006250	427190	0000	0699	0000			17,149.88		Reclassify August Amortization	No		
0100	131	006250	006250	427190	0000	0699	0000			4,389.78		Reclassify August Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000	17,149.88				Reclassify August Amortization	No	135841	ELECTRIC
0100	131	006250	006250	930201	0000	0699	0000	4,389.78				Reclassify August Amortization	No	135841	GAS
0100	113	006250	006250	427190	0000	0699	0000			17,149.88		Reclassify September Amortization	No		
0100	131	006250	006250	427190	0000	0699	0000			4,389.78		Reclassify September Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000	17,149.88				Reclassify September Amortization	No	135841	ELECTRIC
0100	131	006250	006250	930201	0000	0699	0000	4,389.78				Reclassify September Amortization	No	135841	GAS
0100	113	006250	006250	427190	0000	0699	0000			17,149.88		Reclassify October Amortization	No		
0100	131	006250	006250	427190	0000	0699	0000			4,389.78		Reclassify October Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000	17,149.88				Reclassify October Amortization	No	135841	ELECTRIC
0100	131	006250	006250	930201	0000	0699	0000	4,389.78				Reclassify October Amortization	No	135841	GAS
0100	113	006250	006250	427190	0000	0699	0000	0.01				Reclassify Amortization	No		
0100	113	006250	006250	930201	0000	0699	0000			0.01		Reclassify Amortization	No	135841	ELECTRIC
<b>Totals:</b>									215,396.61	215,396.61					

Description To reclassify amortization of reg asset to appropriate account.



**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Other</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>1-Nov-11</b>
<b>Group ID</b>	Value: <b>26759</b>
<b>Batch Name</b>	Text: <b>CAM</b>
<b>Journal Name</b>	Text: <b>J241-0100-1111</b>
<b>Journal Description</b>	Text: <b>Reclass amortization of Reg asset</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE_ORG	ACCOUNT	INTERCOMPANY	EXPENDITURE_TYPE	LOCATION	Debit	Credit	Net Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text

Prepared B.C. McRae \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_



**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Prior Period Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>1-Sep-11</b>
<b>Group ID</b>	Value: <b>10387</b>
<b>Batch Name</b>	Text: <b>RAD-BAB</b>
<b>Journal Name</b>	Text: <b>J504-0100-0911</b>
<b>Journal Description</b>	Text: <b>Correct Gas startup and stabilization</b>
<b>Reverse Journal</b>	List - Text: <b>No</b>
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE_ORG	ACCOUNT	INTERCOMPANY	EXPENDITURE_TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
List - Text									Value	Value	Value	Text	Text	Text	Text
	0100	111	002500	002500	501100	0000	0699	0141		-	-	Startup Cane Run #4	Yes	CRFUEL	EXPGASSU4
	0100	111	002500	002500	501101	0000	0699	0141		-	-	Startup Cane Run #4	Yes	CRFUEL	EXPGASSU4BTU
	0100	111	002500	002500	501100	0000	0699	0151		190.89	-	Startup Cane Run #5	Yes	CRFUEL	EXPGASSU5
	0100	111	002500	002500	501101	0000	0699	0151		-	-	Startup Cane Run #5	Yes	CRFUEL	EXPGASSU5BTU
	0100	111	002500	002500	501100	0000	0699	0161		858.99	-	Startup Cane Run #6	Yes	CRFUEL	EXPGASSU6
	0100	111	002500	002500	501101	0000	0699	0161		-	-	Startup Cane Run #6	Yes	CRFUEL	EXPGASSU6BTU
	0100	111	002500	002500	501102	0000	0699	0141		1,443.09	-	Stab. Cane Run #4	Yes	CRFUEL	EXPGASST4
	0100	111	002500	002500	501103	0000	0699	0141		-	-	Stab. Cane Run #4	Yes	CRFUEL	EXPGASST4BTU
	0100	111	002500	002500	501102	0000	0699	0151		1,599.63	-	Stab. Cane Run #5	Yes	CRFUEL	EXPGASST5
	0100	111	002500	002500	501103	0000	0699	0151		-	-	Stab. Cane Run #5	Yes	CRFUEL	EXPGASST5BTU
	0100	111	002500	002500	501102	0000	0699	0161		936.10	-	Stab. Cane Run #6	Yes	CRFUEL	EXPGASST6
	0100	111	002500	002500	501103	0000	0699	0161		-	-	Stab. Cane Run #6	Yes	CRFUEL	EXPGASST6BTU
	0100	111	002500	002500	501100	0000	0699	0211		4,682.33	-	Startup Mill Creek #1	Yes	MCFUEL	EXPGASSU1
	0100	111	002500	002500	501101	0000	0699	0211		-	-	Startup Mill Creek #1	Yes	MCFUEL	EXPGASSU1BTU
	0100	111	002500	002500	501100	0000	0699	0221		-	-	Startup Mill Creek #2	Yes	MCFUEL	EXPGASSU2
	0100	111	002500	002500	501101	0000	0699	0221		-	-	Startup Mill Creek #2	Yes	MCFUEL	EXPGASSU2BTU
	0100	111	002500	002500	501100	0000	0699	0231		6,921.94	-	Startup Mill Creek #3	Yes	MCFUEL	EXPGASSU3
	0100	111	002500	002500	501101	0000	0699	0231		-	-	Startup Mill Creek #3	Yes	MCFUEL	EXPGASSU3BTU
	0100	111	002500	002500	501100	0000	0699	0241		5,018.32	-	Startup Mill Creek #4	Yes	MCFUEL	EXPGASSU4
	0100	111	002500	002500	501101	0000	0699	0241		-	-	Startup Mill Creek #4	Yes	MCFUEL	EXPGASSU4BTU
	0100	111	002500	002500	501102	0000	0699	0211		6.11	-	Stab. Mill Creek #1	Yes	MCFUEL	EXPGASST1
	0100	111	002500	002500	501103	0000	0699	0211		-	-	Stab. Mill Creek #1	Yes	MCFUEL	EXPGASST1BTU
	0100	111	002500	002500	501102	0000	0699	0221		75.60	-	Stab. Mill Creek #2	Yes	MCFUEL	EXPGASST2
	0100	111	002500	002500	501103	0000	0699	0221		-	-	Stab. Mill Creek #2	Yes	MCFUEL	EXPGASST2BTU
	0100	111	002500	002500	501102	0000	0699	0231		747.55	-	Stab. Mill Creek #3	Yes	MCFUEL	EXPGASST3
	0100	111	002500	002500	501103	0000	0699	0231		-	-	Stab. Mill Creek #3	Yes	MCFUEL	EXPGASST3BTU
	0100	111	002500	002500	501102	0000	0699	0241		4,622.00	-	Stab. Mill Creek #4	Yes	MCFUEL	EXPGASST4
	0100	111	002500	002500	501103	0000	0699	0241		-	-	Stab. Mill Creek #4	Yes	MCFUEL	EXPGASST4BTU



**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Prior Period Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>1-Sep-11</b>
<b>Group ID</b>	Value: <b>10387</b>
<b>Batch Name</b>	Text: <b>RAD-BAB</b>
<b>Journal Name</b>	Text: <b>J504-0100-0911</b>
<b>Journal Description</b>	Text: <b>Correct Gas startup and stabilization</b>
<b>Reverse Journal</b>	List - Text: <b>No</b>
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE_ORG	ACCOUNT	INTERCOMPANY	EXPENDITURE_TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
List - Text									Value	Value	Value	Text	Text	Text	Text
	0100	303	006250	006250	151061	0000	0699	0101	5,028.70		-	Cane Run Gas Inventory mcf	No		
	0100	303	006250	006250	151061	0000	0699	0201	22,073.85		-	Mill Creek Gas Inventory mcf	No		
	0100	303	006250	006250	151061	0000	0699	0101		5,028.70	-	Cane Run Gas Inventory mcf	No		
	0100	303	006250	006250	151061	0000	0699	0201		22,073.85	-	Mill Creek Gas Inventory mcf	No		
	0100	703	006250	006250	142001	0000	0699	0000	27,102.55			Accounts Rec-Customers	No		
									54,205.10	54,205.10	-				

Description: To correct the gas used for startup and stabilization for Cane Run and Mill Creek stations for the November 2010.

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_

Compared to previous period? \_\_\_\_\_

Balance Type                      **Actual**  
 Database                            **DBORA91.OFMSPROD**  
 Set of Books                        **LGE ENERGY LLC**



\* J 4 3 2 - 0 1 0 0 - 0 3 1 2 \*

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Mar-2012</b>
<b>Group ID</b>	Number <b>9049</b>
<b>Batch Name</b>	Text <b>SKE</b>
<b>Journal Name</b>	Text <b>J432-0100-0312</b>
<b>Journal Description</b>	Text <b>Write off Bank Fees and Vehicle Charges from the Museum Plaza Project</b>
<b>Reverse Journal</b>	List - Text <b>No</b>
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit * Number	Credit * Number	Line Description Text	Stat Amount Number	Line DFF List - Text
	0100	121	003070	003070	566900	0000	0699	0901	130.95		Museum Plaza charges		Yes.03070.MISCELLANEOUS
	0100	121	003070	003070	107001	0000	0699	2000		12.69	Move to O&M		Yes.122805.107001
	0100	121	003070	003070	107001	0000	0606	2000		118.26	Move to O&M		Yes.122805.BANK FEES
									130.95	130.95			0.00

Description: To write off bank fees and vehicle charges from the Museum Plaza Project as the capital spending balance was settled with the Developer in November 2011. Per contract, LG&E total capital is not to exceed \$1.9M.

Prepared By: Susan Emery

Approved By: Jon Miller

Posted By: \_\_\_\_\_

Upload/concurrent ID: 26216536

Posted/Concurrent ID: \_\_\_\_\_





**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

<b>Category</b>	List - Text: <b>Prior Period Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>01-Apr-12</b>
<b>Group ID</b>	Value: <b>5084</b>
<b>Batch Name</b>	Text: <b>JLG</b>
<b>Journal Name</b>	Text: <b>J201-0100-0412</b>
<b>Journal Description</b>	Text: <b>RECLASS CASH FOR SCRAP TO CORRECT ACCT</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE_ORG	ACCOUNT	INTERCOMPANY	EXPENDITURE_TYPE	LOCATION	Debit	Credit	Stat Amount	Description	Line DFF Context	Line DFF 1	Line DFF 2
					List - Text				Value	Value	Value	Text	Text	Text	Text
	0100	111	002120	002120	539100	0000	0206	0450	22,472.96			BAKER IRON & METAL	Yes	OFSITE	SCRAP
	0100	111	002020	002020	107001	0000	0206	0451		22,472.96		BAKER IRON & METAL	Yes	127092	SCRAP
<b>Totals:</b>									22,472.96	22,472.96	-				

Description: To reclass money received for scrap material to the correct account.

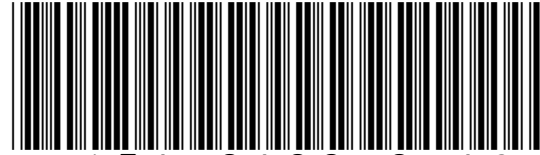
Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_



Balance Type Actual  
 Database DBORA91.OFMSPROD  
 Set of Books LGE ENERGY LLC

Category	* List - Text <b>Prior Period Adjustment</b>
Source	* List - Text <b>Spreadsheet</b>
Currency	* List - Text <b>USD</b>
Accounting Date	* List - Date <b>1-Jun-2012</b>
Group ID	Number <b>4774</b>
Batch Name	Text <b>PAD-EGC</b>
Journal Name	Text <b>J431-0100-0612</b>
Journal Description	Text <b>Reclass charges to correct accounts</b>
Reverse Journal	List - Text
Reversal Period	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	121	003070	003070	571100	0000	0175	0000	51.43				Yes.125935.L9
	0100	121	003070	003070	571100	0000	0375	0000	2,739.78				Yes.125935.L9
	0100	121	003070	003070	571100	0000	0575	0000	11.23				Yes.125935.L9
	0100	121	003070	003070	571100	0000	0699	0000		3,971.20			Yes.125935.L9
	0100	121	003070	003070	571100	0000	0699	0000	160.59				Yes.125935.L9
	0100	121	003070	003070	571100	0000	0375	0000	1,206.67				Yes.125935.L9
	0100	121	003070	003070	107001	0000	0175	2000		51.43			Yes.L9-2011.WESTCO-6679\I
	0100	121	003070	003070	107001	0000	0375	2000		2,739.78			Yes.L9-2011.WESTCO-6679\I
	0100	121	003070	003070	107001	0000	0575	2000		11.23			Yes.L9-2011.WESTCO-6679\I
	0100	121	003070	003070	107001	0000	0699	2000	3,971.20				Yes.L9-2011.WESTCO-6679\I
	0100	121	003070	003070	107001	0000	0699	2000		160.59			Yes.L9-2011.WESTCO-6679\I
	0100	121	003070	003070	108901	0000	0375	2000		1,206.67			Yes.L9-2011.WESTCO-6679\I
	0100	303	003070	003070	183301	0000	0475	0000	140.70				Yes.132491.3828
	0100	121	003070	003070	107001	0000	0475	1999		140.70			Yes.L9-2010.LIDAR382801\I
<b>Totals:</b>									8,281.60	8,281.60		0.00	

Description: Entry to correct charges to O&M due to no material charge for unitization. Transfer charges along with burdens left after COD was made to clear balnaces.

Prepared By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_ Posted/Concurrent ID: \_\_\_\_\_

**Louisville Gas and Electric Company**  
**Case No. 2012-00222**  
**Out-of-Period Adjustments**

<b>GL Period Entered</b>	<b>Account</b>	<b>Date adjustment pertaining to</b>	<b>Amount</b>	<b>Increase/ (Decrease) Revenue Requirement</b>	<b>Electric Revenue</b>	<b>Electric</b>	<b>Gas</b>	<b>Journal Entry/Change in Distribution</b>	<b>Description</b>
Jun-12	107001	Oct-11	(51.43)	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M
Jun-12	571100	Oct-11	51.43	51.43	-	51.43	-	J431-0100-0612	Reclassify from Capital to O&M
Jun-12	107001	Aug-11	(1,421.60)	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M
Jun-12	107001	Oct-11	(1,318.18)	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M
			(2,739.78)	-	-	-	-		
Jun-12	571100	Aug-11	1,421.60	1,421.60	-	1,421.60	-	J431-0100-0612	Reclassify from Capital to O&M
Jun-12	571100	Oct-11	1,318.18	1,318.18	-	1,318.18	-	J431-0100-0612	Reclassify from Capital to O&M
			2,739.78	2,739.78	-	2,739.78	-		
Jun-12	107001	Oct-11	(11.23)	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M
Jun-12	571100	Oct-11	11.23	11.23	-	11.23	-	J431-0100-0612	Reclassify from Capital to O&M
Jun-12	107001	Oct-11	3,971.20	-	-	-	-	J431-0100-0612	Reclassify from O&M to Capital
Jun-12	571100	Oct-11	(3,971.20)	(3,971.20)	-	(3,971.20)	-	J431-0100-0612	Reclassify from O&M to Capital
Jun-12	107001	Jul-11	(100.01)	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M
Jun-12	107001	Aug-11	126.69	-	-	-	-	J431-0100-0612	Reclassify from O&M to Capital
Jun-12	107001	Oct-11	(187.27)	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M
			(160.59)	-	-	-	-		
Jun-12	571100	Jul-11	100.01	100.01	-	100.01	-	J431-0100-0612	Reclassify from Capital to O&M
Jun-12	571100	Aug-11	(126.69)	(126.69)	-	(126.69)	-	J431-0100-0612	Reclassify from O&M to Capital
Jun-12	571100	Oct-11	187.27	187.27	-	187.27	-	J431-0100-0612	Reclassify from Capital to O&M
			160.59	160.59	-	160.59	-		
Jun-12	108901	Jul-11	(1,488.31)	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M
Jun-12	108901	Aug-11	991.45	-	-	-	-	J431-0100-0612	Reclassify from O&M to Capital
Jun-12	108901	Oct-11	(709.81)	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M
			(1,206.67)	-	-	-	-		
Jun-12	571100	Jul-11	1,488.31	1,488.31	-	1,488.31	-	J431-0100-0612	Reclassify from Capital to O&M

**Louisville Gas and Electric Company  
Case No. 2012-00222  
Out-of-Period Adjustments**

<b>GL Period Entered</b>	<b>Account</b>	<b>Date adjustment pertaining to</b>	<b>Amount</b>	<b>Increase/ (Decrease) Revenue Requirement</b>	<b>Electric Revenue</b>	<b>Electric</b>	<b>Gas</b>	<b>Journal Entry/Change in Distribution</b>	<b>Description</b>
Jun-12	571100	Aug-11	(991.45)	(991.45)	-	(991.45)	-	J431-0100-0612	Reclassify from O&M to Capital
Jun-12	571100	Oct-11	709.81	709.81	-	709.81	-	J431-0100-0612	Reclassify from Capital to O&M
			1,206.67	1,206.67	-	1,206.67	-		
Jun-12	107001	May-10	(963.09)	-	-	-	-	J431-0100-0612	Reclassify from O&M to Capital
Jun-12	107001	Apr-12	822.39	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M
			(140.70)	-	-	-	-		
Jun-12	183301	May-10	963.09	-	-	-	-	J431-0100-0612	Reclassify from O&M to Capital
Jun-12	183301	Apr-12	(822.39)	-	-	-	-	J431-0100-0612	Reclassify from Capital to O&M
			140.70	-	-	-	-		
				198.50	-	198.50	-		



Balance Type                    **Actual**  
 Database                        **DBORA91.OFMSPROD**  
 Set of Books                    **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>30-Nov-2011</b>
<b>Group ID</b>	Number <b>8692</b>
<b>Batch Name</b>	Text <b>PAY-PJS</b>
<b>Journal Name</b>	Text <b>J321-0020-1111</b>
<b>Journal Description</b>	Text <b>Reclass 241036</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
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0020	703	000020	000020	241036	0000	0699	0000			5,127.62	KY Withholdng BOYLE CO		Yes.111356.LIT-021
0020	703	000020	000020	241036	0000	0699	0000	2.78			KY Withholdng CALDWELL CO/ CALDWELL COUNTY		Yes.111356.LIT-033
0020	703	000020	000020	241036	0000	0699	0000			4,956.25	KY Withholdng CARROLL COUNTY		Yes.111356.LIT-041
0020	703	000020	000020	241036	0000	0699	0000	2.19			KY Withholdng CLARK COUNTY		Yes.111356.LIT-049
0020	703	000020	000020	241036	0000	0699	0000			3.52	KY Withholdng ESTILL CO		Yes.111356.LIT-065
0020	703	000020	000020	241036	0000	0699	0000			4,411.50	KY Withholdng FAYETTE CO		Yes.111356.LIT-067
0020	703	000020	000020	241036	0000	0699	0000			73.49	KY Withholdng FRANKLIN		Yes.111356.LIT-073
0020	703	000020	000020	241036	0000	0699	0000			0.98	KY Withholdng GARRARD COUNTY		Yes.111356.LIT-079
0020	703	000020	000020	241036	0000	0699	0000			13.83	KY Withholdng HARRISON CO		Yes.111356.LIT-097
0020	703	000020	000020	241036	0000	0699	0000		3.89		KY Withholdng HART CO/ HART COUNTY		Yes.111356.LIT-099
0020	703	000020	000020	241036	0000	0699	0000	188,555.44			KY Withholdng LOUISVILLE METRO		Yes.111356.LIT-111A
0020	703	000020	000020	241036	0000	0699	0000	64,781.41			KY Withholdng LOUISVILLE METRO RESIDENT		Yes.111356.LIT-111B
0020	703	000020	000020	241036	0000	0699	0000	12.98			KY Withholdng JESSAMINE CO / JESSAMINE COUNTY		Yes.111356.LIT-113
0020	703	000020	000020	241036	0000	0699	0000			30.65	KY Withholdng LAUREL COUNTY		Yes.111356.LIT-125
0020	703	000020	000020	241036	0000	0699	0000			10.30	KY Withholdng MCCracken CO		Yes.111356.LIT-145
0020	703	000020	000020	241036	0000	0699	0000		1.09		KY Withholdng MCLEAN CO / MCLEAN COUNTY		Yes.111356.LIT-149
0020	703	000020	000020	241036	0000	0699	0000		72.96		KY Withholdng MADISON COUNTY		Yes.111356.LIT-151
0020	703	000020	000020	241036	0000	0699	0000		0.37		KY Withholdng MARION CO		Yes.111356.LIT-155
0020	703	000020	000020	241036	0000	0699	0000			3,060.38	KY Withholdng MERCER CO		Yes.111356.LIT-167
0020	703	000020	000020	241036	0000	0699	0000			31.79	KY Withholdng MONTGOMERY COUNTY		Yes.111356.LIT-173
0020	703	000020	000020	241036	0000	0699	0000		10.59		KY Withholdng OHIO CO / OHIO COUNTY / OHIO CTY		Yes.111356.LIT-183
0020	703	000020	000020	241036	0000	0699	0000			3.72	KY Withholdng CYNTHIANA		Yes.111356.LIT-19432
0020	703	000020	000020	241036	0000	0699	0000	1,913.32			KY Withholdng DANVILLE		Yes.111356.LIT-19882
0020	703	000020	000020	241036	0000	0699	0000			358.64	KY Withholdng PULASKI COUNTY		Yes.111356.LIT-199
0020	703	000020	000020	241036	0000	0699	0000			3.40	KY Withholdng DAWSON SPRINGS		Yes.111356.LIT-20224
0020	703	000020	000020	241036	0000	0699	0000		3.90		KY Withholdng ROWAN CO		Yes.111356.LIT-205
0020	703	000020	000020	241036	0000	0699	0000	288.15			KY Withholdng SOCTT CO (OCC)		Yes.111356.LIT-209A
0020	703	000020	000020	241036	0000	0699	0000	33.12			KY Withholdng SCOTT CO (RES) (SCHOOL)		Yes.111356.LIT-209B
0020	703	000020	000020	241036	0000	0699	0000			479.54	KY Withholdng SHELBY CO		Yes.111356.LIT-211
0020	703	000020	000020	241036	0000	0699	0000			11.84	KY Withholdng TAYLOR CO		Yes.111356.LIT-217
0020	703	000020	000020	241036	0000	0699	0000			1.60	KY Withholdng UNION CO / CUNION COUNTY		Yes.111356.LIT-225
0020	703	000020	000020	241036	0000	0699	0000		0.12		KY Withholdng WASHINGTON COUNTY		Yes.111356.LIT-229
0020	703	000020	000020	241036	0000	0699	0000		14.10		KY Withholdng WHITLEY COUNTY		Yes.111356.LIT-235
0020	703	000020	000020	241036	0000	0699	0000			2.61	KY Withholdng WOODFORD CO		Yes.111356.LIT-239
0020	703	000020	000020	241036	0000	0699	0000			2.78			Yes.111356.LIT-24188
0020	703	000020	000020	241036	0000	0699	0000			3.06	KY Withholdng ELIZABETHTOWN		Yes.111356.LIT-24274
0020	703	000020	000020	241036	0000	0699	0000			89.68	KY Withholdng FRANKFORT		Yes.111356.LIT-28900
0020	703	000020	000020	241036	0000	0699	0000	173.63			KY Withholdng GEORGETOWN		Yes.111356.LIT-30700
0020	703	000020	000020	241036	0000	0699	0000			13.96	KY Withholdng HARRODSBURG		Yes.111356.LIT-34966

LOUISVILLE GAS ELECTRIC COMPANY

0020	703	000020	000020	241036	0000	0699	0000	1,687.66	KY Withholdng HENDERSON	Yes.111356.LIT-35866
0020	703	000020	000020	241036	0000	0699	0000	3.20	KY Withholdng HORSE CAVE	Yes.111356.LIT-38008
0020	703	000020	000020	241036	0000	0699	0000	29.94	KY Withholdng LEBANON	Yes.111356.LIT-44344
0020	703	000020	000020	241036	0000	0699	0000	26.08	KY Withholdng LEITCHFIELD	Yes.111356.LIT-44686
0020	703	000020	000020	241036	0000	0699	0000	7,508.53	KY Withholdng LEXINGTON-FAYETTUC	Yes.111356.LIT-46000
0020	703	000020	000020	241036	0000	0699	0000	422,898.67	KY Withholdng LOUISVILLE METRO	Yes.111356.LIT-48000
0020	703	000020	000020	241036	0000	0699	0000	108.67	KY Withholdng MAYSVILLE	Yes.111356.LIT-51024
0020	703	000020	000020	241036	0000	0699	0000	2.97	KY Withholdng MARION	Yes.111356.LIT-51024
0020	703	000020	000020	241036	0000	0699	0000	11.14	KY Withholdng MIDWAY	Yes.111356.LIT-52086
0020	703	000020	000020	241036	0000	0699	0000	0.33	KY Withholdng MOREHEAD	Yes.111356.LIT-53418
0020	703	000020	000020	241036	0000	0699	0000	66.62	KY Withholdng MT STERLING	Yes.111356.LIT-54084
0020	703	000020	000020	241036	0000	0699	0000	1.24	KY Withholdng OWENTON	Yes.111356.LIT-58692
0020	703	000020	000020	241036	0000	0699	0000	75.87	KY Withholdng PARIS	Yes.111356.LIT-59196
0020	703	000020	000020	241036	0000	0699	0000	63.72	KY Withholdng PINEVILLE	Yes.111356.LIT-61248
0020	703	000020	000020	241036	0000	0699	0000	246.99	KY Withholdng RICHMOND	Yes.111356.LIT-65226
0020	703	000020	000020	241036	0000	0699	0000	5.60	KY Withholdng RUSSELL SPRINGS	Yes.111356.LIT-67494
0020	703	000020	000020	241036	0000	0699	0000	108.09	KY Withholdng SHELBYVILLE	Yes.111356.LIT-70050
0020	703	000020	000020	241036	0000	0699	0000	4.83	KY Withholdng SPRINGFIELD	Yes.111356.LIT-72660
0020	703	000020	000020	241036	0000	0699	0000	7.80	KY Withholdng STANFORD	Yes.111356.LIT-73110
0020	703	000020	000020	241036	0000	0699	0000	1.60	KY Withholdng VERSAILLES	Yes.111356.LIT-79482
0020	703	000020	000020	241036	0000	0699	0000	25.27	KY Withholdng WINCHESTER	Yes.111356.LIT-83676
0110	105	015590	015490	930207	0000	0699	0000	10,117.14	OTHER MISC GEN EXP	Yes.111776.MISCEXP
0100	141	006250	006250	930207	0000	0699	0000	10,117.14	OTHER MISC GEN EXP	Yes.111642.930207
0020	703	000020	000020	241036	0000	0699	0000	81.49	KY Withholdng BOURBON COUNTY	
0020	703	000020	000020	241036	0000	0699	0000	1,404.35	KY Withholdng BOYLE CO	
0020	703	000020	000020	241036	0000	0699	0000	1,429.15	KY Withholdng CARROLL CO	
0020	703	000020	000020	241036	0000	0699	0000	25.42	KY Withholdng CLARK COUNTY	
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0020	703	000020	000020	241036	0000	0699	0000	1.70	KY Withholdng DAWSON SPRINGS	
0020	703	000020	000020	241036	0000	0699	0000	10.62	KY Withholdng ELIZABETHTOWN	
0020	703	000020	000020	241036	0000	0699	0000	1.76	KY Withholdng ESTILL CO	
0020	703	000020	000020	241036	0000	0699	0000	1,677.73	KY Withholdng FAYETTE COUNTY	
0020	703	000020	000020	241036	0000	0699	0000	44.84	KY Withholdng FRANKFORT	
0020	703	000020	000020	241036	0000	0699	0000	22.78	KY Withholdng FRANKLIN CO	
0020	703	000020	000020	241036	0000	0699	0000	0.49	KY Withholdng GARRARD CO	
0020	703	000020	000020	241036	0000	0699	0000	314.52	KY Withholdng GEORGETOWN	
0020	703	000020	000020	241036	0000	0699	0000	2.19	KY Withholdng HARRISON CO	
0020	703	000020	000020	241036	0000	0699	0000	5.80	KY Withholdng HARRODSBURG	
0020	703	000020	000020	241036	0000	0699	0000	3.89	KY Withholdng HART CO	
0020	703	000020	000020	241036	0000	0699	0000	843.83	KY Withholdng HENDERSON	
0020	703	000020	000020	241036	0000	0699	0000	1.60	KY Withholdng HORSE CAVE	
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0020	703	000020	000020	241036	0000	0699	0000	8.17	KY Withholdng LAUREL COUNTY	
0020	703	000020	000020	241036	0000	0699	0000	14.65	KY Withholdng LEBANON	
0020	703	000020	000020	241036	0000	0699	0000	13.04	KY Withholdng LEITCHFIELD	
0020	703	000020	000020	241036	0000	0699	0000	8,270.24	KY Withholdng LEXINGTON-FAYETTE UC	
0020	703	000020	000020	241036	0000	0699	0000	114,329.98	KY Withholdng LOCAL	
0020	703	000020	000020	241036	0000	0699	0000	91,207.65	KY Withholdng LOUISVILLE METRO	
0020	703	000020	000020	241036	0000	0699	0000	\$75,062.18	KY Withholdng LOUISVILLE METRO RESIDENT	
0020	703	000020	000020	241036	0000	0699	0000	\$139.20	KY Withholdng MADISON COUNTY	
0020	703	000020	000020	241036	0000	0699	0000	1.91	KY Withholdng MARION	
0020	703	000020	000020	241036	0000	0699	0000	\$2.06	KY Withholdng MARION CO	
0020	703	000020	000020	241036	0000	0699	0000	41.87	KY Withholdng MAYSVILLE	
0020	703	000020	000020	241036	0000	0699	0000	5.15	KY Withholdng MCCRACKEN CO	
0020	703	000020	000020	241036	0000	0699	0000	1.09	KY Withholdng MCLEAN CO / MCLEAN CNTY	
0020	703	000020	000020	241036	0000	0699	0000	766.24	KY Withholdng MERCER CO	
0020	703	000020	000020	241036	0000	0699	0000	14.36	KY Withholdng MIDWAY	
0020	703	000020	000020	241036	0000	0699	0000	8.71	KY Withholdng MONTGOMERY COUNTY	
0020	703	000020	000020	241036	0000	0699	0000	2.21	KY Withholdng MOREHEAD	
0020	703	000020	000020	241036	0000	0699	0000	60.28	KY Withholdng MT STERLING	
0020	703	000020	000020	241036	0000	0699	0000	10.59	KY Withholdng OHIO CO	

LOUISVILLE GAS ELECTRIC COMPANY

0020	703	000020	000020	241036	0000	0699	0000		1.24	KY Withholdng OWENTON		
0020	703	000020	000020	241036	0000	0699	0000		79.07	KY Withholdng PARIS		
0020	703	000020	000020	241036	0000	0699	0000	21.19		KY Withholdng PINEVILLE		
0020	703	000020	000020	241036	0000	0699	0000	172.88		KY Withholdng PULASKI COUNTY		
0020	703	000020	000020	241036	0000	0699	0000		261.13	KY Withholdng RICHMOND		
0020	703	000020	000020	241036	0000	0699	0000		5.31	KY Withholdng ROWAN CO		
0020	703	000020	000020	241036	0000	0699	0000	2.80		KY Withholdng RUSSELL SPRINGS		
0020	703	000020	000020	241036	0000	0699	0000		273.58	KY Withholdng SCOTT CO (OCC)		
0020	703	000020	000020	241036	0000	0699	0000		33.12	KY Withholdng SCOTT CO (RES)		
0020	703	000020	000020	241036	0000	0699	0000	\$239.77		KY Withholdng SHELBY CO		
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0020	703	000020	000020	241036	0000	0699	0000		6.28	KY Withholdng SPRINGFIELD		
0020	703	000020	000020	241036	0000	0699	0000	3.90		KY Withholdng STANFORD		
0020	703	000020	000020	241036	0000	0699	0000	\$5.92		KY Withholdng TAYLOR CO		
0020	703	000020	000020	241036	0000	0699	0000	\$0.80		KY Withholdng UNION CO		
0020	703	000020	000020	241036	0000	0699	0000		3.06	KY Withholdng VERSAILLES		
0020	703	000020	000020	241036	0000	0699	0000		0.68	KY Withholdng WASHINGTON COUNTY		
0020	703	000020	000020	241036	0000	0699	0000	3.92		KY Withholdng WHITLEY COUNTY		
0020	703	000020	000020	241036	0000	0699	0000		3.62	KY Withholdng WINCHESTER		
0020	703	000020	000020	241036	0000	0699	0000		141.96	KY Withholdng WOODFORD CO		
0020	703	000020	000020	241036	0000	0699	0000	16,957.30		LIT-111B		
0020	703	000020	000020	241036	0000	0699	0000	34,091.23		LIT-48000		
0110	303	015490	015490	232002	0000	0699	0000	6,286.16		Accrued Payroll		
0110	105	015590	015490	930207	0000	0699	0000		\$6,286.16	OTHER MISC GEN EXP		Yes.111776.MISCEXP
<b>Totals:</b>								545,386.06	545,386.06			0.00

Description:

Prepared By: Peggy Spear

Approved By: TDC 12/02/11

Posted By: PJS 12/02/11

Upload/concurrent ID: 25378629

Posted/Concurrent ID: 25385788

Original signed copy with supporting documents can be found in the Payroll Department



Balance Type **Actual**  
 Database **DBORA91.OFMSPROD**  
 Set of Books **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Accrual</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Jul-12</b>
<b>Group ID</b>	Number <b>26466</b>
<b>Batch Name</b>	Text <b>ACH</b>
<b>Journal Name</b>	Text <b>J240-0110-0712</b>
<b>Journal Description</b>	Text <b>426 Reclassifications</b>
<b>Reverse Journal</b>	List - Text <b>Yes</b>
<b>Reversal Period</b>	List - Text <b>AUG-2012</b>

Upl	CO * List - Text	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit * Number	Credit * Number	Line Description Text	Stat Amount Number	Line DFF List - Text
	0110	105	018950	026850	426491	0000	0643	0000		751.44	KFC YUM CENTER CATER #426167		Yes.119276.NON LABOR-I
	0100	141	008950	026850	426491	0000	0643	0000		679.87	KFC YUM CENTER CATER #426167		Yes.119277.NON LABOR-I
	0004	000	009950	009950	426401	0000	0643	0000	1,431.31		KFC YUM CENTER CATER #426167		Yes.CAP26850.NON LAB
	0110	122	018810	021005	426501	0000	0643	0000		35.00	Entertainment - Employee Recognition		Yes.117698.BTL EMPREC
	0100	122	008810	021005	426501	0000	0643	0000		35.00	Entertainment - Employee Recognition		Yes.117696.BTL EMP REC
	0004	000	009810	009810	921002	0000	0643	0000	70.00		Entertainment - Employee Recognition		Yes.CAP009810.MIS
	0100	141	008910	006630	426501	0000	0670	0000		31.85	Miscellaneous		Yes.119025.NON LABOR I BTL
	0100	141	008910	006630	426501	0000	0630	0000	31.85		FEES, PERMITS & LICENSES		Yes.119025.NON LABOR I BTL
	0110	105	018910	000630	426501	0000	0670	0000		32.50	Miscellaneous		Yes.119483.NON LABOR I BTL
	0110	105	018910	000630	426501	0000	0630	0000	32.50		FEES, PERMITS & LICENSES		Yes.119483.NON LABOR I BTL
	0110	111	016220	016220	426501	0000	0670	5620		365.82	Miscellaneous		Yes.016220.BTL
	0110	111	016220	016220	426501	0000	0636	5620	365.82		Employee Recognition		Yes.016220.BTL
	0100	141	008850	021390	426501	0000	0670	0000		50.00	Miscellaneous		Yes.117497.RECOGNITION
	0100	141	008850	021390	426501	0000	0636	0000	50.00		Employee Recognition		Yes.117497.RECOGNITION
	0110	105	018850	021390	426501	0000	0670	0000		50.00	Miscellaneous		Yes.117498.RECOGNITION
	0110	105	018850	021390	426501	0000	0636	0000	50.00		Employee Recognition		Yes.117498.RECOGNITION
	0100	141	008850	026940	426501	0000	0670	0000		8.48	Miscellaneous		Yes.117569.BTL
	0100	141	008850	026940	426501	0000	0410	0000	8.48		Office Supplies		Yes.117569.BTL
	0110	105	018850	026940	426591	0000	0670	0000		8.48	Miscellaneous		Yes.117570.BTL
	0110	105	018850	026940	426591	0000	0410	0000	8.48		Office Supplies		Yes.117570.BTL
	0110	105	018910	026670	426501	0000	0640	0000		9.05	Personnel Mileage		Yes.119483.NON LABOR I BTL
	0110	105	018910	026670	921003	0000	0640	0000	9.05		Personnel Mileage		Yes.119483.NON LABOR D
	0100	141	008910	026670	426501	0000	0640	0000		27.75	Personnel Mileage		Yes.119025.NON LABOR I BTL
	0100	141	008910	026670	921903	0000	0640	0000	13.60		Personnel Mileage		Yes.119025.NON LABOR I
	0004	000	009910	026670	921903	0000	0640	0000	0.56		Personnel Mileage		Yes.CAP119025.NON LABOR I
	0110	105	018910	026670	921903	0000	0640	0000	13.59		Personnel Mileage		Yes.119483.NON LABOR I
	0100	141	008910	026670	426501	0000	0640	0000		27.75	Personnel Mileage		Yes.119025.NON LABOR I BTL
	0100	141	008910	026670	921903	0000	0640	0000	13.60		Personnel Mileage		Yes.119025.NON LABOR I
	0004	000	009910	026670	921903	0000	0640	0000	0.56		Personnel Mileage		Yes.CAP119025.NON LABOR I
	0110	105	018910	026670	921903	0000	0640	0000	13.59		Personnel Mileage		Yes.119483.NON LABOR I
	0100	141	008890	025500	426501	0000	0670	0000		100.00	Miscellaneous		Yes.117571.RECOGNITION
	0100	141	008890	025500	426501	0000	0636	0000	100.00		Employee Recognition		Yes.117571.RECOGNITION
	0100	141	008910	026770	921903	0000	0670	0000		1,027.78	Miscellaneous		Yes.119029.NON LABOR I
	0110	105	018910	026770	921903	0000	0670	0000		1,027.78	Miscellaneous		Yes.119485.NON LABOR I
	0004	000	009910	026770	921903	0000	0670	0000	2,055.56		Miscellaneous		Yes.CAP119029.NON LABOR I



LOUISVILLE GAS ELECTRIC COMPANY

0110	105	018850	021360	426591	0000	0643	0000		54.05	CHURCHL DN-STE10622702	Yes.117570.BTL
0110	105	018850	021360	426591	0000	0642	0000		111.55	CHURCHL DN-STE10622702	Yes.117570.BTL
0110	105	018850	021360	426591	0000	0642	0000		119.73	CHURCHL DN-STE10622702	Yes.117570.BTL
0110	105	018850	021360	426591	0000	0642	0000		226.33	CHURCHL DN-STE10622702	Yes.117570.BTL
0100	141	008850	021360	426501	0000	0643	0000		249.56	CHURCHL DN-STE10622702	Yes.117569.BTL
0110	105	018850	021360	426591	0000	0643	0000		334.64	CHURCHL DN-STE10622702	Yes.117570.BTL
0100	141	008850	021360	426501	0000	0642	0000		369.59	CHURCHL DN-STE10622702	Yes.117569.BTL
0100	141	008850	021360	426501	0000	0642	0000		515.11	CHURCHL DN-STE10622702	Yes.117569.BTL
0100	141	008850	021360	426501	0000	0642	0000		552.91	CHURCHL DN-STE10622702	Yes.117569.BTL
0100	141	008850	021360	426501	0000	0642	0000		1,045.16	CHURCHL DN-STE10622702	Yes.117569.BTL
0100	141	008850	021360	426501	0000	0643	0000		1,545.35	CHURCHL DN-STE10622702	Yes.117569.BTL
0004	000	009850	021360	426501	0000	0642	0000	2,940.38		CHURCHL DN-STE10622702	Yes.CAP117569.OTHER BTL D
0004	000	009850	021360	426501	0000	0643	0000	2,183.60		CHURCHL DN-STE10622702	Yes.CAP117569.OTHER BTL D
0100	141	008950	026850	426491	0000	0643	0000		65.18	CHURCHL DN-STE10622702	Yes.119277.NON LABOR-I
0110	105	018950	026850	426491	0000	0643	0000		72.05	CHURCHL DN-STE10622702	Yes.119276.NON LABOR-I
0100	141	008950	026850	426491	0000	0643	0000		267.38	CHURCHL DN-STE10622702	Yes.119277.NON LABOR-I
0110	105	018950	026850	426491	0000	0643	0000		295.53	CHURCHL DN-STE10622702	Yes.119276.NON LABOR-I
0100	141	008950	026850	426491	0000	0643	0000		423.25	CHURCHL DN-STE10622702	Yes.119277.NON LABOR-I
0110	105	018950	026850	426491	0000	0643	0000		467.80	CHURCHL DN-STE10622702	Yes.119276.NON LABOR-I
0100	141	008950	026850	426491	0000	0643	0000		350.90	LOUISVILLE BATS CONCESS	Yes.119277.NON LABOR-I
0110	105	018950	026850	426491	0000	0643	0000		387.84	LOUISVILLE BATS CONCESS	Yes.119276.NON LABOR-I
0004	000	009950	026850	426491	0000	0643	0000	2,329.93		CHURCHL/BATS	Yes.CAP26850.NON LAB I
0100	111	002030	002130	426501	0000	0427	0101		304.22	CHARLIE WILSONS APPLINCS #927362	Yes.CRBTL.BTLOTHER
0100	111	002030	002130	426501	0000	0427	0101		2,047.92	CHARLIE WILSONS APPLINCS #927362	Yes.CRBTL.BTLOTHER
0100	111	002120	002130	539100	0000	0410	0450	2,352.14		CHARLIE WILSONS APPLINCS #927362	Yes.OFADMIN.MISC
0100	111	008825	022060	426101	0000	0646	0401		700.00	HOLIDAY WORLD #420525	Yes.GSBTL-LGE.BTLCOMREL
0004	000	009820	022060	426501	0000	0636	0000	700.00		HOLIDAY WORLD #420525	Yes.CAP117601.PLT-BTL
0110	105	018850	021205	426501	0000	0636	0000		741.00	LEXINGTON LEGENDS GROUPS #757750	Yes.117492.BTL
0004	000	009850	021205	426501	0000	0636	0000	741.00		LEXINGTON LEGENDS GROUPS #757750	Yes.CAP117491.OTHER BTL D
0100	141	008850	021205	426501	0000	0636	0000		200.00	HOLIDAY WORLD SPLA #753171	Yes.117491.RECOGNITION
0004	000	009850	009850	426501	0000	0636	0000	200.00		HOLIDAY WORLD SPLA #753171	Yes.CAP009850.CAP EMP REC D
0100	141	008850	021205	426501	0000	0636	0000		119.80	CHURCHILL DOWNS SABO #753403	Yes.117491.RECOGNITION
0100	141	008850	021205	426501	0000	0636	0000		20.00	CHURCHILL DOWNS SABO #753403	Yes.117491.RECOGNITION
0100	141	008850	021205	426501	0000	0636	0000		20.00	CHURCHILL DOWNS SABO #753403	Yes.117491.RECOGNITION
0004	000	009850	009850	426501	0000	0636	0000	159.80		CHURCHILL DOWNS SABO #753403	Yes.CAP009850.CAP EMP REC D
<b>Totals:</b>								15,875.40	15,875.40		0.00

Description: To reclassify 426 charges to Co. 0004, correct exp type or correct account on the utility

Prepared By: Ashley C. Heitzmann

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_

1 J0UI Do not delete these values! They are critical to the US

Template Type: Functional Journal
Template Style: Single Journal Entry
Set of Books: LGE ENERGY LLC
Database: ofmsprod



Summary table with columns: Category, Source, Accounting Date, Group ID, Batch Name, Journal Name, Journal Description, Reverse Journal, Reversal Period. Includes sub-tables for List-Text, Adjustment, SpreadSheet, USD, Apr-12, 8920, SKS, J017-0020-0412, Record SERVCO CASH RECEIPTS.

Main transaction table with columns: Upl, COMPANY, PRODUCT, ORGANIZATION, EXPENDITURE ORG, ACCOUNT, NTERCOMPAN, ENDTURE, T, LOCATION, Debit Value, Credit Value, Amt Value, Description, Line DFF Context, Line DFF 1, Line DFF 2. Contains multiple rows of financial transactions.

O Description: Record SERVCO Cash Receipts for the current month.

O Prepared By: Approved By: Posted By:

O Date:

Upload/concurrent ID: Posted/Concurrent ID:

Template Type: Functional Journal  
 Template Style: Single Journal Entry  
 Set of Books: LGE ENERGY LLC  
 Database: ofmsprod



Category	List - Text: <b>Prior Period Adjustment</b>
Source	List - Text: <b>Spreadsheet</b>
Currency	List - Text: <b>USD</b>
Accounting Date	List - Date: <b>01-Apr-12</b>
Group ID	Value: <b>8920</b>
Batch Name	Text: <b>SKS</b>
Journal Name	Text: <b>J200-0020-0412</b>
Journal Description	Text: <b>Reclass Vendor Signing Bonus - SERVCO Cash Receipt</b>
Reverse Journal	List - Text:
Reversal Period	List - Text:

Up	OMPANRODUCGANIZATI	NDITURE	ACCOUNTERCOMP	IDITURE	LOCATION	Debit Value	Credit Value	Ar	Description Text	DFF Col Text	Line DFF 1 Text	Line DFF 2 Text
					List - Text							
	0100	141	008870	025420	421001 0000 0699 0000	30,750.00			Guy Brown	Yes	132772	BONUS
	0110	105	018870	025420	421001 0000 0699 0000	40,590.00			Guy Brown	Yes	132773	BONUS
	0004	000	009870	025420	421001 0000 0699 0000	51,660.00			Guy Brown	Yes	132799	BONUS
	0100	141	008870	026200	921903 0000 0410 0000		59,040.00		Guy Brown	Yes	132772	VENDOR BONUS/REB
	0110	105	018870	026200	921903 0000 0410 0000		61,500.00		Guy Brown	Yes	132773	VENDOR BONUS/REB
	0004	000	009870	026200	921903 0000 0410 0000		2,460.00		Guy Brown	Yes	132799	VENDOR BONUS/REB
						123,000.00	123,000.00					

Description: CHANGE OF DISTRIBUTIONS FOR ITEMS PREVIOUSLY RECORDED IN PRIOR PERIODS

Prepared By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Posted By: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Upload/concurrent ID: \_\_\_\_\_ Posted/Concurrent ID: \_\_\_\_\_

# CHANGE OF DISTRIBUTION REQUEST FORM

\*\*\*\* If procard transaction, copy of cardholder statement must accompany request \*\*\*\*

Vendor Name: UNIFEN INTERNATIONAL

Original Invoice Number / Expense ID Number: 0005497 (Show leading zeros if they exist); see Help worksheet if necessary

PO Number: 853302

Charges to be Reversed (show amount as negative)					X	Charges to Target				
Project	Task	Exp Type	Exp Org	Direct - "Raw" Amount (*)		Project	Task	Exp Type	Exp Org	Direct - "Raw" Amount (*)
134030	6283842	0427	002030	(24,400.00)	X	CRTRF	6319502	0427	002030	24,400.00
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
<b>Total</b>				<b>(24,400.00)</b>	X	<b>Total</b>				<b>24,400.00</b>

TIM HARDER  
Prepared By (Printed)

\_\_\_\_\_  
Preparer's Signature

4/10/2012  
Date

Bob Barnett  
Approved By (Printed)

\_\_\_\_\_  
Approver's Signature

4/10/2012  
Date

(\*): Accounting & Amount being reversed should match direct charge of original invoice distribution line.

# CHANGE OF DISTRIBUTION REQUEST FORM

\*\*\*\*\* If procard transaction, copy of cardholder statement must accompany request \*\*\*\*\*

Vendor Name: PETROCHEM INSULATION INC

Original Invoice Number / Expense ID Number: \_\_\_\_\_

127176 (Show leading zeros if they exist); see Help worksheet if necessary

PO Number: \_\_\_\_\_

Charges to be Reversed (show amount as negative)					X	Charges to Target				
Project	Task	Exp Type	Exp Org	Direct - "Raw" Amount (*)		Project	Task	Exp Type	Exp Org	Direct - "Raw" Amount (*)
TC2WARNTY	BAGHOUSE	0301	002650	(7,420.77)	X	TC-PJF	6320847	0301	002650	7,420.77
TC2WARNTY	BAGHOUSE	0303	002650	(1,641.66)	X	TC-PJF	6320847	0303	002650	1,641.66
					X					
					X					
					X					
					X					
					X					
					X					
					X					
					X					
<b>Total</b>				<b>(9,062.43)</b>	X	<b>Total</b>				<b>9,062.43</b>

**COMMENTS:** Reclass to Correct Project.

Fred M. Cuzick  
Prepared By (Printed)

\_\_\_\_\_  
Preparer's Signature

4/30/2012  
Date

\_\_\_\_\_  
Approved By (Printed)

\_\_\_\_\_  
Approver's Signature

\_\_\_\_\_  
Date

(\*): Accounting & Amount being reversed should match direct charge of original invoice distribution line.

# CHANGE OF DISTRIBUTION REQUEST FORM

\*\*\*\*\* If procard transaction, copy of cardholder statement must accompany request \*\*\*\*\*

Vendor Name: PETROCHEM INSULATION INC

Original Invoice Number / Expense ID Number: \_\_\_\_\_

127170 (Show leading zeros if they exist); see Help worksheet if necessary

PO Number: \_\_\_\_\_

Charges to be Reversed (show amount as negative)					Charges to Target					
Project	Task	Exp Type	Exp Org	Direct - "Raw" Amount (*)		Project	Task	Exp Type	Exp Org	Direct - "Raw" Amount (*)
TC2WARNTY	BAGHOUSE	0301	002650	(6,142.60)		TC-PJF	6320847	0301	002650	6,142.60
TC2WARNTY	BAGHOUSE	0303	002650	(761.37)		TC-PJF	6320847	0303	002650	761.37
<b>Total</b>				<b>(6,903.97)</b>		<b>Total</b>				<b>6,903.97</b>

**COMMENTS:** Reclass to Correct Project.

Fred M. Cuzick  
Prepared By (Printed)

\_\_\_\_\_  
Preparer's Signature

4/30/2012  
Date

\_\_\_\_\_  
Approved By (Printed)

\_\_\_\_\_  
Approver's Signature

\_\_\_\_\_  
Date

(\*): Accounting & Amount being reversed should match direct charge of original invoice distribution line.

Balance Type **Actual**  
 Database **DBORA91.OFMSPROD**  
 Set of Books **LGE ENERGY LLC**



<b>Category</b>	* List - Text <b>Accrual</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Aug-12</b>
<b>Group ID</b>	Number <b>26466</b>
<b>Batch Name</b>	Text <b>ACH</b>
<b>Journal Name</b>	Text <b>J240-0110-0812</b>
<b>Journal Description</b>	Text <b>Reclassifications</b>
<b>Reverse Journal</b>	List - Text <b>Yes</b>
<b>Reversal Period</b>	List - Text <b>SEP-2012</b>

Upl	CO * List - Text	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit * Number	Credit * Number	Line Description Text	Stat Amount Number	Line DFF List - Text
	0100	141	008850	021035	921002	0000	0641	0000		46.48	Reclassify to BTL		Yes.117517.EXPENSES
	0110	105	018850	021035	921002	0000	0641	0000		46.47	Reclassify to BTL		Yes.117518.EXPENSES
	0100	141	008850	021035	426591	0000	0641	0000	46.48		Reclassify to BTL		Yes.117517.BTL
	0110	105	018850	021035	426591	0000	0641	0000	46.47		Reclassify to BTL		Yes.117518.BTL
	0100	141	008850	021035	921002	0000	0642	0000		13.13	Reclassify to BTL		Yes.117517.EXPENSES
	0110	105	018850	021035	921002	0000	0642	0000		13.13	Reclassify to BTL		Yes.117518.EXPENSES
	0100	141	008850	021035	426591	0000	0642	0000	13.13		Reclassify to BTL		Yes.117517.BTL
	0110	105	018850	021035	426591	0000	0642	0000	13.13		Reclassify to BTL		Yes.117518.BTL
	0100	141	008850	021035	921002	0000	0642	0000		31.49	Reclassify to BTL		Yes.117517.EXPENSES
	0110	105	018850	021035	921002	0000	0642	0000		31.50	Reclassify to BTL		Yes.117518.EXPENSES
	0100	141	008850	021035	426591	0000	0642	0000	31.49		Reclassify to BTL		Yes.117517.BTL
	0110	105	018850	021035	426591	0000	0642	0000	31.50		Reclassify to BTL		Yes.117518.BTL
	0100	122	008810	021055	580100	0000	0670	0000		93.34	Miscellaneous		Yes.117667.EXPE
	0004	000	009810	009810	426501	0000	0642	0000	93.34		Meals		Yes.CAP009810.BTL
<b>Totals:</b>									275.54	275.54		0.00	

Description: To reclassify 426 charges to Co. 0004, correct exp type or correct account on the utility

Prepared By: Ashley C. Heitzmann

Approved By: \_\_\_\_\_

Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_







**Template Type:** Functional Journal  
**Template Style:** Single Journal Entry  
**Set of Books:** LGE ENERGY LLC  
**Database:** ofmsprod

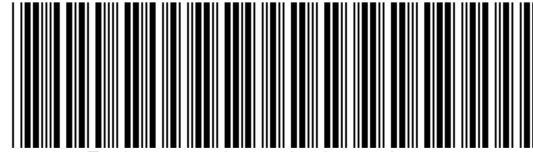
<b>Category</b>	List - Text: <b>Adjustment</b>
<b>Source</b>	List - Text: <b>Spreadsheet</b>
<b>Currency</b>	List - Text: <b>USD</b>
<b>Accounting Date</b>	List - Date: <b>31-May-12</b>
<b>Group ID</b>	Value: <b>026991</b>
<b>Batch Name</b>	Text: <b>CAC</b>
<b>Journal Name</b>	Text: <b>J017-0020-0512</b>
<b>Journal Description</b>	Text: <b>Record SERVCO CASH RECEIPTS</b>
<b>Reverse Journal</b>	List - Text:
<b>Reversal Period</b>	List - Text:

Upl	COMPANY	PRODUCT	ORGANIZATION	EXPENDITURE_ORG	ACCOUNT	INTERCOMPAN	PENDITURE_T	LOCATION	Debit Value	Credit Value	Amc Value	Description Text	Line DFF Context Text	Line DFF 1 Text	Line DFF 2 Text
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O Date: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_

Posted/Concurrent ID: \_\_\_\_\_



Balance Type **Actual**  
 Database **DBORA91.OFMSPROD**  
 Set of Books **LGE ENERGY LLC**

<b>Category</b>	* List - Text <b>Adjustment</b>
<b>Source</b>	* List - Text <b>Spreadsheet</b>
<b>Currency</b>	* List - Text <b>USD</b>
<b>Accounting Date</b>	* List - Date <b>1-Apr-2012</b>
<b>Group ID</b>	Number <b>10387</b>
<b>Batch Name</b>	Text <b>RAD-BAB</b>
<b>Journal Name</b>	Text <b>J502-0100-0412</b>
<b>Journal Description</b>	Text <b>Unknown Parties</b>
<b>Reverse Journal</b>	List - Text
<b>Reversal Period</b>	List - Text

Upl	CO	Prod	Org	Exp Org	Account	Inter Co	Exp Type	Location	Debit	Credit	Line Description	Stat Amount	Line DFF
	* List - Text								* Number	* Number	Text	Number	List - Text
	0100	703	006250	006250	142999	0000	0699	0000	4,645.53		Accounts Rec-Customers		
	0100	131	006250	006250	480119	0000	0668	0000		552.78	Resid Gas - Customer Chg		
	0100	131	006250	006250	480107	0000	0668	0000	3.36		Resid Gas - WNA		
	0100	131	006250	006250	480102	0000	0668	0000		917.88	Resid Gas - Energy		
	0100	131	006250	006250	480104	0000	0668	0000		2,165.50	Resid Gas - FAC-GSC		
	0100	131	006250	006250	480101	0000	0668	0000		57.95	Resid Gas - DSM		
	0100	703	006250	006250	242017	0000	0699	0000		4.20	Franchise Fee Payable Franchise Locations		
	0100	113	006250	006250	440119	0000	0668	0000		171.37	Residential Customer Chg		
	0100	113	006250	006250	440102	0000	0668	0000		463.76	Res Sales - Energy Non-fuel		
	0100	113	006250	006250	440117	0000	0668	0000		0.27	Res Sales - Energy ECR		
	0100	113	006250	006250	440103	0000	0668	0000		7.43	Res Sales - Energy Fuel		
	0100	113	006250	006250	440104	0000	0668	0000		10.95	Res Sales - FAC-GSC		
	0100	113	006250	006250	440101	0000	0668	0000		25.31	Res Sales - DSM		
	0100	113	006250	006250	440111	0000	0668	0000		15.10	Res Sales - ECR		
	0100	703	006250	006250	241038	0000	0699	0000		256.39	T/C Pay-St Sales/Use		
<b>Totals:</b>									4,648.89	4,648.89		0.00	

Description: To remove the unknown party transactions from the suspense account.

Prepared By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Posted By: \_\_\_\_\_

Upload/concurrent ID: \_\_\_\_\_ Posted/Concurrent ID: \_\_\_\_\_

Compared to Prior Period: \_\_\_\_\_

2/1/0

### Display Document: Offsetting Items

Menu | Back | Cancel | System | Overview | Document Header | **Item** | Taxes | Line Layout | Payment usage

Header Data

Document Date: 03/03/2011      Document Type: ST      Item: 1 / 9

Posting Date: 03/03/2011      Currency: USD

Document Number: 176004225792      Reference: 350000157648

Check number:

G/L Account Items

Item	Co...	G/L Account	Qu...	Amount	Local currency amnt	...	Tax base amount	Tax base in LC
1	0100	480118	401	44.87	44.87	NE	0.00	0.00
2	0100	480102	401	7.89	7.89	NE	0.00	0.00
3	0100	480104	401	24.86	24.86	NE	0.00	0.00
4	0100	480101	401	0.33	0.33	NE	0.00	0.00
5	0100	242017	401	0.15	0.15	FE	0.00	0.00
6	0100	241038		0.00	0.00	FE	0.15	0.15
7	0100	241038		0.00	0.00	FE	0.15	0.15
8	0100	241038		0.00	0.00	NE	77.85	77.85
9	0100	241038		4.87	4.87	NE	77.95	77.95

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### Display Document: Offsetting Items

Menu | Back | Cancel | System | Overview | Document Header | **Item** | Taxes | Line Layout | Payment Usage

Header Data		Navigation	
Document Date	03/03/2011	Document Type	ST
Posting Date	03/03/2011	Currency	USD
Document Number	176004225790	Reference	350000157646
		Check number	

G/L Account Items

Item	Co...	G/L Account	Bu...	Amount	Local currency amnt	Tax base amount	Tax base In LC
1	0100	480119	401	43.70	43.70 NE	0.00	0.00
2	0100	480107	401	7.44	7.44-NE	0.00	0.00
3	0100	480102	401	141.54	141.54 NE	0.00	0.00
4	0100	480104	401	321.83	321.83 NE	0.00	0.00
5	0100	480101	401	7.45	7.45 NE	0.00	0.00
6	0100	242017	401	0.15	0.15 FE	0.00	0.00
7	0100	241039		0.00	0.00 FE	0.15	0.15
8	0100	241039		0.00	0.00 FE	0.15	0.15
9	0100	241038		0.00	0.00 NE	506.88	506.88
10	0100	241038		30.41	30.41 NE	506.88	506.88

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Display Document: Offsetting Items

Menu Back Cancel System Overview Document Header OnM Taxes Line Layout Payment Usage

Header Data		Navigation	
Document Date	04/21/2011	Document Type	ST
Posting Date	04/21/2011	Currency	USD
Document Number	176004583599	Reference	350000172752
		Check number	

G/L Account Items

Item	Co..	G/L Account	Bu..	Amount	Local currency amnt	Tax base amount	Tax base in LC
1	0100	480119	401	9.50	9.50 NE	0.00	0.00
2	0100	480102	401	12.60	12.60 NE	0.00	0.00
3	0100	480104	401	30.81	30.81 NE	0.00	0.00
4	0100	480101	401	0.82	0.82 NE	0.00	0.00
5	0100	242017	401	0.15	0.15 FE	0.00	0.00
6	0100	241038		0.00	0.00 FE	0.15	0.15
7	0100	241038		0.00	0.00 FE	0.15	0.15
8	0100	241038		0.00	0.00 NE	53.53	53.53
9	0100	241038		3.21	3.21 NE	53.53	53.53

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Display Document: Offsetting Items

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Header Data

Document Date: 12/13/2010 | Document Type: ST | Item: 1 / 14

Posting Date: 12/13/2010 | Currency: USD

Document Number: 176003653540 | Reference: 350000133680

Check number:

Navigation: Business partner Rem list

G/L Account Items

Item	Co...	G/L Account	Bu...	Amount	Local currency amnt	Tax base amount	Tax base in LC
1	0100	480118	401	24.07	24.07 NE	0.00	0.00
2	0100	480102	401	4.91	4.91 NE	0.00	0.00
3	0100	480104	401	12.00	12.00 NE	0.00	0.00
4	0100	480101	401	0.32	0.32 NE	0.00	0.00
5	0100	242017	401	0.30	0.30 FE	0.00	0.00
6	0100	440119	401	12.87	12.87 NE	0.00	0.00
7	0100	440102	401	39.88	39.88 NE	0.00	0.00
8	0100	440104	401	1.18	1.18 NE	0.00	0.00
9	0100	440101	401	2.17	2.17 NE	0.00	0.00
10	0100	440111	401	0.00	0.00 NE	0.00	0.00
11	0100	241039		0.00	0.00 FE	0.30	0.30
12	0100	241038		0.00	0.00 FE	0.30	0.30
13	0100	241039		0.00	0.00 NE	98.10	98.10
14	0100	241038		5.89	5.89 NE	98.10	98.10

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Display Document: Offsetting Items

Menu | Back | Cancel | System | Overview | Document Header | **Item** | Taxes | Line Layout | Payment usage

Header Data

Document Date 04/06/2011 Document Type ST Navigation item 14

Posting Date 04/06/2011 Currency USD

Document Number 176004477693 Reference 350000167471

Check number

G/L Account Items

Item	Co...	G/L Account	Bu...	Amount	Local currency amnt	Tax base amount	Tax base in LC
1	0100	480119	401	21.85	21.85 NE	0.00	0.00
2	0100	480102	401	9.82	9.82 NE	0.00	0.00
3	0100	480104	401	23.86	23.86 NE	0.00	0.00
4	0100	480101	401	0.64	0.64 NE	0.00	0.00
5	0100	242017	401	0.30	0.30 FE	0.00	0.00
6	0100	440119	401	11.50	11.50 NE	0.00	0.00
7	0100	440102	401	88.89	88.89 NE	0.00	0.00
8	0100	440104	401	2.83	2.83 NE	0.00	0.00
9	0100	440101	401	4.82	4.82 NE	0.00	0.00
10	0100	440111	401	1.73	1.73 NE	0.00	0.00
11	0100	241038		0.00	0.00 FE	0.30	0.30
12	0100	241038		0.00	0.00 FE	0.30	0.30
13	0100	241038		0.00	0.00 NE	165.54	165.54
14	0100	241038		9.93	9.93 NE	185.54	185.54

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### Display Document: Offsetting Items

Menu | Back | Cancel | System | Overview | Document Header | **Item** | Taxes | Line Layout | Payment usage

Header Data		Navigation	
Document Date	03/17/2011	Document Type	ST
Posting Date	03/17/2011	Currency	USD
Document Number	176004334214	Reference	350000161722
		Check number	
		Item	1 / 9

GL Account Items

Item	Co..	GL Account	Bu..	Amount	Local currency amnt	..	Tax base amount	Tax base in LC
1	0100	480118	401	38.00	38.00	NE	0.00	0.00
2	0100	480102	401	4.26	4.26	NE	0.00	0.00
3	0100	480104	401	10.38	10.38	NE	0.00	0.00
4	0100	480101	401	0.28	0.28	NE	0.00	0.00
5	0100	242017	401	0.60	0.60	FE	0.00	0.00
6	0100	241039		0.00	0.00	FE	0.60	0.60
7	0100	241038		0.00	0.00	FE	0.60	0.60
8	0100	241038		0.00	0.00	NE	52.92	52.92
9	0100	241038		3.18	3.18	NE	52.92	52.92



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### Display Document: Offsetting Items

Menu | Back | Cancel | System | Overview | Document Header | **Item** | Taxes | Line Layout | Payment usage

Header Data Navigation

Document Date 03/17/2011 Document Type ST Item 1 16

Posting Date 03/17/2011 Currency USD

Document Number 176004334218 Reference 350000161723

Check number

GL Account Items

Item	Co...	GL Account	Bu...	Amount	Local currency amnt	Tax base amount	Tax base in LC
1	0100	480119	401	257.12	257.12 NE	0.00	0.00
2	0100	480102	401	510.24	510.24 NE	0.00	0.00
3	0100	480104	401	1,197.62	1,197.62 NE	0.00	0.00
4	0100	480101	401	33.32	33.32 NE	0.00	0.00
5	0100	242017	401	1.05	1.05 FE	0.00	0.00
6	0100	440119	401	101.01	101.01 NE	0.00	0.00
7	0100	440102	401	272.86	272.86 NE	0.00	0.00
8	0100	440104	401	5.53	5.53 NE	0.00	0.00
9	0100	440101	401	14.83	14.83 NE	0.00	0.00
10	0100	440111	401	12.30	12.30 NE	0.00	0.00
11	0100	241039		0.00	0.00 FE	0.45	0.45
12	0100	241038		0.00	0.00 FE	0.45	0.45
13	0100	241039		0.00	0.00 NE	406.53	406.53
14	0100	241038		24.39	24.39 NE	406.53	408.53
15	0100	241039		0.00	0.00 FE	0.60	0.60

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### Display Document: Offsetting Items

Menu | Back | Cancel | System | Overview | Document Header | Oitm | Taxes | Line Layout | Payment usage

Header Data		Navigation	
Document Date	03/17/2011	Document Type	ST
Posting Date	03/17/2011	Currency	USD
Document Number	176004334218	Reference	350000161723
		Check number	

#### GL Account Items

Item	Co...	GL Account	Bu...	Amount	Local currency amnt	Tax base amount	Tax base in LC
16	0100	241038		0.00	0.00 FE	0.60	0.60
17	0100	241038		0.00	0.00 NE	1,998.30	1,998.30
18	0100	241038		119.80	119.80 NE	1,998.30	1,998.30

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Display Document: Offsetting Items

Menu  Back Cancel System Overview Document Header OIrn Taxes Line Layout Payment Usage

Header Data		Navigation	
Document Date	04/21/2011	Document Type	ST
Posting Date	04/21/2011	Currency	Usd
Document Number	176004583605	Reference	350000172756
		Check number	

G/L Account Items

Item	Co...	G/L Account	Su...	Amount	Local currency amnt	..	Tax base amount	Tax base in LC
1	0100	480118	401	65.23	65.23	NE	0.00	0.00
2	0100	480102	401	207.73	207.73	NE	0.00	0.00
3	0100	480104	401	496.33	496.33	NE	0.00	0.00
4	0100	480101	401	13.56	13.56	NE	0.00	0.00
5	0100	242017	401	0.15	0.15	FE	0.00	0.00
6	0100	241039		0.00	0.00	FE	0.15	0.15
7	0100	241038		0.00	0.00	FE	0.15	0.15
8	0100	241039		0.00	0.00	NE	782.85	782.85
9	0100	241038		46.97	46.97	NE	782.85	782.85

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Display Document: Offsetting Items

Menu | Back | Cancel | System | Overview | Document Header | **Item** | Taxes | Line Layout | Payment usage

Header Data		Navigation	
Document Date	12/07/2010	Document Type	ST
Posting Date	12/07/2010	Currency	USD
Document Number	176003618845	Reference	350000132208
		Check number	

G/L Account Items

Item	Co...	G/L Account	Bu...	Amount	Local currency amnt	Tax base amount	Tax base in LC
1	0100	440119	401	17.17	17.17 NE	0.00	0.00
2	0100	440102	401	4.05	4.05 NE	0.00	0.00
3	0100	440117	401	0.06	0.06 NE	0.00	0.00
4	0100	440103	401	1.69	1.69 NE	0.00	0.00
5	0100	440104	401	0.11	0.11 NE	0.00	0.00
6	0100	440101	401	0.25	0.25 NE	0.00	0.00
7	0100	440111	401	0.14	0.14 NE	0.00	0.00
8	0100	242017	401	0.15	0.15 FE	0.00	0.00
9	0100	241039		0.00	0.00 FE	0.15	0.15
10	0100	241038		0.00	0.00 FE	0.15	0.15
11	0100	241039		0.00	0.00 NE	23.19	23.19
12	0100	241038		1.38	1.38 NE	23.19	23.19

LG&E and KU Energy LLC

4240 Account Activity

Last Data Update:

04/03/2012 04:41:17

Dynamic Filters

CC 0100 Louisville Gas & Electric  
Posting Date 08/11/2011  
G/L Account # Oracle Suspense

Posting Date	Business Partner	CA	Amt in Loc. Currency
08/11/2011	AUGUST 2010 UNKNOWN PARTY - RES - LG&E	30007106224	\$ -112.64

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### Display Document: Offsetting Items

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Header Data		Navigation	
Document Date	08/11/2011	Document Type	ST
Posting Date	08/11/2011	Currency	USD
Document Number	176005373948	Reference	350000199777
		Check number	

G/L Account Items

Item	Co...	G/L Account	Su...	Amount	Local currency amnt	Tax base amount	Tax base in LC
1	0100	440119	401	2.50	2.50 FE	0.00	0.00
2	0100	440102	401	28.74	28.74 FE	0.00	0.00
3	0100	440104	401	0.85	0.85 FE	0.00	0.00
4	0100	440101	401	1.58	1.58 FE	0.00	0.00
5	0100	440111	401	0.54	0.54 FE	0.00	0.00
6	0100	242017	401	0.30	0.30 FE	0.00	0.00
7	0100	480119	401	4.75	4.75 FE	0.00	0.00
8	0100	480102	401	0.64	0.64 FE	0.00	0.00
9	0100	480104	401	1.56	1.56 FE	0.00	0.00
10	0100	480101	401	0.04	0.04 FE	0.00	0.00
11	0100	241038		0.00	0.00 FE	41.48	41.48
12	0100	241038		0.00	0.00 FE	41.48	41.48

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### Display Document: Offsetting Items

Menu | Back | Cancel | System | Overview | Document Header | **OLM** | Taxes | Line Layout | Payment usage

Header Data		Navigation	
Document Date	08/11/2011	Document Type	ST
Posting Date	08/11/2011	Currency	USD
Document Number	176005373919	Reference	350000199774
		Check number	

G/L Account Items

Item	Co..	G/L Account	Bu..	Amount	Local currency amnt	Tax base amount	Tax base in LC
1	0100	440119	401	8.50	8.50 FE	0.00	0.00
2	0100	440103	401	2.47	2.47 FE	0.00	0.00
3	0100	440117	401	0.09	0.09 FE	0.00	0.00
4	0100	440102	401	5.92	5.92 FE	0.00	0.00
5	0100	440104	401	0.16	0.16 FE	0.00	0.00
6	0100	440101	401	0.36	0.36 FE	0.00	0.00
7	0100	440111	401	0.11	0.11 FE	0.00	0.00
8	0100	242017	401	0.30	0.30 FE	0.00	0.00
9	0100	480119	401	12.50	12.60 FE	0.00	0.00
10	0100	480102	401	0.90	0.90 FE	0.00	0.00
11	0100	480104	401	2.46	2.46 FE	0.00	0.00
12	0100	480101	401	0.05	0.05 FE	0.00	0.00
13	0100	241039		0.00	0.00 FE	33.60	33.60
14	0100	241038		0.00	0.00 FE	33.60	33.60

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Display Document: Offsetting Items

Menu | Back | Cancel | System | Overview | Document Header | Olin | Taxes | Line Layout | Payment usage

Header Data

Document Date	09/11/2011	Document Type	ST	Navigation	Item	1 / 17
Posting Date	09/11/2011	Currency	USD			
Document Number	176005373947	Reference	350000199776			
		Check number				

G/L Account Items

Item	Co...	G/L Account	Bu...	Amount	Total currency amnt	Tax base amount	Tax base In LC
1	0100	440119	401	8.02	8.02 FE	0.00	0.00
2	0100	440102	401	1.54	1.54 FE	0.00	0.00
3	0100	440117	401	0.12	0.12 FE	0.00	0.00
4	0100	440103	401	3.27	3.27 FE	0.00	0.00
5	0100	440102	401	7.85	7.85 FE	0.00	0.00
6	0100	440104	401	0.43	0.43 FE	0.00	0.00
7	0100	440101	401	0.55	0.55 FE	0.00	0.00
8	0100	440111	401	0.02	0.02 FE	0.00	0.00
9	0100	242017	401	0.30	0.30 FE	0.00	0.00
10	0100	480119	401	12.09	12.09 FE	0.00	0.00
11	0100	480102	401	0.90	0.90 FE	0.00	0.00
12	0100	480104	401	2.46	2.46 FE	0.00	0.00
13	0100	480101	401	0.05	0.05 FE	0.00	0.00
14	0100	241039		0.00	0.00 FE	1.54	1.54
15	0100	241038		0.00	0.00 FE	1.54	1.54



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 111**

**Responding Witness: Shannon L. Charnas**

Q-111. Please provide an analysis (description, dates and amounts) of any gains or losses on utility property sold in 2009, 2010, 2011 and 2012 to date.

A-111. See attached.

**Louisville Gas and Electric Company  
Gains and Losses on Utility Property Sold  
The Years Ended 2009, 2010, 2011 and June YTD 2012**

<u>Description</u>	<u>Dates</u>	<u>Gain/(Loss) Amounts</u>
<b>Year of 2009:</b>		
Trailer	Mar-2009	\$ (4,070)
Vehicles	Jun-2009	24,481
East Service Center Land	Sep-2009	57,791
Transmission Land	Sep-2009	5,114
Waterside/Galt House Land	Oct-2009	2,423,145
TC2 Land to IMEA/IMPA	Dec-2009	22,179
		<u>\$ 2,528,640</u>
<b>Year of 2010:</b>		
Vehicles	Feb-2010	\$ 1,050
Railcars	Feb-2010	74,076
Vehicles	Jul-2010	32,710
		<u>\$ 107,837</u>
<b>Year of 2011:</b>		
Vehicles	May-2011	\$ 59,293
		<u>\$ 59,293</u>
<b>June Year to date 2012:</b>		
Vehicles	May-2012	\$ 74,659
		<u>\$ 74,659</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 112**

**Responding Witness: Valerie L. Scott**

Q-112. Please provide a complete breakdown of other income, net, for 2009, 2010, 2011 and 2012 to date. Identify the jurisdictional portion of each element.

A-112. See attached. Other income, net is a below the line item, and as such, it does not have a jurisdictional portion.

## Breakdown of Other Income - Net

Account	Account Name	2009	2010	2011	2012 Jun YTD
408202	TAX-NON INC-OTHER	\$ 2,388.00	\$ 2,541.00	\$ 3,168.00	\$ 1,782.00
409203	FED INC TAX-OTHER	709,665.60	(375,489.20)	(489,148.10)	(797,982.69)
409206	ST INC TAX-OTHER	126,706.55	(70,710.25)	(90,284.43)	(145,528.76)
410203	DEF FEDERAL INC TX	7,542,731.11	8,294,738.66	1,998,487.10	-
410204	DEF STATE INC TAX	1,353,296.36	1,399,634.21	321,680.28	-
411201	FD INC TX DEF-CR-OTH	(1,696,153.84)	(2,659,967.35)	(2,146,234.39)	-
411202	ST INC TX DEF-CR-OTH	(286,981.05)	(372,016.35)	(348,625.07)	-
415001	REVENUE FROM CUSTOMER SERVICE LINES	(885.00)	(2,175.27)	-	-
415004	MERCHANDISE SALES	-	-	(149.98)	(13,353.48)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	21,458.59	22,971.33	21,101.49	14,656.02
417004	SERVICE CHARGE AND SUPERVISORY FEE - IMEA AND IMPA	(1,070,306.71)	(846,407.09)	(817,799.19)	(447,037.90)
417005	IMPA-WORKING CAPITAL	(300,034.85)	(278,033.63)	(206,020.77)	(87,669.16)
417006	IMEA-WORKING CAPITAL	(282,330.95)	(261,627.90)	(193,864.25)	(82,496.12)
418001	NONOPR RENT INCOME	-	-	-	(49,085.64)
419005	INT INC-FED TAX PMT	-	-	(3.55)	-
419006	INT INC-ST TAX PMT	237,401.76	-	(428.06)	-
419014	DIVS FROM INVESTMENT	-	-	(34,386.84)	(25,102.76)
419205	INTEREST INCOME FROM FINANCIAL HOLDINGS	(1,217.92)	(1,397.55)	-	-
419206	INTEREST INCOME FROM OTHER LOANS & RECEIVABLES	(21,561.53)	(20,893.27)	(19,768.23)	(11,638.00)
419207	INTEREST INCOME FROM SPECIAL FUNDS	(26,853.43)	(31,652.51)	(22,349.17)	(19,038.27)
419209	INT INC-ASSOC CO	(17,753.74)	(7,558.20)	(5,173.69)	(3,757.07)
419211	DIVIDENDS FROM OVEC	(177,345.00)	(115,415.00)	(56,300.00)	(28,150.00)
421001	MISC NONOPR INCOME	12,437.04	(150,843.69)	(1,187,310.47)	(5,855.54)
421005	MISC NONOPR INCOME-JT USE ASSETS DEPR	-	103,629.36	-	-
421101	GAIN-PROPERTY DISP	(2,532,710.13)	(33,760.40)	(69,454.19)	(72,590.89)
421201	LOSS-PROPERTY DISP	4,070.34	-	-	-
421550	MTM INCOME - ELECTRIC - NONHEDGING	797,385.97	1,461,360.96	137,908.13	-
421552	MTM INCOME - ELECTRIC - NONHEDGING - NETTING	(797,385.97)	(545,576.50)	-	-
426101	DONATIONS	847,892.20	1,614,691.37	1,838,309.05	1,622,581.96
426191	DONATIONS - INDIRECT	19,048.05	25,180.79	20,990.94	15,740.64
426301	PENALTIES	320,212.61	-	191.56	49,109.27
426401	EXP-CIVIC/POL/REL	1,123.39	49,392.12	73,619.45	37,215.60
426491	EXP-CIVIC/POL/REL - INDIRECT	739,050.87	906,956.05	846,942.04	436,608.33
426501	OTHER DEDUCTIONS	782,266.25	1,021,057.05	775,547.69	344,917.29
426508	FOREIGN EXCHANGE LOSSES	841.67	-	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	633,164.81	32,540.85	(1,541,953.39)	-
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	(20,979,515.00)	(20,627,482.64)	-	-
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	797,385.97	545,576.50	-	-
426557	AMORT OF OCI-PCB JC2003A \$128M	(64,908.72)	(0.02)	-	-
426558	AMORT OF REG ASSET - SWAP TERMINATION	-	107,698.25	-	-
426560	ECONOMIC DEVELOPMENT RIDER-CREDITS EARNED	-	-	-	14,752.39
426591	OTHER DEDUCTIONS - INDIRECT	201,015.42	95,565.98	111,910.27	16,043.08
		<b>\$ (13,106,401.28)</b>	<b>\$ (10,717,472.34)</b>	<b>\$ (1,079,397.77)</b>	<b>\$ 764,120.30</b>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 113**

**Responding Witness: Valerie L. Scott**

Q-113. Provide the monthly financial and operating reports for every month from October 2009 to the present.

A-113. See attached.

The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 114**

**Responding Witness: Kent W. Blake**

Q-114. Provide the twelve months-ending return on common equity for each month from January 2009 to the present.

A-114. LG&E does not prepare the return on common equity on a monthly basis. Please refer to PSC 1-38 to obtain the return on common equity for year ends previous to 2012.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 115**

**Responding Witness: Paul W. Thompson**

Q-115. Please supply a copy of LG&E's latest Ten Year Demand Forecast.

A-115. See attached.



2012 MTP Non-coincident MW Peaks - Uncurtailed

Year	KU	LGE
2012	4,539	2,770
2013	4,591	2,777
2014	4,599	2,718
2015	4,637	2,727
2016	4,736	2,820
2017	4,790	2,785
2018	4,776	2,862
2019	4,837	2,886
2020	4,880	2,865
2021	5,064	2,951
2022	5,017	2,994

2012 MTP Coincident MW Peaks - Uncurtailed

Year	KU	LGE	CC Peak
2012	4,277	2,770	7,047
2013	4,388	2,700	7,089
2014	4,423	2,704	7,127
2015	4,455	2,710	7,165
2016	4,427	2,820	7,246
2017	4,504	2,785	7,289
2018	4,486	2,862	7,348
2019	4,597	2,801	7,398
2020	4,663	2,835	7,498
2021	4,589	2,951	7,540
2022	4,664	2,994	7,658

Note: All peaks are inclusive of the respective peak DLC. Curtailable amounts are not included. Data matches the most recent Annual Resource Assessment (387) filing.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 116**

**Responding Witness: Valerie L. Scott**

Q-116. Please list all year end closing and adjusting accounting entries, both internal and those made by your external auditors for 2009, 2010, and 2011.

A-116. See attached for all internal year end entries. There were no entries made by the external auditors.

LOUISVILLE GAS AND ELECTRIC COMPANY

J000-0100-1209

Month Ending  
December 2009

JOURNAL ENTRY INDEX

DESCRIPTION	DAY DUE	DEPT		
<b>CASH (JES 1-5)</b>				
CASH RECEIPTS	1	3	FAR	X
CASH DISBURSEMENTS AND TRANSFERS	2	3	FAR	X
CREDIT CASH ADJUSTMENT	3	5	FAR	X
LTD/COBRA BENEFITS	4		FAR	X
RECORD INTEREST & DIVIDEND INCOME	5	4	FAR	N/A

<b>SALES AND OTHER INCOME (JES 6-24; 71)</b>				
UNREPORTED REVENUE (INVOICES AFTER CUTOFF)	6		RAD	X
ECR OVER/UNDER RECOVERY	7	5	RAD	X
FAC RECOVERY	8	5	RAD	X
OUTSORTS & IMPLAUSIBLE ACCRUAL	9	4	RAD	X
GAS END OF MONTH ADJUSTMENT	10	4	RAD	X
ELECTRIC EOM ADJUSTMENT	11	4	RAD	X
RECORD BILLED CCF	12	4	RAD	X
CURRENT MONTH UNBILLED REVENUE	13	4	RAD	X
ELECTRIC SWAP REVENUES AND EXPENSES	14		EMA	X
SETTLED EL SWAP, MARGIN ACCT, BROKER FEE TRANS	15		EMA	X
INTEREST INCOME FROM SWAP COLLATERAL DEPOSITS	16	4	FAR	X
RECOVERY OF UNDERBILLINGS	17	4	RAR	X
REFUND OF OVERBILLINGS	18	4	RAR	X
REFUND/RECOVERY OF GCBA	19	4	RAR	X
EOM BALANCE SHEET & OTHER TRUE-UPS	20	4	RAD	N/A
INTEREST INCOME FROM MARKETABLE SECURITIES	21	4	FAR	N/A
CURRENT MONTH UNBILLED REVENUE - GAS	22		RAD	X
MISO TRANSMISSION REVENUE	23	4	RAR	X

<b>WHOLESALE ELECTRIC EXPENSES (JES 25-50)</b>				
HOOSIER MISO HOLD HARMLESS PAYMENT	24		EMA	X
ACCRUE MISO EXPENSES	25	4	EMA	X
ENERGY GENERATED	26	4	RAR	X
LOOP OPERATION REGULATION KWH	27	5	RAR	X
AUXILIARY POWER	28	3	RAR	X
MARK TO MARKET NETTING ENTRY	29		EMA	X
GROSS MARGIN RECLASS	30	4	RAR	X
INTRACOMPANY GAS GENERATION	31		RAD	X
GAS USED IN ELECTRIC GENERATION	32	4	RAR	X
OIL USED FOR START-UP AND STABILIZATION	33	4	RAR	X
RECLASS FUEL EXPENSE TO OSS	34	4	RAR	X
RECORD NOx EMISSION ALLOWANCES (May-Sept only)	35	3	RAR	X
INTRACOMPANY GAS TRANSPORT	36		RAD	X

Key to Department initials:  
Financial Accounting & Reporting FAR  
Revenue Accounting Department RAD  
Energy Marketing Accounting EMA  
Regulatory Accounting & Reporting RAR

DESCRIPTION	DAY DUE	DEPT		
<b>WHOLESALE ELECTRIC EXPENSES (JES 25-50)</b>				
HYDRO RENT, FERC HEADWATER BENEFITS	37	3	RAR	X
MAN NETTING ENTRY	38		EMA	X
TRANSFER LIMESTONE BURNED TO PLANT PROJECT	39		RAR	X
AMORTIZE AIR PERMIT FEES	40	3	RAR	X
TRUE-UP OF PREVIOUS MONTH MISO DAY 2	41	4	EMA	X
COAL FOR RESALE-KOSMOS	42	4	RAR	X
OFF SYSTEM SALES & PUR, TRANSMISSION EXP, BROKER FEES-	43	5	EMA	X
UNBILLED A/R TO BILLED A/R ENTRY - OSS	44	5	EMA	X
TRIMBLE COUNTY CTS - BURNED	45		RAR	X
MARK TO MARKET FEES	46	4	EMA	X
PADDY'S RUN GAS PURCHASES & USAGE	47		RAR	X
RECORD SO <sub>2</sub> EMISSION ALLOWANCE EXPENSE	48	3	RAR	X
TRIMBLE COUNTY CTS - PURCHASES	49	4	RAR	X
ADJUST OVEC LGE AND KU A/P TO ACTUAL CASH PAID	50	4	EMA	X

<b>GAS PRODUCTION EXPENSES (JES 51-60)</b>				
GAS PURCHASES	51	4	RAR	X
GAS STORED	52	4	RAR	X
GAS WITHDRAWN	53	4	RAR	X
GAS LOSSES	54	4	RAR	X
GSCA MONTHLY ADJUSTMENT	55	4	RAR	X
FT GAS PURCHASES	56	4	RAD	X
PURCHASED GAS ADJUSTMENT	57		RAR	
PBR RECOVERY	58	4	RAR	X
PBR RECOVERY ACCRUAL	59	QTR	RAR	X
GCBA BALANCE SET-UP	60	QTR	RAR	X

<b>INTEREST EXPENSE (JES 61-69)</b>				
BOND INTEREST	61	4	FAR	X
INTEREST ACCRUAL ON NOTES PAYABLE TO FIDELIA	62	4	FAR	X
AMORTIZE DEBT EXPENSE ON BONDS	63	4	FAR	X
AMORTIZE LOSS ON BONDS	64	4	FAR	X
RECLASS OF CURRENT PORTION AMORTIZATION	65	QTR	FAR	X
INTEREST ON CUSTOMER DEPOSITS	66	4	RAD	X
PURCHASED GAS ADJUSTMENT	67		RAR	
DYNEGY INTEREST	68	QTR	RAR	X

<b>SALES AND OTHER INCOME (JES 6-24; 70-71)</b>				
STATS FOR 3RD PARTY TRANSMISSION REVENUE	70		EMA	X
TRANSMISSION SERVICE REV/EXP-EKPC	71		EMA	X

<b>MISCELLANEOUS OPERATING TAXES (JES 72-73)</b>				
AMORTIZATION OF PREPAID PSC FEE	72	3	RAD	X
TAXES ON AUTO AND TRAILER LICENSE	73	4	FAR	X

LOUISVILLE GAS AND ELECTRIC COMPANY

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DESCRIPTION	DAY DUE	DEPT	DESCRIPTION	DAY DUE	DEPT
<b>MISCELLANEOUS OPERATING EXPENSES (JES 74-101,103, 109-111)</b>					
DSM PROGRAM ACCRUALS (ENERGY EFFICIENCY)	74	RAD	X		
RESERVE FOR UNCOLLECTIBLE ACCOUNTS-SUNDRIES	75	QTR	FAR	X	
GSC FILING TRUE-UP	76	QTR	RAR	X	
ACCRUE MISO EXIT FEE REFUNDS	77		EMA	X	
AMORTIZATION OF MISO EXIT FEES	78		EMA	X	
ACCRUE MONTHLY PAYMENTS TO SPP, TVA & OSI	79		RAR	X	
CLEAR 142999 - CCS SUSPENSE	80	3	RAD	X	
DSM RECLASS FOR PROJECTS/TASKS	81	3	RAD	X	
AMORTIZATION OF GAS FRANCHISES	82	3	FAR	X	
AMORTIZE PREPAID ELECTRIC TRANSMISSION FEE	83	3	RAR	X	
MISO OTHER & ADMIN CHARGES AND PJM OTHER CHARGES	84		EMA	X	
PROPERTY INSURANCE	85	3	FAR	X	
ACCRUED LABOR	86	QTR	RAR	X	
ECR ASH HAULING EXPENSE	87		RAR	X	
FERC ELECTRIC ANNUAL CHARGES	88	2	RAR	X	
BOOK PJM ACTUALS FOR PRIOR MONTH	89		EMA	X	
AMORTIZATION OF KU-EKPC SETTLEMENT OF PROCEEDINGS	90		RAR	X	
HONEYWELL AMORTIZATION	91	3	RAR	X	
LEGAL EXPENSE RECLASS	92		RAR	X	
PREPAID VEHICLE LICENSE	93		FAR	X	
ELECTRIC LINE LOSS CALCULATION	94	5	RAD		
COMPANY METER EXPENSE	95	3	RAD	X	
SALES TAX ACCRUAL ON COMPANY METERS	96	3	RAD	X	
ADMINISTRATIVE AND GENERAL EXPENSES TRANSFERRED	97	5	RAR	X	
ACCOUNT RECEIVABLE BAD DEBT RESERVE ADJUSTMENT	98	4	RAD	X	
HEA BAD DEBT ADJUSTMENT	99	4	RAD	X	
TWO MONTH ECR ACCRUAL - FORECASTED PORTION	100	4	RAD	X	
ONE MONTH ECR ACCRUAL - RATES & REG PORTION	101	4	RAD	X	
AMORTIZE RATE CASE EXPENSES	103		RAR	X	
RECORD BILLED KWH	104		RAD	X	
<b>INTERCOMPANY ENTRIES (JES 101, 103 - 108)</b>					
BUILDING RENT	102	3	RAR	X	
LPM - EMS FOR OPC	106	3	RAR	X	
PARKING AT WATERSIDE	108	QTR-3	RAR	X	
<b>MISCELLANEOUS OPERATING EXPENSES (JES 74-101,109-111)</b>					
TC FUEL OIL TRANSFER	109		RAR	X	
MISCELLANEOUS PREPAIDS	110		RAR	X	
GAS CUSTOMER COUNT	111		RAD	X	
HYDRO ADMINISTRATIVE CHARGES	112		RAR	X	
KMPA TRANSMISSION REVENUE & EXPENSE	113		EMA	X	
Financial Accounting & Reporting			FAR		
Revenue Accounting Department			RAD		
Energy Marketing Accounting			EMA		
Regulatory Accounting & Reporting			RAR		
<b>ACCOUNTS RECEIVABLE SUNDRY (JES 117-130)</b>					
SUNDRY A/R ACCRUALS	117		FAR	X	
MISC OTHER ACCOUNTS RECEIVABLE	118	4	FAR	X	
SET UP CHARGES	119	4	FAR	X	
RENTS RECEIVABLE	120	4	FAR	X	
	121				
	122				
RECLASS FERC ACCOUNTS 143 & 186 CREDITS(qtr)	123	5	FAR	X	
SUNDRY CASH ENTRY	127	5	FAR	X	
SUNDRY CASH ENTRY	128	5	FAR	X	
<b>IMEA/IMPA TRANSACTIONS (JES 131-141)</b>					
FUEL FOR DISALLOWED TRIMBLE CO	131	5	RAR	X	
ACCRUE IMEA-IMPA RECEIVABLE FOR TC2	132		RAR	X	
TC IMEA/IMPA ASHPOND/SO <sub>3</sub> INJECTION ACCRUAL	133		RAR	X	
INCREMENTAL CAPITAL ASSETS IMEA	134	4	RAR	X	
INCREMENTAL CAPITAL ASSETS IMPA	135	4	RAR	X	
SERVICE AND TRANSMISSION IMEA	136	5	RAR	X	
CREDIT IMEA/IMPA FOR TLR AND REACTIVE POWER	137		RAR	X	
CAPITAL AND TRANSMISSION CHARGES IMPA	138	5	RAR	X	
IMEA/IMPA TC2 RECEIVABLE	139		RAR	X	
TC1 IMEA AND IMPA ACCRUALS	140		RAR	X	
<b>BALANCE SHEET TRANSACTIONS (JES 142-165)</b>					
TRANSFER GAS BETWEEN BROWN AND TC CTS	141		RAR	X	
ACCRUAL OF LEGAL'S OUTSTANDING BONDS	142		FAR	X	
MAN MARGIN ACCOUNT BETWEEN LG&E AND KU	143		EMA	X	
RAILCAR PROPERTY TAX ACCRUAL	144		RAR	X	
GAS BORROWED FROM THE PIPELINE AT THE TC CTS	145		RAR	X	
	146				
DTS DAMAGE CLAIMS	147		FAR	X	
INVENTORY ADJUSTMENT	148	4	RAR	X	
GREEN ENERGY ACTIVITY	149		RAD	X	
OVEC DIVIDENDS	150	QTR	FAR	X	
CUSTOMER COUNT	151	4	RAD	X	
RECLASS MISO EXIT REFUND BETWEEN CURRENT & NON-CURR	152		EMA	X	
DSM OVER/UNDER	153	4	RAD	X	
WORKERS' COMPENSATION	154	QTR	RAR	X	
TRANSFER CLEARING ACCT BALANCE TO DEF CREDITS	155	QTR -5	RAR	X	
ACCRUE MARGIN CASH COLLATERAL A/R OF A/P	156		EMA	X	
GAS INVENTORY ADJUSTMENT	157		RAD	X	
FASB 133	158	5	FAR	X	
REVERSE LOUISVILLE ARENA BURDENS	159		FAR	X	
A/R CREDIT BALANCES FROM CCS & LT DFA	160	4	RAD	X	
ADJUST A/R BALANCE RECONCILIATION TO CIS AMOUNT	161	4	RAD	X	
MUSEUM PLAZA RELIEVE CUSTOMER ADVANCE ACCT	162		FAR	X	
CLEAR BALANCES FOR PROVISION IN UNCOLLECTIBLE ACCOUN	163	YRLY	RAD	X	
RECLASSIFY SHORT-TERM PORTION OF CUSTOMER ADV	164		FAR	X	
RECLASS LT PORTION OF MTM ASSETS & LIABILITIES	165		EMA	X	
CLEAR 232093 - CCS SUSPENSE	166		RAD	X	
CLEAR CCS REFUNDS	167		FAR	X	

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DESCRIPTION		DAY DUE		DESCRIPTION		DAY DUE	
<b>MISCELLANEOUS JOURNAL ENTRIES (JES 165-249)</b>				<b>MISCELLANEOUS JOURNAL ENTRIES (JES 165-249) CONT</b>			
CORRECT OCT BEGIN BALANCE FROM NOV MTM ENTRY	168	EMA	X	ACCT FOR MTM GAIN FOR SAP	204	FAR	X
RECLASS ENERGY IMBALANCE TASKS FOR ALL OF 2009	169	EMA	X	RECLASS DYNEGY SHORT PAYMENT	205	EMA	X
RECLASS DSM CUST REFUNDS	170	RAR	X	ICE STORM THRANSFER - LGE	206	RAR	X
LG&E PROPERTY TAX ACCRUAL	171	RAR	X	TO RECORD LINENS HOLDING BKTCY	207	RAR	X
KU-EKPC SETTLEMENT	172	RAR	X	CORRECT 232001 FOR RAR	208	FAR	X
RECLASS TAMPERING CHARGES	173	RAR	X	CORRECT INTERCOMPANY DIFFERENCE	209	CAD	X
US GYPSUM	174	FAR	X	TO RECLASS PORTION OF ACCCE DUES TO LOBBYING	210	RAR	X
LABOR DROPPED FROM VOLTS FILE	175	CAD	X	CLEAR 184150	211	EMA	X
RECLASSIFY YTD ACTIVITY IN PRODUCT 750	176	CAD	X		212		
ALSTOM/BR7 DEFERRED CREDITS	177	RAR	X		213		
	178				214		
REMOVE BURDENS FROM TC2 PROJECT	179	RAR	X		215		
TO CLEAR A&G EXPENSES	180	RAR	X		216		
CLEARING STORES ACCOUNTS FOR YE	181	RAR	X		217		
CLEARING MISC 184500 ACCOUNTS FOR YE	182	RAR	X		218		
CORRECT LEGAL INVOICES	183	RAR	X		219		
TO CORRECT EEI INVOICE DISTRIBUTION	184	RAR	X		220		
TO ADJUST MA CHARGES BETWEEN TASKS	185	RAR	X		221		
TO TRANSFER IMEA/IMPA BETWEEN PROJECTS	186	RAR	X		222		
TO RECORD LEGAL CLAIMS AND LIABILITIES	187	RAR	X		223		
BOND INTEREST PAID CORRECTION	188	FAR	X		224		
TO TRANSFER LABOR BAND BURDENS TO CAPITAL	189	RAR	X		225		
RECORD PAYMENTS RECEIVED	190	FAR	X		226		
RECLASS PAYMENT TO 252013	191	FAR	X		227		
RECLASS PAYMENT TO 232001	192	FAR	X		226		
RECLASS CASH PAYMENTS	193	FAR	X		227		
RECLASS LEGAL RENEWABLES	194	RAR	X		228		
RECLASS CASH PAYMENTS	195	FAR	X	<b>ACCOUNTS PAYABLE (250-299)</b>			
ELECTRIC PROPERTY UNEARNED REVENUE	196	FAR	X	RECLASS	250		X
LGE AR UPLOAD CORRECTION	197	FAR	X	POSTED INVOICE ACCRUAL	252		X
MISC GENERAL COUNSEL HR ACCRUAL	198	RAR	X	RECEIPT ACCRUAL	253		X
YEAR END ACCRUAL - REVERSING	199	FAR	X	PROJECT ENG ACCRUAL	254		X
RECLASS PRODUCT CODE FOR SAP	200	FAR	X	OTHER ACCRUALS	255		X
CLEAR 184150	201	RAR	X	ACCRUAL ADJUSTMENT	258		X
CLEAR OVER & SHORT ACCOUNT	202	FAR	X				
ICE STORM SETTLEMENT CHARGES	203	RAR	X				

Key to Department initials:

Financial Accounting & Reporting	FAR
Revenue Accounting Department	RAD
Energy Marketing Accounting	EMA
Regulatory Accounting & Reporting	RAR

LOUISVILLE GAS AND ELECTRIC COMPANY

J000-0100-1209

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December 2009

JOURNAL ENTRY INDEX

DESCRIPTION		DAY DUE
<b>PROPERTY ACCOUNTING JOURNAL ENTRIES (JES 300-399)</b>		
REVERSE AP SALES TAX ADJUSTMENTS	300	X
TRANSFER CHARGES	301	X
RECLASSIFY 106 BALANCES	302	X
TO CAPITALIZE LABOR FOR INSTALLATION OF METERS	303	X
TRANSFER CHARGES	304	X
CORRECTION OF TRANSFORMER INSTALLATION CHARGES	305	X
TC2 CAPITLIZED PROPERTY TAX	306	X
CORRECT AR ENTRY	307	X
MOVE O&M CHARGES FROM 117918 TO 108550	308	X
TRANSFER CHARGES	309	X
TRANSFER CHARGES	310	X
MOVE o&m CHARGES FROM 121928 TO 108550	311	X
RECLASS CASH TO CORPORATE PROJECT	312	X
RECLASS CHARGES TO O&M	313	X
RECLASS CHARGES TO O&M	314	X
TRANSFER CHARGES	315	X
TRANSFER CHARGES	316	X
MOVE CHARGES BETWEEN TASKS TO 121921	317	X
TRANSFER CHARGES	318	X
MOVE NON-MATL CHRGES ON 125823-I CHARGES TO 124800-PIPE	319	X
CLEANUP OF 108901/675 CHARGES	320	X
TRANSFER CHARGES	321	X
MOVE KELLOPPS MISC CHARGES TO WHERE MATERIAL RESIDES	322	X
TO TRANSFER COSTS TO CORRECT TASK	323	X
TRANSFER CHARGES	324	X
CORRECT PRODUCT CODE	325	X
CWIP/RWIP E/G/C SPLITS BAL	326	X

DESCRIPTION		DAY DUE
<b>TAX JOURNAL ENTRIES (JES 400-499)</b>		
PROPERTY TAX ACCRUAL	401	X
INDIANA PROPERTY TAX ACCRUAL	402	X
REVERSE ITC NOV	403	X
SCHOOL TAX	406	X
TRUE UP SALES TAX	407	X
ACCRUE FOR INDIANA SALES & USE TAX	409	X
EXPO (FIN 48) 4TH QUARTER	417	X
<b>PAYROLL JOURNAL ENTRIES (JES 500-599)</b>		
PAY PERIOD ENDING 12/31/09 MTHLY	501	X
PAY PERIOD ENDING 11/29/09	502	X
PAY PERIOD ENDING 12/13/09	503	X
PAY PERIOD ENDING 12/27/09	504	X
BALANCE ACCT 241036	508	X
ER TAX TRUE UP	513	X
TRANSFER CHARGES-2009 WINTER STORM	514	X
YE GU	515	X
STORM BONUS	517	X
RECLASS HCRA	518	X
<b>JOURNAL ENTRIES (JES 600-699)</b>		
DSM PROJECT/TASK CORRECTION	602	X
DSM INTEREST CORRECTION	603	X
GAS TRANSPORTS TRUEUP CCF	604	X
DSM RECLASS	605	X
GAS TRANSPORTS REVENUES TRUE UP	606	X
TAMPERING CHARGES RECLASS	608	X
GAS REVENUE BILLED AFTER CUT-OFF	608	X
RECLASS DSM ACCOUNTS	609	X
OFF SYSTEM SALES CORRECTION	610	X

Key to Department initials:  
 Financial Accounting & Reporting  
 Revenue Accounting Department  
 Energy Marketing Accounting  
 Regulatory Accounting & Reporting

FAR  
 RAD  
 EMA  
 RAR

**LOUISVILLE GAS AND ELECTRIC COMPANY**

Month Ending

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**JOURNAL ENTRY INDEX**

DESCRIPTION	DEPT		
<b>STANDARD - CASH (JES 1-5)</b>			
CASH RECEIPTS	1	FAR	X
CASH DISBURSEMENTS AND TRANSFERS	2	FAR	X
CREDIT CASH ADJUSTMENT	3	FAR	X
LTD/COBRA BENEFITS	4	FAR	X
RECORD INTEREST & DIVIDEND INCOME	5	FAR	X

<b>STANDARD - SALES AND OTHER INCOME (JES 6-24; 71)</b>			
UNREPORTED REVENUE (INVOICES AFTER CUTOFF)	6	RAD	X
ECR OVER/UNDER RECOVERY	7	RAD	X
FAC RECOVERY	8	RAD	X
OUTSORTS & IMPLAUSIBLE ACCRUAL	9	RAD	X
GAS END OF MONTH ADJUSTMENT	10	RAD	X
ELECTRIC EOM ADJUSTMENT	11	RAD	X
RECORD BILLED CCF	12	RAD	X
CURRENT MONTH UNBILLED REVENUE	13	RAD	X
ELECTRIC SWAP REVENUES AND EXPENSES	14	EMA	X
SETTLED EL SWAP, MARGIN ACCT, BROKER FEE TRANS	15	EMA	X
INTEREST INCOME FROM SWAP COLLATERAL DEPOSITS	16	FAR	X
RECOVERY OF UNDERBILLINGS	17	RAR	X
REFUND OF OVERBILLINGS	18	RAR	X
REFUND/RECOVERY OF GCBA	19	RAR	X
EOM BALANCE SHEET & OTHER TRUE-UPS	20	RAD	X
INTEREST INCOME FROM MARKETABLE SECURITIES	21	FAR	X
CURRENT MONTH UNBILLED REVENUE - GAS	22	RAD	X
MISO TRANSMISSION REVENUE	23	EMA	X

<b>STANDARD - WHOLESALE ELECTRIC EXPENSES (JES 25-50)</b>			
HOOSIER MISO HOLD HARMLESS PAYMENT	24	EMA	X
ACCRUE MISO EXPENSES	25	EMA	X
ENERGY GENERATED	26	RAR	X
LOOP OPERATION REGULATION KWH	27	RAR	X
NEGATIVE GENERATION	28	RAR	X
	29		
GROSS MARGIN RECLASS	30	RAR	X
INTRACOMPANY GAS GENERATION	31	RAD	X
GAS USED IN ELECTRIC GENERATION	32	RAR	X
OIL USED FOR START-UP AND STABILIZATION	33	RAR	X
RECLASS FUEL EXPENSE TO OSS	34	RAR	X
RECORD OZONE NOX EMISSION ALLOWANCES (May-Sept only)	35	RAR	X
INTRACOMPANY GAS TRANSPORT	36	RAD	X

Key to Department initials:  
 Financial Accounting & Reporting FAR  
 Revenue Accounting Department RAD  
 Energy Marketing Accounting EMA  
 Regulatory Accounting & Reporting RAR

DESCRIPTION	DEPT		
<b>STANDARD - WHOLESALE ELECTRIC EXPENSES (JES 25-50)</b>			
HYDRO RENT, FERC HEADWATER BENEFITS	37	RAR	X
RECORD TRANSMISSION EXPENSE	38	EMA	X
TRANSFER LIMESTONE BURNED TO PLANT PROJECT	39	RAR	X
AMORTIZE AIR PERMIT FEES	40	RAR	X
TRUE-UP OF PREVIOUS MONTH MISO DAY 2	41	EMA	X
COAL FOR RESALE-KOSMOS	42	RAR	X
OFF SYSTEM SALES & PUR, TRANSMISSION EXP, BROKER FEES-CTS	43	EMA	X
UNBILLED A/R TO BILLED A/R ENTRY - OSS	44	EMA	X
TRIMBLE COUNTY CTS - BURNED	45	RAR	X
MARK TO MARKET FEES	46	EMA	X
PADDY'S RUN GAS PURCHASES & USAGE	47	RAR	X
RECORD SO <sub>2</sub> EMISSION ALLOWANCE EXPENSE	48	RAR	X
TRIMBLE COUNTY CTS - PURCHASES	49	RAR	X
ADJUST OVEC LGE AND KU A/P TO ACTUAL CASH PAID	50	EMA	X

<b>STANDARD - GAS PRODUCTION EXPENSES (JES 51-60)</b>			
GAS PURCHASES	51	RAR	X
GAS STORED	52	RAR	X
GAS WITHDRAWN	53	RAR	X
GAS LOSSES	54	RAR	X
GSCA MONTHLY ADJUSTMENT	55	RAR	X
FT GAS PURCHASES	56	RAD	X
PURCHASED GAS ADJUSTMENT	57	RAR	X
PBR RECOVERY	58	RAR	X
PBR RECOVERY ACCRUAL	59	RAR	X
GCBA BALANCE SET-UP	60	RAR	X

<b>STANDARD - INTEREST EXPENSE (JES 61-69)</b>			
BOND INTEREST	61	FAR	X
INTEREST ACCRUAL ON NOTES PAYABLE TO FIDELIA	62	FAR	
AMORTIZE DEBT EXPENSE ON BONDS	63	FAR	X
AMORTIZE LOSS ON BONDS	64	FAR	X
RECLASS OF CURRENT PORTION AMORTIZATION	65	FAR	
INTEREST ON CUSTOMER DEPOSITS	66	RAD	X
PURCHASED GAS ADJUSTMENT	67	RAR	X
	68		

<b>STANDARD - SALES AND OTHER INCOME (JES 6-24; 70-71)</b>			
STATS FOR 3RD PARTY TRANSMISSION REVENUE	70	EMA	X
TRANSMISSION SERVICE REV/EXP-EKPC	71	EMA	X

<b>STANDARD - MISCELLANEOUS OPERATING TAXES (JES 72-73)</b>			
AMORTIZATION OF PREPAID PSC FEE	72	RAD	X
TAXES ON AUTO AND TRAILER LICENSE	73	FAR	X

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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<b>STANDARD - MISCELLANEOUS OPERATING EXPENSES (JES 74-101,103, 109-111)</b>			
DSM PROGRAM ACCRUALS (ENERGY EFFICIENCY)	74	RAD	X
RESERVE FOR UNCOLLECTIBLE ACCOUNTS-SUNDRIES	75	FAR	X
GSC FILING TRUE-UP	76	RAR	X
ACCRUE MISO EXIT FEE REFUNDS	77	EMA	X
AMORTIZATION OF MISO EXIT FEES	78	EMA	X
ACCRUE MONTHLY PAYMENTS TO SPP, TVA & OSI	79	RAR	X
CLEAR 142999 - CCS SUSPENSE	80	RAD	X
DSM RECLASS FOR PROJECTS/TASKS	81	RAD	X
AMORTIZATION OF GAS FRANCHISES	82	FAR	X
AMORTIZE PREPAID ELECTRIC TRANSMISSION FEE	83	RAR	X
MISO OTHER & ADMIN CHARGES AND PJM OTHER CHARGES	84	EMA	X
PROPERTY INSURANCE	85	FAR	X
ALSTOM LTSA DEFERRED CREDIT	86	RAR	X
STORM AMORTIZATIONS	87	RAR	X
FERC ELECTRIC ANNUAL CHARGES	88	RAR	X
BOOK PJM ACTUALS FOR PRIOR MONTH	89	EMA	X
AMORTIZATION OF KU-EKPC SETTLEMENT OF PROCEEDINGS	90	RAR	X
HONEYWELL AMORTIZATION	91	RAR	X
LEGAL EXPENSE RECLASS	92	RAR	X
PREPAID VEHICLE LICENSE	93	FAR	X
ELECTRIC LINE LOSS CALCULATION	94	RAD	X
COMPANY METER EXPENSE	95	RAD	X
SALES TAX ACCRUAL ON COMPANY METERS	96	RAD	X
ADMINISTRATIVE AND GENERAL EXPENSES TRANSFERRED	97	RAR	X
ACCOUNT RECEIVABLE BAD DEBT RESERVE ADJUSTMENT	98	RAD	X
HEA BAD DEBT ADJUSTMENT	99	RAD	X
KMPA MONTHLY FINAL BILLING	100	EMA	X
	101		
AMORTIZE RATE CASE EXPENSES	103	RAR	X
RECORD BILLED KWH	104	RAD	X

**STANDARD - INTERCOMPANY ENTRIES (JES 101, 103 - 108)**

BUILDING RENT	102	RAR	X
LPM - EMS FOR OPC	106	RAR	
PARKING AT WATERSIDE	108	FAR	X

**STANDARD - MISCELLANEOUS OPERATING EXPENSES (JES 74-101,109-111)**

TC FUEL OIL TRANSFER	109	RAR	X
MISCELLANEOUS PREPAIDS	110	RAR	X
GAS CUSTOMER COUNT	111	RAD	X
HYDRO ADMINISTRATIVE CHARGES	112	RAR	X
KMPA TRANSMISSION REVENUE & EXPENSE	113	EMA	X

Financial Accounting & Reporting	FAR		
Revenue Accounting Department	RAD		
Energy Marketing Accounting	EMA		
Regulatory Accounting & Reporting	RAR		

**DESCRIPTION**

**DEPT**

<b>STANDARD - ACCOUNTS RECEIVABLE SUNDRY (JES 117-130)</b>			
SUNDRY A/R ACCRUALS	117	FAR	X
MISC OTHER ACCOUNTS RECEIVABLE	118	FAR	X
SET UP CHARGES	119	FAR	X
RENTS RECEIVABLE	120	FAR	X
	121		
	122		
RECLASS FERC ACCOUNTS 143 & 186 CREDITS(qtr)	123	FAR	X
SUNDRY CASH ENTRY	127	FAR	X
	128		
<b>STANDARD - IMEA/IMPA TRANSACTIONS (JES 131-141)</b>			
FUEL FOR DISALLOWED TRIMBLE COUNTY 2	130	RAR	X
FUEL FOR DISALLOWED TRIMBLE COUNTY 1	131	RAR	X
ACCRUE IMEA-IMPA RECEIVABLE FOR TC2	132	FAR	X
TC IMEA/IMPA ASHPOND/SO <sub>3</sub> INJECTION ACCRUAL	133	FAR	X
INCREMENTAL CAPITAL ASSETS IMEA	134	RAR	X
INCREMENTAL CAPITAL ASSETS IMPA	135	FAR	X
SERVICE AND TRANSMISSION IMEA TC1	136	RAR	X
CREDIT IMEA/IMPA FOR TLR AND REACTIVE POWER TC1	137	RAR	X
CAPITAL AND TRANSMISSION CHARGES IMPA TC1	138	RAR	X
IMEA/IMPA TC2 RECEIVABLE	139	RAR	X
TC1 IMEA AND IMPA ACCRUALS	140	RAR	X
<b>STANDARD - BALANCE SHEET TRANSACTIONS (JES 142-165)</b>			
TRANSFER GAS BETWEEN BROWN AND TC CTS	141	RAR	X
ACCRUAL OF LEGAL'S OUTSTANDING BONDS	142	FAR	X
MAN MARGIN ACCOUNT BETWEEN LG&E AND KU	143	EMA	X
RAILCAR PROPERTY TAX ACCRUAL	144	RAR	X
GAS BORROWED FROM THE PIPELINE AT THE TC CTS	145	RAR	X
MONTHLY CASH RECEIVED NOT YET POSTED TO CCS	146	FAR	X
DTS DAMAGE CLAIMS	147	FAR	X
INVENTORY ADJUSTMENT	148	RAR	X
GREEN ENERGY ACTIVITY	149	RAD	X
OVEC DIVIDENDS	150	FAR	X
CUSTOMER COUNT	151	RAD	X
RECLASS MISO EXIT REFUND BETWEEN CURRENT & NON-CURRENT	152	EMA	
DSM OVER/UNDER	153	RAD	X
WORKERS' COMPENSATION	154	RAR	X
TRANSFER CLEARING ACCT BALANCE TO DEF CREDITS	155	RAR	X
ACCRUE MARGIN CASH COLLATERAL A/R OF A/P	156	EMA	X
GAS INVENTORY ADJUSTMENT	157	RAD	X
FASB 133	158	FAR	X
REVERSE LOUISVILLE ARENA BURDENS	159	FAR	X
A/R CREDIT BALANCES FROM CCS & LT DFA	160	RAD	X
ADJUST A/R BALANCE RECONCILIATION TO CIS AMOUNT	161	RAD	X
MUSEUM PLAZA RELIEVE CUSTOMER ADVANCE ACCT	162	FAR	X
CLEAR BALANCES FOR PROVISION IN UNCOLLECTIBLE ACCOUNTS	163	RAD	X
RECLASSIFY SHORT-TERM PORTION OF CUSTOMER ADV	164	FAR	X
RECLASS LT PORTION OF MTM ASSETS & LIABILITIES	165	EMA	X
CLEAR 232093 - CCS SUSPENSE	166	RAD	X
CLEAR CCS REFUNDS	167	FAR	X



**LOUISVILLE GAS AND ELECTRIC COMPANY**

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<b>STANDARD ENTRIES (JES 168-179)</b>			
INVOICES AFTER CUTOFF - ELECTRIC	168	RAD	X
TAMPERING CHARGES	169	RAD	X
ELECTRIC PROPERTY UNEARNED REVENUE	170	FAR	X
INVOICES AFTER CUTOFF - GAS	171	RAD	X
IMEA/IMPA SPARE PARTS ACCRUAL - TC2	172	FAR	X
GSC ESTIMATE RECLASS	173	RAR	X
RECORD ANNUAL NOX EMISSION ALLOWANCES	174	RAR	X
PENILE CITY TEXAS GAS CONSTRUCTION ADVANCE	175	FAR	X
AMORTIZATION OF KCCS & CMRG FUNDING	176	RAR	X
OUTDOOR LIGHT BASE ENERGY ECR RECLASS	177	RAD	X
DEBT DISCOUNT AMORTIZATION	178	FAR	X
UNAMORTIZED EXPENSE - REVOLVING CREDIT	179	FAR	X
	180		
WACHOVIA BANK CREDIT FACILITY DRAWDOWN	181	FAR	X
	182		
	183		
	184		
	185		
	186		
	187		
	188		
	189		
<b>NONSTANDARD JOURNAL ENTRIES (JES 190-249)</b>			
REDUCE ACCRUAL FOR FERC 676 & 729 RELATED TO SPP	190	RAR	X
RECLASS MISO EXIT FEE FROM CURRENT PORTION TO LONG-TERM	191	EMA	X
RECLASS IMEA RECEIVABLE BETWEEN UNBILLED AND BILLED	192	EMA	X
REMOVE BURDENS FROM TC2 PROJECT	193	RAR	X
ACCRUE FOR 201 CONTRACTORS - CONTROLLER GROUP	194	RAR	X
CORRECT AIR PERMIT INVOICES	195	RAR	X
AR UPLOAD CORRECTION	196	FAR	X
TRIMBLE CO TESTING OF CONSUMABLES/OSS CORRECTION	197	RAR	X
BAD DEBT CHARGE-OFF CORRECTIONS	198	FAR	X
CORRECT GAS PURCHASES FOR OSS NETTING	199	RAR	X
OSS FROM TC2 DURING DECEMBER 2010 (TEST POWER)	200	EMA	X
RECORD ESTIMATED IMBALANCES INSIDE THE BANDWIDTH	201	EMA	X
CORRECT BORROWED OR PREPAID GAS-TRIMBLE CO CTS	202	RAR	X

Key to Department initials:

Financial Accounting & Reporting	FAR
Revenue Accounting Department	RAD
Energy Marketing Accounting	EMA
Regulatory Accounting & Reporting	RAR

**DESCRIPTION**

<b>NONSTANDARD JOURNAL ENTRIES (JES 190-249) CON'T</b>			
	203		
CORRECT EXPENSE CODING	204	RAR	X
KWH GENERATED BY TC1 & USED BY TC2	205	RAR	X
CLEARING STORES ACCOUNTS FOR YE	206	RAR	X
TO CLEAR A&G EXPENSES	207	FAR	X
CLEAR 184150	208	RAR	X
CLEARING MISC 1845XX ACCOUNTS FOR YE	209	RAR	X
ED LGE MANUAL AP ACCRUAL CORRECTIONS	210	RAR	X
RECORD IMPA BUYBACK ADJUSTMENT FOR DECEMBER	211	EMA	X
TO REVERSE AUTO-REVERSING JE 211-0100-1210	212	EMA	X
TO RECORD DEC IMPA PRICING ADJUSTMENT FOR DEC 2010	213	EMA	X
TO ACCRUE KINGSLEY COMPRESSION INVOICE NOT PAID OR ACCRUED	214	RAR	X
TRIMBLE CO TESTING OF CONSUMABLES	215	RAR	X
CORRECT RESERVE ACCOUNT AND POST BECHTEL RESERVE	216	FAR	X
EKPC SETTLEMENT	217	RAR	X
ACCRUE UNPORCESSED REFUND	218	FAR	X
EE JE GAS TO ELECTRIC SPLIT	219	RAR	X
ALLOCATE NET REMAINING TRMS COST BALANCE	220	BUSH	X
ALLOCATE NET REMAINING LOCAL ENG BALANCE	221	BUSH	X
RECLASS MARGIN CASH COLLATERAL A/R	222	EMA	X
TO RECORD YEAR END BURDENS	223	RAR	X
REVERSE J165-1011-1210	224	EMA	X
TRANSFER ECR AMOUNTS TO SEPARATE ACCTS FOR GROSS MARGIN	225	RAR	X
RECLASS CREDIT SLIP ENTERED AS CREDIT MEMO	226	EMA	X
CORRECTING FERC ACCOUNT ON PADDY'S 13	227	RAR	X
RECLASS PJM INTERCONNECTION DULICATE CREDIT MEMO	228	EMA	X
REVERSE DEC ENTRY TO CORRECT RESERVE	229	FAR	X
<b>ACCOUNTS PAYABLE (250-299)</b>			
<b>STANDARD ENTRIES (JES 251-256)</b>			
RECLASS	250		X
ADJUSTMENT	251		X
RECEIPT ACCRUAL	253		X
<b>NONSTANDARD ENTRIES (JES 257-259)</b>			

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
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**DESCRIPTION**

<b>PROPERTY ACCOUNTING JOURNAL ENTRIES (JES 300-399)</b>		
<b>STANDARD ENTRIES (JES 300-307)</b>		
REVERSE AP SALES TAX ADJUSTMENT	300	X
CORRECT SALES TAX CHARGES	301	X
RECLASSIFY 106 BALANCES	302	X
TO CAPITALIZE LABOR FOR INSTALLATION OF METERS	303	X
TO RECLASS DEPRECIATION ON ECR ASSETS	304	X
TRNSFR REPAIRED TRANSFORMER INSTALLATION CHARGES	305	X
TC2 CAPITALIZED PROPERTY TAX	306	X
RECLASS TO CORRECT PROJECT/TASK	307	X
<b>NONSTANDARD ENTRIES (JES 308-399)</b>		
RECLASS TO 101077-FMAINT FROM 126420 TASKS	308	X
RECLASS OHIO FALLS UNIT #5 CHARGES TO NEW PROJECT	309	X
RECORD SALE OF TRANSFORMER	310	X
RECLASS CHARGES TO O&M	311	X
TO RECORD TRANSFER OF GH DOZER TO CR	312	X
SEGREGATE MC & CR LANDFILL CHRGS BY TASK FOR UNITIZATION	313	X
RECLASS TO CORRECT PROJECT/TASK	314	X
RECLASS TO TASK WITHIN PROJECT 126420	315	X
RECLASS 12404 TO 126371 AND GME406 TO 127413	316	X
ADJUSTMENT	317	X
RECLASS 125609 TO 131693	318	X
RECLASS FROM 132153 TO 132543	319	X
CORRCTN OF PA ORG-DID NOT ZERO IN NOVEMBER ENTRY	320	X
RECLASS FROM RCST406G TO 132123	321	X
ADJUSTMENT	322	X
ARO RECLASS	323	X
ADJUSTMENT	324	X
ADJUSTMENT	325	X
BALANCE E/G/C SPLITS BETWEEN PP AND G/L	326	X
ADJUSTMENT	327	X

Key to Department initials:  
 Financial Accounting & Reporting  
 Revenue Accounting Department  
 Energy Marketing Accounting  
 Regulatory Accounting & Reporting

FAR  
 RAD  
 EMA  
 RAR

**DESCRIPTION**

<b>TAX JOURNAL ENTRIES (JES 400-499)</b>		
<b>STANDARD ENTRIES (JES 401-411)</b>		
PROPERTY TAX ACCRUAL	401	X
INDIANA PROPERTY TAX ACCRUAL	402	X
SCHOOL TAX	406	X
TRUE UP SALES TAX	407	X
ACCUE FOR INDIANA SALES & USE TAX	409	X
CURRENT TAX RECLASS	410	X
<b>NONSTANDARD ENTRIES (JES 412-499)</b>		
TO REVERSE ITC TC2 AMORT	414	X
<b>PAYROLL JOURNAL ENTRIES (JES 500-599)</b>		
<b>STANDARD ENTRIES (JES 500-510)</b>		
PAY PERIOD DECEMBER MONTHLY	501	X
PAY PERIOD ENDING 11/28/10	502	X
PAY PERIOD ENDING 12/12/10	503	X
PAY PERIOD ENDING 12/26/10	504	X
ER TAXES TRUE UP	510	X
<b>NONSTANDARD ENTRIES (JES 511-599)</b>		
TRANSFER PC BALANCE FOR P. FULTON	511	X
PE 11/14/10 OPRACLE BALANCING	512	X
RECLASS KEEN	513	X
PE 11/28/10 ORACLE BALANCING	514	X
\$200 HCRA DROP IN BURDENS	515	X
RECLASS J508-0210 STORM BONUS	516	X
TEAM LEADER BONUSES & OB 12/26/10	517	X
OB 12/12/10	518	X
4TH QUARTER LABOR ACCRUAL	519	X
RECLASS J515-1110 & J513-1210	520	X
	521	X
	522	X

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
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<b>STANDARD ENTRIES (JE 700-719)</b>			
PROJECT ENGINEERING ACCRUALS - DEC 2010	700	A/P	X
POWER GENERATION LGE DECEMBER ACCRUAL	701	A/P	X
TRANSMISSION ACCRUAL	702	A/P	X
ED LGE MANUAL AP ACCRUAL	703	A/P	X
CFO GROUP ACCRUALS	704	A/P	X
<b>NONSTANDARD ENTRIES (JES 720-799)</b>			

<b>REVENUE ACCOUNTING JOURNAL ENTRIES (JES 600-699)</b>			
<b>STANDARD ENTRIES (JE 601)</b>			
<b>NONSTANDARD ENTRIES (JES 602-699)</b>			
OFF SYSTEM A/R NETTING	602	RAD	X
PURCHASE END USER GAS ACCRUAL	603	RAD	X
RECLASS AR PRODUCT CODES	604	RAD	X

**Purchased Accounting Adjustments (Company 0099)**

**ORIGINATING DEPARTMENT/DESCRIPTION**

**ORIGINATING DEPARTMENT/DESCRIPTION**

MONTHLY AMORTIZATION OF OVEC PPA ENERGY CONTRACT	EMA	1	X
	FAR	2	
	FAR	3	
	RAR	4	
	EMA	5	
	PAD	6	
MONTHLY AMORTIZATION OF COAL CONTRACT	RAR	7	X
AMORTIZE FMV OF BONDS TO INT EXP DUE TO PPL PURCHASE	FAR	8	X
AR UPLOAD CORRECTION	FAR	9	X
	PAD	10	
	CAD	11	
	RAD	12	
AMORTIZATION OF A/R VALUATION	RAD	13	X
	FAR	14	
AMORTIZATION SPECIAL BILLING ACCTS REC NET PURCHASE ACCOUN	FAR	15	X
ROLLOFF INRMNTL FAIR VLU OF CRNT & LONG-TRM EMISSION ALLOWM	RAR	16	X
	FAR	17	
		18	
AMORTIZE PAA UNAMORT DEBT EXP		19	X
		20	
		21	
		22	
		23	
		24	

BECHTEL ADJ SPECIAL BILLING ACCTS REC NET PURCHASE ACCOUNT	FAR	25	X
		26	
		27	
		28	
		29	
		30	
		31	
		32	
		33	
		34	
		35	
		36	
		37	
		38	
		39	
		419	
TAX/PAA FOR FMV LEASES	TAX	420	X
ELEC/GAS AND FED/ST RECLASS	TAX	421	X
		422	
		423	
		424	
		425	
		426	
		427	

Louisville Gas and Electric Company														
Company 0100														
December 2011														
SEE INSTRUCTIONS TAB														
Contact Karen Tipton x2534 for New Standard Number (J001 to J199 range)														
Checked to Oracle Corp Only	JE#	Description	Dept	Prepared By	Date Posted	Approved By	Valerie Scott if Required (vls)	Shannon Charnas if Required (SLC)	Due Noon Day 3 Indicate if I/C (Y)	Indicate if Reversing (Y)	Working Day Due (Optional)	Resp Preparer (Optional)	Resp Reviewer (Optional)	Comments
	<b>STANDARD:</b>													
Yes	001	Cash Receipts	Corp	JLG	1/4/2012	VLS			Y		3			
Yes	002	Cash Disbursements and Transfers	Corp	JLG	1/5/2012	VLS					3			
#N/A	003	Credit Cash Adjustment	Corp	N/A	N/A	N/A					4	SKS	JLG	Debit balance \$2,892,029.93
Yes	004	LTD/Cobra Benefits	Fin	JLS	1/5/2012	GRK			Y		3	JLS	GRK	
Yes	005	Amortization of Int. Rate Swap Reg. Asset	Reg	BAC	1/3/2012	CAK					0-1	BC	ACH	
Yes	006	Un-invoiced - Gas	Rev	NRC	1/5/2012	F. Mazza			Y		3			
Yes	007	ECR Over/Under	Rev	GCM	1/6/2012	F. Mazza					4			
Yes	008	FAC Over/Under Recovery	Rev	NRC	1/6/2012	F. Mazza					4			
Yes	009	Un-invoiced Amounts - Electric	Rev	NRC	1/5/2012	F. Mazza			Y		3			
Yes	010	Gas EOM Adjustment	Rev	BAB	1/4/2012	F. Mazza					3			
Yes	011	Electric EOM Adjustment	Rev	JHB	1/4/2012	F. Mazza					3			
Yes	012	Record Billed CCF	Rev	BAB	1/4/2012	F. Mazza					3			STAT Only Entry
Yes	013	CM Unbilled Rev.	Rev	JHB	1/5/2012	F. Mazza			Y		3			
Yes	014	Settled EI Swap, Margin Acct, Broker Fee Trans	Fin	PAB	1/3/2012	JLS			Y		2	PAB	JLS	
#N/A	015	MF Global EI Settled Swaps	Fin	N/A	N/A	N/A					2	SHW	JLS	
Yes	016	Collateral Deposit For I/R Swap	Fin	JLS	1/4/2012	GRK					2	JLS	GRK	
Yes	017	Recovery of underbillings / overbillings	Rev	JHB	1/5/2012	F. Mazza					4	JHB	FM	On quarters, notify S. Williams when JE is posted. Details provided by Mary Gillespie, Clay Murphy, Pam White, and David Stead
Yes	018	Prior Period Adjs for IMEA and IMPA Imbalances inside the BW	Rev	LMO	12/19/2011	F. Mazza								
Yes	019	Refund/Recovery of GCBA	Rev	JHB	1/5/2012	F. Mazza					4	JHB	FM	On quarters, notify S. Williams when JE is posted. Details provided by Mary Gillespie, Clay Murphy, Susan Bohannon and Beth Breuninger
Yes	020	Unbilled FT Gas Purchases	Rev	BAB	1/5/2012	F. Mazza			Y		3			
Yes	021	Temp Investments & Dividend Income from Marketable Securities	Corp	JLG	1/5/2012	VLS					4	JLG		
Yes	022	CM Unbilled Rev. - Gas	Rev	BAB	1/5/2012	F. Mazza			Y		3			
#N/A	023	MISO Transmission Revenues LGE	Reg	N/A	N/A	N/A					4	MGW	TER	
Yes	024	Hoosier Energy Hold Harmless Accrual	Reg	SLC	1/3/2012	CAK					0-3			
Yes	025	I/C Transmission Rev & Exp - OSS	Reg	CGH	1/4/2012	SLC			Y		2	MGW	TER	
Yes	026	Energy Generated	Reg	ACH	1/4/2012	TER			Y		2			Needs to be posted before LG&E allocation 51 runs on Day 3
#N/A	027	Netting of Off-System Sales with Gas Expenses	Rev	N/A	N/A	N/A					2	JHB	FM	
Yes	028	Negative Generation	Reg	ACH	1/5/2012	TER					3-4			Post after all allocations
Yes	029	Prior Period Adjustments - Other	Rev	LMO	1/4/2012	F. Mazza								
Yes	030	Gross Margin Reclass	Reg	BAC	1/6/2012	ACH					4			Details provided by Brian Hurst
Yes	031	Intracompany Gas Generation	Rev	BAB	1/4/2012	F. Mazza					2			
#N/A	032	Gas used in electric generation- Zorn	Reg	N/A	N/A	N/A					3	CAK	CAM	<b>No activity in December</b>
Yes	033	Oil used by Cane Run	Reg	BAC	1/4/2012	SLC					2	MGW		Information received from Mark Galens.
Yes	034	Reclass fuel expenses to OSS	Reg	BAC	1/4/2012	ACH					2	CAM	ACH	Information received from Brian Hurst
#N/A	035	NOx Ozone Allowances	Reg	N/A	N/A	N/A					3			
Yes	036	Intracompany Gas Transport	Rev	BAB	1/4/2012	F. Mazza					2			
Yes	037	Hydro License Accrual	Reg	BAC	1/5/2012	ACH					3	MGW	ACH	
#N/A	038	Record transmission expense PPAs	Reg	N/A	N/A	N/A					4			
Yes	039	Transfer Limestone Used to Plants	Reg	ECW	1/5/2012	DC/SLC					3	ECW	DC/SLC	This entry is prepared by Fuels Accounting and approved by Ester Thompson-Long and David Cosby uploaded by ECW
Yes	040	Accrue Air Permit Fees	Reg	MPF	1/3/2012	TER					0-1	MPF	ACH	Details provided by Environmental Affairs, Marlene Pardee, and Dave Smith
Yes	041	Book Miso Day 2 Actuals for Prior Month	Fin	SHW	1/4/2012	JLS					1	SHW	JLS	
Yes	042	Coal for Resale - Kosmos	Reg	CAM	1/3/2012	TER					1			Needs to be completed by Day 2. Details provided by Kenny Tapp/Don Van Winkle
Yes	043	OSS and Purchases	Rev	LMO	1/4/2012	F. Mazza					2			
Yes	044	OSS Unbilled to Billed	Rev	LMO	12/19/2011	F. Mazza					1			
Yes	045	Trimble Co. CT gas burn & gas inventory adjustment	Reg	MPF	1/5/2012	TER			Y		3	MPF	CAM	J049, MWH produced & meter readings from Jill Simmons, usage from Matt Sybert

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#N/A	046	Mark to Market	Fin	N/A	N/A	N/A					2	SHW	JLS	
Yes	047	Paddy's Run gas purchases	Reg	MPF	1/5/2012	TER			Y		3	MPF	CAM	Gas accruals from RAR; gas usage from Gas Control (R. Warren or C. Bischoff)
Yes	048	SO2 Allowances	Reg	CAK	1/4/2012	ACH			Y		3	CAK	CAM	
Yes	049	TC CT gas purchases	Reg	CGH	1/5/2012	CAM					3	MPF	CAM	Gas accruals from Sherrie Whitaker
Yes	050	Adjust OVEC LG&E and KU A/P to Actual Cash Paid	Rev	LMO	12/19/2011	F. Mazza					1			
Yes	051	Gas Purchases	Rev	JHB	1/4/2012	F. Mazza					2			
Yes	052	Gas Stored / Withdrawn / Losses	Rev	JHB	1/6/2012	F. Mazza					3			Details provided by Laura Thielen and Chuck Bischoff. J056-0100 provided by Beth Breuninger.
#N/A	053	Unassigned - Contact Karen Tipton												
#N/A	054	Unassigned - Contact Karen Tipton												
Yes	055	GSCA Monthly Adjustment	Rev	JHB	1/6/2012	F. Mazza			N	N	4			On quarters, notify S. Williams when JE is posted. Details provided by Mary Gillespie, Clay Murphy, Susan Bohannon and Beth Breuninger
Yes	056	FT Gas Purchases	Rev	BAB	1/5/2012	F. Mazza					2			
Yes	057	Tennessee Gas Refund	Rev	JHB	1/5/2012	F. Mazza					4			On quarters, notify S. Williams when JE is posted. Details provided by Mary Gillespie, Clay Murphy, Susan Bohannon and Beth Breuninger
Yes	058	PBR Recovery	Rev	JHB	1/5/2012	F. Mazza					4			On quarters, notify S. Williams when JE is posted. Details provided by Mary Gillespie, Clay Murphy, Susan Bohannon and Beth Breuninger
Yes	059	Performance-Base Rate Recovery Accrual	Rev	JHB	12/20/2011	F. Mazza					1			Quarterly - Per letter from Clay Murphy (Mar, Jun, Sep, Dec only)
Yes	060	GCBA/GSCA Balance Set-up	Rev	JHB	12/21/2011	F. Mazza					1			Quarterly - Book on the quarters (Mar, Jun, etc.) to net assets and liabilities
Yes	061	Bond Interest	Treas	KWC	1/4/2012	RCA					2		RCA	
#N/A	062	Unassigned - Contact Karen Tipton												
Yes	063	Amortize Debt Exp	Treas	KWC	1/3/2012	RCA					3		RCA	
Yes	064	Amort Loss on Reacquired Debt	Treas	KWC	12/28/2011	RCA					3	KWC	RCA	
#N/A	065	Unassigned - Contact Karen Tipton												
Yes	066	Interest on Customer Deposits	Rev	PKW	1/4/2012	F. Mazza					3			
#N/A	067	Unassigned - Contact Karen Tipton												
#N/A	068	Unassigned - Contact Karen Tipton												
#N/A	069	Unassigned - Contact Karen Tipton												
Yes	070	Stats for 3rd Party Transmission Revenue	Reg	CGH	1/5/2012	SLC					4	SLC	TER	
Yes	071	Transmission Service Revenue Accrual	Reg	CGH	1/5/2012	SLC			Y		3	MGW	TER	
Yes	072	Amort of Prepaid PSC Fee	Rev	PKW	12/27/2011	F. Mazza					1			
#N/A	073	Unassigned - Contact Karen Tipton												
Yes	074	DSM Program Accruals (Energy Efficiency)	Rev	LMO	1/4/2012	F. Mazza			Y		2			
Yes	075	Reserve for Uncollectible Accounts	Treas	KWC	1/5/2012	RCA					3	KWC	RCA	Quarterly
#N/A	076	GSC Filing True-Up	Rev	N/A	N/A	N/A					4			All except Jan, Apr, Jul, Oct - Quarterly GSC Filing Data Needed from B. Sanders in Rates Dept; Split Month MCF needed from B. Breuninger
Yes	077	Accrue MISO Exit Refunds	Reg	SLC	1/3/2012	CAM					1	SLC	CAM	
Yes	078	Amortization of MISO exit fee	Reg	SLC	1/3/2012	CAM					0-1	SLC	CAM	
Yes	079	Amort. Prepaid Transmission Expenses	Fin	RCB	1/3/2012	JLS					3	RCB	JLS	
Yes	080	Clear 142999, CCS Suspense	Rev	BAB	1/5/2012	F. Mazza			Y		4			
Yes	081	DSM Reclass for Proj/Tasks	Rev	LMO	1/4/2012	F. Mazza					3			
Yes	082	Gas Franchise Fee	Reg	BAC	1/3/2012	ACH					0-1	MGW	ACH	
Yes	083	Amortization of Prepaid Transmission Fee for MCI and EKPC	Fin	RCB	1/3/2012	JLS					1	RCB	JLS	
Yes	084	Current Month MISO and PJM Non-Energy Charges	Fin	SHW	1/5/2012	JLS					3	SHW	JLS	
Yes	085	Clear Prepaid Insurance	Fin	DRB	1/5/2012	JLS					3	DRB	JLS	

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Yes	086	Alstom (Quarterly)	Reg	SLC	1/4/2012	ACH			Y		2			Information received from David Cosby (Quarter only)
Yes	087	Amortization of Storm Expenses	Reg	CAK	1/3/2012	SLC					0-1	CAK	SLC	
Yes	088	Accrue FERC Annual Electric Charges	Reg	CAK	1/3/2012	ACH					0-1	CAK	ACH	Actual data provided by Laura Oetken, Revenue Accounting
Yes	089	Book PJM Actuals for Prior Month	Fin	SHW	1/4/2012	JLS					3	SHW	JLS	
Yes	090	Amortization of FERC EKPC Settlement of Proceedings	Reg	BAC	1/3/2012	ACH					0-1	MGW	ACH	
Yes	091	Amortization Of Prepaid Honeywell Contract	Fin	RCB	1/3/2012	JLS			Y		1	RCB	JLS	
#N/A	092	Loss Contingency Accrual/Adjustment	Fin	N/A	N/A	N/A					3	JLS		Quarterly
Yes	093	Prepaid Vehicle License	Fin	DRB	1/5/2012	JLS					3	DRB	JLS	
#N/A	094	Electric/ Gas Line Losses and Inadvertent Electric Power	Rev	NRC	1/12/2012	F. Mazza					8			STAT Only Entry
Yes	095	Company Meter Expense	Rev	NRC	1/4/2012	F. Mazza					2			
Yes	096	Sales Tax Accrual on Company Meters	Rev	NRC	1/4/2012	F. Mazza					2			
Yes	097	A&G Transfer	Reg	CAM	1/4/2012	ACH			Y		2	CAM	ACH	Prepare after labor and A/P is posted
Yes	098	A/R Bad Debt Reserve Adjustment	Rev	JHB	1/6/2012	F. Mazza					4			
Yes	099	HEA Bad Debt Adjustment	Rev	PKW	1/5/2012	F. Mazza							LWP	
#N/A	100	Record PM KMPA Transmission Revenue & Cost(final)	Reg	N/A	N/A	N/A					2	MGW	TER	during November Close.
Yes	101	Transfer ECR Expenses to Separate Accts for Gross Margin	Reg	CAK	1/6/2012	ACH					4	CAK		
Yes	102	Building Lease	Fin	DRB	1/3/2012	JLS					3	DRB	JLS	
Yes	103	Amortize Rate Case Expenses	Reg	CAK	1/3/2012	SLC					0-1	CAK	SLC	
Yes	104	Record Billed KWH	Rev	JHB	1/4/2012	F. Mazza					3			STAT Only Entry
Yes	105	Reclass A/R Product Codes	Rev	BAB	1/6/2012	F. Mazza								
#N/A	106	Accrue MISO Transmission Expense	Reg	N/A	N/A	N/A						SLC		
#N/A	107	Accrue TVA Transmission Expense	Reg	N/A	N/A	N/A						SLC		
Yes	108	BOC Parking	Fin	DRB	1/3/2012	JLS					2	DRB	JLS	Quarterly - Per RAR-needs to be completed prior to I/C on Day 3
#N/A	109	Bechtel Reserve/Allowance	Treas	N/A	N/A	N/A								No entry for Dec - Bechtel pymt rec'd in Sept
Yes	110	Miscellaneous Prepays	Fin	RCB	1/3/2012	JLS					3	RCB	JLS	
#N/A	111	Customer Count - Gas	Rev	PKW	1/10/2012	F. Mazza					6			STAT Only Entry
Yes	112	Hydro Admin Fee	Reg	BAC	1/4/2012	ACH					3	MGW	ACH	Transferred from RAR, J. Gatson.
Yes	113	Accrue KMPA Transmission Revenue & Cost	Reg	CGH	1/5/2012	SLC			Y		0	MGW	TER	
Yes	114	Energy Efficiency's Gas to Electric Split Related to DSM	Reg	AJP	1/5/2012	TER						AJP		Uploaded by EE and posted by RAR - Per Alex Petre, EE, Revenue made the adjustment this month.
#N/A	115	PPL Intercompany Debt Financing Charges	Treas	N/A	N/A	N/A					4	KWC	RCA	No charges for December.
#N/A	116	Unassigned - Contact Karen Tipton												
Yes	117	Sundry A/R Accruals for Invoicing	Treas	CMJ	1/5/2012	RCA					3		RCA	
Yes	118	Misc Other Accounts Receivable	Treas	CMJ	1/3/2012	RCA					2		KWC	
Yes	119	Set Up Charges per Contract for Rental of 2 Breakers at Cloverport Sub.	Treas	CMJ	1/3/2012	RCA					2		KWC	
Yes	120	Rents Receivable	Treas	CMJ	1/3/2012	RCA					3		KWC	
Yes	121	Amortization of Prepaid Insurance	Reg	CAM	1/4/2012	TER					2	CAM	TER	
#N/A	122	Unassigned - Contact Karen Tipton												
Yes	123	Reclass 143022 & 186049 Credits	Treas	CMJ	1/6/2012	RCA					3		KWC	Quarterly
#N/A	124	Unassigned - Contact Karen Tipton												
#N/A	125	Unassigned - Contact Karen Tipton												
#N/A	126	Unassigned - Contact Karen Tipton												
Yes	127	Misc Pays to Projects	Treas	CMJ	1/5/2012	RCA					2		KWC	
#N/A	128	Unassigned - Contact Karen Tipton												
Yes	129	Working Capital IMPA-IMEA - TC2	Reg	CAM	1/4/2012	TER			Y		1	CAM	TER	Working Capital IMPA-IMEA - TC2
Yes	130	Fuel for Disallowed Trimble Co. - TC2	Reg	CAM	1/5/2012	TER					3	CAM	TER	Prerequisite -Trimble County allocations must be posted first
Yes	131	Fuel for Disallowed Trimble Co.	Reg	CAM	1/5/2012	TER					3	CAM	TER	Prerequisite -Trimble County allocations must be posted first
Yes	132	Record IMEA/IMPA Accrual for TC2	Fin	JLS	1/5/2012	GRK			Y		3	JLS	GRK	
Yes	133	Record IMEA/IMPA for TC Ashpond/SO3	Fin	JLS	1/5/2012	GRK			Y		3	JLS	GRK	
Yes	134	Incremental Capital Assets - IMEA	Fin	JLS	1/4/2012	DRB					1	JLS	DRB	
Yes	135	Incremental Capital Assets - IMPA	Fin	JLS	1/4/2012	DRB					1	JLS	DRB	


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Yes	136	Service and Transmission IMEA-TC	Reg	CAM	1/5/2012	TER					3	CAM	TER	Prerequisite - Trimble County allocations must be posted first
Yes	137	Credit IMEA-IMPA for TLR and Reactive Power	Reg	CAM	1/3/2012	TER					0-1	CAM	TER	Dependent on information provided by Charlie Martin
Yes	138	Working Capital IMPA-IMEA - TC1	Reg	ACH	1/3/2012	CAM					1	ACH	CAM	Working Capital IMPA-IMEA - TC1
Yes	139	Record IMEA/IMPA A/R for TC2	Treas	KWC	12/21/2011	RCA					0	KWC	RCA	
Yes	140	Record IMEA/IMPA Accrual for TC1	Fin	FMC	1/5/2012	JLS			Y		3			David Cosby- Posted by Jenny Skaggs
#N/A	141	Record Gas Transferred Between Brown and Trimble	Reg	N/A	N/A	N/A					3	CAK	CAM	
Yes	142	Bond Legal Fees Accrual	Fin	SHW	1/5/2012	JLS			Y		2			Received from Angela Davis/Approved by Greg Meiman/Uploaded by Rachel Bonsutto
#N/A	143	Reclass Margin Account to 12 Month MTP Avg	Fin	N/A	N/A	N/A					3	SHW	JLS	
Yes	144	Reclass Railcar Property Tax Accrual to Prop. Tax AP	Reg	BAC	1/5/2012	CAK					3	BC	CAM	Fuelworx interface must be complete
Yes	145	Record Borrowed or Prepaid Gas for Trimble Co CTs	Reg	MPF	1/5/2012	CAM			Y		3	CAK	CAM	Data provided by Matt Sybert
#N/A	146	Record Cash Received - Not Processed in CCS	Corp	N/A	N/A	VLS			Y		3			All cash recorded through CCS & J001.
#N/A	147	DTS Damage Claims Correcting Entry	Treas	N/A	N/A	N/A					3		RCA	No correcting entry needed for Dec.
Yes	148	Inventory Adjustment	Reg	BAC	1/4/2012	ACH					2		ACH	M&S Details provided by Dave Young - Inventory must be closed on Day 1 to do this entry on Day 2
Yes	149	Green Energy Activity	Rev	LMO	1/4/2012	F. Mazza					3			
Yes	150	Ovec Dividends	Fin	RCB	1/3/2012	JLS					1	RCB	JLS	Quarterly
#N/A	151	Customer Count - Electric	Rev	PKW	1/10/2012	F. Mazza					6			STAT Only Entry
Yes	152	Estimates for Imbalances inside the Bandwidth	Rev	LMO	1/4/2012	F. Mazza			Y					
Yes	153	DSM Over/Under	Rev	LMO	1/6/2012	F. Mazza					4			
Yes	154	Workers' Compensation	Treas	EMH	1/6/2012	DKA							DA	Quarterly
Yes	155	Transfer Clearing Acct. Balances to Def. Credits	Reg	CAM	1/6/2012	CAK					4			A&G Transfer Entry (#97) needs to post before running info.
#N/A	156	Accrue Margin Cash Collateral A/R or A/P	Fin	N/A	N/A	N/A			Y		2	SHW	JLS	
Yes	157	Gas Inventory Adjustment	Rev	BAB	12/19/2011	F. Mazza					3			
Yes	158	Interest Rate Swap MTM	Treas	KWC	1/4/2012	RCA					3		RCA	
Yes	159	Prior Period Adj. for OSS and PP	Rev	LMO	12/19/2011	F. Mazza					1			
Yes	160	A/R Credit Balances from CCS and LT DFA	Rev	PKW	1/4/2012	F. Mazza			Y		3			
#N/A	161	Adjust A/R Balance Reconciliation to CCS Amount	Rev	N/A	N/A	N/A							LWP	
#N/A	162	Unassigned - Contact Karen Tipton												
#N/A	163	Unassigned - Contact Karen Tipton												
Yes	164	Reclassify Short Term Customer Advances	Treas	CMJ	1/3/2012	RCA					3		KWC	
#N/A	165	Reclass Long-Term Portion of MTM Assets and Liabilities	Fin	N/A	N/A	N/A			Y		2	SHW		
Yes	166	Clear 232093, CCS Suspend	Rev	BAB	1/5/2012	F. Mazza			Y		3			
Yes	167	Reclass CCS Refunds Between Cash Accounts	Corp	JLG	1/5/2012	VLS					3			
Yes	168	Revenue Invoices after cutoff - Electric	Rev	JHB	1/5/2012	F. Mazza			Y		3			
Yes	169	Tampering Charges	Rev	RCB	1/5/2012	F. Mazza					3			
Yes	170	Electric Property Rental Revenue Recognition	Treas	KWC	1/5/2012	RCA					3		RCA	
Yes	171	Revenue Invoices after Cutoff - Gas	Rev	BAB	1/5/2012	F. Mazza			Y		4			
Yes	172	IMEA/IMPA Spare Parts Accrual - TC2 - Not Billable	Fin	JLS	1/5/2012	GRK			Y		3-4	JLS	GRK	
#N/A	173	Unassigned - Contact Karen Tipton												
Yes	174	NOx Annual Allowances	Reg	CAK	1/5/2012	TER			Y		3	CAK	CAM	
#N/A	175	Penile City Texas Gas Construction Advance	Fin	N/A	N/A	N/A					3	JLS	GRK	
Yes	176	Amortization of KCCS & CMRG Funding	Reg	BAC	1/3/2012	CAK					0-1		TER	
Yes	177	ODL Reclass	Rev	GCM	1/5/2011	F. Mazza					3			
Yes	178	Debt Discount Amortization	Treas	KWC	12/21/2011	RCA					0	KWC	RCA	
Yes	179	Amortization Expense on Revolving Credit	Treas	KWC	12/28/2011	RCA					3	KWC	RCA	
#N/A	180	Record Dividend Payable and Declared to LKE	Fin	N/A	N/A	N/A					1	JLS	GRK	Quarterly - dividend declared in May
#N/A	181	Wells Fargo Credit Facility Drawdown	Treas	N/A	N/A	N/A					3	KWC	RCA	No borrowings currently outstanding
#N/A	182	Unassigned - Contact Karen Tipton												
#N/A	183	Unassigned - Contact Karen Tipton												
#N/A	184	Unassigned - Contact Karen Tipton												


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#/N/A	185	Unassigned - Contact Karen Tipton												
#/N/A	186	Unassigned - Contact Karen Tipton												
#/N/A	187	Unassigned - Contact Karen Tipton												
#/N/A	188	Unassigned - Contact Karen Tipton												
#/N/A	189	Unassigned - Contact Karen Tipton												
#/N/A	190	Unassigned - Contact Karen Tipton												
#/N/A	191	Unassigned - Contact Karen Tipton												
#/N/A	192	Unassigned - Contact Karen Tipton												
#/N/A	193	Unassigned - Contact Karen Tipton												
#/N/A	194	Unassigned - Contact Karen Tipton												
#/N/A	195	Unassigned - Contact Karen Tipton												
#/N/A	196	Unassigned - Contact Karen Tipton												
#/N/A	197	Unassigned - Contact Karen Tipton												
#/N/A	198	Unassigned - Contact Karen Tipton												
#/N/A	199	Unassigned - Contact Karen Tipton												
Yes	300		Pay	PJS	12/15/2011	TDC			Y					Monthly
Yes	301		Pay	PJS	12/15/2011	TDC								PPE 1
Yes	302		Pay	PJS	12/15/2011	TDC								PPE 2
Yes	303		Pay	PJS	12/30/2011	TDC								PPE 3
Yes	304		Pay	PJS	12/15/2011	TDC								OB 1
#/N/A	305		Pay	N/A	N/A	N/A								OB 2
Yes	306		Pay	PJS	12/30/2011	TDC								Qtrly Entry
Yes	307		Pay	PJS	12/15/2011	TDC								Mthly
#/N/A	308		Pay	N/A	N/A	N/A								Yrly Entry
#/N/A	309		Pay	N/A	N/A	N/A								Yrly Entry
#/N/A	310		Pay	N/A	N/A	N/A								Yrly Entry
#/N/A	311		Pay	N/A	N/A	N/A								Qtrly Entry
Yes	312		Pay	PJS	1/3/2012	TDC			Y					Qtrly Entry
#/N/A	313		Pay	N/A	N/A	N/A								Yrly Entry
#/N/A	314		Pay	N/A	N/A	N/A								Yrly Entry
#/N/A	315		Pay	N/A	N/A	N/A								Yrly Entry
Yes	316		Pay	PJS	12/30/2011	TDC								Mthly
Yes	400	Sales tax reversal- Generation (Dowd)	Prop	SKE	1/5/2012	JDM					1	SKE		Mthly
Yes	401	Sales tax reversal- Distribution (Reeves)	Prop	SLR	1/5/2012	PM					1	SLR		Mthly
Yes	402	True-up Account 106 for unitizations	Prop	KLD	1/6/2012	DKW					4	KLD		
#/N/A	403	To transfer labor from O&M to Capital for the installation of meters	Prop	N/A	N/A	N/A					0	LDC		No activity this month required
Yes	404	Correct E/G/C splits for CWIP and RWIP	Prop	KLD	1/6/2012	DKW						KLD		Qtrly Entry
Yes	405	Correction of transformer installation charges.	Prop	LDC	12/15/2011	BMR/SLW					0	LDC		
#/N/A	406	Unassigned - Contact Ed Clark	Prop											
#/N/A	407	Unassigned - Contact Ed Clark	Prop											
#/N/A	408	Unassigned - Contact Ed Clark	Prop											
#/N/A	409	Unassigned - Contact Ed Clark	Prop											
#/N/A	410	Unassigned - Contact Ed Clark	Prop											
#/N/A	411	Unassigned - Contact Ed Clark	Prop											
#/N/A	412	Unassigned - Contact Ed Clark	Prop											
#/N/A	413	Unassigned - Contact Ed Clark	Prop											
#/N/A	414	Unassigned - Contact Ed Clark	Prop											
#/N/A	415	Unassigned - Contact Ed Clark	Prop											
#/N/A	416	Unassigned - Contact Ed Clark	Prop											
#/N/A	417	Unassigned - Contact Ed Clark	Prop											
#/N/A	418	Unassigned - Contact Ed Clark	Prop											
#/N/A	419	Unassigned - Contact Ed Clark	Prop											
#/N/A	420	Unassigned - Contact Ed Clark	Prop											
Yes	501	Accrue Gain on Sale of SOX Allowances in ECR Revenue Accts	Rev	N/A	N/A	N/A								March - April till received
Yes	601	Property & Other Taxes - Accrual	Tax	DML	1/5/2012	JSW							JSW	New Accrual for 2011 - updated accrual for Sept 2011




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Yes	602	Accrue for Indiana Property Taxes	Tax	DML	12/28/2011	JSW							JSW	Accrue for Indiana Property Taxes-new accrual January 2011-same entry as Jan
Yes	603	Reverse ITC	Tax	DML	12/13/2011	JSW							JSW	Reversal of ITC booked in Jan & Feb 2011
#N/A	604	Unassigned - Contact Dawn Lyons	Tax											
#N/A	605	ITC Accrual	Tax	N/A for	Dec								JSW	Accrue ITC for Current Month - new accrual February 2011
Yes	606	School Tax	Tax	DML	1/5/2012	JSW							JSW	To book over collected Gross Receipts for refund
Yes	607	True up Sales Tax	Tax	DML	1/5/2012	JSW							JSW	To true up sales tax accounts
#N/A	608	Expo. (FIN 48) - October	Tax	N/A for	Dec									
Yes	609	Indiana Sales and Use Tax	Tax	DML	12/29/2011	JSW							JSW	Accrue for Indiana Sales and Use Tax
#N/A	610	Unassigned - Contact Dawn Lyons	Tax											
#N/A	611	Unassigned - Contact Dawn Lyons	Tax											
Yes	700	Project Engineering A/P Accrual	A/P	MAM	1/4/2012	RAH				Y				
Yes	701	Generation A/P Accrual	A/P	DAD	1/4/2012	DLC			Y	Y				
Yes	702	Transmission A/P Accrual	A/P	SKE	1/4/2012	JDM			Y	Y				
Yes	703	Energy Delivery A/P Accrual	A/P	JS, JP.	1/4/2012	PSM				Y				
Yes	704	CFO A/P Accrual	A/P	FG.	1/4/2012	SSN				Y				
#N/A	705	HR/legal A/P Accrual	A/P	N/A	N/A	N/A								HR accrual typically in Servco
#N/A	706	IT A/P Accrual	A/P	N/A	N/A	N/A								IT accrual typically in Servco
#N/A	707	Energy Marketing A/P Accrual	A/P	N/A	N/A	N/A								EM accrual typically in Servco
Yes	750	Reclass A/P Debit Txns	A/P	SLR	1/4/2012	JFV				Y				Quarterly
#N/A	751	Unassigned - Contact A/P	A/P											
Yes	752	Inventory Receipts Not Billed	A/P	SLR	1/3/2012	JFV			Y	Y				
#N/A	753	Correct Exp Clearings	A/P	N/A	N/A	N/A								Quarterly
Yes	800	Clear Balances for Provision in Uncollectible Account (was J163)	Rev	JHB	1/6/2012	F. Mazza								December only
#N/A	801	Amortize CSX Right-of-Way	Fin	N/A	N/A	N/A								May only
#N/A	802	Burden Clearing Entry	Fin	N/A	N/A	N/A								December only - entry not needed.
Yes	803	Allocate Net Remaining Local Eng Balance	Corp	TAB	1/6/2012	VLS				Y				December only
Yes	804	Allocate Net Remaining TRMS Cost Balance	Corp	TAB	1/6/2012	VLS				Y				December only
Yes	805	Clear Stores Accounts for Year-End	Reg	ACH	1/6/2012	TER								December only
Yes	806	Clear A&G 184076 for Year-End	Reg	CAM	1/6/2012	TER								December only
Yes	807	Clear 184150 for Year-End	Reg	CAM	1/6/2012	TER								December only
Yes	808	Clear Misc. 1845xx Accounts for Year-End	Reg	CAM	1/6/2012	TER								December only
#N/A	809	Workers' Compensation Year-End Burden Clearing	Treas	N/A	N/A	N/A								existed

Louisville Gas and Electric Company													
Company 0100													
December 2011													
SEE INSTRUCTIONS TAB													
Contact Karen Tipton x2534 for New Standard Number (J001 to J199 range)													
Checked to Oracle Corp Only	JE#	Description	Dept	Prepared By	Date Posted	Approved By	Valerie Scott if Required (vls)	Shannon Charnas if Required (SLC)	Due Noon Day 3 Indicate if I/C (Y)	Indicate if Reversing (Y)	Working Day Due (Optional)	Resp Reviewer (Optional)	Comments
<b>NON-STANDARD:</b>													
Yes	200	Labor Dropped from VOLTS File	Corp Only	TAB	1/3/2012	VLS							
Yes	201	Record wire paid by bank but voided in Oracle and other prior period adjtm	Corp Only	JLG	1/5/2012	VLS							
Yes	202	Record receivable for amount still owed by vendor on voided wire.	Corp Only	JLG	1/5/2012	VLS				Y			
#/N/A	203		Corp Only										
#/N/A	204		Corp Only										
#/N/A	205		Corp Only										
#/N/A	206		Corp Only										
#/N/A	207		Corp Only										
#/N/A	208		Corp Only										
#/N/A	209		Corp Only										
#/N/A	210		Corp Only										
#/N/A	211		Corp Only										
#/N/A	212		Corp Only										
#/N/A	213		Corp Only										
#/N/A	214		Corp Only										
#/N/A	215		Corp Only										
#/N/A	216		Corp Only										
#/N/A	217		Corp Only										
#/N/A	218		Corp Only										
#/N/A	219		Corp Only										
Yes	220	Program Expense Adjustments	Fin Only	AJP	1/4/2012	MEH							
Yes	221	True up PJM & Miso non-energy charges	Fin Only	SHW	1/6/2012	GRK							
Yes	222	Move December gas charges to correct task	Fin Only	SHW	1/4/2012	PSM							
Yes	223	Reclass tuition reimbursement to Balancing Authority	Fin Only	ROB	1/4/2012	JDM							
Yes	224	Move December gas charges to correct task	Fin Only	SHW	1/5/2012	PSM							
Yes	225	Record True-up of Normal Operations Expenses for Reg asset	Fin Only	SLR	1/5/2012	LHA							
Yes	226	Record Additions to Regulatory Asset for 8/13/2011 Summer Storm	Fin Only	SLR	1/5/2012	LHA							
Yes	227	Reclass Prepaid Maintenance to Prepaid Account	Fin Only	SHW	1/5/2012	PSM							
Yes	228	Reserve for MF Global Bankruptcy	Fin Only	SHW	1/6/2012	GRK							
Yes	229	True MTM Allocation	Fin Only	SHW	1/6/2012	GRK							
#/N/A	230		Fin Only										
#/N/A	231		Fin Only										
#/N/A	232		Fin Only										
#/N/A	233		Fin Only										
#/N/A	234		Fin Only										
#/N/A	235		Fin Only										
#/N/A	236		Fin Only										
#/N/A	237		Fin Only										
#/N/A	238		Fin Only										
#/N/A	239		Fin Only										
Yes	240	Reclass Mass Allocation Difference	Reg Only	SLC	1/3/2012	TER							
Yes	241	Reclass VA Dues Expense	Reg Only	SLC	1/4/2012	TER							
Yes	242	Reverse Reclass for Advisory Board Payments	Reg Only	CAM	1/4/2012	TER							
Yes	243	Reclass Advisory Board Payments	Reg Only	CAM	1/3/2012	TER							
Yes	244	Remove TC2 PJFF Warranty Claim receivable	Reg Only	ACH	1/5/2012	TER							
Yes	245	AP Fuel Imbalances	Reg Only	MPF	1/5/2012	TER							
Yes	246	Servco convenience payment cleanup	Reg Only	CGH	1/6/2012	TER							
Yes	247	Mill Creek Generation Correction	Reg Only	ACH	1/6/2012	TER							
#/N/A	248	Transfer Customer Advances Clearings	Reg Only	CAM	1/12/2012	TER							
#/N/A	249		Reg Only										
#/N/A	250		Reg Only										

Louisville Gas and Electric Company													
Company 0100													
December 2011													
SEE INSTRUCTIONS TAB 													
Contact Karen Tipton x2534 for New Standard Number (J001 to J199 range)													
Checked to Oracle Corp Only	JE#	Description	Dept	Prepared By	Date Posted	Approved By	Valerie Scott if Required (vls)	Shannon Charnas if Required (SLC)	Due Noon Day 3 Indicate if I/C (Y)	Indicate if Reversing (Y)	Working Day Due (Optional)	Resp Reviewer (Optional)	Comments
#N/A	251		Reg Only										
#N/A	252		Reg Only										
#N/A	253		Reg Only										
#N/A	254		Reg Only										
#N/A	255		Reg Only										
#N/A	256		Reg Only										
#N/A	257		Reg Only										
#N/A	258		Reg Only										
#N/A	259		Reg Only										
#N/A	260		Treas Only										
#N/A	261		Treas Only										
#N/A	262		Treas Only										
#N/A	263		Treas Only										
#N/A	264		Treas Only										
#N/A	265		Treas Only										
#N/A	266		Treas Only										
#N/A	267		Treas Only										
#N/A	268		Treas Only										
#N/A	269		Treas Only										
#N/A	270		Treas Only										
#N/A	271		Treas Only										
#N/A	272		Treas Only										
#N/A	273		Treas Only										
#N/A	274		Treas Only										
#N/A	275		Treas Only										
#N/A	276		Treas Only										
#N/A	277		Treas Only										
#N/A	278		Treas Only										
#N/A	279		Treas Only										
#N/A	317		Pay Only										
#N/A	318		Pay Only										
#N/A	319		Pay Only										
#N/A	320		Pay Only										
#N/A	321		Pay Only										
#N/A	322		Pay Only										
#N/A	323		Pay Only										
#N/A	324		Pay Only										
#N/A	325		Pay Only										
#N/A	326		Pay Only										
Yes	421	Move charges from pull ahead project to specific project	Prop Only	SLR	12/16/2011	PM							
Yes	422	Reclass charges from long term to short term on ARO Liability accts.	Prop Only	AMC	1/6/2012	DKW							
Yes	423	Move charges to O&M	Prop Only	KLD	1/4/2012	DKW							
Yes	424	Move charges to O&M	Prop Only	EGC	1/5/2012	DKW							
Yes	425	Reclass asset and accumulated depreciation on retired assets to reg asset	Prop Only	AMC	1/6/2012	DKW							No entry this moth
Yes	426	Move burdens over to Switchover project	Prop Only	SKE	1/5/2012	JDM							
Yes	427	Reverse income statement amounts for ARO settlements	Prop Only	AMC	1/6/2012	DKW							No entry this moth
Yes	428	To correct TC2 project imbalance per Fred Cuziak	Prop Only	EW	1/5/2012	DLC							
Yes	429	Set up additional accrual	Prop Only	SLR	1/5/2012	PSM				Y			
Yes	430	Reversal of manual accruals made in error thru the AP process	Prop Only	SLR	1/5/2012	LHA				Y			
Yes	431	Reverse J317-0100-0509 and reclass depreciation from ARO to non-ARO	Prop Only	AMC	1/6/2012	DKW							
#N/A	432	To set up ARO for Distribution bushings	Prop Only	AMC	1/12/2012	SLW				Y			
#N/A	433		Prop Only										

Louisville Gas and Electric Company													
Company 0100													
December 2011													
SEE INSTRUCTIONS TAB 													
Contact Karen Tipton x2534 for New Standard Number (J001 to J199 range)													
Checked to Oracle Corp Only	JE#	Description	Dept	Prepared By	Date Posted	Approved By	Valerie Scott if Required (vls)	Shannon Charnas if Required (SLC)	Due Noon Day 3 Indicate if I/C (Y)	Indicate if Reversing (Y)	Working Day Due (Optional)	Resp Reviewer (Optional)	Comments
#N/A	434		Prop Only										
#N/A	435		Prop Only										
Yes	501	Reclass tasks for ARS purchase power	Rev Only	LMO	1/4/2012	F. Mazza							
Yes	502	To record 2011 additional HEA Shareholder Contribution	Rev Only	JHB	12/21/2011	F. Mazza							
Yes	503	Reverse JE 013-0100-1211	Rev Only	JHB	1/5/2012	F. Mazza			Y				
Yes	504	Record LG&E Electric Unbilled Revenue	Rev Only	JHB	1/5/2012	F. Mazza			Y				
Yes	505	LGE - 2011 ECR Settlement - 2011 Projects & ROE	Rev Only	GCM	1/6/2012	F. Mazza							
#N/A	506		Rev Only										
#N/A	507		Rev Only										
#N/A	508		Rev Only										
#N/A	509		Rev Only										
#N/A	510		Rev Only										
#N/A	511		Rev Only										
#N/A	512		Rev Only										
#N/A	513		Rev Only										
#N/A	514		Rev Only										
#N/A	515		Rev Only										
#N/A	516		Rev Only										
#N/A	517		Rev Only										
#N/A	518		Rev Only										
#N/A	519		Rev Only										
#N/A	520		Rev Only										
#N/A	521		Rev Only										
#N/A	522		Rev Only										
#N/A	523		Rev Only										
Yes	613	Reclass of vehicle property tax refund	Tax Only	DML	1/6/2012	JSW							
#N/A	614		Tax Only										
#N/A	615		Tax Only										
#N/A	720		A/P										
#N/A	721		A/P										
#N/A	722												
#N/A	723												
#N/A	724												
#N/A	725												
#N/A	755		A/P Only										
#N/A	756		A/P Only										
#N/A	757		A/P Only										
#N/A	758		A/P Only										
#N/A	759		A/P Only										

Louisville Gas and Electric Company - Purchase Accounting												
Company 0099												
December 2011												
SEE INSTRUCTIONS TAB 												
Contact Karen Tipton x2534 for New Standard Number												
Checked to Oracle Corp Only	JE#	Description	Dept	Prepared By	Date Posted	Approved By	Valerie Scott if Required (vls)	Shannon Charnas if Required (SLC)	Due Noon Day 3 Indicate if I/C (Y)	Indicate if Reversing (Y)	Working Day Due (Optional)	Resp Reviewer (Optional)
<b>STANDARD:</b>												
Yes	001	Amortization of OVEC Energy Contract	Rev	PKW	12/27/2011	F. Mazza					1	
#N/A	002	Bechtel Reserve/Allowance	Treas	N/A	N/A	N/A						
#N/A	003	Purchase Accounting on Preliminary Retirements	Prop	N/A	N/A	N/A						
#N/A	004	Unassigned - Contact Karen Tipton										
#N/A	005	Unassigned - Contact Karen Tipton										
#N/A	006	Unassigned - Contact Karen Tipton										
Yes	007	Amortization of Coal Contracts	Reg	MPF	1/3/2012	TER					1	SLC
Yes	008	Amortizes FMV of Bonds to Interest Expense	Treas	KWC	12/21/2011	RCA					0	RCA
Yes	009	Amortization of Building Lease	Fin	RCB	1/3/2012	JLS					3	JLS
#N/A	010	Unassigned - Contact Karen Tipton										
#N/A	011	Unassigned - Contact Karen Tipton										
#N/A	012	Unassigned - Contact Karen Tipton										
#N/A	013	Unassigned - Contact Karen Tipton										
#N/A	014	Unassigned - Contact Karen Tipton										
#N/A	015	Unassigned - Contact Karen Tipton										
Yes	016	Amortization of Emission Allowances	Reg	SLC	1/3/2012	CAK						
#N/A	017	Unassigned - Contact Karen Tipton										
#N/A	018	Unassigned - Contact Karen Tipton										
Yes	019	Amortize Unamortize Debt Expense	Treas	KWC	12/21/2011	RCA						RCA
#N/A	020	Reclass 106 Balances	Prop	N/A	N/A	N/A						KLD
	Tax Alloc	Estimated Taxes	Corp	N/A for	Dec							
	PT Interface	Income Tax Expense	Tax	DML	1/5/2012	JSW						
<b>NON-STANDARD:</b>												
Yes	200	Reverse ARO Depr on PA company	Prop	AMC	1/6/2012	DKW						AMC
#N/A	201											
#N/A	202											
#N/A	203											

#N/A	204												
#N/A	205												
#N/A	206												
#N/A	207												

Louisville Gas and Electric Company - Purchase Acctg Adj - FERC Only												
Company 0098												
December 2011												
<b>SEE INSTRUCTIONS TAB</b>												
Contact Ed Clark x2816 for New Standard Number												
Checked to Oracle Corp Only	JE#	Description	Dept	Prepared By	Date Posted	Approved By	Valerie Scott if Required (vls)	Shannon Charnas if Required (SLC)	Due Noon Day 3 Indicate if I/C (Y)	Indicate if Reversing (Y)	Working Day Due (Optional)	Resp Reviewer (Optional)
<b>STANDARD:</b>												
	001	Reclass 106 Balances	Prop Only	N/A	N/A	N/A						
	002	Purchase Accounting on Preliminary Retirements	Prop Only	N/A	N/A	N/A						
	003		Prop Only									
	004		Prop Only									
	005		Prop Only									
<b>NON-STANDARD:</b>												
	200		Prop Only									
	201		Prop Only									

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 117**

**Responding Witness: Valerie L. Scott**

Q-117 List each change in accounting principles made by the Company during 2009, 2010, 2011 and 2012 to date.

a. For each such change, state the revenue and/or expense or capital impact in this filing.

A-117. The following changes in accounting principles were made by the Company during 2009, 2010, 2011 and 2012 to date.

On January 1, 2009, LG&E adopted the provisions in Statement of Financial Accounting Standards (SFAS) No. 160<sup>6</sup>, Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51. The objective of SFAS No. 160, issued in December of 2007 and effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008, is to improve the relevance, comparability and transparency of financial information in a reporting entity's consolidated financial statements. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

On January 1, 2009, LG&E adopted the provisions in SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133<sup>7</sup>. The objective of SFAS No. 161, issued in March of 2008 and effective for fiscal years, and interim periods within those fiscal years, beginning on or after November 15, 2008, is to enhance the current disclosure framework. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

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<sup>6</sup> The guidance in SFAS No.160 is now contained in FASB Accounting Standards Codification Topic 810, adopted effective September 30, 2009.

<sup>7</sup> The guidance in SFAS No.161 is now contained in FASB Accounting Standards Codification Topic 815, adopted effective September 30, 2009.



On September 30, 2009, LG&E adopted the provisions in Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2009-01, Topic 105-Generally Accepted Principles, amendments based on SFAS No. 168 – The *FASB Accounting Standards Codification* and the Hierarchy of Generally Accepted Accounting Principles. ASU 2009-01, issued in June of 2009 and effective for interim and annual periods ending after September 15, 2009, introduces guidance which establishes the FASB ASC as the single source of authoritative nongovernmental U.S. generally accepted accounting principles. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

On September 30, 2009, LG&E adopted the provisions in FASB ASU 2009-05, Fair Value Measurement and Disclosures (Topic 820) – Measuring Liabilities at Fair Value, an amendment of the FASB Accounting Standards Codification. The ASU 2010-06 amendments, issued in August of 2009 and effective for the first reporting period (including interim periods) beginning after issuance, provides guidance to clarify and reduce ambiguity in valuation techniques, adjustments and measurement criteria for liabilities measured at fair value. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

On December 31, 2009, LG&E adopted the provisions in FASB Staff Position (FSP) Financial Accounting Statement (FAS) 132(R)-1, Employers' Disclosures about Pensions and Other Postretirement Benefits, a technical amendment to revised Statement 132 (FSP FAS 132(R))<sup>8</sup>. FAS 132(R)-1, issued in December of 2008 and effective for fiscal years ending after December 15, 2009, requires additional disclosures related to pension and other postretirement benefit plan assets. Additional disclosures include the investment allocation decision-making process, the fair value of each major category of plan assets as well as the inputs and valuation techniques used to measure fair value and significant concentrations of risk within the plan assets. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

On June 30, 2009, LG&E adopted the provisions in FASB FSP No. Financial Accounting Statement (FAS) 107-1 and Accounting Principles Board Opinion (APB) 28-1 (FSP FAS107-1/APB28-1), Interim Disclosures about Fair Value of Financial Instruments, an amendment to disclosure requirements of Statement 107 and Opinion 28<sup>9</sup>. FAS 107-1 and APB 28-1, issued in April of 2009 and effective for interim reporting periods ending after June 15, 2009, with early adoption permitted for periods ending after March 15, 2009, requires disclosures about fair value of financial instruments. This guidance requires qualitative and quantitative

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<sup>8</sup> The guidance in FSP FAS132(R)-1 is now contained in FASB Accounting Standards Codification Topic 715, adopted effective September 30, 2009.

<sup>9</sup> The guidance in FSP FAS107-1/APB28-1 is now contained in FASB Accounting Standards Codification Topic 825, adopted effective September 30, 2009.

disclosures about fair value of assets and liabilities on a quarterly basis. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

On June 30, 2009, LG&E adopted the provisions in SFAS No. 165, Subsequent Events<sup>10</sup>. SFAS No. 165, issued in May of 2009 and effective for interim and annual periods ending after June 15, 2009, requires disclosure of the date through which subsequent events have been evaluated, as well as whether that date is the date the financial statements were issued or the date they were available to be issued. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

On December 31, 2009, LG&E adopted the provisions in FASB ASU 2010-06, Fair Value Measurement and Disclosures (Topic 820) – Improving Disclosures about Fair Value Measurements, an amendment of the FASB Accounting Standards Codification. The ASU 2010-06 amendments, issued in January of 2010, required separate disclosure of amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements. This guidance was effective for interim and annual reporting periods beginning after December 15, 2009. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

On January 1, 2011, LG&E adopted the provisions in Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2010-06, Fair Value Measurement and Disclosures (Topic 820) – Improving Disclosures about Fair Value Measurements, an amendment of the FASB Accounting Standards Codification. The ASU 2010-06 amendments, issued in January of 2010, required separate information about purchases, sales, issuances and settlements within Level 3 measurements. This guidance was effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

On December 31, 2011, LG&E adopted the provisions in FASB ASU 2011-05, Comprehensive Income (Topic 220) - Presentation of Comprehensive Income, an amendment of the FASB Accounting Standards Codification. The ASU 2011-05 amendments, issued in June of 2011 and effective for fiscal years, and interim periods within those years, beginning after December 15, 2011, requires that all non-owner changes in stockholder's equity be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements where the first statement includes the components of net income and the second statement includes the components of OCI. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

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<sup>10</sup> The guidance in SFAS No.165 is now contained in FASB Accounting Standards Codification Topic 855, adopted effective September 30, 2009.

On December 31, 2011, LG&E adopted the provisions in FASB ASU 2011-09, Compensation – Retirement Benefits – Multiemployer Plans (Topic 715-80) – Disclosures about an Employer’s Participation in a Multiemployer Plan, an amendment of the FASB Accounting Standards Codification. The ASU 2011-09 amendments, issued in September of 2011 and effective for annual periods for fiscal years ending after December 15, 2011, requires that employers provide additional separate disclosures which include the significant multiemployer plans in which an employer participates, the level of the employer’s participation in these plans, the financial health of these plans and the nature of employer commitments to these plans. For plans for which users are unable to obtain additional publicly available information outside the employer’s financial statements, additional disclosures are required. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

On January 1, 2012, LG&E adopted the provisions in Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2011-04, Fair Value Measurement (Topic 820) – Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs, an amendment of the FASB Accounting Standards Codification. The ASU 2011-04 amendments, issued in May of 2011 and effective during interim and annual periods beginning after December 15, 2011, requires additional disclosures which include quantitative information about significant unobservable inputs used for Level 3 measurements, qualitative information about the sensitivity of recurring Level 3 measurements, information about any transfers between Level 1 and 2 of the fair value hierarchy, information about when the current use of a non-financial asset is different from the highest and best use, and the hierarchy classification for assets and liabilities whose fair value is disclosed only in the notes to the financial statements. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

On January 1, 2012, LG&E adopted the provisions in FASB ASU 2011-08, Intangibles-Goodwill and Other (Topic 350) – Testing Goodwill for Impairment, an amendment of the FASB Accounting Standards Codification. The ASU 2011-08 amendments, issued in September of 2011 and effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011, allows an entity to elect the option to first make a qualitative evaluation about the likelihood of an impairment of goodwill. If, based on this assessment, the entity determines it is not more likely than not the fair value of a reporting unit is less than the carrying amount, the two-step goodwill impairment test is not necessary. However, the first step of the impairment test is required if an entity concludes it is more likely than not the fair value of a reporting unit is less than the carrying amount based on the qualitative assessment. There was no revenue and/or expense or capital impact in this filing as a result of adopting this guidance.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 118**

**Responding Witness: Valerie L. Scott**

Q-118. Please list all procedures the Company follows to ensure that there was a proper assignment of costs to the test period and that the test period only includes charges incurred during the test period.

A-118. The Company maintains its accounting records consistent with the FERC Uniform System of Accounts. In preparation of Exhibit 1 of the Company's application in this case a thorough review of the financial data for the test period was performed to ensure that the costs included during the test period reflected only those costs applicable to the test period. Costs recorded during the test period that were not applicable to the test period were included in Exhibit 1 as proforma adjustments. A summary of the policies and procedures the Company follows to maintain its accounting records in accordance with the FERC Uniform System of Accounts follows. See also the responses to Question No. 110 and Question No. 226.

**Corporate Accounting Policies**

- Expenditures are properly approved in accordance with the Company's Disbursement Policy and Authority Limit Matrix.
- The Company has a Purchasing Policy which states that the Company shall comply with all applicable federal, state and local laws, statutes, rules and regulations. As discussed previously, the FERC Uniform System of Accounts is followed to help determine the appropriate accounts charged.

**Training and Resources**

- The Controller Department maintains an intranet site with links to the Uniform System of Accounts and other technical accounting guidance.
- In general, employees who code invoices receive guidance from the Accounting department. Accounting guidance regarding coding of

invoices is further provided as necessary through operations personnel, whose responsibility is to further communicate to the appropriate employees in their respective areas.

**Internal Procedures and Controls**

- Journal entry procedures are developed and followed to insure journal entries are prepared in accordance with Company policies and the Uniform System of Accounts.
- Monthly reviews of financial data, including variance analyses, are performed by accounting and operations personnel.
- Accounts Payable may also follow up on invoices that do not appear to be correctly coded and, as applicable, provide guidance to the person who coded the invoice directly and/or the appropriate operations personnel.
- The Company's general ledger system (Oracle) contains many cross validation rules that help prevent certain types of miscodings.
- Non-standard journal entries and any adjustments made during and after the test period are reviewed to determine whether adjustments relate to the test period or other periods. Appropriate adjustments are made to the test period to insure proper assignment of costs to the test period.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 119**

**Responding Witness: Valerie L. Scott**

Q-119. Provide a copy of the Company's two most recent management letters and recommendations received from the Company's independent auditors.

A-119. The Company has not received management letters or letters of recommendation from the Company's independent auditors for at least the last ten years.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 120**

**Responding Witness: Kent W. Blake**

Q-120. List each internal audit completed, scheduled, or in progress at the Company for 2009, 2010, 2011 and 2012 to date. For each, list subject of audit, date of audit, date of report and title of report.

A-120. See attached.

**LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2012-00222 AG-1 Question No. 120**

Audit Title	Start Date	Report Date	Status	Audit Subject
Accenture Contract (SAP-CCS Implementation Partner)	26-Jan-09	01-Apr-09	Complete	Accenture Contract (SAP-CCS Implementation Partner)
Accrual Process - Integrated with Ledger ICS Testing	28-Sep-09	10-Dec-09	Complete	Accrual Process - Integrated with Ledger ICS Testing
Active Directory	5/9/2011	8/19/2011	Complete	Application Audit
After the Fact Billing	11/2/2010	1/28/2011	Complete	Application Audit
Ash Pond BAP/GSP Trimble County	4/1/2010	5/26/2010	Complete	Ash Pond BAP/GSP Trimble County Contract Audit
Boiler Tube Contracts	7/14/2011	11/28/2011	Complete	Boiler Tube Contracts
Burden Calculations	9/14/2009	1/8/2010	Complete	Burden Calculations
Business Office Cash Controls			Not Started	Business Office Cash Controls
CCS Tax Classifications (Follow-up)	11/4/2010	3/30/2011	Complete	CCS Tax Classifications (Follow-up)
CEO Departmental Expenses	2/10/2010	12/30/2010	Complete	CEO Departmental Expenses
CEO Departmental Expenses	2/25/2011	2/21/2012	Complete	CEO Departmental Expenses
CEO Departmental Expenses			Complete	CEO Departmental Expenses
CEO/Officer Expenses	2/29/2012		Fieldwork	CEO/Officer Expenses
CIS-CCS Data Migration	28-May-09	19-Jun-09	Complete	System Conversion Data Migration Review
Climate Change Disclosure	5/6/2011	6/20/2011	Complete	Climate Change Disclosure
Coal Survey Contract	1/5/2011	1/20/2011	Complete	Coal Survey Contract
COBRA Health Insurance Benefits	5/4/2010	9/16/2010	Complete	COBRA Health Insurance Benefits
Commodity Trading System Process Review	11/6/2009	2/4/2010	Complete	Commodity Trading System Process Review
Commodity Procurement and Sales Risks and Controls Evaluation	3/19/2012		Fieldwork	Commodity Procurement and Sales Risks and Controls Evaluation
Company Investigation Process	07-Jan-09	09-Apr-09	Complete	Company Investigation Process
Consulting Review of Energy Efficiency Programs	5/9/2011	5/19/2011	Complete	Consulting Review of Energy Efficiency Programs
Contract Proposal Reviews (Ongoing) Q1	2/1/2012	4/25/2012	Complete	Contract Proposal Reviews Q1
Contract Proposal Reviews (Ongoing) Q2	4/2/2012	7/11/2012	Complete	Contract Proposal Reviews Q2
Contract Proposal Reviews (Ongoing) Q3			Not Started	Contract Proposal Reviews Q3
Contract Proposal Reviews (Ongoing) Q4			Not Started	Contract Proposal Reviews Q4
Contractor Safety	11/17/2011	2/21/2012	Complete	Contractor Safety
Corporate Law Department Activities/Outside Legal Fees	3/26/2012	7/3/2012	Complete	Corporate Law Department Activities/Outside Legal Fees
Customer Care and Service (CCS) System Consulting	05-Jan-09	09-Apr-09	Complete	Pre-Implementation System Consulting
Customer Data Accuracy	2/9/2012	4/26/2012	Complete	Customer Data Accuracy
Customer Data Accuracy (Meter Data)	8/22/2011	11/10/2011	Complete	Customer Data Accuracy (Meter Data)
Data Protection	4/25/2012		Fieldwork	Data Protection
Demand Conservation Program	10/21/2010	1/31/2011	Complete	Demand Conservation Program
DOT Recordkeeping for Fleet Vehicles	4/5/2012	7/11/2012	Complete	DOT Recordkeeping for Fleet Vehicles
DSM - New Programs			Not Started	DSM - New Programs
DSM Load Control Contract (GoodCents)	1/11/2010	2/19/2010	Complete	DSM Load Control Contract Audit
DSM Tariff Mechanism Calculations	2/4/2011	4/18/2011	Complete	DSM Tariff Mechanism Calculations
Emission Allowance Activities	02-Feb-09	28-Apr-09	Complete	Emission Allowance Activities
Employee Expense Reimbursement	10/1/2009	1/28/2010	Complete	Employee Expense Reimbursement
Employee Expense Reimbursement	9/3/2010	2/4/2011	Complete	Employee Expense Reimbursement
Enterprise Risk Management/Business Risk Monitoring Q1	1/3/2012	4/25/2012	Complete	Enterprise Risk Management/Business Risk Monitoring Q1
Enterprise Risk Management/Business Risk Monitoring Q2	5/14/2012	7/24/2012	Complete	Enterprise Risk Management/Business Risk Monitoring Q2
Enterprise Risk Management/Business Risk Monitoring Q3			Not Started	Enterprise Risk Management/Business Risk Monitoring Q3
Enterprise Risk Management/Business Risk Monitoring Q4			Not Started	Enterprise Risk Management/Business Risk Monitoring Q4
Env. Compliance - KY Excel Program - Paddys Run	7/20/2011	12/28/2011	Complete	Env. Compliance - KY Excel Program - Paddys Run
Env. Compliance - KY Excel Program - Tyrone	7/20/2011	2/21/2012	Complete	Env. Compliance - KY Excel Program - Tyrone
Env. Compliance - KY Excel Program - Zorn	7/20/2011	12/27/2011	Complete	Env. Compliance - KY Excel Program - Zorn
Environmental Compliance	5/3/2010	2/22/2011	Complete	Environmental Compliance
Environmental Compliance Contracts			Not Started	Environmental Compliance Contracts
eTariff Management System Implementation	11/1/2011	1/25/2012	Complete	eTariff Management System Implementation
Ethics Programs, Objectives and Activities	2/10/2010	3/23/2010	Complete	Ethics Programs, Objectives and Activities
Executive Expense Reimbursements	4/5/2010	6/24/2010	Complete	Executive Expense Reimbursements
External Environmental Audit Follow-Up	20-Jul-09	08-Dec-09	Complete	External Environmental Audit Follow-Up
External Quality Assessment	2/4/2010	6/18/2010	Complete	External Quality Assessment
FERC Compliance	3/21/2012	7/2/2012	Complete	NERC Reliability Standards Compliance Program
Field Office Management (Cash Handling)	2/5/2010	6/9/2010	Complete	Field Office Management (Cash Handling)



**LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2012-00222 AG-1 Question No. 120**

Audit Title	Start Date	Report Date	Status	Audit Subject
Franchise Agreements	5/17/2010	8/5/2010	Complete	Franchise Agreements
Fraud Risk Management Program	1/12/2010	2/11/2010	Complete	Fraud Risk Management Program
Fuel Adjustment Clause	30-Mar-09	15-Jul-09	Complete	Fuel Adjustment Clause
Fuel Procurement	06-May-09	25-Aug-09	Complete	Fuel Procurement
Fuel Procurement	6/11/2010	9/20/2010	Complete	Fuel Procurement
Fuel Procurement	8/18/2011	11/22/2011	Complete	Fuel Procurement
Fuel Procurement			Not Started	Fuel Procurement
Gas Pipeline Damage Prevention	1/22/2010	6/8/2010	Complete	Gas Pipeline Damage Prevention
Green-e Program Compliance	4/20/2012	7/2/2012	Complete	Green-e Program Compliance
HIPAA Compliance	10/1/2010	1/3/2011	Complete	HIPAA Compliance
Home Energy Assistance Program	07-Jan-09	08-May-09	Complete	Home Energy Assistance Program
IMEA/IMPA (TC-25% Ownership)	7/11/2011	8/26/2011	Complete	Joint ownership split review
Internal Controls - Audit Committee Pre-Approval Process	08-Jan-09	15-Jan-09	Complete	Internal Controls - Audit Committee Pre-Approval Process
Internal Controls - Audit Committee Pre-Approval Process	1/15/2010	1/26/2010	Complete	Internal Controls - Audit Committee Pre-Approval Process
Internal Controls - Program Management	01-Jan-09	22-Feb-10	Complete	Internal Controls - Program Management
Internal Controls - Program Management	1/1/2010	3/15/2011	Complete	Internal Controls - Program Management
Internal Quality Assessment	27-Aug-09	21-Oct-09	Complete	Internal Quality Assessment - don't include
Internal Quality Assessment	10/17/2011	11/8/2011	Complete	Internal Quality Assessment
Internal Quality Assessment	4/30/2012	5/31/2012	Complete	Internal Quality Assessment
IT Governance	12/21/2009	1/14/2010	Complete	IT Governance
Job Briefings	3/29/2010	10/20/2010	Complete	Job Briefings
Joint E.ON Audit Claim Management	08-Sep-09	16-Nov-09	Complete	Claims Management
Joint E.ON Audit Municipal/Industrial Customer Sales	31-Mar-09	30-Jun-09	Complete	Municipal/Industrial Customer Sales
Joint E.ON Audit Project Risk Identification/Assessment	31-Aug-09	16-Nov-09	Complete	Project Risk Identification/Assessment
Joint E.ON Audit Small and Medium Sized Acquisitions	12-May-09	30-Jun-09	Complete	Small and Medium Sized Acquisitions
Kentucky Lobbying Activities			Not Started	Kentucky Lobbying Activities
Lost and Unaccounted for Gas	2/7/2010	6/2/2010	Complete	Lost and Unaccounted for Gas
Manager Discretionary Funds and Petty Cash (Cash Handling)	2/5/2010	10/29/2010	Complete	Manager Discretionary Funds and Petty Cash (Cash Handling)
Materials and Supplies Inventory			Not Started	Materials and Supplies Inventory
Meter Reading Contracts	9/9/2009	1/4/2010	Complete	Meter Reading Contracts
Meter Reading Contracts Review	09-Sep-09	04-Jan-10	Complete	Meter Reading Contracts Review
Miller Pipeline Corporation Contract	5/11/2011	8/18/2011	Complete	Miller Pipeline Corporation Contract
MRO Contract (Brownstown) (Maintenance, Repair and Overhaul)	3/9/2010	6/30/2010	Complete	Maintenance, Repair and Overhaul contract audit
Natural Gas Procurement Contracts	11/2/2010	1/19/2011	Complete	Natural Gas Procurement Contracts
Natural Gas Record Keeping Requirements	4/23/2012		Wrap up - Client	Natural Gas Record Keeping Requirements
Near Miss Process	10/20/2009	1/18/2010	Complete	Near Miss Process
NERC - EOP-001-0b	5/16/2012		Fieldwork	NERC - Reliability Standard Review
NERC - EOP-005	8/31/2011	11/22/2011	Complete	NERC - Reliability Standard Review
NERC - FAC-003	7/25/2011	9/22/2011	Complete	NERC - Reliability Standard Review
NERC - PRC-005	5/6/2011	8/1/2011	Complete	NERC - Reliability Standard Review
NERC - PRC-007-0	8/3/2011	10/26/2011	Complete	NERC - Reliability Standard Review
NERC - FAC-009-1	8/31/2011	11/22/2011	Complete	NERC - Reliability Standard Review
NERC Reliability Standards	7/6/2009	1/26/2010	Complete	NERC Reliability Standards
NERC Reliability Standards (Including Cyber Security)	1/5/2010	2/4/2011	Complete	NERC Reliability Standards (Including Cyber Security)
Parking - Subsidy Withholdings	2/3/2012	4/9/2012	Complete	Parking - Subsidy Withholdings
Payroll/PeopleSoft	15-Jan-09	17-Sep-09	Complete	Payroll/PeopleSoft Application Review
Power of One Credit Union Accounts	3/12/2012	6/19/2012	Complete	Power of One Credit Union Accounts
PowerPlant Budgeting	11/3/2011	1/13/2012	Complete	Application Audit
Procurement Cards	27-Feb-09	29-Jun-09	Complete	Procurement Cards
Procurement Cards	11/1/2010	1/28/2011	Complete	Procurement Cards
PSM/RMP Audit - Mill Creek	30-Mar-09	17-Jul-09	Complete	Process Safety Management / Risk Management Planning Programs
Records and Retention - General	11/10/2010	4/15/2011	Complete	Records and Retention - General
Reliability Coordinator Agreement (TVA)	5/4/2011	7/1/2011	Complete	Reliability Coordinator Agreement (TVA)
Renewable Energy Certificates - Green-e Energy Verification	3/2/2011	5/26/2011	Complete	Renewable Energy Certificates - Green-e Energy Verification
Retirement Plan Process	06-Oct-09	04-Feb-10	Complete	Retirement Plan Process

**LOUISVILLE GAS AND ELECTRIC COMPANY  
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Audit Title	Start Date	Report Date	Status	Audit Subject
Retirement Plan Process	10/6/2009	2/4/2010	Complete	Retirement Plan Process
Revenue Cycle Audit (Utility Tax Consulting)	30-Sep-09	02-Jun-10	Complete	Revenue Cycle Audit
Risk Management Services Corp. Contract	5/23/2011	6/30/2011	Complete	Risk Management Services Corp. Contract
Sales of Scrap and Miscellaneous Materials	20-Feb-09	01-Jul-09	Complete	Sales of Scrap and Miscellaneous Materials
SAP (CCS Post Implementation)	17-May-09	17-Sep-09	Complete	Post Implementation Review
Serco Vehicle Maintenance Contract			Not Started	Serco Vehicle Maintenance Contract
SOA - Audit Committee Pre-Approval	1/20/2011	2/21/2011	Complete	Audit Committee Pre-Approval Process
SOA - Audit Committee Pre-Approval Process	3/1/2012	4/9/2012	Complete	Audit Committee Pre-Approval Process
SOA 302 10Q ICFR and Disclosure Controls Review Quarter 1-2011	2/25/2011	4/27/2011	Complete	SOA 302 10Q ICFR and Disclosure Controls Review Quarter 1-2011
SOA 302 10Q ICFR and Disclosure Controls Review Quarter 2-2011	6/1/2011	7/26/2011	Complete	SOA 302 10Q ICFR and Disclosure Controls Review Quarter 2-2011
SOA 302 10Q ICFR and Disclosure Controls Review Quarter 3-2011	9/23/2011	10/27/2011	Complete	SOA 302 10Q ICFR and Disclosure Controls Review Quarter 3-2011
SOA 302 10Q ICFR and Disclosure Controls Review Quarter 4-2010	12/6/2010	2/21/2011	Complete	SOA 302 10Q ICFR and Disclosure Controls Review Quarter 4-2010
SOA 302 10Q ICFR and Disclosure Controls Review Quarter 4-2011	12/5/2011	3/13/2012	Complete	SOA 302 10Q ICFR and Disclosure Controls Review Quarter 4-2011
SOA Program Management	1/3/2011	3/6/2012	Complete	Sarbanes-Oxley Year End Report
SOA Program Management			On going	Sarbanes-Oxley Year End Report
SOA302 10Q ICFR and DC Review 1Q	3/13/2012	5/21/2012	Complete	SOA302 10Q ICFR and DC Review 1Q
SOA302 10Q ICFR and DC Review 2Q	6/6/2012		Fieldwork	SOA302 10Q ICFR and DC Review 2Q
SOA302 10Q ICFR and DC Review 3Q			Not Started	SOA302 10Q ICFR and DC Review 3Q
SOA302 10Q ICFR and DC Review 4Q			Not Started	SOA302 10Q ICFR and DC Review 4Q
Southwest Power Pool Contract	4/7/2011	6/1/2011	Complete	Southwest Power Pool Contract
Supply Chain Management	3/21/2011	7/13/2011	Complete	Supply Chain Management
TC II Labor Rates	03-Mar-09	22-Apr-09	Complete	TC II Labor Rates
TC II Labor Rates 2009	14-Sep-09	13-Nov-09	Complete	TC II Labor Rates 2009
TC II Labor Rates 2010	8/12/2010	10/12/2010	Complete	TC II Labor Rates 2010
Technology Based Auditing and Data Analysis Considerations	2/12/2010	3/3/2010	Complete	Technology Based Auditing and Data Analysis Considerations
Tennessee Valley Authority (TVA) Contract	09-Mar-09	30-Jun-09	Complete	Tennessee Valley Authority Contract
Trimble II Contract Audit	10-Feb-09	27-May-09	Complete	Trimble II Contract Audit
Trimble II Contract Audit	2/10/2010	5/18/2010	Complete	Trimble II Contract Audit
Trimble II Labor Rates	2/8/2011	5/4/2011	Complete	Trimble II Labor Rates
Vegetation Mgmt. Contracts (Townsend, Phillips, etc.)	1/5/2011	4/19/2011	Complete	Vegetation Mgmt. Contracts (Townsend, Phillips, etc.)
Vehicle Accident Process Audit	7/8/2009	1/5/2010	Complete	Vehicle Accident Process Audit
Vehicle Fueling (Fleet One)	2/15/2010	7/23/2010	Complete	Vehicle Fueling (Fleet One)
Vehicle Fueling (Fleet One)	11/23/2011	1/23/2012	Complete	Vehicle Fueling (Fleet One)
Vehicle Leasing Program	2/26/2010	4/20/2010	Complete	Vehicle Leasing Program
Virtual Server Environment			Not Started	Virtual Server Environment
Voith Hydro Inc. (Ohio Falls Refurbishment)			Not Started	Voith Hydro Inc. (Ohio Falls Refurbishment)
Waterside Relocation Project (Graycor Contract Closeout)	08-Jan-09	09-Apr-09	Complete	Waterside Relocation Project (Graycor Contract Closeout)
Waterside Relocation Project (Sargent and Lundy)	28-Sep-09	09-Nov-09	Complete	Waterside Relocation Project (Sargent and Lundy)

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 121**

**Responding Witness: Lonnie E. Bellar**

Q-121. Provide a copy of the Company's most recent management and operations audit.

A-121. On September 14, 2011 the PSC issued the Final Audit Report on the Focused Management and Operations Audit of Louisville Gas and Electric Company's and Kentucky Utilities Company's customer service functions. Below is the link to the final report.

[http://psc.ky.gov/agencies/psc/M\\_Audit/KU%20LGE%20Final%20Report%20with%20Letter.pdf](http://psc.ky.gov/agencies/psc/M_Audit/KU%20LGE%20Final%20Report%20with%20Letter.pdf)

On November 10, 2011 the PSC issued the Management Audit Action Plans regarding the aforementioned management audit. Below is the link to the Action Plans.

[http://psc.ky.gov/agencies/psc/M\\_Audit/LGE\\_KU\\_CS\\_Audit\\_Action\\_Plan\\_Final.pdf](http://psc.ky.gov/agencies/psc/M_Audit/LGE_KU_CS_Audit_Action_Plan_Final.pdf)

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 122**

**Responding Witness: Counsel**

Q-122. List each proposed pro forma entry which was considered in this filing but not made and state the reason(s) why the entry was not made.

A-122. Objection. All decisions regarding which adjustments to include in the application in this proceeding were made in consultation with legal counsel. Any response to this question necessarily requires the Company to reveal the contents of communications with counsel and the mental impressions of counsel, which information is protected from disclosure by the attorney-client privilege and the work product doctrine. The Commission determined in its July 30, 2010 Order in Case No. 2009-00549 that such information is not discoverable. See pages 7-10 and ordering paragraph 5 of the Commission's Final Order in Case No. 2009-00549 dated July 30, 2010.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 123**

**Responding Witness: Valerie L. Scott**

Q-123. Please provide an explanation of all items included in the following accounts (by subaccount if any) and provide the appropriate jurisdictional amounts for the year ended 2009, 2010, and 2011:

- a. Other Accounts Receivable,
- b. Accrued Utility Revenues,
- c. Miscellaneous Deferred Debits,
- d. Miscellaneous current and accrued liabilities, and
- e. Other Deferred Credits.

A-123. a-e. See attached.

**Louisville Gas and Electric Company**  
**Case No. 2012-00222**  
**Explanation of Specified Balance Sheet Accounts**

<u>Account</u>	<u>Description</u>	<u>12/31/2011</u>	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>Explanation of Amounts Included in Accounts</u>
<b>Other Accounts Receivable (a)</b>					
143001	A/R-OFFICERS/EMPL	\$ -	\$ -	\$ -	Receivable account where employee cash advances are tracked
143003	ACCTS REC - IMEA	3,103,454	4,264,075	1,971,279	Used to track IMEA invoices and payments for TC1 and TC2, and the monthly accruals and reversals for Trimble County Units 1 & 2
143004	ACCTS REC - IMPA	3,225,610	4,441,163	2,028,296	Used to track IMPA invoices and payments for TC1 and TC2, and the monthly accruals and reversals for Trimble County Units 1 & 2
143006	ACCTS REC - BILLED PROJECTS	1,078,349	1,321,707	5,022,373	Used to track customer jobs, joint trenching, cell site attachments, work on customer owned equipment, work for KY Dept. of Transportation, 3rd party construction contracts.
143007	ACCTS REC - NON PROJECT UTIL ACCT USE ONLY	102,918	217,663	104,233	Used to account for miscellaneous jobs and jobs not related to a specific project. It also includes insurance settlements.
143012	ACCTS REC - MISCELLANEOUS	533,381	282,955	282,955	Accrual for receipt of MISO Exit refund for Schedule 10, Schedule 17, LG&E-KU'S 5.88% share of Commonwealth Edison's exit fee deferred revenue and refund of TVA overpayment.
143017	ACCTS REC - DAMAGE CLAIMS (DTS)	476,721	483,626	474,939	Receivables account for billing of damages to LGE
143022	ACCTS REC - BEYOND THE METER	-	10,546	3,122	Used to track billing/invoicing of work on customer owned equipment.
143024	A/R MUTUAL AID	-	(387)	78,024	Charges to be billed to other utility/power companies for assistance given to them during storm outages.
143025	ACCT. RECEIVABLE - EL SWAPS	166,355	181,808	530,320	Swap transactions.
143027	INCOME TAX RECEIVABLE - FEDERAL	2,830,026	-	-	Debit balances in income tax liability account.
143028	INCOME TAX RECEIVABLE - STATE	1,398,303	-	-	Debit balances in income tax liability account.
143029	EMPLOYEE COMPUTER LOANS	-	7,368	50,836	Loans to employees to purchase computers/equipment.
143030	EMPLOYEE PAYROLL ADVANCES	5,108	5,708	5,708	Payroll advances made to employees.
143041	COBRA/LTD BENEFITS - RECEIVABLE	33,611	43,358	67,520	Long-term disability and COBRA benefits billed.
143052	ACCOUNTS RECEIVABLE - IMEA/IMPA OFFSET	-	(1,301,803)	-	Offset entry for contractor invoice accrual
143053	CONTRACTOR RECEIVABLE LIQUIDATED	-	7,467,000	-	Receivables account for the accrual of the cost of liquidated damages due from contractor due to lost days for implementing TC2
143112	A/R - MF GLOBAL MARGIN CASH COLLATERAL	-	-	1,897,107	Represents AR from settled energy financial swaps.
	<b>Total Other Accounts Receivable</b>	<b>\$ 12,953,835</b>	<b>\$ 17,424,787</b>	<b>\$ 12,516,712</b>	

**Louisville Gas and Electric Company**  
**Case No. 2012-00222**  
**Explanation of Specified Balance Sheet Accounts**

<u>Account</u>	<u>Description</u>	<u>12/31/2011</u>	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>Explanation of Amounts Included in Accounts</u>
<b>Accrued Utility Revenues (b)</b>					
173001	ACCRUED UTIL REVENUE	\$ 63,005,347	\$ 78,996,467	\$ 63,676,000	Revenue accrued for energy delivered but not yet billed.
173005/142008	ACCRUED WHOLESALE SALES REVENUE - UNBILLED	1,431,180	1,549,987	1,399,880	Unbilled revenue for wholesale sales account. Amount is moved to billed revenue account when invoiced, generally the following month.
	<b>Total Accrued Utility Revenues</b>	<b>\$ 64,436,527</b>	<b>\$ 80,546,454</b>	<b>\$ 65,075,880</b>	

**Louisville Gas and Electric Company**  
**Case No. 2012-00222**  
**Explanation of Specified Balance Sheet Accounts**

<u>Account</u>	<u>Description</u>	<u>12/31/2011</u>	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>Explanation of Amounts Included in Accounts</u>
<b>Miscellaneous Deferred Debits (c)</b>					
186001	MISC DEFERRED DEBITS	\$ 448,051	\$ 69,519	\$ 57,239	Reclassification of retail accounts receivable balances with deferred payment agreements longer than one year (i.e., long-term A/R).
186004	FINANCING EXPENSE	25,587	166,704	103,013	Financing expenses for which the actual financing/transaction has yet to occur (i.e. legal fees for a loan that has not yet closed) and accruals of debt financing expenses that have not yet been paid or allocated to specific debt instruments.
186021	CLOSED 11/10 - LGE RATE CASE - ELECTRIC	-	-	58,492	Expenses incurred for in-progress rate proceedings. Upon Commission approval these costs are reclassified to a regulatory asset account (FERC 182).
186022	CLOSED 11/10 - LGE RATE CASE - GAS	-		28,767	See Account 186021 for explanation.
186036	CLOSED 03/11 - LAND OPTIONS	-	4,138	4,138	Option on purchase of land as a possible site for next base unit.
186049	PRELIMINARY CELL SITE COSTS	-	34,667	60,297	Preparation/maintenance work for customers attaching to our poles, structures, and towers.
	<b>Total Miscellaneous Deferred Debits</b>	<b>\$ 473,639</b>	<b>\$ 275,027</b>	<b>\$ 311,946</b>	



**Louisville Gas and Electric Company**  
**Case No. 2012-00222**  
**Explanation of Specified Balance Sheet Accounts**

<b>Account Description</b>	<b>12/31/2011</b>	<b>12/31/2010</b>	<b>12/31/2009</b>	<b>Explanation of Amounts Included in Accounts</b>
<b>Miscellaneous Current and Accrued Liabilities (d)</b>				
242001 MISC LIABILITY	\$ (4,191,986)	\$ (5,185,777)	\$ (5,075,994)	Retail customer accounts with net credit accounts receivable balances. (budget billing)
242002 MISC LIAB-VESTED VAC	(5,980,227)	(5,956,109)	(5,259,885)	Vacation payable.
242005 UNEARNED REVENUE - CURRENT	(390,305)	(386,940)	(344,505)	Advance payment of transmission fee from EKPC.
242014 ESCHEATED DEPOSITS	(774)	531	-	Amount withheld from payment to the state due to contact with customer and pending receipt of a claim form.
242015 FRANCHISE FEE PAYABLE-FRANCHISE	(27,601)	(26,623)	(21,223)	Net franchise fee balance.
242017 HOME ENERGY ASSISTANCE	(511,591)	(257,593)	71,389	Net activity for Home Energy Assistance (HEA).
242018 GREEN POWER REC LIABILITY	(29,441)	(37,942)	(15,893)	Net activity for the portion of the Green Energy rider used to purchase REC's.
242019 GREEN POWER MKT LIABILITY	(2,680)	(2,691)	(5,973)	Net activity for the portion of the Green Energy rider used to market the Green Energy program.
242021 FASB 106-POST RET BEN - CURRENT	-	(624,694)	(3,411,766)	Used to record the current portion of post-retirement expenses payable.
242028 SERVICE DEPOSIT REFUND PAYABLE	(75,931)	165,260	(1,363,951)	Activity for customer deposits.
242030 WINTERCARE ENERGY FUND	(9,522)	(12,057)	(10,920)	Net activity for the Company's Winter Help program.
242031 NO-NOTICE GAS PAYABLE	(4,808,672)	(6,632,550)	(5,936,851)	FERC gas balances payable by the Company within one year, which are not provided for in other accounts.
242034 MCI UNEARNED REVENUE	(36,796)	(36,796)	(36,796)	The current portion of the prepaid transmission fee (fiber optic) from MCI.
242038 COBRA/LTD BENEFITS - PAYABLE	(33,611)	(43,358)	(51,970)	Used to record the long-term disability and COBRA benefits billed.
242101 RETIREMENT INCOME LIABILITY	(436,164)	(344,232)	(247,973)	Used to record the retirement income account payable.
<b>Total Miscellaneous Current and Accrued Liabilities</b>	<b>\$ (16,535,301)</b>	<b>\$ (19,381,570)</b>	<b>\$ (21,712,313)</b>	

**Louisville Gas and Electric Company**  
**Case No. 2012-00222**  
**Explanation of Specified Balance Sheet Accounts**

<u>Account</u>	<u>Description</u>	<u>12/31/2011</u>	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>Explanation of Amounts Included in Accounts</u>
<b>Miscellaneous Deferred Credits (e)</b>					
253004	OTH DEFERRED CR-OTHR	\$ (3,925,318)	\$ (4,460,129)	\$ (5,540,873)	Advance billings and receipts and other deferred credit items, not provided for elsewhere.
253005	CL ACC FR OTH DEF DR	(27,176)	(45,813)	-	Advance billings and receipts and other deferred credit items, not provided for elsewhere, including amounts which cannot be entirely cleared or disposed of until additional information has been received.
253025	DEFERRED COMPENSATION	(527,238)	(493,696)	(452,528)	Used to record the non-qualified deferred compensation program payable.
253033	UNCERTAIN TAX POSITION - STATE	-	-	(250,000)	Deductions claimed for tax purposes but not for book because it is not "more likely than not" that it will be ultimately deducted.
253034	MCI AMORTIZATION	(594,872)	(631,668)	(668,464)	Prepaid Transmission Fee to MCI.
253036	CLOSED 04/12 - PENILE CITY TEXAS GAS CONSTR ADVANCE	-	-	(1,250,000)	Construction advance from Texas Gas for Penile City Gate Station Upgrade.
253037	UNEARNED REVENUE - POLE ATTACHMENTS - LONG-TERM	(45,763)	(45,763)	-	Revenue related to pole attachments not due to be received within a 12 month period.
	<b>Total Miscellaneous Deferred Credits</b>	<b>\$ (5,120,367)</b>	<b>\$ (5,677,070)</b>	<b>\$ (8,161,865)</b>	

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 124**

**Responding Witness: Counsel / Shannon L. Charnas**

Q-124. Please provide a comparison by month, or if not available, by quarter, of budgeted versus actual retirements for each month of 2009, 2010, 2011 and 2012 to date. Please explain any significant variations.

A-124. Consistent with its historical practice, the Company does not disclose information relating to budgets. Such projections are only estimates; there is no guarantee that such projections will be realized; and the estimates are based on a number of assumptions that may change over time. The Company has used an historic test year in this proceeding; not a forecasted test year. The Commission determined in its September 6, 1990 Ruling in its and September 21 and October 19, 1990 Orders in Case No. 90-158 that such information is not discoverable in historical test year rate cases. Without waiver of this objection, see attached for actual retirements.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

## Actual Retirements

<b>Year</b>	<b>Month</b>	<b>Actual</b>
2012	January	\$ 643,268
	February	3,138,084
	March	2,964,909
	April	533,224
	May	13,434,702
	June	767,587
	Total	\$ 21,481,774
2011	January	\$ 5,352,051
	February	2,127,007
	March	1,919,306
	April	1,170,559
	May	5,377,860
	June	5,971,152
	July	1,070,999
	August	15,132,173
	September	8,170,401
	October	691,153
	November	3,587,339
	December	19,996,979
Total	\$ 70,566,980	
2010	January	\$ 603,253
	February	2,086,879
	March	9,280,173
	April	1,520,916
	May	946,354
	June	597,284
	July	1,620,074
	August	2,068,116
	September	17,472,698
	October	2,089,859
	November	-
	December	5,066,830
Total	\$ 43,352,436	
2009	January	\$ 32,170
	February	8,472,674
	March	2,397,105
	April	694,461
	May	2,610,077
	June	7,166,006
	July	10,593,915
	August	1,550,799
	September	3,227,167
	October	3,097,523
	November	1,953,406
	December	109,239,532
Total	\$ 151,034,835	

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 125**

**Responding Witness: Kent W. Blake**

Q-125. Customer Advances.

- a. What is the ratemaking treatment for customer advances proposed by the Company in its filing? Where is such proposal found in the filing?
- b. Provide the monthly level of customer advances for the period December 2009 thru December 2011.
- c. Provide the monthly interest expense paid by the Company on customer advances for the same period.

A-125. a. Consistent with the Commission's Order in Case Nos. 98-474 and 2003-00434 (KU) and Case Nos. 98-426 and 2003-00433 (LG&E) customer advances are treated as a deduction from rate base. See Blake Exhibit 3 in the filing.

- b. See attached.
- c. The Company does not pay interest expense on customer advances.

Attachment to Response to LGE AG-1 Question No. 125(b)

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Blake

Louisville Gas and Electric Company		
Case No. 2012-00222		
Summary of Total Company Customer Advances		
Line No.	Month	Balance
1.	December 2009	\$ 9,555,185
2.	January 2010	9,543,582
3.	February 2010	9,398,607
4.	March 2010	9,391,872
5.	April 2010	9,395,487
6.	May 2010	9,284,086
7.	June 2010	8,624,175
8.	July 2010	8,678,962
9.	August 2010	8,623,967
10.	September 2010	8,229,473
11.	October 2010	8,451,907
12.	November 2010	8,466,567
13.	December 2010	8,580,930
14.	January 2011	8,492,301
15.	February 2011	8,441,334
16.	March 2011	8,163,578
17.	April 2011	8,115,146
18.	May 2011	8,092,132
19.	June 2011	8,117,149
20.	July 2011	8,075,464
21.	August 2011	8,059,948
22.	September 2011	8,049,780
23.	October 2011	8,022,179
24.	November 2011	7,247,003
25.	December 2011	7,307,169

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 126**

**Responding Witness: Kent W. Blake**

Q-126. Customer Deposits.

- a. What is the ratemaking treatment for customer deposits proposed by the Company? Where is such proposal found in the filing?
- b. Provide the monthly level of customer deposits for the period December 2009 thru December 2011.
- c. Provide the monthly interest expense paid by the Company on customer deposits for the same period.

A-126. a. Consistent with the Commission's Order in Case No. 98-474 (KU) and Case No. 98-426 (LG&E) interest expense on deposits is not included as a component of the revenue requirement and customer deposits are not deducted from rate base.

- b. See attached.
- c. See attached.

Attachment to Response to LGE AG-1 Question No. 126(b)

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Blake

Louisville Gas and Electric Company		
Case No. 2012-00222		
Summary of Total Company Retail Customer Deposits		
Line No.	Month	Balance
1.	December 2009	\$ 22,409,554
2.	January 2010	22,812,522
3.	February 2010	23,369,275
4.	March 2010	23,455,026
5.	April 2010	23,891,243
6.	May 2010	24,111,271
7.	June 2010	23,982,891
8.	July 2010	24,186,689
9.	August 2010	24,220,261
10.	September 2010	24,385,084
11.	October 2010	23,623,140
12.	November 2010	23,763,631
13.	December 2010	23,187,609
14.	January 2011	23,521,825
15.	February 2011	23,703,771
16.	March 2011	23,190,673
17.	April 2011	23,344,007
18.	May 2011	22,472,324
19.	June 2011	22,554,582
20.	July 2011	22,664,988
21.	August 2011	22,617,141
22.	September 2011	22,496,494
23.	October 2011	22,375,874
24.	November 2011	22,338,531
25.	December 2011	22,311,042



Attachment to Response to LGE AG-1 Question No. 126(c)

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Blake

Louisville Gas and Electric Company		
Case No. 2012-00222		
Summary of Total Company Interest Paid on Retail Customer Deposits		
Line No.	Month	Balance
1.	December 2009	\$ 19,820
2.	January 2010	1,029,243
3.	February 2010	338
4.	March 2010	5,848
5.	April 2010	22,132
6.	May 2010	10,838
7.	June 2010	516,756
8.	July 2010	3,651
9.	August 2010	6,152
10.	September 2010	7,931
11.	October 2010	33,162
12.	November 2010	13,490
13.	December 2010	34,179
14.	January 2011	15,177
15.	February 2011	18,782
16.	March 2011	50,297
17.	April 2011	23,738
18.	May 2011	27,856
19.	June 2011	1,140,906
20.	July 2011	2,304
21.	August 2011	7,236
22.	September 2011	10,004
23.	October 2011	13,549
24.	November 2011	12,906
25.	December 2011	13,387

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 127**

**Responding Witness: Sidney L. "Butch" Cockerill**

Q-127. Customer Deposits.

- a. What is the contractual interest rate on customer deposits?
- b. Identify the tariff or statute that establishes the interest rate.
- c. Does the Company accrue interest on inactive customer deposits?
- d. How often is interest on customer deposits paid?
- e. Is interest on customer deposits paid by check, in the form of a bill credit, or credited as an addition to the customer deposit balance?
- f. What is the Company's policy on customer deposits for collection, refund, and use as an offset against an uncollectible balance?
- g. Provide a copy of the Company's policy(s) relating to customer deposits.
- h. Is the amount different than the company has used in prior cases? If so, explain in detail. If yes, please explain how it will affect the impact on the revenue requirement.

A-127. a. Contractual interest rate on customer deposits is .104%.

- b. KRS 278.460 establishes the interest rate to be paid on customer deposits.
- c. No.
- d. Interest is paid to the customer annually, per 807 KAR 5:006, Section 7. Deposits (6).

- e. Interest on customer deposits is paid in the form of a bill credit.
- f. See response in Part “g”.
- g. See attached policy for Service Deposits.
- h. No change is being proposed to the amount of customer deposits.

POLICY FOR SERVICE DEPOSITS

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X. Policy for Service Deposits

Revised 8-2010

A. Overview

The collection of service deposits from both residential and non-residential customers is an essential part of managing the Company's credit risk and exposure to loss.

B. Definitions

N/A

C. Applicability

See Kentucky Public Service Commission Regulation 807 KAR 5:006. General Rules, Section 7, Subsections (1) – (7).

See Kentucky Utilities Company Rates, Terms & Conditions for Furnishing Electric Service Sheet No. 87 P.S.C No. 13

D. Terms of the Service Deposit Policy

Residential service deposits are required from all new customers, based on the customer's credit score, provided by Experian, as well as existing customers who have been disconnected for nonpayment and are seeking to have service restored. Accounts requiring a security deposit may have the deposit billed in up to four monthly installments.

Residential service deposit amounts can be found in each utility's filed and approved tariffs.

**Residential Deposits:**

LG&E, KU and ODP residential service deposits are held a minimum of 12 months. LG&E and KU deposits earn interest determined by the KPSC annually, while ODP deposits earn interest determined by the Commonwealth of Virginia annually.

LG&E, KU and ODP deposits will be refunded (applied to the customer's account) at the end of the first 12 month period, in which the customer has not:

- Been disconnected for nonpayment, or
- Received a disconnect notice/budget reminder letter, or
- Had a returned check, or
- Had meter theft/tampering or diversion charges, or
- Defaulted on an installment plan

**IMPORTANT:** The maximum security deposit for a residential contract account **cannot** exceed the amount indicated in our approved tariffs.

For residential customers, personal guarantees or letters of credit from other utilities **ARE NOT** acceptable in lieu of a cash deposit.

Security deposits should not be required on non-metered contracts (typically outdoor lights) tied to residential contract accounts.

*The use and usage of non-residential contracts tied to residential contract accounts should be determined and if historic consumption on the non-residential contract(s) warrants a security deposit, then the deposit should be required based on the tariffed method of calculation. (fixed deposit amount for GS rate categories and 2/12's for all other rate categories) (Ex. Assume a residential contract account has an electric contract, a gas contract, and separate garage that constitutes a non-residential contract. In this case CCS will render a deposit quote for all three contracts. The CSR should review the historic usage on the garage and/or inquire as to the intended use of the garage and then make a determination as to whether a deposit should be requested for the garage.)*

**Non-residential Deposits:**

Service deposits should be required from all new non-residential customers, as well as all existing non-residential customers failing to maintain satisfactory credit with the Company defined as no disconnects, no late notices, no defaults on installment plans, no returned payments, and no diversion incidents or customers whose deposit is below the 2/12 minimum. Calculation of the deposit amount is typically 2/12 of the annual billing per meter unless the customer is on a GS rate. (see filed and approved tariffs for current amount).

Non-residential deposits for LG&E and KU will be held until the customer terminates the service. The only exception to this is for LG&E non-residential deposits secured prior to July 1, 2004 which will be refunded under the policies in effect at that time.

Non-residential deposits for ODP will be held a minimum of two years, and will be refunded (applied to the customer's account), provided the customer has maintained satisfactory credit with the Company, as defined above.

A surety bond or bank letter of credit can be provided in lieu of a cash deposit

**Business rules for non-residential deposits**

All new, separate, and distinct non-residential service applicants will be required to provide a security deposit as a condition of service. New, separate and distinct is defined as follows: For incorporated or LLC businesses, this would be indicated by separate tax id numbers. For unincorporated businesses (sole proprietorship), new, separate and distinct would be indicated by a different type of business. For example, a pizza shop and an auto repair business.

This deposit may be paid prior to providing service or may be billed up to four installments beginning on the first regular billing. If the deposit is waived, appropriate contacts should be entered on all accounts indicating the employee responsible for the decision to waive and the reason for the waiver.

All existing non-residential customers will be required to provide a security deposit as a condition of reconnection after service has been disconnected for either non-payment or any other reasons for disconnection per approved tariffs and regulations. If the deposit is waived, appropriate contacts should be entered on all accounts indicating the employee responsible for the decision to waive and the reason for the waiver.

All existing non-residential customers may be assessed a deposit once their payment history becomes unsatisfactory. In addition, if a non-residential customer has a deposit less than 2/12's of the annual usage, and unsatisfactory credit, an increase in the deposit amount should be considered.

Discretion should be used to determine whether security deposits should be required on non-metered contracts (typically outdoor lights) tied to non-residential contract accounts as well as non-metered contracts (typically outdoor lights) on stand-alone contract accounts.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 128**

**Responding Witness: Shannon L. Charnas**

- Q-128. For the test period and the preceding two 12-month periods, has the Company sold any property which had formerly been included in Plant Held for Future Use or devoted to utility service? If so, for each sale, describe the property sold; state whether, when and in what manner it had been included in rate base; show the details of how the gain or loss was calculated; indicate when the sale occurred; explain how and whether the Company is amortizing such gain or loss; and show how such amortization was computed.
- A-128. See attached. All property listed has been included in net original cost rate base from the time of purchase through the time of sale. LG&E is not amortizing any gains or losses associated with these property sales.

**Louisville Gas and Electric Company**  
**Property Sold During the 12 Months Ending March 31, 2010, 2011 and 2012**

<u>Description</u>	<u>Dates</u>	<u>Calculation of Gain or Loss</u>		
		<u>Net Book Value</u>	<u>Net Cash</u>	<u>Gain/(Loss) Amounts</u>
<b>12 Months Ending 03/31/2010:</b>				
Vehicles	Jun-2009	\$ -	\$ 24,481	\$ 24,481
East Service Center Land	Sep-2009	6,628	64,419	57,791
Transmission Land	Sep-2009	286	5,400	5,114
Waterside/Galt House Land	Oct-2009	47,776	2,470,921	2,423,145
TC2 Land to IMEA/IMPA	Dec-2009	2,821	25,000	22,179
Vehicles	Feb-2010	-	1,050	1,050
Railcars†	Feb-2010	104,078	178,154	74,076
				<u>\$ 2,607,836</u>
<b>12 Months Ending 03/31/2011:</b>				
Vehicles	Jul-2010	\$ 377	\$ 33,087	\$ 32,710
				<u>\$ 32,710</u>
<b>12 Months Ending 03/31/2012:</b>				
Vehicles	May-2011	\$ -	\$ 59,293	\$ 59,293
				<u>\$ 59,293</u>

†LG&E sold 73 rail cars in December 2009. A gain of \$74,076 was recorded to Plant Account 151-Fuel Stock. The use of Plant Account 151 is required pursuant to the Kentucky Public Service Commission's January 2, 1997 Order in Case No. 92-493, requiring that the gain on the sale of railcars depreciated through the Company's fuel adjustment clause (FAC) be passed to customers through the Company's FAC.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 129**

**Responding Witness: Shannon L. Charnas / Ronald L. Miller**

Q-129. The following questions are related to the Company's policies regarding accounting for CWIP, plant in service and depreciation:

- a. For each item of CWIP which the Company has transferred into utility plant in service for purposes of this filing, has a full 12 months of depreciation expense been included in the cost of service?
- b. For each item of CWIP which the company has transferred into utility plant in service for the purposes of this filing, has an amount representing a full 12 months of depreciation expense been added to the total accumulated depreciation by which rate base is reduced?
- c. Provide the same information as requested in subsection b. above for the deferred taxes related to the depreciation timing differences.

A-129. a. Yes. See Blake Exhibit 1, References Schedule 1.12.

b. Yes. See Blake Exhibit 4, Pro Forma Rate Base, Line 3, Columns 3 and 6.

c. No proforma deferred tax adjustment to the rate base has been included for CWIP depreciation timing differences.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 130**

**Responding Witness: Lonnie E. Bellar**

Q-130. For major plant construction projects representing plant additions costing more than \$5 million added during 2009, 2010, 2011 and 2012 to date please state the following:

- a. Description of project.
- b. Any economic feasibility studies done in a relationship to the project.
- c. Any related cost savings achieved as a result of adding the addition.
- d. Whether the project was for replacement, for new growth, environmental, or other.
- e. Description of why the project was necessary.

A-130. a. – e. See the attached table and supporting documents. Certain information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 131**

**Responding Witness: Valerie L. Scott**

Q-131. Identify how much of the Company's materials and supplies balance in 2009, 2010, 2011 and 2012 to date is related to construction activities.

A-131. Materials and supplies specifically purchased for a capital project are charged directly to that project. The items in the materials and supplies balance are not related to any specific construction activities.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 132**

**Responding Witness: Ronald L. Miller**

Q-132. Please provide a copy of the corporate federal tax returns and supporting "M" schedules for 2009, 2010 and 2011.

A-132. The 2009 pro forma federal tax return is attached and provided under seal. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The 2010 pro forma federal return was filed in this case in Response to the Commission's First Data Request Number 26(a)(8). The 2011 federal tax return has not yet been prepared; this return will be filed before September 15, 2012.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 133**

**Responding Witness: Ronald L. Miller / Counsel**

Q-133. Please provide detailed calculations of federal income taxes (budgeted and actual) for the year ended 2009, 2010 and 2011.

A-133. Consistent with its historical practice, the Company does not disclose information relating to budgets. Such projections are only estimates; there is no guarantee that such projections will be realized; and the estimates are based on a number of assumptions that may change over time. The Company has used an historic test year in this proceeding; not a forecasted test year. The Commission determined in its September 6, 1990 Ruling and in its September 21 and October 18, 1990 Orders in Case No. 90-158 that such information is not discoverable in historical test year rate cases. Without waiver of this objection, the Company provides the following information:

The 2009 and 2010 calculations of federal income taxes for our year-end estimate and actual per the return are provided under seal. The 2011 calculation of federal income taxes for our year-end estimate is also included. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The 2011 federal tax return has not yet been prepared; this return will be filed before September 15, 2012.

The entire attachment is  
Confidential and  
provided separately  
under seal.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 134**

**Responding Witness: Ronald L. Miller**

Q-134. Please provide workpapers detailing the calculation of each statutory addition and deduction used in arriving at taxable income in the above calculation. Also provide a narrative explanation of the effect of each statutory addition and deduction on tax and/or book income, and the Internal Revenue Code Section or Treasury Regulation calling for the adjustment.

A-134. The 2010 workpapers detailing the calculation to arrive at taxable income are provided under seal. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The 2011 federal tax return has not yet been prepared; this return will be filed before September 15, 2012.

A comprehensive narrative explanation of the effect of each statutory addition and deduction on tax and/or book income does not exist; however, a summary explanation of our book vs. tax differences is attached. Also, there is no readily available comprehensive listing of each adjustment that references either the applicable Internal Revenue Code Section or Treasury Regulation. The Company does follow the Internal Revenue Code and Treasury Regulations in preparing its federal tax return.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 135**

**Responding Witness: Ronald L. Miller**

Q-135. For 2009, 2010 and 2011, please provide a copy of the U.S. Corporation Income Tax Return, and the Kentucky Corporate Income Tax Return and all other Kentucky Tax Returns. If separate returns were not prepared, please provide the detailed worksheets that were used to prepare the consolidated return.

A-135. The 2009 pro forma Kentucky tax return is attached and provided under seal. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

See the response to Question No. 132 for the federal income tax returns.

The 2010 pro forma Kentucky income tax return was filed in this case as Response to Commission First Data Request Number 26(a)(8). The 2011 Kentucky income tax return has not yet been prepared; this return will be filed before October 15, 2012. Local income tax returns are not required for public service corporations in Kentucky.

Other routine non-income tax Kentucky returns such as monthly Sales/Use tax returns, quarterly payroll tax returns, and property tax returns can be provided or are available for review, if needed.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 136**

**Responding Witness: Ronald L. Miller**

Q-136. Please provide the following information regarding deferred income taxes included in the test-year tax expense:

- a. Calculation of all timing differences reflected in DFIT; show book amount and tax amount; indicate when amounts were included in book and in tax returns;
- b. Tax rate applied to each timing difference;
- c. Calculation of actual DFIT;
- d. If different, reconcile book amount per cost of service and book amount in DFIT calculation. Identify and quantify all reconciling items.
- e. The gross and net additions to deferred taxes. Please breakdown such additions by sub-account, providing the number and name for each account and sub-account. For each item by year, please reconcile the gross to net additions and explain how that reconciliation was derived.

- A-136. a. The net differences are listed on the attached as separate book and tax amounts are not readily available for the test year.
- b. See response to (a.) above.
  - c. See response to (a.) above.
  - d. The book amounts used for the cost of service study and the book amounts used for deferred tax calculations are the same. The cost of service study does not use the book amounts after net operating income.
  - e. See attached for the listing of sub-account amounts during the test year. The Company does not keep its deferred tax records for gross or net additions, therefore no reconciliation is provided.

Louisville Gas and Electric Company  
Case No. 2012-00222  
Deferred Income Tax Expense - Total Company  
12ME 3/31/12

	Federal Timing			State Timing			Federal Benefit		TOTAL DFIT
	Differences	Tax Rate	DFIT	Difference	Tax Rate	DFIT	(Tax Rate)	DFIT	
Addbacks to Book Income:									
Capitalized Interest	5,062,168	35%	1,771,759	5,062,168	6%	303,730	-35%	(106,306)	1,969,183
Environmental Cost Recovery	3,932,201	35%	1,376,270	3,932,201	6%	235,932	-35%	(82,576)	1,529,626
Contributions in Aid of Construction	3,225,250	35%	1,128,838	3,225,250	6%	193,515	-35%	(67,730)	1,254,622
Asset Retirement Obligation	2,721,213	35%	952,425	2,721,213	6%	163,273	-35%	(57,145)	1,058,552
Storm Damages - 2009 Winter Storm	6,737,872	35%	2,358,255	6,737,872	6%	404,272	-35%	(141,495)	2,621,032
Loss on Reacquired Debt – Amortization	1,487,562	35%	520,647	1,487,562	6%	89,254	-35%	(31,239)	578,662
MISO Exit Fees	893,199	35%	312,620	893,199	6%	53,592	-35%	(18,757)	347,454
Net Operating Loss Carryforward	370,236	35%	129,583		6%	-	-35%	-	129,583
Prepaid Insurance	1,652,429	35%	578,350	1,652,429	6%	99,146	-35%	(34,701)	642,795
Regulatory Expenses	229,066	35%	80,173	229,066	6%	13,744	-35%	(4,810)	89,107
Interest Rate Swap Termination	777,252	35%	272,038	777,252	6%	46,635	-35%	(16,322)	302,351
Workers Compensation	1,570,093	35%	549,533	1,570,093	6%	94,206	-35%	(32,972)	610,766
Other	542,581	35%	189,903	542,581	6%	32,555	-35%	(11,394)	211,064
	29,201,122		10,220,393	28,830,886		1,729,853		(605,449)	11,344,797
Deducts from Book Income:									
Bad Debt Reserve	509,141	35%	178,199	509,141	6%	30,548	-35%	(10,692)	198,056
Bonus Depreciation	95,181,023	35%	33,313,358		6%	-	-35%	-	33,313,358
Contingent Liabilities	756,814	35%	264,885	756,814	6%	45,409	-35%	(15,893)	294,401
Cost of Removal	12,932,935	35%	4,526,527	12,932,935	6%	775,976	-35%	(271,592)	5,030,912
Customer Advances For Construction	1,215,871	35%	425,555	1,215,871	6%	72,952	-35%	(25,533)	472,974
Demand Side Management	985,952	35%	345,083	985,952	6%	59,157	-35%	(20,705)	383,535
Fuel Adjustment Clause	1,234,383	35%	432,034	1,234,383	6%	74,063	-35%	(25,922)	480,175
Pension	2,346,601	35%	821,310	2,346,601	6%	140,796	-35%	(49,279)	912,828
Post Retirement Benefits	6,922,807	35%	2,422,982	6,922,807	6%	415,368	-35%	(145,379)	2,692,972
Mark to Market	1,404,045	35%	491,416	1,404,045	6%	84,243	-35%	(29,485)	546,174
Method Life/Tax Depreciation	7,644,472	35%	2,675,565	26,259,115	6%	1,575,547	-35%	(551,441)	3,699,671
Net Operating Loss Carryforward		35%	-	1,950,314	6%	117,019	-35%	(40,957)	76,062
Purchased Gas Adjustment	3,988,029	35%	1,395,810	3,988,029	6%	239,282	-35%	(83,749)	1,551,343
State Tax Current	1,627,412	35%	569,594		6%	-	-35%	-	569,594
Storm Damages - 2011 Summer Storm	8,052,125	35%	2,818,244	8,052,125	6%	483,128	-35%	(169,095)	3,132,277
Change in Accounting for Street Lighting	5,960,599	35%	2,086,210	5,960,599	6%	357,636	-35%	(125,173)	2,318,673
Interest Rate Swap Termination	764,551	35%	267,593	764,551	6%	45,873	-35%	(16,056)	297,410
Repair Deduction	21,184,462	35%	7,414,562	21,184,462	6%	1,271,068	-35%	(444,874)	8,240,756
	172,711,222		60,448,928	96,467,744		5,788,065		(2,025,823)	64,211,170
									Deferred Tax (Expense) Benefit
									<u>(52,866,372)</u>
									Reconciling Items:
									Federal Excess Deferred Income Taxes
									860,048
									State Excess Deferred Income Taxes
									740,184
									TC 2 Basis Adjustment - Federal
									(224,048)
									TC 2 Basis Adjustment - State
									(38,408)
									Investment Tax Credit Amortization
									2,794,367
									Temporary Estimate vs. Actual Adj and Prior-Year Adj. - Federal
									(5,579,095)
									Temporary Estimate vs. Actual Adj and Prior-Year Adj. - State
									737,963
									Federal Benefit of State Tax Adj. in line item above
									<u>(503,908)</u>
									Total Deferred Tax (Expense) Benefit after reconciling items*
									<u>(54,079,269)</u>

\* Agrees to the response to Q-26(a)(7) in the Public Service Commission's first data request dated June 15, 2012.

Louisville Gas and Electric Company  
Case No. 2012-00222  
Accumulated Deferred Income Taxes

<u>Account</u>	<u>Account Description</u>	<u>MAR-2011</u>	<u>MAR-2012</u>
190007	FASB 109 ADJ-FED	14,753,394	13,834,047
190008	FASB 109 GRS-UP-FED	15,646,254	14,861,674
190009	FASB 109 ADJ-STATE	2,690,588	2,522,927
190010	FASB 109 GRS-UP-ST	2,853,422	2,710,337
190307	CLOSED 12/11 - DTA ON INVENTORIES	1,306,767	-
190308	CLOSED 12/11 - DTA ON RECEIV. AND OTHER ASSETS (NON DERIV.)	839,520	-
190311	CLOSED 12/11 - DTA ON OTHER REC. FR. DERIV. - CURRENT	561,367	-
190315	DTA ON PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS	162,426	-
190318	DTA ON LIABILITIES (EXCLUDING DERIVATIVES)	2,180,172	5,817,380
190322	DTA ON LOSSES CARRIED FORWARD	-	(19,271)
190408	CLOSED 12/11 - DTA ON RECEIV. AND OTHER ASSETS (NON DERIV.)	22,470,098	-
190415	DTA ON PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS	(14,064,615)	(17,150,767)
190418	DTA ON LIABILITIES (EXCLUDING DERIVATIVES)	776,580	509,162
190422	DTA ON LOSSES CARRIED FORWARD	(360,610)	(264,327)
190507	CLOSED 12/11 - DTA ON INVENTORIES - STATE	238,316	-
190508	CLOSED 12/11 - DTA ON RECEIV. AND OTHER ASSETS (NON DERIV.) - STATE	153,104	-
190511	CLOSED 12/11 - DTA ON OTHER REC. FR. DERIV. - STATE - CURRENT	102,377	-
190515	DTA ON PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS - STATE	29,622	-
190518	DTA ON LIABILITIES (EXCLUDING DERIVATIVES) - STATE	397,600	1,060,920
190522	DTA ON LOSSES CARRIED FORWARD -STATE	-	55,059
190608	CLOSED 12/11 - DTA ON RECEIV. AND OTHER ASSETS (NON DERIV.) - STATE (NON-CURREN	4,097,890	-
190615	DTA ON PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS - STATE (NON-CURRENT	(2,564,975)	(3,127,799)
190618	DTA ON LIABILITIES (EXCLUDING DERIVATIVES) - STATE (NON-CURRENT)	127,002	182,110
190622	DTA ON LOSSES CARRIED FORWARD -STATE (NON-CURRENT)	1,030,313	1,125,456
282007	FASB 109 ADJ-FED PRO	(8,947,071)	(8,367,099)
282009	FASB 109 ADJ-ST PROP	11,371,741	10,673,477

Louisville Gas and Electric Company  
Case No. 2012-00222  
Accumulated Deferred Income Taxes

<u>Account</u>	<u>Account Description</u>	<u>MAR-2011</u>	<u>MAR-2012</u>
282503	DTL ON FIXED ASSETS	(375,918,640)	(401,404,830)
282703	DTL ON FIXED ASSETS - STATE (NON-CURRENT)	(74,062,482)	(71,674,367)
283011	FASB 109 GR-UP-F-OTH	(4,946,777)	(4,812,693)
283012	FASB 109 GR-UP-S-OTH	(902,148)	(877,695)
283408	CLOSED 12/11 - DTL ON RECEIVABLES AND OTHER ASSETS (NON DERIVATIVE)	(1,633,641)	-
283413	CLOSED 12/11 - DTL ON PREPAID EXPENSES	(1,442,143)	-
283418	DTL ON LIABILITIES (EXCLUDING DERIVATIVES)	-	(4,350,007)
283506	CLOSED 12/11 - DTL ON OTHER FINANCIAL ASSETS (LOANS, SECUR., OTHER)	(7,146,364)	-
283508	CLOSED 12/11 - DTL ON RECEIVABLES AND OTHER ASSETS (NON DERIVATIVE)	(16,077,380)	-
283518	DTL ON LIABILITIES (EXCLUDING DERIVATIVES)	(2,773,847)	(28,512,814)
283608	CLOSED 12/11 - DTL ON RECEIVABLES AND OTHER ASSETS (NON DERIVATIVE) - STATE	(297,928)	-
283613	CLOSED 12/11 - DTL ON PREPAID EXPENSES - STATE	(263,005)	-
283618	DTL ON LIABILITIES (EXCLUDING DERIVATIVES) - STATE	-	(793,314)
283706	CLOSED 12/11 - DTL ON OTHER FINANCIAL ASSETS (LOANS, SECUR., OTHER) - STATE (NON	(1,303,288)	-
283708	CLOSED 12/11 - DTL ON RECEIVABLES AND OTHER ASSETS (NON DERIVATIVE) - STATE (N	(2,932,045)	-
283718	DTL ON LIABILITIES (EXCLUDING DERIVATIVES) - STATE (NON-CURRENT)	(505,869)	(5,199,905)
	Sum	<u>(434,354,277)</u>	<u>(493,202,340)</u>



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 137**

**Responding Witness: Lonnie E. Bellar / Ronald L. Miller**

Q-137. Please list the name and business function of all Company subsidiaries and separately list those which are included in this case for ratemaking purposes.

A-137. LG&E has no wholly owned subsidiary companies. LG&E owns a minority interest of 5.63% in the Ohio Valley Electric Corporation.

There are no subsidiaries included in this case for ratemaking purposes.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 138**

**Responding Witness: Ronald L. Miller**

Q-138. Please provide worksheets which reconcile book and tax income and tax liability on the books and on the tax return for 2009, 2010 and 2011.

A-138. See the response to Question No. 133 for reconciliation of book income and federal taxable income for 2009 and 2010. The 2011 tax return has not yet been prepared; therefore no 2011 reconciliation is included.

Also, a reconciliation of the Company's book tax liability to the corresponding tax return for 2009 and 2010 is provided under seal. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 139**

**Responding Witness: Ronald L. Miller**

Q-139. Please list and explain in detail the allocation methods used to allocate state and federal tax liability and tax credits between the Company and its subsidiaries. Please provide worksheets which show a detailed derivation of the allocations for 2009, 2010 and 2011. The derivation should include separate listing of contributions, indebtedness cost, NOL (current, carryforwards and carrybacks), each credit by type (such as the investment tax credit, jobs credit), and intercompany transactions.

A-139. There are no allocations between LG&E and its subsidiary, OVEC.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 140**

**Responding Witness: Ronald L. Miller**

Q-140. Please provide worksheets which derive the gross revenue and pre-tax accounting income and federal taxable income (loss), on a consolidated basis and on a separate return basis for each year for 2009, 2010 and 2011.

A-140. The attachments are provided under seal. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The 2011 federal tax return has not yet been prepared; this return will be filed before September 15, 2012.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 141**

**Responding Witness: Ronald L. Miller**

Q-141. Please provide worksheets which derive the gross revenue and pre-tax accounting income and state taxable income (loss), on a consolidated basis and on a separate return basis for 2009, 2010 and 2011. Include in the worksheets a detailed reconciliation of book and tax income.

A-141. The attachments are provided under seal. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The 2011 state tax return has not yet been prepared; this return will be filed before October 15, 2012.

The entire attachment is  
Confidential and  
provided separately  
under seal.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 142**

**Responding Witness: Ronald L. Miller**

- Q-142. Please provide for each year from 2000 through 2008 the gross and net additions to deferred taxes. Please breakdown such additions within each year by sub-account, providing the number and name for each account and sub-account.
- a. For each item by year please reconcile the gross to net additions and explain how that reconciliation was derived.
- A-142. See attached for the ending balances for 2006 through 2011 for Accumulated Deferred Income Taxes. Earlier information is not readily available. Note that certain subaccounts have changed through the years. Also, LG&E's reconciliations of these accounts are maintained based on net amounts, rather than being detailed by gross additions, deductions, etc.

Louisville Gas & Electric Company  
Case No. 2012-00222  
Accumulated Deferred Income Taxes

<u>Account</u>	<u>Account Description</u>	<u>DEC-2006</u>	<u>DEC-2007</u>	<u>DEC-2008</u>	<u>DEC-2009</u>	<u>DEC-2010</u>	<u>DEC-2011</u>
190001	ACC DEF INC TAX-FED	11,880,390					
190002	ACC DEF INC TAX CURRENT-FED	146,516					
190003	ACC DEF INC TAX-ST	1,535,544					
190004	ACC DEF INC TAX CURRENT - STATE	620,511					
190007	FASB 109 ADJ-FED	12,525,109		9,951,732	8,950,218	7,163,836	14,054,500
190008	FASB 109 GRS-UP-FED	17,764,290		14,879,699	13,365,849	11,029,279	15,177,028
190009	FASB 109 ADJ-STATE	2,284,214		1,814,904	1,632,259	1,306,475	2,563,131
190010	FASB 109 GRS-UP-ST	3,239,688		2,713,625	2,437,542	2,011,420	2,767,849
190011	FAS 133 DEF TAX ASSET-FED	5,037,577					
190012	FAS 133 DEF TAX ASSET-STATE	1,051,321					
190307	DTA ON INVENTORIES	1,147,095	1,417,211	1,029,985	1,197,545	1,306,767	
190308	DTA ON RECEIV. AND OTHER ASSETS (NON DERIV.)	857,279	115,091	314,389	740,507	839,520	
190311	CLOSED 12/11 - DTA ON OTHER REC. FR. DERIV. - CURRENT				371,215	561,367	
190315	DTA ON PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS	143,864	145,531	123,004	148,881	162,426	
190318	DTA ON LIABILITIES (EXCLUDING DERIVATIVES)	1,419,065	15,888,743	11,124,442	2,736,761	2,180,172	5,817,380
190322	DTA ON LOSSES CARRIED FORWARD						(12,951)
190361	NETTING OUT DEFERRED TAX ASSETS - A			(977,867)	(1,692,607)		
190362	NETTING OUT DEFERRED TAX ASSETS - B			977,867	1,692,607		
190408	DTA ON RECEIV. AND OTHER ASSETS (NON DERIV.)	131,634	(4,812,239)	10,450,084	13,114,514	22,247,569	
190410	DTA ON OTHER RECEIVABLES FR. DERIV. FINANCIAL INSTRUMENTS	6,088,900	8,870,666	7,312,902	5,629,489	(41,184)	
190411	CLOSED 12/11 - DTA ON OTHER REC. FR. DERIV. - NON-CURRENT				2,807,326		
190415	DTA ON PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS			(1,844,911)	(1,615,201)	(14,051,933)	(16,193,700)
190418	DTA ON LIABILITIES (EXCLUDING DERIVATIVES)	25,825,793	30,767,358	1,951,728	1,948,812	776,580	504,894
190422	DTA ON LOSSES CARRIED FORWARD					(360,610)	(401,582)
190423	DTA ON TAX CREDITS		(230,227)	(230,227)			76,150
190461	NETTING OUT DEFERRED TAX ASSETS - C			(17,639,575)	(21,884,941)		
190462	NETTING OUT DEFERRED TAX ASSETS - D			17,639,575	21,884,941		
190507	DTA ON INVENTORIES - STATE			187,839	218,397	238,316	
190508	DTA ON RECEIV. AND OTHER ASSETS (NON DERIV.) - STATE			57,335	135,047	153,104	
190511	CLOSED 12/11 - DTA ON OTHER REC. FR. DERIV. - STATE - CURRENT				67,699	102,377	
190515	DTA ON PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS - STATE			22,432	27,152	29,622	
190518	DTA ON LIABILITIES (EXCLUDING DERIVATIVES) - STATE			2,028,774	499,105	397,600	1,060,920
190522	DTA ON LOSSES CARRIED FORWARD -STATE						37,003
190561	NETTING OUT DEFERRED TAX ASSETS - STATE - A			(178,334)	(308,682)		
190562	NETTING OUT DEFERRED TAX ASSETS - STATE - B			178,334	308,682		
190608	DTA ON RECEIV. AND OTHER ASSETS (NON DERIV.) - STATE (NON-CURRENT)			1,903,608	2,390,387	4,055,989	
190610	DTA ON OTHER RECEIVABLES FR. DERIV. FINANCIAL INSTRUMENTS - STATE (NON-CURRENT)			1,333,660	1,026,654	41,183	
190611	CLOSED 12/11 - DTA ON OTHER REC. FR. DERIV. - STATE - NON-CURRENT				511,974	-	
190615	DTA ON PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS - STATE (NON-CURRENT)			(336,458)	(294,565)	(2,562,663)	(2,953,258)

Louisville Gas & Electric Company  
Case No. 2012-00222  
Accumulated Deferred Income Taxes

<u>Account</u>	<u>Account Description</u>	<u>DEC-2006</u>	<u>DEC-2007</u>	<u>DEC-2008</u>	<u>DEC-2009</u>	<u>DEC-2010</u>	<u>DEC-2011</u>
190618	DTA ON LIABILITIES (EXCLUDING DERIVATIVES) - STATE (NON-CURRENT)			193,655	219,561	127,002	181,331
190622	DTA ON LOSSES CARRIED FORWARD -STATE (NON-CURRENT)				-	1,030,313	1,147,378
190661	NETTING OUT DEFERRED TAX ASSETS - STATE - C			(3,094,465)	(3,854,011)		
190662	NETTING OUT DEFERRED TAX ASSETS - STATE - D			3,094,465	3,854,011		
190997	QUARTERLY CHANGES OF DTA	(3,567,299)					
190999	QUARTERLY CHANGES OF DTL	(32,046,331)					
282001	DEF INC TAX-PROP-FED	(315,933,351)					
282003	DEF INC TAX-PROP-ST	(69,027,998)					
282007	FASB 109 ADJ-FED PRO	1,639,011		233,702	(706,368)	(927,210)	(8,257,251)
282009	FASB 109 ADJ-ST PROP	16,549,147		15,631,587	14,944,377	12,938,042	10,826,375
282503	DTL ON FIXED ASSETS	(347,618,526)	(368,258,704)	(320,397,064)	(328,120,450)	(361,416,229)	(383,627,956)
282703	DTL ON FIXED ASSETS - STATE (NON-CURRENT)			(67,625,140)	(68,993,469)	(73,565,329)	(70,358,902)
282999	QUARTERLY CHANGES OF DTL	347,618,526					(4,846,214)
283001	DEF INC TAX-OTH-FED	(17,394,107)					(883,808)
283002	DEF INC TAX CURRENT-OTH-FED	(974,615)					
283003	DEF INC TAX-OTH-ST	(3,373,363)					
283004	DEF INC TAX CURRENT-OTH-STATE	(168,377)					
283408	DTL ON RECEIVABLES AND OTHER ASSETS (NON DERIVATIVE)		(4,457)	(1,960)	(1,372)	(1,633,641)	
283413	DTL ON PREPAID EXPENSES	(1,143,540)	(993,738)	(975,906)	(1,691,235)	(1,442,143)	
283418	DTL ON LIABILITIES (EXCLUDING DERIVATIVES)	(2,799,725)	(9,770,775)				(4,350,007)
283461	NETTING OUT DEFERRED TAX LIABILITIES - A			977,867	1,692,607		
283462	NETTING OUT DEFERRED TAX LIABILITIES - B			(977,867)	(1,692,607)		
283506	DTL ON OTHER FINANCIAL ASSETS (LOANS, SECUR., OTHER)	(7,654,009)	(7,230,684)	(7,965,758)	(7,606,261)	(7,216,500)	
283508	DTL ON RECEIVABLES AND OTHER ASSETS (NON DERIVATIVE)	(3,814,997)	(7,895,457)	(24,690,498)	(28,207,502)	(16,641,321)	
283515	DTL ON PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS	(5,181,327)	(3,964,731)				
283518	DTL ON LIABILITIES (EXCLUDING DERIVATIVES)			873,264	(235,122)	(3,025,385)	(31,601,567)
283561	NETTING OUT DEFERRED TAX LIABILITIES - C			17,639,575	21,884,941		
283562	NETTING OUT DEFERRED TAX LIABILITIES - D			(17,639,575)	(21,884,941)		
283608	DTL ON RECEIVABLES AND OTHER ASSETS (NON DERIVATIVE) - STATE			(358)	(250)	(297,928)	
283613	DTL ON PREPAID EXPENSES - STATE			(177,977)	(308,432)	(263,005)	
283618	DTL ON LIABILITIES (EXCLUDING DERIVATIVES) - STATE						(793,314)
283661	NETTING OUT DEFERRED TAX LIABILITIES - STATE - A			178,334	308,682		
283662	NETTING OUT DEFERRED TAX LIABILITIES - STATE - B			(178,334)	(308,682)		
283706	DTL ON OTHER FINANCIAL ASSETS (LOANS, SECUR., OTHER) - STATE (NON-CURRENT)			(1,452,722)	(1,387,160)	(1,316,079)	
283708	DTL ON RECEIVABLES AND OTHER ASSETS (NON DERIVATIVE) - STATE (NON-CURRENT)			(4,502,826)	(5,144,225)	(3,034,891)	
283718	DTL ON LIABILITIES (EXCLUDING DERIVATIVES) - STATE (NON-CURRENT)			159,328	(893)	(551,742)	(5,763,204)
283761	NETTING OUT DEFERRED TAX LIABILITIES - STATE - C			3,094,465	3,854,011		
283762	NETTING OUT DEFERRED TAX LIABILITIES - STATE - D			(3,094,465)	(3,854,011)		
283998	QUARTERLY CHANGES OF DTA	3,943,265					

Louisville Gas & Electric Company  
Case No. 2012-00222  
Accumulated Deferred Income Taxes

<u>Account</u>	<u>Account Description</u>	<u>DEC-2006</u>	<u>DEC-2007</u>	<u>DEC-2008</u>	<u>DEC-2009</u>	<u>DEC-2010</u>	<u>DEC-2011</u>
283999	QUARTERLY CHANGES OF DTL	16,650,333					
Total	SUM	<u>(332,598,495)</u>	<u>(345,956,412)</u>	<u>(345,910,126)</u>	<u>(369,191,235)</u>	<u>(419,648,836)</u>	<u>(475,829,776)</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 143**

**Responding Witness: Ronald L. Miller**

Q-143. Please provide detailed worksheets showing the derivation of "excess tax over book depreciation" for 2009, 2010 and 2011.

A-143.

	<u>Per Return Year 2009</u>	<u>Per Return Year 2010</u>
Tax Depreciation	\$(140,033,169)	\$(189,999,385)
Book Depreciation	<u>137,248,542</u>	<u>138,446,029</u>
Excess Tax over Book	<u>\$(2,784,627)</u>	<u>\$(51,553,356)</u>

Note: Year 2011 information is not available – the Federal Return is not yet completed.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 144**

**Responding Witness: Ronald L. Miller**

- Q-144. Please provide the beginning and ending balances for 2009, 2010 and 2011 for Accumulated Deferred Income Taxes and Provisions for Deferred Income Taxes broken down by sub-account with the name and number of each sub-account.
- A-144. See the response to Question No. 142 for balances by accounts for 2009 through 2011. For Provisions for Deferred Income Taxes see response to Question No. 145.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 145**

**Responding Witness: Ronald L. Miller**

Q-145. Please provide the following amounts for 2009, 2010 and 2011:

- a. Income tax expense, current, deferred, deferred-credit, investment tax credit deferred and investment tax credit amortized from prior years. Identify by Uniform System Account number.
- b. Identify the benefit giving rise to each charge, as shown in the example below.
- c. Separate federal and state amounts.
- d. Cite the order or ruling on which the Company bases rate treatment of these benefits (normalized or flow-through). Note the rate treatment (normalized or flow-through).
- e. State the accumulated total for each as it appears on the test period balance sheets. Identify by Uniform System Account Number.
- f. State the rate base treatment of each item (e.g. deducted from rate base, cost-free capital, treated as equity, etc.).
- g. Cite the order or ruling on which the Company bases treatment identified in f.

A-145. a. Income Taxes:

Federal income taxes current –

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Account 409.1	\$25,272,571	\$28,874,607	\$11,962,850
Account 409.2	<u>\$709,666</u>	<u>(\$375,489)</u>	<u>(\$489,148)</u>
Total	\$25,982,237	\$28,499,118	\$11,473,702

State income taxes current –

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Account 409.1	\$3,893,528	\$6,047,168	\$8,265,533
Account 409.2	<u>\$126,707</u>	<u>(\$70,710)</u>	<u>(\$90,284)</u>
Total	\$4,020,235	\$5,976,458	\$8,175,249

## Federal income taxes deferred –

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Account 410.1	\$82,370,736	\$223,556,593	\$190,649,660
Account 410.2	<u>\$7,542,731</u>	<u>\$8,294,739</u>	<u>\$1,998,487</u>
Total	\$89,913,467	\$231,851,332	\$192,648,147

## State income taxes deferred –

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Account 410.1	\$10,416,211	\$35,825,613	\$38,166,911
Account 410.2	<u>\$1,353,296</u>	<u>\$1,399,634</u>	<u>\$321,680</u>
Total	\$11,769,507	\$37,225,247	\$38,488,591

## Federal income taxes deferred-credit –

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Account 411.1	(\$74,045,158)	(\$195,889,588)	(\$138,425,935)
Account 411.2	<u>(\$1,696,154)</u>	<u>(\$2,659,967)</u>	<u>(\$2,146,234)</u>
Total	(\$75,741,312)	(\$198,549,555)	(\$140,572,169)

## State income taxes deferred-credit –

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Account 411.1	(\$8,965,361)	(\$33,455,588)	(\$36,155,235)
Account 411.2	<u>(\$286,981)</u>	<u>(\$372,016)</u>	<u>(\$348,625)</u>
Total	(\$9,252,342)	(\$33,827,604)	(\$36,503,860)

## Investment Tax Credit Deferred –

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Account 411.4	\$3,649,346	\$0	\$0

## Investment Tax Credit Amortized –

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Account 411.4	(\$3,044,107)	(\$2,501,774)	(\$2,805,732)

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Grand Total	\$47,297,031	\$68,673,222	\$70,903,928

- b. There is no “example below” in the question to reference.
- c. See answer to part (a) of this question.
- d. The Company follows the Internal Revenue Code and Commission practices to determine if an item flows through or is normalized. LG&E has no flow through items; all deferred items are normalized.



- e. There is no flow through amount at March 31, 2012. The entire deferred income tax amount is normalized.
- f. The deferred tax balances are deducted from rate base.
- g. The Company's treatment of the deferred taxes is consistent with general rate making practices.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 146**

**Responding Witness: Ronald L. Miller**

Q-146. Please provide a detailed derivation of 2009, 2010 and 2011 research and development credits, including:

- a. a list of all research, development and experimentation expenditures, and for each item provide separately:
  - (i) the amounts payable to inside and outside contractors;
  - (ii) the amount payable in the test period;
  - (iii) the total expenditures to be expensed in determining federal taxable income; and
  - (iv) the total expenditures qualifying for any R & E credit under the Internal Revenue Code.

A-146. See attached.

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**CASE NO. 2012-00222**  
**R&E Credit Analysis**

		<u>2009</u>	<u>2010</u>	
(i)	<b>Outside Contractors(No Inside Contractors)</b>			
	EPRI	1,050,734	1,330,279	
	Nonqualified EPRI 50% Adjustment Per Agreement With IRS	(525,367)	(665,139)	
	Western KY Carbon Storage Foundation Inc.	754,220		
	E.ON Engineering	2,975		
	Futuregen Industrial Alliance, Inc.	32,352	84,000	
	University Of Kentucky Research Foundation	183,500		
	<b>Inside and Outside Contractors QRE's</b>	<u>1,498,415</u>	<u>749,140</u>	
(ii)	<b>Amount Payable In Test Period - 1,229,337</b>			<b>3</b>
(iii)	<b>Total Expenditures to be Expensed In Determining Federal Taxable Income</b>	<u>1,498,415</u>	<u>749,140</u>	<b>1</b>
<b>R&amp;E Credit Computation</b>				
	Qualifying Research Expenditures per above	1,498,415	749,140	
	280C Reduced Credit Deduction Percentage	13%	13%	
	Reduced Credit Allowed	<u>194,794</u>	<u>97,389</u>	<b>1,2</b>
(iv)	<b>Section 44f has been deleted from the I.R.C. and could not be referenced.</b>			

**1** Note: Election was made under I.R.C. code section 280C for a reduced credit. Not making this election would have required an addback of 35% of the Amount in (i).

**2** Credit is for full calendar year and includes both E.ON (91,870 for 1/1/10 to 10/31/10) & PPL (5,519 for 11/01/10 to 12/31/10) ownership periods.

**3** 2011 Return has not been completed. Amounts included in test period above are estimates.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 147**

**Responding Witness: Ronald L. Miller**

Q-147. Identify all net operating loss carrybacks and carryforwards for LG&E, its parent and each subsidiary for 2008, 2009, 2010 and 2011.

A-147. See attached for net operating losses for LG&E, its parent and subsidiaries for 2008, 2009 and 2010. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The 2011 federal tax return has not yet been prepared; this return will be filed before September 15, 2012.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 148**

**Responding Witness: Ronald L. Miller**

Q-148. What amount of LG&E interest expense for tax purposes and separately for book purposes was allocated to Kentucky regulated operations on a combined and intrastate basis during the test period? Please explain and provide a reconciliation of the difference.

A-148. LG&E has its own debt and the related interest expense. Therefore, no interest expense is allocated to LG&E's regulated operations from any other company for book or tax purposes.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 149**

**Responding Witness: Ronald L. Miller**

Q-149. Regarding the investment tax credit, please provide the amount of 3%, 4%, 7%, 10%, and 11% credits the company generated, booked for ratemaking purposes, and/or used as a credit against federal tax liability for each year from 2009 through 2011 and the derivation of each of those amounts.

A-149. LG&E had no investment tax credit at the rates mentioned above that were generated or used as a credit against its federal tax liability from 2009 through 2011. LG&E did generate advanced coal investment tax credit equal to 15% of its portion of Trimble County Unit 2 eligible construction expenditures. The estimated advanced coal investment tax credit recorded was \$3,649,346 for 2009, and the actual amount used as a credit against its 2009 tax liability was \$3,934,985. No advanced coal investment tax credit was recorded in 2010 or 2011 as the maximum allowable credit was met in 2009.

LG&E recorded investment tax credit amortization of \$3,044,107, \$2,501,774 and \$2,805,732 for the years 2009 through 2011, respectively.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 150**

**Responding Witness: Ronald L. Miller**

Q-150. For each distinct tax-timing difference for which the Company has provided deferred taxes, please identify the amount of excess deferred income taxes (i.e. deferred taxes accrued by the Company at federal tax rates higher than the current corporate tax rate, the excess is the difference over the current rate) existing on the Company's books at December 31, 2011 which can be flowed back to ratepayers on an accelerated basis (i.e. such amortization is not prohibited by the normalization requirements of the Internal Revenue Code). Show how these amounts are calculated.

A-150. LG&E had no excess deferred income taxes existing on the books at December 31, 2011 which could be flowed back to ratepayers on an accelerated basis. In accordance with Internal Revenue Code Section 203(e) normalization requirements, excess reserves may not be reduced more rapidly than under the average rate assumption method, ARAM. LG&E applies this method which reduces excess deferred income tax reserves over the remaining book lives of the underlying property.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 151**

**Responding Witness: Ronald L. Miller**

Q-151. Will the amount of investment tax credits utilized be increased if the Company is granted its requested rate increase in these proceedings? If not, why not? If so, provide calculations showing the Company's best estimate as to how much ITC will be utilized.

A-151. No, the amount of investment tax credit utilized will not be increased if the Company is granted its requested rate increase in these proceedings. LG&E has utilized all investment tax credits claimed.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 152**

**Responding Witness: Ronald L. Miller**

Q-152. Provide detailed descriptions of any IRS audit, settlements with the Internal Revenue Service, or audit adjustments made during the three years ending December 31, 2011.

A-152. The IRS has completed its audit for the 2009 tax year and the ten month tax period ended October 31, 2010. These return years were completed under the Compliance Assurance Process. The IRS proposed no adjustments for those tax years.

Due to the acquisition by PPL Corporation, LG&E is now included in the consolidated return of PPL beginning November 1, 2010. The two month period ended December 2010 is not currently under examination. The 2011 federal tax return has not yet been prepared; this return will be filed before September 15, 2012.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 153**

**Responding Witness: Ronald L. Miller**

Q-153. Provide a copy of any and all revenue ruling requests, IRS responses, and correspondence between the Company and the IRS during the ten years ending December 31, 2011.

A-153. LG&E has not made any requests for IRS income tax revenue rulings during the ten years ending December 31, 2011.

The Company does have routine correspondence with the IRS in dealing with payroll matters, employee benefits, income tax audits, tax payments/refunds, and other miscellaneous federal tax matters. Correspondence of this nature is available upon request or for inspection at the Company's offices, if needed.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 154**

**Responding Witness: Ronald L. Miller**

Q-154. List total property taxes and property tax refunds or abatements each year, for the test period and the most recent three years for which actual information is available. Describe and show the accounting treatment accorded to each item, showing journal entries, dates, accounts, amounts and descriptions.

A-154. See attached.

**Louisville Gas & Electric Company**  
**Case No. 2012-00222**  
**Property Taxes**

<u>Account</u>	<u>Description</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Test Year</u>
408.1	Property Tax Expense	14,481,268	12,918,480	18,015,490	18,301,450
408.2	Property Tax Expense	2,388	2,541	3,168	3,267
107	Construction Work in Progress	144,769	184,079	-	-

**There were no abatements during the three years ending December 31, 2011 or the test year. See Question No. 156 for property tax refunds.**

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 155**

**Responding Witness: Ronald L. Miller**

Q-155. List all amounts of property taxes under dispute at December 31, 2011, and indicate the tax year and the taxing district to which each relates.

A-155. LG&E filed a formal letter of protest with the Kentucky Division of Protest concerning its 2011 property tax assessment that was received from the Kentucky Department of Revenue. This protest related to the assessed value for state and local Kentucky tax purposes.

In June 2012, LG&E met with the Department of Revenue, including representatives from the Division of Protest Review and the Finance Cabinet's Legal Division to present the Company's position on its 2011 property tax assessment. Following the discussions, LG&E and the State reached agreement on the amount of the assessment, as well as the allocations among the various property classifications. The impact from the 2011 settlement resulted in an approximately \$505,000 additional charge to earnings which was recorded in the second quarter of 2012.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 156**

**Responding Witness: Ronald L. Miller**

Q-156. List all property tax refunds, by geographical area and taxing authority, by year, received in the most recent three years through 2011.

A-156. No property tax refunds were received by LG&E in 2009. In 2010, LG&E received a \$1,848.44 refund from Jefferson County for vehicle property tax. In 2011, refunds of \$85.25 were received from Jefferson County for vehicle property tax and \$6.82 from Muhlenberg County for unmined minerals.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 157**

**Responding Witness: Ronald L. Miller**

Q-157. Please explain and provide all workpapers and source documents supporting the derivation of the taxable bases for Kentucky property taxes for 2009, 2010 and 2011.

A-157. See attached for 2009 and 2010, information for 2011 is not yet available.



The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 158**

**Responding Witness: Ronald L. Miller**

Q-158. Provide full supporting documentation, workpapers and correspondence associated with refunds of any and all taxes other than income taxes received in 2009, 2010 and 2011. Indicate which accounts were affected and the associated dollar amounts. Also describe how the Company intends to treat this/these item(s) for rate case purposes.

A-158. LG&E received a \$3,360,522 Kentucky Sales/Use tax refund in February 2009 for the audit period covering October 1997 to December 2001. The entire \$3,360,522 was recorded prior to 2009. Interest income of \$1,931,769 was recorded in the amounts of \$2,169,171 prior to 2009 and (\$237,402) in 2009.

The settlement agreement related to this refund is attached and provided under seal. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

LG&E received miscellaneous IRS 941 payroll withholding refunds of \$12.30, \$2,481.16 and \$259.54 for 2009, 2010 and 2011, respectively. These refunds were credited to FERC account 408.

See the response to Question No. 156 for property tax refunds. All property tax refunds were credited to FERC account 408.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 159**

**Responding Witness: Ronald L. Miller**

Q-159. Please state whether any settlements, penalties or interest resulting from audits by taxing authorities are included in expense per books in 2009, 2010 and 2011. If so, provide full details including the periods and issues resolved, the dollar amounts of settlement by issue, the taxing authority penalty or interest by issue, the taxing authority involved, the date of settlement, the current status of the payment, and the final resolution of the matter or status of the protest if unresolved.

A-159. The Company settled the Kentucky Department of Revenue's audit of Sales/Use tax for the period October 1997 to December 2001 in 2009. (See the response to Question No. 158). The settlement resulted in refunds of tax, including interest.

The Company's Internal Revenue Service settlements in 2009 and 2010 are discussed in the response to Question No. 152. No interest or penalties are included in the expense per books in 2009, 2010, or 2011.

Settlements are reached annually in connection with the filing of the Company's Kentucky property tax returns. Results from the 2009 and 2010 settlements were recorded in each year's property tax expenses. The 2011 Kentucky property assessment was unable to be resolved until mid-2012 and resulted in an additional tax assessment of \$505,000 and an interest assessment of \$12,000, both of which were recorded in June 2012. There were no penalties or interest charges associated with the 2009 or 2010 settlements. Furthermore, there were no audits of the Company's property tax filings outside of these settlements.

LG&E recorded a \$236 penalty in 2011 for a late state payroll tax deposit. There were no other payroll tax penalties for 2009 or 2010.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 160**

**Responding Witness: Counsel**

- Q-160. For the years 2009, 2010, and 2011, please provide a description of all variations between budgeted and actual expense levels which are due to known and certain changes, providing supporting documentation. Indicate all variations from actual levels which result from the application of inflation or escalation factors. In those instances where inflation or escalation factors were utilized, explain the derivation of the factors used in each case. If a single factor was used, a summary description will suffice.
- A-160. Consistent with its historical practice, the Company does not disclose information relating to budgets. Such projections are only estimates; there is no guarantee that such projections will be realized; and the estimates are based on a number of assumptions that may change over time. The Company has used an historic test year in this proceeding; not a forecasted test year. The Commission determined in its September 6, 1990 Ruling and in its September 21 and October 18, 1990 Orders in Case No. 90-158 that such information is not discoverable in historical test year rate cases. The budgetary information requested in this data request is not relevant to the analysis of known and measurable pro forma adjustments in this case.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 161**

**Responding Witness: Valerie L. Scott**

Q-161. Please indicate, if known and quantifiable, any anticipated changes in jurisdictional allocation factors and the impacts thereof on the test period in this case.

A-161. The Company does not anticipate any changes in jurisdictional allocation factors. The Company has used a historical test year in this case and therefore does not anticipate any changes to test period results in this case.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 162**

**Responding Witness: Valerie L. Scott**

Q-162. Indicate the number of and expenses related to temporary or seasonal employees included in 2009, 2010 and 2011 jurisdictional expenses.

A-162. The Company does not have any seasonal employees. The chart below reflects Kentucky jurisdictional expenses at LG&E related to labor and labor related burdens for temporary employees for 2009, 2010 and 2011.

<b>Year</b>	<b>Company</b>	<b># of Employees</b>	<b>Expenses</b>
2009	LG&E charging LG&E	18	114,491
	Servco charging LG&E	54*	320,299
2010	LG&E charging LG&E	14	93,611
	Servco charging LG&E	66*	399,746
2011	LG&E charging LG&E	14	95,268
	Servco charging LG&E	68*	499,029

\* Full headcounts are used for Servco temporary employees, however their expenses are allocated to LG&E and KU based on their respective assignments.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 163**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-163. Please provide a schedule showing the percentage of increase in salaries and wages for both union and non-union employees for the test period and the three preceding 12-month periods. Break out non-union employees between CEO, executives making more than \$150,000 and management making less than \$150,000.

A-163. The schedule below shows the salary increase for the test period and the three preceding 12-month periods as requested above. While executives are employees of the service company, a portion of their salary is charged to rate payers as indicated in the response to PSC 1-46.

	Test Period	2011	2010	2009
Union	2.5%	2.5%	3.0%	3.5%
CEO	0.0%	0.0%	0.0%	3.0%
Executives > \$150,000	3.2%	3.0%	2.8%	3.0%
Management < \$150,000	3.0%	3.2%	2.9%	3.1%
Individual Contributors	2.9%	2.9%	3.2%	3.5%
Non-Exempt	2.6%	2.9%	2.9%	3.4%



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 164**

**Responding Witness: Valerie L. Scott**

Q-164. Please provide jurisdictional totals and amounts by payee, and an explanation of the services provided, for all amounts charged to outside services during 2009, 2010 and 2011.

A-164. See attached for detail of total company outside services from January 2009 through March 2011. See the response to PSC 1-31 for detail of total company outside services from April 2011 to December 2011. The Company does not maintain its books in the manner necessary to produce jurisdictional totals for outside services.

The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 165**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-165. Please provide copies of any studies or analyses prepared by or for the Company regarding the level of the Company's wages compared to the wages paid by other utilities, service companies, or any other entity.

A-165. The Company participates annually in a number of general and utility industry third party compensation surveys to obtain market pricing and salary planning data from which to determine competitive salaries. Attachment #1 summarizes the analysis completed for 2012.

The Company's compensation philosophy is to establish salary ranges based on the 50<sup>th</sup> percentile of each job's market pricing. A job's market price serves as a reference point from which to administer compensation. Compensation compared to the external reference point results in a compa-ratio. The analysis below was completed mid-November 2011 in order to make a recommendation for 2012's salary increase budget.

Sal Plan	Average of 2011 Base Compa-Ratio	Average of 2011 Actual TCC Compa-Ratio	Average of 2011 Target TCC Compa-Ratio	# Employees in Salary Plan
EX	99.75%	102.75%	103.24%	1,061
MG	101.82%	101.17%	101.21%	149
NE	101.74%	104.23%	103.94%	628
SM	106.13%	110.29%	108.66%	63
Grand Total	100.64%	103.29%	103.47%	1,901

SUMMARY (including 0s)

<b>NATIONAL</b>		EC	SM	MG	EX	NE	BU	HR
1	Compensation Resources	2.50	2.50	2.50	2.50	2.00		1.90
2	Conference Board							
3	EAPDIS	2.29	2.58	2.58	2.58	2.49		
4	Hewitt	2.80	2.80	2.80	2.80	2.80	2.70	2.70
5	Mercer	2.90	2.90	2.90	2.90	2.90		2.80
6	Towers Watson	2.90	2.90	2.90	2.90	2.90		2.90
7	WorldatWork	3.00	3.00	3.00	3.00	3.00		3.00
<b>AVERAGE</b>		2.73	2.78	2.78	2.78	2.68	2.70	2.66
<b>REGIONAL</b>		EC	SM	MG	EX	NE	BU	HR
1	Compensation Resources							
2	Conference Board							
3	EAPDIS	2.41			2.68	2.68		
4	Hewitt							
5	Mercer							
6	Towers Watson							
7	WorldatWork	3.00	3.00	3.00	3.00	3.00		3.00
<b>AVERAGE</b>		2.71	3.00	3.00	2.84	2.84		3.00

SUMMARY (including 0s)

LOCAL	EC	SM	MG	EX	NE	BU	HR
1 Compensation Resources							
2 Conference Board							
3 EAPDIS							
4 Hewitt							
5 Mercer <sup>(1)</sup>							
6 Towers Watson							
7 WorldatWork	3.00	3.00	3.00	3.00	3.00		3.00
<b>AVERAGE</b>	3.00	3.00	3.00	3.00	3.00		3.00
<b>UTILITY <sup>(2)</sup></b>	<b>EC</b>	<b>SM</b>	<b>MG</b>	<b>EX</b>	<b>NE</b>	<b>BU</b>	<b>HR</b>
1 Compensation Resources	2.50	2.90	2.90	2.90	2.60		2.60
2 Conference Board							
2 Comp Resources (2)	2.85	2.88	2.88	2.88	2.85		
3 EAPDIS	2.29	2.29	2.58	2.58	2.49		2.49
4 Hewitt	2.90	2.90	2.70	2.70	2.60		2.80
5 Mercer <sup>(1)</sup>							
6 Towers Watson							
8 WorldatWork	3.00	3.00	3.00	3.00	3.00		3.00
<b>AVERAGE</b>	2.71	2.79	2.81	2.81	2.71		2.72

<sup>(1)</sup> Local and Utility data not reported in published report; data comes directly from Mercer PayMonitor System

<sup>(2)</sup> Data from the Utility Industry referenced on all survey sources except for Hewitt (Energy - Power/Gas), TP (Energy Services), and Watson Wyatt (Utilities and Energy: Electric Power Generation, Transmission and Distribution)

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 166**

**Responding Witness: Valerie L. Scott**

Q-166. Please provide the FICA wage base dollars included in total wages paid for the years ended December 31, 2010 and 2011.

A-166.

Year	OASDI Taxable Wages	Medicare Wages
2010	\$ 80,625,432	\$ 82,111,337
2011	\$ 84,062,914	\$ 86,104,776

Data reported includes Louisville Gas and Electric employees only.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 167**

**Responding Witness: Valerie L. Scott**

Q-167. Please provide the FICA wage base anticipated for the base and test periods and explain its derivation.

A-167.

	<b>OASDI Taxable Wages</b>	<b>Medicare Wages</b>
Test Year	\$ 83,518,945	\$ 85,557,586

Data was derived from payroll records and includes Louisville Gas and Electric Company employees only.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 168**

**Responding Witness: Valerie L. Scott**

Q-168. Please provide the percent of wages, employee benefits, overheads by type, employment taxes and other expenses charged to O&M on the basis of labor dollars (by the various labor categories, if possible) for 2009, 2010 and 2011. Please indicate the causes of any differences between the percentages (over 3 percent) from year to year.

A-168. The table below represents the respective expense items, each as a percent of total wages.

<u>Type of O&amp;M Expense</u>	<u>2009</u>	<u>2010</u>	<u>2010</u>		<u>2011</u>	
			<u>vs.</u>	<u>vs.</u>	<u>2009</u>	<u>2011</u>
Wages	75.4%	76.4%	1.0%	73.6%	-2.8%	
401k	2.8%	2.8%	0.0%	2.7%	-0.1%	
Dental	0.4%	0.4%	0.0%	0.4%	0.0%	
ASC 712	0.2%	-0.1%	-0.3%	0.2%	0.3%	
ASC 715	5.8%	4.9%	-0.9%	4.7%	-0.2%	
FICA	0.0%	0.0%	0.0%	0.0%	0.0%	
Life	0.3%	0.3%	0.0%	0.3%	0.0%	
Long-Term Disability	0.2%	0.3%	0.1%	0.3%	0.0%	
Medical	7.0%	7.7%	0.7%	8.0%	0.3%	
Miscellaneous	0.7%	0.7%	0.0%	0.4%	-0.3%	
Pension	22.9%	18.3%	-4.6%	18.7%	0.4%	
Retirement Income	0.3%	0.4%	0.1%	0.4%	0.0%	
TIA	5.8%	7.9%	2.1%	5.5%	-2.4%	
Tuition Reimbursement	0.3%	0.3%	0.0%	0.2%	-0.1%	
Unemployment	0.0%	0.0%	0.0%	0.0%	0.0%	
Workers' Compensation	0.7%	-0.4%	-1.1%	1.6%	2.0%	



The decrease in pension expense as a percentage of total labor from 2009 to 2010 was due to the strong investment performance of the pension plan assets during 2009. The 2010 reduction in pension expense as a result of the favorable investment performance was partially offset by a reduction in the expected return on assets for 2010 from 8.25% to 7.75%.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 169**

**Responding Witness: Valerie L. Scott**

Q-169. For the five (5) year period preceding the test year, provide expenses for: (i) labor; (ii) overtime; and premium expenses, and provide a definition for what the company includes as premium expenses.

A-169. The table below represents labor, overtime, and premium pay reported for LG&E for the five years preceding the test year.

<b>Year</b>	<b>Labor</b>	<b>Overtime</b>	<b>Premium Pay</b>	<b>Total</b>
2007	\$ 71,204,168	\$ 8,240,106	\$ 566,791	\$ 80,011,065
2008	71,854,485	10,971,180	656,135	83,481,800
2009	78,907,747	9,714,125	645,085	89,266,957
2010	84,762,317	8,554,811	577,608	93,894,736
2011	86,216,633	9,823,408	663,633	96,703,674

Premium pay expense represents additional pay for work regularly performed outside normal daytime hours.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 170**

**Responding Witness: Valerie L. Scott**

Q-170. State whether the filing includes any provision for corporate performance awards. If so, list the dollar amount for each program. Identify into which accounts and in what amounts it has been accrued.

A-170. The Team Incentive Award (TIA) is the only corporate performance award provided to employees. See attached.

Louisville Gas & Electric Company  
Team Incentive Award Expenses

Account	LG&E Employees	Servco Employees	KU Employees	Test Period Total
107	\$ 703,090	\$ 383,956	\$ 8,976	\$ 1,096,022
108	92,327	2,841	636	95,804
143	140,445	550	-	140,994
146	11,581	1,081	-	12,662
163	35,823	11,212	-	47,035
183	-	778	-	778
184	403,103	290,119	75	693,297
426	7,960	40,263	-	48,222
500	26,289	130,724	-	157,013
501	118,157	81,451	-	199,607
502	807,063	7,815	-	814,878
505	37,571	46	-	37,617
506	314,277	2,508	-	316,785
510	91,180	54,964	-	146,144
511	24,556	-	-	24,556
512	526,817	2,151	-	528,968
513	107,563	19,616	-	127,179
514	11,905	102	-	12,007
535	6,733	-	-	6,733
538	16,371	-	-	16,371
539	88	-	-	88
541	-	1,261	-	1,261
542	2,472	-	-	2,472
543	2,445	-	-	2,445
544	9,186	1,218	-	10,403
546	-	-	2,756	2,756
548	7,722	-	-	7,722
549	-	-	147	147
551	118	-	1,511	1,628
552	251	-	4,214	4,465
553	12,591	-	7,581	20,173
554	125	-	2,418	2,543
556	-	125,290	-	125,290
560	3,724	62,440	86	66,250
561	23	155,774	16	155,813
562	51,755	1,839	-	53,594
563	50	2,678	-	2,727
566	5,056	3,444	63	8,563
570	20,972	604	12	21,588
571	94	5,385	-	5,479

Louisville Gas & Electric Company  
Team Incentive Award Expenses

Account	LG&E Employees	Servco Employees	KU Employees	Test Period Total
573	113	27	-	140
580	67,772	98,632	938	167,342
581	-	50,903	-	50,903
582	23,346	-	11	23,357
583	134,365	9,832	351	144,548
584	9,823	1,935	-	11,758
586	153,317	57,693	441	211,451
588	24,709	82,661	4	107,375
590	8,288	416	-	8,704
591	91	-	-	91
592	15,262	87	-	15,349
593	144,081	11,135	27,240	182,456
594	31,512	-	25	31,538
595	8,252	-	-	8,252
596	585	-	-	585
598	4,231	6,873	645	11,750
807	38,608	-	-	38,608
814	29,592	-	-	29,592
816	9,747	-	-	9,747
817	21,911	-	-	21,911
818	28,343	-	-	28,343
821	30,350	-	-	30,350
830	21,658	-	-	21,658
832	11,724	-	-	11,724
833	5,478	-	-	5,478
834	28,569	-	-	28,569
835	1,484	-	-	1,484
836	24,213	-	-	24,213
837	1,613	-	-	1,613
850	997	-	-	997
851	18,535	365	-	18,899
856	15,657	55	-	15,712
863	14,287	-	-	14,287
871	25,981	360	-	26,341
874	41,547	107	-	41,654
875	30,252	-	-	30,252
876	14,603	-	-	14,603
877	2,652	49	-	2,702
878	13,093	-	-	13,093
879	17,344	-	-	17,344

Louisville Gas & Electric Company  
Team Incentive Award Expenses

Account	LG&E Employees	Servco Employees	KU Employees	Test Period Total
880	59,889	58,983	-	118,872
886	1,415	-	-	1,415
887	256,481	-	-	256,481
889	4,804	-	-	4,804
890	11,027	-	-	11,027
891	14,270	49	-	14,320
892	38,845	-	-	38,845
894	13,444	-	-	13,444
901	2	142,758	12	142,771
902	22,766	14,650	-	37,416
903	45,205	443,630	471	489,306
905	2,131	30,471	77	32,679
907	-	16,532	-	16,532
908	566	94,031	-	94,597
920	(19,668)	1,831,526	1,486	1,813,345
922	(161,511)	-	-	(161,511)
925	1,827	3,799	-	5,626
930	-	2,572	-	2,572
935	26,657	467,788	22,000	516,444
	<u>\$ 4,991,614</u>	<u>\$ 4,818,030</u>	<u>\$ 82,192</u>	<u>\$ 9,891,836</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 171**

**Responding Witness: Valerie L. Scott**

Q-171. Does overtime include normal pay plus premium or just premium? Identify the level of premium pay for 2009, 2010 and 2011.

A-171. Overtime includes straight time pay, overtime pay differentials and premium pay. The Company does not record straight time pay and overtime pay differentials separately for employees earning overtime pay rates. Premium pay (e.g. additional pay for work regularly performed outside normal daytime hours) is recorded separately. The table below represents premium pay reported for LG&E in 2009, 2010 and 2011.

<b>Year</b>	<b>Premium Pay</b>
2009	715,324
2010	646,689
2011	758,059

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 172**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-172. Please provide a copy of any Company labor productivity analyses which have been performed during the past three years.

A-172. While there are not any overall Company labor productivity analyses, employee performance is continuously evaluated at all levels of the company.

Salaried managers and employees work together to develop performance objectives, specify achievable measurements and select appropriate competencies in relation to objectives and for developmental purposes.

Managers and employees meet periodically to review performance. They note progress on achievement against objectives, competencies and the goals set forth in Individual Development Plans. They also address areas where the employee needs to improve performance in order to reach objectives or demonstrate appropriate work behaviors.

Non-salaried employees receive feedback on tasks and skills using pre-determined accountabilities.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 173**

**Responding Witness: Daniel K. Arbough**

Q-173. Please provide a copy of the Company's most recent pension plan and post-retirement benefits actuarial studies.

A-173. Refer to PSC 1-54(c) for the most recent post retirement actuarial study and to KIUC 1-1 for the actuarial report for the 2012 pension expense and the 2012 post employment expense.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 174**

**Responding Witness: Daniel K. Arbough**

Q-174. With regard to pension expense:

- a. Please provide the most recent actuarial study.
- b. Please identify the amount of pension expense included in 2009, 2010 and 2011. Also please provide workpapers showing the derivation of these amounts.
- c. Please state whether the pension expense provided in part b, includes interest charges or earnings based on the time of payment. If yes, please identify the amount and provide workpapers or supporting documentation.
- d. Please state the frequency with which pension contributions are made and the relationship of the payment date(s) to the period for which the contribution is being made. If the pension contributions are paid to the parent or service company, please identify both Company payment date(s) and the date(s) on which the contribution is actually made by the affiliate.
- e. Please identify where pension expense has been included in the last working capital study and how the pension contribution date was recognized in determining the lag days for that category.
- f. Please describe and quantify the effects FASB 87, 88 and 158 had on the pension plans for the Company for 2009, 2010 and 2011 if fully reflected.

A-174. a. See attached.

- b. Refer to part a. for the 2011 Mercer year-end disclosure, and see attached for 2009 and 2010 disclosures, that support all assumptions used and the derivation of the calculations detailed below.

	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>LG&amp;E Charging</b>			
<b>LG&amp;E:</b>			
Mercer net periodic benefit cost	\$ 25,213,118	\$ 20,455,167	\$ 21,012,530
Expense Allocation %	<u>72.75%</u>	<u>72.22%</u>	<u>74.95%</u>
	<u>18,342,923</u>	<u>14,772,539</u>	<u>15,748,689</u>
<b>Servco Charging</b>			
<b>LG&amp;E:</b>			
Mercer net periodic benefit cost	21,586,653	20,850,249	22,626,552
Servco Allocation %	<u>42.78%</u>	<u>44.03%</u>	<u>45.65%</u>
	<u>9,234,860</u>	<u>9,179,831</u>	<u>10,329,358</u>
Expense Allocation %	<u>86.10%</u>	<u>85.25%</u>	<u>85.01%</u>
	<u>7,950,884</u>	<u>7,826,179</u>	<u>8,781,219</u>
<b>Others Charging</b>			
<b>LG&amp;E:</b>			
	<u>123,711</u>	<u>100,494</u>	<u>157,848</u>
Total LG&E Expense:	<u>\$ 26,417,518</u>	<u>\$ 22,699,212</u>	<u>\$ 24,687,756</u>

- c. Mercer takes the expected date of plan contributions by the Company into consideration when calculating net periodic pension cost. However, Mercer does not separately disclose the interest charges or expected earnings resulting from variations in payment dates. Contribution dates have been consistent with the assumptions made by Mercer.
- d. LG&E made discretionary contributions to the pension plan of \$7.9 million in April 2009, \$19.9 million in January 2010, \$64 million in January 2011 and \$21.3 million in January 2012. The amount of future contributions to the pension plan will depend upon the actual return on plan assets and other factors, but the Company's policy is to fund the greater of the amount required by the Pension Protection Act of 2006 (the "PPA") or the FAS 87 pension expense for the year. The Company's policy also calls for contributions to be made to ensure that the plan is funded to at least 80% of the PPA target liability. Contributions are made to the plan by the services company and are reimbursed by LG&E in the following calendar month.

- e. Not applicable. The Company does not perform working capital studies.
- f. FASB 87 was adopted in 1987 and FASB 158 was adopted in 2006. The impact of the implementation of FASB 158 is discussed in PSC 1-53. The amounts provided in b. above include the effects of the adoption of both FASB 87 and 158. Since the Company has not curtailed its plans, FASB 88 does not apply.

Linda C. Myers, F.S.A.  
Principal

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**Private & Confidential**

Ms. Kelli Higdon  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KY 40202

January 13, 2012

Dear Kelli:

Enclosed are the revised year-end disclosure exhibits (for both financial and regulatory accounting purposes) for the Qualified Retirement Plans and SERPs of LG&E and KU Energy LLC for the fiscal year ending December 31, 2011. The disclosure exhibits were revised to reflect year-end discount rates determined by the Towers Watson Bond Model and updated market value of assets as of December 31, 2011.

We used the September 30, 2010 valuation data to compute the liability amounts as of December 31, 2011. This is the same data that was used to determine the net periodic pension cost for the fiscal year beginning January 1, 2011 and ending December 31, 2011 as shown in the valuation report dated November 2011. Liabilities were rolled from January 1, 2011 to December 31, 2011 using actual 2011 benefit payments.

The actuarial assumptions and methods used to determine the liability amounts as of December 31, 2011 are the same as those used in the determination of the net periodic pension cost for the fiscal year beginning January 1, 2011 and ending December 31, 2011 as shown in the valuation report dated November 2011, with the following exceptions:

1. The healthy mortality tables were updated to reflect the tables required under the Pension Protection Act for plan years beginning in 2012.
2. The retirement rate at age 60 was changed from .15 to .10 and the retirement rate at age 62 was changed from .625 to .500.
3. The salary increase assumption was changed from 5.25% to 4.00% per annum, the taxable wage base increase assumption was changed from 4.00% to 3.50% per annum and the COLA increase assumption was changed from 3.00% to 2.50% per annum.
4. The discount rates were updated to reflect those determined by the Towers Watson Bond Model as of December 31, 2011 based on the individual plans' cash flows.



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LG&E and KU Energy LLC

The plan provisions used in determining the year-end liability amounts are the same as those used in the determination of the net periodic pension cost for the fiscal year beginning January 1, 2011 and ending December 31, 2011 as shown in the valuation report dated November 2011 with the exception that for the LG&E Union Plan, the negotiated increases in the benefit multipliers were incorporated. Specifically, the multipliers increase to \$72/\$85/\$91 on January 1, 2012, \$74/\$87/\$94 on January 1, 2013 and \$76/\$90/\$97 on January 1, 2014.

We relied upon asset information as provided by you in order to complete the disclosures.

Lastly, please remember to include the FASB disclosure requirements regarding asset allocation, a narrative on management's rationale for the expected rate of return, management's description of investment policies and strategies for plan assets and expected contributions for the next fiscal year. Please note that for years ending after December 15, 2009 asset disclosures need to comply with FASB Staff Position (FSP) No. FAS 132(R)-1 with regard to objectives, fair value measurement, risk concentrations and expanded breakdown by category.

If you have any questions or need anything else, please give me a call.

Mercer has prepared this report exclusively to assist LG&E and KU Energy LLC and its auditors in preparing financial reports under US accounting standards for defined benefit pension plans relating to the LG&E and KU Energy LLC Retirement Plans for the fiscal year ending December 31, 2011.

This valuation report may not be used or relied upon by any other party or for any other purpose. Mercer is not responsible for the consequences of any unauthorized use.

A valuation report is a snapshot of a plan's estimated financial condition at a particular point in time; it does not predict a pension plan's future financial condition or its ability to pay benefits in the future.

Over time, a plan's total cost will depend on a number of factors, including the amount of benefits the plan pays, the number of people paid benefits, plan expenses and the amount earned on any assets invested to pay the benefits. These amounts and others are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, *actuarial assumptions*, as described above, are used to select a single scenario from the range of possibilities. The results of that single scenario are included in this



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LG&E and KU Energy LLC

report. However, the future is uncertain and the plan's actual experience will differ from those assumptions; these differences may be significant or material. In addition, different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. Actuarial assumptions may also be changed from one valuation to the next because of mandated requirements, plan experience, changes in expectations about the future and other factors. Due to the limited scope of our assignment, we did not perform, and thus do not present, an analysis of the potential range of future possibilities and scenarios.

Because actual plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts, benefit security and/or benefit related issues should be made only after careful consideration of alternative future financial conditions and scenarios, and not solely on the basis of a valuation report or reports.

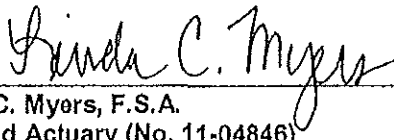
To prepare this report, Mercer has used and relied on financial data submitted by the trustee as well as participant data supplied by the plan sponsor. The data used is referenced above. We have reviewed the financial and participant data for internal consistency and general reasonableness, but we have not verified or audited any of the data or information provided. We have also used and relied upon the plan documents, including amendments, supplied by the plan sponsor, as summarized in the Summary of Plan Provisions section of the valuation report containing the net periodic pension cost for the fiscal year end December 31, 2011, dated November 2011. LG&E and KU Energy LLC is solely responsible for the validity, accuracy and comprehensiveness of this information; if the data or plan provisions supplied are not accurate and complete, the valuation results may differ significantly from the results that would be obtained with accurate and complete information; this may require a later revision of this report.

The valuation of the plan was performed in accordance with generally accepted actuarial principles and procedures. The accounting calculations reported herein are based on the assumptions and methods described above. The actuarial assumptions were selected by the company. Based on the information provided to us, we believe that the actuarial assumptions are reasonable for the purposes described in this report.

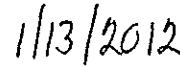


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Ms. Kelli Higdon  
LG&E and KU Energy LLC

I am available to answer any questions on the material contained in the report, or to provide explanations or further details as may be appropriate. The undersigned credentialed actuary meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. I am not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest, that would impair the objectivity of my work.

  
\_\_\_\_\_

Linda C. Myers, F.S.A.  
Enrolled Actuary (No. 11-04846)

  
\_\_\_\_\_

Date

Copy:

Dan Arbough, Henry Erk, Patrick Baker, Marcie Gunnell, Eric Geissler

Enclosure

**The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.**

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For Regulatory Accounting

	NonUnion Retirement Plan					Total	WKE-Union	SERP
	Union	Utility	ServCo	KU	WKE			
<b>Change in benefit obligation</b>								
Benefit obligation at 12/31/2010	\$ 274,031,040	\$ 209,331,690	\$ 303,600,302	\$ 354,304,503				
Service cost	1,722,303	2,394,355	11,599,885	7,440,339				
Interest cost	14,419,221	11,501,471	17,041,963	19,120,853				
Participant contributions	-	-	-	-				
Plan amendments	8,227,497	-	-	-				
Change due to transfers	-	(1,059,151)	1,445,331	(385,180)				
Acquisitions/divestitures	-	-	-	-				
Exchange rate changes	-	-	-	-				
Curtailement (gain) or loss	-	-	-	-				
Settlement (gain) or loss	-	-	-	-				
Special termination benefits	-	-	-	-				
Benefits paid	(14,539,428)	(10,872,746)	(2,108,508)	(17,015,099)				
Settlement payments	-	-	-	-				
Actuarial (gain) or loss	13,646,571	7,082,128	1,944,577	5,275,868				
Benefit obligation at 12/31/2011	\$ 297,507,204	\$ 218,377,747	\$ 333,523,550	\$ 368,740,284				
<b>Change in plan assets</b>								
Fair value of plan assets at 12/31/2010	\$ 217,049,556	\$ 140,650,485	\$ 165,902,432	\$ 241,002,503				
Adjustment to December 31, 2010 Market Value	-	-	-	-				
Actual return on plan assets	15,993,827	10,767,287	14,710,257	18,612,665				
Change due to transfers	-	(784,527)	1,084,894	(300,367)				
Acquisitions/divestitures	-	-	-	-				
Employer contributions	38,000,000	26,000,000	38,000,000	43,000,000				
Employer contributions - unfunded plans	-	-	-	-				
Participant contributions	-	-	-	-				
Benefits paid	(14,539,428)	(10,872,746)	(2,108,508)	(17,015,099)				
Settlement payments	-	-	-	-				
Administrative expenses	-	-	-	-				
Exchange rate changes	-	-	-	-				
Fair value of plan assets at 12/31/2011	\$ 256,503,955	\$ 166,760,499	\$ 217,589,075	\$ 285,299,702				
<b>Funded status</b>								
Funded status at the end of the year	\$ (41,003,249)	\$ (52,617,248)	\$ (115,934,475)	\$ (83,440,582)				
Employer contrib. between measurement date and fiscal yr. end	-	-	-	-				
Net amount recognized in statement of financial position	\$ (41,003,249)	\$ (52,617,248)	\$ (115,934,475)	\$ (83,440,582)				
<b>Amounts recognized in the statement of financial position consist of:</b>								
Noncurrent assets	\$ -	\$ -	\$ -	\$ -				
Current liabilities	-	-	-	-				
Noncurrent liabilities	(41,003,249)	(52,617,248)	(115,934,475)	(83,440,582)				
Net amount recognized in statement of financial position	\$ (41,003,249)	\$ (52,617,248)	\$ (115,934,475)	\$ (83,440,582)				
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>								
Transition obligation asset (obligation)	\$ -	\$ -	\$ -	\$ -				
Prior service credit (cost)	(19,989,243)	(11,024,169)	(16,464,530)	(2,834,945)				
Accumulated gain (loss)	(115,131,043)	(62,097,473)	(79,421,905)	(110,429,201)				
Accumulated other comprehensive income (AOCI)	\$ (135,120,286)	\$ (73,121,642)	\$ (95,886,435)	\$ (113,264,146)				
Cumulative employer contributions in excess of net periodic benefit cost	94,117,037	20,504,394	(20,048,040)	29,823,584				
Net amount recognized in statement of financial position	\$ (41,003,249)	\$ (52,617,248)	\$ (115,934,475)	\$ (83,440,582)				

For Regulatory Accounting

	NonUnion Retirement Plan				Total	WKE-Union	SERP
	Union	Unity	ServCo	KU			
Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:							
Projected benefit obligation	\$ 297,507,204	\$ 218,377,747	\$ 333,523,550	\$ 368,740,284			
Accumulated benefit obligation	291,692,052	189,005,441	259,918,403	322,899,652			
Fair value of plan assets	258,503,955	165,760,499	217,589,075	285,299,702			
Components of net periodic benefit cost							
Service cost	\$ 1,722,303	\$ 2,394,355	\$ 11,599,885	\$ 7,440,339			
Interest cost	14,419,221	11,501,471	17,041,963	19,120,853			
Expected return on plan assets	(17,560,654)	(11,386,609)	(14,429,192)	(19,477,684)			
Amortization of prior service cost	1,788,353	2,383,554	2,511,950	691,710			
Amortization of transitional (asset) or obligation	-	-	-	-			
Amortization of actuarial (gain) or loss	10,983,690	4,746,846	5,901,946	9,373,586			
Net periodic benefit cost	\$ 11,352,913	\$ 9,659,617	\$ 22,626,552	\$ 17,148,804			
One-time charges							
Curtailment (gain)/loss recognized	\$ -	\$ -	\$ -	\$ -			
Prior service cost recognized due to curtailment	-	-	-	-			
Special termination benefits	-	-	-	-			
Settlement (gain)/loss recognized	-	-	-	-			
Total one-time charges	\$ -	\$ -	\$ -	\$ -			
Other changes recognized in other comprehensive income:							
Prior service cost arising during period	\$ 8,227,497	\$ -	\$ -	\$ -			
Prior service (cost)/credit recognized due to curtailment	-	-	-	-			
Settlement recognition of net gain/(loss)	-	-	-	-			
Net loss/(gain) arising during period	15,213,398	7,406,826	2,023,949	6,055,074			
Amortization of prior service (cost)/credit	(1,788,353)	(2,383,554)	(2,511,950)	(691,710)			
Amortization of gain/(loss)	(10,983,690)	(4,746,846)	(5,901,946)	(9,373,586)			
Total recognized in other comprehensive income	\$ 10,668,852	\$ 276,426	\$ (6,389,947)	\$ (4,010,222)			
Weighted-average assumptions to determine benefit obligations							
Discount rate	5.00%	5.12%	5.12%	5.12%			
Rate of compensation increase	N/A	4.00%	4.00%	4.00%			
Measurement date	December 31	December 31	December 31	December 31			
Weighted-average assumptions to determine net cost							
Discount rate	5.39%	5.52%	5.52%	5.52%			
Expected long-term rate of return on plan assets	7.25%	7.25%	7.25%	7.25%			
Rate of compensation increase	N/A	5.25%	5.25%	5.25%			
Expected cash flows							
Expected benefit payments for fiscal year ending in:							
2012	\$ 15,027,400	\$ 10,904,213	\$ 4,429,105	\$ 17,755,701			
2013	14,931,052	10,993,977	5,700,202	17,637,083			
2014	14,957,902	10,945,263	7,035,042	17,948,927			
2015	15,041,576	11,171,852	8,495,695	18,401,321			
2016	15,457,894	11,412,658	10,318,993	18,949,708			
2017-2021	89,641,383	64,532,847	85,239,975	109,132,734			
Expected amortizations for 2012							
Amortization of prior service cost	\$ 2,437,502	\$ 2,011,714	\$ 2,505,928	\$ 691,710			
Amortization of transitional (asset) or obligation	-	-	-	-			
Amortization of actuarial (gain) or loss	10,047,027	3,921,473	4,571,391	7,325,740			
Total amortizations	\$ 12,484,529	\$ 5,933,187	\$ 7,077,319	\$ 8,017,450			

For Regulatory Accounting

	Officer SERP			Restoration Plan					Non-Qualified Total 2011	Grand Total 2011
	Utility	ServCo	Total	Utility	ServCo	KU	WKE	Total		
<b>Change in benefit obligation</b>										
Benefit obligation at 12/31/2010										
Service cost										
Interest cost										
Participant contributions										
Plan amendments										
Change due to transfers										
Acquisitions/divestitures										
Exchange rate changes										
Curtailement (gain) or loss										
Settlement (gain) or loss										
Special termination benefits										
Benefits paid										
Settlement payments										
Actuarial (gain) or loss										
Benefit obligation at 12/31/2011										
<b>Change in plan assets</b>										
Fair value of plan assets at 12/31/2010										
Adjustment to December 31, 2010 Market Value										
Actual return on plan assets										
Change due to transfers										
Acquisitions/divestitures										
Employer contributions										
Employer contributions - unfunded plans										
Participant contributions										
Benefits paid										
Settlement payments										
Administrative expenses										
Exchange rate changes										
Fair value of plan assets at 12/31/2011										
<b>Funded status</b>										
Funded status at the end of the year										
Employer contrib. between measurement date and fiscal yr. end										
Net amount recognized in statement of financial position										
<b>Amounts recognized in the statement of financial position consist of:</b>										
Noncurrent assets										
Current liabilities										
Noncurrent liabilities										
Net amount recognized in statement of financial position										
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>										
Transition obligation asset (obligation)										
Prior service credit (cost)										
Accumulated gain (loss)										
Accumulated other comprehensive income (AOCI)										
Cumulative employer contributions in excess of net periodic benefit cost										
Net amount recognized in statement of financial position										

For Regulatory Accounting

	Officer SERP			Restoration Plan				Non Qualified Total 2011	Grand Total 2011
	Utility	ServCo	Total	Utility	ServCo	KU	VWKE		
Additional year-end information for pension plans with accumulated benefit obligations									
In excess of plan assets:									
Projected benefit obligation									
Accumulated benefit obligation									
Fair value of plan assets									
Components of net periodic benefit cost									
Service cost									
Interest cost									
Expected return on plan assets									
Amortization of prior service cost									
Amortization of transitional (asset) or obligation									
Amortization of actuarial (gain) or loss									
Net periodic benefit cost									
One-time charges									
Curtailment (gain)/loss recognized									
Prior service cost recognized due to curtailment									
Special termination benefits									
Settlement (gain)/loss recognized									
Total one-time charges									
Other changes recognized in other comprehensive income:									
Prior service cost arising during period									
Prior service (cost)/credit recognized due to curtailment									
Settlement recognition of net gain/(loss)									
Net loss/(gain) arising during period									
Amortization of prior service (cost)/credit									
Amortization of gain/(loss)									
Total recognized in other comprehensive income									
Weighted-average assumptions to determine benefit obligations									
Discount rate									
Rate of compensation increase									
Measurement date									
Weighted-average assumptions to determine net cost									
Discount rate									
Expected long-term rate of return on plan assets									
Rate of compensation increase									
Expected cash flows									
Expected benefit payments for fiscal year ending in:									
2012									
2013									
2014									
2015									
2016									
2017-2021									
Expected amortizations for 2012									
Amortization of prior service cost									
Amortization of transitional (asset) or obligation									
Amortization of actuarial (gain) or loss									
Total amortizations									

For Financial Accounting

	NonUnion Retirement Plan					Total	WKE-Union	SERP
	Union	Utility	ServCo	KU	WKE			
<b>Change in benefit obligation</b>								
Benefit obligation at 12/31/2010	\$ 274,031,040	\$ 209,331,690	\$ 303,600,302	\$ 354,304,503				
Service cost	1,722,303	2,394,355	11,599,885	7,440,339				
Interest cost	14,419,221	11,501,471	17,041,963	19,120,853				
Participant contributions	-	-	-	-				
Plan amendments	8,227,497	-	-	-				
Change due to transfers	-	(1,059,151)	1,445,331	(386,180)				
Acquisitions/divestitures	-	-	-	-				
Exchange rate changes	-	-	-	-				
Curtailment (gain) or loss	-	-	-	-				
Settlement (gain) or loss	-	-	-	-				
Special termination benefits	-	-	-	-				
Benefits paid	(14,539,428)	(10,872,746)	(2,108,508)	(17,015,099)				
Settlement payments	-	-	-	-				
Actuarial (gain) or loss	13,646,571	7,082,128	1,944,577	5,275,888				
Benefit obligation at 12/31/2011	\$ 297,507,204	\$ 218,377,747	\$ 333,523,550	\$ 368,740,284				
<b>Change in plan assets</b>								
Fair value of plan assets at 12/31/2010	\$ 217,049,556	\$ 140,650,485	\$ 165,902,432	\$ 241,002,503				
Adjustment to December 31, 2010 Market Value	-	-	-	-				
Actual return on plan assets	15,993,827	10,767,287	14,710,257	18,612,665				
Change due to transfers	-	(784,527)	1,084,894	(300,367)				
Acquisitions/divestitures	-	-	-	-				
Employer contributions	38,000,000	26,000,000	38,000,000	43,000,000				
Employer contributions - unfunded plans	-	-	-	-				
Participant contributions	-	-	-	-				
Benefits paid	(14,539,428)	(10,872,746)	(2,108,508)	(17,015,099)				
Settlement payments	-	-	-	-				
Administrative expenses	-	-	-	-				
Exchange rate changes	-	-	-	-				
Fair value of plan assets at 12/31/2011	\$ 256,503,955	\$ 165,760,499	\$ 217,589,075	\$ 285,299,702				
<b>Funded status</b>								
Funded status at the end of the year	\$ (41,003,249)	\$ (52,617,248)	\$ (115,934,475)	\$ (83,440,582)				
Employer contrib. between measurement date and fiscal yr. end	-	-	-	-				
Net amount recognized in statement of financial position	\$ (41,003,249)	\$ (52,617,248)	\$ (115,934,475)	\$ (83,440,582)				
<b>Amounts recognized in the statement of financial position consist of:</b>								
Noncurrent assets	\$ -	\$ -	\$ -	\$ -				
Current liabilities	-	-	-	-				
Noncurrent liabilities	(41,003,249)	(52,617,248)	(115,934,475)	(83,440,582)				
Net amount recognized in statement of financial position	\$ (41,003,249)	\$ (52,617,248)	\$ (115,934,475)	\$ (83,440,582)				
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>								
Transition obligation asset (obligation)	\$ -	\$ -	\$ -	\$ -				
Prior service credit (cost)	(8,227,497)	-	-	-				
Accumulated gain (loss)	(8,890,098)	(3,778,154)	3,753,604	473,829				
Accumulated other comprehensive income (AOCI)	\$ (17,117,595)	\$ (3,778,154)	\$ 3,753,604	\$ 473,829				
Cumulative employer contributions in excess of net periodic benefit cost	(23,385,654)	(48,839,094)	(119,688,079)	(83,914,411)				
Net amount recognized in statement of financial position	\$ (41,003,249)	\$ (52,617,248)	\$ (115,934,475)	\$ (83,440,582)				

For Financial Accounting

	NonUnion Retirement Plan				Total	WKE-Union	SERP
	Union	Utility	ServCo	KU			
<b>Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:</b>							
Projected benefit obligation	\$ 297,507,204	\$ 218,377,747	\$ 333,523,550	\$ 368,740,284			
Accumulated benefit obligation	291,692,052	189,005,441	259,918,403	322,899,652			
Fair value of plan assets	256,503,955	165,760,499	217,589,075	285,299,702			
<b>Components of net periodic benefit cost</b>							
Service cost	\$ 1,722,303	\$ 2,394,355	\$ 11,599,885	\$ 7,440,339			
Interest cost	14,419,221	11,501,471	17,041,963	19,120,863			
Expected return on plan assets	(17,980,654)	(11,366,609)	(14,429,192)	(19,477,684)			
Amortization of prior service cost	-	-	-	-			
Amortization of transitional (asset) or obligation	-	-	-	-			
Amortization of actuarial (gain) or loss	-	-	-	-			
Net periodic benefit cost	\$ (1,419,130)	\$ 2,529,217	\$ 14,212,656	\$ 7,083,508			
<b>One-time charges</b>							
Curtailment (gain)/loss recognized	\$ -	\$ -	\$ -	\$ -			
Prior service cost recognized due to curtailment	-	-	-	-			
Special termination benefits	-	-	-	-			
Settlement (gain)/loss recognized	-	-	-	-			
Total one-time charges	\$ -	\$ -	\$ -	\$ -			
<b>Other changes recognized in other comprehensive income:</b>							
Prior service cost arising during period	\$ 8,227,497	\$ -	\$ -	\$ -			
Prior service (cost)/credit recognized due to curtailment	-	-	-	-			
Settlement recognition of net gain/(loss)	-	-	-	-			
Net loss/(gain) arising during period	15,213,398	7,406,826	2,023,949	6,055,074			
Amortization of prior service (cost)/credit	-	-	-	-			
Amortization of gain/(loss)	-	-	-	-			
Total recognized in other comprehensive income	\$ 23,440,895	\$ 7,406,826	\$ 2,023,949	\$ 6,055,074			
<b>Weighted-average assumptions to determine benefit obligations</b>							
Discount rate	5.00%	5.12%	5.12%	5.12%			
Rate of compensation increase	N/A	4.00%	4.00%	4.00%			
Measurement date	December 31	December 31	December 31	December 31			
<b>Weighted-average assumptions to determine net cost</b>							
Discount rate	5.39%	5.52%	5.52%	5.52%			
Expected long-term rate of return on plan assets	7.25%	7.25%	7.25%	7.25%			
Rate of compensation increase	N/A	5.25%	5.25%	5.25%			
<b>Expected cash flows</b>							
Expected benefit payments for fiscal year ending in:							
2012	\$ 15,027,400	\$ 10,904,213	\$ 4,429,105	\$ 17,755,701			
2013	14,931,052	10,993,977	5,700,202	17,637,083			
2014	14,957,902	10,945,263	7,035,042	17,948,927			
2015	15,041,576	11,171,852	8,495,695	18,401,321			
2016	15,457,894	11,412,658	10,318,993	18,949,708			
2017-2021	89,841,383	64,532,847	85,239,975	109,132,734			
<b>Expected amortizations for 2012</b>							
Amortization of prior service cost	\$ 730,684	\$ -	\$ -	\$ -			
Amortization of transitional (asset) or obligation	-	-	-	-			
Amortization of actuarial (gain) or loss	-	-	-	-			
Total amortizations	\$ 730,684	\$ -	\$ -	\$ -			

For Financial Accounting

	Officer SERP			Restoration Plan					Non Qualified Total 2011	Grand Total 2011
	Utility	ServCo	Total	Utility	ServCo	KU	WVCE	Total		
[REDACTED]										
Change in benefit obligation										
Benefit obligation at 12/31/2010										
Service cost										
Interest cost										
Participant contributions										
Plan amendments										
Change due to transfers										
Acquisitions/divestitures										
Exchange rate changes										
Curtailment (gain) or loss										
Settlement (gain) or loss										
Special termination benefits										
Benefits paid										
Settlement payments										
Actuarial (gain) or loss										
Benefit obligation at 12/31/2011										
Change in plan assets										
Fair value of plan assets at 12/31/2010										
Adjustment to December 31, 2010 Market Value										
Actual return on plan assets										
Change due to transfers										
Acquisitions/divestitures										
Employer contributions										
Employer contributions - unfunded plans										
Participant contributions										
Benefits paid										
Settlement payments										
Administrative expenses										
Exchange rate changes										
Fair value of plan assets at 12/31/2011										
Funded status										
Funded status at the end of the year										
Employer contrib. between measurement date and fiscal yr. end										
Net amount recognized in statement of financial position										
Amounts recognized in the statement of financial position consist of:										
Noncurrent assets										
Current liabilities										
Noncurrent liabilities										
Net amount recognized in statement of financial position										
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:										
Transition obligation asset (obligation)										
Prior service credit (cost)										
Accumulated gain (loss)										
Accumulated other comprehensive income (AOCI)										
Cumulative employer contributions in excess of net periodic benefit cost										
Net amount recognized in statement of financial position										

For Financial Accounting

	Officer SERP			Restoration Plan					Non-Qualified	Grand Total
	Utility	Service	Total	Utility	Service	KU	WKE	Total	Total 2011	2011
Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:										
Projected benefit obligation										
Accumulated benefit obligation										
Fair value of plan assets										
Components of net periodic benefit cost										
Service cost										
Interest cost										
Expected return on plan assets										
Amortization of prior service cost										
Amortization of transitional (asset) or obligation										
Amortization of actuarial (gain) or loss										
Net periodic benefit cost										
One-time charges										
Curtailment (gain)/loss recognized										
Prior service cost recognized due to curtailment										
Special termination benefits										
Settlement (gain)/loss recognized										
Total one-time charges										
Other charges recognized in other comprehensive income:										
Prior service cost arising during period										
Prior service (cost)/credit recognized due to curtailment										
Settlement recognition of net gain/(loss)										
Net loss/gain arising during period										
Amortization of prior service (cost)/credit										
Amortization of gain/(loss)										
Total recognized in other comprehensive income										
Weighted-average assumptions to determine benefit obligations										
Discount rate										
Rate of compensation increase										
Measurement date										
Weighted-average assumptions to determine net cost										
Discount rate										
Expected long-term rate of return on plan assets										
Rate of compensation increase										
Expected cash flows										
Expected benefit payments for fiscal year ending in:										
2012										
2013										
2014										
2015										
2016										
2017-2021										
Expected amortizations for 2012										
Amortization of prior service cost										
Amortization of transitional (asset) or obligation										
Amortization of actuarial (gain) or loss										
Total amortizations										



Linda C. Myers, F.S.A.  
Principal

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Arbough

MERCER

 MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN

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November 5, 2010

Ms. Kelli Higdon  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KY 40202

**Private & Confidential**

Dear Kelli:

Enclosed are the FAS disclosure exhibits (for both financial and regulatory accounting purposes) for the Qualified Retirement Plans and SERPs of LG&E and KU Energy LLC for the period from January 1, 2010 through October 31, 2010.

We used the September 30, 2009 valuation data to compute the liability amounts as of October 31, 2010. This is the same data that was used to determine the 2010 FAS 87 expense for the period from January 1, 2010 through October 31, 2010 as shown on the enclosed disclosures.

The actuarial assumptions and methods used to determine the liability amounts as of October 31, 2010 are the same as those used in the determination of the 2010 FAS 87 expense with the exception that the discount rates were determined by the Mercer Yield Curve as of October 31, 2010 based on matching projected benefit cash flows by plan. A discount rate of 5.00% (the long-term assumption for lump sums) was used for the WKE Union Plan.

The plan provisions used in determining the year-end liability amounts are the same as those used in the determination of the 2010 FAS 87 expense. We also calculated the FAS 88 settlement charges for the WKE Union Plan for 2010.

We relied upon asset information as provided by you in order to complete the disclosures.

If you have any questions or need anything else, please give me a call.

Mercer has prepared this report exclusively to assist LG&E and KU Energy LLC and its auditors in preparing financial reports under US accounting standards for defined benefit pension plans relating to the LG&E and KU Energy LLC Retirement Plans for the period from January 1, 2010 through October 31, 2010.

# MERCER



MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN

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November 5, 2010  
Ms. Kelli Higdon  
LG&E and KU Energy LLC

This valuation report may not be used or relied upon by any other party or for any other purpose. Mercer is not responsible for the consequences of any unauthorized use.

A valuation report is a snapshot of a plan's estimated financial condition at a particular point in time; it does not predict a pension plan's future financial condition or its ability to pay benefits in the future.

Over time, a plan's total cost will depend on a number of factors, including the amount of benefits the plan pays, the number of people paid benefits, plan expenses and the amount earned on any assets invested to pay the benefits. These amounts and others are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, *actuarial assumptions*, as described above, are used to select a single scenario from the range of possibilities. The results of that single scenario are included in this report. However, the future is uncertain and the plan's actual experience will differ from those assumptions; these differences may be significant or material. In addition, different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. Actuarial assumptions may also be changed from one valuation to the next because of mandated requirements, plan experience, changes in expectations about the future and other factors. Due to the limited scope of our assignment, we did not perform, and thus do not present, an analysis of the potential range of future possibilities and scenarios.

Because actual plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts, benefit security and/or benefit related issues should be made only after careful consideration of alternative future financial conditions and scenarios, and not solely on the basis of a valuation report or reports.

To prepare this report, Mercer has used and relied on financial data submitted by the trustee as well as participant data supplied by the plan sponsor. The data used is referenced above. We have reviewed the financial and participant data for internal consistency and general reasonableness, but we have not verified or audited any of the data or information provided. We have also used and relied upon the plan documents, including amendments, supplied by the plan sponsor, as summarized in the Summary of Plan Provisions section of the 2009 FAS valuation report. LG&E and KU Energy LLC is solely responsible for the validity,

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MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN

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November 5, 2010  
Ms. Kelli Higdon  
LG&E and KU Energy LLC

accuracy and comprehensiveness of this information; if the data or plan provisions supplied are not accurate and complete, the valuation results may differ significantly from the results that would be obtained with accurate and complete information; this may require a later revision of this report.

The valuation of the plan was performed in accordance with generally accepted actuarial principles and procedures. The accounting calculations reported herein are based on the assumptions and methods described above. The actuarial assumptions were selected by the company. Based on the information provided to us, we believe that the actuarial assumptions are reasonable for the purposes described in this report.

We are available to answer any questions on the material contained in the report, or to provide explanations or further details as may be appropriate. The undersigned credentialed actuaries meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest, that would impair the objectivity of our work.

Linda C. Myers, F.S.A.  
Enrolled Actuary (No. 08-04846)

11/5/2010

Date

Henry A. Erk III, F.S.A.  
Enrolled Actuary (No. 08-02713)

11/5/2010

Date

Copy: Lesley Pienaar, Patrick Baker, Marcie Gunnell

Enclosures

The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.

For Regulatory Accounting

LG&E and KU Energy LLC FAS 158 Disclosure

	Non-Union Retirement Plan				Total	WKE-Union	SPP
	Union	Utility	Service Co	KU			
<b>Change in benefit obligation</b>							
Benefit obligation at 12/31/2009	\$ 251,043,051	\$ 189,870,455	\$ 247,165,266	\$ 316,502,822			
Service cost	1,365,313	1,803,430	8,403,648	5,395,432			
Interest cost	12,272,635	9,465,201	12,719,474	15,784,495			
Participant contributions	-	-	-	-			
Plan amendments	-	-	-	-			
Change due to transfers	-	(971,153)	1,196,244	(225,091)			
Acquisitions/divestitures	-	-	-	-			
Exchange rate changes	-	-	-	-			
Curtailement (gain) or loss	-	-	-	-			
Settlement (gain) or loss	-	-	-	-			
Special termination benefits	-	-	-	-			
Benefits paid	(12,552,867)	(9,190,024)	(1,465,433)	(14,440,790)			
Settlement payments	-	-	-	-			
Actuarial (gain) or loss	23,467,767	19,060,603	33,819,928	32,036,579			
Benefit obligation at 10/31/2010	\$ 275,595,899	\$ 210,038,512	\$ 301,839,127	\$ 355,053,447			
<b>Change in plan assets</b>							
Fair value of plan assets at 12/31/2009	\$ 195,626,667	\$ 129,447,727	\$ 139,785,644	\$ 219,282,611			
Adjustment to December 31, 2009 Market Value	-	-	-	-			
Actual return on plan assets	18,683,355	11,831,522	13,789,329	20,249,953			
Change due to transfers	-	(664,909)	823,165	(158,256)			
Acquisitions/divestitures	-	-	-	-			
Employer contributions	12,400,000	7,500,000	8,700,000	12,800,000			
Employer contributions - unfunded plans	-	-	-	-			
Participant contributions	-	-	-	-			
Benefits paid	(12,552,867)	(9,190,024)	(1,465,433)	(14,440,790)			
Settlement payments	-	-	-	-			
Administrative expenses	(331,029)	(278,269)	(44,373)	(437,259)			
Exchange rate changes	-	-	-	-			
Fair value of plan assets at 10/31/2010	\$ 213,826,126	\$ 138,646,047	\$ 161,598,332	\$ 237,296,259			
<b>Funded status</b>							
Funded status at 10/31/2010	\$ (61,769,773)	\$ (71,392,465)	\$ (140,250,795)	\$ (117,757,188)			
Employer contrib. between measurement date and fiscal yr. end	-	-	-	-			
Net amount recognized in statement of financial position	\$ (61,769,773)	\$ (71,392,465)	\$ (140,250,795)	\$ (117,757,188)			
<b>Amounts recognized in the statement of financial position consist of:</b>							
Noncurrent assets	\$ -	\$ -	\$ -	\$ -			
Current liabilities	-	-	-	-			
Noncurrent liabilities	(61,769,773)	(71,392,465)	(140,250,795)	(117,757,188)			
Net amount recognized in statement of financial position	\$ (61,769,773)	\$ (71,392,465)	\$ (140,250,795)	\$ (117,757,188)			
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>							
Transition obligation asset (obligation)	\$ -	\$ -	\$ -	\$ -			
Prior service credit (cost)	(13,934,534)	(13,881,428)	(19,398,168)	(3,662,789)			
Accumulated gain (loss)	(117,694,549)	(63,467,738)	(89,486,629)	(121,362,334)			
Accumulated other comprehensive income (AOCI)	\$ (131,629,083)	\$ (77,349,166)	\$ (108,884,797)	\$ (125,025,123)			
Cumulative employer contributions in excess of net periodic benefit cost	69,859,310	5,956,701	(31,365,998)	7,267,935			
Net amount recognized in statement of financial position	\$ (61,769,773)	\$ (71,392,465)	\$ (140,250,795)	\$ (117,757,188)			

For Regulatory Accounting

LG&E and KU Energy LLC FAS 158 Disclosure

	NonUnion Retirement Plan				Total	WKE/Union	SERP
	Union	Utility	ServCo	KU			
Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:							
Projected benefit obligation	\$ 275,595,899	\$ 210,038,512	\$ 301,839,127	\$ 355,053,447			
Accumulated benefit obligation	272,514,708	176,742,747	217,838,765	299,016,235			
Fair value of plan assets	213,826,126	138,646,047	161,588,332	237,296,259			
Components of net periodic benefit cost							
Service cost	\$ 1,365,313	\$ 1,803,430	\$ 8,403,648	\$ 5,395,432			
Interest cost	12,272,635	9,465,201	12,719,474	15,784,495			
Expected return on plan assets	(12,865,087)	(8,394,964)	(9,520,933)	(14,324,698)			
Amortization of prior service cost	1,931,439	2,392,826	2,108,440	680,668			
Amortization of transitional (asset) or obligation	-	-	-	-			
Amortization of actuarial (gain) or loss	5,733,802	2,568,522	3,084,130	5,440,301			
Net periodic benefit cost	\$ 8,438,102	\$ 7,835,015	\$ 16,794,759	\$ 12,976,198			
FAS88 special charges							
Curtailment (gain)/loss recognized	\$ -	\$ -	\$ -	\$ -			
Prior service cost recognized due to curtailment	-	-	-	-			
Special termination benefits	-	-	-	-			
Settlement (gain)/loss recognized	-	-	-	-			
Total FAS88 charges	\$ -	\$ -	\$ -	\$ -			
Other changes recognized in other comprehensive income:							
Prior service cost arising during period	\$ -	\$ -	\$ -	\$ -			
Prior service (cost)/credit recognized due to curtailment	-	-	-	-			
Settlement recognition of net gain/(loss)	-	-	-	-			
Net loss/(gain) arising during period	17,980,528	15,596,070	29,968,984	26,481,748			
Amortization of prior service (cost)/credit	(1,931,439)	(2,392,826)	(2,108,440)	(680,668)			
Amortization of gain/(loss)	(5,733,802)	(2,568,522)	(3,084,130)	(5,440,301)			
Total recognized in other comprehensive income	\$ 10,315,287	\$ 10,634,722	\$ 24,776,414	\$ 20,360,779			
Weighted-average assumptions to determine benefit obligations							
Discount rate	5.32%	5.46%	5.46%	5.46%			
Rate of compensation increase	N/A	5.25%	5.25%	5.25%			
Measurement date	October 31	October 31	October 31	October 31			

For Regulatory Accounting

LG&E and KU Energy LLC FAS 158 Disclosure

	Officer SERP			Restoration Plan				Grand Total
	Utility	ServCo	Total	Utility	ServCo	KU	WKE	Total
Change in benefit obligation								
Benefit obligation at 12/31/2009								
Service cost								
Interest cost								
Participant contributions								
Plan amendments								
Change due to transfers								
Acquisitions/divestitures								
Exchange rate changes								
Curtailment (gain) or loss								
Settlement (gain) or loss								
Special termination benefits								
Benefits paid								
Settlement payments								
Actuarial (gain) or loss								
Benefit obligation at 10/31/2010								
Change in plan assets								
Fair value of plan assets at 12/31/2009								
Adjustment to December 31, 2009 Market Value								
Actual return on plan assets								
Change due to transfers								
Acquisitions/divestitures								
Employer contributions								
Employer contributions - unfunded plans								
Participant contributions								
Benefits paid								
Settlement payments								
Administrative expenses								
Exchange rate changes								
Fair value of plan assets at 10/31/2010								
Funded status								
Funded status at 10/31/2010								
Employer contrib. between measurement date and fiscal yr. end								
Net amount recognized in statement of financial position								
Amounts recognized in the statement of financial position consist of:								
Noncurrent assets								
Current liabilities								
Noncurrent liabilities								
Net amount recognized in statement of financial position								
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:								
Transition obligation asset (obligation)								
Prior service credit (cost)								
Accumulated gain (loss)								
Accumulated other comprehensive income (AOCI)								
Cumulative employer contributions in excess of net periodic benefit cost								
Net amount recognized in statement of financial position								

For Regulatory Accounting

LG&E and KU Energy LLC FAS 158 Disclosure

	Office/SERP			Restoration Plan				Grand Total
	Utility	SenCo	Total	Utility	SenCo	KU	WKE	
Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:								2010
Projected benefit obligation								
Accumulated benefit obligation								
Fair value of plan assets								
Components of net periodic benefit cost								
Service cost								
Interest cost								
Expected return on plan assets								
Amortization of prior service cost								
Amortization of transitional (asset) or obligation								
Amortization of actuarial (gain) or loss								
Net periodic benefit cost								
FAS88 special charges								
Curtailment (gain)/loss recognized								
Prior service cost recognized due to curtailment								
Special termination benefits								
Settlement (gain)/loss recognized								
Total FAS88 charges								
Other charges recognized in other comprehensive income:								
Prior service cost arising during period								
Prior service (cost)/credit recognized due to curtailment								
Settlement recognition of net gain/(loss)								
Net loss/(gain) arising during period								
Amortization of prior service (cost)/credit								
Amortization of gain/(loss)								
Total recognized in other comprehensive income								
Weighted-average assumptions to determine benefit obligations								
Discount rate								
Rate of compensation increase								
Measurement date								

For Financial Accounting

LG&E and KU Energy LLC FAS 158 Disclosure

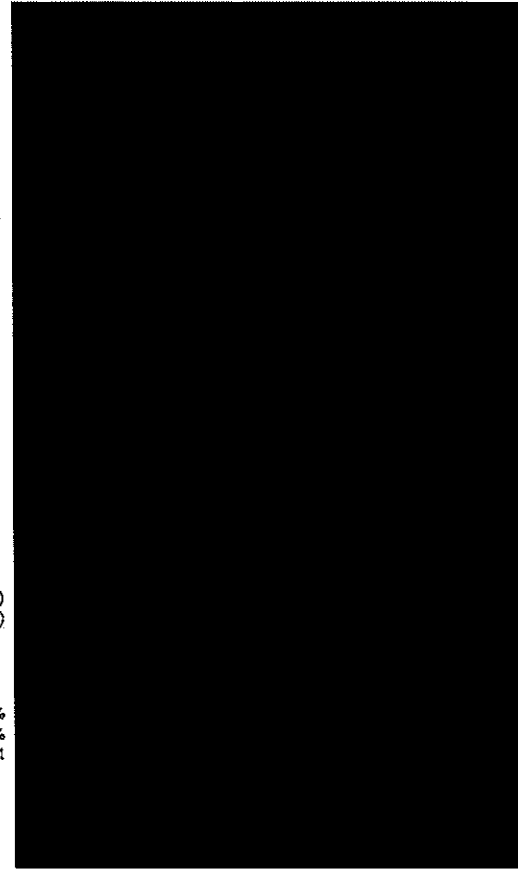
	NonUnion Retirement Plan				Total	WKE-Union	SERP
	Union	Utility	SenCo	KU			
<b>Change in benefit obligation</b>							
Benefit obligation at 12/31/2009	\$ 251,043,051	\$ 189,870,455	\$ 247,165,266	\$ 316,502,822			
Service cost	1,365,313	1,803,430	8,403,648	5,395,432			
Interest cost	12,272,635	9,465,201	12,719,474	15,784,495			
Participant contributions	-	-	-	-			
Plan amendments	-	-	-	-			
Change due to transfers	-	(971,153)	1,196,244	(225,091)			
Acquisitions/divestitures	-	-	-	-			
Exchange rate changes	-	-	-	-			
Curtailment (gain) or loss	-	-	-	-			
Settlement (gain) or loss	-	-	-	-			
Special termination benefits	-	-	-	-			
Benefits paid	(12,552,867)	(9,190,024)	(1,465,433)	(14,440,790)			
Settlement payments	-	-	-	-			
Actuarial (gain) or loss	23,467,767	19,060,603	33,819,928	32,036,579			
Benefit obligation at 10/31/2010	\$ 275,595,899	\$ 210,038,512	\$ 301,839,127	\$ 355,053,447			
<b>Change in plan assets</b>							
Fair value of plan assets at 12/31/2009	\$ 195,626,667	\$ 129,447,727	\$ 139,785,644	\$ 219,282,611			
Adjustment to December 31, 2009 Market Value	-	-	-	-			
Actual return on plan assets	18,683,355	11,831,522	13,789,329	20,249,953			
Change due to transfers	-	(664,909)	823,165	(158,256)			
Acquisitions/divestitures	-	-	-	-			
Employer contributions	12,400,000	7,500,000	8,700,000	12,800,000			
Employer contributions - unfunded plans	-	-	-	-			
Participant contributions	-	-	-	-			
Benefits paid	(12,552,867)	(9,190,024)	(1,465,433)	(14,440,790)			
Settlement payments	-	-	-	-			
Administrative expenses	(331,029)	(278,269)	(44,373)	(437,259)			
Exchange rate changes	-	-	-	-			
Fair value of plan assets at 10/31/2010	\$ 213,826,126	\$ 138,646,047	\$ 161,588,332	\$ 237,296,259			
<b>Funded status</b>							
Funded status at 10/31/2010	\$ (61,769,773)	\$ (71,392,465)	\$ (140,250,795)	\$ (117,757,188)			
Employer contrib. between measurement date and fiscal yr. end	-	-	-	-			
Net amount recognized in statement of financial position	\$ (61,769,773)	\$ (71,392,465)	\$ (140,250,795)	\$ (117,757,188)			
<b>Amounts recognized in the statement of financial position consist of:</b>							
Noncurrent assets	\$ -	\$ -	\$ -	\$ -			
Current liabilities	-	-	-	-			
Noncurrent liabilities	(61,769,773)	(71,392,465)	(140,250,795)	(117,757,188)			
Net amount recognized in statement of financial position	\$ (61,769,773)	\$ (71,392,465)	\$ (140,250,795)	\$ (117,757,188)			
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>							
Transition obligation asset (obligation)	\$ -	\$ -	\$ -	\$ -			
Prior service credit (cost)	(12,957,494)	(9,198,561)	(18,141,179)	(188,510)			
Accumulated gain (loss)	(99,300,726)	(61,047,173)	(73,011,661)	(113,790,463)			
Accumulated other comprehensive income (AOCI)	\$ (112,258,220)	\$ (70,245,734)	\$ (91,152,840)	\$ (113,978,973)			
Cumulative employer contributions in excess of net periodic benefit cost	50,488,447	(1,146,731)	(49,097,995)	(3,778,215)			
Net amount recognized in statement of financial position	\$ (61,769,773)	\$ (71,392,465)	\$ (140,250,795)	\$ (117,757,188)			



For Financial Accounting

LG&E and KU Energy LLC FAS 158 Disclosure

	Non-Union Retirement Plan				Total	WKE-Union	SERP
	Union	Utility	ServCo	KU			
Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:							
Projected benefit obligation	\$ 275,595,899	\$ 210,038,512	\$ 301,839,127	\$ 355,053,447			
Accumulated benefit obligation	272,514,708	176,742,747	217,838,765	299,016,235			
Fair value of plan assets	213,826,126	138,646,047	161,588,332	237,296,259			
Components of net periodic benefit cost							
Service cost	\$ 1,365,313	\$ 1,803,430	\$ 8,403,648	\$ 5,395,432			
Interest cost	12,272,635	9,465,201	12,719,474	15,784,495			
Expected return on plan assets	(12,865,087)	(8,394,964)	(9,520,933)	(14,324,698)			
Amortization of prior service cost	1,116,371	962,120	1,902,248	19,793			
Amortization of transitional (asset) or obligation	-	-	-	-			
Amortization of actuarial (gain) or loss	4,311,452	2,366,741	1,710,758	4,809,102			
Net periodic benefit cost	\$ 6,200,684	\$ 6,202,528	\$ 15,215,195	\$ 11,684,124			
FAS88 special charges							
Curtailment (gain)/loss recognized	\$ -	\$ -	\$ -	\$ -			
Prior service cost recognized due to curtailment	-	-	-	-			
Special termination benefits	-	-	-	-			
Settlement (gain)/loss recognized	-	-	-	-			
Total FAS88 charges	\$ -	\$ -	\$ -	\$ -			
Other changes recognized in other comprehensive income:							
Prior service cost arising during period	\$ -	\$ -	\$ -	\$ -			
Prior service (cost)/credit recognized due to curtailment	-	-	-	-			
Settlement recognition of net gain/(loss)	-	-	-	-			
Net loss/(gain) arising during period	17,980,528	15,596,070	29,968,984	26,481,748			
Amortization of prior service (cost)/credit	(1,116,371)	(962,120)	(1,902,248)	(19,793)			
Amortization of gain/(loss)	(4,311,452)	(2,366,741)	(1,710,758)	(4,809,102)			
Total recognized in other comprehensive income	\$ 12,552,705	\$ 12,267,209	\$ 26,355,978	\$ 21,652,853			
Weighted-average assumptions to determine benefit obligations							
Discount rate	5.32%	5.46%	5.46%	5.46%			
Rate of compensation increase	N/A	5.25%	5.25%	5.25%			
Measurement date	October 31	October 31	October 31	October 31			



For Financial Accounting

LG&E and KU Energy LLC FAS 158 Disclosure

	Officer SERP			Restoration Plan				Grand Total
	Utility	Service	Total	Utility	Service	KU	WKCE	Total
<b>Change in benefit obligation</b>								
Benefit obligation at 12/31/2009								
Service cost								
Interest cost								
Participant contributions								
Plan amendments								
Change due to transfers								
Acquisitions/divestitures								
Exchange rate changes								
Curtailment (gain) or loss								
Settlement (gain) or loss								
Special termination benefits								
Benefits paid								
Settlement payments								
Actuarial (gain) or loss								
Benefit obligation at 10/31/2010								
<b>Change in plan assets</b>								
Fair value of plan assets at 12/31/2009								
Adjustment to December 31, 2009 Market Value								
Actual return on plan assets								
Change due to transfers								
Acquisitions/divestitures								
Employer contributions								
Employer contributions - unfunded plans								
Participant contributions								
Benefits paid								
Settlement payments								
Administrative expenses								
Exchange rate changes								
Fair value of plan assets at 10/31/2010								
<b>Funded status</b>								
Funded status at 10/31/2010								
Employer contrib. between measurement date and fiscal yr. end								
Net amount recognized in statement of financial position								
<b>Amounts recognized in the statement of financial position consist of:</b>								
Noncurrent assets								
Current liabilities								
Noncurrent liabilities								
Net amount recognized in statement of financial position								
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>								
Transition obligation asset (obligation)								
Prior service credit (cost)								
Accumulated gain (loss)								
Accumulated other comprehensive income (AOCI)								
Cumulative employer contributions in excess of net periodic benefit cost								
Net amount recognized in statement of financial position								

For Financial Accounting

LG&E and KU Energy LLC FAS 158 Disclosure

	Officer SERP			Restoration Plan				Grand Total
	Utility	ServCo	Total	Utility	ServCo	KU	WKE	Total
Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:								
Projected benefit obligation								
Accumulated benefit obligation								
Fair value of plan assets								
Components of net periodic benefit cost								
Service cost								
Interest cost								
Expected return on plan assets								
Amortization of prior service cost								
Amortization of transitional (asset) or obligation								
Amortization of actuarial (gain) or loss								
Net periodic benefit cost								
FAS88 special charges								
Curtailment (gain)/loss recognized								
Prior service cost recognized due to curtailment								
Special termination benefits								
Settlement (gain)/loss recognized								
Total FAS88 charges								
Other changes recognized in other comprehensive income:								
Prior service cost arising during period								
Prior service (cost)/credit recognized due to curtailment								
Settlement recognition of net gain/(loss)								
Net loss/(gain) arising during period								
Amortization of prior service (cost)/credit								
Amortization of gain/(loss)								
Total recognized in other comprehensive income								
Weighted-average assumptions to determine benefit obligations								
Discount rate								
Rate of compensation increase								
Measurement date								

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linda.myers@mercer.com  
www.mercer.com

January 6, 2011

Ms. Kelli Higdon  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KY 40202

**Private & Confidential**

Dear Kelli:

Enclosed are the FAS disclosure exhibits (for both financial and regulatory accounting purposes) for the Qualified Retirement Plans and SERPs of LG&E and KU Energy LLC for the period from November 1, 2010 through December 31, 2010.

We used the September 30, 2009 valuation data to compute the liability amounts as of December 31, 2010. This is the same data that was used to determine the 2010 FAS 87 expense for the period from November 1, 2010 through December 31, 2010 as shown on the enclosed disclosures.

The actuarial assumptions and methods used to determine the liability amounts as of December 31, 2010 are the same as those used in the determination of the November 1, 2010 to December 31, 2010 FAS 87 expense with the exception that the discount rates were determined by the Towers Watson Yield Curve as of December 31, 2010. In addition, the healthy mortality tables were updated to reflect the tables required under the Pension Protection Act for plan years beginning in 2011. Lastly, for the 2011 expected amortization of actuarial losses/(gains), we have incorporated PPL's market-related value of assets methodology prospectively from November 1, 2010.

The plan provisions used in determining the year-end liability amounts are the same as those used in the determination of the 2010 FAS 87 expense.

We relied upon asset information as provided by you in order to complete the disclosures.

Lastly, please remember to include the FASB disclosure requirements regarding asset allocation, a narrative on management's rationale for the expected rate of return, management's description of investment policies and strategies for plan assets and

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Ms. Kelli Higdon  
LG&E and KU Energy LLC

expected contributions for the next fiscal year. Please note that for years ending after December 15, 2009 asset disclosures need to comply with FASB Staff Position (FSP) No. FAS 132(R)-1 with regard to objectives, fair value measurement, risk concentrations and expanded breakdown by category.

If you have any questions or need anything else, please give me a call.

Mercer has prepared this report exclusively to assist LG&E and KU Energy LLC and its auditors in preparing financial reports under US accounting standards for defined benefit pension plans relating to the LG&E and KU Energy LLC Retirement Plans for the period from November 1, 2010 through December 31, 2010.

This valuation report may not be used or relied upon by any other party or for any other purpose. Mercer is not responsible for the consequences of any unauthorized use.

A valuation report is a snapshot of a plan's estimated financial condition at a particular point in time; it does not predict a pension plan's future financial condition or its ability to pay benefits in the future.

Over time, a plan's total cost will depend on a number of factors, including the amount of benefits the plan pays, the number of people paid benefits, plan expenses and the amount earned on any assets invested to pay the benefits. These amounts and others are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, *actuarial assumptions*, as described above, are used to select a single scenario from the range of possibilities. The results of that single scenario are included in this report. However, the future is uncertain and the plan's actual experience will differ from those assumptions; these differences may be significant or material. In addition, different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. Actuarial assumptions may also be changed from one valuation to the next because of mandated requirements, plan experience, changes in expectations about the future and other factors. Due to the limited scope of our assignment, we did not perform, and thus do not present, an analysis of the potential range of future possibilities and scenarios.

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January 6, 2011

Ms. Kelli Higdon

LG&E and KU Energy LLC

Because actual plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts, benefit security and/or benefit related issues should be made only after careful consideration of alternative future financial conditions and scenarios, and not solely on the basis of a valuation report or reports.


To prepare this report, Mercer has used and relied on financial data submitted by the trustee as well as participant data supplied by the plan sponsor. The data used is referenced above. We have reviewed the financial and participant data for internal consistency and general reasonableness, but we have not verified or audited any of the data or information provided. We have also used and relied upon the plan documents, including amendments, supplied by the plan sponsor, as summarized in the Summary of Plan Provisions section of the 2009 FAS valuation report. LG&E and KU Energy LLC is solely responsible for the validity, accuracy and comprehensiveness of this information; if the data or plan provisions supplied are not accurate and complete, the valuation results may differ significantly from the results that would be obtained with accurate and complete information; this may require a later revision of this report.

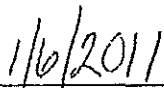
The valuation of the plan was performed in accordance with generally accepted actuarial principles and procedures. The accounting calculations reported herein are based on the assumptions and methods described above. The actuarial assumptions were selected by the company. Based on the information provided to us, we believe that the actuarial assumptions are reasonable for the purposes described in this report.

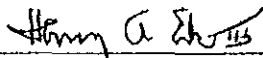
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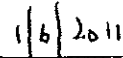
Page 4  
January 6, 2011  
Ms. Kelli Higdon  
LG&E and KU Energy LLC

We are available to answer any questions on the material contained in the report, or to provide explanations or further details as may be appropriate. The undersigned credentialed actuaries meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest, that would impair the objectivity of our work.

  
\_\_\_\_\_  
Linda C. Myers, F.S.A.  
Enrolled Actuary (No. 08-04846)

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Henry A. Erk III, F.S.A.  
Enrolled Actuary (No. 08-02713)

  
\_\_\_\_\_  
Date

Copy: Lesley Pienaar, Patrick Baker, Marcie Gunnell, Eric Geissler

Enclosures

The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.

For Regulatory Accounting

	Non-Union Retirement Plan				Total	WKE-Union	SERC
	Union	WKE	SinoCo	KU			
<b>Change in benefit obligation</b>							
Benefit obligation at 10/31/2010	\$ 275,595,899	\$ 210,038,512	\$ 301,839,127	\$ 355,053,447			
Service cost	320,402	414,239	1,919,580	1,231,921			
Interest cost	2,425,937	1,901,899	2,744,211	3,215,986			
Participant contributions	-	-	-	-			
Plan amendments	-	-	-	-			
Change due to transfers	-	-	-	-			
Acquisitions/divestitures	-	-	-	-			
Exchange rate changes	-	-	-	-			
Curtailment (gain) or loss	-	-	-	-			
Settlement (gain) or loss	-	-	-	-			
Special termination benefits	-	-	-	-			
Benefits paid	(2,501,054)	(1,827,219)	(291,367)	(2,871,210)			
Settlement payments	-	-	-	-			
Actuarial (gain) or loss	(1,810,144)	(1,195,741)	(2,611,249)	(2,325,641)			
Benefit obligation at 12/31/2010	\$ 274,031,040	\$ 209,331,690	\$ 303,600,302	\$ 354,304,503			
<b>Change in plan assets</b>							
Fair value of plan assets at 10/31/2010	\$ 213,826,126	\$ 138,646,047	\$ 161,588,332	\$ 237,296,259			
Adjustment to October 31, 2010 Market Value	-	-	-	-			
Actual return on plan assets	5,831,587	3,915,853	4,618,893	6,709,756			
Change due to transfers	-	-	-	-			
Acquisitions/divestitures	-	-	-	-			
Employer contributions	-	-	-	-			
Employer contributions - unfunded plans	-	-	-	-			
Participant contributions	-	-	-	-			
Benefits paid	(2,501,054)	(1,827,219)	(291,367)	(2,871,210)			
Settlement payments	-	-	-	-			
Administrative expenses	(107,103)	(84,196)	(13,426)	(132,302)			
Exchange rate changes	-	-	-	-			
Fair value of plan assets at 12/31/2010	\$ 217,049,556	\$ 140,650,485	\$ 165,902,432	\$ 241,002,503			
<b>Funded status</b>							
Funded status at the end of the year	\$ (56,981,484)	\$ (68,681,205)	\$ (137,697,870)	\$ (113,302,000)			
Employer contrib. between measurement date and fiscal yr. and	-	-	-	-			
Net amount recognized in statement of financial position	\$ (56,981,484)	\$ (68,681,205)	\$ (137,697,870)	\$ (113,302,000)			
<b>Amounts recognized in the statement of financial position consist of:</b>							
Noncurrent assets	\$ -	\$ -	\$ -	\$ -			
Current liabilities	-	-	-	-			
Noncurrent liabilities	(56,981,484)	(68,681,205)	(137,697,870)	(113,302,000)			
Net amount recognized in statement of financial position	\$ (56,981,484)	\$ (68,681,205)	\$ (137,697,870)	\$ (113,302,000)			
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>							
Transition obligation asset (obligation)	\$ -	\$ -	\$ -	\$ -			
Prior service credit (cost)	(13,550,099)	(13,407,723)	(18,976,480)	(3,526,655)			
Accumulated gain (loss)	(110,901,335)	(59,437,493)	(83,296,902)	(113,747,713)			
Accumulated other comprehensive income (AOCI)	\$ (124,451,434)	\$ (72,845,216)	\$ (102,273,382)	\$ (117,274,368)			
Cumulative employer contributions in excess of net periodic benefit cost	67,469,950	4,164,011	(35,421,488)	3,972,368			
Net amount recognized in statement of financial position	\$ (56,981,484)	\$ (68,681,205)	\$ (137,697,870)	\$ (113,302,000)			



	Union	Gen	Service	RR	WGE	Total	WKE Union	RR
<b>Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:</b>								
Projected benefit obligation	\$ 274,031,040	\$ 209,331,690	\$ 303,600,302	\$ 354,304,503				
Accumulated benefit obligation	274,031,040	178,367,951	220,340,725	298,707,173				
Fair value of plan assets	217,049,556	140,650,485	165,902,432	241,002,503				
<b>Components of net periodic benefit cost (11/1/2010 to 12/31/2010)</b>								
Service cost	\$ 320,402	\$ 414,239	\$ 1,919,580	\$ 1,231,921				
Interest cost	2,425,937	1,901,899	2,744,211	3,215,986				
Expected return on plan assets	(2,568,287)	(1,664,183)	(1,949,690)	(2,849,504)				
Amortization of prior service cost	384,435	473,705	421,688	136,134				
Amortization of transitional (asset) or obligation	-	-	-	-				
Amortization of actuarial (gain) or loss	1,826,873	667,030	919,701	1,561,030				
Net periodic benefit cost	\$ 2,389,360	\$ 1,792,690	\$ 4,055,490	\$ 3,295,567				
<b>FAS88 special charges</b>								
Curtailment (gain)/loss recognized	\$ -	\$ -	\$ -	\$ -				
Prior service cost recognized due to curtailment	-	-	-	-				
Social termination benefits	-	-	-	-				
Settlement (gain)/loss recognized	-	-	-	-				
Total FAS88 charges	\$ -	\$ -	\$ -	\$ -				
<b>Other changes recognized in other comprehensive income:</b>								
Prior service cost arising during period	\$ -	\$ -	\$ -	\$ -				
Prior service (cost)/credit recognized due to curtailment	-	-	-	-				
Settlement recognition of net gain/(loss)	-	-	-	-				
Net loss/(gain) arising during period	(4,966,341)	(3,363,215)	(5,267,026)	(6,053,591)				
Amortization of prior service (cost)/credit	(384,435)	(473,705)	(421,688)	(136,134)				
Amortization of gain/(loss)	(1,826,873)	(667,030)	(919,701)	(1,561,030)				
Total recognized in other comprehensive income	\$ (7,177,649)	\$ (4,503,950)	\$ (6,608,415)	\$ (7,750,755)				
<b>Weighted-average assumptions to determine benefit obligations</b>								
Discount rate	5.39%	5.52%	5.52%	5.52%				
Rate of compensation increase	N/A	5.25%	5.25%	5.25%				
Measurement date	December 31	December 31	December 31	December 31				
<b>Weighted-average assumptions to determine net cost</b>								
Discount rate	5.28%	5.45%	5.45%	5.45%				
Expected long-term rate of return on plan assets	7.25%	7.25%	7.25%	7.25%				
Rate of compensation increase	N/A	5.25%	5.25%	5.25%				
<b>Expected cash flows</b>								
Expected benefit payments for fiscal year ending in:								
2011	\$ 15,003,843	\$ 10,846,662	\$ 3,521,854	\$ 17,652,088				
2012	14,850,937	10,946,282	4,675,577	17,676,200				
2013	14,610,717	11,018,317	5,830,995	17,574,543				
2014	14,463,399	10,870,616	7,217,279	17,924,882				
2015	14,501,212	11,161,718	8,686,559	18,466,498				
2016-2020	81,924,355	62,014,985	76,383,558	106,368,491				
<b>Expected amortizations for 2011</b>								
Amortization of prior service cost	\$ 1,788,353	\$ 2,383,556	\$ 2,511,954	\$ 691,710				
Amortization of transitional (asset) or obligation	-	-	-	-				
Amortization of actuarial (gain) or loss	10,184,117	3,748,804	5,125,311	8,583,618				
Total amortizations	\$ 11,972,470	\$ 6,132,360	\$ 7,637,265	\$ 9,275,328				

	Other SERP	Restoration Plan	Grand Total
	2010	2010	2010
<b>Change in benefit obligation:</b>			
Benefit obligation at 10/31/2010			
Service cost			
Interest cost			
Participant contributions			
Plan amendments			
Change due to transfers			
Acquisitions/divestitures			
Exchange rate changes			
Curtailment (gain) or loss			
Settlement (gain) or loss			
Special termination benefits			
Benefits paid			
Settlement payments			
Actuarial (gain) or loss			
Benefit obligation at 12/31/2010			
<b>Change in plan assets:</b>			
Fair value of plan assets at 10/31/2010			
Adjustment to October 31, 2010 Market Value			
Actual return on plan assets			
Change due to transfers			
Acquisitions/divestitures			
Employer contributions			
Employer contributions - unfunded plans			
Participant contributions			
Benefits paid			
Settlement payments			
Administrative expenses			
Exchange rate changes			
Fair value of plan assets at 12/31/2010			
<b>Funded status:</b>			
Funded status at the end of the year			
Employer contrib. between measurement date and fiscal yr. end			
Net amount recognized in statement of financial position			
<b>Amounts recognized in the statement of financial position consist of:</b>			
Noncurrent assets			
Current liabilities			
Noncurrent liabilities			
Net amount recognized in statement of financial position			
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>			
Transition obligation asset (obligation)			
Prior service credit (cost)			
Accumulated gain (loss)			
Accumulated other comprehensive income (AOCI)			
Cumulative employer contributions in excess of net periodic benefit cost			
Net amount recognized in statement of financial position			

Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:  
 Projected benefit obligation  
 Accumulated benefit obligation  
 Fair value of plan assets

Components of net periodic benefit cost (11/1/2010 to 12/31/2010):  
 Service cost  
 Interest cost  
 Expected return on plan assets  
 Amortization of prior service cost  
 Amortization of transitional (asset) or obligation  
 Amortization of actuarial (gain) or loss  
 Net periodic benefit cost

FAS88 special charges  
 Curtailment (gain)/loss recognized  
 Prior service cost recognized due to curtailment  
 Special termination benefits  
 Settlement (gain)/loss recognized  
 Total FAS88 charges

Other changes recognized in other comprehensive income:  
 Prior service cost arising during period  
 Prior service (cost)/credit recognized due to curtailment  
 Settlement recognition of net gain/(loss)  
 Net loss/(gain) arising during period  
 Amortization of prior service (cost)/credit  
 Amortization of gain/(loss)  
 Total recognized in other comprehensive income

Weighted-average assumptions to determine benefit obligations  
 Discount rate  
 Rate of compensation increase  
 Measurement date

Weighted-average assumptions to determine net cost  
 Discount rate  
 Expected long-term rate of return on plan assets  
 Rate of compensation increase

Expected cash flows  
 Expected benefit payments for fiscal year ending in:  
 2011  
 2012  
 2013  
 2014  
 2015  
 2016-2020

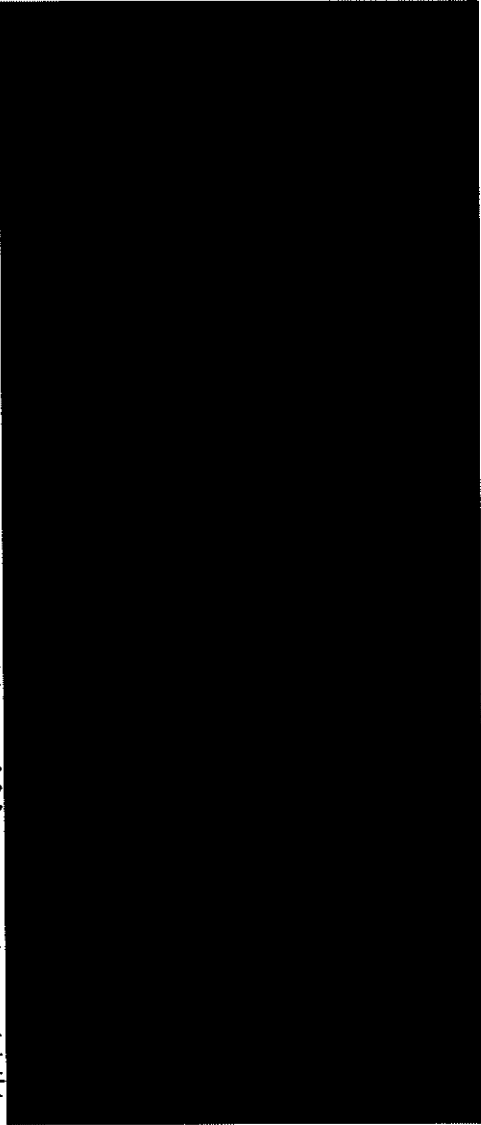
Expected amortizations for 2011  
 Amortization of prior service cost  
 Amortization of transitional (asset) or obligation  
 Amortization of actuarial (gain) or loss  
 Total amortizations

	Oncor SERP			Restoration Plan				Grand Total
	Utility	Service	Total	Utility	Service	KU	WKE	

For Financial Accounting

	Non-Union Retirement Plan							
	Union	UNIV	Service	KU	WKE	Total	WKE-Union	SERP
<b>Change in benefit obligation</b>								
Benefit obligation at 11/01/2010	\$ 276,952,858	\$ 210,303,969	\$ 302,349,654	\$ 355,528,759				
Service cost	320,402	414,239	1,919,580	1,231,921				
Interest cost	2,425,937	1,901,899	2,744,211	3,215,986				
Participant contributions	-	-	-	-				
Plan amendments	-	-	-	-				
Change due to transfers	-	-	-	-				
Acquisitions/divestitures	-	-	-	-				
Exchange rate changes	-	-	-	-				
Curtailment (gain) or loss	-	-	-	-				
Settlement (gain) or loss	-	-	-	-				
Special termination benefits	-	-	-	-				
Benefits paid	(2,501,054)	(1,827,219)	(291,367)	(2,871,210)				
Settlement payments	-	-	-	-				
Actuarial (gain) or loss	(3,167,103)	(1,461,198)	(3,121,776)	(2,800,953)				
Benefit obligation at 12/31/2010	\$ 274,031,040	\$ 209,331,690	\$ 303,600,302	\$ 354,304,503				
<b>Change in plan assets</b>								
Fair value of plan assets at 10/31/2010	\$ 213,826,126	\$ 138,646,047	\$ 161,588,332	\$ 237,296,259				
Adjustment to October 31, 2010 Market Value	-	-	-	-				
Actual return on plan assets	5,831,587	3,915,853	4,618,893	6,709,756				
Change due to transfers	-	-	-	-				
Acquisitions/divestitures	-	-	-	-				
Employer contributions	-	-	-	-				
Employer contributions - unfunded plans	-	-	-	-				
Participant contributions	-	-	-	-				
Benefits paid	(2,501,054)	(1,827,219)	(291,367)	(2,871,210)				
Settlement payments	-	-	-	-				
Administrative expenses	(107,103)	(84,198)	(13,426)	(132,302)				
Exchange rate changes	-	-	-	-				
Fair value of plan assets at 12/31/2010	\$ 217,049,556	\$ 140,650,485	\$ 165,902,432	\$ 241,002,503				
<b>Funded status</b>								
Funded status at the end of the year	\$ (56,981,484)	\$ (68,681,205)	\$ (137,697,870)	\$ (113,302,000)				
Employer contrib. between measurement date and fiscal yr. end	-	-	-	-				
Net amount recognized in statement of financial position	\$ (56,981,484)	\$ (68,681,205)	\$ (137,697,870)	\$ (113,302,000)				
<b>Amounts recognized in the statement of financial position consist of:</b>								
Noncurrent assets	\$ -	\$ -	\$ -	\$ -				
Current liabilities	-	-	-	-				
Noncurrent liabilities	(56,981,484)	(68,681,205)	(137,697,870)	(113,302,000)				
Net amount recognized in statement of financial position	\$ (56,981,484)	\$ (68,681,205)	\$ (137,697,870)	\$ (113,302,000)				
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>								
Transition obligation asset (obligation)	\$ -	\$ -	\$ -	\$ -				
Prior service credit (cost)	-	-	-	-				
Accumulated gain (loss)	6,323,300	3,628,672	5,777,553	6,528,903				
Accumulated other comprehensive income (AOCI)	\$ 6,323,300	\$ 3,628,672	\$ 5,777,553	\$ 6,528,903				
Cumulative employer contributions in excess of net periodic benefit cost	(63,304,784)	(72,309,877)	(143,475,423)	(119,830,903)				
Net amount recognized in statement of financial position	\$ (56,981,484)	\$ (68,681,205)	\$ (137,697,870)	\$ (113,302,000)				

	Non-Union Retirement Plan			
	Unin	ServCo	KU	AME
Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:				
Projected benefit obligation	\$ 274,031,040	\$ 209,331,690	\$ 303,600,302	\$ 354,304,503
Accumulated benefit obligation	274,031,040	176,367,951	220,340,725	298,707,173
Fair value of plan assets	217,049,556	140,650,485	165,902,432	241,002,503
Components of net periodic benefit cost (11/1/2010 to 12/31/2010)				
Service cost	\$ 320,402	\$ 414,239	\$ 1,919,580	\$ 1,231,921
Interest cost	2,425,937	1,901,899	2,744,211	3,215,986
Expected return on plan assets	(2,588,287)	(1,664,183)	(1,949,690)	(2,849,504)
Amortization of prior service cost	-	-	-	-
Amortization of transitional (asset) or obligation	-	-	-	-
Amortization of actuarial (gain) or loss	-	-	-	-
Net periodic benefit cost	\$ 178,052	\$ 651,955	\$ 2,714,101	\$ 1,588,403
FAS88 special charges				
Curtailment (gain)/loss recognized	\$ -	\$ -	\$ -	\$ -
Prior service cost recognized due to curtailment	-	-	-	-
Special termination benefits	-	-	-	-
Settlement (gain)/loss recognized	-	-	-	-
Total FAS88 charges	\$ -	\$ -	\$ -	\$ -
Other changes recognized in other comprehensive income:				
Prior service cost arising during period	\$ -	\$ -	\$ -	\$ -
Prior service (cost)/credit recognized due to curtailment	-	-	-	-
Settlement recognition of net gain/(loss)	-	-	-	-
Net loss/(gain) arising during period	(6,323,300)	(3,628,672)	(5,777,553)	(6,528,903)
Amortization of prior service (cost)/credit	-	-	-	-
Amortization of gain/(loss)	-	-	-	-
Total recognized in other comprehensive income	\$ (6,323,300)	\$ (3,628,672)	\$ (5,777,553)	\$ (6,528,903)
Weighted-average assumptions to determine benefit obligations				
Discount rate	5.39%	5.52%	5.52%	5.52%
Rate of compensation increase	N/A	5.25%	5.25%	5.25%
Measurement date	December 31	December 31	December 31	December 31
Weighted-average assumptions to determine net cost				
Discount rate	5.28%	5.45%	5.45%	5.45%
Expected long-term rate of return on plan assets	7.25%	7.25%	7.25%	7.25%
Rate of compensation increase	N/A	5.25%	5.25%	5.25%
Expected cash flows				
Expected benefit payments for fiscal year ending in:				
2011	\$ 15,003,843	\$ 10,846,662	\$ 3,521,854	\$ 17,652,088
2012	14,850,937	10,946,282	4,675,577	17,676,200
2013	14,610,717	11,018,317	5,830,995	17,574,543
2014	14,463,399	10,970,616	7,217,279	17,924,882
2015	14,501,212	11,161,718	8,686,559	18,466,498
2016-2020	81,924,355	62,014,985	76,383,558	106,368,491
Expected amortizations for 2011				
Amortization of prior service cost	\$ -	\$ -	\$ -	\$ -
Amortization of transitional (asset) or obligation	-	-	-	-
Amortization of actuarial (gain) or loss	-	-	-	-
Total amortizations	\$ -	\$ -	\$ -	\$ -



	Office SERP			Restoration Plan			Grand Total
	Utility	Service Co.	Total	Utility	Service Co.	Total	2010
<b>Change in benefit obligation</b>							
Benefit obligation at 11/01/2010							
Service cost							
Interest cost							
Participant contributions							
Plan amendments							
Change due to transfers							
Acquisitions/divestitures							
Exchange rate changes							
Curtailment (gain) or loss							
Settlement (gain) or loss							
Special termination benefits							
Benefits paid							
Settlement payments							
Actuarial (gain) or loss							
Benefit obligation at 12/31/2010							
<b>Change in plan assets</b>							
Fair value of plan assets at 10/31/2010							
Adjustment to October 31, 2010 Market Value							
Actual return on plan assets							
Change due to transfers							
Acquisitions/divestitures							
Employer contributions							
Employer contributions - unfunded plans							
Participant contributions							
Benefits paid							
Settlement payments							
Administrative expenses							
Exchange rate changes							
Fair value of plan assets at 12/31/2010							
<b>Funded status</b>							
Funded status at the end of the year							
Employer contrib. between measurement date and fiscal yr. end							
Net amount recognized in statement of financial position							
<b>Amounts recognized in the statement of financial position consist of:</b>							
Noncurrent assets							
Current liabilities							
Noncurrent liabilities							
Net amount recognized in statement of financial position							
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>							
Transition obligation asset (obligation)							
Prior service credit (cost)							
Accumulated gain (loss)							
Accumulated other comprehensive income (AOCI)							
Cumulative employer contributions in excess of net periodic benefit cost							
Net amount recognized in statement of financial position							

	Office SERP	Restoration Plan	Grand Total
	2010	2010	2010
Additional year-end information for pension plans with accumulated benefit obligations			
In excess of plan assets:			
Projected benefit obligation			
Accumulated benefit obligation			
Fair value of plan assets			
Components of net periodic benefit cost (11/1/2010 to 12/31/2010)			
Service cost			
Interest cost			
Expected return on plan assets			
Amortization of prior service cost			
Amortization of transitional (asset) or obligation			
Amortization of actuarial (gain) or loss			
Net periodic benefit cost			
FAS88 special charges			
Curtailment (gain)/loss recognized			
Prior service cost recognized due to curtailment			
Special termination benefits			
Settlement (gain)/loss recognized			
Total FAS88 charges			
Other changes recognized in other comprehensive income:			
Prior service cost arising during period			
Prior service (cost)/credit recognized due to curtailment			
Settlement recognition of net gain/(loss)			
Net loss/(gain) arising during period			
Amortization of prior service (cost)/credit			
Amortization of gain/(loss)			
Total recognized in other comprehensive income			
Weighted-average assumptions to determine benefit obligations			
Discount rate			
Rate of compensation increase			
Measurement date			
Weighted-average assumptions to determine net cost			
Discount rate			
Expected long-term rate of return on plan assets			
Rate of compensation increase			
Expected cash flows			
Expected benefit payments for fiscal year ending in:			
2011			
2012			
2013			
2014			
2015			
2016-2020			
Expected amortizations for 2011			
Amortization of prior service cost			
Amortization of transitional (asset) or obligation			
Amortization of actuarial (gain) or loss			
Total amortizations			

Linda C. Myers, F.S.A.  
Principal

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Arbough

MERCER



MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN

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January 6, 2010

Ms. Kelli Higdon  
E.ON U.S. LLC  
220 West Main Street  
Louisville, KY 40202

**Private & Confidential**

Dear Kelli:

Enclosed are the FAS year-end disclosure exhibits (for both financial and regulatory accounting purposes) for the Qualified Retirement Plans and SERPs of E.ON U.S. LLC for the fiscal year ending December 31, 2009.

We used the September 30, 2008 valuation data to compute the year-end liability amounts. This is the same data that was used to determine the 2009 FAS 87 expense.

The actuarial assumptions and methods used to determine the year-end liability amounts are the same as those used in the determination of the 2009 FAS 87 expense with the exception that the discount rates were determined by the Mercer Yield Curve as of December 28, 2009 based on matching projected benefit cash flows by plan. These discount rates were then lowered by 8 basis points for the average change in the 4 bond indices (that were previously communicated in my January 4, 2010 memo to you regarding Mercer Yield Curve Results) for the period from December 28, 2009 to December 31, 2009. A discount rate of 5.00% (the long-term assumption for lump sums) was used for the WKE Union Plan. In addition, the healthy mortality tables were updated to reflect the tables required under the Pension Protection Act for plan years beginning in 2010.

The plan provisions used in determining the year-end liability amounts are the same as those used in the determination of the 2009 FAS 87 expense. The effects of the WKE transaction with Big Rivers were also reflected.

We relied upon the year-end asset information as provided by you in order to complete the disclosures.



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Lastly, please remember to include the FASB disclosure requirements regarding asset allocation, a narrative on management's rationale for the expected rate of return, management's description of investment policies and strategies for plan assets and expected contributions for the next fiscal year. Please note that for years ending after December 15, 2009 asset disclosures need to comply with FASB Staff Position (FSP) No. FAS 132(R)-1 with regard to objectives, fair value measurement, risk concentrations and expanded breakdown by category.

If you have any questions or need anything else, please give me a call.

Mercer has prepared this report exclusively to assist E.ON U.S. LLC and its auditors in preparing financial reports under US accounting standards for defined benefit pension plans relating to the E.ON U.S. LLC Retirement Plans for the fiscal year ending December 31, 2009.

This valuation report may not be used or relied upon by any other party or for any other purpose. Mercer is not responsible for the consequences of any unauthorized use.

A valuation report is a snapshot of a plan's estimated financial condition at a particular point in time; it does not predict a pension plan's future financial condition or its ability to pay benefits in the future.

Over time, a plan's total cost will depend on a number of factors, including the amount of benefits the plan pays, the number of people paid benefits, plan expenses and the amount earned on any assets invested to pay the benefits. These amounts and others are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, *actuarial assumptions*, as described above, are used to select a single scenario from the range of possibilities. The results of that single scenario are included in this report. However, the future is uncertain and the plan's actual experience will differ from those assumptions; these differences may be significant or material. In addition, different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. Actuarial assumptions may also be changed from one valuation to the next because of mandated requirements, plan experience, changes in expectations about the future and other factors. Due to the limited

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scope of our assignment, we did not perform, and thus do not present, an analysis of the potential range of future possibilities and scenarios.

Because actual plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts, benefit security and/or benefit related issues should be made only after careful consideration of alternative future financial conditions and scenarios, and not solely on the basis of a valuation report or reports.

To prepare this report, Mercer has used and relied on financial data submitted by the trustee as well as participant data supplied by the plan sponsor. The data used is referenced above. We have reviewed the financial and participant data for internal consistency and general reasonableness, but we have not verified or audited any of the data or information provided. We have also used and relied upon the plan documents, including amendments, supplied by the plan sponsor, as summarized in the Summary of Plan Provisions section of the 2009 FAS and IAS valuation report. E.ON U.S. LLC is solely responsible for the validity, accuracy and comprehensiveness of this information; if the data or plan provisions supplied are not accurate and complete, the valuation results may differ significantly from the results that would be obtained with accurate and complete information; this may require a later revision of this report.

The valuation of the plan was performed in accordance with generally accepted actuarial principles and procedures. The accounting calculations reported herein are based on the assumptions and methods described above. The actuarial assumptions were selected by the company. Based on the information provided to us, we believe that the actuarial assumptions are reasonable for the purposes described in this report.

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We are available to answer any questions on the material contained in the report, or to provide explanations or further details as may be appropriate. The undersigned credentialed actuaries meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest, that would impair the objectivity of our work.

*Linda C. Myers*

Linda C. Myers, F.S.A.  
Enrolled Actuary (No. 08-04846)

*1/6/2010*

Date

*Henry A. Erk III*

Henry A. Erk III, F.S.A.  
Enrolled Actuary (No. 08-02713)

*1/6/2010*

Date

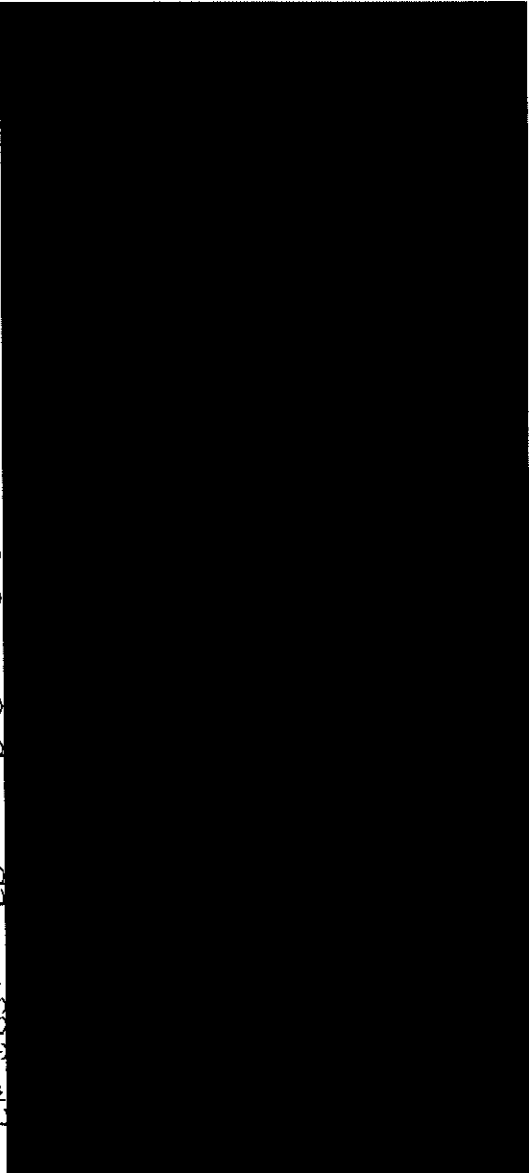
Copy:  
Heather Metts, Wes Smith, Patrick Baker, Marcie Gunnell

Enclosures

The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.

For Regulatory Accounting

	Non-Union Retirement Plan					Total	WKE-Union	SERP
	Unico	Unilin	ServCo	KU	WKE			
<b>Change in benefit obligation</b>								
Benefit obligation at 12/31/2008	\$ 243,672,919	\$ 185,718,748	\$ 223,912,322	\$ 307,378,327				
Service cost	1,816,392	2,277,603	9,620,669	6,140,892				
Interest cost	14,790,537	11,148,489	13,671,023	18,392,228				
Participant contributions	-	-	-	-				
Plan amendments	-	-	-	-				
Change due to transfers	-	(329,478)	731,867	(158,760)				
Acquisitions/divestitures	-	-	-	-				
Exchange rate changes	-	-	-	-				
Curtailment (gain) or loss	-	-	-	-				
Settlement (gain) or loss	-	-	-	-				
Special termination benefits	-	-	-	-				
Benefits paid	(15,794,827)	(11,397,644)	(1,558,668)	(17,752,862)				
Settlement payments	-	-	-	-				
Actuarial (gain) or loss	6,558,030	2,452,737	788,053	2,502,997				
Benefit obligation at 12/31/2009	\$ 251,043,051	\$ 189,870,455	\$ 247,165,266	\$ 316,502,822				
<b>Change in plan assets</b>								
Fair value of plan assets at 12/31/2008	\$ 176,695,915	\$ 109,560,085	\$ 107,302,751	\$ 183,828,383				
Adjustment to December 31, 2008 Market Value	744,197	-	-	-				
Actual return on plan assets	34,356,724	23,930,491	25,841,621	40,537,912				
Change due to transfers	-	(211,768)	445,539	(111,464)				
Acquisitions/divestitures	-	-	-	-				
Employer contributions	-	7,900,000	7,800,000	13,300,000				
Employer contributions - unfunded plans	-	-	-	-				
Participant contributions	-	-	-	-				
Benefits paid	(15,794,827)	(11,397,644)	(1,558,668)	(17,752,862)				
Settlement payments	-	-	-	-				
Administrative expenses	(375,342)	(333,437)	(45,599)	(519,358)				
Exchange rate changes	-	-	-	-				
Fair value of plan assets at 12/31/2009	\$ 195,626,667	\$ 129,447,727	\$ 139,785,644	\$ 219,282,611				
<b>Funded status</b>								
Funded status at the end of the year	\$ (55,416,384)	\$ (60,422,728)	\$ (107,379,622)	\$ (97,220,211)				
Employer contrib. between measurement date and fiscal yr. end	-	-	-	-				
Net amount recognized in statement of financial position	\$ (55,416,384)	\$ (60,422,728)	\$ (107,379,622)	\$ (97,220,211)				
<b>Amounts recognized in the statement of financial position consist of:</b>								
Noncurrent assets	\$ -	\$ -	\$ -	\$ -				
Current liabilities	-	-	-	-				
Noncurrent liabilities	(55,416,384)	(60,422,728)	(107,379,622)	(97,220,211)				
Net amount recognized in statement of financial position	\$ (55,416,384)	\$ (60,422,728)	\$ (107,379,622)	\$ (97,220,211)				
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>								
Transition obligation asset (obligation)	\$ -	\$ -	\$ -	\$ -				
Prior service credit (cost)	(15,865,973)	(16,274,254)	(21,506,608)	(4,343,457)				
Accumulated gain (loss)	(105,447,823)	(50,440,190)	(62,601,775)	(100,320,887)				
Accumulated other comprehensive income (AOCI)	\$ (121,313,796)	\$ (66,714,444)	\$ (84,108,383)	\$ (104,664,344)				
Cumulative employer contributions in excess of net periodic benefit cost	65,897,412	6,291,716	(23,271,239)	7,444,133				
Net amount recognized in statement of financial position	\$ (55,416,384)	\$ (60,422,728)	\$ (107,379,622)	\$ (97,220,211)				



For Regulatory Accounting

	Non-Union Retirement Plans			
	Union	Utility	ServCo	Total
<b>Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:</b>				
Projected benefit obligation	\$ 251,043,051	\$ 189,870,455	\$ 247,165,266	\$ 316,502,822
Accumulated benefit obligation	245,957,080	161,681,492	175,333,654	267,553,244
Fair value of plan assets	195,626,667	129,447,727	139,785,644	219,282,611
<b>Components of net periodic benefit cost</b>				
Service cost	\$ 1,816,392	\$ 2,277,603	\$ 9,620,669	\$ 6,140,892
Interest cost	14,790,537	11,148,489	13,671,023	18,392,228
Expected return on plan assets	(13,923,905)	(8,969,166)	(9,252,825)	(15,127,012)
Amortization of prior service cost	2,388,502	3,218,113	2,530,129	816,804
Amortization of transitional (asset) or obligation	-	-	-	-
Amortization of actuarial (gain) or loss	8,247,818	4,218,735	5,017,657	8,671,204
Net periodic benefit cost	\$ 13,319,344	\$ 11,893,774	\$ 21,586,653	\$ 18,894,116
<b>FAS88 special charges</b>				
Curtailment (gain)/loss recognized	\$ -	\$ -	\$ -	\$ -
Prior service cost recognized due to curtailment	-	-	-	-
Special termination benefits	-	-	-	-
Settlement (gain)/loss recognized	-	-	-	-
Total FAS88 charges	\$ -	\$ -	\$ -	\$ -
<b>Other changes recognized in other comprehensive income:</b>				
Prior service cost arising during period	\$ -	\$ -	\$ -	\$ -
Prior service (cost)/credit recognized due to curtailment	-	-	-	-
Settlement recognition of net gain/(loss)	-	-	-	-
Net loss/(gain) arising during period	(14,243,644)	(12,292,861)	(15,468,816)	(22,435,841)
Amortization of prior service (cost)/credit	(2,388,502)	(3,218,113)	(2,530,129)	(816,804)
Amortization of gain/(loss)	(8,247,818)	(4,218,735)	(5,017,657)	(8,671,204)
Total recognized in other comprehensive income	\$ (24,879,964)	\$ (19,729,709)	\$ (23,016,602)	\$ (31,923,849)
<b>Weighted-average assumptions to determine benefit obligations</b>				
Discount rate	6.08%	6.13%	6.13%	6.13%
Rate of compensation increase	N/A	5.25%	5.25%	5.25%
Measurement date	December 31			
<b>Expected cash flows</b>				
Expected benefit payments for fiscal year ending in:				
2010	\$ 15,201,745	\$ 11,127,035	\$ 2,806,827	\$ 17,394,720
2011	14,890,564	10,949,822	3,435,272	17,096,519
2012	14,673,929	10,959,156	4,430,886	16,899,403
2013	14,362,595	10,978,598	5,593,285	16,907,615
2014	14,268,706	11,025,552	7,015,857	17,163,736
2015-2019	78,085,535	59,743,293	64,552,355	97,896,703
<b>Expected amortizations for 2010</b>				
Amortization of prior service cost	\$ 2,315,869	\$ 2,866,527	\$ 2,530,129	\$ 816,804
Amortization of transitional (asset) or obligation	-	-	-	-
Amortization of actuarial (gain) or loss	6,884,620	2,947,811	3,550,632	6,435,858
Total amortizations	\$ 9,200,489	\$ 5,814,338	\$ 6,080,761	\$ 7,252,662



	Other SERP			Restoration Plan			Grand Total
	Utility	ServCo	Total	Utility	ServCo	Total	2009
<b>Change in benefit obligation</b>							
Benefit obligation at 12/31/2008							
Service cost							
Interest cost							
Participant contributions							
Plan amendments							
Change due to transfers							
Acquisitions/divestitures							
Exchange rate changes							
Curtailment (gain) or loss							
Settlement (gain) or loss							
Special termination benefits							
Benefits paid							
Settlement payments							
Actuarial (gain) or loss							
Benefit obligation at 12/31/2009							
<b>Change in plan assets</b>							
Fair value of plan assets at 12/31/2008							
Adjustment to December 31, 2008 Market Value							
Actual return on plan assets							
Change due to transfers							
Acquisitions/divestitures							
Employer contributions							
Employer contributions - unfunded plans							
Participant contributions							
Benefits paid							
Settlement payments							
Administrative expenses							
Exchange rate changes							
Fair value of plan assets at 12/31/2009							
<b>Funded status</b>							
Funded status at the end of the year							
Employer contrib. between measurement date and fiscal yr. end							
Net amount recognized in statement of financial position							
<b>Amounts recognized in the statement of financial position consist of:</b>							
Noncurrent assets							
Current liabilities							
Noncurrent liabilities							
Net amount recognized in statement of financial position							
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>							
Transition obligation asset (obligation)							
Prior service credit (cost)							
Accumulated gain (loss)							
Accumulated other comprehensive income (AOCI)							
Cumulative employer contributions in excess of net periodic benefit cost							
Net amount recognized in statement of financial position							

Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:  
 Projected benefit obligation  
 Accumulated benefit obligation  
 Fair value of plan assets

Components of net periodic benefit cost  
 Service cost  
 Interest cost  
 Expected return on plan assets  
 Amortization of prior service cost  
 Amortization of transitional (asset) or obligation  
 Amortization of actuarial (gain) or loss  
 Net periodic benefit cost

FAS88 special charges  
 Curtailment (gain)/loss recognized  
 Prior service cost recognized due to curtailment  
 Special termination benefits  
 Settlement (gain)/loss recognized  
 Total FAS88 charges

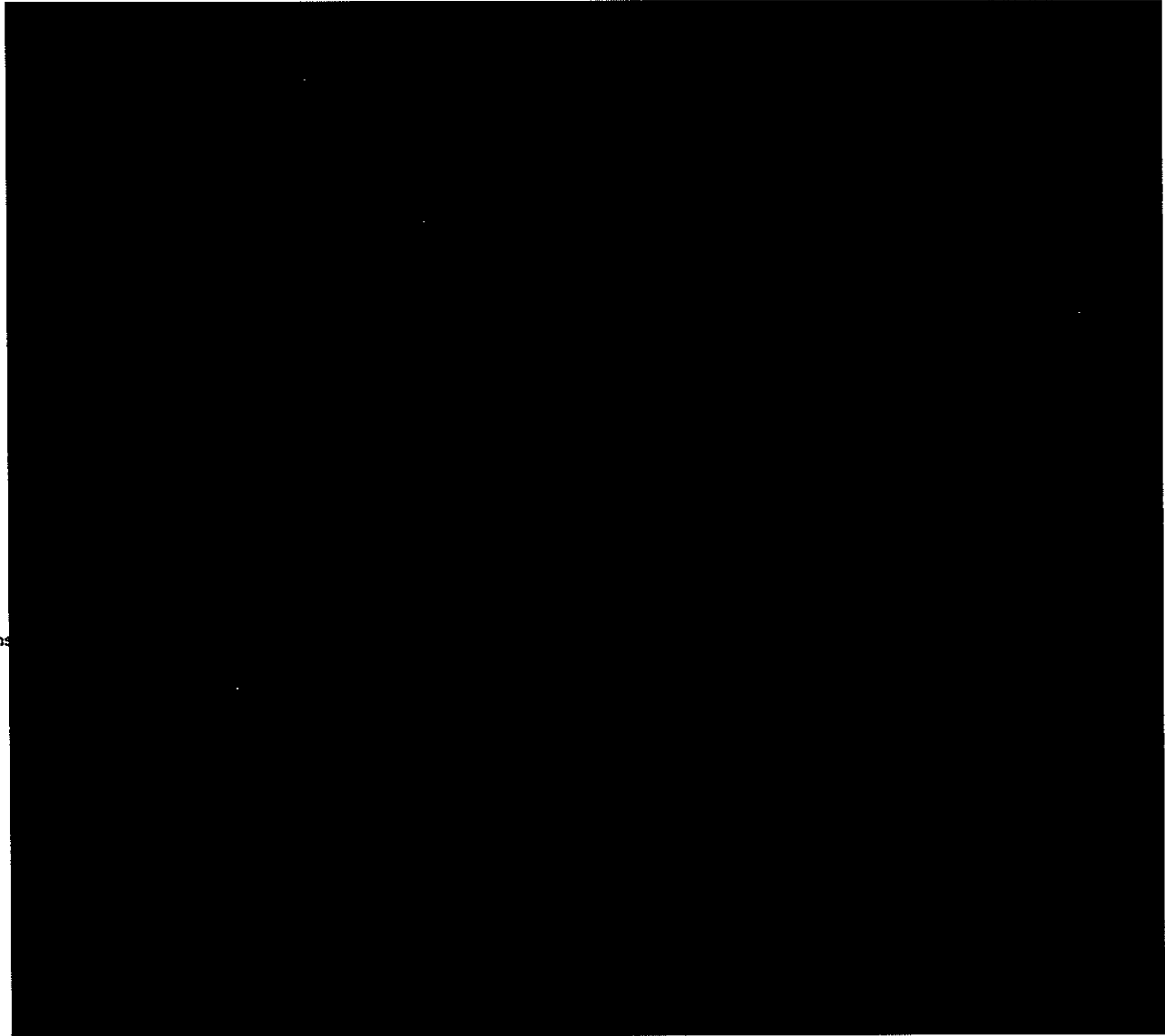
Other changes recognized in other comprehensive income:  
 Prior service cost arising during period  
 Prior service (cost)/credit recognized due to curtailment  
 Settlement recognition of net gain/(loss)  
 Net loss/(gain) arising during period  
 Amortization of prior service (cost)/credit  
 Amortization of gain/(loss)  
 Total recognized in other comprehensive income

Weighted-average assumptions to determine benefit obligations:  
 Discount rate  
 Rate of compensation increase  
 Measurement date

Expected cash flows  
 Expected benefit payments for fiscal year ending in:  
 2010  
 2011  
 2012  
 2013  
 2014  
 2015-2019

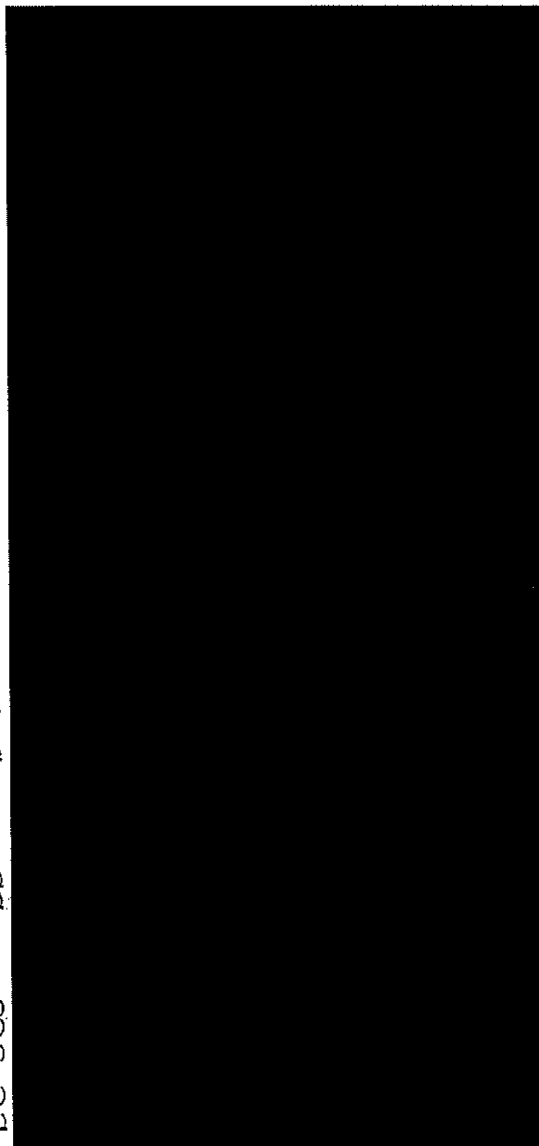
Expected amortizations for 2010  
 Amortization of prior service cost  
 Amortization of transitional (asset) or obligation  
 Amortization of actuarial (gain) or loss  
 Total amortizations

Other SERP			Restoration Plan				Grand Total
Utility	ServCo	Total	Utility	ServCo	KU	WKE	Total
							2009



For Financial Accounting

	Non-Union Retirement Plan			
	Uniq	Utility	Service	KU
<b>Change in benefit obligation</b>				
Benefit obligation at 12/31/2008	\$ 243,672,919	\$ 185,718,748	\$ 223,912,322	\$ 307,378,327
Service cost	1,816,392	2,277,603	9,620,669	6,140,892
Interest cost	14,790,537	11,148,489	13,671,023	18,392,228
Participant contributions	-	-	-	-
Plan amendments	-	-	-	-
Change due to transfers	-	(329,478)	731,867	(158,760)
Acquisitions/divestitures	-	-	-	-
Exchange rate changes	-	-	-	-
Curtailment (gain) or loss	-	-	-	-
Settlement (gain) or loss	-	-	-	-
Special termination benefits	-	-	-	-
Benefits paid	(15,794,827)	(11,397,644)	(1,558,668)	(17,752,862)
Settlement payments	-	-	-	-
Actuarial (gain) or loss	6,558,030	2,452,737	788,053	2,502,997
Benefit obligation at 12/31/2009	\$ 251,043,051	\$ 189,870,455	\$ 247,165,266	\$ 316,502,822
<b>Change in plan assets</b>				
Fair value of plan assets at 12/31/2008	\$ 176,695,915	\$ 109,560,085	\$ 107,302,751	\$ 183,828,383
Adjustment to December 31, 2008 Market Value	744,197	-	-	-
Actual return on plan assets	34,356,724	23,930,491	25,841,621	40,537,912
Change due to transfers	-	(211,768)	445,539	(111,464)
Acquisitions/divestitures	-	-	-	-
Employer contributions	-	7,900,000	7,800,000	13,300,000
Employer contributions - unfunded plans	-	-	-	-
Participant contributions	-	-	-	-
Benefits paid	(15,794,827)	(11,397,644)	(1,558,668)	(17,752,862)
Settlement payments	-	-	-	-
Administrative expenses	(375,342)	(333,437)	(45,599)	(519,358)
Exchange rate changes	-	-	-	-
Fair value of plan assets at 12/31/2009	\$ 195,626,667	\$ 129,447,727	\$ 139,785,644	\$ 219,282,611
<b>Funded status</b>				
Funded status at the end of the year	\$ (55,416,384)	\$ (60,422,728)	\$ (107,379,622)	\$ (97,220,211)
Employer contrib. between measurement date and fiscal yr. end	-	-	-	-
Net amount recognized in statement of financial position	\$ (55,416,384)	\$ (60,422,728)	\$ (107,379,622)	\$ (97,220,211)
<b>Amounts recognized in the statement of financial position consist of:</b>				
Noncurrent assets	\$ -	\$ -	\$ -	\$ -
Current liabilities	-	-	-	-
Noncurrent liabilities	(55,416,384)	(60,422,728)	(107,379,622)	(97,220,211)
Net amount recognized in statement of financial position	\$ (55,416,384)	\$ (60,422,728)	\$ (107,379,622)	\$ (97,220,211)
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>				
Transition obligation asset (obligation)	\$ -	\$ -	\$ -	\$ -
Prior service credit (cost)	(14,073,865)	(10,160,681)	(20,043,426)	(208,303)
Accumulated gain (loss)	(85,631,650)	(47,817,844)	(44,753,436)	(92,117,817)
Accumulated other comprehensive income (AOCI)	\$ (99,705,515)	\$ (57,978,525)	\$ (64,796,862)	\$ (92,326,120)
Cumulative employer contributions in excess of net periodic benefit cost	44,289,131	(2,444,203)	(42,582,760)	(4,894,091)
Net amount recognized in statement of financial position	\$ (55,416,384)	\$ (60,422,728)	\$ (107,379,622)	\$ (97,220,211)





For Financial Accounting

	Non-Union Retirement Plan			
	Union	Utility	Service	IOU
<b>Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:</b>				
Projected benefit obligation	\$ 251,043,051	\$ 189,870,455	\$ 247,165,266	\$ 316,502,822
Accumulated benefit obligation	245,957,080	161,681,492	175,333,654	267,553,244
Fair value of plan assets	195,626,667	129,447,727	139,785,644	219,282,611
<b>Components of net periodic benefit cost</b>				
Service cost	\$ 1,816,392	\$ 2,277,603	\$ 9,620,669	\$ 6,140,892
Interest cost	14,790,537	11,148,489	13,671,023	18,392,228
Expected return on plan assets	(13,923,905)	(8,969,166)	(9,252,825)	(15,127,012)
Amortization of prior service cost	1,339,645	1,154,544	2,282,697	23,752
Amortization of transitional (asset) or obligation	-	-	-	-
Amortization of actuarial (gain) or loss	6,497,272	3,963,643	3,281,437	7,873,240
Net periodic benefit cost	\$ 10,519,941	\$ 9,575,113	\$ 19,603,001	\$ 17,303,100
<b>FAS88 special charges</b>				
Curtailment (gain)/loss recognized	\$ -	\$ -	\$ -	\$ -
Prior service cost recognized due to curtailment	-	-	-	-
Special termination benefits	-	-	-	-
Settlement (gain)/loss recognized	-	-	-	-
Total FAS88 charges	\$ -	\$ -	\$ -	\$ -
<b>Other changes recognized in other comprehensive income:</b>				
Prior service cost arising during period	\$ -	\$ -	\$ -	\$ -
Prior service (cost)/credit recognized due to curtailment	-	-	-	-
Settlement recognition of net gain/(loss)	-	-	-	-
Net loss/(gain) arising during period	(14,243,644)	(12,292,861)	(15,468,816)	(22,435,841)
Amortization of prior service (cost)/credit	(1,339,645)	(1,154,544)	(2,282,697)	(23,752)
Amortization of gain/(loss)	(6,497,272)	(3,963,643)	(3,281,437)	(7,873,240)
Total recognized in other comprehensive income	\$ (22,080,561)	\$ (17,411,048)	\$ (21,032,950)	\$ (30,332,833)
<b>Weighted-average assumptions to determine benefit obligations</b>				
Discount rate	6.08%	6.13%	6.13%	6.13%
Rate of compensation increase	N/A	5.25%	5.25%	5.25%
Measurement date	December 31			
<b>Expected cash flows</b>				
Expected benefit payments for fiscal year ending in:				
2010	\$ 15,201,745	\$ 11,127,035	\$ 2,806,827	\$ 17,394,720
2011	14,890,564	10,949,822	3,435,272	17,096,519
2012	14,873,929	10,959,156	4,430,886	16,899,403
2013	14,362,595	10,978,598	5,593,285	16,907,615
2014	14,268,706	11,025,552	7,015,857	17,163,736
2015-2019	78,085,535	59,743,293	64,552,355	97,896,703
<b>Expected amortizations for 2010</b>				
Amortization of prior service cost	\$ 1,339,645	\$ 1,154,544	\$ 2,282,697	\$ 23,752
Amortization of transitional (asset) or obligation	-	-	-	-
Amortization of actuarial (gain) or loss	5,186,576	2,702,043	1,877,873	5,667,060
Total amortizations	\$ 6,526,221	\$ 3,856,587	\$ 4,160,570	\$ 5,690,812

	Other SERP			Restoration Plan				Grand Total 2009
	Utility	Service	Total	Utility	Service	KU	WKE	
<b>Change in benefit obligation</b>								
Benefit obligation at 12/31/2008								
Service cost								
Interest cost								
Participant contributions								
Plan amendments								
Change due to transfers								
Acquisitions/divestitures								
Exchange rate changes								
Curtailment (gain) or loss								
Settlement (gain) or loss								
Special termination benefits								
Benefits paid								
Settlement payments								
Actuarial (gain) or loss								
Benefit obligation at 12/31/2009								
<b>Change in plan assets</b>								
Fair value of plan assets at 12/31/2008								
Adjustment to December 31, 2008 Market Value								
Actual return on plan assets								
Change due to transfers								
Acquisitions/divestitures								
Employer contributions								
Employer contributions - unfunded plans								
Participant contributions								
Benefits paid								
Settlement payments								
Administrative expenses								
Exchange rate changes								
Fair value of plan assets at 12/31/2009								
<b>Funded status</b>								
Funded status at the end of the year								
Employer contrib. between measurement date and fiscal yr. end								
Net amount recognized in statement of financial position								
<b>Amounts recognized in the statement of financial position consist of:</b>								
Noncurrent assets								
Current liabilities								
Noncurrent liabilities								
Net amount recognized in statement of financial position								
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income:</b>								
Transition obligation asset (obligation)								
Prior service credit (cost)								
Accumulated gain (loss)								
Accumulated other comprehensive income (AOCI)								
Cumulative employer contributions in excess of net periodic benefit cost								
Net amount recognized in statement of financial position								

For Financial Accounting

	Officer/SERP			Restoration Plan			Grand Total
	Utility	Service	Total	Utility	Service	Total	

Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:

- Projected benefit obligation
- Accumulated benefit obligation
- Fair value of plan assets

Components of net periodic benefit cost

- Service cost
- Interest cost
- Expected return on plan assets
- Amortization of prior service cost
- Amortization of transitional (asset) or obligation
- Amortization of actuarial (gain) or loss
- Net periodic benefit cost

FAS88 special charges

- Curtailment (gain)/loss recognized
- Prior service cost recognized due to curtailment
- Special termination benefits
- Settlement (gain)/loss recognized
- Total FAS88 charges

Other changes recognized in other comprehensive income:

- Prior service cost arising during period
- Prior services (cost)/credit recognized due to curtailment
- Settlement recognition of net gain/(loss)
- Net loss/(gain) arising during period
- Amortization of prior service (cost)/credit
- Amortization of gain/(loss)
- Total recognized in other comprehensive income

Weighted-average assumptions to determine benefit obligation

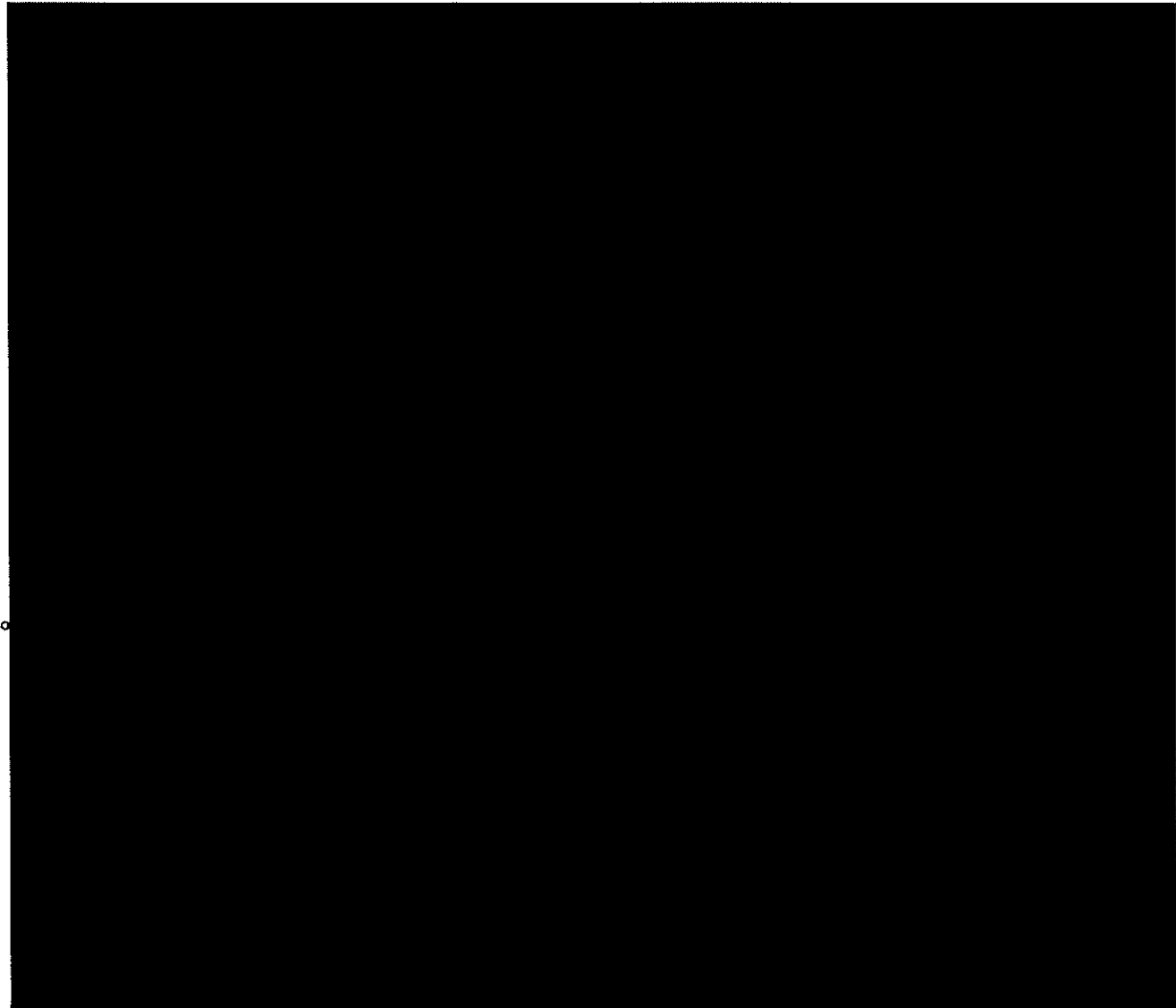
- Discount rate
- Rate of compensation increase
- Measurement date

Expected cash flows

- Expected benefit payments for fiscal year ending in:
  - 2010
  - 2011
  - 2012
  - 2013
  - 2014
  - 2015-2019

Expected amortizations for 2010

- Amortization of prior service cost
- Amortization of transitional (asset) or obligation
- Amortization of actuarial (gain) or loss
- Total amortizations



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 175**

**Responding Witness: Daniel K. Arbough**

Q-175. What rate of interest is the Company currently earning on its pension plan fund balance?

A-175. The LG&E Union plan earned rates of return of 8.4%, 12.3%, and 21.6% on its pension plan fund balance for years 2011, 2010, and 2009, respectively (net of fees). The three-year and five-year returns as of year-end 2011 were 14.0% and 3.6%, respectively.

The LG&E Non-Union plan earned rates of return of 8.5%, 12.0%, 22.7% on its pension plan fund balance for years 2011, 2010, and 2009, respectively (net of fees). The three-year and five-year returns as of year-end 2011 were 14.2% and 3.9%, respectively.

The assumed rate of return used in 2012 expense calculations is 7.25%.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 176**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-176. Has the Company considered reducing the amount of post-retirement health care, dental and life insurance coverage? If yes, provide details of any proposed reductions. If no, provide an explanation of why not.

A-176. The Company regularly reviews our benefit offerings to ensure we are competitive. Noted below are changes to Post Retirement Medical and Post Retirement Life benefits.

**Post Retirement Medical**

The Company reduced the amount of post retirement medical coverage for employees hired or rehired after 1/1/06.

- Future retirees, age 55 with at least 10 years of service, with a hire or rehire date on or after 1/1/06 are eligible for a retiree premium account that is credited with a one-time contribution credit equal to \$2,000 multiplied by the retiree's full years of service after age 45, but not to exceed \$30,000. In addition, for the retiree's dependents, a separate premium account equal to fifty percent of the retiree's premium account is provided. Retirees can use the premium account to pay for the full cost or partial cost for retiree medical coverage, however when the premium account is depleted, the retiree pays the full monthly cost of the retiree medical coverage.

**Post Retirement Life**

The Company reduced the amount of post retirement life insurance for salaried LG&E employees who retired after 1/1/00.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 177**

**Responding Witness: Daniel K. Arbough**

Q-177. Provide a complete copy of any and all actuarial reports prepared by or for the Company during the past three years concerning the cost of post-retirement benefits other than pensions.

A-177. Attachment 001 is the December 31, 2009 actuarial report, attachment 002 is the October 31, 2010 actuarial report, attachment 003 is the December 31, 2010 actuarial report, and attachment 004 is the December 31, 2011 actuarial report. There was a report issued as of October 31, 2010 due to the acquisition of E.ON US LLC by PPL Corporation.

Marclo S. Gunnell, A.S.A., M.A.A.A.  
Principal

Arbough



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502 561 4622  
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**Private & Confidential**

Ms. Kelli Higdon  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KY 40232

January 13, 2012

**Subject: Year End Disclosure for Postretirement Benefit Plan Under ASC 715, Revised**

Dear Kelli:

We have enclosed the revised year end disclosure exhibits (for both financial and regulatory accounting purposes) for the Postretirement Benefit Plan of LG&E and KU Energy LLC for the fiscal year ending December 31, 2011. As requested, we have revised the previous disclosure exhibits to reflect the discount rate determined by the Towers Watson Bond Model and updated market value of assets as of December 31, 2011.

We used the September 30, 2010 valuation data to compute the December 31, 2011 liability amounts. This is the same data that was used to determine the 2011 ASC 715 expense.

The actuarial assumptions and methods used to determine the December 31, 2012 liability amounts are the same as those used in the determination of the 2011 expense with the following exceptions:

- The discount rate was updated to 4.78% to reflect the rate determined by the Towers Watson Bond Model as of December 31, 2011 based on the Plan's cash flows.
- The healthy mortality tables were updated to reflect the tables required for defined benefit pension plans under the Pension Protection Act for the plan years beginning in 2012.
- The salary scale was decreased from 5.25% to 4%.
- Retirement rates at age 60 and 62 were updated to 10% and 50% from 15% and 62.5%, respectfully.

The plan provisions used in determining the December 31, 2011 liability amounts changed from those used in the determination of the 2011 expense. Effective January 1, 2012, the monthly retiree credit increased from \$190 per month to \$200. Furthermore, effective for retirees hired before 2006 and retiring on or after January 1, 2012, the monthly retiree credit of \$200 continues until attained age 62, which at such time the credit increased to \$465. The \$465 retiree credit continues until attained age 65, which at such time the retiree credit reverts to \$200.



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January 13, 2012  
Ms. Kelli Higdon  
LG&E and KU Energy LLC

The asset values, benefit payments, contributions and plan expense amounts from the non-union and union VEBA's and 401(h) account and death benefit premiums were provided by LG&E and KU Energy LLC. Employer contributions for 2011 and year end accruals were also provided by entity by LG&E and KU Energy LLC. Note that the year end benefit obligation includes the impact of the Medicare Modernization Act of 2003 (MMA) using the same assumptions and methods as those used in the determination of the 2011 expense. We have assumed any impact due to Health Reform legislation is deemed immaterial.

In addition, the disclosure exhibits include a schedule of the estimated future benefit payments and the estimated gross amount of Medicare subsidy receipts. We have also included a special disclosure for the impact of MMA.

Lastly, please remember to include the FASB disclosure requirements regarding asset allocation, a narrative on management's rationale for the expected rate of return, management's description of investment policies and strategies for plan assets and expected contributions for the next fiscal year. Please note that for years ending after December 15, 2009 asset disclosures need to comply with FASB Staff Position (FSP) No. FAS 132(R)-1 with regard to objectives, fair value measurement, risk concentrations and expanded breakdown by category.

Mercer has prepared this report exclusively for LG&E and KU Energy LLC, subject to this limitation, LG&E and KU Energy LLC may direct that this report be provided to its auditors in connection with the audit of its financial statements. Mercer is not responsible for use of this report by any other party.

The only purpose of this report is to present Mercer's actuarial estimates of liabilities as of December 31, 2011 for other Postretirement Benefit plans relating to LG&E and KU Energy LLC to incorporate, as LG&E and KU Energy LLC deems appropriate, in its financial statements under US accounting standards.

This report may not be used for any other purpose. Mercer is not responsible for the consequences of any unauthorized use. Its content may not be modified, incorporated into or used in other material, sold or otherwise provided, in whole or in part, to any other person or entity, without Mercer's permission.

All parts of this report, including any documents incorporated by reference, are integral to understanding and explaining its contents, no part may be taken out of context, used or relied upon without reference to the report as a whole.





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January 13, 2012  
Ms. Kelli Higdon  
LG&E and KU Energy LLC

This is not an AFTAP certification under IRC Section 436.

Decisions about benefit changes, granting new benefits, investment policy, funding policy, benefit security and/or benefit-related issues should not be made on the basis of this valuation, but only after careful consideration of alternative economic, financial, demographic and societal factors, including financial scenarios that assume future sustained investment losses.

The plan sponsor is ultimately responsible for selecting the plan's accounting policies, methods and assumptions. The policies, methods, and assumptions used in this valuation are described above. The plan sponsor is solely responsible for communicating to Mercer any changes required to those policies, methods and assumptions.

This report was prepared in accordance with generally accepted actuarial principles and procedures. The results reported herein are based on the assumptions and methods described above. The actuarial assumptions were selected by the company. Based on the information provided to us, we believe that the actuarial assumptions are reasonable for the purposes described in this report.

This report is based on our understanding of applicable law and regulations as of the valuation date. Mercer is not an accountant or auditor and is not responsible for the interpretation of, or compliance with, accounting standards; citations to, and descriptions of accounting standards provided in this report are for reference purposes only. Mercer is not engaged in the practice of law. This report does not constitute and is not a substitute for legal advice.

LG&E and KU Energy LLC should notify Mercer promptly after receipt of the valuation report if LG&E and KU Energy LLC disagrees with anything contained in the valuation report or is aware of any information that would affect the results of the valuation report that has not been communicated to Mercer or incorporated therein. The valuation report will be deemed final and acceptable to LG&E and KU Energy LLC unless LG&E and KU Energy LLC promptly provides such notice to Mercer.



Page 4  
January 13, 2012  
Ms. Kelli Higdon  
LG&E and KU Energy LLC

### Professional qualifications

We are available to answer any questions on the material contained in the report, or to provide explanations or further details as may be appropriate. Collectively, the credentialed actuaries Marcie Gunnell and Linda Myers meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. We are available to answer any questions on the material contained in the report, or to provide explanations or further details as may be appropriate. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest that would impair the objectivity of our work.

Please distribute copies of this letter to the appropriate parties. If you have any questions, please call me at 502 561 4622 or Patrick Baker at 502 561 4504.

Sincerely,

A handwritten signature in cursive script that reads 'Marcie S. Gunnell'.

Marcie S. Gunnell, A.S.A., M.A.A.A.  
Principal

Copy: Dan Arbough, Henry Erk, Linda Myers, Marcie Gunnell, Ryan Sloat, Eric Geissler

Enclosure

**The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.**

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LG&E and KU Energy LLC ASC 715 Disclosure  
for Postretirement Benefit Plan

For Regulatory Accounting

	2011					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Change in benefit obligation</b>						
Benefit obligation at 12/31/2010	\$ 91,238,678	\$ 27,230,226		\$ 83,272,640		
Service cost	1,226,345	1,615,829		1,648,846		
Interest cost	4,395,326	1,340,566		4,057,221		
Plan amendments	4,800,619	2,564,525		2,930,458		
Acquisitions/divestitures	-	-		-		
Exchange rate changes	-	-		-		
Curtailement (gain) or loss	-	-		-		
Settlement (gain) or loss	-	-		-		
Special termination benefits	-	-		-		
Benefits paid net of retiree contributions	(5,699,129)	(557,103)		(5,121,821)		
Medicare Part D subsidy	-	-		526,339		
Settlement payments	-	-		-		
Actuarial (gain) or loss	(1,718,092)	(680,338)		(526,820)		
Benefit obligation at 12/31/2011	\$ 94,243,747	\$ 31,513,705		\$ 86,784,863		
<b>Change in plan assets</b>						
Fair value of plan assets at 12/31/2010	\$ 6,126,435	\$ 19,201,265		\$ 21,576,411		
Adjustment for transfers	-	-		-		
Actual return on plan assets	376,749	1,437,723		1,447,093		
Acquisitions/divestitures	-	-		-		
Employer contributions						
Contributions from general assets	168,283	179,103		124,015		
Contributions to 401k/VEBAs	6,274,658	4,358,411		7,044,299		
Total	6,442,941	4,537,514		7,168,314		
Benefits paid net of retiree contributions	(5,699,129)	(557,103)		(5,121,821)		
Settlement payments	-	-		-		
Trustee fees	(30,758)	(46,038)		(54,303)		
Exchange rate changes	-	-		-		
Fair value of plan assets at 12/31/2011	\$ 7,216,238	\$ 24,573,361		\$ 25,015,694		
<b>Funded status</b>						
Funded status at end of year	\$ (87,027,509)	\$ (6,940,344)		\$ (61,769,169)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	\$ (87,027,509)	\$ (6,940,344)		\$ (61,769,169)		
<b>Amounts recognized in the statement of financial position consist of</b>						
Noncurrent assets	\$ -	\$ -		\$ -		
Current liabilities	-	-		-		
Noncurrent liabilities	(87,027,509)	(6,940,344)		(61,769,169)		
Net amount recognized in statement of financial position	\$ (87,027,509)	\$ (6,940,344)		\$ (61,769,169)		

LG&E and KU Energy LLC ASC 715 Disclosure  
for Postretirement Benefit Plan

For Regulatory Accounting

	2011					
	<u>LG&amp;E</u>	<u>ServCo</u>	<u>International</u>	<u>KU</u>	<u>WKE</u>	<u>Grand Total</u>
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ (669,658)	\$ (109,514)		\$ (1,120,928)		
Prior service credit (cost)	(8,508,346)	(2,826,728)		(3,420,396)		
Accumulated gain (loss)	<u>(7,885,230)</u>	<u>(3,105,086)</u>		<u>13,407,575</u>		
Accumulated other comprehensive income (AOCI)	\$ (17,063,234)	\$ (6,041,328)		\$ 8,866,251		
Cumulative employer contributions in excess of net periodic benefit cost	<u>(69,964,275)</u>	<u>(899,016)</u>		<u>(70,635,420)</u>		
Net amount recognized in statement of financial position	<u>\$ (87,027,509)</u>	<u>\$ (6,940,344)</u>		<u>\$ (61,769,169)</u>		
Additional year-end information for plans with benefit obligations in excess of plan assets						
Benefit obligation at 12/31/2011	\$ 94,243,747	\$ 31,513,705		\$ 86,784,863		
Fair value of plan assets at 12/31/2011	7,216,238	24,573,361		25,015,694		
Components of net periodic benefit cost						
Service cost	\$ 1,226,345	\$ 1,615,829		\$ 1,648,846		
Interest cost	4,395,326	1,340,566		4,057,221		
Expected return on plan assets	(362,413)	\$ (1,392,092)		(1,497,224)		
Amortization of prior service cost (credit)	1,397,823	\$ 232,582		464,303		
Amortization of transitional (asset) obligation	669,665	\$ 109,514		1,120,930		
Amortization of net (gain) or loss	<u>(147,753)</u>	<u>-</u>		<u>-</u>		
Net periodic benefit cost	\$ 7,178,993	\$ 1,906,399		\$ 5,794,076		
FAS 88 special charges	\$ -	\$ -		\$ -		
Other changes recognized in other comprehensive income:						
Prior service cost arising during period	\$ 4,800,619	\$ 2,564,525		\$ 2,930,458		
Prior service (cost)/credit recognized due to curtailment	-	-		-		
Net loss/(gain) arising during period	(1,701,670)	(679,931)		(424,386)		
Amortization of prior service (cost) credit	(1,397,823)	(232,582)		(464,303)		
Amortization of transitional (obligation) or asset	(669,665)	(109,514)		(1,120,930)		
Amortization of gain/(loss)	<u>147,753</u>	<u>-</u>		<u>-</u>		
Total recognized in other comprehensive income	\$ 1,179,214	\$ 1,542,498		\$ 920,839		

LG&E and KU Energy LLC ASC 715 Disclosure  
for Postretirement Benefit Plan

For Regulatory Accounting

	2011					
	LG&E	ServCo	International	KU	WKE	Grand Total
Weighted-average assumptions used to determine benefit obligation as of December 31:						
Discount rate	4.78%	4.78%		4.78%		
Rate of compensation increase	4.00%	4.00%		4.00%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	8.50%	8.50%		8.50%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.50%	5.50%		5.50%		
Year that the rate reaches the ultimate trend rate	2019	2019		2019		
Weighted-average assumptions used to determine net periodic benefit cost for January 1, 2011 through December 31, 2011:						
Discount rate	5.12%	5.12%		5.12%		
Expected long-term rate of return on plan assets (40%)	N/A	N/A		7.25%		
Rate of compensation increase	5.25%	5.25%		5.25%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	9.00%	9.00%		9.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.50%	5.50%		5.50%		
Year that the rate reaches the ultimate trend rate	2019	2019		2019		

Assumed health care cost trend

Assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plan. LG&E and KU Energy LLC's plan design reduces the impact of cost fluctuations by capping a portion of LG&E and KU Energy LLC's obligation. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	One-Percentage-Point Decrease					
Effect on total of service and interest cost components	\$ (117,060)	\$ (81,611)		\$ (228,334)	\$	
Effect on year-end benefit obligation	(1,286,427)	(564,883)		(3,558,440)		
	Point Increase					
Effect on total of service and interest cost components	\$ 133,818	\$ 91,421		\$ 257,264	\$	
Effect on year-end benefit obligation	1,432,882	617,637		3,999,394		

LG&E and KU Energy LLC ASC 715 Disclosure  
for Postretirement Benefit Plan

For Regulatory Accounting

	2011					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Expected cash flows</b>						
Expected return of assets to employer in next year	\$ -	\$ -		\$ -		
Expected employer contributions for next fiscal year	\$ 6,712,555	\$ 957,193		\$ 6,077,458		
The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:						
2012	\$ 6,712,555	\$ 957,193		\$ 6,077,458		
2013	6,814,014	1,174,845		6,283,552		
2014	6,898,233	1,458,236		6,603,632		
2015	6,879,964	1,668,227		6,757,498		
2016	6,898,017	1,949,315		6,963,926		
Years 2017-2021	35,760,363	13,185,270		36,771,986		
<b>Estimated gross amount of Medicare subsidy receipts</b>						
The following subsidy receipts are expected to be received:						
2012	\$ -	\$ -		\$ 568,581		
2013	-	-		589,103		
2014	-	-		602,384		
2015	-	-		613,475		
2016	-	-		616,438		
Years 2017-2021	-	-		2,976,104		
<b>Estimated amounts that will be amortized from accumulated other comprehensive income over the next fiscal year</b>						
Amortization of transitional (asset) or obligation	669,658	109,514		1,120,928		
Amortization of prior service cost	1,789,868	685,399		912,738		
Amortization of net (gain) or loss	(61,205)	-		-		
Total estimated amortizations	\$ 2,398,321	\$ 794,913		\$ 2,033,666		

LG&E and KU Energy LLC ASC 715 Disclosure  
for Postretirement Benefit Plan

For Financial Accounting

	2011					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Change in benefit obligation</b>						
Benefit obligation at 12/31/2010	\$ 91,238,678	\$ 27,230,226		\$ 83,272,640		
Service cost	1,226,345	1,615,829		1,648,846		
Interest cost	4,395,326	1,340,566		4,057,221		
Plan amendments	4,800,619	2,564,525		2,930,458		
Acquisitions/divestitures	-	-		-		
Exchange rate changes	-	-		-		
Curtailment (gain) or loss	-	-		-		
Settlement (gain) or loss	-	-		-		
Special termination benefits	-	-		-		
Benefits paid net of retiree contributions	(5,699,129)	(557,103)		(5,121,821)		
Medicare Part D subsidy	-	-		526,339		
Settlement payments	-	-		-		
Actuarial (gain) or loss	(1,718,092)	(680,338)		(528,820)		
Benefit obligation at 12/31/2011	\$ 94,243,747	\$ 31,513,705		\$ 86,784,863		
<b>Change in plan assets</b>						
Fair value of plan assets at 12/31/2010	\$ 6,126,435	\$ 19,201,265		\$ 21,576,411		
Adjustment for transfers	-	-		-		
Actual return on plan assets	376,749	1,437,723		1,447,093		
Acquisitions/divestitures	-	-		-		
Employer contributions						
Contributions from general assets	168,283	179,103		124,015		
Contributions to 401k/VEBAs	6,274,658	4,358,411		7,044,299		
Total	6,442,941	4,537,514		7,168,314		
Benefits paid net of retiree contributions	(5,699,129)	(557,103)		(5,121,821)		
Settlement payments	-	-		-		
Trustee fees	(30,758)	(46,038)		(54,303)		
Exchange rate changes	-	-		-		
Fair value of plan assets at 12/31/2011	\$ 7,216,238	\$ 24,573,361		\$ 25,015,694		
<b>Funded status</b>						
Funded status at end of year	\$ (87,027,509)	\$ (6,940,344)		\$ (61,769,169)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	\$ (87,027,509)	\$ (6,940,344)		\$ (61,769,169)		
<b>Amounts recognized in the statement of financial position consist of</b>						
Noncurrent assets	\$ -	\$ -		\$ -		
Current liabilities	-	-		-		
Noncurrent liabilities	(87,027,509)	(6,940,344)		(61,769,169)		
Net amount recognized in statement of financial position	\$ (87,027,509)	\$ (6,940,344)		\$ (61,769,169)		

LG&E and KU Energy LLC ASC 715 Disclosure  
for Postretirement Benefit Plan

For Financial Accounting

	2011					
	LG&E	ServCo	International	KU	WKE	Grand Total
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ -	\$ -		\$ -		
Prior service credit (cost)	(4,800,619)	(2,564,525)		(2,930,458)		
Accumulated gain (loss)	3,119,225	1,627,608		1,893,665		
Accumulated other comprehensive income (AOCI)	\$ (1,681,394)	\$ (936,917)		\$ (1,036,793)		
Cumulative employer contributions in excess of net periodic benefit cost	(85,346,115)	(6,003,427)		(60,732,376)		
Net amount recognized in statement of financial position	\$ (87,027,509)	\$ (6,940,344)		\$ (61,769,169)		
Additional year-end information for plans with benefit obligations in excess of plan assets						
Benefit obligation at 12/31/2011	\$ 94,243,747	\$ 31,513,705		\$ 86,784,863		
Fair value of plan assets at 12/31/2011	7,216,238	24,573,361		25,015,694		
Components of net periodic benefit cost						
Service cost	\$ 1,226,345	1,615,829		\$ 1,648,846		
Interest cost	4,395,326	1,340,566		4,057,221		
Expected return on plan assets	(362,413)	(1,392,092)		(1,497,224)		
Amortization of prior service cost (credit)	-	-		-		
Amortization of transitional (asset) obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ 5,259,258	\$ 1,564,303		\$ 4,208,843		
FAS 88 special charges	\$ -	\$ -		\$ -		
Other changes recognized in other comprehensive income:						
Prior service cost arising during period	\$ 4,800,619	\$ 2,564,525		\$ 2,930,458		
Prior service (cost)/credit recognized due to curtailment	-	-		-		
Net loss/(gain) arising during period	(1,701,670)	(679,931)		(424,386)		
Amortization of prior service (cost) credit	-	-		-		
Amortization of transitional (obligation) or asset	-	-		-		
Amortization of gain/(loss)	-	-		-		
Total recognized in other comprehensive income	\$ 3,098,949	\$ 1,884,594		\$ 2,506,072		

Attachment to Response to LGF AG-1 Question No. 177



LG&E and KU Energy LLC ASC 715 Disclosure  
for Postretirement Benefit Plan

For Financial Accounting

	2011					
	LG&E	ServCo	International	KU	WKE	Grand Total
Weighted-average assumptions used to determine benefit obligation as of December 31						
Discount rate	4.78%	4.78%		4.78%		
Rate of compensation increase	4.00%	4.00%		4.00%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	8.50%	8.50%		8.50%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.50%	5.50%		5.50%		
Year that the rate reaches the ultimate trend rate	2019	2019		2019		
Weighted-average assumptions used to determine net periodic benefit cost for January 1, 2011 through December 31, 2011						
Discount rate	5.12%	5.12%		5.12%		
Expected long-term rate of return on plan assets (40%)	N/A	N/A		7.25%		
Rate of compensation increase	5.25%	5.25%		5.25%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	9.00%	9.00%		9.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.50%	5.50%		5.50%		
Year that the rate reaches the ultimate trend rate	2019	2019		2019		

Assumed health care cost trend

Assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plan. LG&E and KU Energy LLC's plan design reduces the impact of cost fluctuations by capping a portion of LG&E and KU Energy LLC's obligation. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	One-Percentage-Point Decrease					
	LG&E	ServCo	International	KU	WKE	Grand Total
Effect on total of service and interest cost components	\$ (117,060)	\$ (81,611)		\$ (228,334)		
Effect on year-end benefit obligation	(1,286,427)	(564,883)		(3,558,440)		
<b>Point Increase</b>						
Effect on total of service and interest cost components	\$ 133,818	\$ 91,421		\$ 257,264		
Effect on year-end benefit obligation	1,432,882	617,637		3,999,394		

LG&E and KU Energy LLC ASC 715 Disclosure  
for Postretirement Benefit Plan

For Financial Accounting

	2011					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Expected cash flows</b>						
Expected return of assets to employer in next year	\$ -	\$ -		\$ -		
Expected employer contributions for next fiscal year	\$ 6,712,555	\$ 957,193		\$ 6,077,458		
The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:						
2012	\$ 6,712,555	\$ 957,193		\$ 6,077,458		
2013	6,814,014	1,174,845		6,283,552		
2014	6,898,233	1,458,236		6,603,632		
2015	6,879,964	1,668,227		6,757,498		
2016	6,898,017	1,949,315		6,963,926		
Years 2017-2021	35,760,363	13,185,270		36,771,986		
<b>Estimated gross amount of Medicare subsidy receipts</b>						
The following subsidy receipts are expected to be received:						
2012	\$ -	\$ -		\$ 568,581		
2013	-	-		589,103		
2014	-	-		602,384		
2015	-	-		613,475		
2016	-	-		616,438		
Years 2017-2021	-	-		2,976,104		
<b>Estimated amounts that will be amortized from accumulated other comprehensive income over the next fiscal year</b>						
Amortization of transitional (asset) or obligation	\$ -	\$ -		\$ -		
Amortization of prior service cost	659,564	512,905		586,092		
Amortization of net (gain) or loss	-	-		-		
Total estimated amortizations	\$ 659,564	\$ 512,905		\$ 586,092		

LG&E and KU Energy LLC Special Disclosure for Fiscal Year Ending 12/31/2011  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Regulatory Accounting

	2011					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>With subsidy</b>						
Components of net periodic benefit cost						
Service cost	\$ 1,226,345	\$ 1,615,829		\$ 1,648,846		
Interest cost	4,395,326	1,340,566		4,057,221		
Expected return on plan assets	(362,413)	(1,392,092)		(1,497,224)		
Amortization of prior service cost	1,397,823	232,582		464,303		
Amortization of transitional (asset) or obligation	669,665	109,514		1,120,930		
Amortization of net (gain) or loss	(147,753)	-		-		
Net periodic benefit cost	\$ 7,178,993	\$ 1,906,399		\$ 5,794,076		
FAS 38 special charges	\$ -	\$ -		\$ -		
<b>subsidy</b>						
Components of net periodic benefit cost						
Service cost	\$ -	\$ -		\$ -		
Interest cost	-	-		322,353		
Expected return on plan assets	-	-		-		
Amortization of prior service cost	-	-		-		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ -	\$ -		\$ 322,353		
FAS 38 special charges	\$ -	\$ -		\$ -		
<b>subsidy</b>						
Components of net periodic benefit cost						
Service cost	\$ 1,226,345	\$ 1,615,829		\$ 1,648,846		
Interest cost	4,395,326	1,340,566		4,379,574		
Expected return on plan assets	(362,413)	(1,392,092)		(1,497,224)		
Amortization of prior service cost	1,397,823	232,582		464,303		
Amortization of transitional (asset) or obligation	669,665	109,514		1,120,930		
Amortization of net (gain) or loss	(147,753)	-		-		
Net periodic benefit cost	\$ 7,178,993	\$ 1,906,399		\$ 6,116,429		
FAS 38 special charges	\$ -	\$ -		\$ -		

LG&E and KU Energy LLC Special Disclosure for Fiscal Year Ending 12/31/2011  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Regulatory Accounting

	2011					
	LG&E	ServCo	International	KU	WKE	Grand Total
	Without subsidy					
Prepaid (Accrued) benefit cost at 12/31/2010	\$ (69,228,223)	\$ (3,530,131)		\$ (73,692,587)		
Net periodic benefit cost without subsidy	7,178,993	1,906,399		6,116,429		
Employer contributions						
January 1 to December 31	6,442,941	4,537,514		7,168,314		
Transfers within plan	-	-		-		
FAS 88 charges	-	-		-		
Prepaid (Accrued) benefit cost at 12/31/2011 (prior to FAS 158)	<u>\$ (69,964,275)</u>	<u>\$ (899,016)</u>		<u>\$ (72,640,702)</u>		
	subsidy					
Funded status						
Funded status at end of period	\$ (87,027,510)	\$ (6,940,344)		\$ (68,317,170)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	<u>\$ (87,027,510)</u>	<u>\$ (6,940,344)</u>		<u>\$ (68,317,170)</u>		
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ (669,658)	\$ (109,514)		\$ (1,120,928)		
Prior service credit (cost)	(3,508,346)	(2,826,728)		(3,420,396)		
Accumulated gain (loss)	<u>(7,885,231)</u>	<u>(3,105,086)</u>		<u>8,864,856</u>		
Accumulated other comprehensive income (AOCI)	\$ (17,063,235)	\$ (6,041,328)		\$ 4,323,532		
Cumulative employer contributions in excess of net periodic benefit cost	<u>(69,964,275)</u>	<u>(899,016)</u>		<u>(72,640,702)</u>		
Net amount recognized in statement of financial position	<u>\$ (87,027,510)</u>	<u>\$ (6,940,344)</u>		<u>\$ (68,317,170)</u>		

LG&E and KU Energy LLC Special Disclosure for Fiscal Year Ending 12/31/2011  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Financial Accounting

	2011					
	<u>LG&amp;E</u>	<u>ServCo</u>	<u>International</u>	<u>KU</u>	<u>WKE</u>	<u>Grand Total</u>
	With subsidy					
Components of net periodic benefit cost						
Service cost	\$ 1,226,345	\$ 1,615,829		\$ 1,648,846		
Interest cost	4,395,326	1,340,566		4,057,221		
Expected return on plan assets	(362,413)	(1,392,092)		(1,497,224)		
Amortization of prior service cost	-	-		-		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ 5,259,258	\$ 1,564,303		\$ 4,208,843		
FAS 88 special charges	\$ -	\$ -		\$ -		
	Without subsidy					
Components of net periodic benefit cost						
Service cost	\$ -	\$ -		\$ -		
Interest cost	-	-		322,353		
Expected return on plan assets	-	-		-		
Amortization of prior service cost	-	-		-		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ -	\$ -		\$ 322,353		
FAS 88 special charges	\$ -	\$ -		\$ -		
	With subsidy					
Components of net periodic benefit cost						
Service cost	\$ 1,226,345	\$ 1,615,829		\$ 1,648,846		
Interest cost	4,395,326	1,340,566		4,379,574		
Expected return on plan assets	(362,413)	(1,392,092)		(1,497,224)		
Amortization of prior service cost	-	-		-		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ 5,259,258	\$ 1,564,303		\$ 4,531,196		
FAS 88 special charges	\$ -	\$ -		\$ -		

LG&E and KU Energy LLC Special Disclosure for Fiscal Year Ending 12/31/2011  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Financial Accounting

	2011					
	LG&E	ServCo	International	KU	WKE	Grand Total
	<u>Without subsidy</u>					
Prepaid (Accrued) benefit cost at 12/31/2010	\$ (86,529,796)	\$ (8,976,638)		\$ (69,563,354)		
Net periodic benefit cost without subsidy	5,259,258	1,564,303		4,531,196		
Employer contributions						
January 1 to December 31	6,442,941	4,537,514		7,168,314		
Transfers within plan	-	-		-		
FAS 88 charges	-	-		-		
Prepaid (Accrued) benefit cost at 12/31/2011 (prior to FAS 158)	<u>\$ (85,346,115)</u>	<u>\$ (6,003,427)</u>		<u>\$ (66,926,236)</u>		
	<u>subsidy</u>					
Funded status						
Funded status at end of period	\$ (87,027,510)	\$ (6,940,344)		\$ (68,317,170)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	<u>\$ (87,027,510)</u>	<u>\$ (6,940,344)</u>		<u>\$ (68,317,170)</u>		
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ -	\$ -		\$ -		
Prior service credit (cost)	(4,800,619)	(2,564,525)		(2,930,458)		
Accumulated gain (loss)	<u>3,119,224</u>	<u>1,627,608</u>		<u>1,539,524</u>		
Accumulated other comprehensive income (AOCI)	\$ (1,681,395)	\$ (936,917)		\$ (1,390,934)		
Cumulative employer contributions in excess of net periodic benefit cost	<u>(85,346,115)</u>	<u>(6,003,427)</u>		<u>(66,926,236)</u>		
Net amount recognized in statement of financial position	<u>\$ (87,027,510)</u>	<u>\$ (6,940,344)</u>		<u>\$ (68,317,170)</u>		

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**Private & Confidential**

Ms. Kelli Higdon  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KY 40232

January 6, 2011

**Subject:** FAS Year End Disclosure for Postretirement Benefit Plan

Dear Kelli:

We have enclosed the FAS year end disclosure exhibits (for both financial and regulatory accounting purposes) for the Postretirement Benefit Plan of LG&E and KU Energy LLC for the period November 1, 2010 through December 31, 2010.

We used the September 30, 2009 valuation data to compute the December 31, 2010 liability amounts. This is the same data that was used to determine the 2010 FAS 106 expense for the period from November 1, 2010 through December 31, 2010 as shown on the enclosed disclosures.

The actuarial assumptions and methods used to determine the December 31, 2010 liability amounts are the same as those used in the determination of the 2010 FAS 106 expense for the period from November 1, 2010 through December 31, 2010 with the exception that the 5.12% discount rate was determined by the Towers Watson Yield Curve as of December 31, 2010. In addition, the healthy mortality tables were updated to reflect the tables required for defined benefit pension plans under the Pension Protection Act for the plan years beginning in 2011.

The plan provisions used in determining the December 31, 2010 liability amounts are the same as those used in the determination of the 2010 FAS 106 expense.

The asset values, benefit payments, contributions and plan expense amounts from the non-union and union VEBA's and 401(h) account and death benefit premiums were provided by LG&E and KU Energy LLC. Employer contributions for the period from November 1, 2010 through December 31, 2010, and December 31, 2010 accruals were also provided by entity by LG&E and KU Energy LLC. Note that the FAS year end benefit obligation includes the impact of the Medicare Modernization Act of 2003 (MMA) using the same assumptions and methods as those used in the determination of the 2010 FAS 106 expense for the period

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Ms. Kelli Higdon

LG&E and KU Energy LLC

from November 1, 2010 through December 31, 2010. We have assumed any impact due to Health Reform legislation is deemed immaterial.

In addition, the disclosure exhibits include a schedule of the estimated future benefit payments and the estimated gross amount of Medicare subsidy receipts. We have also included a special disclosure for the impact of MMA for FAS 109 purposes.

Lastly, please remember to include the FASB disclosure requirements regarding asset allocation, a narrative on management's rationale for the expected rate of return, management's description of investment policies and strategies for plan assets and expected contributions for the next fiscal year. Please note that for years ending after December 15, 2009 asset disclosures need to comply with FASB Staff Position (FSP) No. FAS 132(R)-1 with regard to objectives, fair value measurement, risk concentrations and expanded breakdown by category.

Mercer has prepared this report exclusively to assist LG&E and KU Energy LLC and its auditors in preparing financial reports under US accounting standards for the Postretirement Benefit Plan of LG&E and KU Energy LLC for the period from November 1, 2010 through December 31, 2010.

This valuation report may not be used or relied upon by any other party or for any other purpose. Mercer is not responsible for the consequences of any unauthorized use.

A valuation report is a snapshot of a plan's estimated financial condition at a particular point in time; it does not predict a pension plan's future financial condition or its ability to pay benefits in the future.

Over time, a plan's total cost will depend on a number of factors, including the amount of benefits the plan pays, the number of people paid benefits, plan expenses and the amount earned on any assets invested to pay the benefits. These amounts and other variables are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, *actuarial assumptions*, as described above, are used to select a single scenario from the range of possibilities. The results of that single scenario are included in this report. However, the future is uncertain and the plan's actual experience will differ from those assumptions; these differences may be significant or material. In addition,



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LG&E and KU Energy LLC

different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. Actuarial assumptions may also be changed from one valuation to the next because of changes in mandated requirements, plan experience, changes in expectations about the future and other factors. Due to the limited scope of our assignment, we did not perform, and thus do not present, an analysis of the potential range of future possibilities and scenarios.

Because actual plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts, benefit security and/or benefit related issues should be made only after careful consideration of alternative future financial conditions and scenarios, and not solely on the basis of a valuation report or reports.

### ***Data and plan provisions***

To prepare this report, Mercer has used and relied on financial data submitted by LG&E and KU Energy LLC, and claims, premium and participant data supplied by the plan sponsor, third party administrator or insurance carrier. We have reviewed the financial, claims, premium and participant data for internal consistency and general reasonableness, but we have not verified or audited any of the data or information provided. We have also used and relied upon the plan documents, including amendments and summary plan descriptions, supplied by the plan sponsor, as described above. LG&E and KU Energy LLC is solely responsible for the validity, accuracy and comprehensiveness of this information; if the data or plan provisions supplied are not accurate and complete, the valuation results may differ significantly from the results that would be obtained with accurate and complete information; this may require a later revision of this report.

### ***Accounting results***

The valuation of the plan was performed in accordance with generally accepted actuarial principles and procedures. The accounting calculations reported herein are based on the assumptions and methods described above. The actuarial assumptions were selected by the company. Based on the information provided to us, we believe that the actuarial assumptions are reasonable for the purposes described in this report.

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January 6, 2011

Ms. Kelli Higdon

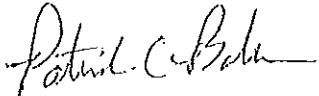
LG&E and KU Energy LLC

## *Professional qualifications*

We are available to answer any questions on this material, or to provide explanations or further details, as may be appropriate. Collectively, the credentialed actuaries Marcie Gunnell and Linda Myers meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this letter. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest, that would impair the objectivity of our work.

Please distribute copies of this letter to the appropriate parties. If you have any questions, please call me at 502 561 4504 or Marcie Gunnell at 502 561 4622.

Sincerely,



Patrick C. Baker  
Senior Associate

Copy:

Lesley Pienaar, Henry Erk, Linda Myers, Marcie Gunnell, Ryan Sloat, Eric Geissler

Enclosure

The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.

LG&E and KU Energy LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Regulatory Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Change in benefit obligation</b>						
Benefit obligation at 10/31/2010	\$ 92,513,029	\$ 27,283,162		\$ 83,868,915		
Service cost	227,822	302,764		303,190		
Interest cost	736,987	222,415		671,305		
Plan amendments	-	-		-		
Acquisitions/divestitures	-	-		-		
Exchange rate changes	-	-		-		
Curtaiment (gain) or loss	-	-		-		
Settlement (gain) or loss	-	-		-		
Special termination benefits	-	-		-		
Benefits paid net of retiree contributions	(1,255,004)	(17,334)		(972,403)		
Medicare Part D subsidy	-	-		-		
Settlement payments	-	-		-		
Actuarial (gain) or loss	(984,156)	(560,781)		(598,367)		
Benefit obligation at 12/31/2010	\$ 91,238,678	\$ 27,230,226		\$ 83,272,640		
<b>Change in plan assets</b>						
Fair value of plan assets at 10/31/2010	\$ 6,061,144	\$ 14,634,233		\$ 19,671,451		
Adjustment for transfers	-	-		-		
Actual return on plan assets	122,229	469,471		504,934		
Acquisitions/divestitures	-	-		-		
Employer contributions						
Contributions from general assets	28,186	17,334		22,124		
Contributions to 401k/VEBAs	1,178,341	4,112,632		2,368,642		
Total	1,206,527	4,129,966		2,390,766		
Benefits paid net of retiree contributions	(1,255,004)	(17,334)		(972,403)		
Settlement payments	-	-		-		
Trustee fees	(8,461)	(15,071)		(18,337)		
Exchange rate changes	-	-		-		
Fair value of plan assets at 12/31/2010	\$ 6,126,435	\$ 19,201,265		\$ 21,576,411		
<b>Funded status</b>						
Funded status at end of year	\$ (85,112,243)	\$ (8,028,961)		\$ (61,696,229)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	\$ (85,112,243)	\$ (8,028,961)		\$ (61,696,229)		
<b>Amounts recognized in the statement of financial position consist of</b>						
Noncurrent assets	\$ -	\$ -		\$ -		
Current liabilities	(624,694)	-		-		
Noncurrent liabilities	(84,487,549)	(8,028,961)		(61,696,229)		
Net amount recognized in statement of financial position	\$ (85,112,243)	\$ (8,028,961)		\$ (61,696,229)		

Attachment to Response to LGE AG-1 Question No. 177

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Arbough

LG&E and KU Energy LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Regulatory Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ (1,339,323)	\$ (219,028)		\$ (2,241,858)		
Prior service credit (cost)	(5,105,550)	(494,785)		(954,241)		
Accumulated gain (loss)	<u>(9,439,147)</u>	<u>(3,785,017)</u>		<u>12,963,189</u>		
Accumulated other comprehensive income (AOCI)	\$ (15,884,020)	\$ (4,498,830)		\$ 9,787,090		
Cumulative employer contributions in excess of net periodic benefit cost	<u>(69,228,223)</u>	<u>(3,530,131)</u>		<u>(71,483,319)</u>		
Net amount recognized in statement of financial position	\$ (85,112,243)	\$ (8,028,961)		\$ (61,696,229)		
Additional year-end information for plans with benefit obligations in excess of plan assets						
Benefit obligation at 12/31/2010	\$ 91,238,678	\$ 27,230,226		\$ 83,272,640		
Fair value of plan assets at 12/31/2010	6,126,435	19,201,265		21,576,411		
Components of net periodic benefit cost						
Service cost	\$ 227,822	\$ 302,764		\$ 303,190		
Interest cost	736,987	222,415		671,305		
Expected return on plan assets	(44,734)	(176,830)		(215,011)		
Amortization of prior service cost (credit)	232,971	38,764		77,384		
Amortization of transitional (asset) obligation	111,611	18,253		186,822		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ 1,264,657	\$ 405,366		\$ 1,023,690		
FAS 88 special charges	\$ -	\$ -		\$ -		
Other changes recognized in other comprehensive income:						
Prior service cost arising during period	\$ -	\$ -		\$ -		
Prior service (cost)/credit recognized due to curtailment	-	-		-		
Net loss/(gain) arising during period	(1,053,190)	(838,351)		(869,953)		
Amortization of prior service (cost) credit	(232,971)	(38,764)		(77,384)		
Amortization of transitional (obligation) or asset	(111,611)	(18,253)		(186,822)		
Amortization of gain/(loss)	-	-		-		
Total recognized in other comprehensive income	\$ (1,397,772)	\$ (895,368)		\$ (1,134,159)		

Attachment to Response to LGE AG-1 Question No. 177

LG&E and KU Energy LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Regulatory Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
Weighted-average assumptions used to determine benefit obligation as of December 31:						
Discount rate	5.12%	5.12%		5.12%		
Rate of compensation increase	5.25%	5.25%		5.25%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	9.00%	9.00%		9.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.50%	5.50%		5.50%		
Year that the rate reaches the ultimate trend rate	2019	2019		2019		
Weighted-average assumptions used to determine net periodic benefit cost for November 1, 2010 through December 31, 2010						
Discount rate	4.94%	4.94%		4.94%		
Expected long-term rate of return on plan assets						
Union VESBA	3.00%	N/A		3.00%		
Non-union VESBA	2.00%	2.00%		2.00%		
401(k)	N/A	N/A		7.25%		
Rate of compensation increase	5.25%	5.25%		5.25%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	9.00%	9.00%		9.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.50%	5.50%		5.50%		
Year that the rate reaches the ultimate trend rate	2019	2019		2019		

Assumed health care cost trend

Assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plan. LG&E and KU Energy LLC's plan design reduces the impact of cost fluctuations by capping a portion of LG&E and KU Energy LLC's obligation. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	One-Percentage-Point Decrease					
Effect on total of service and interest cost components	\$ (22,086)	\$ (17,007)		\$ (42,753)	\$	\$
Effect on year-end benefit obligation	(1,430,531)	(597,840)		(3,654,586)		
	One-Percentage-Point Increase					
Effect on total of service and interest cost components	\$ 25,127	\$ 19,018		\$ 48,126	\$	\$
Effect on year-end benefit obligation	1,587,918	653,798		4,102,510		

LG&E and KU Energy LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Regulatory Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Expected cash flows</b>						
Expected return of assets to employer in next year	\$ -	\$ -		\$ -		
Expected employer contributions for next fiscal year	\$ 6,751,129	\$ 785,335		\$ 5,907,518		
The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:						
2011	\$ 6,751,129	\$ 785,335		\$ 5,907,518		
2012	6,839,776	1,010,711		6,181,704		
2013	6,912,150	1,196,935		6,361,644		
2014	6,961,829	1,445,242		6,665,570		
2015	6,932,007	1,657,568		6,806,446		
Years 2016-2020	35,103,628	11,661,443		36,204,196		
<b>Estimated gross amount of Medicare subsidy receipts</b>						
The following subsidy receipts are expected to be received:						
2011	\$ -	\$ -		\$ 529,120		
2012	-	-		551,393		
2013	-	-		570,370		
2014	-	-		582,362		
2015	-	-		591,938		
Years 2016-2020	-	-		2,902,050		
<b>Estimated amounts that will be amortized from accumulated other comprehensive income over the next fiscal year</b>						
Amortization of transitional (asset) or obligation	669,665	109,514		1,120,930		
Amortization of prior service cost	1,397,823	232,582		464,303		
Amortization of net (gain) or loss	(20,497)	-		-		
Total estimated amortizations	\$ 2,046,991	\$ 342,096		\$ 1,585,233		

LG&E and KU Energy LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Financial Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Change in benefit obligation</b>						
Benefit obligation at 11/01/2010	\$ 92,877,394	\$ 27,392,488		\$ 84,468,241		
Service cost	227,822	302,764		303,190		
Interest cost	736,987	222,415		671,305		
Plan amendments	-	-		-		
Acquisitions/divestitures	-	-		-		
Exchange rate changes	-	-		-		
Curtailment (gain) or loss	-	-		-		
Settlement (gain) or loss	-	-		-		
Special termination benefits	-	-		-		
Benefits paid net of retiree contributions	(1,255,004)	(17,334)		(972,403)		
Medicare Part D subsidy	-	-		-		
Settlement payments	-	-		-		
Actuarial (gain) or loss	(1,348,521)	(670,107)		(1,197,693)		
Benefit obligation at 12/31/2010	\$ 91,238,678	\$ 27,230,226		\$ 83,272,640		
<b>Change in plan assets</b>						
Fair value of plan assets at 10/31/2010	\$ 6,061,144	\$ 14,634,233		\$ 19,671,451		
Adjustment for transfers	-	-		-		
Actual return on plan assets	122,229	469,471		504,934		
Acquisitions/divestitures	-	-		-		
Employer contributions						
Contributions from general assets	28,186	17,334		22,124		
Contributions to 401k/VEBAs	1,178,341	4,112,632		2,368,642		
Total	1,206,527	4,129,966		2,390,766		
Benefits paid net of retiree contributions	(1,255,004)	(17,334)		(972,403)		
Settlement payments	-	-		-		
Trustee fees	(8,461)	(15,071)		(18,337)		
Exchange rate changes	-	-		-		
Fair value of plan assets at 12/31/2010	\$ 6,126,435	\$ 19,201,265		\$ 21,576,411		
<b>Funded status</b>						
Funded status at end of year	\$ (85,112,243)	\$ (8,028,961)		\$ (61,696,229)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	\$ (85,112,243)	\$ (8,028,961)		\$ (61,696,229)		
<b>Amounts recognized in the statement of financial position consist of</b>						
Noncurrent assets	\$ -	\$ -		\$ -		
Current liabilities	(624,694)	-		-		
Noncurrent liabilities	(84,487,549)	(8,028,961)		(61,696,229)		
Net amount recognized in statement of financial position	\$ (85,112,243)	\$ (8,028,961)		\$ (61,696,229)		

Attachment to Response to LGF AG-1 Question No. 177

LG&E and KU Energy LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Financial Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ -	\$ -		\$ -		
Prior service credit (cost)	-	-		-		
Accumulated gain (loss)	1,417,555	947,677		1,469,279		
Accumulated other comprehensive income (AOCI)	\$ 1,417,555	\$ 947,677		\$ 1,469,279		
Cumulative employer contributions in excess of net periodic benefit cost	(86,529,798)	(8,976,638)		(63,165,508)		
Net amount recognized in statement of financial position	\$ (85,112,243)	\$ (8,028,961)		\$ (61,696,229)		
Additional year-end information for plans with benefit obligations in excess of plan assets						
Benefit obligation at 12/31/2010	\$ 91,238,678	\$ 27,230,226		\$ 83,272,640		
Fair value of plan assets at 12/31/2010	6,126,435	19,201,265		21,576,411		
Components of net periodic benefit cost						
Service cost	\$ 227,822	302,764		\$ 303,190		
Interest cost	736,987	222,415		671,305		
Expected return on plan assets	(44,734)	(176,830)		(215,011)		
Amortization of prior service cost (credit)	-	-		-		
Amortization of transitional (asset) obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ 920,075	\$ 348,349		\$ 759,484		
FAS 88 special charges	\$ -	\$ -		\$ -		
Other changes recognized in other comprehensive income:						
Prior service cost arising during period	\$ -	\$ -		\$ -		
Prior service (cost)/credit recognized due to curtailment	-	-		-		
Net loss/(gain) arising during period	(1,417,555)	(947,677)		(1,469,279)		
Amortization of prior service (cost) credit	-	-		-		
Amortization of transitional (obligation) or asset	-	-		-		
Amortization of gain/(loss)	-	-		-		
Total recognized in other comprehensive income	\$ (1,417,555)	\$ (947,677)		\$ (1,469,279)		



LG&E and KU Energy LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Financial Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
Weighted-average assumptions used to determine benefit obligation as of December 31:						
Discount rate	5.12%	5.12%		5.12%		
Rate of compensation increase	5.25%	5.25%		5.25%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	9.00%	9.00%		9.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.50%	5.50%		5.50%		
Year that the rate reaches the ultimate trend rate	2019	2019		2019		
Weighted-average assumptions used to determine net periodic benefit cost for November 1, 2010 through December 31, 2010						
Discount rate	4.94%	4.94%		4.94%		
Expected long-term rate of return on plan assets						
Union VEBAs	3.00%	N/A		3.00%		
Non-union VEBAs	2.00%	2.00%		2.00%		
401(k)	N/A	N/A		7.25%		
Rate of compensation increase	5.25%	5.25%		5.25%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	9.00%	9.00%		9.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.50%	5.50%		5.50%		
Year that the rate reaches the ultimate trend rate	2019	2019		2019		

Assumed health care cost trend

Assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plan. LG&E and KU Energy LLC's plan design reduces the impact of cost fluctuations by capping a portion of LG&E and KU Energy LLC's obligation. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	One-Percentage-Point Decrease					
Effect on total of service and interest cost components	\$ (22,086)	\$ (17,007)		\$ (42,753)	\$	
Effect on year-end benefit obligation	(1,430,531)	(597,840)		(3,654,586)		
	One-Percentage-Point Increase					
Effect on total of service and interest cost components	\$ 25,127	\$ 19,018		\$ 48,126	\$	
Effect on year-end benefit obligation	1,587,918	653,798		4,102,510		

LG&E and KU Energy LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Financial Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Expected cash flows</b>						
Expected return of assets to employer in next year	\$ -	\$ -		\$ -		
Expected employer contributions for next fiscal year	\$ 6,751,129	\$ 785,335		\$ 5,907,518		
The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:						
2011	\$ 6,751,129	\$ 785,335		\$ 5,907,518		
2012	6,839,776	1,010,711		6,161,704		
2013	6,912,150	1,196,935		6,361,644		
2014	6,961,829	1,445,242		6,665,570		
2015	6,932,007	1,657,568		6,806,446		
Years 2016-2020	35,103,628	11,661,443		36,204,196		
<b>Estimated gross amount of Medicare subsidy receipts</b>						
The following subsidy receipts are expected to be received:						
2011	\$ -	\$ -		\$ 529,120		
2012	-	-		551,393		
2013	-	-		570,370		
2014	-	-		582,362		
2015	-	-		591,938		
Years 2016-2020	-	-		2,902,050		
<b>Estimated amounts that will be amortized from accumulated other comprehensive income over the next fiscal year</b>						
Amortization of transitional (asset) or obligation	\$ -	\$ -		\$ -		
Amortization of prior service cost	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Total estimated amortizations	\$ -	\$ -		\$ -		

LG&E and KU Energy LLC Special Disclosure for Fiscal Year Ending 12/31/2010  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Regulatory Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
FAS 106 (with subsidy)						
Components of net periodic benefit cost						
Service cost	\$ 227,822	\$ 302,764		\$ 303,190		
Interest cost	736,987	222,415		671,305		
Expected return on plan assets	(44,734)	(176,830)		(215,011)		
Amortization of prior service cost	232,971	36,764		77,384		
Amortization of transitional (asset) or obligation	111,611	18,253		186,822		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ 1,264,657	\$ 405,366		\$ 1,023,690		
FAS 88 special charges	\$ -	\$ -		\$ -		
subsidy						
Components of net periodic benefit cost						
Service cost	\$ -	\$ -		\$ -		
Interest cost	-	-		50,099		
Expected return on plan assets	-	-		-		
Amortization of prior service cost	-	-		-		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ -	\$ -		\$ 50,099		
FAS 88 special charges	\$ -	\$ -		\$ -		
without subsidy						
Components of net periodic benefit cost						
Service cost	\$ 227,822	\$ 302,764		\$ 303,190		
Interest cost	736,987	222,415		721,404		
Expected return on plan assets	(44,734)	(176,830)		(215,011)		
Amortization of prior service cost	232,971	36,764		77,384		
Amortization of transitional (asset) or obligation	111,611	18,253		186,822		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ 1,264,657	\$ 405,366		\$ 1,073,789		
FAS 88 special charges	\$ -	\$ -		\$ -		

LG&E and KU Energy LLC Special Disclosure for Fiscal Year Ending 12/31/2010  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Regulatory Accounting

	2010					Grand Total
	LG&E	ServCo	International	KU	WKE	
FAS 109 (without subsidy)						
Prepaid (Accrued) benefit cost at 10/31/2010	\$ (69,170,093)	\$ (7,254,731)		\$ (75,009,564)		
Net periodic benefit cost without subsidy	1,264,657	405,366		1,073,789		
Employer contributions						
November 1 to December 31	1,206,527	4,129,966		2,390,766		
Transfers within plan, November 1 to December 31	-	-		-		
FAS 83 charges, November 1 to December 31	-	-		-		
Prepaid (Accrued) benefit cost at 12/31/2010 (prior to FAS 158)	<u>\$ (69,228,223)</u>	<u>\$ (3,530,131)</u>		<u>\$ (73,692,587)</u>		
without subsidy						
Funded status						
Funded status at end of period	\$ (85,112,243)	\$ (8,028,961)		\$ (67,942,809)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	<u>\$ (85,112,243)</u>	<u>\$ (8,028,961)</u>		<u>\$ (67,942,809)</u>		
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ (1,339,323)	\$ (219,028)		\$ (2,241,858)		
Prior service credit (cost)	(5,105,550)	(494,785)		(954,241)		
Accumulated gain (loss)	<u>(9,439,147)</u>	<u>(3,785,017)</u>		<u>8,945,877</u>		
Accumulated other comprehensive income (AOCI)	\$ (15,864,020)	\$ (4,498,830)		\$ 5,749,778		
Cumulative employer contributions in excess of net periodic benefit cost	<u>(69,228,223)</u>	<u>(3,530,131)</u>		<u>(73,692,587)</u>		
Net amount recognized in statement of financial position	<u>\$ (85,112,243)</u>	<u>\$ (8,028,961)</u>		<u>\$ (67,942,809)</u>		

Attachment to Response to LGE AG-1 Question No. 177  
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LG&E and KU Energy LLC Special Disclosure for Fiscal Year Ending 12/31/2010  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Financial Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
FAS 106 (with subsidy)						
Components of net periodic benefit cost						
Service cost	\$ 227,822	\$ 302,764		\$ 303,190		
Interest cost	736,987	222,415		671,305		
Expected return on plan assets	(44,734)	(176,830)		(215,011)		
Amortization of prior service cost	-	-		-		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ 920,075	\$ 348,349		\$ 759,484		
FAS 88 special charges	\$ -	\$ -		\$ -		
subsidy						
Components of net periodic benefit cost						
Service cost	\$ -	\$ -		\$ -		
Interest cost	-	-		50,099		
Expected return on plan assets	-	-		-		
Amortization of prior service cost	-	-		-		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ -	\$ -		\$ 50,099		
FAS 88 special charges	\$ -	\$ -		\$ -		
without subsidy						
Components of net periodic benefit cost						
Service cost	\$ 227,822	\$ 302,764		\$ 303,190		
Interest cost	736,987	222,415		721,404		
Expected return on plan assets	(44,734)	(176,830)		(215,011)		
Amortization of prior service cost	-	-		-		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ 920,075	\$ 348,349		\$ 809,583		
FAS 88 special charges	\$ -	\$ -		\$ -		

LG&E and KU Energy LLC Special Disclosure for Fiscal Year Ending 12/31/2010  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Financial Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
	FAS 109 (without subsidy)					
Prepaid (Accrued) benefit cost at 11/1/2010	\$ (86,816,250)	\$ (12,758,255)		\$ (71,144,537)		
Net periodic benefit cost without subsidy	920,075	348,349		809,583		
Employer contributions						
November 1 to December 31	1,206,527	4,129,966		2,390,766		
Transfers within plan, November 1 to December 31	-	-		-		
FAS 38 charges, November 1 to December 31	-	-		-		
Prepaid (Accrued) benefit cost at 12/31/2010 (prior to FAS 158)	<u>\$ (86,529,798)</u>	<u>\$ (8,976,638)</u>		<u>\$ (69,563,354)</u>		
	without subsidy)					
Funded status						
Funded status at end of period	\$ (85,112,243)	\$ (8,028,961)		\$ (67,942,809)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	<u>\$ (85,112,243)</u>	<u>\$ (8,028,961)</u>		<u>\$ (67,942,809)</u>		
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ -	\$ -		\$ -		
Prior service credit (cost)	-	-		-		
Accumulated gain (loss)	1,417,555	947,677		1,620,545		
Accumulated other comprehensive income (AOCI)	\$ 1,417,555	\$ 947,677		\$ 1,620,545		
Cumulative employer contributions in excess of net periodic benefit cost	<u>(86,529,798)</u>	<u>(8,976,638)</u>		<u>(69,563,354)</u>		
Net amount recognized in statement of financial position	<u>\$ (85,112,243)</u>	<u>\$ (8,028,961)</u>		<u>\$ (67,942,809)</u>		

**Patrick C. Baker**  
Senior Associate

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**MERCER**

 MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN

**Private & Confidential**

Ms. Kelli Higdon  
E.ON U.S. LLC  
220 West Main Street  
Louisville, KY 40232

November 4, 2010

**Subject:** FAS October 31, 2010 Disclosure for Postretirement Benefit Plan

Dear Kelli:

We have enclosed the FAS October 31, 2010 disclosure exhibits (for both financial and regulatory accounting purposes) for the Postretirement Benefit Plan of E.ON U.S. LLC for the period January 1, 2010 through October 31, 2010.

We used the September 30, 2009 valuation data to compute the October 31, 2010 liability amounts. This is the same data that was used to determine the 2010 FAS 106 expense.

The actuarial assumptions and methods used to determine the October 31, 2010 liability amounts are the same as those used in the determination of the 2010 FAS 106 expense with the exception that the 4.96% discount rate was determined by the Mercer Yield Curve as of October 31, 2010 based on matching projected benefit cash flows.

The plan provisions used in determining the October 31, 2010 liability amounts are the same as those used in the determination of the 2010 FAS 106 expense.

The asset values, benefit payments, contributions and plan expense amounts from the non-union and union VEBA's and 401(h) account and death benefit premiums were provided by E.ON U.S. LLC. Employer contributions for 2010 and October 31, 2010 accruals were also provided by entity by E.ON U.S. LLC. Note that the FAS year end benefit obligation includes the impact of the Medicare Modernization Act of 2003 (MMA) using the same assumptions and methods as those used in the determination of the 2010 FAS 106 expense.

Mercer has prepared this report exclusively to assist E.ON U.S. LLC and its auditors in preparing financial reports under US accounting standards for the Postretirement Benefit Plan of E.ON U.S. LLC for the period January 1, 2010 through October 31, 2010.

# MERCER



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GUY CARPENTER OLIVER WYMAN

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November 4, 2010

Ms. Kelli Higdon

E.ON U.S. LLC

This valuation report may not be used or relied upon by any other party or for any other purpose. Mercer is not responsible for the consequences of any unauthorized use.

A valuation report is a snapshot of a plan's estimated financial condition at a particular point in time; it does not predict a pension plan's future financial condition or its ability to pay benefits in the future.

Over time, a plan's total cost will depend on a number of factors, including the amount of benefits the plan pays, the number of people paid benefits, plan expenses and the amount earned on any assets invested to pay the benefits. These amounts and other variables are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, *actuarial assumptions*, as described above, are used to select a single scenario from the range of possibilities. The results of that single scenario are included in this report. However, the future is uncertain and the plan's actual experience will differ from those assumptions; these differences may be significant or material. In addition, different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. Actuarial assumptions may also be changed from one valuation to the next because of changes in mandated requirements, plan experience, changes in expectations about the future and other factors. Due to the limited scope of our assignment, we did not perform, and thus do not present, an analysis of the potential range of future possibilities and scenarios.

Because actual plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts, benefit security and/or benefit related issues should be made only after careful consideration of alternative future financial conditions and scenarios, and not solely on the basis of a valuation report or reports.

### ***Data and plan provisions***

To prepare this report, Mercer has used and relied on financial data submitted by E.ON U.S. LLC, and claims, premium and participant data supplied by the plan sponsor, third party administrator or insurance carrier. We have reviewed the financial, claims, premium and participant data for internal consistency and general reasonableness, but we have not verified or audited any of the data or information provided. We have also used and relied upon the plan documents, including amendments and summary plan descriptions, supplied by the plan sponsor, as described above. E.ON U.S. LLC is solely responsible for the



# MERCER



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Ms. Kelli Higdon  
E.ON U.S. LLC

validity, accuracy and comprehensiveness of this information; if the data or plan provisions supplied are not accurate and complete, the valuation results may differ significantly from the results that would be obtained with accurate and complete information; this may require a later revision of this report.

### ***Accounting results***

The valuation of the plan was performed in accordance with generally accepted actuarial principles and procedures. The accounting calculations reported herein are based on the assumptions and methods described in the "actuarial basis" section of this report. The actuarial assumptions were selected by the company. Based on the information provided to us, we believe that the actuarial assumptions are reasonable for the purposes described in this report.

### ***Professional qualifications***

We are available to answer any questions on this material, or to provide explanations or further details, as may be appropriate. Collectively, the credentialed actuaries Marcie Gunnell and Linda Myers meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this letter. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest, that would impair the objectivity of our work.

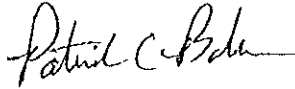
# MERCER

 MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN

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Ms. Kelli Higdon  
E.ON U.S. LLC

Please distribute copies of this letter to the appropriate parties. If you have any questions, please call me at 502 561 4504 or Marcie Gunnell at 502 561 4622.

Sincerely,



Patrick C. Baker  
Senior Associate

Copy:  
Lesley Plenaar, Henry Erk, Linda Myers, Marcie Gunnell, Ryan Sloat

Enclosure

**The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.**

**E.ON U.S. LLC FAS 132 Disclosure**  
for Postretirement Benefit Plan

For Regulatory Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Change in benefit obligation</b>						
Benefit obligation at 12/31/2009	\$ 89,758,444	\$ 23,936,018		\$ 80,158,534		
Service cost	928,618	1,247,918		1,250,504		
Interest cost	3,907,451	1,067,267		3,567,912		
Plan amendments	-	-		-		
Acquisitions/divestitures	-	-		-		
Exchange rate changes	-	-		-		
Curtailment (gain) or loss	-	-		-		
Settlement (gain) or loss	-	-		-		
Special termination benefits	-	-		-		
Benefits paid net of retiree contributions	(4,588,127)	(493,970)		(4,034,820)		
Medicare Part D subsidy	-	-		504,374		
Settlement payments	-	-		-		
Actuarial (gain) or loss	2,506,643	1,525,929		2,422,411		
Benefit obligation at 10/31/2010	\$ 92,513,029	\$ 27,283,162		\$ 83,868,915		
<b>Change in plan assets</b>						
Fair value of plan assets at 12/31/2009	\$ 4,482,137	\$ 13,378,867		\$ 16,915,578		
Adjustment for transfers	-	-		-		
Actual return on plan assets	320,923	1,267,706		1,541,553		
Acquisitions/divestitures	-	-		-		
Employer contributions						
Contributions from general assets	142,501	87,370		116,443		
Contributions to 401k/VEBAs	5,735,500	406,600		5,155,700		
Total	5,878,001	493,970		5,272,143		
Benefits paid net of retiree contributions	(4,588,127)	(493,970)		(4,034,820)		
Settlement payments	-	-		-		
Trustee fees	(31,790)	(12,340)		(23,003)		
Exchange rate changes	-	-		-		
Fair value of plan assets at 10/31/2010	\$ 6,061,144	\$ 14,634,233		\$ 19,671,451		
<b>Funded status</b>						
Funded status at end of year	\$ (86,451,885)	\$ (12,648,929)		\$ (64,197,464)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	\$ (86,451,885)	\$ (12,648,929)		\$ (64,197,464)		
<b>Amounts recognized in the statement of financial position consist of</b>						
Noncurrent assets	\$ -	\$ -		\$ -		
Current liabilities	(695,954)	-		-		
Noncurrent liabilities	(85,755,931)	(12,648,929)		(64,197,464)		
Net amount recognized in statement of financial position	\$ (86,451,885)	\$ (12,648,929)		\$ (64,197,464)		

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**E.ON U.S. LLC FAS 132 Disclosure**  
for Postretirement Benefit Plan

For Regulatory Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income</b>						
Transition asset (obligation)	\$ (1,450,934)	\$ (237,281)		\$ (2,428,680)		
Prior service credit (cost)	(5,338,521)	(533,549)		(1,031,625)		
Accumulated gain (loss)	<u>(10,492,337)</u>	<u>(4,623,368)</u>		<u>12,113,236</u>		
Accumulated other comprehensive income (AOCI)	\$ (17,281,792)	\$ (5,394,198)		\$ 8,652,931		
Cumulative employer contributions in excess of net periodic benefit cost	<u>(69,170,093)</u>	<u>(7,254,731)</u>		<u>(72,850,395)</u>		
Net amount recognized in statement of financial position	\$ <u>(86,451,885)</u>	\$ <u>(12,648,929)</u>		\$ <u>(64,197,464)</u>		
<b>Additional year-end information for plans with benefit obligations in excess of plan assets</b>						
Benefit obligation at 10/31/2010	\$ 92,513,029	\$ 27,283,162		\$ 83,868,915		
Fair value of plan assets at 10/31/2010	6,061,144	14,634,233		19,671,451		
<b>Components of net periodic benefit cost</b>						
Service cost	\$ 928,618	\$ 1,247,918		\$ 1,250,504		
Interest cost	3,907,451	1,067,267		3,567,912		
Expected return on plan assets	(218,588)	(864,052)		(1,050,615)		
Amortization of prior service cost (credit)	1,164,853	193,819		386,922		
Amortization of transitional (asset) obligation	558,054	91,261		934,108		
Amortization of net (gain) or loss	<u>(473,537)</u>	<u>-</u>		<u>-</u>		
Net periodic benefit cost	\$ 5,866,851	\$ 1,736,213		\$ 5,088,831		
FAS 88 special charges	\$ -	\$ -		\$ -		
<b>Other changes recognized in other comprehensive income:</b>						
Prior service cost arising during period	\$ -	\$ -		\$ -		
Prior service (cost)/credit recognized due to curtailment	-	-		-		
Net loss/(gain) arising during period	2,436,098	1,134,615		1,954,476		
Amortization of prior service (cost) credit	(1,164,853)	(193,819)		(386,922)		
Amortization of transitional (obligation) or asset	(558,054)	(91,261)		(934,108)		
Amortization of gain/(loss)	<u>473,537</u>	<u>-</u>		<u>-</u>		
Total recognized in other comprehensive income	\$ 1,186,728	\$ 849,535		\$ 633,446		

**E.ON U.S. LLC FAS 132 Disclosure**  
for Postretirement Benefit Plan

For Regulatory Accounting

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Weighted-average assumptions used to determine benefit obligation as of October 31</b>						
Discount rate	4.96%	4.96%		4.96%		
Rate of compensation increase	5.25%	5.25%		5.25%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	7.80%	7.80%		7.80%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50%	4.50%		4.50%		
Year that the rate reaches the ultimate trend rate	2029	2029		2029		
<b>Weighted-average assumptions used to determine net periodic benefit cost for January 1, 2010 through October 31, 2010</b>						
Discount rate	5.82%	5.82%		5.82%		
Expected long-term rate of return on plan assets						
Union VEBA	3.00%	N/A		3.00%		
Non-union VEBA	2.00%	2.00%		2.00%		
401(h)	N/A	N/A		7.75%		
Rate of compensation increase	5.25%	5.25%		5.25%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	8.00%	8.00%		8.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50%	4.50%		4.50%		
Year that the rate reaches the ultimate trend rate	2029	2029		2029		

**E.ON U.S. LLC FAS 132 Disclosure  
for Postretirement Benefit Plan**

*For Financial Accounting*

	2010					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Change in benefit obligation</b>						
Benefit obligation at 12/31/2009	\$ 89,758,444	\$ 23,936,018		\$ 80,158,534		
Service cost	928,618	1,247,918		1,250,504		
Interest cost	3,907,451	1,067,267		3,567,912		
Plan amendments	-	-		-		
Acquisitions/divestitures	-	-		-		
Exchange rate changes	-	-		-		
Curtailment (gain) or loss	-	-		-		
Settlement (gain) or loss	-	-		-		
Special termination benefits	-	-		-		
Benefits paid net of retiree contributions	(4,588,127)	(493,970)		(4,034,820)		
Medicare Part D subsidy	-	-		504,374		
Settlement payments	-	-		-		
Actuarial (gain) or loss	2,506,643	1,525,929		2,422,411		
Benefit obligation at 10/31/2010	\$ 92,513,029	\$ 27,283,162		\$ 83,868,915		
<b>Change in plan assets</b>						
Fair value of plan assets at 12/31/2009	\$ 4,482,137	\$ 13,378,867		\$ 16,915,578		
Adjustment for transfers	-	-		-		
Actual return on plan assets	320,923	1,267,706		1,541,553		
Acquisitions/divestitures	-	-		-		
Employer contributions						
Contributions from general assets	142,501	87,370		116,443		
Contributions to 401h/VEBAs	5,735,500	406,600		5,155,700		
Total	5,878,001	493,970		5,272,143		
Benefits paid net of retiree contributions	(4,588,127)	(493,970)		(4,034,820)		
Settlement payments	-	-		-		
Trustee fees	(31,790)	(12,340)		(23,003)		
Exchange rate changes	-	-		-		
Fair value of plan assets at 10/31/2010	\$ 6,061,144	\$ 14,634,233		\$ 19,671,451		
<b>Funded status</b>						
Funded status at end of year	\$ (86,451,885)	\$ (12,648,929)		\$ (64,197,464)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	\$ (86,451,885)	\$ (12,648,929)		\$ (64,197,464)		
<b>Amounts recognized in the statement of financial position consist of</b>						
Noncurrent assets	\$ -	\$ -		\$ -		
Current liabilities	(695,954)	-		-		
Noncurrent liabilities	(85,755,931)	(12,648,929)		(64,197,464)		
Net amount recognized in statement of financial position	\$ (86,451,885)	\$ (12,648,929)		\$ (64,197,464)		

**E.ON U.S. LLC FAS 132 Disclosure**  
for Postretirement Benefit Plan

For Financial Accounting

	2010					
	<u>LG&amp;E</u>	<u>ServCo</u>	<u>International</u>	<u>KU</u>	<u>WKE</u>	<u>Grand Total</u>
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income</b>						
Transition asset (obligation)	\$ -	\$ -		\$ -		
Prior service credit (cost)	(4,887,388)	(533,550)		(1,031,625)		
Accumulated gain (loss)	(2,986,504)	(2,485,960)		16,075,060		
Accumulated other comprehensive income (AOCI)	\$ (7,873,892)	\$ (3,019,510)		\$ 15,043,435		
Cumulative employer contributions in excess of net periodic benefit cost	(78,577,993)	(9,629,419)		(79,240,899)		
Net amount recognized in statement of financial position	\$ (86,451,885)	\$ (12,648,929)		\$ (64,197,464)		
<b>Additional year-end information for plans with benefit obligations in excess of plan assets</b>						
Benefit obligation at 10/31/2010	\$ 92,513,029	\$ 27,283,162		\$ 83,868,915		
Fair value of plan assets at 10/31/2010	6,061,144	14,634,233		19,671,451		
<b>Components of net periodic benefit cost</b>						
Service cost	\$ 928,618	1,247,918		\$ 1,250,504		
Interest cost	3,907,451	1,067,267		3,567,912		
Expected return on plan assets	(218,588)	(864,052)		(1,050,615)		
Amortization of prior service cost (credit)	946,170	193,819		386,922		
Amortization of transitional (asset) obligation	-	-		-		
Amortization of net (gain) or loss	(540,815)	(662)		(647,972)		
Net periodic benefit cost	\$ 5,022,836	\$ 1,644,290		\$ 3,506,751		
<b>FAS 88 special charges</b>						
	\$ -	\$ -		\$ -		
<b>Other changes recognized in other comprehensive income:</b>						
Prior service cost arising during period	\$ -	\$ -		\$ -		
Prior service (cost)/credit recognized due to curtailment	-	-		-		
Net loss/(gain) arising during period	2,436,098	1,134,615		1,954,476		
Amortization of prior service (cost) credit	(946,170)	(193,819)		(386,922)		
Amortization of transitional (obligation) or asset	-	-		-		
Amortization of gain/(loss)	540,815	662		647,972		
Total recognized in other comprehensive income	\$ 2,030,743	\$ 941,458		\$ 2,215,526		

Attachment to Response to LGE AG-1 Question No. 177

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**E.ON U.S. LLC FAS 132 Disclosure  
for Postretirement Benefit Plan**

*For Financial Accounting*

	2010					
	<u>LG&amp;E</u>	<u>ServCo</u>	<u>International</u>	<u>KU</u>	<u>WKE</u>	<u>Grand Total</u>
<b>Weighted-average assumptions used to determine benefit obligation as of October 31</b>						
Discount rate	4.96%	4.96%		4.96%		
Rate of compensation increase	5.25%	5.25%		5.25%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	7.80%	7.80%		7.80%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50%	4.50%		4.50%		
Year that the rate reaches the ultimate trend rate	2029	2029		2029		
<b>Weighted-average assumptions used to determine net periodic benefit cost for January 1, 2010 through October 31, 2010</b>						
Discount rate	5.82%	5.82%		5.82%		
Expected long-term rate of return on plan assets						
Union VEBA	3.00%	N/A		3.00%		
Non-union VEBA	2.00%	2.00%		2.00%		
401(h)	N/A	N/A		7.75%		
Rate of compensation increase	5.25%	5.25%		5.25%		
Health care cost trend rates						
Health care cost trend rate assumed for next year	8.00%	8.00%		8.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50%	4.50%		4.50%		
Year that the rate reaches the ultimate trend rate	2029	2029		2029		

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Patrick C. Baker  
Senior Associate

Arbough

MERCER



MARSH MERCER KROLL  
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January 7, 2010

Ms. Kelli Higdon  
E.ON U.S. LLC  
220 West Main Street  
Louisville, KY 40232

**Private & Confidential**

**Subject:** FAS Year-End Disclosure for Postretirement Benefit Plan

Dear Kelli:

We have enclosed the FAS year-end disclosure exhibits (for both financial and regulatory accounting purposes) for the Postretirement Benefit Plan of E.ON U.S. LLC for the fiscal year ending December 31, 2009. As requested, we have updated the exhibits issued January 6, 2010 based on the revised retiree death benefit premium information.

We used the September 30, 2008 valuation data to compute the year end liability amounts. This is the same data that was used to determine the 2009 FAS 106 expense.

The actuarial assumptions and methods used to determine the year end liability amounts are the same as those shown in the 2009 valuation report with the exception that the discount rates were determined by the Mercer Yield Curve as of December 28, 2009 based on matching projected benefit cash flows. These discount rates were then lowered by 8 basis points for the average change in the 4 bond indices (that were previously communicated in Linda Myers' January 4, 2010 memo to you regarding Mercer Yield Curve Results) for the period from December 28, 2009 to December 31, 2009. This results in a discount rate of 5.82%. In addition, the healthy mortality tables were updated to reflect the tables required for defined benefit pension plans under the Pension Protection Act for plan years beginning in 2010 and the healthcare cost trend rates were updated.

The plan provisions used in determining the year end liability amounts are the same as those shown in the 2009 actuarial valuation report, including the effects of the WKE transaction with Big Rivers.

The asset values, benefit payments, contributions and plan expense amounts from the non-union and union VEBA's and 401(h) account and death benefit premiums were provided by

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E.ON U.S. LLC

E.ON U.S. LLC. Employer contributions for 2009 and year end accruals were also provided by entity by E.ON U.S. LLC. Note that the FAS year end benefit obligation includes the impact of the Medicare Modernization Act of 2003 (MMA) using the same assumptions and methods as those used in the determination of the 2009 FAS 106 expense.

In addition, the disclosure exhibits include a schedule of the estimated future benefit payments and the estimated gross amount of Medicare subsidy receipts. We have also included a special disclosure for the impact of MMA for FAS 109 purposes.

Lastly, please remember to include the FASB disclosure requirements regarding asset allocation, a narrative on management's rationale for the expected rate of return, management's description of investment policies and strategies for plan assets and expected contributions for the next fiscal year. Please note that for years ending after December 15, 2009 asset disclosures need to comply with FASB Staff Position (FSP) No. FAS 132(R)-1 with regard to objectives, fair value measurement, risk concentrations and expanded breakdown by category.

Mercer has prepared this report exclusively to assist E.ON U.S. LLC and its auditors in preparing financial reports under US accounting standards for the Postretirement Benefit Plan of E.ON U.S. LLC for the fiscal year ending December 31, 2009.

This valuation report may not be used or relied upon by any other party or for any other purpose. Mercer is not responsible for the consequences of any unauthorized use.

A valuation report is a snapshot of a plan's estimated financial condition at a particular point in time; it does not predict a pension plan's future financial condition or its ability to pay benefits in the future.

Over time, a plan's total cost will depend on a number of factors, including the amount of benefits the plan pays, the number of people paid benefits, plan expenses and the amount earned on any assets invested to pay the benefits. These amounts and other variables are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, actuarial assumptions, as described above, are used to select a single scenario from the range of possibilities. The results of that single scenario are included in this report. However, the future is uncertain and the plan's actual experience will

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E.ON U.S. LLC

differ from those assumptions; these differences may be significant or material. In addition, different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. Actuarial assumptions may also be changed from one valuation to the next because of changes in mandated requirements, plan experience, changes in expectations about the future and other factors. Due to the limited scope of our assignment, we did not perform, and thus do not present, an analysis of the potential range of future possibilities and scenarios.

Because actual plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts, benefit security and/or benefit related issues should be made only after careful consideration of alternative future financial conditions and scenarios, and not solely on the basis of a valuation report or reports.

## Data and plan provisions

To prepare this report, Mercer has used and relied on financial data submitted by E.ON U.S. LLC, and claims, premium and participant data supplied by the plan sponsor, third party administrator or insurance carrier. We have reviewed the financial, claims, premium and participant data for internal consistency and general reasonableness, but we have not verified or audited any of the data or information provided. We have also used and relied upon the plan documents, including amendments and summary plan descriptions, supplied by the plan sponsor, as described above. E.ON U.S. LLC is solely responsible for the validity, accuracy and comprehensiveness of this information; if the data or plan provisions supplied are not accurate and complete, the valuation results may differ significantly from the results that would be obtained with accurate and complete information; this may require a later revision of this report.

## Accounting results

The valuation of the plan was performed in accordance with generally accepted actuarial principles and procedures. The accounting calculations reported herein are based on the assumptions and methods described in the "actuarial basis" section of this report. The actuarial assumptions were selected by the company. Based on the information provided to us, we believe that the actuarial assumptions are reasonable for the purposes described in this report.

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Ms. Kelli Higdon  
E.ON U.S. LLC

## Professional qualifications

We are available to answer any questions on this material, or to provide explanations or further details, as may be appropriate. Collectively, the credentialed actuaries Marcie Gunnell and Linda Myers meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this letter. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest, that would impair the objectivity of our work.

Please distribute copies of this letter to the appropriate parties. If you have any questions, please call me at 502 561 4504 or Marcie Gunnell at 502 561 4622.

Sincerely,

Patrick C. Baker  
Senior Associate

Copy:

Heather Metts, Henry Erk, Linda Myers, Marcie Gunnell, Wes Smith

Enclosure

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The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.

E.ON U.S. LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Regulatory Accounting

	2009					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Change in benefit obligation</b>						
Benefit obligation at 12/31/2008	\$ 88,355,295	\$ 20,740,220		\$ 75,236,576		
Service cost	1,001,511	1,307,866		1,395,578		
Interest cost	5,136,286	1,239,157		4,380,037		
Plan amendments	-	-		-		
Acquisitions/divestitures	-	-		-		
Exchange rate changes	-	-		-		
Curialment (gain) or loss	-	-		-		
Settlement (gain) or loss	-	-		-		
Special termination benefits	-	-		-		
Benefits paid net of retiree contributions	(6,426,944)	(494,947)		(4,860,530)		
Medicare Part D subsidy	-	-		507,517		
Settlement payments	-	-		-		
Actuarial (gain) or loss	1,692,296	1,143,722		3,499,356		
Benefit obligation at 12/31/2009	\$ 89,758,444	\$ 23,936,018		\$ 80,158,534		
<b>Change in plan assets</b>						
Fair value of plan assets at 12/31/2008	\$ 2,850,518	\$ 8,566,454		\$ 12,223,168		
Adjustment for transfers	-	-		-		
Actual return on plan assets	525,723	2,036,149		2,475,788		
Acquisitions/divestitures	-	-		-		
Employer contributions						
Contributions from general assets	204,256	82,065		118,532		
Contributions to 401k/VEBAs	7,349,125	3,208,048		6,981,603		
Total	7,553,381	3,290,113		7,100,135		
Benefits paid net of retiree contributions	(6,426,944)	(494,947)		(4,860,530)		
Settlement payments	-	-		-		
Trustee fees	(20,541)	(18,902)		(22,983)		
Exchange rate changes	-	-		-		
Fair value of plan assets at 12/31/2009	\$ 4,482,137	\$ 13,378,867		\$ 16,915,578		
<b>Funded status</b>						
Funded status at end of year	\$ (85,276,307)	\$ (10,557,151)		\$ (63,242,956)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	\$ (85,276,307)	\$ (10,557,151)		\$ (63,242,956)		
<b>Amounts recognized in the statement of financial position consist of</b>						
Noncurrent assets	\$ -	\$ -		\$ -		
Current liabilities	(3,411,766)	-		-		
Noncurrent liabilities	(81,864,541)	(10,557,151)		(63,242,956)		
Net amount recognized in statement of financial position	\$ (85,276,307)	\$ (10,557,151)		\$ (63,242,956)		

Attachment to Response to LGE AG-1 Question No. 177

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**E.ON U.S. LLC FAS 132 Disclosure**  
for Postretirement Benefit Plan

For Regulatory Accounting

	2009					
	LG&E	ServCo	International	KU	WKE	Grand Total
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ (2,008,988)	\$ (328,542)		\$ (3,362,788)		
Prior service credit (cost)	(6,503,374)	(727,368)		(1,418,547)		
Accumulated gain (loss)	(7,582,702)	(3,438,753)		14,067,712		
Accumulated other comprehensive income (AOCI)	\$ (16,095,064)	\$ (4,544,663)		\$ 9,286,377		
Cumulative employer contributions in excess of net periodic benefit cost	(69,181,243)	(6,012,488)		(72,529,333)		
Net amount recognized in statement of financial position	\$ (85,276,307)	\$ (10,557,151)		\$ (63,242,956)		
Additional year-end information for plans with benefit obligations in excess of plan assets						
Benefit obligation at 12/31/2009	\$ 89,758,444	\$ 23,936,018		\$ 80,158,534		
Fair value of plan assets at 12/31/2009	4,482,137	13,378,867		16,915,578		
Components of net periodic benefit cost						
Service cost	\$ 1,001,511	\$ 1,307,866		\$ 1,395,578		
Interest cost	5,136,286	1,239,157		4,380,037		
Expected return on plan assets	(169,705)	(706,732)		(1,008,411)		
Amortization of prior service cost (credit)	2,058,504	238,669		464,306		
Amortization of transitional (asset) obligation	669,665	109,514		1,120,930		
Amortization of net (gain) or loss	(506,788)	-		-		
Net periodic benefit cost	\$ 8,189,473	\$ 2,188,474		\$ 6,352,440		
FAS 88 special charges	\$ -	\$ -		\$ -		
Other changes recognized in other comprehensive income:						
Prior service cost arising during period	\$ -	\$ -		\$ -		
Prior service (cost)/credit recognized due to curtailment	-	-		-		
Net loss/(gain) arising during period	1,356,819	(166,793)		2,054,962		
Amortization of prior service (cost) credit	(2,058,504)	(238,669)		(464,306)		
Amortization of transitional (obligation) or asset	(669,665)	(109,514)		(1,120,930)		
Amortization of gain/(loss)	506,788	-		-		
Total recognized in other comprehensive income	\$ (864,562)	\$ (514,976)		\$ 469,726		

**E.ON U.S. LLC FAS 132 Disclosure**  
for Postretirement Benefit Plan

For Regulatory Accounting

	2009					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Weighted-average assumptions used to determine benefit obligation as of December 31</b>						
Discount rate	5.82%	5.82%		5.82%		
Rate of compensation increase	5.25%	5.25%		5.25%		
<b>Health care cost trend rates</b>						
Health care cost trend rate assumed for next year	8.00%	8.00%		8.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50%	4.50%		4.50%		
Year that the rate reaches the ultimate trend rate	2029	2029		2029		
<b>Weighted-average assumptions used to determine net periodic benefit cost for years ended December 31</b>						
Discount rate	6.36%	6.36%		6.36%		
<b>Expected long-term rate of return on plan assets</b>						
Union VEBAs	3.00%	N/A		3.00%		
Non-union VEBAs	2.00%	2.00%		2.00%		
401(k)	N/A	N/A		8.25%		
Rate of compensation increase	5.25%	5.25%		5.25%		
<b>Health care cost trend rates</b>						
Health care cost trend rate assumed for next year	8.00%	8.00%		8.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.00%	5.00%		5.00%		
Year that the rate reaches the ultimate trend rate	2016	2016		2016		

**Assumed health care cost trend**

Assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plan. E.ON U.S. LLC's plan design reduces the impact of cost fluctuations by capping a portion of E.ON U.S. LLC's obligation. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	One-Percentage-Point Decrease					
Effect on total of service and interest cost components	\$ (149,333)	\$ (90,315)		\$ (284,414)		
Effect on year-end benefit obligation	(1,535,767)	(585,810)		(3,996,785)		
	One-Percentage-Point Increase					
Effect on total of service and interest cost components	\$ 169,753	\$ 101,104		\$ 320,391		
Effect on year-end benefit obligation	1,704,692	641,820		4,489,359		

Attachment to Response to LGE AG-1 Question No. 177

E.ON U.S. LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Regulatory Accounting

	2009					
	<u>LG&amp;E</u>	<u>ServCo</u>	<u>International</u>	<u>KU</u>	<u>WKE</u>	<u>Grand Total</u>
<b>Expected cash flows</b>						
Expected return of assets to employer in next year	\$ -	\$ -		\$ -		
Expected employer contributions for next fiscal year	\$ 6,986,288	\$ 709,375		\$ 5,958,835		
The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:						
2010	\$ 6,986,288	\$ 709,375		\$ 5,958,835		
2011	7,159,955	879,637		6,210,969		
2012	7,187,565	1,062,865		6,408,942		
2013	7,233,059	1,271,685		6,544,517		
2014	7,265,334	1,524,360		6,835,731		
Years 2015-2019	36,074,514	11,082,942		36,639,486		
<b>Estimated gross amount of Medicare subsidy receipts</b>						
The following subsidy receipts are expected to be received:						
2010	\$ -	\$ -		\$ 510,901		
2011	-	-		528,756		
2012	-	-		544,789		
2013	-	-		560,074		
2014	-	-		569,053		
Years 2015-2019	-	-		2,877,258		
<b>Estimated amounts that will be amortized from accumulated other comprehensive income over the next fiscal year</b>						
Amortization of transitional (asset) or obligation	\$ 669,665	\$ 109,514		\$ 1,120,930		
Amortization of prior service cost	1,397,824	232,583		464,306		
Amortization of net (gain) or loss	(69,970)	-		-		
Total estimated amortizations	\$ 1,997,519	\$ 342,097		\$ 1,585,236		



**E.ON U.S. LLC FAS 132 Disclosure**  
for Postretirement Benefit Plan

For Financial Accounting

	2009					
	LG&E	ServCo	International	KU	WKE	Grand Total
<b>Change in benefit obligation</b>						
Benefit obligation at 12/31/2008	\$ 88,355,295	\$ 20,740,220		\$ 75,236,576		
Service cost	1,001,511	1,307,866		1,395,578		
Interest cost	5,136,286	1,239,157		4,380,037		
Plan amendments	-	-		-		
Acquisitions/divestitures	-	-		-		
Exchange rate changes	-	-		-		
Curialment (gain) or loss	-	-		-		
Settlement (gain) or loss	-	-		-		
Special termination benefits	-	-		-		
Benefits paid net of retiree contributions	(6,426,944)	(494,947)		(4,860,530)		
Medicare Part D subsidy	-	-		507,517		
Settlement payments	-	-		-		
Actuarial (gain) or loss	1,692,296	1,143,722		3,499,356		
Benefit obligation at 12/31/2009	\$ 89,758,444	\$ 23,936,018		\$ 80,158,534		
<b>Change in plan assets</b>						
Fair value of plan assets at 12/31/2008	\$ 2,850,518	\$ 8,566,454		\$ 12,223,168		
Adjustment for transfers	-	-		-		
Actual return on plan assets	525,723	2,036,149		2,475,788		
Acquisitions/divestitures	-	-		-		
Employer contributions						
Contributions from general assets	204,256	82,065		118,532		
Contributions to 401k/VEBAs	7,349,125	3,208,048		6,981,603		
Total	7,553,381	3,290,113		7,100,135		
Benefits paid net of retiree contributions	(6,426,944)	(494,947)		(4,860,530)		
Settlement payments	-	-		-		
Trustee fees	(20,541)	(16,902)		(22,983)		
Exchange rate changes	-	-		-		
Fair value of plan assets at 12/31/2009	\$ 4,482,137	\$ 13,378,867		\$ 16,915,578		
<b>Funded status</b>						
Funded status at end of year	\$ (85,276,307)	\$ (10,557,151)		\$ (63,242,956)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	\$ (85,276,307)	\$ (10,557,151)		\$ (63,242,956)		
<b>Amounts recognized in the statement of financial position consist of</b>						
Noncurrent assets	\$ -	\$ -		\$ -		
Current liabilities	(3,411,766)	-		-		
Noncurrent liabilities	(81,864,541)	(10,557,151)		(63,242,956)		
Net amount recognized in statement of financial position	\$ (85,276,307)	\$ (10,557,151)		\$ (63,242,956)		

E.ON U.S. LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Financial Accounting

	2009					
	LG&E	ServCo	International	KU	WKE	Grand Total
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ -	\$ -		\$ -		
Prior service credit (cost)	(5,833,558)	(727,369)		(1,418,547)		
Accumulated gain (loss)	(9,591)	(1,350,683)		18,677,508		
Accumulated other comprehensive income (AOCI)	\$ (5,843,149)	\$ (2,078,052)		\$ 17,258,961		
Cumulative employer contributions in excess of net periodic benefit cost	(79,433,156)	(8,479,099)		(80,501,917)		
Net amount recognized in statement of financial position	\$ (85,276,307)	\$ (10,557,151)		\$ (63,242,956)		
Additional year-end information for plans with benefit obligations in excess of plan assets						
Benefit obligation at 12/31/2009	\$ 89,758,444	\$ 23,936,018		\$ 80,158,534		
Fair value of plan assets at 12/31/2009	4,482,137	13,378,867		16,915,578		
Components of net periodic benefit cost						
Service cost	\$ 1,001,511	\$ 1,307,866		\$ 1,395,578		
Interest cost	5,136,286	1,239,157		4,380,037		
Expected return on plan assets	(169,705)	(706,732)		(1,008,411)		
Amortization of prior service cost (credit)	1,703,863	238,669		464,306		
Amortization of transitional (asset) obligation	-	-		-		
Amortization of net (gain) or loss	(603,972)	(10,219)		(704,999)		
Net periodic benefit cost	\$ 7,067,983	\$ 2,068,741		\$ 4,526,511		
FAS 88 special charges	\$ -	\$ -		\$ -		
Other changes recognized in other comprehensive income:						
Prior service cost arising during period	\$ -	\$ -		\$ -		
Prior service (cost)/credit recognized due to curtailment	-	-		-		
Net loss/(gain) arising during period	1,356,819	(166,793)		2,054,962		
Amortization of prior service (cost) credit	(1,703,863)	(238,669)		(464,306)		
Amortization of transitional (obligation) or asset	-	-		-		
Amortization of gain/(loss)	603,972	10,219		704,999		
Total recognized in other comprehensive income	\$ 256,928	\$ (395,243)		\$ 2,295,655		

E.ON U.S. LLC FAS 132 Disclosure  
for Postretirement Benefit Plan

For Financial Accounting

	2009					
	<u>LG&amp;E</u>	<u>ServCo</u>	<u>International</u>	<u>KU</u>	<u>WKE</u>	<u>Grand Total</u>
<b>Weighted-average assumptions used to determine benefit obligations as of December 31</b>						
Discount rate	5.82%	5.82%		5.82%		
Rate of compensation increase	5.25%	5.25%		5.25%		
<b>Health care cost trend rates</b>						
Health care cost trend rate assumed for next year	8.00%	8.00%		8.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50%	4.50%		4.50%		
Year that the rate reaches the ultimate trend rate	2029	2029		2029		
<b>Weighted-average assumptions used to determine net periodic benefit cost for years ended December 31</b>						
Discount rate	6.36%	6.36%		6.36%		
<b>Expected long-term rate of return on plan assets</b>						
Union VEBA	3.00%	N/A		3.00%		
Non-union VEBA	2.00%	2.00%		2.00%		
401(k)	N/A	N/A		8.25%		
Rate of compensation increase	5.25%	5.25%		5.25%		
<b>Health care cost trend rates</b>						
Health care cost trend rate assumed for next year	8.00%	8.00%		8.00%		
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.00%	5.00%		5.00%		
Year that the rate reaches the ultimate trend rate	2016	2016		2016		

**Assumed health care cost trend**

Assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plan. E.ON U.S. LLC's plan design reduces the impact of cost fluctuations by capping a portion of E.ON U.S. LLC's obligation. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	One-Percentage-Point Decrease					
Effect on total of service and interest cost components	\$ (149,333)	\$ (90,315)		\$ (284,414)		
Effect on year-end benefit obligation	(1,535,767)	(585,810)		(3,996,785)		
	One-Percentage-Point Increase					
Effect on total of service and interest cost components	\$ 169,753	\$ 101,104		\$ 320,391		
Effect on year-end benefit obligation	1,704,692	641,820		4,489,359		

**E.ON U.S. LLC FAS 132 Disclosure**  
for Postretirement Benefit Plan

For Financial Accounting

	2009					
	<u>LG&amp;E</u>	<u>ServCo</u>	<u>International</u>	<u>KU</u>	<u>WKE</u>	<u>Grand Total</u>
<b>Expected cash flows</b>						
Expected return of assets to employer in next year	\$ -	\$ -		\$ -		
Expected employer contributions for next fiscal year	\$ 6,986,288	\$ 709,375		\$ 5,958,835		
The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:						
2010	\$ 6,986,288	\$ 709,375		\$ 5,958,835		
2011	7,159,955	879,637		6,210,969		
2012	7,187,565	1,082,865		6,408,942		
2013	7,233,059	1,271,685		6,544,517		
2014	7,265,334	1,524,360		6,835,731		
Years 2015-2019	36,074,514	11,082,942		36,639,486		
<b>Estimated gross amount of Medicare subsidy receipts</b>						
The following subsidy receipts are expected to be received:						
2010	\$ -	\$ -		\$ 510,901		
2011	-	-		528,756		
2012	-	-		544,789		
2013	-	-		560,074		
2014	-	-		569,053		
Years 2015-2019	-	-		2,877,258		
<b>Estimated amounts that will be amortized from accumulated other comprehensive income over the next fiscal year</b>						
Amortization of transitional (asset) or obligation	\$ -	\$ -		\$ -		
Amortization of prior service cost	1,135,404	232,583		464,306		
Amortization of net (gain) or loss	(143,735)	-		-		
Total estimated amortizations	\$ 991,669	\$ 232,583		\$ 464,306		

E.ON U.S. LLC Special Disclosure for Fiscal Year Ending December 31, 2009  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Regulatory Accounting

	2009					Grand Total
	LG&E	ServCo	International	KU	WKE	
FAS 106 (with subsidy)						
Components of net periodic benefit cost						
Service cost	\$ 1,001,511	\$ 1,307,866		\$ 1,395,578		
Interest cost	5,136,286	1,239,157		4,380,037		
Expected return on plan assets	(169,705)	(706,732)		(1,008,411)		
Amortization of prior service cost	2,058,504	238,669		464,306		
Amortization of transitional (asset) or obligation	669,665	109,514		1,120,930		
Amortization of net (gain) or loss	(506,788)	-		-		
Net periodic benefit cost	\$ 8,189,473	\$ 2,188,474		\$ 6,352,440		
FAS 88 special charges	\$ -	\$ -		\$ -		
subsidy						
Components of net periodic benefit cost						
Service cost	\$ -	\$ -		\$ -		
Interest cost	-	-		324,412		
Expected return on plan assets	-	-		-		
Amortization of prior service cost	-	-		-		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	-	-		-		
Net periodic benefit cost	\$ -	\$ -		\$ 324,412		
FAS 88 special charges	\$ -	\$ -		\$ -		
out subsidy						
Components of net periodic benefit cost						
Service cost	\$ 1,001,511	\$ 1,307,866		\$ 1,395,578		
Interest cost	5,136,286	1,239,157		4,704,449		
Expected return on plan assets	(169,705)	(706,732)		(1,008,411)		
Amortization of prior service cost	2,058,504	238,669		464,306		
Amortization of transitional (asset) or obligation	669,665	109,514		1,120,930		
Amortization of net (gain) or loss	(506,788)	-		-		
Net periodic benefit cost	\$ 8,189,473	\$ 2,188,474		\$ 6,676,852		
FAS 88 special charges	\$ -	\$ -		\$ -		

Attachment to Response to LGE AG-1 Question No. 177  
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 Arbough

E.ON U.S. LLC Special Disclosure for Fiscal Year Ending December 31, 2009  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Regulatory Accounting

	2009					Grand Total
	LG&E	ServCo	International	KU	WKE	
	FAS 109 (without subsidy)					
Prepaid (Accrued) benefit cost at 12/31/2008	\$ (68,545,151)	\$ (7,114,127)		\$ (75,895,107)		
Net periodic benefit cost without subsidy	8,189,473	2,188,474		6,676,852		
Employer contributions						
January 1 to December 31	7,553,381	3,290,113		7,100,135		
Transfers within plan	-	-		-		
FAS 88 charges	-	-		-		
Prepaid (Accrued) benefit cost at 12/31/2009 (prior to FAS 156)	<u>\$ (69,181,243)</u>	<u>\$ (6,012,488)</u>		<u>\$ (75,471,824)</u>		
	without subsidy)					
Funded status						
Funded status at end of year	\$ (85,276,307)	\$ (10,557,151)		\$ (69,215,441)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	<u>\$ (85,276,307)</u>	<u>\$ (10,557,151)</u>		<u>\$ (69,215,441)</u>		
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ (2,008,988)	\$ (328,542)		\$ (3,362,788)		
Prior service credit (cost)	(6,503,374)	(727,368)		(1,418,547)		
Accumulated gain (loss)	<u>(7,582,702)</u>	<u>(3,488,753)</u>		<u>11,037,718</u>		
Accumulated other comprehensive income (AOCI)	\$ (16,095,064)	\$ (4,544,663)		\$ 6,256,383		
Cumulative employer contributions in excess of net periodic benefit cost	<u>(69,181,243)</u>	<u>(6,012,488)</u>		<u>(75,471,824)</u>		
Net amount recognized in statement of financial position	<u>\$ (85,276,307)</u>	<u>\$ (10,557,151)</u>		<u>\$ (69,215,441)</u>		

E.C.I. U.S. LLC Special Disclosure for Fiscal Year Ending December 31, 2009  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Financial Accounting

	2009					
	LG&E	ServCo	International	KU	WKE	Grand Total
FAS 106 (with subsidy)						
Components of net periodic benefit cost						
Service cost	\$ 1,001,511	\$ 1,307,866		\$ 1,395,578		
Interest cost	5,136,286	1,239,157		4,380,037		
Expected return on plan assets	(169,705)	(706,732)		(1,008,411)		
Amortization of prior service cost	1,703,863	238,669		464,306		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	(603,972)	(10,219)		(704,999)		
Net periodic benefit cost	\$ 7,067,983	\$ 2,068,741		\$ 4,526,511		
FAS 88 special charges	\$ -	\$ -		\$ -		
subsidy						
Components of net periodic benefit cost						
Service cost	\$ -	\$ -		\$ -		
Interest cost	-	-		324,412		
Expected return on plan assets	-	-		-		
Amortization of prior service cost	-	-		-		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	-	-		335,134		
Net periodic benefit cost	\$ -	\$ -		\$ 659,546		
FAS 88 special charges	\$ -	\$ -		\$ -		
without subsidy						
Components of net periodic benefit cost						
Service cost	\$ 1,001,511	\$ 1,307,866		\$ 1,395,578		
Interest cost	5,136,286	1,239,157		4,704,449		
Expected return on plan assets	(169,705)	(706,732)		(1,008,411)		
Amortization of prior service cost	1,703,863	238,669		464,306		
Amortization of transitional (asset) or obligation	-	-		-		
Amortization of net (gain) or loss	(603,972)	(10,219)		(369,865)		
Net periodic benefit cost	\$ 7,067,983	\$ 2,068,741		\$ 5,186,057		
FAS 88 special charges	\$ -	\$ -		\$ -		

E.ON U.S. LLC Special Disclosure for Fiscal Year Ending December 31, 2009  
 Impact of the Medicare Modernization Act of 2003  
 for Postretirement Benefit Plan

For Financial Accounting

	2009					
	<u>LG&amp;E</u>	<u>ServCo</u>	<u>International</u>	<u>KU</u>	<u>WKE</u>	<u>Grand Total</u>
	FAS 109 (without subsidy)					
Prepaid (Accrued) benefit cost at 12/31/2008	\$ (79,918,556)	\$ (9,700,471)		\$ (85,485,451)		
Net periodic benefit cost without subsidy	7,067,983	2,068,741		5,186,057		
Employer contributions						
January 1 to December 31	7,553,381	3,290,113		7,100,135		
Transfers within plan	-	-		-		
FAS 88 charges	-	-		-		
Prepaid (Accrued) benefit cost at 12/31/2009 (prior to FAS 158)	<u>\$ (79,433,158)</u>	<u>\$ (8,479,099)</u>		<u>\$ (83,571,373)</u>		
	without subsidy)					
Funded status						
Funded status at end of year	\$ (85,276,307)	\$ (10,557,151)		\$ (69,215,441)		
Employer contributions between measurement date and fiscal year-end	-	-		-		
Net amount recognized in statement of financial position	<u>\$ (85,276,307)</u>	<u>\$ (10,557,151)</u>		<u>\$ (69,215,441)</u>		
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income						
Transition asset (obligation)	\$ -	\$ -		\$ -		
Prior service credit (cost)	(5,833,558)	(727,369)		(1,418,547)		
Accumulated gain (loss)	(9,591)	(1,350,683)		15,774,479		
Accumulated other comprehensive income (AOCI)	<u>\$ (5,843,149)</u>	<u>\$ (2,078,052)</u>		<u>\$ 14,355,932</u>		
Cumulative employer contributions in excess of net periodic benefit cost	<u>(79,433,158)</u>	<u>(8,479,099)</u>		<u>(83,571,373)</u>		
Net amount recognized in statement of financial position	<u>\$ (85,276,307)</u>	<u>\$ (10,557,151)</u>		<u>\$ (69,215,441)</u>		



## LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2012-00222

Response to Attorney General's Initial Requests for Information

Dated July 31, 2012

Question No. 178

Responding Witness: Daniel K. Arbough

Q-178. Post-Retirement benefits other than pensions (OPEB's).

- a. Please provide complete workpapers showing the derivation of OPEB expense for 2009, 2010 and 2011.
- b. Please show all assumptions and the basis of all calculations.

A-178. a. See table below.

	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>LG&amp;E Charging</b>			
<b>LG&amp;E:</b>			
Mercer net periodic benefit cost	\$ 8,189,473	\$ 7,131,508	\$ 7,178,993
Expense Allocation %	73.92%	72.97%	75.93%
	<u>6,053,452</u>	<u>5,203,615</u>	<u>5,450,944</u>
<b>Servco Charging</b>			
<b>LG&amp;E:</b>			
Mercer net periodic benefit cost	2,188,474	2,141,579	1,906,399
Servco Allocation %	42.73%	44.02%	45.63%
	935,077	942,747	869,867
Expense Allocation %	85.91%	85.51%	85.06%
	<u>803,279</u>	<u>806,145</u>	<u>739,949</u>
<b>Others Charging</b>			
<b>LG&amp;E:</b>	<u>45,785</u>	<u>37,578</u>	<u>43,481</u>
Total LG&E Expense:	<u><u>\$ 6,902,516</u></u>	<u><u>\$ 6,047,338</u></u>	<u><u>\$ 6,234,374</u></u>

- b. Refer to Question No. 177 for Mercer year-end disclosures for 2009, 2010 and 2011 that support all assumptions used and the derivation of the calculations detailed above.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 179**

**Responding Witness: Daniel K. Arbough**

Q-179. List expense amounts for workers compensation insurance and claims for each year 2009, 2010 and 2011. Indicate in which expense accounts these items are recorded.

A-179. See the response to Question No. 219.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 180**

**Responding Witness: Valerie L. Scott**

Q-180. Please state whether any amounts have been booked during the test period by the Company for the liability created pursuant to any employment severance compensation agreements.

A-180. Severance compensation paid by the Company during the test period totaled \$152,623. No liabilities have been created pursuant to any employment severance compensation agreements. Severance compensation is excluded from the revenue requirement via the proforma adjustment at Blake Exhibit 1, Reference Schedule 1.13, including adjustments in response to PSC 2-66 (b).

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 181**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-181. Please list all steps the Company has taken to reduce the cost of medical insurance.

- a. Does the Company's insurance coverage require a coordination of benefits and, if so, how does it function?
- b. Does the Company plan require a co-pay percentage by the employee? If so, what is the percentage and has it increased over the past three years? State the various levels over the past three years.

A-181.

- In 2012, the Company added a \$200/mo. surcharge for working spouses of full-time employees who did not enroll in the spouse's employer's medical plan, if eligible for coverage.
- For 2012, the Company conducted an employed spouse premium verification audit to ensure that the \$200/mo. spouse surcharge rules were followed.
- In 2011, the Company unbundled prescription drug coverage from the medical vendor and joined a pharmacy benefit collective to obtain lower prices with pharmacies due to the collective's aggregate buying clout. Our pharmacy vendor uses clinical tools aimed at reducing inappropriate prescribing by physicians, reducing medication errors, and improving consumer compliance and health outcomes.
- The Company continues to offer health care management programs through our medical options to help employees and dependents maintain their health, control chronic conditions and understand treatment options.
- The Company continues to offer Company sponsored wellness programs to encourage healthy behavior, to promote individual responsibility for wellness, and to reduce health care claims. Programs include annual flu shots, annual

health fairs, fitness center incentive, weight loss program incentive, smoking cessation, annual mammograms, health risk appraisals and attendance at company sponsored health fairs.

- a. Yes. All benefits provided under the medical plan are subject to coordination of benefits, except prescription drug benefits.

When the participant is covered by another group plan in addition to the Company’s medical plan, our medical plan will follow coordination of benefit rules to determine which plan is primary and which is secondary. For dependent children, the Birthday Rule applies.

- b. Under the Standard PPO medical option, employees pay a co-insurance percentage for the following benefit provisions. The co-pay amounts have not changed.

Standard PPO option	2010	2011	2012
Annual Deductible	In-network: \$400 per individual, \$800 per family  Out-of-network: \$800 per individual, \$1,600 per family.	In-network: \$400 per individual, \$800 per family  Out-of-network: \$800 per individual, \$1,600 per family.	In-network: \$400 per individual, \$800 per family  Out-of-network: \$800 per individual, \$1,600 per family.
<ul style="list-style-type: none"> <li>• Hospital Services</li> <li>• Emergency Room</li> <li>• Outpatient Surgery, MRA/MRI, PET Scans and CAT scans</li> <li>• Mental Health and Substance Abuse In-patient</li> <li>• Cardiac Rehabilitation</li> <li>• Occupational, Physical and Speech Therapy</li> </ul>	In-network: Employee pays 20% of the allowable amount after the deductible.  Out-of-network: Employee pays 40% of the allowable amount after the deductible.	In-network: Employee pays 20% of the allowable amount after the deductible.  Out-of-network: Employee pays 40% of the allowable amount after the deductible.	In-network: Employee pays 20% of the allowable amount after the deductible.  Out-of-network: Employee pays 40% of the allowable amount after the deductible.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 182**

**Responding Witness: Valerie L. Scott**

Q-182. Provide the following information for the total company operations. If any amounts were allocated, show a calculation of the factor used to allocate each amount.

- a. An analysis of Miscellaneous General expenses for the test period. Include a complete breakdown of this account, including industry association dues, stockholder and debt service expenses, institutional advertising, conservation advertising, rate department load studies, director's fees and expenses, dues and subscriptions, and miscellaneous expenses. Provide detailed workpapers supporting this analysis. At a minimum, the workpapers should show the account number, date, vendor, reference (i.e., voucher no., etc.), dollar amount, and brief description of each expenditure of \$500 or more.
- b. An analysis of Other Income Deductions for the test period. Include a complete breakdown of this account including donations, civic activities, political activities and other, and provide detailed workpapers supporting this analysis. At a minimum, the workpapers should show the account number, date, vendor, reference (i.e., voucher no., etc.), dollar amount, and brief description of each expenditure of \$500 or more.

A-182. a. See the response to PSC 1-30(b).

b. See the response to PSC 1-30(c).

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 183**

**Responding Witness: Valerie L. Scott**

Q-183. Provide a detailed analysis of expenses incurred during the test period for professional services, including legal, engineering, accounting and other, and provide all workpapers supporting the analysis. At a minimum, the workpapers should show the payee, dollar amount, reference (i.e., voucher no., etc.), account charged, hourly rates and time charged to the company according to each invoice, and a description of the services provided.

A-183. See the response to PSC 1-31.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 184**

**Responding Witness: Valerie L. Scott**

Q-184. Provide a detailed analysis of contributions for charitable and political purposes (in cash or services), if any, recorded in accounts other than Other Income Deductions. Show the amount of the expenditure, the recipient of the contribution, and the specific account charged. If amounts are allocated, show a calculation of the factor used to allocate each amount. Detailed analysis is not required for amounts less than \$100, provided the items are grouped by classes.

A-184. There were no contributions for charitable or political purposes recorded in accounts other than in Account No. 426. See the response to PSC 1-32.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 185**

**Responding Witness: Valerie L. Scott**

Q-185. Describe LG&E's lobbying activities and provide a schedule showing the name, salary, affiliation, all company-paid or reimbursed expenses or allowances, and the account charged for each individual whose principal function is lobbying on the local, state, or national level. If any amounts are allocated, show a calculation of the factor used to allocate each amount.

A-185. See the response to PSC 1-33.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 186**

**Responding Witness: Valerie L. Scott**

Q-186. List each athletic and employee association to which the Company contributes, the associated amounts for the test period and preceding year and the accounts charged. State how the Company has treated these expenses in the test period.

A-186. See attached. All of these expenses were charged to FERC Account No. 426, below the line. None of the charges were included for rate making purposes.

**Louisville Gas and Electric Company  
Athletic and Employee Associations to Which the Company Contributes**

**12 Months Ended March 31, 2012**

AP Vendor Name or JE Batch Name/ AP Invoice number or Journal Name	Invoice Line Description of JE Line Description	Amount
LOUISVILLE LANDSHARKS MULTISPORT CLUB	TRY A TRI TRIATHON SPONSOR	\$ 1,000.00
TRIMBLE CO YOUTH SOFTBALL LEAGUE	DONATION	400.00
ST STEPHENS BAPTIST CHURCH	SPONSOR BASKETBALL TEAM	325.00
AMERICAN TURNERS LOUISVILLE	CONTRIBUTION	275.00
E.W. BROWN C.A.R.E. CLUB INC	GOLF SCRAMBLE	260.00
OHIO VALLEY HEAT BASEBALL	SPONSOR TRAVELING TEAM	256.00
TRIMBLE COUNTY YOUTH BASEBALL LEAGUE	ALL STAR PROGRAM SPONSOR	250.00
LOUISVILLE THUNDER	SPONSOR TRAVELING BASEBALL	150.00
SOUTH OLDHAM HIGH SCHOOL BOOSTERS	SOUTH OLDHAM HIGH SCHOOL BOOSTERS AD-SPORTS GUIDE PROGRAM	140.00

**12 Months Ended March 31, 2011**

AP Vendor Name or JE Batch Name/ AP Invoice number or Journal Name	Invoice Line Description of JE Line Description	Amount
UNIVERSITY OF LOUISVILLE	SPONSOR-3RD FINAL PAYMENT WOMENS BASKETBALL	\$ 3,000.00
LOUISVILLE SPARTANS	YOUTH BASEBALL SPONSOR	500.00
TRIMBLE COUNTY HIGH SCHOOL LADY RAIDER BASKETBALL	DONATIONS	500.00
TRIMBLE COUNTY HIGH SCHOOL BASEBALL	DONATIONS	400.00
LOUISVILLE MALE DANCE TEAM	CONTRIBUTION	320.00
TRIMBLE COUNTY YOUTH LEAGUE0710	CONTRIBUTION	300.00
BUTLER TRADITIONAL HIGH SCHOOL	DANCE TEAM SPONSOR	250.00
EASTERN HIGH SCHOOL LACROSSE BOOSTER	EASTERN HIGH SCHOOL LACROSSE BOOSTER	250.00
LOUISVILLE THUNDER 12U	LOUISVILLE THUNDER 12U	250.00
TRIMBLE COUNTY TITANS	DONATIONS	250.00
TRIMBLE COUNTY YOUTH LEAGUE	DONATIONS	200.00
TRIMBLE COUNTY AAU	TRIMBLE COUNTY AAU	150.00
TRIMBLE CO YOUTH LEAGUE FOOTBALL	BLUE LEVEL SPONSOR	100.00

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 187**

**Responding Witness: Lonnie E. Bellar**

Q-187. List the dollar value of discounts for service and merchandise the Company provides to employees. Provide these amounts for the test period. Show in what accounts and amounts such expense was recorded. What employees are eligible to receive such discounts?

A-187. The Company does not provide discounts for electric service to employees or sell merchandise at a discount to employees.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 188**

**Responding Witness: Chris Hermann / Ronald L. Miller**

Q-188. List all Company owned automobiles, other than service vehicles, and state the Company's policy for charging employees for the personal use of these automobiles and the Company policy of reporting the personal usage of these automobiles for Federal income tax purposes.

A-188. The Company follows the guidelines established in the U.S. Internal Revenue Service's Publication 15-B (2010), Employer's Tax Guide to Fringe Benefits for charging and reporting employees personal use of Company vehicles. Personal usage of automobiles is tracked for each applicable employee and the imputed value is included in W-2 earnings. The value is determined by applying either the IRS "Commuting Rule" or "Lease Value Rule" as deemed appropriate.

See the attachment for a list of all Company vehicles, other than service vehicles.

LOB	Manager	Unit	Type	Year	Make	Model	In-Serv-Date	O/L	VIN	Domicile
REB	MALLOY (JOHN)	7613	A	2008	SMART	SmartCar	01-Aug-08	O	WMEEJ31X28K158003	BROADWAY OFFICE 40202
T&D	STATON, ED	6647	A	2012	FORD	FUSION SEL	09-Sep-11	L	3FAHP0CG9CR157804	LG&E BUILDING 40202
REB	GRANT / J. HINTON	6070	A	2010	FORD	FUSION-FF	22-Dec-09	L	3FAHP0HG3AR272050	BROADWAY OFFICE 40202
WEB	KIPFER / J. SIMMONS	7930	P	2009	CHEV	1500	08-Dec-09	O	1GCEC14X69Z187845	TRIMBLE COUNTY PLNT 40006
WEB	LEGLER / L. NIEHOFF	7924	P	2009	CHEV	1500	04-Dec-09	O	1GCEC14X19Z173626	CANE RUN STATION 40216
WEB	HENSLEY (MIKE)	7643	P	2011	CHEV	1500 4X4	03-Dec-10	O	1GCNKPEA9BZ212016	CANE RUN STATION 40216
WEB	KIPFER / J. SIMMONS	7640	P	2010	CHEV	2500 HD	03-Dec-10	O	1GC4KVBG8AF141223	TRIMBLE COUNTY PLNT 40006
WEB	BUCKNER (MIKE)	902	P	1990	CHEVY	C2500	13-Dec-89	O	1GBGC24K3LE131996	MILL CREEK PLANT 40272
ESD	MAYNARD / J. ASHTON	6033	P	2009	FORD	ESCAPE 4X4	07-Jul-09	L	1FMCU93779KC68863	AUBURNDALE SERV CTR 40214
GAS	CLYDE / JOHN GRIFFIN	R5700	P	2006	FORD	ESCAPE 4X4	20-Aug-10	L	1FMYU93116KA22503	AUBURNDALE SERV CTR 40214
GAS	CLYDE / JOHN GRIFFIN	R5701	P	2006	FORD	ESCAPE 4X4	20-Aug-10	L	1FMYU93176KA32579	AUBURNDALE SERV CTR 40214
GAS	RYAN (JOE)	6032	P	2009	FORD	ESCAPE 4X4	07-Jul-09	L	1FMCU93759KC68862	AUBURNDALE SERV CTR 40214
GAS	SKAGGS / N. NASH	5445	P	2007	FORD	ESCAPE 4X4	10-Aug-06	L	1FMYU93187KA59906	MAGNOLIA STATION 42757
WEB	BURNS (KYLE)	5018	P	2002	FORD	ESCAPE 4X4	09-May-02	O	1FMYU02132KD32479	BROADWAY OFFICE 40202
WEB	HENSLEY (MIKE)	5056	P	2002	FORD	ESCAPE 4X4	18-Jun-02	O	1FMYU021X2KD65155	CANE RUN STATION 40216
WEB	HENSLEY (MIKE)	5819	P	2007	FORD	ESCAPE 4X4	31-Aug-11	O	1FMYU93147KA18298	CANE RUN STATION 40216
COM	REFFETT / S. SCHAUB	6151	P	2011	FORD	ESCAPE-FF4X4	03-Feb-11	L	1FMCU9DG2BKB40972	BROADWAY OFFICE 40202
COM	REFFETT / S. SCHAUB	6152	P	2011	FORD	ESCAPE-FF4X4	04-Feb-11	L	1FMCU9DG4BKB40973	AUBURNDALE SERV CTR 40214
COM	REFFETT / S. SCHAUB	6153	P	2011	FORD	ESCAPE-FF4X4	15-Feb-11	L	1FMCU9DG6BKB40974	BROADWAY OFFICE 40202
ESD	HUDSON / L. DEARING	6094	P	2010	FORD	ESCAPE-FF4X4	20-Apr-10	L	1FMCU9DG1AKC59062	BROADWAY OFFICE 40202
ESD	HUDSON / L. DEARING	6097	P	2010	FORD	ESCAPE-FF4X4	08-Apr-10	L	1FMCU9DG7AKC59065	BROADWAY OFFICE 40202
ESD	JOHNSON/K. LEWELLEN	6096	P	2010	FORD	ESCAPE-FF4X4	06-Apr-10	L	1FMCU9DG5AKC59064	BROADWAY OFFICE 40202
ESD	MCFARLAND / C. BROWN	6268	P	2012	FORD	ESCAPE-FF4X4	07-Dec-11	L	1FMCU9DGXCKB44267	SOUTH SERVICE CTR 40218
ESD	MCFARLAND/D.FREIBERT	6269	P	2012	FORD	ESCAPE-FF4X4	07-Dec-11	L	1FMCU9DG1CKB44268	SOUTH SERVICE CTR 40218
ESD	ROSE / J. HOLDERMAN	6273	P	2012	FORD	ESCAPE-FF4X4	08-Dec-11	L	1FMCU9DG3CKB44272	EAST SERVICE CENTER 40241
ESD	RUCKRIEGEL (TONY)	6075	P	2010	FORD	ESCAPE-FF4X4	17-Mar-10	L	1FMCU9DG6AKC22296	BROADWAY OFFICE 40202
ESD	RUCKRIEGEL (TONY)	6076	P	2010	FORD	ESCAPE-FF4X4	30-Mar-10	L	1FMCU9DG8AKC22297	BROADWAY OFFICE 40202
ESD	SHERIDAN/M. REISERT	6279	P	2012	FORD	ESCAPE-FF4X4	21-Dec-11	L	1FMCU9DG4CKB44278	EAST SERVICE CENTER 40241
ESD	SHERIDAN/M. REISERT	6280	P	2012	FORD	ESCAPE-FF4X4	13-Dec-11	L	1FMCU9DG6CKB44279	EAST SERVICE CENTER 40241
ESD	SHERIDAN/M. REISERT	6281	P	2012	FORD	ESCAPE-FF4X4	07-Dec-11	L	1FMCU9DG2CKB44280	EAST SERVICE CENTER 40241
ESD	SHERIDAN/M. REISERT	6282	P	2012	FORD	ESCAPE-FF4X4	08-Dec-11	L	1FMCU9DG4CKB44281	EAST SERVICE CENTER 40241
ESD	SIMON (DENISE)	6285	P	2012	FORD	ESCAPE-FF4X4	10-Jan-12	L	1FMCU9DG7CKB68865	BROADWAY OFFICE 40202
ESD	THOMAS (GREG)	6174	P	2011	FORD	ESCAPE-FF4X4	05-Apr-11	L	1FMCU9DG0BKB85330	BROADWAY OFFICE 40202
ESD	WHEELER (BILL)	6102	P	2010	FORD	ESCAPE-FF4X4	20-Apr-10	L	1FMCU9DG1AKC73219	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/J. ARCHER	6124	P	2010	FORD	ESCAPE-FF4X4	28-Apr-10	L	1FMCU9DG9AKC73226	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/S. DENNING	6086	P	2010	FORD	ESCAPE-FF4X4	13-Apr-10	L	1FMCU9DGXAKC59058	AUBURNDALE SERV CTR 40214
GAS	CLYDE / D. MARTIN	6265	P	2012	FORD	ESCAPE-FF4X4	07-Dec-11	L	1FMCU9DG4CKB44264	AUBURNDALE SERV CTR 40214
GAS	CLYDE / JOHN GRIFFIN	6264	P	2012	FORD	ESCAPE-FF4X4	08-Dec-11	L	1FMCU9DG2CKB44263	AUBURNDALE SERV CTR 40214
GAS	CLYDE / M. STEPHENS	6106	P	2010	FORD	ESCAPE-FF4X4	21-Apr-10	L	1FMCU9DGXAKC73221	AUBURNDALE SERV CTR 40214
GAS	MARTIN / B. HUNT	6141	P	2011	FORD	ESCAPE-FF4X4	03-Feb-11	L	1FMCU9DG9BKB40970	EAST SERVICE CENTER 40241
GAS	MARTIN / P. STRATMAN	6140	P	2011	FORD	ESCAPE-FF4X4	03-Feb-11	L	1FMCU9DG2BKB40969	AUBURNDALE SERV CTR 40214

LOB	Manager	Unit	Type	Year	Make	Model	In-Serv-Date	O/L	VIN	Domicile
GAS	MARTIN / P. STRATMAN	6084	P	2010	FORD	ESCAPE-FF4X4	06-Apr-10	L	1FMCU9DG0AKC52801	AUBURNDALE SERV CTR 40214
GAS	RIETH / D. PROBUS	6142	P	2011	FORD	ESCAPE-FF4X4	03-Feb-11	L	1FMCU9DG0BKB40971	MULDRAUGH STATION 40155
GAS	ROSE/GAYNOR-HLDRMAN	6098	P	2010	FORD	ESCAPE-FF4X4	07-Apr-10	L	1FMCU9DG9AKC59066	EAST SERVICE CENTER 40241
GAS	ROSE/GAYNOR-HLDRMAN	6272	P	2012	FORD	ESCAPE-FF4X4	06-Dec-11	L	1FMCU9DG1CKB44271	EAST SERVICE CENTER 40241
GAS	ROSE/GAYNOR-HLDRMAN	6274	P	2012	FORD	ESCAPE-FF4X4	06-Dec-11	L	1FMCU9DG5CKB44273	EAST SERVICE CENTER 40241
GAS	ROSE/GAYNOR-HLDRMAN	6275	P	2012	FORD	ESCAPE-FF4X4	06-Dec-11	L	1FMCU9DG7CKB44274	AUBURNDALE SERV CTR 40214
GAS	ROSE/GAYNOR-HLDRMAN	6276	P	2012	FORD	ESCAPE-FF4X4	07-Dec-11	L	1FMCU9DG9CKB44275	EAST SERVICE CENTER 40241
GAS	RYAN (JOE)	6277	P	2012	FORD	ESCAPE-FF4X4	13-Dec-11	L	1FMCU9DG0CKB44276	EAST SERVICE CENTER 40241
GAS	SATKAMP / M. COLLINS	6278	P	2012	FORD	ESCAPE-FF4X4	14-Dec-11	L	1FMCU9DG2CKB44277	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6161	P	2011	FORD	ESCAPE-FF4X4	04-Feb-11	L	1FMCU9DG1BKB47122	BROADWAY OFFICE 40202
REB	BRUNER (CHERYL)	6114	P	2010	FORD	ESCAPE-FF4X4	17-Apr-10	L	1FMCU9DG7AKC73225	BROADWAY OFFICE 40202
REB	COCKERILL (BUTCH)	6077	P	2010	FORD	ESCAPE-FF4X4	01-Mar-10	L	1FMCU9DGXAKC22298	AUBURNDALE SERV CTR 40214
REB	COCKERILL (BUTCH)	6101	P	2010	FORD	ESCAPE-FF4X4	15-Apr-10	L	1FMCU9DGXAKC73218	BROADWAY OFFICE 40202
REB	COOKE (SCOTT)	6687	P	2012	FORD	ESCAPE-FF4X4	13-Dec-11	L	1FMCU9DG1CKB44254	AUBURNDALE SERV CTR 40214
REB	NOBLE (PHIL)	6164	P	2011	FORD	ESCAPE-FF4X4	22-Mar-11	L	1FMCU9DG7BKB73904	BROADWAY OFFICE 40202
REB	NOBLE (PHIL)	6263	P	2012	FORD	ESCAPE-FF4X4	30-Jan-12	L	1FMCU9DG8CKB44252	BROADWAY OFFICE 40202
REB	RENFROW (JOAN)	6139	P	2011	FORD	ESCAPE-FF4X4	24-Feb-11	L	1FMCU9DG0BKB40968	BROADWAY OFFICE 40202
REB	RENFROW (JOAN)	6165	P	2011	FORD	ESCAPE-FF4X4	22-Mar-11	L	1FMCU9DG9BKB73905	BROADWAY OFFICE 40202
REB	SLAY / R. MAGALLON	6074	P	2010	FORD	ESCAPE-FF4X4	09-Mar-10	L	1FMCU9DG1AKC22299	BROADWAY OFFICE 40202
SCO	HAWKINS (BARBARA)	6105	P	2010	FORD	ESCAPE-FF4X4	14-Apr-10	L	1FMCU9DG8AKC73220	LG&E BUILDING 40202
WEB	DOTSON (MIKE)/MARCUM	6288	P	2012	FORD	ESCAPE-FF4X4	24-Jan-12	L	1FMCU9DG5CKB80769	LG&E BUILDING 40202
WEB	SAUNDERS (EILEEN)	7934	P	2012	FORD	ESCAPE-FF4X4	24-Jan-12	O	1FMCU9DG3CKB80768	BROADWAY OFFICE 40202
REB	HUFF (DAVE)	6015	P	2009	FORD	ESCAPE-H 4X4	27-Oct-08	L	1FMCU593X9KA61509	BROADWAY OFFICE 40202
WEB	THOMPSON-LONG/MARCUM	6017	P	2009	FORD	ESCAPE-H 4X4	22-Oct-08	L	1FMCU59369KA61510	LG&E BUILDING 40202
WEB	DOTSON (MIKE)/MARCUM	6287	P	2012	FORD	EXPLORER 4X4	16-Feb-12	L	1FMHK8D81CGB03155	LG&E BUILDING 40202
WEB	HENSLEY (MIKE)	5488	P	2007	FORD	EXPLORER 4X4	31-Aug-11	O	1FMEU73E47UB21400	CANE RUN STATION 40216
WEB	HENSLEY (MIKE)	7923	P	2009	FORD	EXPLORER 4X4	02-Dec-09	O	1FMEU73E49UA15743	CANE RUN STATION 40216
WEB	KIPFER / J. SIMMONS	L067	P	1998	FORD	EXPLORER 4X4	23-Jun-98	O	1FMZU34XXWUC34177	TRIMBLE COUNTY PLNT 40006
WEB	KIPFER / J. SIMMONS	7929	P	2007	FORD	EXPLORER 4X4	08-Dec-09	O	1FMEU73E77UB85575	TRIMBLE COUNTY PLNT 40006
WEB	KREMER (DAN)	7641	P	2010	FORD	EXPLORER 4X4	06-Dec-10	O	1FMEU7DE0AUA37810	MILL CREEK PLANT 40272
WEB	THOMPSON-LONG/MARCUM	6286	P	2012	FORD	EXPLORER 4X4	16-Feb-12	L	1FMHK8D8XCGB03154	LG&E BUILDING 40202
WEB	LEGLER / L. NIEHOFF	7612	P	2006	FORD	F-150	31-Dec-07	O	1FTRX12W96NA43516	CANE RUN STATION 40216
WEB	RABE / J. SIMMONS	2498	P	1995	FORD	F-150	18-Jan-95	O	1FTEF15Y1SLA95405	TRIMBLE COUNTY PLNT 40006
WEB	RABE / J. SIMMONS	7615	P	2007	FORD	F-150	29-Dec-08	O	1FTRF12227NA40426	TRIMBLE COUNTY PLNT 40006
WEB	RABE / J. SIMMONS	7614	P	2007	FORD	F-150	02-Dec-08	O	1FTRF12W97KC32611	TRIMBLE COUNTY PLNT 40006
WEB	BUCKNER/D.VAN WINKLE	7645	P	2010	FORD	F-150 4X2	14-Dec-11	O	1FTMF1CWXAKC26459	MILL CREEK PLANT 40272
ESD	MCFARLAND / P.GULLEY	6184	P	2011	FORD	F-150 4X4	07-Jun-11	L	1FTFX1EF48FB62111	SOUTH SERVICE CTR 40218
WEB	BUCKNER/D.VAN WINKLE	5702	P	2005	FORD	F-150 4X4	09-Aug-05	O	1FTRX14W35NB96100	MILL CREEK PLANT 40272
WEB	DIDELOT (JOE)	5340	P	2006	FORD	F-150 4X4	01-Nov-05	O	1FTRX14W06FA35568	MILL CREEK PLANT 40272
WEB	DIDELOT (JOE)	7606	P	2002	FORD	F-150 4X4	06-Jan-05	O	1FTRW08612KB70695	MILL CREEK PLANT 40272
WEB	RABE / J. SIMMONS	7683	P	1995	FORD	F-150 4X4	29-Jan-95	O	1FTEF14YXSLA95419	TRIMBLE COUNTY PLNT 40006



LOB	Manager	Unit	Type	Year	Make	Model	In-Serv-Date	O/L	VIN	Domicile
WEB	RABE / J. SIMMONS	7610	P	2008	FORD	F-150-FF	23-Jan-08	O	1FTPF12V88KC87132	TRIMBLE COUNTY PLNT 40006
COM	HAYES / P. CLASBY	6116	P	2010	FORD	F-150-FF 4X4	11-May-10	L	1FTFX1EVXAKE08544	AUBURNDALE SERV CTR 40214
COM	REFFETT / S. SCHAUB	6146	P	2011	FORD	F-150-FF 4X4	09-Mar-11	L	1FTFX1EF9BFB04141	AUBURNDALE SERV CTR 40214
COM	REFFETT / S. SCHAUB	6147	P	2011	FORD	F-150-FF 4X4	09-Mar-11	L	1FTFX1EF0BFB04142	AUBURNDALE SERV CTR 40214
COM	REFFETT / S. SCHAUB	6148	P	2011	FORD	F-150-FF 4X4	09-Mar-11	L	1FTFX1EF2BFB04143	AUBURNDALE SERV CTR 40214
COM	REFFETT / S. SCHAUB	6149	P	2011	FORD	F-150-FF 4X4	11-Mar-11	L	1FTFX1EF4BFB04144	AUBURNDALE SERV CTR 40214
COM	REFFETT / S. SCHAUB	6150	P	2011	FORD	F-150-FF 4X4	17-Mar-11	L	1FTVX1EF4BKD35385	AUBURNDALE SERV CTR 40214
ESD	ARCHER/K.HOLEMAN	6082	P	2010	FORD	F-150-FF 4X4	24-Mar-10	L	1FTFX1EV2AFB71136	EAST SERVICE CENTER 40241
ESD	ARCHER/K.HOLEMAN	6119	P	2010	FORD	F-150-FF 4X4	11-May-10	L	1FTFX1EV0AFC11424	EAST SERVICE CENTER 40241
ESD	ARCHER/K.HOLEMAN	6122	P	2010	FORD	F-150-FF 4X4	11-May-10	L	1FTFX1EV0AKE01246	EAST SERVICE CENTER 40241
ESD	ARCHER/K.HOLEMAN	6123	P	2010	FORD	F-150-FF 4X4	11-May-10	L	1FTFX1EV4AFC11426	EAST SERVICE CENTER 40241
ESD	GUY (DAVID)	6125	P	2010	FORD	F-150-FF 4X4	29-Jun-10	L	1FTFW1EV7AFC86186	BROADWAY OFFICE 40202
ESD	HUDSON / L. DEARING	6071	P	2010	FORD	F-150-FF 4X4	05-Jan-10	L	1FTFX1EV4AFB26828	LG&E BUILDING 40202
ESD	HUDSON / L. DEARING	6088	P	2010	FORD	F-150-FF 4X4	06-Apr-10	L	1FTFX1EV3AFB98569	BROADWAY OFFICE 40202
ESD	HUDSON / L. DEARING	6130	P	2010	FORD	F-150-FF 4X4	10-Jun-10	L	1FTFX1EV2AFC63170	BROADWAY OFFICE 40202
ESD	MCFARLAND / C. BROWN	6183	P	2011	FORD	F-150-FF 4X4	07-Jul-11	L	1FTFX1EF2BFB62110	SOUTH SERVICE CTR 40218
ESD	MCFARLAND / C. BROWN	6185	P	2011	FORD	F-150-FF 4X4	01-Jun-11	L	1FTFX1EF6BFB62112	SOUTH SERVICE CTR 40218
ESD	MCFARLAND / C. BROWN	6256	P	2012	FORD	F-150-FF 4X4	21-Dec-11	L	1FTFX1EFOCFA45465	SOUTH SERVICE CTR 40218
ESD	SHERIDAN/M. REISERT	6035	P	2009	FORD	F-150-FF 4X4	07-Jul-09	L	1FTPX14V99KC52031	EAST SERVICE CENTER 40241
ESD	SHERIDAN/M. REISERT	6093	P	2010	FORD	F-150-FF 4X4	28-Apr-10	L	1FTFX1EV7AFB98574	LG&E BUILDING 40202
ESD	WHEELER (BILL)	6099	P	2010	FORD	F-150-FF 4X4	13-Apr-10	L	1FTFX1EV3AFC11417	AUBURNDALE SERV CTR 40214
ESD	WHEELER (BILL)	6100	P	2010	FORD	F-150-FF 4X4	29-Apr-10	L	1FTFX1EV7AKE01244	EAST SERVICE CENTER 40241
ESD	WOODWORTH/J. ARCHER	6036	P	2009	FORD	F-150-FF 4X4	02-Jul-09	L	1FTPX14V09KC52032	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/J. ARCHER	6118	P	2010	FORD	F-150-FF 4X4	01-Jun-10	L	1FTFX1EV3AKE08546	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/J. ARCHER	6034	P	2009	FORD	F-150-FF 4X4	02-Jul-09	L	1FTPX14V79KC52030	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/J. ARCHER	6205	P	2011	FORD	F-150-FF 4X4	20-Jul-11	L	1FTFX1EF4BFC21187	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/K. HOLEMAN	6117	P	2010	FORD	F-150-FF 4X4	18-May-10	L	1FTFX1EV1AKE08545	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/K. HOLEMAN	6120	P	2010	FORD	F-150-FF 4X4	18-May-10	L	1FTFX1EV9AKE01245	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/K. HOLEMAN	6121	P	2010	FORD	F-150-FF 4X4	11-May-10	L	1FTFX1EV2AFC11425	BROADWAY OFFICE 40202
ESD	WOODWORTH/K. HOLEMAN	6204	P	2011	FORD	F-150-FF 4X4	08-Jul-11	L	1FTFX1EF2BFC21186	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/S. DENNING	6066	P	2010	FORD	F-150-FF 4X4	19-Jan-10	L	1FTFX1EV7AFB20425	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/S. DENNING	6080	P	2010	FORD	F-150-FF 4X4	19-Mar-10	L	1FTFX1EV9AFB71134	EAST SERVICE CENTER 40241
GAS	CLYDE / JOHN GRIFFIN	6203	P	2011	FORD	F-150-FF 4X4	08-Jul-11	L	1FTFX1EF7BFC21183	AUBURNDALE SERV CTR 40214
GAS	HUDSON / CLAYPOOL	6095	P	2010	FORD	F-150-FF 4X4	30-Mar-10	L	1FTFW1EV4AFB71139	BROADWAY OFFICE 40202
GAS	MARTIN / E.NETHERTON	6079	P	2010	FORD	F-150-FF 4X4	19-Mar-10	L	1FTFX1EV7AFB71133	EAST SERVICE CENTER 40241
GAS	MARTIN / P. STRATMAN	6078	P	2010	FORD	F-150-FF 4X4	24-Mar-10	L	1FTFX1EV5AFB71132	AUBURNDALE SERV CTR 40214
GAS	MARTIN / P. STRATMAN	6081	P	2010	FORD	F-150-FF 4X4	24-Mar-10	L	1FTFX1EV0AFB71135	EAST SERVICE CENTER 40241
GAS	MARTIN / P. STRATMAN	6083	P	2010	FORD	F-150-FF 4X4	24-Mar-10	L	1FTFX1EV4AFB71137	AUBURNDALE SERV CTR 40214
GAS	MARTIN / P. STRATMAN	6242	P	2012	FORD	F-150-FF 4X4	17-Jan-12	L	1FTFX1EF3CFA45461	AUBURNDALE SERV CTR 40214
GAS	RIETH / D. PROBUS	6085	P	2010	FORD	F-150-FF 4X4	17-Mar-10	L	1FTFW1EV2AFB71138	MULDRAUGH STATION 40155
GAS	RIETH / D. PROBUS	6138	P	2011	FORD	F-150-FF 4X4	04-Mar-11	L	1FTFX1EF9BFA87745	MULDRAUGH STATION 40155

LOB	Manager	Unit	Type	Year	Make	Model	In-Serv-Date	O/L	VIN	Domicile
GAS	ROSE/GAYNOR-HLDRMAN	6089	P	2010	FORD	F-150-FF 4X4	06-Apr-10	L	1FTFX1EVXAFB98570	AUBURNDALE SERV CTR 40214
GAS	ROSE/GAYNOR-HLDRMAN	6090	P	2010	FORD	F-150-FF 4X4	06-Apr-10	L	1FTFX1EV1AFB98571	AUBURNDALE SERV CTR 40214
GAS	ROSE/GAYNOR-HLDRMAN	6091	P	2010	FORD	F-150-FF 4X4	07-Apr-10	L	1FTFX1EV3AFB98572	EAST SERVICE CENTER 40241
GAS	ROSE/GAYNOR-HLDRMAN	6092	P	2010	FORD	F-150-FF 4X4	06-Apr-10	L	1FTFX1EV5AFB98573	AUBURNDALE SERV CTR 40214
GAS	ROSE/GAYNOR-HLDRMAN	6166	P	2011	FORD	F-150-FF 4X4	04-Apr-11	L	1FTFX1EF3BFB25048	AUBURNDALE SERV CTR 40214
GAS	ROSE/GAYNOR-HLDRMAN	6167	P	2011	FORD	F-150-FF 4X4	04-Apr-11	L	1FTFX1EF5BFB25049	AUBURNDALE SERV CTR 40214
GAS	ROSE/GAYNOR-HLDRMAN	6169	P	2011	FORD	F-150-FF 4X4	04-Apr-11	L	1FTFX1EF3BFB25051	AUBURNDALE SERV CTR 40214
GAS	ROSE/GAYNOR-HLDRMAN	6170	P	2011	FORD	F-150-FF 4X4	04-Apr-11	L	1FTFX1EF5BFB25052	AUBURNDALE SERV CTR 40214
GAS	ROSE/GAYNOR-HLDRMAN	6171	P	2011	FORD	F-150-FF 4X4	04-Apr-11	L	1FTFX1EF7BFB25053	AUBURNDALE SERV CTR 40214
GAS	ROSE/HLDRMAN-GAYNOR	6168	P	2011	FORD	F-150-FF 4X4	04-Apr-11	L	1FTFX1EF1BFB25050	EAST SERVICE CENTER 40241
GAS	ROSE/HLDRMAN-GAYNOR	6172	P	2011	FORD	F-150-FF 4X4	04-Apr-11	L	1FTFX1EF9BFB25054	AUBURNDALE SERV CTR 40214
GAS	RYAN (JOE)	6197	P	2011	FORD	F-150-FF 4X4	01-Jun-11	L	1FTFX1EF7BFB71661	EAST SERVICE CENTER 40241
GAS	RYAN (JOE)	6198	P	2011	FORD	F-150-FF 4X4	02-Jun-11	L	1FTFX1EF9BFB71662	AUBURNDALE SERV CTR 40214
GAS	SATKAMP / W. LAWSON	6181	P	2011	FORD	F-150-FF 4X4	29-Apr-11	L	1FTFX1EF9BFB46504	AUBURNDALE SERV CTR 40214
GAS	SATKAMP / W. LAWSON	6245	P	2012	FORD	F-150-FF 4X4	17-Jan-12	L	1FTFX1EF7CFA45463	AUBURNDALE SERV CTR 40214
GAS	SKAGGS / DOUG AKIN	6072	P	2010	FORD	F-150-FF 4X4	29-Dec-09	L	1FTFX1EV6AFB26829	MAGNOLIA STATION 42757
GAS	SKAGGS / N. NASH	6104	P	2010	FORD	F-150-FF 4X4	09-Mar-10	L	1FMCU9DG1AKC22299	MAGNOLIA STATION 42757
GAS	SKAGGS / N. NASH	6672	P	2012	FORD	F-150-FF 4X4	06-Dec-11	L	1FTFW1EF4CFA06171	MAGNOLIA STATION 42757
GAS	WALKER / SUNDHEIMER	6044	P	2010	FORD	F-150-FF 4X4	31-Jul-09	L	1FTFX1EV7AFA05971	EAST SERVICE CENTER 40241
REB	BIELEFELD/D. BRYANT	6039	P	2010	FORD	F-150-FF 4X4	19-Aug-09	L	1FTFX1EV3AFA05966	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6040	P	2010	FORD	F-150-FF 4X4	18-Aug-09	L	1FTFX1EV5AFA05967	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6041	P	2010	FORD	F-150-FF 4X4	18-Aug-09	L	1FTFX1EV7AFA05968	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6042	P	2010	FORD	F-150-FF 4X4	18-Aug-09	L	1FTFX1EV9AFA05969	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6043	P	2010	FORD	F-150-FF 4X4	18-Aug-09	L	1FTFX1EV5AFA05970	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6049	P	2010	FORD	F-150-FF 4X4	01-Mar-10	L	1FTFX1EV3AFB13469	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6050	P	2010	FORD	F-150-FF 4X4	04-Feb-10	L	1FTFX1EVXAFB13470	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6051	P	2010	FORD	F-150-FF 4X4	01-Mar-10	L	1FTFX1EV1AFB13471	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6052	P	2010	FORD	F-150-FF 4X4	03-Mar-10	L	1FTFX1EV3AFB13472	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6053	P	2010	FORD	F-150-FF 4X4	03-Feb-10	L	1FTFX1EV5AFB13473	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6054	P	2010	FORD	F-150-FF 4X4	03-Mar-10	L	1FTFX1EV7AFB13474	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6055	P	2010	FORD	F-150-FF 4X4	03-Mar-10	L	1FTFX1EV9AFB13475	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6156	P	2011	FORD	F-150-FF 4X4	20-Apr-11	L	1FTFX1EF5BFB05156	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6157	P	2011	FORD	F-150-FF 4X4	12-Apr-11	L	1FTFX1EF7BFB05157	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6158	P	2011	FORD	F-150-FF 4X4	20-Apr-11	L	1FTFX1EF9BFB05158	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6159	P	2011	FORD	F-150-FF 4X4	20-Apr-11	L	1FTFX1EF0BFB05159	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6160	P	2011	FORD	F-150-FF 4X4	12-Apr-11	L	1FTFX1EF7BFB05160	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6610	P	2011	FORD	F-150-FF 4X4	03-May-11	L	1FTFX1EFXBFB05153	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6037	P	2010	FORD	F-150-FF 4X4	19-Aug-09	L	1FTFX1EVXAFB05964	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6154	P	2011	FORD	F-150-FF 4X4	05-Apr-11	L	1FTFX1EF1BFB05154	BROADWAY OFFICE 40202
REB	BIELEFELD/D. BRYANT	6155	P	2011	FORD	F-150-FF 4X4	12-Apr-11	L	1FTFX1EF3BFB05155	BROADWAY OFFICE 40202
REB	COOKE / D. MCGEORGE	6243	P	2012	FORD	F-150-FF 4X4	17-Jan-12	L	1FTFX1EF5CFA45462	AUBURNDALE SERV CTR 40214

LOB	Manager	Unit	Type	Year	Make	Model	In-Serv-Date	O/L	VIN	Domicile
REB	COOPER / A. BOTTOM	6038	P	2010	FORD	F-150-FF 4X4	12-Aug-09	L	1FTFX1EV1AFA05965	BROADWAY OFFICE 40202
REB	RENFROW (JOAN)	6113	P	2010	FORD	F-150-FF 4X4	01-Jun-10	L	1FTFX1EV6AKE08542	BROADWAY OFFICE 40202
REB	RENFROW (JOAN)	6115	P	2010	FORD	F-150-FF 4X4	01-Jun-10	L	1FTFX1EV8AKE08543	BROADWAY OFFICE 40202
REB	RENFROW (JOAN)	6162	P	2011	FORD	F-150-FF 4X4	17-Mar-11	L	1FTMF1EF3BFB05151	BROADWAY OFFICE 40202
REB	RENFROW (JOAN)	6163	P	2011	FORD	F-150-FF 4X4	17-Mar-11	L	1FTMF1EF5BFB05152	BROADWAY OFFICE 40202
T&D	TRIMBLE (ROBBY)	6665	P	2012	FORD	F-150-FF 4X4	15-Dec-11	L	1FTFX1EFXCFA06172	BROADWAY OFFICE 40202
WEB	BUCKNER (MIKE)	5429	P	2006	FORD	F-150-FF 4X4	14-Dec-11	O	1FTPX14V86FB62860	MILL CREEK PLANT 40272
WEB	SAUNDERS (EILEEN)	7933	P	2012	FORD	F-150-FF 4X4	06-Mar-12	O	1FTFW1EF5CKD33153	LG&E BUILDING 40202
WEB	BUCKNER (MIKE)	F57	P	1997	FORD	F-250	20-Oct-97	O	1FDHF25H6VEC21166	MILL CREEK PLANT 40272
WEB	BUCKNER (MIKE)	2941	P	2000	FORD	F-250	24-Mar-00	O	1FTNF20L7YED06167	MILL CREEK PLANT 40272
WEB	BUCKNER/D.VAN WINKLE	2865	P	1999	FORD	F-250	12-Jun-98	O	1FTNX20L4XEB25457	MILL CREEK PLANT 40272
WEB	BUCKNER/D.VAN WINKLE	2949	P	2000	FORD	F-250	17-Mar-00	O	1FTNF21LXYEC85006	MILL CREEK PLANT 40272
WEB	BUCKNER/D.VAN WINKLE	7911	P	2000	FORD	F-250	03-Jan-08	O	1FDNF20L6YEA27935	MILL CREEK PLANT 40272
WEB	BUCKNER/D.VAN WINKLE	7912	P	2000	FORD	F-250	04-Jan-08	O	1FDNF20L5YEA48551	MILL CREEK PLANT 40272
WEB	DIDELOT / BLACKWELL	L269	P	1999	FORD	F-250	10-Sep-98	O	1FDNF20LXXEB06815	MILL CREEK PLANT 40272
WEB	MOLL / J. SIMMONS	7604	P	2004	FORD	F-250	09-Dec-03	O	1FTNF20L34EB67522	TRIMBLE COUNTY PLNT 40006
WEB	NOONAN (KENNY)	F12	P	1996	FORD	F-250	03-Jul-96	O	1FDHF25F4TEB51503	MILL CREEK PLANT 40272
WEB	RABE / J. SIMMONS	7603	P	2004	FORD	F-250	09-Dec-03	O	1FTNF20L14EB67521	TRIMBLE COUNTY PLNT 40006
GAS	MARTIN / B. HUNT	6056	P	2010	FORD	F-250 4X4	14-Jan-10	L	1FTSX2B5XAEB17100	AUBURNDALE SERV CTR 40214
GAS	MARTIN / B. HUNT	6057	P	2010	FORD	F-250 4X4	14-Jan-10	L	1FTSX2B51AEB17101	AUBURNDALE SERV CTR 40214
GAS	MARTIN / B. HUNT	6058	P	2010	FORD	F-250 4X4	14-Jan-10	L	1FTSX2B53AEB17102	AUBURNDALE SERV CTR 40214
GAS	MARTIN / B. HUNT	6059	P	2010	FORD	F-250 4X4	15-Jan-10	L	1FTSX2B55AEB17103	AUBURNDALE SERV CTR 40214
GAS	MARTIN / B. HUNT	6060	P	2010	FORD	F-250 4X4	15-Jan-10	L	1FTSX2B57AEB17104	AUBURNDALE SERV CTR 40214
GAS	MARTIN / B. HUNT	6061	P	2010	FORD	F-250 4X4	19-Jan-10	L	1FTSX2B59AEB17105	EAST SERVICE CENTER 40241
GAS	MARTIN / B. HUNT	6062	P	2010	FORD	F-250 4X4	15-Jan-10	L	1FTSX2B50AEB17106	EAST SERVICE CENTER 40241
GAS	MARTIN / B. HUNT	6063	P	2010	FORD	F-250 4X4	05-Jan-10	L	1FTSX2B52AEB17107	AUBURNDALE SERV CTR 40214
GAS	MARTIN / B. HUNT	6064	P	2010	FORD	F-250 4X4	19-Jan-10	L	1FTSX2B54AEB17108	EAST SERVICE CENTER 40241
WEB	BUCKNER (MIKE)	7624	P	2010	FORD	F-250 4X4	29-Sep-10	O	1FTSX2BR4AEA78376	MILL CREEK PLANT 40272
WEB	BUCKNER/D.VAN WINKLE	5400	P	2007	FORD	F-250 4X4	14-Dec-11	O	1FTSX21527EA14067	MILL CREEK PLANT 40272
WEB	DIDELOT (JOE)	2935	P	2000	FORD	F-250 4X4	22-Nov-99	O	1FTRF18W1YNA79567	MILL CREEK PLANT 40272
WEB	DIDELOT (JOE)	7617	P	2003	FORD	F-250 4X4	14-Jan-09	O	1FDNF21L63ED67349	MILL CREEK PLANT 40272
WEB	HENSLEY (MIKE)	F48	P	1997	FORD	F-250 4X4	17-Jul-97	O	1FTHF26H1VEC07663	CANE RUN STATION 40216
WEB	LEGLER / L. NIEHOFF	F15	P	1996	FORD	F-250 4X4	17-Jun-96	O	1FDHF26H6TEB51504	OHIO FALLS 40212
WEB	LEGLER / L. NIEHOFF	7621	P	2008	FORD	F-250 4X4	20-Jan-10	O	1FTNF21518EA04454	CANE RUN STATION 40216
WEB	MOLL / J. SIMMONS	7927	P	2006	FORD	F-250 4X4	07-Dec-09	O	1FTNF215X6EC35138	TRIMBLE COUNTY PLNT 40006
WEB	NOONAN (KENNY)	7605	P	2004	FORD	F-250 4X4	15-Jan-04	O	1FTNF21L24EB97416	MILL CREEK PLANT 40272
WEB	NOONAN (KENNY)	7609	P	2008	FORD	F-250 4X4	07-Feb-08	O	1FTSX21508ED28060	MILL CREEK PLANT 40272
WEB	SAUNDERS (EILEEN)	F03	P	1996	FORD	F-250 4X4	21-Nov-95	O	1FTHF26H8TLA54692	TRIMBLE COUNTY PLNT 40006
COM	REFFETT / S. SCHAUB	6143	P	2011	FORD	F-250-FF 4X4	02-Mar-11	L	1FT7X2B67BEC06509	AUBURNDALE SERV CTR 40214
COM	REFFETT / S. SCHAUB	6144	P	2011	FORD	F-250-FF 4X4	02-Mar-11	L	1FT7X2B63BEC06510	AUBURNDALE SERV CTR 40214
COM	REFFETT / S. SCHAUB	6145	P	2011	FORD	F-250-FF 4X4	02-Mar-11	L	1FT7X2B65BEC06511	AUBURNDALE SERV CTR 40214

LOB	Manager	Unit	Type	Year	Make	Model	In-Serv-Date	O/L	VIN	Domicile
ESD	WOODWORTH/K. HOLEMAN	6065	P	2010	FORD	F-250-FF 4X4	21-Jan-10	L	1FTSW2B52AEB17109	AUBURNDALE SERV CTR 40214
ESD	WOODWORTH/S. DENNING	6229	P	2012	FORD	F-250-FF 4X4	27-Oct-11	L	1FT7X2B62CEA50350	EAST SERVICE CENTER 40241
GAS	CLYDE / M. STEPHENS	6207	P	2012	FORD	F-250-FF 4X4	11-Oct-11	L	1FT7X2B60CEA40626	AUBURNDALE SERV CTR 40214
GAS	MARTIN / B. HUNT	6226	P	2012	FORD	F-250-FF 4X4	27-Oct-11	L	1FT7X2B62CEA50347	EAST SERVICE CENTER 40241
GAS	MARTIN / P. STRATMAN	6136	P	2011	FORD	F-250-FF 4X4	01-Feb-11	L	1FT7X2B64BEB95694	AUBURNDALE SERV CTR 40214
GAS	MARTIN / P. STRATMAN	6227	P	2012	FORD	F-250-FF 4X4	13-Oct-11	L	1FT7X2B64CEA50348	AUBURNDALE SERV CTR 40214
GAS	MARTIN / P. STRATMAN	6228	P	2012	FORD	F-250-FF 4X4	03-Nov-11	L	1FT7X2B66CEA50349	EAST SERVICE CENTER 40241
REB	GRANT / S. HUNT	6134	P	2011	FORD	F-250-FF 4X4	01-Feb-11	L	1FT7X2B60BEB95692	SIMPSONVILLE 40067
REB	GRANT / T. MCGREW	6133	P	2011	FORD	F-250-FF 4X4	04-Feb-11	L	1FT7X2B69BEB95691	BROADWAY OFFICE 40202
REB	GRANT/M.MONCHILOVICH	6132	P	2011	FORD	F-250-FF 4X4	03-Feb-11	L	1FT7X2B67BEB95690	EAST SERVICE CENTER 40241
T&D	BIRCHELL/M. FENLEY	6290	P	2012	FORD	F-250-FF 4X4	27-Jun-12	L	1FT7X2B66CEC30785	SOUTH SERVICE CTR 40218
WEB	KIPFER / J. SIMMONS	7601	P	2003	FORD	RANGER	05-Nov-03	O	1FTYR10D13PB71594	TRIMBLE COUNTY PLNT 40006
WEB	KIPFER / J. SIMMONS	7638	P	2011	FORD	RANGER	03-Dec-10	O	1FTKR1AD9BPA10333	TRIMBLE COUNTY PLNT 40006
WEB	KIPFER / J. SIMMONS	7639	P	2011	FORD	RANGER	03-Dec-10	O	1FTKR1AD0BPA10334	TRIMBLE COUNTY PLNT 40006
GAS	MARTIN / P. STRATMAN	R5808	P	2006	FORD	RANGER 4X4	26-Jan-11	R	1FTZR45E46PA72523	AUBURNDALE SERV CTR 40214
GAS	RIETH / D. PROBUS	6137	P	2011	FORD	RANGER 4X4	15-Feb-11	L	1FTLR4FEXBPA28329	MULDRAUGH STATION 40155
GAS	RIETH / E. WALTON	6087	P	2010	FORD	RANGER 4X4	08-Apr-10	L	1FTLR4FE2APA44121	MULDRAUGH STATION 40155
T&D	TRIMBLE (ROBBY)	6030	P	2009	FORD	RANGER 4X4	16-Oct-08	L	1FTZR45E59PA13873	BROADWAY OFFICE 40202
WEB	BUCKNER/M. STEVENS	5679	P	2005	FORD	RANGER 4X4	09-Nov-10	O	1FTZR45E95PA94239	MILL CREEK PLANT 40272
WEB	HENSLEY (MIKE)	5408	P	2007	FORD	RANGER 4X4	22-Dec-11	O	1FTZR45E57PA15412	CANE RUN STATION 40216
WEB	LEGLER / S. MUDD	5518	P	2002	FORD	RANGER 4X4	06-May-02	O	1FTZR15E82PB18217	OHIO FALLS 40212
WEB	MOLL / J. SIMMONS	7619	P	2004	FORD	RANGER 4X4	08-Dec-09	O	1FTZR15E64TA17042	TRIMBLE COUNTY PLNT 40006

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 189**

**Responding Witness: Valerie L. Scott**

Q-189. For the test period list all payments made for employee gifts, employee awards, employee luncheons and dinners, employee picnics and all other similar type items. For each, list the dollar amount paid, the payee, the account charged and state the purpose. Provide copies of invoices which exceed \$5,000.

A-189. See attached for a list of payments made for employee recognition. In the process of responding to this question the Company identified \$3,783 booked to balance sheet accounts that should have been recorded in account 426.5.

Invoices for related employee recognition which exceed \$5,000 are attached.

The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 190**

**Responding Witness: Valerie L. Scott**

Q-190. Identify all expenses incurred during the test period for athletic events, tickets, sky boxes and all sporting activities.

- a. Specifically identify the activity, dollar amount and account charged.
- b. Provide copies of paid vouchers and invoices supporting these expenditures.

A-190. a. LG&E does not maintain a separate account code for specific expenses for athletic events, tickets, sky boxes and all sporting activities. LG&E's expenses for these activities should be charged below-the-line in accordance with its accounting procedures. The Company identified the following charges:

Vendor	Date	Account	Amount
Parking for Derby Fest Basketball Classic (1)	04/23/11	921	\$1.12
Parking for Derby Fest Basketball Classic (1)	04/23/11	921	0.56
Parking for Derby Fest Basketball Classic (1)	04/23/11	921	1.40
Parking for Derby Fest Basketball Classic (1)	04/23/11	921	2.80
Parking for Derby Fest Basketball Classic (1)	04/23/11	921	1.40
Parking for Derby Fest Basketball Classic (1)	04/23/11	921	2.80
Personal mileage - Derby Fest Luncheon (1)	04/23/11	921	7.71
Personal mileage - Derby Fest Luncheon (1)	04/23/11	921	3.86
Parking for Derby Fest Basketball Classic (1)	04/23/11	921	1.68
Parking for Derby Fest Basketball Classic (1)	04/23/11	921	0.84
Personal mileage - Derby Fest Pro-Am Tourn (1)	04/23/11	921	2.39
Personal mileage - Derby Fest Pro-Am Tourn (1)	04/23/11	921	4.79
Churchill Downs	05/12/11	566	174.01
Churchill Downs	05/12/11	566	473.75
Churchill Downs	06/02/11	426	416.26
Louisville Bats	06/16/11	426	440.92
Churchill Downs	06/18/11	426	1,193.77
Churchill Downs	06/18/11	426	92.88
Churchill Downs	06/19/11	921	92.10

Vendor	Date	Account	Amount
Louisville Bats	06/29/11	426	579.59
Louisville Bats	08/09/11	426	970.61
Louisville Bats	09/08/11	921	19.72
Churchill Downs	11/19/11	426	2,790.20
Churchill Downs	11/19/11	580	93.34
University of Louisville	02/03/12	426	35.00
Churchill Downs	02/10/12	921	1,027.78

- (1) No receipts for these charges exist. These expenses were incurred by employees and reimbursed to the employees by the Company. Company policy requires employees to obtain receipts only for expenses greater than \$25.

The charges to accounts 566, 580 and 921, which total \$1,912, should have been charged to accounts below the line and would have decreased the revenue requirement requested in this case. All other amounts were charged below the line.

- b. See attached.



The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 191**

**Responding Witness: Paul W. Thompson / Counsel**

- Q-191. With regard to research and development (R&D) expenditures, please provide:
- a. A monthly breakdown of the R&D expenses by project included in 2009, 2010 and 2011.
  - b. A comparison of actual vs. budgeted expenditures for 2009, 2010 and 2011.
  - c. A detailed explanation of the causes of any increase from 2008 levels to 2009 levels and from 2010 to 2011 levels and why such an increase is necessary and reasonable.
  - d. A summary description of each of the R&D projects identified and the benefit to be derived by ratepayers.
  - e. Please provide the costs by project for each year of 2009, 2010 and 2011.
- A-191. a. See attached.
- b. Consistent with its historical practice, the Company does not disclose information relating to budgets. Such projections are only estimates; there is no guarantee that such projections will be realized; and the estimates are based on a number of assumptions that may change over time. The Company has used an historic test year in this proceeding; not a forecasted test year. The Commission determined in its September 6, 1990 Ruling and in its September 21 and October 18, 1990 Orders in Case No. 90-158 that such information is not discoverable in historical test year rate cases. Without waiver of this objection, see attached historical information.

c. See table below.

Year	Difference	Reason
<b>2008-2009 KU</b>	\$51K (4%)	A 4% increase is within a normal year to year increase through scope changes at EPRI and inflation. There were no significant changes to note between 2008 and 2009.
<b>2010-2011 KU</b>	\$477K (25.4%)	The most significant increases are due to the amortization schedules for the projects under the CMRG funded through the University of Kentucky Research Foundation and the Sequestration project through the Western Kentucky Carbon Storage Foundation.
<b>2008-2009 LGE</b>	No increase	No Increase
<b>2010-2011 LGE</b>	\$146K (10%)	The most significant increases are due to the amortization schedules for the projects under the CMRG funded through the University of Kentucky Research Foundation and the Sequestration project through the Western Kentucky Carbon Storage Foundation.

d. See the response to PSC 1-47.

e. See attached.

## Research and Development Operating Expenses - LG&E

<u>Calendar year 2009</u>	<u>Jan 2009</u>	<u>Feb 2009</u>	<u>Mar 2009</u>	<u>Apr 2009</u>	<u>May 2009</u>	<u>Jun 2009</u>	<u>Jul 2009</u>	<u>Aug 2009</u>	<u>Sep 2009</u>	<u>Oct 2009</u>	<u>Nov 2009</u>	<u>Dec 2009</u>	<u>Full Year</u>
EPRI	-	15,866	219,630	-	222,956	-	210,917	-	-	269,917	-	80,533	1,019,819
FutureGen Industrial Alliance Inc	-	-	-	-	-	-	-	-	-	-	-	-	-
University Of Kentucky Research Foundation	-	-	-	-	99,500	-	-	-	-	-	-	-	99,500
University Of KY Research Foundation	-	-	-	-	-	-	-	824	-	-	-	(99,500)	(98,676)
University Of Louisville Research Foundation Inc	-	-	11,589	-	14,820	-	-	-	-	-	-	-	26,408
Western Kentucky Carbon Storage Foundation Inc	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total for the Year</b>	-	15,866	231,218	-	337,276	-	210,917	824	-	269,917	-	(18,967)	1,047,051

<u>Calendar year 2010</u>	<u>Jan 2010</u>	<u>Feb 2010</u>	<u>Mar 2010</u>	<u>Apr 2010</u>	<u>May 2010</u>	<u>Jun 2010</u>	<u>Jul 2010</u>	<u>Aug 2010</u>	<u>Sep 2010</u>	<u>Oct 2010</u>	<u>Nov 2010</u>	<u>Dec 2010</u>	<u>Full Year</u>
EPRI	-	8,640	250,129	237,629	187,060	34,800	252,077	-	15,700	241,065	65,600	19,300	1,312,000
FutureGen Industrial Alliance Inc	-	-	-	-	-	-	-	-	-	-	-	-	-
University Of Kentucky Research Foundation	-	-	-	-	-	-	-	8,130	8,130	8,130	8,130	8,130	40,650
University Of KY Research Foundation	-	-	-	-	-	-	-	-	-	-	5,337	-	5,337
University Of Louisville Research Foundation Inc	-	-	-	-	-	-	-	-	-	-	-	2,400	2,400
Western Kentucky Carbon Storage Foundation Inc	-	-	-	-	-	-	-	18,293	18,293	18,293	18,293	18,293	91,463
<b>Total for the Year</b>	-	8,640	250,129	237,629	187,060	34,800	252,077	26,423	42,123	267,487	97,359	48,123	1,451,849

<u>Calendar year 2011</u>	<u>Jan 2011</u>	<u>Feb 2011</u>	<u>Mar 2011</u>	<u>Apr 2011</u>	<u>May 2011</u>	<u>Jun 2011</u>	<u>Jul 2011</u>	<u>Aug 2011</u>	<u>Sep 2011</u>	<u>Oct 2011</u>	<u>Nov 2011</u>	<u>Dec 2011</u>	<u>Full Year</u>
EPRI	45,600	276,795	2,400	250,196	14,040	29,088	279,771	-	-	248,596	35,588	87,851	1,269,925
FutureGen Industrial Alliance Inc	-	-	-	-	-	-	-	-	-	-	-	-	-
University Of Kentucky Research Foundation	8,130	8,130	8,130	8,130	8,130	8,130	8,130	8,130	8,130	8,130	8,130	8,130	97,560
University Of KY Research Foundation	3,736	-	-	5,337	-	1,601	-	-	-	-	-	-	10,673
University Of Louisville Research Foundation Inc	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Kentucky Carbon Storage Foundation Inc	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	219,510
<b>Total for the Year</b>	75,758	303,217	28,823	281,955	40,463	57,112	306,194	26,423	26,423	275,019	62,010	114,274	1,597,668

<u>Test Year Ending 31-Mar-2012 Income Statement</u>	<u>Apr 2011</u>	<u>May 2011</u>	<u>Jun 2011</u>	<u>Jul 2011</u>	<u>Aug 2011</u>	<u>Sep 2011</u>	<u>Oct 2011</u>	<u>Nov 2011</u>	<u>Dec 2011</u>	<u>Jan 2012</u>	<u>Feb 2012</u>	<u>Mar 2012</u>	<u>Full Year</u>
EPRI	250,196	14,040	29,088	279,771	-	-	248,596	35,588	87,851	116,109	101,010	114,749	1,276,998
FutureGen Industrial Alliance Inc	-	-	-	-	-	-	-	-	-	-	-	-	-
University Of Kentucky Research Foundation	8,130	8,130	8,130	8,130	8,130	8,130	8,130	8,130	8,130	8,130	8,130	8,130	97,560
University Of KY Research Foundation	5,337	-	1,601	-	-	-	-	-	-	-	-	-	6,938
University Of Louisville Research Foundation Inc	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Kentucky Carbon Storage Foundation Inc	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	219,510
<b>Total for the Year</b>	281,955	40,463	57,112	306,194	26,423	26,423	275,019	62,010	114,274	142,532	127,433	141,172	1,601,006

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 192**

**Responding Witness: Paul W. Thompson**

Q-192. With regard to R&D projects, do LG&E's regulated operations realize any royalties, profits from commercialization, or other forms of reimbursement or funding? If yes, please identify the amounts of all such items in 2009, 2010 and 2011.

A-192. There were no royalties, profits, or other forms of reimbursement for the years 2009, 2010, and 2011.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 193**

**Responding Witness: Shannon L. Charnas / Counsel**

Q-193. With regard to all capital and expense accounts included in the filing, please provide:

- a. A monthly breakdown of the expense by capital project and/or expense account included in 2009, 2010 and 2011.
- b. A comparison of actual vs. budgeted expenditures for 2009, 2010 and 2011.
- c. A detailed explanation of the causes of any increase from 2008 levels to 2009 levels and from 2010 to 2011 levels and why such an increase is necessary and reasonable.
- d. A summary description of each of the capital projects identified and the benefit to be derived by ratepayers.
- e. Please provide the costs by project for each year of 2008, 2009 and 2010.

A-193. a. See attached.

- b. Consistent with its historical practice, the Company does not disclose information relating to budgets. Such projections are only estimates; there is no guarantee that such projections will be realized; and the estimates are based on a number of assumptions that may change over time. The Company has used an historic test year in this proceeding; not a forecasted test year. The Commission determined in its September 6, 1990 Ruling and in its September 21 and October 18, 1990 Orders in Case No. 90-158 that such information is not discoverable in historical test year rate cases. Without waiver of this objection, see attached historical information.
- c. See attached.

- d. See response to (a) above for the description of each project. These projects were necessary to provide safe, reliable service to customers.
- e. See attached for 2008. See the response to (a) above for 2009 and 2010.

LGE 107001 Activity January 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ 774.36
111398	MISC SUBSTATION PROJECTS	131,172.08
112644	CAPITAL TOOLS	67.96
112750	FORD - MIDDLETOWN 138 KV LINE	(130,519.00)
112767	MC ASH POND EXPANSION STUDY	15,889.11
113270	DISTRIBUTION LINE TRANSFORMER	344,080.05
114268	RESID. GAS REGULATOR REPL.	154,868.00
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUS. CUST.	61.67
117136	CR LANDFILL VERTICAL	(2,708.02)
117149	TC2 PROJECT	1,390,492.72
117320	SUBSTATION PROTECTION MODIFICATIONS	34,231.61
117882	TRANSFORMER REWIND (SMYRNA TR1)	1,745.36
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	288,058.99
118239	LG&E SUBSTATION SPILL PREVENTION	(17,420.96)
118349	OHIO FALLS REDEVELOPMENT	11,127.06
119542	FUEL SUPPLY MANAGEMENT SYSTEM	218.16
120317	PURCHASE TAP CHANGER CONTROLLER FOR STEWART TR 2	40,305.92
120517	2006 AUXILLARY CONTROL SWITCHES FOR GE AM13.8-500 BREAKERS	(376.21)
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	2,575.66
120596	FARM TAP REGULATOR UPGRADE	41,745.39
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	33,209.00
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	1,316.61
121467	BLUEGRASS CAPACITY ADDITION	424.63
121620	CANE RUN NEW LANDFILL	11,825.68
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	33,364.52
121684	TC2 AQCS LGE	827,094.72
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	257.34
121910	2007 GAS REGULATOR/RELIEF CAPACITY PROJECT	(4,853.95)
121964	FAIRMONT CIRCUIT WORK	60.24
121965	BLUEGRASS CIRCUIT WORK	26,347.17
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	99,094.37
122055	CR6 SLUDGE PROCESSING PLANT UPGRADE	10,000.00
122126	TC SPCC COMPLIANCE CAPITAL 2007	572.44
122180	HARRODS CREEK PIPELINE	331.59
122275	SECOND DATA CENTER	(2,845.92)
122280	SO3 SORBENT INJECTION	2,407.89
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	12,696.81
122452	UPGRADE BUILDING AT PRESTON CITY GATE STATION	35.38
122505	ORACLE IEXPENSE/FILENET IMAGING	13,822.54
122512	MT 138KV COLLINS TERMINATION	30,244.24
122513	MIDDLETOWN - COLLINS 138 KV LINE	4,351.60
122539	SAP FOR CCS - LGE	801,658.27
122650	LGE GAS METERS	55,686.26
122656	MERCURY MONITORING	2,450.00
122695	UPS GRADE LANE	1,070.95
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	1,832.30
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	971,571.25
122819	CCS - BUSINESS INTELLIGENCE	24,912.50



LGE 107001 Activity January 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ 774.36
122820	CCS - CHANGE MGMT.	2,792.75
122821	CCS - CUSTOMER SERVICE	89,817.65
122822	CCS - DEVELOPMENT	24,407.27
122823	CCS - TECHNOLOGY	28,912.29
122862	UPS/SEMINOLE SUBSTATION ADDITION	5,869.30
122891	MC1 345KV DISCONNECT SWITCH	2,696.32
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	191,779.69
122899	MC1 PRECIPITATOR HOPPER LEVEL INDICATORS	239.48
122904	MC1 RECYCLE PUMP UPGRADE 2009	2,813.34
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	5,493.50
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	237.12
122939	REAL TIME PRICING PILOT	1.25
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	2.28
122969	PORTABLE TRANSFORMER REGULATOR PURCHASE	23,362.75
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	3,711.08
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	(4,899.35)
122974	CONESTOGA SUBSTATION	72,307.72
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	47,713.40
123011	2008 FT CONVERSION PROJECTS	(32,110.90)
123012	MULDRAUGH PURIFIER 2 BOILER BUILDING RETROFIT	(75.62)
123016	MULDRAUGH COMPRESSOR BUILDING GAS DETECTION	1,803.24
123019	MULDRAUGH HANDRAIL IMPROVEMENTS	2,574.64
123020	MULDRAUGH MISCELLANEOUS FACILITY IMPROV	(15,112.54)
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	189.54
123023	CP IMPRESSED CURRENT SYSTEM	6,245.32
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	(2,321.52)
123027	REFINE WELLS WITH CORRODED CASING	6.96
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACE	359.25
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	30,885.38
123042	DOE RUN INDIANA 8-INCH PIPELINE PROJECT	4,821.36
123043	MULDRAUGH TRANS. REPLACE.	2,476.74
123045	REPLACE MULDRUGH ODORANT SYSTEM	284.51
123046	2008 REGULATOR RELIEF VALVE CAPACITY	7,163.96
123047	REGULATOR CAPACITY	26.35
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	3,774.55
123050	OTTER CREEK EXPOSURE PROJECT	6,651.77
123077	MOBILE STOPBOX INSPECTION	1,999.78
123081	LG&E MOBILE INFRASTRUCTURE	134.02
123082	LGE PC AND PRINTER	470.43
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	3,049.71
123260	GDS IMPLEMENTATION	2,208.89
123308	TC 480V SWITCHGEAR BREAKER UPGRADE 2008 PHASE 3	4,876.86
123309	TC SPCC COMPLAINCE CAPITAL	229.51
123311	TC CBU COUNTERWEIGHT CABLE REPLACEMENT	(330.66)
123315	TC LAB MONITOR PURCHASE	43.61
123340	CR PLANT REACTANT SUPPLY CONTROL UPGRADE	46.36
123383	NORTHSIDE CLIFTY CREEK 138KV UPGRADE	(3,215.14)

LGE 107001 Activity January 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ 774.36
123425	HW/SW DEV TOOLS LGE	58.90
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	9,710.83
123456	OUTSIDE CABLE PLANT	391.82
123464	CABLING FOR SERVER CONNECTIVITY	3,432.44
123500	INTRUSION PREVENTION	1,086.56
123502	IT SECURITY INFRASTRUCTURE PKI	1,811.21
123506	LOG CONSOLIDATION CORRELATION ALERTING EXP	272.85
123508	VULNERABILITY SCANNING	166.39
123517	PLANT LAB EQUIPMENT UPGRADES	540.00
123614	MUD LANE HUMANA DATA CENTER	0.29
123649	EMS OSI WORKSTATIONS	11,148.50
123696	DIST CONESTOGA TAP	157,708.39
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	186.80
123831	CORRODED SERVICE LINE REPLACEMENT	(2,861.73)
123835	CHAMBERLAIN LANE HWY RELOCATION	333.48
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	(1,648.69)
123889	UPS AIRPORT EXPANSION PROJ ASHBOTTOM ROAD	41.55
124041	MC 4E COAL MILL GEARBOX	1,756.23
124051	MC DIAGNOSTIC EQUIPMENT	381.19
124055	MC3 SCR NOX PROBES	369.31
124056	MC4 SCR NOX PROBES	(52.87)
124153	MULDRAUGH STATION REDUNDANT AMINE PUMP	(19,051.28)
124297	MULDRAUGH PURIFIER REDUNDANT PLC	72.72
124298	MC2 LOW PRESSURE HEATER DRAIN PUMP	4,916.00
124361	CR5 4KV SWITCHGEAR UPGRADE	3,236.68
124414	ENERSYS WATERING SYSTEMS FOR BATTERY OPERATED EQUIPMENT	(2,110.00)
124458	REPLACE UNDERRATED 69KV BREAKERS AT MIDDLETOWN	11,973.83
124464	TC DOZER PURCHASES 2008	(1,627.84)
124468	TC 480V SW'GEAR BREAKER UPGRADE	8,777.63
124529	TC CBU CHAIN & SPROCKET REPLACEMENT	336.78
124595	MC FGD CONTROL ROOM/OFFICE CONVERSION	17,191.73
124656	DETS 2008 NEW FUNCTIONALITY - LGE	116.29
124670	OLD HENRY SUBSTATION	(26,625.00)
124781	MULDRAUGH GAS COMPRESSOR STATION	(1,364.43)
124865	ELECTRIC EHANCE OH DISTR	57,353.26
125171	PURIFIER #1 REPAIR	87.48
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	12,360.78
125686	MC4 PYRITE PIPING	3,356.25
125715	CR5-2 BFP MOTOR	(156.17)
125722	WINDSTORM 9-14	(2,858.02)
125768	MC STORAGE BUILDING 2008	10,073.42
125771	PC POWER MANAGEMENT	4,481.84
125785	CR GT11 SPCC	(20.96)
125803	TC MISC ENG CAPITAL IDLER SPROCKET FOR CBU	131.67
125877	MC 1B HSWP MOTOR REWIND	20,555.16
125895	SALES TAX ADJUSTMENT - GEN.	(450,818.59)
125896	SALES TAX ADJUSTMENT - TRANS.	(340,114.11)

**LGE 107001 Activity January 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ 774.36
125897	SALES TAX ADJUSTMENT - DIST.	(619,151.81)
111398-08	2008 LT MISC CAPITAL	1,465.68
117361	ACCRUED LABOR - LGE	(6,301.80)
ASBLY419	REGULATOR ASSEMBLIES RC419	16,417.85
CABLE341	BLANKET CABLE FOR JOINT TRENCH	955.61
CLR419	LEAK REPAIR 419	10.49
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	3,178.84
L5	TRANSMISSION LINE RELOCATION	(5,695.07)
L7	LINE PARAMETER UPGRADES	46.70
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	577.72
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	2,238,285.25
LSMR414	LARGE SCALE MAIN REPL.	848,125.20
LT8	LT8 TRANSMISSION	9,298.58
LT8-2008	LGE 2008 BLANKET	838.68
LT9	LT9 TRANSMISSION	630.92
LT9-2008	LT9 EXPAN. 2008	131,841.73
MCAPRR340	CAP/REG/RECL 340	14,548.17
NBCD340OH	NEW BUS COMM OH 340	130,667.30
NBCD340UG	NEW BUS COMM UG 340	237,965.15
NBGCS419	NEW BUS CONNECT SERV 419	38,824.33
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	78,502.97
NBGS419	NEW BUS GAS SERV 419	93,548.97
NBGS421	NEW BUS. GAS SERV. 421	2,206.47
NBGS422	NEW BUSINESS GAS SERVICE 422	278.18
NBRD340OH	NEW BUS RES OH 340	86,125.39
NBRD340UG	NEW BUS RES UG	453.03
NBRD341UG	NEW BUS RES UG 341	81,439.72
NBSB340OH	NEW BUS SUB OH 340	(1,623.73)
NBSB341UG	NEW BUS SUB UG 341	279,572.28
NBSV340OH	NEW ELECTRIC SERVICES	66,582.82
NBSV340UG	NEW EL SERV UG	35,258.18
NBVL343	NETWORK VAULTS 343	8,111.90
NETVLT343	NETWORK VAULTS	3,210.43
PBWK340OH	PUB WORKS RELOC OH	34,670.24
PBWK340UG	PUB WORKS RELOC UG 340	15,555.55
PBWK344UG	PUBLIC RELOCATIONS U/G	1,933.27
PBWK406G	PUBLIC WORKS GAS 406	8,299.29
RCST340	CUST REQ 340	(14,163.31)
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	5,433.73
RDCBL340	REPL DEFECTIVE CABLE 340	(16,576.08)
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	3,191.65
RDDD340OH	REP DEF EQ OH 340	154,263.08
RDDD340UG	REP DEF EQ UG 340	18,026.95
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	111.27
RDMV332	MERCURY BULB REPL. PROJECT	6,072.06
RDPOLE340	POLE REP/REPL 340	165,561.02
RDSTLT332	REPAIR STREET LIGHTING 332	19,208.23

LGE 107001 Activity January 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ 774.36
RDSTLT340	REP DEF ST LIGHTS 340	61.56
RELD01015	LGE GENERAL RELIABILITY 01015	28,622.00
RELD340OH	DIST. 0/H RELIABILITY 340	6,538.92
RELD340UG	DIST U/G RELIABILITY 340	50,557.69
RNTPD340	REP THR PARTY DAM 340	63,028.96
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	53,668.67
RRCS419G	REP CO GAS SERV 419	24,518.82
RRCS421G	DIST MAINS 421 MULDRAUGH	604.19
STLT332OH	STREET LIGHTS OVERHEAD 333	27,413.55
STLT332UG	STREET LIGHT UG 332	7,952.40
STRM323	STORM 003230	330.55
STRMLGE	LGE MAJOR STORM EVENT	1,095,281.96
SYSENH340	SYS ENH EXIST CUST 340	25,715.42
TBRD340OH	TROUBLE OVERHEAD 340	132,464.62
TBRD340UG	TROUBLE UNDERGROUND 340	19,463.26
TLEQ340	TOOLS AND EQ 340	6,041.90
TLEQ419	PURCH. TOOLS 419	869.58
WEATH340	WEATHER 003400	1,030.59
XFRM340	TRANSFORMER 340	7,167.49
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	7,816.16
		<u><u>\$ 11,021,782.48</u></u>

LGE 107001 Activity February 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC SUBSTATION PROJECTS	\$ 98,376.70
112767	MC ASH POND EXPANSION STUDY	4,611.68
113270	DISTRIBUTION LINE TRANSFORMER	280,355.80
114268	RESID. GAS REGULATOR REPL.	113,568.64
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUS. CUST.	8.46
117136	CR LANDFILL VERTICAL	8,804.36
117149	TC2 PROJECT	2,185,573.53
117320	SUBSTATION PROTECTION MODIFICATIONS	33,080.25
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	2,716,778.13
118239	LG&E SUBSTATION SPILL PREVENTION	39,670.70
118349	OHIO FALLS REDEVELOPMENT	34,066.96
120317	PURCHASE TAP CHANGER CONTROLLER FOR STEWART TR 2	764.43
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	18.90
120589	UPGRADE ROTARY METERS AT INDUSTRIAL FACILITIES	(3,765.37)
120594	HIGH PRESSURE GAS REGULAR ASSEMBLY REPLACEMENT PROGRAM	(2,103.61)
120595	PURCHASE REGULATORS - RESID. & COMMER.	19,335.41
120596	FARM TAP REGULATOR UPGRADE	69,708.95
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	49.93
120803	SECURE E-MAIL	5,000.00
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	1,770.99
121620	CANE RUN NEW LANDFILL	50,106.58
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	38,992.95
121684	TC2 AQCS LGE	879,411.02
121751	INSTALL WILDLIFE PROTECTION OF CANAL SUBSTATION	91.90
121897	MULDRAUGH FACILITY IMPROVEMENTS	(30.53)
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	35.29
121910	2007 GAS REGULATOR/RELIEF CAPACITY PROJECT	(1,305.11)
121964	FAIRMONT CIRCUIT WORK	8.25
121965	BLUEGRASS CIRCUIT WORK	214.43
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	148,802.34
122126	TC SPCC COMPLIANCE CAPITAL 2007	27.80
122188	BR CT UNDERGROUND PIPE SPCC 07 (DEV)	42,071.00
122275	SECOND DATA CENTER	510.00
122280	SO3 SORBENT INJECTION	1,340.71
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	26,616.69
122452	UPGRADE BUILDING AT PRESTON CITY GATE STATION	4.85
122505	ORACLE IEXPENSE/FILENET IMAGING	9,803.76
122512	MT 138KV COLLINS TERMINATION	212,310.19
122513	MIDDLETOWN - COLLINS 138 KV LINE	2,785.17
122514	COLLINS 138/69KV 150MVA TRNSFRMR	400,083.05
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	19,298.83
122539	SAP FOR CCS - LGE	782,159.87
122650	LGE GAS METERS	293,490.00
122656	MERCURY MONITORING	55,881.69
122695	UPS GRADE LANE	10,398.89
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	0.82
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	(503,267.17)
122819	CCS - BUSINESS INTELLIGENCE	24,241.07

LGE 107001 Activity February 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC SUBSTATION PROJECTS	\$ 98,376.70
122820	CCS - CHANGE MGMT.	132.50
122821	CCS - CUSTOMER SERVICE	56,748.63
122822	CCS - DEVELOPMENT	20,883.57
122823	CCS - TECHNOLOGY	42,251.51
122862	UPS/SEMINOLE SUBSTATION ADDITION	815.74
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	124,031.77
122934	2008 CALL CENTER TECH UPGRADES	975.00
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	5,957.71
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	732.75
122940	2008 LGE INTERNAL REQUESTS	(1,008.27)
122943	FIRE PROTECTION SYSTEMS	(593.89)
122944	2008 CHAIR REPLACEMENT	(644.50)
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	0.32
122969	PORTABLE TRANSFORMER REGULATOR PURCHASE	3,204.76
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	19,765.00
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	837.93
122974	CONESTOGA SUBSTATION	118,034.48
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	15,572.50
123016	MULDRAUGH COMPRESSOR BUILDING GAS DETECTION	4,207.06
123018	MULDRAUGH ENGINE COOLING REPLACEMENTS	11,031.64
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	26.00
123023	CP IMPRESSED CURRENT SYSTEM	21.60
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	7,714.16
123027	REFINE WELLS WITH CORRODED CASING	9,393.74
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACE	49.28
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	44,808.64
123042	DOE RUN INDIANA 8-INCH PIPELINE PROJECT	1,821.77
123043	MULDRAUGH TRANS. REPLACE.	21.77
123045	REPLACE MULDRUGH ODORANT SYSTEM	3,392.04
123046	2008 REGULATOR RELIEF VALVE CAPACITY	1,463.59
123047	REGULATOR CAPACITY	3.62
123077	MOBILE STOPBOX INSPECTION	15,158.28
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	(25,450.08)
123260	GDS IMPLEMENTATION	(1,454.00)
123308	TC 480V SWITCHGEAR BREAKER UPGRADE 2008 PHASE 3	5,302.71
123309	TC SPCC COMPLAINCE CAPITAL	1,227.34
123311	TC CBU COUNTERWEIGHT CABLE REPLACEMENT	82.67
123425	HW/SW DEV TOOLS LGE	6.21
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	1,384.41
123456	OUTSIDE CABLE PLANT	4,617.02
123485	EBUSINESS FIREWALL REPLACEMENT	50.11
123502	IT SECURITY INFRASTRUCTURE PKI	278.94
123614	MUD LANE HUMANA DATA CENTER	1,309.33
123635	ORACLE IPROCUREMENT PUNCHOUT XML PRO CARD	1,686.36
123696	DIST CONESTOGA TAP	1,889.72
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	24,095.99
123795	DIST EASTWOOD WEST TOP	25,133.58

LGE 107001 Activity February 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC SUBSTATION PROJECTS	\$ 98,376.70
123800	UNDER FREQUENCY LOAD SHEDDING - LGE	288.44
123831	CORRODED SERVICE LINE REPLACEMENT	6,226.43
123835	CHAMBERLAIN LANE HWY RELOCATION	61,206.09
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	0.03
123889	UPS AIRPORT EXPANSION PROJ ASHBOTTOM ROAD	5.70
123947	MILL CREEK 3 WATERWALL WELD OVERLAY 2009	130,445.45
124041	MC 4E COAL MILL GEARBOX	5,791.10
124055	MC3 SCR NOX PROBES	18,307.67
124056	MC4 SCR NOX PROBES	15,032.80
124058	MC3 STATOR LEAK MONITORING SYSTEM	1,304.85
124063	MC3 ELECTROMATIC RELIEF VALVE 2009	967.20
124077	MC3 345KV DISCONNECT SWITCH	530.27
124153	MULDRAUGH STATION REDUNDANT AMINE PUMP	332.13
124297	MULDRAUGH PURIFIER REDUNDANT PLC	1,821.67
124298	MC2 LOW PRESSURE HEATER DRAIN PUMP	2,882.96
124311	MC COAL HANDLING CONVEYOR BELTS	7,282.06
124361	CR5 4KV SWITCHGEAR UPGRADE	9,642.41
124407	CR4 FGD MIST ELIMINATOR	30,586.14
124458	REPLACE UNDERRATED 69KV BREAKERS AT MIDDLETOWN	300.21
124464	TC DOZER PURCHASES	30,321.67
124468	TC 480V SW'GEAR BREAKER UPGRADE	2,627.44
124529	TC CBU CHAIN & SPROCKET REPLACEMENT	238.40
124581	FILL CASING UNDER 1-65	3,173.48
124595	MC FGD CONTROL ROOM/OFFICE CONVERSION	250.64
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	2,195.93
124674	2009 AUXILLARY CONTROL SWITCHES INSTALLATION	507.16
124723	MOBILE GIS MODULES - LGE	298.15
124742	LGE PC & PRINTER INFRASTRUCTURE	612.64
124865	ELECTRIC EHANCE OH DISTR	7,102.05
125111	HW/SW DEV TOOLS LGE	1,118.02
125171	PURIFIER #1 REPAIR	12.00
125205	NETWORK ACCESS DEV SITE INFRA LGE	540.64
125241	SIMPSONVILLE ELECTRIC UPG LGE	742.63
125678	EVA REPLACEMENT PROJECT	(510.00)
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	44,869.84
125722	WINDSTORM 9-14	22,801.91
125724	MULDRAUGH RELIABILITY EMPROVEMENTS	1,206.78
125766	CR NERC CYBERSECURITY	57,548.03
125768	MC STORAGE BUILDING 2008	8,736.77
125785	CR GT11 SPCC	8,126.23
125823	CENTER 16 PIPE	3,730.68
125844	TC VEHICLES 2008 PURCHASE	1,595.12
125901	MC3 A FLYASH EXHAUSTER	33,085.68
125913	CR4A BOOSTER FAN SHAFT REPLACEMENT	305,286.30
125930	MC 2A BOILER CIRCULATING WATER PUMP MOTOR REWIND	26,236.92
111398-08	2008 LT MISC CAPITAL	10,089.10
119902	CLEAR A&G LGE	(451,432.39)

LGE 107001 Activity February 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC SUBSTATION PROJECTS	\$ 98,376.70
ASBLY419	REGULATOR ASSEMBLIES RC419	14,725.57
CLR419	LEAK REPAIR 419	1.44
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	50,705.06
L5	TRANSMISSION LINE RELOCATION	(2,121.30)
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	128.43
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	(926,038.25)
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	2,198.47
LRSUB-09	LGE TRANS. SUB MISC. CAPITAL	424.90
LSMR414	LARGE SCALE MAIN REPL.	312,328.61
LT9	LT9 TRANSMISSION	1,213.09
LT9-2008	LT9 EXPAN. 2008	16,037.05
MCAPRR340	CAP/REG/RECL 340	1,145.86
NBCD340OH	NEW BUS COMM OH 340	55,521.33
NBCD340UG	NEW BUS COMM UG 340	189,830.56
NBGCS419	NEW BUS CONNECT SERV 419	34,976.19
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	14,414.35
NBGS419	NEW BUS GAS SERV 419	164,591.67
NBGS422	NEW BUSINESS GAS SERVICE 422	657.89
NBRD340OH	NEW BUS RES OH 340	33,619.92
NBRD340UG	NEW BUS RES UG	238.43
NBRD341UG	NEW BUS RES UG 341	33,582.83
NBSB340OH	NEW BUS SUB OH 340	57.32
NBSB341UG	NEW BUS SUB UG 341	102,871.16
NBSV340OH	NEW ELECTRIC SERVICES	21,665.74
NBSV340UG	NEW EL SERV UG	38,769.55
NBVL343	NETWORK VAULTS 343	102,788.16
NETVLT343	NETWORK VAULTS	697.33
PBWK340OH	PUB WORKS RELOC OH	35,910.82
PBWK340UG	PUB WORKS RELOC UG 340	6,718.36
PBWK406G	PUBLIC WORKS GAS 406	104,398.00
PMR414	Priority Main Replacement	2,080.91
RCST340	CUST REQ 340	(27,970.14)
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	394.79
RDCBL340	REPL DEFECTIVE CABLE 340	5,008.56
RDDD340OH	REP DEF EQ OH 340	36,022.51
RDDD340UG	REP DEF EQ UG 340	8,355.49
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	9,220.69
RDMV332	MERCURY BULB REPL. PROJECT	6,344.67
RDPOLE340	POLE REP/REPL 340	123,284.90
RDSTLT332	REPAIR STREET LIGHTING 332	61,809.45
RELD01015	LGE GENERAL RELIABILITY 01015	1,655.51
RELD340OH	DIST. 0/H RELIABILITY 340	(859.70)
RELD340UG	DIST U/G RELIABILITY 340	42,518.22
RNTPD340	REP THR PARTY DAM 340	4,763.14
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	15,580.41
RRCS419G	REP CO GAS SERV 419	259,493.15
RRCS421G	DIST MAINS 421 MULDRAUGH	6,114.86



**LGE 107001 Activity February 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC SUBSTATION PROJECTS	\$ 98,376.70
STLT332OH	STREET LIGHTS OVERHEAD 333	(10,564.00)
STLT332UG	STREET LIGHT UG 332	59,793.42
STRMLGE	LGE MAJOR STORM EVENT	2,733,637.27
STRMLOUOC	MINOR STORM EVENTS LOUISVILLE	12,230.67
SYSEN406G	SYSTEM ENHANCE. GAS	4,250.37
SYSENH340	SYS ENH EXIST CUST 340	15,544.29
TBRD340OH	TROUBLE OVERHEAD 340	39,667.51
TBRD340UG	TROUBLE UNDERGROUND 340	14,401.37
TLEQ340	TOOLS AND EQ 340	1,777.63
TLEQ419	PURCH. TOOLS 419	27.27
XFRM340	TRANSFORMER 340	2,141.95
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	4,856.37
		<b><u><u>\$ 12,904,435.70</u></u></b>

LGE 107001 Activity March 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC SUBSTATION PROJECTS	\$ 1,581.44
112767	MC ASH POND EXPANSION STUDY	6,266.61
113270	DISTRIBUTION LINE TRANSFORMER	120,089.85
114268	RESID. GAS REGULATOR REPL.	55,187.32
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUS. CUST.	5,004.85
117130	MIDDLETOWN TRIMBLE 34	(831.64)
117136	CR LANDFILL VERTICAL	5,077.83
117149	TC2 PROJECT	1,664,118.55
117207	CANAL - DEL PARK 69 KV LINE SURVEY FOR RECONDUCTOR	373.60
117320	SUBSTATION PROTECTION MODIFICATIONS	23,032.06
117846	PC INFRASTRUCTURE	(5,580.26)
117882	TRANSFORMER REWIND (SMYRNA TR1)	39,729.48
118018	TC MB CONDUCTIVITY MONITORS ACID INSTALL	(3,532.21)
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	1,810,212.35
118239	LG&E SUBSTATION SPILL PREVENTION	24,587.49
118349	OHIO FALLS REDEVELOPMENT	302,409.87
120317	PURCHASE TAP CHANGER CONTROLLER FOR STEWART TR 2	(38,904.63)
120373	6688 P2 2005	17,879.96
120595	PURCHASE REGULATORS - RESID. & COMMER.	8,001.11
120596	FARM TAP REGULATOR UPGRADE	59,980.29
120723	TC 480V SWITCHGEAR UPGRADE RP & CH	(11,177.50)
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	75,682.50
120754	MISC. A/R UNCOLLECTIBLE - LGE CAPITAL	(84,727.00)
120803	SECURE E-MAIL	(21,450.83)
120864	HW/SW DEV TOOLS 026560	(33.13)
120871	TIER C ROTATION OF DESKTOPS AND LAPTOPS - LGE	(13,748.91)
120939	CR RESERVE AUX A TRANSFORMER COOLER REPLACEMENT	0.27
121298	CONTROL CENTER CONSTRUCTION	0.09
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	1,787.47
121467	BLUEGRASS CAPACITY ADDITION	2,427.06
121608	SOUNDMASKING EQUIPMENT	(1,200.35)
121611	CARPET AND TILE REPLACEMENT	(16,874.58)
121614	HVAC REPL. EAST OPER. CTR.	(8,990.00)
121620	CANE RUN NEW LANDFILL	6,013.87
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	105,295.23
121684	TC2 AQCS LGE	1,249,508.99
121910	2007 GAS REGULATOR/RELIEF CAPACITY PROJECT	90.70
121965	BLUEGRASS CIRCUIT WORK	762.49
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	92,640.57
122180	HARRODS CREEK PIPELINE	334.50
122188	BR CT UNDERGROUND PIPE SPCC 07 (DEV)	24,499.14
122280	SO3 SORBENT INJECTION	3,892.17
122312	ITSD HARDWARE / SOFTWARE ENERGY MARKETING	(476.07)
122314	ITSD HARDWARE / SOFTWARE POWER GENERATION LGE	509.20
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	269,292.55
122370	MILL CREEK - HARDIN COUNTY OPGW	640.91
122505	ORACLE IEXPENSE/FILENET IMAGING	9,315.04
122512	MT 138KV COLLINS TERMINATION	199,431.76

**LGE 107001 Activity March 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC SUBSTATION PROJECTS	\$ 1,581.44
122513	MIDDLETOWN - COLLINS 138 KV LINE	20,768.87
122514	COLLINS 138/69KV 150MVA TRNSFRMR	30,423.66
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	0.01
122539	SAP FOR CCS - LGE	1,077,776.45
122602	TC CT UNIT COMPRESSOR BLADE REPLACEMENTS	(4,477.73)
122650	LGE GAS METERS	102,554.65
122656	MERCURY MONITORING	20,174.71
122695	UPS GRADE LANE	40,032.31
122710	CR51 BOILER FEED PUMP MOTOR	(2,000.00)
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	761,628.88
122819	CCS - BUSINESS INTELLIGENCE	29,953.26
122820	CCS - CHANGE MGMT.	144.00
122821	CCS - CUSTOMER SERVICE	75,119.55
122822	CCS - DEVELOPMENT	32,143.30
122823	CCS - TECHNOLOGY	56,707.89
122862	UPS/SEMINOLE SUBSTATION ADDITION	3,424.94
122891	MC1 345KV DISCONNECT SWITCH	(40,801.87)
122893	MC 4-1 MAIN AUXILLARY HIGH VOLTAGE BUSHING	0.64
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	191,084.51
122901	MC3 STACK LIGHTING	(7,460.36)
122904	MC1 RECYCLE PUMP UPGRADE 2009	(243.61)
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	6,562.86
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	2,742.85
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	24,225.17
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	700.81
122974	CONESTOGA SUBSTATION	108,144.64
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	48,919.18
122981	REPLACE GE SFC PROTECTIVE RELAYS	0.25
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	24,637.55
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACE	(24,864.56)
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	212,647.21
123042	DOE RUN INDIANA 8-INCH PIPELINE PROJECT	8,432.86
123043	MULDRAUGH TRANS. REPLACE.	(180.44)
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	2,054.28
123050	OTTER CREEK EXPOSURE PROJECT	7,468.37
123077	MOBILE STOPBOX INSPECTION	19,512.07
123081	LG&E MOBILE INFRASTRUCTURE	268.12
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	3,936.08
123260	GDS IMPLEMENTATION	958.64
123278	HUMANA DATA CENTER	1,227.39
123308	TC 480V SWITCHGEAR BREAKER UPGRADE 2008 PHASE 3	6.02
123309	TC SPCC COMPLAINCE CAPITAL	268.61
123311	TC CBU COUNTERWEIGHT CABLE REPLACEMENT	9,220.21
123383	NORTHSIDE CLIFTY CREEK 138KV UPGRADE	6,242.05
123425	HW/SW DEV TOOLS LGE	1,619.80
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	(16,006.27)
123456	OUTSIDE CABLE PLANT	14,827.68

LGE 107001 Activity March 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC SUBSTATION PROJECTS	\$ 1,581.44
123464	CABLING FOR SERVER CONNECTIVITY	21.02
123614	MUD LANE HUMANA DATA CENTER	39,875.28
123632	SECURITY SYSTEMS FOR VARIOUS KU STOREROOMS	(6,774.16)
123696	DIST CONESTOGA TAP	35,275.38
123708	WIND STORM 12-22	(26,223.17)
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	11,153.96
123795	DIST EASTWOOD WEST TOP	206.55
123800	UNDER FREQUENCY LOAD SHEDDING - LGE	0.24
123835	CHAMBERLAIN LANE HWY RELOCATION	234,351.16
123947	MILL CREEK 3 WATERWALL WELD OVERLAY 2009	11,876.86
124016	CR6 FRONT REHEAT PENDANT REPLACEMENT	98,647.63
124039	MC 3C COAL MILL GEARBOX	1,509.03
124040	MC 4A COAL MILL GEARBOX	718.50
124041	MC 4E COAL MILL GEARBOX	28,252.52
124050	MC 4 DCS HARDWARE UPGRADE	24,176.84
124055	MC3 SCR NOX PROBES	(23,408.14)
124056	MC4 SCR NOX PROBES	(25,269.68)
124058	MC3 STATOR LEAK MONITORING SYSTEM	140,917.80
124063	MC3 ELECTROMATIC RELIEF VALVE 2009	52,538.35
124077	MC3 345KV DISCONNECT SWITCH	55,153.61
124296	PR13 TURBINE INLET VANE REPLACEMENT	(1,836,724.58)
124310	LGE STORM MAY 11	(23,225.28)
124311	MC COAL HANDLING CONVEYOR BELTS	2,938.23
124313	MC4C OXIDATION AIR COMPRESSOR GEARBOX	(6,470.19)
124361	CR5 4KV SWITCHGEAR UPGRADE	194,887.60
124368	CR HARDWARE REFRESH	10,124.13
124380	CR ASBESTOS ABATEMENT 2009	28,310.64
124395	CR MISC ROOF REPLACEMENT	2,569.75
124407	CR4 FGD MIST ELIMINATOR	3,150.62
124458	REPLACE UNDERRATED 69KV BREAKERS AT MIDDLETOWN	0.37
124463	TC 1 1D FAN VFD UPGRADE 2009	331.63
124464	TC DOZER PURCHASES 2008	17,034.36
124468	TC 480V SW'GEAR BREAKER UPGRADE	47.81
124473	TC COAL CONVEYOR REPLACEMENT	127,284.04
124529	TC CBU CHAIN & SPROCKET REPLACEMENT	64,624.23
124634	STORM 6/19	(19,936.23)
124668	MADISON SUBSTATION EXPANSION	1,230.26
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	150.02
124674	2009 AUXILLARY CONTROL SWITCHES INSTALLATION	196.91
124677	REPLACE GE SFC PROTECTIVE RELAYS	59,038.89
124742	LGE PC & PRINTER INFRASTRUCTURE	15,188.95
124781	MULDRAUGH GAS COMPRESSOR STATION	3,951.41
124798	MAGNOLIA EMERGENCY EQUIPMENT & REPAIRS	2,612.26
124801	REPLACE BARE STEEL GATHERINGS LINES MAGNOLIA & CENTER	321.69
124816	MULDRAUGH COOLER HANDRAILS	3,980.94
124822	MULDRAUGH VALVE ACTUATOR REPLACEMENT	67,008.66
124848	2009 COMMERIAL HP GAS SERVICE REPLACEMENT	636.29

LGE 107001 Activity March 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC SUBSTATION PROJECTS	\$ 1,581.44
124865	ELECTRIC EHANCE OH DISTR	793.93
125109	HW SW DEV TOOLS LGE	107.98
125111	HW/SW DEV TOOLS LGE	67.08
125115	ITSD HW/SW PG LGE	694.80
125120	HW/SW DEV TOOLS 026570-LGE	165.94
125132	ACCESS SWITCH REPLACEMENT LGE	118,821.83
125138	CORE NTKW INFRASTRUCTURE KU	20,760.85
125151	VPN SWITCH UPGRADE LGE	24,439.67
125171	PURIFIER #1 REPAIR	24,864.56
125197	BULK PWR ENV SYSTEMS LGE	28,819.87
125205	NETWORK ACCESS DEV SITE INFRA LGE	179.29
125207	NETWORK TOOLS & TEST EQUIP	6,677.80
125211	TELEPHONE SYSTEM CAPACITY EXP	398.78
125224	TIER C ROTATE DESKTOP/LAPTOPS LGE	244,269.17
125235	LOUISVILLE ELECTRICAL UPG LGE	316.31
125237	LOU RACK FURNITURE LGE	6,282.66
125239	SIMPSONVILLE RACKS & FURNITURE LGE	3,472.71
125255	PROJECT MIRROR GOLD LEVEL SERVICE - LGE	2,720.39
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	27,675.97
125722	WINDSTORM 9-14	39,058.11
125724	MULDRAUGH RELIABILITY EMPROVEMENTS	0.17
125766	CR NERC CYBERSECURITY	44,976.98
125768	MC STORAGE BUILDING 2008	149.96
125785	CR GT11 SPCC	1,027.90
125807	REPLACE CANAL 69KV DOUBLE BUSHING PTS	728.07
125850	DIGITAL FAULT RECORDER STUDY - LGE	2,943.86
125882	2009 PC PURCHASES	2,059.75
125891	BOC TRANSMISSION DEPT OFFICE RENOVATION	4,538.67
125901	MC3 A FLYASH EXHAUSTER	133.57
125906	GAS LEAK SURVEY CUSTOMER NOTIFICATION	3,621.59
125910	CR STATION PRECIPITATOR CONTROLS UPGRADE	461.48
125913	CR4A BOOSTER FAN SHAFT REPLACEMENT	(31,906.91)
125930	MC 2A BOILER CIRCULATING WATER PUMP MOTOR REWIND	307.04
125931	MC 4-2 MAIN AUX TRANSFORMER BUSHINGS	4,077.81
125933	MC 4A FGD INLET DUCT EXPANSION JOINT REPLACEMENT`	27,738.94
125937	CR4 BOOSTER AND ID FAN VIBRATION MONITORING	12,225.07
125938	CR4 CONDENSER EXPANSION JOINT REPLACEMENT	16,535.71
125984	TC MISC ENG CAPITAL-COAL SAMPLE CRUSHER	9,459.86
111398-08	2008 LT MISC CAPITAL	6,558.98
119902	CLEAR A&G LGE	1,005,546.99
117361	ACCRUED LABOR - LGE	31,557.58
ASBLY419	REGULATOR ASSEMBLIES RC419	38,375.56
ECAPRR340	CAP, REG, RECLOSERS 340	92,265.56
GME406	GAS MAIN EXT. 406	104,287.59
L5	TRANSMISSION LINE RELOCATION	(105,684.06)
L6	TRANS. LINES NEW FACILITIES	(39,073.39)
L7	LINE PARAMETER UPGRADES	(5,942.66)

LGE 107001 Activity March 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC SUBSTATION PROJECTS	\$ 1,581.44
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	6,719.61
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	(137,443.35)
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	81,214.49
LRSUB-09	LGE TRANS. SUB MISC. CAPITAL	600.82
LSMR414	LARGE SCALE MAIN REPL.	558,490.58
LT8	LT8 TRANSMISSION	(149,039.10)
LT8-2008	LGE 2008 BLANKET	(765.39)
LT9	LT9 TRANSMISSION	(184,179.64)
LT9-2008	LT9 EXPAN. 2008	52,324.45
MCAPRR340	CAP/REG/RECL 340	4,103.30
NBCD340OH	NEW BUS COMM OH 340	126,416.44
NBCD340UG	NEW BUS COMM UG 340	217,653.58
NBGCS419	NEW BUS CONNECT SERV 419	33,363.38
NBGS341	NEW BUSINESS GAS SERVICE 341	10,462.48
NBGS419	NEW BUS GAS SERV 419	101,547.26
NBGS422	NEW BUSINESS GAS SERVICE 422	36.50
NBRD340OH	NEW BUS RES OH 340	106,747.86
NBRD340UG	NEW BUS RES UG	381.94
NBRD341UG	NEW BUS RES UG 341	85,917.51
NBSB340OH	NEW BUS SUB OH 340	11,751.22
NBSB341UG	NEW BUS SUB UG 341	160,642.30
NBSV340OH	NEW ELECTRIC SERVICES	85,386.66
NBSV340UG	NEW EL SERV UG	107,378.79
NBSV341UG	NEW BUS. SERV. 341 UG	150.46
NBVL343	NETWORK VAULTS 343	88.97
NETVLT343	NETWORK VAULTS	8,707.33
PBWK340OH	PUB WORKS RELOC OH	60,243.81
PBWK340UG	PUB WORKS RELOC UG 340	22,096.11
PBWK344UG	PUBLIC RELOCATIONS U/G	2,670.20
PBWK406G	PUBLIC WORKS GAS 406	40,190.45
PMR414	PRIORITY MAIN REPLACEMENT	(2,054.28)
RCST340	CUST REQ 340	61,217.79
RCST406G	CUSTOMER REQUESTED GAS 406	(108,377.03)
RDCBL340	REPL DEFECTIVE CABLE 340	16,582.81
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	1,479.02
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	1,463.39
RDDD340OH	REP DEF EQ OH 340	250,463.38
RDDD340UG	REP DEF EQ UG 340	129,068.64
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	5,674.18
RDMV332	MERCURY BULB REPL. PROJECT	7,325.77
RDPOLE340	POLE REP/REPL 340	133,245.79
RDSTLT332	REPAIR STREET LIGHTING 332	64,804.60
RDSTLT340	REP DEF ST LIGHTS 340	1,770.59
RELD01015	LGE GENERAL RELIABILITY 01015	458.01
RELD340OH	DIST. O/H RELIABILITY 340	2,424.28
RELD340UG	DIST U/G RELIABILITY 340	1,639.86
RNTPD340	REP THR PARTY DAM 340	45,099.95

LGE 107001 Activity March 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC SUBSTATION PROJECTS	\$ 1,581.44
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	(46,191.15)
RRCS419G	REP CO GAS SERV 419	158,079.54
RRCS421G	DIST MAINS 421 MULDRAUGH	1,604.49
STLT332OH	STREET LIGHTS OVERHEAD 333	39,582.25
STLT332UG	STREET LIGHT UG 332	87,994.88
STRMLGE	LGE MAJOR STORM EVENT	1,716,706.08
STRMLOUOC	MINOR STORM EVENTS LOUISVILLE	(2,999.88)
SYSEN406G	SYSTEM ENHANCE. GAS	10,507.73
SYSENH340	SYS ENH EXIST CUST 340	41,134.31
TBRD340OH	TROUBLE OVERHEAD 340	176,609.19
TBRD340UG	TROUBLE UNDERGROUND 340	30,596.47
TLEQ340	TOOLS AND EQ 340	4,243.75
TLEQ447	TOOLS AND EQUIPMENT 447	3,420.74
XFRM340	TRANSFORMER 340	25,695.58
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	6,147.05
		<u><u>\$ 14,257,754.71</u></u>

LGE 107001 Activity April 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ (297,151.87)
111398	MISC. SUBSTATION PROJECTS	(251,198.28)
112767	MC ASH POND EXPANSION STUDY	6,065.69
113270	DISTRIBUTION LINE TRANSFORMER	802,213.44
114128	CONST. 2.3 MI. NEW 69KV	(10,000.00)
114268	RESID. GAS REGULATOR REPL.	117,186.34
117136	CR LANDFILL VERTICAL	28,902.97
117149	TC2 PROJECT	1,753,602.65
117320	SUBSTATION PROTECTION MODIFICATIONS	50,822.89
117882	TRANSFORMER REWIND (SMYRNA TR1)	33,577.32
118018	TC MB CONDUCTIVITY MONITORS ACID INSTALL	883.05
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	667,143.41
118239	LG&E SUBSTATION SPILL PREVENTION	5,562.05
118349	OHIO FALLS REDEVELOPMENT	11,412.86
119542	FUEL SUPPLY MANAGEMENT SYSTEM	74.78
120596	FARM TAP REGULATOR UPGRADE	86,892.23
120598	SOUTHSIDE DRIVE TRANSMISSION LINE IMPROVEMENTS	(4,180.45)
120723	TC 480V SWITCHGEAR UPGRADE RP & CH	2,794.37
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	113.23
120785	MULDRAUGH ENGINE PANEL #5 REPLACEMENT	(4,720.00)
120803	SECURE E-MAIL	5,000.00
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	186.75
121527	RIVER PARK PLACE 16-INCH HP PIPELINE RELOCATION PROJECT	1,663.31
121620	CANE RUN NEW LANDFILL	23,047.19
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	45,651.06
121684	TC2 AQCS LGE	923,476.39
121721	MC ROOFING MC3 BOILER ROOM	152,352.25
121938	MULDRAUGH ESS SYSTEM REPLACEMENT	(4,419.43)
121965	BLUEGRASS CIRCUIT WORK	1,300.58
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	4,699.35
122180	HARRODS CREEK PIPELINE	115.83
122188	BR CT UNDERGROUND PIPE SPCC 07 (DEV)	28,440.56
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION	(10,666.39)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(456,586.39)
122280	SO3 SORBENT INJECTION	9,136.41
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	77,719.88
122505	ORACLE IEXPENSE/FILENET IMAGING	7,772.36
122512	MT 138KV COLLINS TERMINATION	(160,398.77)
122513	MIDDLETOWN - COLLINS 138 KV LINE	5,483.99
122514	COLLINS 138/69KV 150MVA TRNSFRMR	41,046.21
122539	SAP FOR CCS - LGE	15,295,522.94
122650	LGE GAS METERS	188,564.68
122695	UPS GRADE LANE	16,254.43
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	989.28
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	(206,341.33)
122819	CCS - BUSINESS INTELLIGENCE	(739,956.34)
122820	CCS - CHANGE MGMT.	(278,352.19)
122821	CCS - CUSTOMER SERVICE	(4,877,754.10)



LGE 107001 Activity April 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ (297,151.87)
122822	CCS - DEVELOPMENT	(1,362,146.09)
122823	CCS - TECHNOLOGY	(7,000,905.34)
122842	MC 1 RECYCLE PUMP PIPING 2006	375.91
122862	UPS/SEMINOLE SUBSTATION ADDITION	451.47
122891	MC1 345KV DISCONNECT SWITCH	503.15
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	221,442.79
122934	2008 CALL CENTER TECH UPGRADES	77.43
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	2,783.71
122969	PORTABLE TRANSFORMER REGULATOR PURCHASE	27,881.48
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	85,976.50
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	186.03
122974	CONESTOGA SUBSTATION	498,679.20
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	413,062.57
123015	MILLCREEK CUTOFF EXPOSURE REHAB	2,907.13
123019	MULDRAUGH HANDRAIL IMPROVEMENTS	218.21
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	236,330.13
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	0.24
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	153,574.17
123042	DOE RUN INDIANA 8-INCH PIPELINE PROJECT	2,276.67
123045	REPLACE MULDDRAUGH ODORANT SYSTEM	606.95
123050	OTTER CREEK EXPOSURE PROJECT	0.31
123077	MOBILE STOPBOX INSPECTION	216,545.34
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	1,428.78
123260	GDS IMPLEMENTATION	544.30
123306	TC SAFETY & ERT EQUIPMENT 2008	1,930.40
123425	HW/SW DEV TOOLS LGE	28.94
123456	OUTSIDE CABLE PLANT	(20,071.14)
123614	MUD LANE HUMANA DATA CENTER	1,603.03
123696	DIST CONESTOGA TAP	13,776.64
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	908.34
123807	MOBILE SUPPLY CHAIN EXPANSION	626.40
123831	CORRODED SERVICE LINE REPLACEMENT	482.13
123835	CHAMBERLAIN LANE HWY RELOCATION	25,346.89
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	82.59
123926	PLANT LAB EQUIP UPGRADE	29,760.72
123931	ION CHROMATOGRAPH REPLACEMENT	18,058.20
123938	OIL & GREASE EXTRACTOR	16,271.00
123939	RULER TESTER LUBE OIL	14,778.70
123947	MILL CREEK 3 WATERWALL WELD OVERLAY 2009	115,748.86
124039	MC 3C COAL MILL GEARBOX	72,702.41
124040	MC 4A COAL MILL GEARBOX	(718.50)
124041	MC 4E COAL MILL GEARBOX	222.70
124050	MC 4 DCS HARDWARE UPGRADE	39,377.48
124052	MC4 SCR CATALYST	177,425.82
124055	MC3 SCR NOX PROBES	36,824.97
124056	MC4 SCR NOX PROBES	35,749.03
124058	MC3 STATOR LEAK MONITORING SYSTEM	16,026.11

LGE 107001 Activity April 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ (297,151.87)
124063	MC3 ELECTROMATIC RELIEF VALVE 2009	11,271.02
124077	MC3 345KV DISCONNECT SWITCH	76,804.89
124153	MULDRAUGH STATION REDUNDANT AMINE PUMP	6,192.98
124361	CR5 4KV SWITCHGEAR UPGRADE	97,578.23
124368	CR HARDWARE REFRESH	30,372.37
124380	CR ASBESTOS ABATEMENT 2009	8,786.46
124395	CR MISC ROOF REPLACEMENT	33,252.57
124458	REPLACE UNDERRATED 69KV BREAKERS AT MIDDLETOWN	386.00
124459	MIDDLETOWN 6601 CIRCUIT BREAKER CHANGE OUTS	7,017.00
124465	TC 1 LOWER SLOPE BOILER REPLACEMENT 2009	117,228.64
124529	TC CBU CHAIN & SPROCKET REPLACEMENT	13,400.37
124667	WILDLIFE PROTECTION ON ALGONQUIN 14KV AND FERN VALLEY	51,310.86
124668	MADISON SUBSTATION EXPANSION	6,213.56
124669	OLD HENRY SUBSTATION-CONSTRUCT NEW SUBSTATION	4,305.98
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	51,349.20
124677	REPLACE GE SFC PROTECTIVE RELAYS	6,689.25
124678	HILLCREST TRANSFORMER#1 BUSHING	9,993.51
124723	MOBILE GIS MODULES - LGE	731.87
124742	LGE PC & PRINTER INFRASTRUCTURE	2,868.80
124744	STORM 7-8	5,709.64
124781	MULDRAUGH GAS COMPRESSOR STATION	8,838.62
124792	MAG REPAIR/REPLACE DEF EQUIPMENT 2009	1,359.63
124798	MAGNOLIA EMERGENCY EQUIPMENT & REPAIRS	14,677.36
124800	MAGNOLIA REPLACE 4,100 FT OF 16" CENTER STORAGE FIELD 2009	335,348.46
124801	REPLACE BARE STEEL GATHERINGS LINES MAGNOLIA & CENTER	830.26
124812	MULDRAUGH FACILITY IMPROVEMENTS	67.14
124815	MULDRAUGH H25 UNIT REPLACEMENT	106,238.15
124817	MULD PLC REPLACEMENT	36,453.41
124822	MULDRAUGH VALVE ACTUATOR REPLACEMENT	67,008.66
124830	2009 INSTALL GATE VALVES ON STORAGE WELLS	12,132.32
124834	CORROSION WORK SERVICE LINE REPLACEMENT	15,523.40
124848	2009 COMMERCIAL HP GAS SERVICE REPLACEMENT	4,691.52
124849	2009 REGULATOR CAPACITY PROJECT	4,364.29
124850	2009 REGULATOR RELIEF CAPACITY PROJECT	2,528.06
124865	ELECTRIC ENHANCE O/H DISTR	2,386.80
125009	WIDE FORMAT PRINTER AND MAIL TRACKING SYSTEM	31,240.00
125109	HW SW DEV TOOLS LGE	27.66
125115	ITSD HW/SW PG LGE	47.63
125120	HW/SW DEV TOOLS 026570-LGE	52.62
125132	ACCESS SWITCH REPLACEMENT LGE	7,772.18
125138	CORE NTWK INFRASTRUCTURE KU	16,727.96
125142	NETWORK MANAGEMENT SYSTEMS LGE	14,509.77
125145	PIX FIREWALL REP/UPG LGE	63,414.74
125151	VPN SWITCH UPGRADE LGE	29,405.79
125176	CABLING SERVER CONNECT LGE	713.99
125197	BULK PWR ENV SYSTEMS LGE	1,644.45
125205	NETWORK ACCESS DEV SITE INFRA LGE	15,147.19

LGE 107001 Activity April 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ (297,151.87)
125207	NETWORK TOOLS & TEST EQUIP	3,216.62
125211	TELEPHONE SYSTEM CAPACITY EXP	187.83
125220	MONITOR REPLACEMENT LGE	3,246.99
125224	TIER C ROTATE DESKTOP/LAPTOPS LGE	15,062.32
125227	TECH TESTLAB & RELATED 2008-LGE	8,409.94
125235	LOUISVILLE ELECTRICAL UPG LGE	332.81
125237	LOU RACK FURNITURE LGE	5,063.43
125239	SIMPSONVILLE RACKS & FURNITURE LGE	68.97
125255	PROJECT MIRROR GOLD LEVEL SERVICE - LGE	65,091.19
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	49,029.17
125766	CR NERC CYBERSECURITY	29,775.88
125768	MC STORAGE BUILDING 2008	13,440.60
125785	CR GT11 SPCC	5,165.20
125807	REPLACE CANAL 69KV DOUBLE BUSHING PTS	39.06
125811	EDISCOVERY	6,664.62
125824	OPTIO REPLACEMENT ORACLE BI PUBLISHER & RIGHTFAX)	1,038.56
125850	DIGITAL FAULT RECORDER STUDY - LGE	263,665.67
125882	2009 PC PURCHASES	5,354.80
125891	BOC TRANSMISSION DEPT OFFICE RENOVATION	2,460.24
125903	UPGRADE ALGONQUIN TR 5 69 KV U/G CABLE AND MAIN BUS	7,573.04
125906	GAS LEAK SURVEY CUSTOMER NOTIFICATION	45,696.70
125910	CR STATION PRECIPITATOR CONTROLS UPGRADE	11,808.44
125913	CR4A BOOSTER FAN SHAFT REPLACEMENT	(41,116.00)
125931	MC 4-2 MAIN AUX TRANSFORMER BUSHINGS	0.11
125937	CR4 BOOSTER AND ID FAN VIBRATION MONITORING	26,857.19
125951	REPLACE SURGE ARRESTERS	1,134.98
125982	KY HWY 22 (PHASE 2) FROM CHAMBERLAIN LN TO KY HWY 1694	45,933.94
125984	TC MISC ENG CAPITAL-COAL SAMPLE CRUSHER	739.90
125997	MC PORTABLE WELDING MACHINE	5,520.10
126010	REPLACE 138KV RELAY AT BEARGRASS-LINE 3883	641.82
126017	TC MISC ENG CAPITAL-NEW COMPRESSOR UNIT FOR CHILLER	15,215.25
126162	MICROSOFT LICENSES	23,072.14
111398-08	2008 LT MISC CAPITAL	13.71
117361	ACCRUED LABOR - LGE	(31,557.58)
119902	CLEAR A&G LGE	(522,075.61)
BTM391	BEYOND THE METER RC391	1,339.06
CABLE341	BLANKET CABLE FOR JOINT TRENCH	(105,272.93)
COMP419	GAS DISTRIBUTION COMPLIANCE	11,319.67
ECAPRR340	CAP, REG, RECLOSERS 340	15,136.27
GME406	GAS MAIN EXT. 406	158,043.06
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	559.49
L7-2009	PARAMETER UPGRADE T-LINE LGE 2009	7,333.60
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	(659,697.09)
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	50,011.91
LRSUB-09	LGE TRANS. SUB MISC. CAPITAL	2,660.38
LSMR414	LARGE SCALE MAIN REPL.	435,337.46
LT8	LT8 TRANSMISSION	150,000.00

LGE 107001 Activity April 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ (297,151.87)
LT9	LT9 TRANSMISSION	186,046.60
LT9-2008	LT9 EXPAN. 2008	1,378.02
MCAPRR340	CAP/REG/RECL 340	15,509.50
NBCD340OH	NEW BUS COMM OH 340	213,061.37
NBCD340UG	NEW BUS COMM UG 340	280,435.91
NBGCS419	NEW BUS CONNECT SERV 419	43,989.69
NBGS341	NEW BUSINESS GAS SERVICE 341	9,909.97
NBGS419	NEW BUS GAS SERV 419	117,083.84
NBGS421	NEW BUS. GAS SERV. 421	1,826.11
NBGS422	NEW BUSINESS GAS SERVICE 422	1,322.80
NBRD340OH	NEW BUS RES OH 340	211,866.37
NBRD340UG	NEW BUS RES UG	115.75
NBRD341UG	NEW BUS RES UG 341	100,003.73
NBSB340OH	NEW BUS SUB OH 340	7,250.40
NBSB341UG	NEW BUS SUB UG 341	305,140.31
NBSV340OH	NEW ELECTRIC SERVICES	103,889.45
NBSV340UG	NEW EL SERV UG	68,420.39
NBVL343	NETWORK VAULTS 343	505.68
NETVLT343	NETWORK VAULTS	8,269.63
PBWK340OH	PUB WORKS RELOC OH	97,342.38
PBWK340UG	PUB WORKS RELOC UG 340	28,435.23
PBWK406G	PUBLIC WORKS GAS 406	125,330.09
PMR414	PRIORITY MAIN REPLACEMENT	2,112.33
RCST340	CUST REQ 340	72,764.15
RCST406G	CUSTOMER REQUESTED GAS 406	124,969.19
RDCBL340	REPL DEFECTIVE CABLE 340	44,468.15
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	1,365.11
RDDD340OH	REP DEF EQ OH 340	299,179.14
RDDD340UG	REP DEF EQ UG 340	105,525.77
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	13,991.18
RDMV332	MERCURY BULB REPL. PROJECT	12,613.09
RDPOLE340	POLE REP/REPL 340	300,143.85
RDSTLT332	REPAIR STREET LIGHTING 332	103,708.45
RELD01015	LGE GENERAL RELIABILITY 01015	25,471.80
RELD340OH	DIST. O/H RELIABILITY 340	4,046.01
RELD340UG	DIST U/G RELIABILITY 340	3,674.01
RNTPD340	REP THR PARTY DAM 340	73,889.62
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	11,902.53
RRCS419G	REP CO GAS SERV 419	204,329.96
STLT332OH	STREET LIGHTS OVERHEAD 333	221,176.53
STLT332UG	STREET LIGHT UG 332	85,330.35
STRMLGE	LGE MAJOR STORM EVENT	1,542,063.84
STRMLOUC	MINOR STORM EVENTS LOUISVILLE	1.25
SYSEN406G	SYSTEM ENHANCE. GAS	5,228.55
SYSENH340	SYS ENH EXIST CUST 340	2,295.80
TBRD340OH	TROUBLE OVERHEAD 340	169,069.89
TBRD340UG	TROUBLE UNDERGROUND 340	37,143.08

LGE 107001 Activity April 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ (297,151.87)
TLEQ340	TOOLS AND EQ 340	15,361.07
TLEQ419	PURCH. TOOLS 419	33,806.68
TLEQ447	TOOLS AND EQUIPMENT 447	1,284.03
XFRM340	TRANSFORMER 340	41,541.10
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	(112.48)
		<u><u>\$ 14,147,323.37</u></u>

LGE 107001 Activity May 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
100650	RELOC. DIST. HWY. FACILITIES	\$ 192,853.67
111398	MISC. SUBSTATION PROJECTS	6,024.85
112767	MC ASH POND EXPANSION STUDY	317,148.00
113270	DISTRIBUTION LINE TRANSFORMER	425,181.40
114268	RESID. GAS REGULATOR REPL.	197,154.27
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUS. CUST.	62.99
117136	CR LANDFILL VERTICAL	35,697.19
117149	TC2 PROJECT	813,432.15
117207	CANAL - DEL PARK 69 KV LINE SURVEY FOR RECONDUCTOR	(394.29)
117320	SUBSTATION PROTECTION MODIFICATIONS	81,691.60
117882	TRANSFORMER REWIND (SMYRNA TR1)	12,029.29
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	1,271,332.12
118239	LG&E SUBSTATION SPILL PREVENTION	5,629.91
118349	OHIO FALLS REDEVELOPMENT	55,243.19
120517	2006 AUXILLARY CONTROL SWITCHES FOR GE AM13.8-500 BREAKERS	312.00
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	22.87
120596	FARM TAP REGULATOR UPGRADE	62,813.40
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	33,388.95
120803	SECURE E-MAIL	5,000.00
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	315.76
121527	RIVER PARK PLACE 16-INCH HP PIPELINE RELOCATION PROJECT	520.62
121620	CANE RUN NEW LANDFILL	(1,128.89)
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	91,511.48
121684	TC2 AQCS LGE	156,461.79
121721	MC ROOFING MC3 BOILER ROOM	9.81
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	42.70
121964	FAIRMONT CIRCUIT WORK	9.99
121965	BLUEGRASS CIRCUIT WORK	53,801.76
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	133,497.48
122139	TC MISC PLANT ENGINEERING 2007	732.47
122188	BR CT UNDERGROUND PIPE SPCC 07 (DEV)	3,152.80
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION	22,862.23
122230	RECONSTRUCT WATERSIDE GAS FACILITIES	450.64
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	467,049.54
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	26,027.47
122370	MILL CREEK - HARDIN COUNTY OPGW	8,398.99
122452	UPGRADE BUILDING AT PRESTON CITY GATE STATION	5.87
122505	ORACLE IEXPENSE/FILENET IMAGING	4,365.80
122512	MT 138KV COLLINS TERMINATION	12,067.39
122513	MIDDLETOWN - COLLINS 138 KV LINE	7,730.36
122514	COLLINS 138/69KV 150MVA TRNSFRMR	11,649.82
122539	SAP FOR CCS - LGE	664,025.11
122650	LGE GAS METERS	109,415.32
122695	UPS GRADE LANE	17,428.93
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	0.99
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	1,096,891.47
122819	CCS - BUSINESS INTELLIGENCE	3,640.74
122820	CCS - CHANGE MGMT.	88.00

**LGE 107001 Activity May 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
100650	RELOC. DIST. HWY. FACILITIES	\$ 192,853.67
122821	CCS - CUSTOMER SERVICE	38,173.09
122822	CCS - DEVELOPMENT	2,262.98
122823	CCS - TECHNOLOGY	117,897.74
122862	UPS/SEMINOLE SUBSTATION ADDITION	3,324.31
122891	MC1 345KV DISCONNECT SWITCH	(12,979.58)
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	182,949.70
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	4,623.54
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	27.08
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	0.38
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	45,745.68
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	1,285.60
122974	CONESTOGA SUBSTATION	514,646.74
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	42,205.45
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	31.46
123023	CP IMPRESSED CURRENT SYSTEM	26.14
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	4,573.07
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACE	59.63
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	108,837.78
123042	DOE RUN INDIANA 8-INCH PIPELINE PROJECT	1,314.09
123047	REGULATOR CAPACITY	4.37
123077	MOBILE STOPBOX INSPECTION	19,309.73
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	2,643.23
123260	GDS IMPLEMENTATION	518.33
123306	TC SAFETY & ERT EQUIPMENT 2008	36.99
123308	TC 480V SWITCHGEAR BREAKER UPGRADE 2008 PHASE 3	138.88
123309	TC SPCC COMPLAINCE CAPITAL	2,873.84
123614	MUD LANE HUMANA DATA CENTER	1,230.31
123696	DIST CONESTOGA TAP	96,898.71
123793	ICE STORM 2-21-08	(10,798.95)
123835	CHAMBERLAIN LANE HWY RELOCATION	(15,050.64)
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	0.04
123889	UPS AIRPORT EXPANSION PROJ ASHBOTTOM ROAD	6.90
123926	PLANT LAB EQUIP UPGRADE	9,363.61
123947	MILL CREEK 3 WATERWALL WELD OVERLAY 2009	12,187.30
124016	CR6 FRONT REHEAT PENDANT REPLACEMENT	427,712.53
124039	MC 3C COAL MILL GEARBOX	81,162.61
124041	MC 4E COAL MILL GEARBOX	126,275.18
124047	MC ROOFING MC4 BOILER ROOM	155,970.46
124050	MC 4 DCS HARDWARE UPGRADE	955.81
124052	MC4 SCR CATALYST	12,859.45
124055	MC3 SCR NOX PROBES	1,760.62
124056	MC4 SCR NOX PROBES	5,224.54
124058	MC3 STATOR LEAK MONITORING SYSTEM	953.45
124063	MC3 ELECTROMATIC RELIEF VALVE 2009	16,968.99
124077	MC3 345KV DISCONNECT SWITCH	37,119.67
124296	PR13 TURBINE INLET VANE REPLACEMENT	(153,194.74)
124355	CR6 BURNER CORNER REPL.	138,700.00

LGE 107001 Activity May 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
100650	RELOC. DIST. HWY. FACILITIES	\$ 192,853.67
124361	CR5 4KV SWITCHGEAR UPGRADE	26,814.19
124395	CR MISC ROOF REPLACEMENT	3,673.28
124458	REPLACE UNDERRATED 69KV BREAKERS AT MIDDLETOWN	0.10
124459	MIDDLETOWN 6601 CIRCUIT BREAKER CHANGE OUTS	8,077.51
124465	TC 1 LOWER SLOPE BOILER REPLACEMENT 2009	474,984.70
124668	MADISON SUBSTATION EXPANSION	6,838.64
124669	OLD HENRY SUBSTATION-CONSTRUCT NEW SUBSTATION	4,369.90
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	1,877.94
124673	SOUTH PARK SUBSTATION FENCE	555.09
124674	2009 AUXILLARY CONTROL SWITCHES INSTALLATION	299.98
124676	REPLACE STATION BATTERY BANK AT 8 SUBSTATIONS	20,675.58
124678	HILLCREST TRANSFORMER#1 BUSHING	2,023.26
124742	LGE PC & PRINTER INFRASTRUCTURE	13,221.18
124781	MULDRAUGH GAS COMPRESSOR STATION	4,330.43
124792	MAG REPAIR/REPLACE DEF EQUIPMENT 2009	1,567.27
124798	MAGNOLIA EMERGENCY EQUIPMENT & REPAIRS	24,067.40
124800	MAGNOLIA REPLACE 4,100 FT OF 16" CENTER STORAGE FIELD 2009	53,207.00
124801	REPLACE BARE STEEL GATHERINGS LINES MAGNOLIA & CENTER	57,175.92
124802	MULDRAUGH STATION AUXILIARY BUILDING REPLACEMENT	12,929.26
124805	MULD PURIFIER 1 BOOSTER PUMP	12,105.76
124812	MULDRAUGH FACILITY IMPROVEMENTS	135.70
124815	MULDRAUGH H25 UNIT REPLACEMENT	3,693.20
124817	MULD PLC REPLACEMENT	4,674.44
124822	MULDRAUGH VALVE ACTUATOR REPLACEMENT	(93,130.94)
124830	2009 INSTALL GATE VALVES ON STORAGE WELLS	121,250.29
124831	PLUG & REPAIR WELLS WITH CORRODED CASING	11,348.74
124833	2009 RELINE GAS STORAGE WELLS	2,768.98
124834	CORROSION WORK SERVICE LINE REPLACEMENT	14,533.37
124843	UPGRADE FACILITIES AT CITY GATE STATIONS	9,744.00
124848	2009 COMMERIAL HP GAS SERVICE REPLACEMENT	485.15
124849	2009 REGULATOR CAPACITY PROJECT	18,720.78
124850	2009 REGULATOR RELIEF CAPACITY PROJECT	16,938.44
124865	ELECTRIC EHANCE OH DISTR	1,201.40
124866	OLD HENRY SUBSTATION-OLD HENRY CROSSINGS DUCT WORK	20,962.84
125009	WIDE FORMAT PRINTER AND MAIL TRACKING SYSTEM	746.00
125011	AUBURNDALE SECURITY EQUIPMENT	8,404.80
125012	SECURITY SYSTEMS AND EQUIPMENT (AUBURNDALE OP CENTER)	11,801.16
125013	FAILED EQUIPMENT - LGE	4,873.20
125111	HW/SW DEV TOOLS LGE	818.40
125115	ITSD HW/SW PG LGE	368.81
125120	HW/SW DEV TOOLS 026570-LGE	1,678.53
125132	ACCESS SWITCH REPLACEMENT LGE	123.98
125140	NTWK ACCESS DEVICE/GATEWAY-LGE	3,629.80
125145	PIX FIREWALL REP/UPG LGE	1,582.30
125147	SEC INFRASTRUCTURE ENCHANCE LGE	1,360.05
125171	PURIFIER #1 REPAIR	14.52
125176	CABLING SERVER CONNECT LGE	153.67



**LGE 107001 Activity May 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
100650	RELOC. DIST. HWY. FACILITIES	\$ 192,853.67
125179	SERVER HARDWARE REFRESH	6,206.32
125197	BULK PWR ENV SYSTEMS LGE	3,965.25
125205	NETWORK ACCESS DEV SITE INFRA LGE	936.75
125207	NETWORK TOOLS & TEST EQUIP	262.26
125211	TELEPHONE SYSTEM CAPACITY EXP	829.22
125224	TIER C ROTATE DESKTOP/LAPTOPS LGE	391,764.94
125227	TECH TESTLAB & RELATED 2008-LGE	6,883.61
125235	LOUISVILLE ELECTRICAL UPG LGE	20,454.30
125239	SIMPSONVILLE RACKS & FURNITURE LGE	3,745.47
125255	PROJECT MIRROR GOLD LEVEL SERVICE - LGE	220,171.96
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	24,115.02
125715	CR5-2 BFP MOTOR	899.71
125722	WINDSTORM 9-14	(104.79)
125766	CR NERC CYBERSECURITY	63,113.42
125785	CR GT11 SPCC	181.50
125807	REPLACE CANAL 69KV DOUBLE BUSHING PTS	18,024.12
125811	EDISCOVERY	984.79
125836	3 SPARE POTENTIAL TRANSFORMERS FOR LOUISVILLE	16,744.08
125850	DIGITAL FAULT RECORDER STUDY - LGE	12,206.48
125882	2009 PC PURCHASES	5,050.18
125891	BOC TRANSMISSION DEPT OFFICE RENOVATION	2,999.70
125903	UPGRADE ALGONQUIN TR 5 69 KV U/G CABLE AND MAIN BUS	4,175.45
125937	CR4 BOOSTER AND ID FAN VIBRATION MONITORING	316.05
125964	REPLACE MILL CREEK BREAKER MC-138KV TR 7 & 8	6,509.06
125965	REPLACE MILL CREEK BREAKER MC-3855	12,399.97
125976	MC EMERGENCY BLACK-START PORTABLE AIR COMPRESSOR	15,145.08
125978	MILL CREEK MOWING EQUIPMENT	26,476.65
125981	KY HWY 480 PHASE I GAS RELOCATION-PUBLIC WORKS PROJECTS	48,873.79
125982	KY HWY 22 (PHASE 2) FROM CHAMBERLAIN LN TO KY HWY 1694	15,370.71
125997	MC PORTABLE WELDING MACHINE	326.19
126010	REPLACE 138KV RELAY AT BEARGRASS-LINE 3883	27,595.83
126017	TC MISC ENG CAPITAL-NEW COMPRESSOR UNIT FOR CHILLER	1,942.53
126162	MICROSOFT LICENSES	1,385.62
126203	FORKLIFT FOR LGE EOC STOREROOM	17,905.52
126230	SHELBY CAMPUS OFFICE PARK	(150,025.59)
119902	CLEAR A&G LGE	(23,397.91)
ASBLY419	REGULATOR ASSEMBLIES RC419	(8,914.16)
BTM391	BEYOND THE METER RC391	182.05
CLR419	LEAK REPAIR 419	1.74
COMP419	GAS DISTRIBUTION COMPLIANCE	(10,675.47)
ECAPRR340	CAP, REG, RECLOSERS 340	9,076.50
GME406	GAS MAIN EXT. 406	93,507.45
L5	TRANSMISSION LINE RELOCATION	(2,056.34)
L7	LINE PARAMETER UPGRADES	(3,899.84)
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	(831.15)
L7-2009	PARAMETER UPGRADE T-LINE LGE 2009	2,512.20
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	4,163.91

**LGE 107001 Activity May 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
100650	RELOC. DIST. HWY. FACILITIES	\$ 192,853.67
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	24,427.32
LSMR414	LARGE SCALE MAIN REPL.	432,310.57
LT9	LT9 TRANSMISSION	(24,444.22)
LT9-2008	LT9 EXPAN. 2008	(651.82)
MCAPRR340	CAP/REG/RECL 340	43,742.06
NBCD340OH	NEW BUS COMM OH 340	142,691.97
NBCD340UG	NEW BUS COMM UG 340	223,351.31
NBGCS419	NEW BUS CONNECT SERV 419	37,977.71
NBGS341	NEW BUSINESS GAS SERVICE 341	3,173.35
NBGS419	NEW BUS GAS SERV 419	55,820.92
NBGS422	NEW BUSINESS GAS SERVICE 422	79.39
NBRD340OH	NEW BUS RES OH 340	125,313.30
NBRD341UG	NEW BUS RES UG 341	81,109.92
NBSB340OH	NEW BUS SUB OH 340	2,666.10
NBSB341UG	NEW BUS SUB UG 341	56,361.69
NBSV340OH	NEW ELECTRIC SERVICES	74,900.69
NBSV340UG	NEW EL SERV UG	71,560.85
NETVLT343	NETWORK VAULTS	25,843.10
PBWK340OH	PUB WORKS RELOC OH	79,952.15
PBWK340UG	PUB WORKS RELOC UG 340	20,608.71
PBWK344UG	PUBLIC RELOCATIONS U/G	(64,916.78)
PBWK405G	PUBLIC WORKS GAS 405	(2,476.78)
PBWK406G	PUBLIC WORKS GAS 406	57,807.25
RCST340	CUST REQ 340	37,449.01
RCST406G	CUSTOMER REQUESTED GAS 406	23,136.20
RDCBL340	REPL DEFECTIVE CABLE 340	57,667.52
RDDD340OH	REP DEF EQ OH 340	303,010.67
RDDD340UG	REP DEF EQ UG 340	127,400.18
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	38,458.04
RDMV332	MERCURY BULB REPL. PROJECT	10,834.70
RDPOLE340	POLE REP/REPL 340	344,517.38
RDSTLT332	REPAIR STREET LIGHTING 332	275,199.79
RDSTLT340	REP DEF ST LIGHTS 340	958.06
RELD01015	LGE GENERAL RELIABILITY 01015	1,339.98
RELD340OH	DIST. O/H RELIABILITY 340	2,794.71
RELD340UG	DIST U/G RELIABILITY 340	6,602.26
RNTPD340	REP THR PARTY DAM 340	33,652.75
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	11,937.76
RRCS419G	REP CO GAS SERV 419	180,232.21
STLT332OH	STREET LIGHTS OVERHEAD 333	(128,597.25)
STLT332UG	STREET LIGHT UG 332	52,087.15
STRMLGE	LGE MAJOR STORM EVENT	215,290.70
STRMLOUC	MINOR STORM EVENTS LOUISVILLE	12,553.09
SYSEN406G	SYSTEM ENHANCE. GAS	(4,772.70)
SYSENH340	SYS ENH EXIST CUST 340	17,866.10
TBRD340OH	TROUBLE OVERHEAD 340	184,930.14
TBRD340UG	TROUBLE UNDERGROUND 340	63,830.02

**LGE 107001 Activity May 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
100650	RELOC. DIST. HWY. FACILITIES	\$ 192,853.67
TLEQ340	TOOLS AND EQ 340	10,063.04
TLEQ419	PURCH. TOOLS 419	46.24
TLEQ447	TOOLS AND EQUIPMENT 447	3,570.68
TLEQ448	TOOLS AND EQUIPMENT 448	3,773.48
XFRM340	TRANSFORMER 340	36,521.67
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	1,048.72
		<b><u><u>\$ 13,608,273.29</u></u></b>

LGE 107001 Activity June 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 1,421.95
112767	MC ASH POND EXPANSION STUDY	11,810.89
113270	DISTRIBUTION LINE TRANSFORMER	292,374.56
114268	RESID. GAS REGULATOR REPL.	195,331.20
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUS. CUST.	30,462.07
117136	CR LANDFILL VERTICAL	30,713.50
117149	TC2 PROJECT	4,937,047.10
117207	CANAL - DEL PARK 69 KV LINE SURVEY FOR RECONDUCTOR	(1,238.59)
117320	SUBSTATION PROTECTION MODIFICATIONS	32,274.51
117882	TRANSFORMER REWIND (SMYRNA TR1)	335,744.13
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	1,427,227.53
118239	LG&E SUBSTATION SPILL PREVENTION	40,186.67
118349	OHIO FALLS REDEVELOPMENT	34,468.83
119075	T1 DIGITAL MULTIPLEX REPLACEMENT	23.31
120595	PURCHASE REGULATORS - RESID. & COMMER.	20,865.43
120596	FARM TAP REGULATOR UPGRADE	202,277.48
120599	P J TECHNICAL EQUIPMENT	5,624.57
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	122,975.67
120754	MISC. A/R UNCOLLECTIBLE - LGE CAPITAL	(52,825.00)
120803	SECURE E-MAIL	5,000.00
120876	LOU TO LEX SONET RING UPGRADE OC-48	0.01
121298	CONTROL CENTER CONSTRUCTION	(397.04)
121620	CANE RUN NEW LANDFILL	5,329.81
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	703,229.16
121684	TC2 AQCS LGE	621,138.08
121721	MC ROOFING MC3 BOILER ROOM	125,361.52
121965	BLUEGRASS CIRCUIT WORK	10,089.58
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	134,663.90
122139	TC MISC PLANT ENGINEERING	(183.12)
122163	CR SCREENHOUSE RIVER LEVEL INDICATION	(2,108.79)
122180	HARRODS CREEK PIPELINE	255.01
122188	BR CT UNDERGROUND PIPE SPCC	20,319.26
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION	(16,004.71)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(163,304.98)
122248	EKP CEDAR GROVE 16KV TAP	(2,019.00)
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	34,855.85
122380	WESTERN KENTUCKY SONET RING UPGRADE TO OC-48	(2,238.86)
122505	ORACLE IEXPENSE/FILENET IMAGING	1,074.71
122512	MT 138KV COLLINS TERMINATION	247,515.31
122513	MIDDLETOWN - COLLINS 138 KV LINE	4,986.90
122514	COLLINS 138/69KV 150MVA TRNSFRMR	258,767.18
122539	SAP FOR CCS - LGE	218,218.38
122650	LGE GAS METERS	184,757.24
122695	UPS GRADE LANE	7,833.91
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	805.45
122702	BARDSTOWN, KY HP REGULATOR STATION	653.67
122789	WESTPORT RD. GAS RELOCATION	(23,659.96)
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	(44,425.90)

**LGE 107001 Activity June 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 1,421.95
122821	CCS - CUSTOMER SERVICE	22,845.39
122822	CCS - DEVELOPMENT	870.16
122823	CCS - TECHNOLOGY	7,933.42
122843	MC2 RECYCLE PUMP PIPING 2009	46,350.00
122862	UPS/SEMINOLE SUBSTATION ADDITION	34.65
122891	MC1 345KV DISCONNECT SWITCH	(271.62)
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	21,883.01
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	720.00
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	81,396.83
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	62.46
122974	CONESTOGA SUBSTATION	(266,370.55)
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	(374,438.23)
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	1,870.69
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	104,815.54
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	381.77
123077	MOBILE STOPBOX INSPECTION	(24,931.29)
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	3,096.18
123260	GDS IMPLEMENTATION	570.12
123278	HUMANA DATA CENTER	6,728.00
123306	TC SAFETY & ERT EQUIPMENT 2008	(9.24)
123308	TC 480V SWITCHGEAR BREAKER UPGRADE 2008 PHASE 3	(149.50)
123312	TC TRAVELING WATER SCREEN BASKET REPLACEMENTS	2,832.50
123434	TIER C REPLACEMENT LGE	4,860.50
123579	JT1128 RECONDUCTOR	125.01
123614	MUD LANE HUMANA DATA CENTER	2,308.70
123696	DIST CONESTOGA TAP	106,906.59
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	(36.74)
123795	DIST EASTWOOD WEST TOP	11,059.50
123835	CHAMBERLAIN LANE HWY RELOCATION	84,210.95
123947	MILL CREEK 3 WATERWALL WELD OVERLAY 2009	2,190.10
124039	MC 3C COAL MILL GEARBOX	(37,074.21)
124040	MC 4A COAL MILL GEARBOX	2,987.00
124041	MC 4E COAL MILL GEARBOX	(4,738.44)
124047	MC ROOFING MC4 BOILER ROOM	55,322.90
124050	MC 4 DCS HARDWARE UPGRADE	39,491.83
124055	MC3 SCR NOX PROBES	18,788.29
124056	MC4 SCR NOX PROBES	2,291.60
124063	MC3 ELECTROMATIC RELIEF VALVE 2009	625.48
124077	MC3 345KV DISCONNECT SWITCH	4,124.25
124297	MULDRAUGH PURIFIER REDUNDANT PLC	(68.98)
124355	CR6 BURNER CORNER REPL.	12,732.00
124361	CR5 4KV SWITCHGEAR UPGRADE	136,393.23
124368	CR HARDWARE REFRESH	42,926.29
124380	CR ASBESTOS ABATEMENT 2009	16,807.26
124459	MIDDLETOWN 6601 CIRCUIT BREAKER CHANGE OUTS	10,000.30
124465	TC 1 LOWER SLOPE BOILER REPLACEMENT 2009	(6,070.10)
124668	MADISON SUBSTATION EXPANSION	14,976.79

**LGE 107001 Activity June 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 1,421.95
124669	OLD HENRY SUBSTATION-CONSTRUCT NEW SUBSTATION	9,980.94
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	10,238.44
124673	SOUTH PARK SUBSTATION FENCE	12,387.53
124676	REPLACE STATION BATTERY BANK AT 8 SUBSTATIONS	1,387.18
124717	SMALLWORLD 1.1.1 UPGRADE	53,974.88
124723	MOBILE GIS MODULES - LGE	2,503.84
124731	MOBILE INFRASTRUCTURE LGE	2,238.84
124735	2009 CARRY OVER PROJECTS	24,963.00
124742	LGE PC & PRINTER INFRASTRUCTURE	6,068.62
124781	MULDRAUGH GAS COMPRESSOR STATION	1,361.38
124788	2009 FT CONVERSION PROJECTS	10,259.53
124792	MAG REPAIR/REPLACE DEF EQUIPMENT 2009	1,799.42
124800	MAGNOLIA REPLACE 4,100 FT OF 16" CENTER STORAGE FIELD 2009	240,378.22
124802	MULDRAUGH STATION AUXILIARY BUILDING REPLACEMENT	132,844.60
124804	MULDRAUGH HYDRAULIC MOTORS FOR ENGINES #4 AND #5	48.24
124805	MULD PURIFIER 1 BOOSTER PUMP	1,042.44
124812	MULDRAUGH FACILITY IMPROVEMENTS	7,192.87
124817	MULD PLC REPLACEMENT	3,055.58
124819	MULD PURIFIER 2 REFLUX PUMP	21,397.49
124821	MULDRAUGH STATION PIPING	7,684.16
124822	MULDRAUGH VALVE ACTUATOR REPLACEMENT	31,285.96
124824	MULDRAUGH ACID RIG IMPROVEMENTS	19,758.31
124830	2009 INSTALL GATE VALVES ON STORAGE WELLS	62,726.10
124831	PLUG & REPAIR WELLS WITH CORRODED CASING	7,033.09
124833	2009 RELINE GAS STORAGE WELLS	4,377.81
124834	CORROSION WORK SERVICE LINE REPLACEMENT	2,649.07
124839	PI ACT COMPLIANCE RCVS	1,554.73
124847	UPGRADE GAS CONTROL SCADA SYSTEM	31,267.79
124848	2009 COMMERCIAL HP GAS SERVICE REPLACEMENT	8,144.09
124849	2009 REGULATOR CAPACITY PROJECT	1,802.54
124850	2009 REGULATOR RELIEF CAPACITY PROJECT	5,512.32
124865	ELECTRIC ENHANCE OH DISTR	229.24
124887	2009 ERTS	59,174.22
125001	OFFICE FURNISHINGS AND EQUIPMENT	5,825.56
125009	WIDE FORMAT PRINTER AND MAIL TRACKING SYSTEM	12,623.01
125012	SECURITY SYSTEMS AND EQUIPMENT (AUBURNDALE OP CENTER)	61,943.81
125115	ITSD HW/SW PG LGE	232.64
125120	HW/SW DEV TOOLS 026570-LGE	65.75
125132	ACCESS SWITCH REPLACEMENT LGE	884.66
125134	CORE NTWK INFRASTRUCTURE LGE	23,206.52
125138	CORE NTWK INFRASTRUCTURE KU	(22,006.52)
125145	PIX FIREWALL REP/UPG LGE	5,946.80
125147	SEC INFRASTRUCTURE ENHANCE LGE	10,125.25
125151	VPN SWITCH UPGRADE LGE	9,411.29
125176	CABLING SERVER CONNECT LGE	442.01
125179	SERVER HARDWARE REFRESH	23,809.49
125195	OUTSIDE CABLE PLANT LGE	867.56

**LGE 107001 Activity June 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 1,421.95
125197	BULK PWR ENV SYSTEMS LGE	1,991.79
125205	NETWORK ACCESS DEV SITE INFRA LGE	3,402.59
125207	NETWORK TOOLS & TEST EQUIP	744.77
125211	TELEPHONE SYSTEM CAPACITY EXP	56,750.72
125220	MONITOR REPLACEMENT LGE	3,063.20
125224	TIER C ROTATE DESKTOP/LAPTOPS LGE	358.03
125241	SIMPSONVILLE ELECTRIC UPG LGE	1,972.77
125255	PROJECT MIRROR GOLD LEVEL SERVICE - LGE	46,870.67
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	48,211.91
125715	CR5-2 BFP MOTOR	1,039.36
125766	CR NERC CYBERSECURITY	80,094.31
125785	CR GT11 SPCC	2,319.73
125807	REPLACE CANAL 69KV DOUBLE BUSHING PTS	4,904.05
125811	EDISCOVERY	4,166.99
125824	OPTIO REPLACEMENT ORACLE BI PUBLISHER & RIGHTFAX)	4,209.65
125850	DIGITAL FAULT RECORDER STUDY - LGE	20,025.00
125882	2009 PC PURCHASES	8,648.00
125906	GAS LEAK SURVEY CUSTOMER NOTIFICATION	2,887.71
125931	MC 4-2 MAIN AUX TRANSFORMER BUSHINGS	47,741.93
125937	CR4 BOOSTER AND ID FAN VIBRATION MONITORING	(261.20)
125951	REPLACE SURGE ARRESTERS	7,179.14
125953	REPLACE CLIFTON BREAKER CL-6624	409.95
125954	REPLACE SEMINOLE BREAKER 69KV BUS TIE 1-2	38,654.74
125964	REPLACE MILL CREEK BREAKER MC-138KV TR 7 & 8	16,558.89
125965	REPLACE MILL CREEK BREAKER MC-3855	12,142.09
125981	KY HWY 480 PHASE I GAS RELOCATION-PUBLIC WORKS PROJECTS	17,610.53
125982	KY HWY 22 (PHASE 2) FROM CHAMBERLAIN LN TO KY HWY 1694	15,649.00
126010	REPLACE 138KV RELAY AT BEARGRASS-LINE 3883	2,464.79
126017	TC MISC ENG CAPITAL-NEW COMPRESSOR UNIT FOR CHILLER	322.52
126037	TRANSMISSION CONTROL CENTER ADDITIONAL OFFICE SPACE	815.03
126050	CR5 B SUMP PUMP MOTOR REWIND	30,715.51
126179	CR ICE MACHINE	2,483.42
126188	MUSEUM PLAZA U/G DISTRIBUTION ELECTRIC	578,380.64
126205	OPEN ENROLL	6,787.84
126217	ERT TOOLKITS	1,826.85
126313	CR4 FGD A INLET DUCT EXP JT	12,757.00
126314	CR5 A ID FAN INLET EXP JT	4,017.97
126330	MC SEWAGE LIFT STATION #2	1,400.26
119902	CLEAR A&G LGE	(73,538.78)
ASBLY419	REGULATOR ASSEMBLIES RC419	3,536.75
BTM391	BEYOND THE METER RC391	(1,521.11)
ECAPRR340	CAP, REG, RECLOSERS 340	34,908.57
GME406	GAS MAIN EXT. 406	146,003.74
L5	TRANSMISSION LINE RELOCATION	(34,413.07)
L5-2009	TRANS. LINE RELOCATION 2009	13,635.48
L6	TRANS. LINES NEW FACILITIES	60,391.26
L6-2009	NEW FACILITY TRANS. LINE 2009	4,212.00

**LGE 107001 Activity June 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 1,421.95
L7	LINE PARAMETER UPGRADES	(111,059.50)
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	(7,942.79)
L7-2009	PARAMETER UPGRADE T-LINE LGE 2009	8,950.55
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	3,388.53
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	39,420.54
LSMR414	LARGE SCALE MAIN REPL.	580,430.20
LT8	LT8 TRANSMISSION	(100,000.00)
LT9	LT9 TRANSMISSION	(122,595.05)
LT9-2008	LT9 EXPAN. 2008	1,525.08
LTSUB-09	TRANS. SUB TERMINAL UPGRADES 09	1,429.95
MCAPRR340	CAP/REG/RECL 340	29,596.55
NBCD340OH	NEW BUS COMM OH 340	146,276.65
NBCD340UG	NEW BUS COMM UG 340	232,446.80
NBGCS419	NEW BUS CONNECT SERV 419	47,937.18
NBGS341	NEW BUSINESS GAS SERVICE 341	3,332.82
NBGS419	NEW BUS GAS SERV 419	44,103.00
NBGS421	NEW BUS. GAS SERV. 421	1,138.23
NBGS422	NEW BUSINESS GAS SERVICE 422	651.98
NBRD340OH	NEW BUS RES OH 340	73,498.03
NBRD341UG	NEW BUS RES UG 341	69,130.03
NBSB340OH	NEW BUS SUB OH 340	6,563.93
NBSB341UG	NEW BUS SUB UG 341	95,841.07
NBSV340OH	NEW ELECTRIC SERVICES	73,967.25
NBSV340UG	NEW EL SERV UG	68,795.68
NBVL343	NETWORK VAULTS 343	95.30
NETVLT343	NETWORK VAULTS	57,042.26
PBWK340OH	PUB WORKS RELOC OH	38,549.09
PBWK340UG	PUB WORKS RELOC UG 340	18,500.05
PBWK344UG	PUBLIC RELOCATIONS U/G	458.28
PBWK406G	PUBLIC WORKS GAS 406	35,174.60
RCST340	CUST REQ 340	25,649.08
RCST406G	CUSTOMER REQUESTED GAS 406	(27,523.54)
RDCBL340	REPL DEFECTIVE CABLE 340	39,612.47
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	180.70
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	3,037.13
RDDD340OH	REP DEF EQ OH 340	257,481.78
RDDD340UG	REP DEF EQ UG 340	79,427.45
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	28,190.54
RDMV332	MERCURY BULB REPL. PROJECT	13,021.98
RDPOLE340	POLE REP/REPL 340	379,908.36
RDSTLT332	REPAIR STREET LIGHTING 332	101,710.34
RELD01015	LGE GENERAL RELIABILITY 01015	9,577.19
RELD340OH	DIST. O/H RELIABILITY 340	7,016.91
RELD340UG	DIST U/G RELIABILITY 340	(4,640.00)
RNTPD340	REP THR PARTY DAM 340	29,481.87
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	16,166.27
RRCS419G	REP CO GAS SERV 419	125,005.81



**LGE 107001 Activity June 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 1,421.95
RRCS421G	DIST MAINS 421 MULDRAUGH	2,063.25
STLT332OH	STREET LIGHTS OVERHEAD 333	155,502.47
STLT332UG	STREET LIGHT UG 332	139,598.66
STRMLGE	LGE MAJOR STORM EVENT	264,312.00
STRMLOUOC	MINOR STORM EVENTS LOUISVILLE	14,762.18
SYSEN406G	SYSTEM ENHANCE. GAS	2,114.06
SYSENH340	SYS ENH EXIST CUST 340	2,890.61
TBRD340OH	TROUBLE OVERHEAD 340	208,541.29
TBRD340UG	TROUBLE UNDERGROUND 340	42,267.67
TBRD419G	MISC. GAS MAIN LEAK REPAIR/REPL	26,800.99
TLEQ340	TOOLS AND EQ 340	7,690.21
TLEQ419	PURCH. TOOLS 419	445.82
TLEQ447	TOOLS AND EQUIPMENT 447	3,667.15
TLEQ448	TOOLS AND EQUIPMENT 448	16,739.69
WEATH340	WEATHER 003400	7,176.06
XFRM340	TRANSFORMER 340	14,569.82
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	2,949.02
		<b><u>\$ 15,648,913.64</u></b>

**LGE 107001 Activity July 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 18,241.14
112644	CAPITAL TOOLS	15,157.34
112767	MC ASH POND EXPANSION STUDY	544,973.32
113270	DISTRIBUTION LINE TRANSFORMER	244,418.04
114268	RESID. GAS REGULATOR REPL.	147,190.23
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUS. CUST.	939.00
117136	CR LANDFILL VERTICAL	25,299.93
117149	TC2 PROJECT	1,369,077.38
117320	SUBSTATION PROTECTION MODIFICATIONS	42,765.12
117914	MAGNOLIA - ENGINE PANELS	(5,115.19)
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	1,999,125.84
118239	LG&E SUBSTATION SPILL PREVENTION	4,159.25
118349	OHIO FALLS REDEVELOPMENT	42,628.51
120583	PLUG & REPAIR WELLS FOUND TO HAVE CORRODED CASING	(107,318.80)
120596	FARM TAP REGULATOR UPGRADE	53,242.65
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	56,657.74
120803	SECURE E-MAIL	5,000.00
121620	CANE RUN NEW LANDFILL	10,629.42
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	859,569.05
121684	TC2 AQCS LGE	815,187.57
121721	MC ROOFING MC3 BOILER ROOM	137,052.22
121929	PLUG AND REPAIR WELLS FOUND TO HAVE CORRODED CASING	(43,811.11)
121930	INSTALL GATE VALVES ON GAS STORAGE WELLS	(19,446.67)
121955	CEMS STACK VISION/EDR UPGRADE - LGE	2,226.00
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	79,186.80
122161	CR SPCC COMPLIANCE 2007	88.56
122180	HARRODS CREEK PIPELINE	129.59
122188	BR CT UNDERGROUND PIPE SPCC 07 (DEV)	15,630.37
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION	14,765.60
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(117,184.47)
122280	SO3 SORBENT INJECTION	4,730.39
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	26,769.22
122370	MILL CREEK - HARDIN COUNTY OPGW	433.93
122503	POWERPLANT SOFTWARE IMPLEMENTATION	2,555.10
122512	MT 138KV COLLINS TERMINATION	13,100.19
122513	MIDDLETOWN - COLLINS 138 KV LINE	7,812.25
122514	COLLINS 138/69KV 150MVA TRNSFRMR	11,878.11
122539	SAP FOR CCS - LGE	75,063.07
122650	LGE GAS METERS	171,849.70
122695	UPS GRADE LANE	523.62
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	985.77
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	135,785.30
122821	CCS - CUSTOMER SERVICE	(36,799.54)
122823	CCS - TECHNOLOGY	2,837.45
122843	MC2 RECYCLE PUMP PIPING 2009	7,509.83
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	20,191.70
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	181.86
122945	08 OFFICE FURNITURE & EQUIPMENT	(8,485.36)

LGE 107001 Activity July 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 18,241.14
122971	CONESTOGA SUBSTATION CIRCUIT WORK	167,504.99
122974	CONESTOGA SUBSTATION	334,400.85
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	7,121.19
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACE	503.39
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	65,695.20
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	289.20
123050	OTTER CREEK EXPOSURE PROJECT	3,594.67
123077	MOBILE STOPBOX INSPECTION	(5,767.98)
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	5,160.30
123260	GDS IMPLEMENTATION	336.92
123308	TC 480V SWITCHGEAR BREAKER UPGRADE 2008 PHASE 3	28.69
123614	MUD LANE HUMANA DATA CENTER	768.93
123696	DIST CONESTOGA TAP	166,980.66
123789	CR5 52 BOILER FEED PUMP MOTOR REWIND	(13,328.57)
123795	DIST EASTWOOD WEST TOP	14,507.00
123826	CR GT11 FIRE PROTECTION SYS.	(13,023.35)
123831	CORRODED SERVICE LINE REPLACEMENT	1,686.26
123835	CHAMBERLAIN LANE HWY RELOCATION	(208,980.71)
123882	GS LGE LRG FORMAT EQUIP 2009	46,228.72
123932	GAS CHRMATOGRAPH TOGAS REPLACEMENT LGE	40,270.80
123944	GS CR CEMS DILUTION PROBES	23,403.82
123965	DATA QUALITY INITIATIVE LGE	14,823.75
124016	CR6 FRONT REHEAT PENDANT REPLACEMENT	285,141.70
124040	MC 4A COAL MILL GEARBOX	(2,987.00)
124041	MC 4E COAL MILL GEARBOX	2,987.36
124047	MC ROOFING MC4 BOILER ROOM	229,814.93
124050	MC 4 DCS HARDWARE UPGRADE	15,222.33
124055	MC3 SCR NOX PROBES	33,773.14
124056	MC4 SCR NOX PROBES	34,515.40
124355	CR6 BURNER CORNER REPL.	405,712.98
124361	CR5 4KV SWITCHGEAR UPGRADE	43,932.20
124380	CR ASBESTOS ABATEMENT 2009	13,203.99
124395	CR MISC ROOF REPLACEMENT	174,760.10
124463	TC 1 1D FAN VFD UPGRADE 2009	600.47
124465	TC 1 LOWER SLOPE BOILER REPLACEMENT 2009	234,457.31
124667	WILDLIFE PROTECTION ON ALGONQUIN 14KV AND FERN VALLEY	1,502.13
124668	MADISON SUBSTATION EXPANSION	15,764.98
124669	OLD HENRY SUBSTATION-CONSTRUCT NEW SUBSTATION	9,374.73
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	3,195.45
124676	REPLACE STATION BATTERY BANK AT 8 SUBSTATIONS	47,521.44
124717	SMALLWORLD 1.1.1 UPGRADE	66,187.45
124723	MOBILE GIS MODULES - LGE	4,900.00
124731	MOBILE INFRASTRUCTURE LGE	25,948.82
124735	2009 CARRY OVER PROJECTS	5,767.98
124742	LGE PC & PRINTER INFRASTRUCTURE	51,053.19
124781	MULDRAUGH GAS COMPRESSOR STATION	1,854.06
124788	2009 FT CONVERSION PROJECTS	11,487.69

LGE 107001 Activity July 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 18,241.14
124792	MAG REPAIR/REPLACE DEF EQUIPMENT 2009	34,592.23
124797	MAG REPL MUFFLERS AND EXPANSION JOINTS ON ENGINE #6	6,497.69
124800	MAGNOLIA REPLACE 4,100 FT OF 16" CENTER STORAGE FIELD 2009	8,871.68
124802	MULDRAUGH STATION AUXILIARY BUILDING REPLACEMENT	31,987.19
124804	MULDRAUGH HYDRAULIC MOTORS FOR ENGINES #4 AND #5	10,031.33
124812	MULDRAUGH FACILITY IMPROVEMENTS	13,205.21
124817	MULD PLC REPLACEMENT	1,249.31
124821	MULDRAUGH STATION PIPING	10,956.63
124830	2009 INSTALL GATE VALVES ON STORAGE WELLS	8,194.25
124831	PLUG & REPAIR WELLS WITH CORRODED CASING	26,111.70
124833	2009 RELINE GAS STORAGE WELLS	53,480.86
124834	CORROSION WORK SERVICE LINE REPLACEMENT	4,263.31
124839	PI ACT COMPLIANCE RCVS	1,971.76
124843	UPGRADE FACILITIES AT CITY GATE STATIONS	6,960.00
124846	UPGRADE ODORANT SYSTEM CONTROLLERS & PUMPS	33,450.88
124848	2009 COMMERCIAL HP GAS SERVICE REPLACEMENT	21,363.92
124849	2009 REGULATOR CAPACITY PROJECT	5,787.01
124850	2009 REGULATOR RELIEF CAPACITY PROJECT	4,246.22
124865	ELECTRIC ENHANCE O/H DISTR	62.84
124866	OLD HENRY SUBSTATION-OLD HENRY CROSSINGS DUCT WORK	152,884.19
125001	OFFICE FURNISHINGS AND EQUIPMENT	38,485.16
125012	SECURITY SYSTEMS AND EQUIPMENT (AUBURNDALE OP CENTER)	(4,154.59)
125013	FAILED EQUIPMENT - LGE	14,988.40
125109	HW SW DEV TOOLS LGE	64.09
125115	ITSD HW/SW PG LGE	2,960.32
125132	ACCESS SWITCH REPLACEMENT LGE	11,000.94
125134	CORE NTKW INFRASTRUCTURE LGE	578.99
125142	NETWORK MANAGEMENT SYSTEMS LGE	4,456.49
125147	SEC INFRASTRUCTURE ENCHANCE LGE	35.91
125153	BACKUP CAPACILTY EXPANSION-LGE	1,862.25
125166	MID-LEVEL STORAGE REFRESH-LGE	25,324.30
125176	CABLING SERVER CONNECT LGE	353.94
125179	SERVER HARDWARE REFRESH	16,639.76
125195	OUTSIDE CABLE PLANT LGE	7,418.21
125205	NETWORK ACCESS DEV SITE INFRA LGE	13,100.64
125207	NETWORK TOOLS & TEST EQUIP	81.67
125211	TELEPHONE SYSTEM CAPACITY EXP	(131.80)
125213	SEC FIBER CONNECT SIMPSON LGE	1,215.44
125220	MONITOR REPLACEMENT LGE	1,807.29
125224	TIER C ROTATE DESKTOP/LAPTOPS LGE	29,331.57
125239	SIMPSONVILLE RACKS & FURNITURE LGE	2,244.03
125241	SIMPSONVILLE ELECTRIC UPG LGE	24,247.62
125243	DATA BASE TOOLS AND EQUIP-LGE	207.15
125249	UPGRADE TO SQL 2008-LGE	22,933.03
125255	PROJECT MIRROR GOLD LEVEL SERVICE - LGE	88,551.30
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	75,462.41
125686	MC4 PYRITE PIPING	(3,045.18)

LGE 107001 Activity July 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 18,241.14
125715	CR5-2 BFP MOTOR	(281.19)
125719	CR5A HORIZONTAL SERVICES WATER PUMP REPLACEMENT	(3,068.54)
125766	CR NERC CYBERSECURITY	8,523.55
125785	CR GT11 SPCC	(4,773.00)
125807	REPLACE CANAL 69KV DOUBLE BUSHING PTS	87.75
125811	EDISCOVERY	1,415.06
125824	OPTIO REPLACEMENT ORACLE BI PUBLISHER & RIGHTFAX)	875.67
125850	DIGITAL FAULT RECORDER STUDY - LGE	2,744.69
125882	2009 PC PURCHASES	5,276.44
125906	GAS LEAK SURVEY CUSTOMER NOTIFICATION	2,406.41
125931	MC 4-2 MAIN AUX TRANSFORMER BUSHINGS	14,464.01
125937	CR4 BOOSTER AND ID FAN VIBRATION MONITORING	(1,049.77)
125951	REPLACE SURGE ARRESTERS	18,202.70
125952	REPLACE CANAL BREAKER C-3861	89,257.30
125953	REPLACE CLIFTON BREAKER CL-6624	42,442.40
125954	REPLACE SEMINOLE BREAKER 69KV BUS TIE 1-2	4,284.37
125964	REPLACE MILL CREEK BREAKER MC-138KV TR 7 & 8	92,890.77
125965	REPLACE MILL CREEK BREAKER MC-3855	92,131.88
125981	KY HWY 480 PHASE I GAS RELOCATION-PUBLIC WORKS PROJECTS	41,211.42
125982	KY HWY 22 (PHASE 2) FROM CHAMBERLAIN LN TO KY HWY 1694	142,115.35
126010	REPLACE 138KV RELAY AT BEARGRASS-LINE 3883	761.43
126012	KU09 BATTERIES, LU09-BATTERIES	34,213.94
126017	TC MISC ENG CAPITAL-NEW COMPRESSOR UNIT FOR CHILLER	122.98
126037	TRANSMISSION CONTROL CENTER ADDITIONAL OFFICE SPACE	169.81
126044	FIELDSMART VIEW LICENSES	24,539.00
126186	ORACLE DATA STORAGE (2009)	5,701.66
126191	CR ELECTRICAL EQPT HVAC UPGRADE	12,371.22
126205	OPEN ENROLL	542.69
126217	ERT TOOLKITS	5,716.92
126221	ALGONQUIN 1374 & 1380 RECONDUCTOR NEW BUSINESS-RESID. OH	98,658.75
126230	SHELBY CAMPUS OFFICE PARK	95,840.59
126233	EPERFORMANCE LGE	4,904.41
126328	TC GSU BUSHING-MISC ENG	16,302.12
126330	MC SEWAGE LIFT STATION #2	23,969.12
126415	TREND MICRO LICENSES	19,983.12
119902	CLEAR A&G LGE	(81,200.89)
ASBLY419	REGULATOR ASSEMBLIES RC419	5,458.59
BTM391	BEYOND THE METER RC391	(1,146.78)
ECAPRR340	CAP, REG, RECLOSERS 340	12,680.70
GME406	GAS MAIN EXT. 406	90,606.71
L6-2009	NEW FACILITY TRANS. LINE 2009	36,930.17
L7	LINE PARAMETER UPGRADES	693.05
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	(12,179.64)
L7-2009	PARAMETER UPGRADE T-LINE LGE 2009	32,327.30
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	145,783.15
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	31,203.04
LRSUB-09	LGE TRANS. SUB MISC. CAPITAL	877.99

LGE 107001 Activity July 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 18,241.14
LSMR414	LARGE SCALE MAIN REPL.	585,594.91
LT8	LT8 TRANSMISSION	6,799.60
LT9	LT9 TRANSMISSION	12,189.93
LT9-2008	LT9 EXPAN. 2008	6,019.20
LTSUB-09	TRANS. SUB TERMINAL UPGRADES 09	1,323.71
MCAPRR340	CAP/REG/RECL 340	24,832.58
NBCD340OH	NEW BUS COMM OH 340	159,719.13
NBCD340UG	NEW BUS COMM UG 340	311,581.93
NBCD341UG	NEW BUS COMM UG 341	156.60
NBGCS419	NEW BUS CONNECT SERV 419	33,916.98
NBGS341	NEW BUSINESS GAS SERVICE 341	1,950.87
NBGS419	NEW BUS GAS SERV 419	60,051.05
NBGS421	NEW BUS. GAS SERV. 421	253.17
NBRD340OH	NEW BUS RES OH 340	113,301.43
NBRD340UG	NEW BUS RES UG	338.42
NBRD341UG	NEW BUS RES UG 341	90,086.31
NBSB340OH	NEW BUS SUB OH 340	5,593.75
NBSB341UG	NEW BUS SUB UG 341	74,333.90
NBSV340OH	NEW ELECTRIC SERVICES	97,720.51
NBSV340UG	NEW EL SERV UG	72,379.51
NETVLT343	NETWORK VAULTS	95,929.14
PBWK340OH	PUB WORKS RELOC OH	69,691.81
PBWK340UG	PUB WORKS RELOC UG 340	16,400.90
PBWK344UG	PUBLIC RELOCATIONS U/G	15,809.16
PBWK406G	PUBLIC WORKS GAS 406	28,494.23
RCST340	CUST REQ 340	108,438.72
RCST406G	CUSTOMER REQUESTED GAS 406	(480,427.78)
RDCBL340	REPL DEFECTIVE CABLE 340	30,232.75
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	5,966.41
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	9,882.69
RDDD340OH	REP DEF EQ OH 340	315,219.75
RDDD340UG	REP DEF EQ UG 340	110,881.47
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	1,769.74
RDMV332	MERCURY BULB REPL. PROJECT	14,095.93
RDPOLE340	POLE REP/REPL 340	195,106.78
RDSTLT332	REPAIR STREET LIGHTING 332	153,620.57
RELD01015	LGE GENERAL RELIABILITY 01015	20,965.80
RELD340OH	DIST. O/H RELIABILITY 340	10,923.40
RELD340UG	DIST U/G RELIABILITY 340	22,744.90
RNTPD340	REP THR PARTY DAM 340	18,426.83
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	7,266.59
RRCS419G	REP CO GAS SERV 419	114,602.77
RRCS421G	DIST MAINS 421 MULDRAUGH	359.63
RRCS422G	RETAIL GAS SERVICE RC 422	882.48
STLT332OH	STREET LIGHTS OVERHEAD 333	33,576.25
STLT332UG	STREET LIGHT UG 332	46,893.22
STRMLGE	LGE MAJOR STORM EVENT	15,980.19

LGE 107001 Activity July 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 18,241.14
STRMLOUOC	MINOR STORM EVENTS LOUISVILLE	35,035.87
SYSEN406G	SYSTEM ENHANCE. GAS	62,491.40
SYSENH340	SYS ENH EXIST CUST 340	(112,955.00)
TBRD340OH	TROUBLE OVERHEAD 340	173,091.10
TBRD340UG	TROUBLE UNDERGROUND 340	41,075.00
TBRD419G	MISC. GAS MAIN LEAK REPAIR/REPL	39,280.84
TLEQ340	TOOLS AND EQ 340	8,262.78
WEATH340	WEATHER 003400	11,269.39
XFRM340	TRANSFORMER 340	25,066.63
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	(228.95)
		<u><u>\$ 13,906,727.43</u></u>

**LGE 107001 Activity August 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 20,985.08
112767	MC ASH POND EXPANSION STUDY	15,773.16
113270	DISTRIBUTION LINE TRANSFORMER	64,920.72
114268	RESID. GAS REGULATOR REPL.	238,707.54
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUS. CUST.	18,135.14
117136	CR LANDFILL VERTICAL	42,891.61
117149	TC2 PROJECT	2,268,910.77
117320	SUBSTATION PROTECTION MODIFICATIONS	8,616.87
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	1,845,895.13
118222	ENHANCE DOE RUN GAS RECOVERY SYSTEM	(47,422.72)
118239	LG&E SUBSTATION SPILL PREVENTION	585.64
118349	OHIO FALLS REDEVELOPMENT	293.07
120595	PURCHASE REGULATORS - RESID. & COMMER.	14,486.81
120596	FARM TAP REGULATOR UPGRADE	212,576.37
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	341,393.44
120803	SECURE E-MAIL	5,000.00
121620	CANE RUN NEW LANDFILL	138,487.55
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	873,240.03
121684	TC2 AQCS LGE	763,060.00
121777	PC INFRASTRUCTURE - LGE	219.96
121955	CEMS STACK VISION/EDR UPGRADE - LGE	(2,226.00)
121965	BLUEGRASS CIRCUIT WORK	(461.52)
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	41,033.42
122130	TC1 EXPANSION JOINT REPLACEMENTS	(12,027.03)
122131	TC1 SCR BYPASS EROSION CONTROL	(26,755.02)
122132	TC1 ASH PIT SEAL TROUGH SKIRTING REPL	(3,918.36)
122133	TC PURCHASE ACID DAY TANK	(2,453.52)
122161	CR SPCC COMPLIANCE	(63,674.11)
122180	HARRODS CREEK PIPELINE	255.01
122188	BR CT UNDERGROUND PIPE SPCC	10,614.08
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION	242,555.94
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	617,136.91
122280	SO3 SORBENT INJECTION	37.95
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	172,697.33
122370	MILL CREEK - HARDIN COUNTY OPGW	45,228.78
122452	UPGRADE BUILDING AT PRESTON CITY GATE STATION	(10,992.56)
122512	MT 138KV COLLINS TERMINATION	3,473.91
122513	MIDDLETOWN - COLLINS 138 KV LINE	19,594.26
122514	COLLINS 138/69KV 150MVA TRNSFRMR	9,960.95
122539	SAP FOR CCS - LGE	(48,253.45)
122650	LGE GAS METERS	238,289.61
122656	MERCURY MONITORING	82,222.38
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	4,918.38
122702	BARDSTOWN, KY HP REGULATOR STATION	350.92
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	(447,729.99)
122821	CCS - CUSTOMER SERVICE	0.56
122897	MC FIRE PROTECTION PIPING	4,635.00
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	10,466.17



LGE 107001 Activity August 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 20,985.08
122939	REAL TIME PRICING PILOT	85.70
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	328,216.76
122974	CONESTOGA SUBSTATION	5,272.62
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	1,487.76
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACE	798.81
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	219,570.31
123050	OTTER CREEK EXPOSURE PROJECT	16,565.24
123260	GDS IMPLEMENTATION	836.18
123310	TC CBU BUCKET REPLACEMENT	(10,826.98)
123383	NORTHSIDE CLIFTY CREEK 138KV UPGRADE	21,973.40
123696	DIST CONESTOGA TAP	52,559.40
123795	DIST EASTWOOD WEST TOP	659.42
123831	CORRODED SERVICE LINE REPLACEMENT	3,813.51
123835	CHAMBERLAIN LANE HWY RELOCATION	0.06
123926	PLANT LAB EQUIP UPGRADE	1,545.00
123944	GS CR CEMS DILUTION PROBES	52,879.85
123965	DATA QUALITY INITIATIVE LGE	898.04
124039	MC 3C COAL MILL GEARBOX	0.10
124041	MC 4E COAL MILL GEARBOX	(48,931.57)
124047	MC ROOFING MC4 BOILER ROOM	112.71
124055	MC3 SCR NOX PROBES	6,110.19
124056	MC4 SCR NOX PROBES	6,109.93
124077	MC3 345KV DISCONNECT SWITCH	2.39
124153	MULDRAUGH STATION REDUNDANT AMINE PUMP	16.01
124155	TC 08 MISC R1 SUMP PUMP REPLACEMENT	(1,155.53)
124157	TC 08 MISC CDES BLDG BATTERY REPL	(1,813.53)
124355	CR6 BURNER CORNER REPL.	19,175.62
124380	CR ASBESTOS ABATEMENT 2009	2,301.88
124395	CR MISC ROOF REPLACEMENT	(52,428.03)
124459	MIDDLETOWN 6601 CIRCUIT BREAKER CHANGE OUTS	3,085.83
124463	TC 1 1D FAN VFD UPGRADE 2009	5,933.93
124465	TC 1 LOWER SLOPE BOILER REPLACEMENT 2009	236,873.67
124484	TC LAB PURCHASE MONITORS	5,449.41
124667	WILDLIFE PROTECTION ON ALGONQUIN 14KV AND FERN VALLEY	2,182.10
124668	MADISON SUBSTATION EXPANSION	14,069.40
124669	OLD HENRY SUBSTATION-CONSTRUCT NEW SUBSTATION	6,054.64
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	24,014.43
124674	2009 AUXILLARY CONTROL SWITCHES INSTALLATION	274.02
124676	REPLACE STATION BATTERY BANK AT 8 SUBSTATIONS	4,761.38
124717	SMALLWORLD 1.1.1 UPGRADE	11,559.09
124731	MOBILE INFRASTRUCTURE LGE	22,044.27
124742	LGE PC & PRINTER INFRASTRUCTURE	6,210.04
124781	MULDRAUGH GAS COMPRESSOR STATION	6,402.36
124792	MAG REPAIR/REPLACE DEF EQUIPMENT 2009	52,439.19
124793	MA GROUNDWATER PROTECTION PROJECTS 2009	18,882.48
124794	MAG TEMPERATURE CONTROL FOR THE #1 PURIFIER LEAN AMINE	41,818.00
124797	MAG REPL MUFFLERS AND EXPANSION JOINTS ON ENGINE #6	21,337.52

LGE 107001 Activity August 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 20,985.08
124798	MAGNOLIA EMERGENCY EQUIPMENT & REPAIRS	15,888.54
124801	REPLACE BARE STEEL GATHERINGS LINES MAGNOLIA & CENTER	23,462.53
124802	MULDRAUGH STATION AUXILIARY BUILDING REPLACEMENT	351,779.50
124805	MULD PURIFIER 1 BOOSTER PUMP	6,997.35
124808	MULDRAUGH OXIDIZER AUTOMATION	5,557.33
124812	MULDRAUGH FACILITY IMPROVEMENTS	235.97
124819	MULD PURIFIER 2 REFLUX PUMP	18,268.92
124821	MULDRAUGH STATION PIPING	20,753.92
124822	MULDRAUGH VALVE ACTUATOR REPLACEMENT	1,928.13
124830	2009 INSTALL GATE VALVES ON STORAGE WELLS	6,875.37
124831	PLUG & REPAIR WELLS WITH CORRODED CASING	11,738.15
124833	2009 RELINE GAS STORAGE WELLS	109,947.73
124834	CORROSION WORK SERVICE LINE REPLACEMENT	12,299.56
124842	UPGRADE BUILDINGS AT MAJOR STATIONS	4,864.29
124847	UPGRADE GAS CONTROL SCADA SYSTEM	126,266.35
124848	2009 COMMERCIAL HP GAS SERVICE REPLACEMENT	26,840.64
124850	2009 REGULATOR RELIEF CAPACITY PROJECT	57,130.10
124999	LGE FAC IMPROVEMENTS (REMOVAL OF MAUS, FANS AND PIPING)	11,608.69
125001	OFFICE FURNISHINGS AND EQUIPMENT	1,821.00
125008	AUBURNDALE LARGE HVAC UNIT REPLACEMENT	43,390.00
125011	AUBURNDALE SECURITY EQUIPMENT	31,908.08
125012	SECURITY SYSTEMS AND EQUIPMENT (AUBURNDALE OP CENTER)	19,674.45
125013	FAILED EQUIPMENT - LGE	11,906.00
125107	STELLENT UPGRADE	1,527.18
125109	HW SW DEV TOOLS LGE	465.55
125132	ACCESS SWITCH REPLACEMENT LGE	7,554.90
125145	PIX FIREWALL REP/UPG LGE	4,451.56
125151	VPN SWITCH UPGRADE LGE	27,846.30
125153	BACKUP CAPACITY EXPANSION-LGE	111.74
125162	SAN SWITCH REFRESH LGE	236,444.24
125166	MID-LEVEL STORAGE REFRESH-LGE	16,162.98
125176	CABLING SERVER CONNECT LGE	192.46
125179	SERVER HARDWARE REFRESH	98,076.42
125181	STORAGE CAPACITY VIRTUAL LGE	112,705.20
125195	OUTSIDE CABLE PLANT LGE	4,340.26
125197	BULK PWR ENV SYSTEMS LGE	7,133.94
125205	NETWORK ACCESS DEV SITE INFRA LGE	5,682.14
125207	NETWORK TOOLS & TEST EQUIP	11,469.95
125213	SEC FIBER CONNECT SIMPSON LGE	3,468.84
125220	MONITOR REPLACEMENT LGE	3,744.41
125224	TIER C ROTATE DESKTOP/LAPTOPS LGE	46,740.46
125227	TECH TESTLAB & RELATED 2008-LGE	(3,266.62)
125241	SIMPSONVILLE ELECTRIC UPG LGE	56.56
125243	DATA BASE TOOLS AND EQUIP-LGE	12,891.33
125247	PROJ MIRROR-DATABASE TECH	23,563.21
125255	PROJECT MIRROR GOLD LEVEL SERVICE - LGE	14,041.13
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	121,798.04

LGE 107001 Activity August 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 20,985.08
125715	CR5-2 BFP MOTOR	1,940.52
125766	CR NERC CYBERSECURITY	2,058.63
125807	REPLACE CANAL 69KV DOUBLE BUSHING PTS	38.57
125811	EDISCOVERY	34,141.88
125850	DIGITAL FAULT RECORDER STUDY - LGE	1,032.64
125878	2009 CALL CENTER TECH UPGRADES	5,512.00
125882	2009 PC PURCHASES	210.57
125902	CRS LP FEEDWATER HEATER DRAIN PUMP REPL	15,964.54
125903	UPGRADE ALGONQUIN TR 5 69 KV U/G CABLE AND MAIN BUS	3,283.79
125926	BRCT SPARE SF6 SFC MED VOLTAGE STARTING BREAKER	340.99
125931	MC 4-2 MAIN AUX TRANSFORMER BUSHINGS	23,792.76
125951	REPLACE SURGE ARRESTERS	3,893.06
125952	REPLACE CANAL BREAKER C-3861	216.98
125953	REPLACE CLIFTON BREAKER CL-6624	3,258.63
125954	REPLACE SEMINOLE BREAKER 69KV BUS TIE 1-2	5,755.11
125964	REPLACE MILL CREEK BREAKER MC-138KV TR 7 & 8	8,456.64
125965	REPLACE MILL CREEK BREAKER MC-3855	9,060.84
125981	KY HWY 480 PHASE I GAS RELOCATION-PUBLIC WORKS PROJECTS	18,553.21
125982	KY HWY 22 (PHASE 2) FROM CHAMBERLAIN LN TO KY HWY 1694	35,675.01
126010	REPLACE 138KV RELAY AT BEARGRASS-LINE 3883	15,026.44
126012	KU09 BATTERIES, LU09-BATTERIES	3,695.73
126051	CR4 MAIN AUX OIL PUMP REPL	9,307.52
126191	CR ELECTRICAL EQPT HVAC UPGRADE	24,347.59
126205	OPEN ENROLL	4,216.05
126217	ERT TOOLKITS	4,785.44
126221	ALGONQUIN 1374 & 1380 RECONDUCTOR NEW BUSINESS-RESID. OH	6,905.94
126230	SHELBY CAMPUS OFFICE PARK	115,409.27
126233	EPERFORMANCE LGE	94,851.45
126317	SV FRQ SOURCE	893.67
126327	CR5A CIRC WATER PUMP MTR REWIND	66,319.18
126330	MC SEWAGE LIFT STATION #2	(1,030.00)
126337	BACKUP POWER ENHANCEMENTS	4,344.99
126415	TREND MICRO LICENSES	1,198.99
126468	REPAIR 69KV U/G 6617	331,895.63
126632	MC2 BOILER ROOM SUMP PIPING	22,589.13
126633	MC GPP STATION AIR COMPRESSORS	17,099.46
126751	MS PROJECT 2007 - LGE	4,351.92
127076	CR E-1 CONVEYOR COAL BELT	42,159.88
127084	REPLACE ORACLE SERVERS - LGE	32,115.40
127125	GAS MANAGEMENT RELOCATION PROJECT	(497,408.34)
127138	BOC LL FITNESS AND PSRT ROOMS	18,782.10
119902	CLEAR A&G LGE	(64,963.74)
ASBLY419	REGULATOR ASSEMBLIES RC419	1,796.47
ECAPRR340	CAP, REG, RECLOSERS 340	3,467.02
GME406	GAS MAIN EXT. 406	60,885.32
L6-2009	NEW FACILITY TRANS. LINE 2009	2,646.18
L7	LINE PARAMETER UPGRADES	(21,794.61)

LGE 107001 Activity August 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 20,985.08
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	(732.77)
L7-2009	PARAMETER UPGRADE T-LINE LGE 2009	19,795.19
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	11,560.29
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	111,783.59
LSMR414	LARGE SCALE MAIN REPL.	258,296.36
LT8	LT8 TRANSMISSION	12,878.50
LT8-2008	LGE 2008 BLANKET	12,696.73
LT9	LT9 TRANSMISSION	(2,286.16)
LT9-2008	LT9 EXPAN. 2008	401.68
LTSUB-09	TRANS. SUB TERMINAL UPGRADES 09	1,816.81
MCAPRR340	CAP/REG/RECL 340	37,845.69
NBCD340OH	NEW BUS COMM OH 340	92,706.58
NBCD340UG	NEW BUS COMM UG 340	152,261.51
NBGCS419	NEW BUS CONNECT SERV 419	51,838.97
NBGS341	NEW BUSINESS GAS SERVICE 341	3,898.43
NBGS419	NEW BUS GAS SERV 419	81,767.66
NBGS421	NEW BUS. GAS SERV. 421	2,972.89
NBRD340OH	NEW BUS RES OH 340	66,581.84
NBRD340UG	NEW BUS RES UG	331.56
NBRD341UG	NEW BUS RES UG 341	11,587.55
NBSB340OH	NEW BUS SUB OH 340	(11,887.98)
NBSB341UG	NEW BUS SUB UG 341	153,372.62
NBSV340OH	NEW ELECTRIC SERVICES	88,257.83
NBSV340UG	NEW EL SERV UG	75,309.96
NBSV341UG	NEW BUS. SERV. 341 UG	966.34
NETVLT343	NETWORK VAULTS	86,460.49
PBWK340OH	PUB WORKS RELOC OH	39,576.29
PBWK340UG	PUB WORKS RELOC UG 340	26,032.15
PBWK344UG	PUBLIC RELOCATIONS U/G	8,144.79
PBWK406G	PUBLIC WORKS GAS 406	38,165.43
PIPE406	GAS DIST. MAIN MATERIAL	(24,455.19)
PMR414	PRIORITY MAIN REPLACEMENT	35,293.42
RCST340	CUST REQ 340	(153,409.86)
RCST406G	CUSTOMER REQUESTED GAS 406	469,563.28
RDCBL340	REPL DEFECTIVE CABLE 340	(1,142.45)
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	22,541.41
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	592.96
RDDD340OH	REP DEF EQ OH 340	199,876.59
RDDD340UG	REP DEF EQ UG 340	61,973.28
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	58,497.77
RDMV332	MERCURY BULB REPL. PROJECT	33,665.94
RDPOLE340	POLE REP/REPL 340	321,116.09
RDSTLT332	REPAIR STREET LIGHTING 332	318,066.93
RDSTLT340	REP DEF ST LIGHTS 340	606.16
RELD01015	LGE GENERAL RELIABILITY 01015	47,008.23
RELD340OH	DIST. O/H RELIABILITY 340	2,009.13
RELD340UG	DIST U/G RELIABILITY 340	(15,929.25)

LGE 107001 Activity August 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 20,985.08
RNTPD340	REP THR PARTY DAM 340	7,256.51
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	9,825.45
RRCS419G	REP CO GAS SERV 419	173,926.74
RRCS421G	DIST MAINS 421 MULDRAUGH	1,966.90
RRCS422G	RETAIL GAS SERVICE RC 422	331.70
STLT332OH	STREET LIGHTS OVERHEAD 333	(124,805.02)
STLT332UG	STREET LIGHT UG 332	62,065.07
STRMLGE	LGE MAJOR STORM EVENT	588,176.62
STRMLOUOC	MINOR STORM EVENTS LOUISVILLE	19,551.13
SYSEN406G	SYSTEM ENHANCE. GAS	19,065.17
SYSENH340	SYS ENH EXIST CUST 340	13,767.65
TBRD340OH	TROUBLE OVERHEAD 340	188,488.29
TBRD340UG	TROUBLE UNDERGROUND 340	29,377.69
TBRD419G	MISC. GAS MAIN LEAK REPAIR/REPL	9,871.80
TLEQ340	TOOLS AND EQ 340	12,026.91
TLEQ448	TOOLS AND EQUIPMENT 448	7,521.64
TLEQ451	TOOLS & EQUIPMENT 004510	8,908.66
XFRM340	TRANSFORMER 340	31,477.18
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	6,571.83
		<u><u>\$ 14,850,035.59</u></u>

**LGE 107001 Activity September 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 8,169.79
112767	MC ASH POND EXPANSION STUDY	559,436.12
113270	DISTRIBUTION LINE TRANSFORMER	287,570.52
114268	RESID. GAS REGULATOR REPL.	188,739.12
117136	CR LANDFILL VERTICAL	79,271.02
117149	TC2 PROJECT	3,053,852.42
117207	CANAL - DEL PARK 69 KV LINE SURVEY FOR RECONDUCTOR	(29,493.72)
117320	SUBSTATION PROTECTION MODIFICATIONS	769.73
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	1,285,632.23
118239	LG&E SUBSTATION SPILL PREVENTION	67,698.09
118349	OHIO FALLS REDEVELOPMENT	(0.03)
120595	PURCHASE REGULATORS - RESID. & COMMER.	10,149.28
120596	FARM TAP REGULATOR UPGRADE	406,158.13
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	102,870.70
120754	MISC. A/R UNCOLLECTIBLE - LGE CAPITAL	(56,258.00)
120803	SECURE E-MAIL	5,000.00
121620	CANE RUN NEW LANDFILL	90,534.71
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	454,506.17
121684	TC2 AQCS LGE	773,999.94
121777	PC INFRASTRUCTURE - LGE	1,190.71
121965	BLUEGRASS CIRCUIT WORK	354.22
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	74,352.48
122130	TC1 EXPANSION JOINT REPLACEMENTS	3,006.76
122131	TC1 SCR BYPASS EROSION CONTROL	6,688.76
122132	TC1 ASH PIT SEAL TROUGH SKIRTING REPL	979.59
122133	TC PURCHASE ACID DAY TANK	613.38
122180	HARRODS CREEK PIPELINE	129.59
122188	BR CT UNDERGROUND PIPE SPCC	(231.33)
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION	(261,263.82)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(641,339.80)
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	297,359.98
122370	MILL CREEK - HARDIN COUNTY OPGW	10,979.29
122512	MT 138KV COLLINS TERMINATION	3,254.48
122513	MIDDLETOWN - COLLINS 138 KV LINE	18,431.68
122514	COLLINS 138/69KV 150MVA TRNSFRMR	12,240.44
122539	SAP FOR CCS - LGE	211,079.66
122650	LGE GAS METERS	124,666.06
122695	UPS GRADE LANE	712.43
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	948.07
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	(346,258.53)
122821	CCS - CUSTOMER SERVICE	34,192.09
122823	CCS - TECHNOLOGY	(121,359.52)
122843	MC2 RECYCLE PUMP PIPING 2009	161,125.09
122862	UPS/SEMINOLE SUBSTATION ADDITION	(6,817.33)
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	5,653.71
122904	MC1 RECYCLE PUMP UPGRADE 2009	1,108.66
122939	REAL TIME PRICING PILOT	(2.50)
122941	2008 CARPET & TILE REPLACEMENT	(7,633.87)

LGE 107001 Activity September 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 8,169.79
122947	EMERGENCY POWER	(7,495.35)
122948	PSRT AIR HANDLER SYSTEM	(10,284.42)
122949	BOC LL HVAC UPGRADE	(7,171.61)
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	27,625.18
122974	CONESTOGA SUBSTATION	1,531.57
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	79,423.44
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	(276,662.06)
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	135,927.83
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	1,973.40
123077	MOBILE STOPBOX INSPECTION	62.57
123235	NERC BACKUP CONTROL CENTER COMPLIANCE COMMUNICATIONS	23,288.67
123260	GDS IMPLEMENTATION	729.96
123310	TC CBU BUCKET REPLACEMENT	2,706.75
123340	CR PLANT REACTANT SUPPLY CONTROL UPGRADE	(11,734.22)
123614	MUD LANE HUMANA DATA CENTER	(156,421.06)
123696	DIST CONESTOGA TAP	(48,300.00)
123831	CORRODED SERVICE LINE REPLACEMENT	3,299.08
123944	GS CR CEMS DILUTION PROBES	1,515.81
124016	CR6 FRONT REHEAT PENDANT REPLACEMENT	1,094.74
124039	MC 3C COAL MILL GEARBOX	0.68
124041	MC 4E COAL MILL GEARBOX	4,171.87
124050	MC 4 DCS HARDWARE UPGRADE	10,894.79
124055	MC3 SCR NOX PROBES	0.86
124056	MC4 SCR NOX PROBES	0.82
124060	MC3 AIR HTR BASKETS-2011	55,157.74
124062	MC4 AIR HEATER BASKETS - 2010	60,257.68
124063	MC3 ELECTROMATIC RELIEF VALVE 2009	0.21
124077	MC3 345KV DISCONNECT SWITCH	0.26
124155	TC 08 MISC R1 SUMP PUMP REPLACEMENT	288.88
124157	TC 08 MISC CDES BLDG BATTERY REPL	453.38
124355	CR6 BURNER CORNER REPL.	148.12
124361	CR5 4KV SWITCHGEAR UPGRADE	36,590.75
124380	CR ASBESTOS ABATEMENT 2009	17,340.69
124459	MIDDLETOWN 6601 CIRCUIT BREAKER CHANGE OUTS	18,090.65
124463	TC 1 1D FAN VFD UPGRADE 2009	62,228.81
124465	TC 1 LOWER SLOPE BOILER REPLACEMENT 2009	(21.28)
124481	TC SPLIT COMMON REACT FEED A/B	3,750.84
124484	TC LAB PURCHASE MONITORS	44,386.35
124487	TC SAFETY AND ERT EQUIPMENT	23,737.59
124667	WILDLIFE PROTECTION ON ALGONQUIN 14KV AND FERN VALLEY	16,922.19
124668	MADISON SUBSTATION EXPANSION	38,301.44
124669	OLD HENRY SUBSTATION-CONSTRUCT NEW SUBSTATION	54,910.05
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	34,600.77
124674	2009 AUXILLARY CONTROL SWITCHES INSTALLATION	25,156.57
124675	REPLACE FPE 525 & 546 TRANSFORMER LOAD TAP CHANGERS	111.48
124717	SMALLWORLD 1.1.1 UPGRADE	19,270.09
124723	MOBILE GIS MODULES - LGE	728.81

**LGE 107001 Activity September 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 8,169.79
124725	2009 ELECTRIC OMS	7,084.15
124731	MOBILE INFRASTRUCTURE LGE	101,136.75
124735	2009 CARRY OVER PROJECTS	196.43
124742	LGE PC & PRINTER INFRASTRUCTURE	1,648.36
124778	CR FGD ENGINEERING ASSESSMENT	79,825.00
124781	MULDRAUGH GAS COMPRESSOR STATION	3,488.59
124792	MAG REPAIR/REPLACE DEF EQUIPMENT 2009	13,567.04
124793	MA GROUNDWATER PROTECTION PROJECTS 2009	1,132.94
124800	MAGNOLIA REPLACE 4,100 FT OF 16" CENTER STORAGE FIELD 2009	68,264.04
124801	REPLACE BARE STEEL GATHERINGS LINES MAGNOLIA & CENTER	(59,760.13)
124802	MULDRAUGH STATION AUXILIARY BUILDING REPLACEMENT	498,192.94
124805	MULD PURIFIER 1 BOOSTER PUMP	12,215.04
124808	MULDRAUGH OXIDIZER AUTOMATION	764.12
124812	MULDRAUGH FACILITY IMPROVEMENTS	40,184.97
124816	MULDRAUGH COOLER HANDRAILS	1,154.81
124817	MULD PLC REPLACEMENT	4,517.53
124819	MULD PURIFIER 2 REFLUX PUMP	11,735.08
124826	STORAGE PIPELINE REPL MULDRUGH	1,028.61
124830	2009 INSTALL GATE VALVES ON STORAGE WELLS	1,603.13
124831	PLUG & REPAIR WELLS WITH CORRODED CASING	924.74
124833	2009 RELINE GAS STORAGE WELLS	62,032.56
124834	CORROSION WORK SERVICE LINE REPLACEMENT	1,880.72
124835	CP IMPRESSED CURRENT SYSTEM IMPROVEMENTS	48,626.99
124842	UPGRADE BUILDINGS AT MAJOR STATIONS	37,870.37
124843	UPGRADE FACILITIES AT CITY GATE STATIONS	5,568.00
124846	UPGRADE ODORANT SYSTEM CONTROLLERS & PUMPS	6,458.91
124848	2009 COMMERCIAL HP GAS SERVICE REPLACEMENT	34,132.34
124999	LGE FAC IMPROVEMENTS (REMOVAL OF MAUS, FANS AND PIPING)	20,404.92
125001	OFFICE FURNISHINGS AND EQUIPMENT	5,000.00
125008	AUBURNDALE LARGE HVAC UNIT REPLACEMENT	59,760.00
125012	SECURITY SYSTEMS AND EQUIPMENT (AUBURNDALE OP CENTER)	4,838.28
125036	DISTRIBUTION FACILITY IMPROVEMENTS (AUB-GAS REG AREA)	697.24
125107	STELLENT UPGRADE	2,151.23
125109	HW SW DEV TOOLS LGE	131.14
125115	ITSD HW/SW PG LGE	33.54
125118	HW/SW DEV TOOLS 026560-LGE	2,710.43
125120	HW/SW DEV TOOLS 026570-LGE	570.84
125132	ACCESS SWITCH REPLACEMENT LGE	32.61
125134	CORE NTKW INFRASTRUCTURE LGE	33,037.72
125138	CORE NTKW INFRASTRUCTURE KU	4,793.75
125140	NTWK ACCESS DEVICE/GATEWAY-LGE	8,310.00
125145	PIX FIREWALL REP/UPG LGE	12,416.68
125147	SEC INFRASTRUCTURE ENCHANCE LGE	9,776.28
125151	VPN SWITCH UPGRADE LGE	(690.38)
125166	MID-LEVEL STORAGE REFRESH-LGE	838.64
125176	CABLING SERVER CONNECT LGE	5,654.24
125179	SERVER HARDWARE REFRESH	5,388.21



LGE 107001 Activity September 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 8,169.79
125195	OUTSIDE CABLE PLANT LGE	16,602.45
125197	BULK PWR ENV SYSTEMS LGE	668.00
125205	NETWORK ACCESS DEV SITE INFRA LGE	9,368.94
125207	NETWORK TOOLS & TEST EQUIP	276.29
125211	TELEPHONE SYSTEM CAPACITY EXP	1,579.02
125213	SEC FIBER CONNECT SIMPSON LGE	2,905.90
125220	MONITOR REPLACEMENT LGE	6,732.54
125224	TIER C ROTATE DESKTOP/LAPTOPS LGE	61,334.66
125241	SIMPSONVILLE ELECTRIC UPG LGE	4,562.04
125243	DATA BASE TOOLS AND EQUIP-LGE	8,371.83
125255	PROJECT MIRROR GOLD LEVEL SERVICE - LGE	55,906.80
125619	EMS HISTORICAL SERVER REPLACEMENT & ORACLE	22,739.10
125636	POWERPLAN BUDGETING	590.19
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	122,820.78
125766	CR NERC CYBERSECURITY	33,616.44
125811	EDISCOVERY	6,816.30
125824	OPTIO REPLACEMENT ORACLE BI PUBLISHER & RIGHTFAX)	8,090.57
125850	DIGITAL FAULT RECORDER STUDY - LGE	13,755.92
125882	2009 PC PURCHASES	5,003.21
125900	MULD ENGINE COOLING	35,431.16
125902	CRS LP FEEDWATER HEATER DRAIN PUMP REPL	2,847.16
125903	UPGRADE ALGONQUIN TR 5 69 KV U/G CABLE AND MAIN BUS	26,413.57
125931	MC 4-2 MAIN AUX TRANSFORMER BUSHINGS	1.52
125951	REPLACE SURGE ARRESTERS	172.03
125952	REPLACE CANAL BREAKER C-3861	12,261.70
125953	REPLACE CLIFTON BREAKER CL-6624	1,347.61
125954	REPLACE SEMINOLE BREAKER 69KV BUS TIE 1-2	2,521.18
125964	REPLACE MILL CREEK BREAKER MC-138KV TR 7 & 8	81.33
125981	KY HWY 480 PHASE I GAS RELOCATION-PUBLIC WORKS PROJECTS	14,858.47
125982	KY HWY 22 (PHASE 2) FROM CHAMBERLAIN LN TO KY HWY 1694	(8,678.08)
126010	REPLACE 138KV RELAY AT BEARGRASS-LINE 3883	17,222.90
126012	KU09 BATTERIES, LU09-BATTERIES	3,753.55
126178	FIRE PUMP ROTOR - MISC ENG	21,706.47
126181	OLD HENRY SUBSTATION TAP 138 KV LOOP	2,662.60
126205	OPEN ENROLL	4,984.28
126215	INTERNAL AND EXTERNAL OUTAGE COMMUNICATIONS	2,321.58
126217	ERT TOOLKITS	8,958.73
126221	ALGONQUIN 1374 & 1380 RECONDUCTOR NEW BUSINESS-RESID. OH	63,359.66
126230	SHELBY CAMPUS OFFICE PARK	72,066.19
126233	EPERFORMANCE LGE	12,032.10
126327	CR5A CIRC WATER PUMP MTR REWIND	152.52
126330	MC SEWAGE LIFT STATION #2	0.26
126337	BACKUP POWER ENHANCEMENTS	264.59
126358	NETWORK TRANSFORMER HIGH VOLTAGE COMPARTMENT RETROFIT	21,798.18
126468	REPAIR 69KV U/G 6617	36,910.64
126558	CR AIR MONITORS	9,703.85
126632	MC2 BOILER ROOM SUMP PIPING	15,497.45

**LGE 107001 Activity September 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 8,169.79
126633	MC GPP STATION AIR COMPRESSORS	4,165.04
126733	PURCHASE FORKLIFT FOR TRANSFORMER SERVICES	614.80
126751	MS PROJECT 2007 - LGE	6,336.06
127084	REPLACE ORACLE SERVERS - LGE	12,231.09
127125	GAS MANAGEMENT RELOCATION PROJECT	12,923.12
127129	CR SCREENHOUSE SWITCHGEAR RESTOR	334,235.00
127192	BRCT6 QUENCH COOLER NOZ REPL - LGE	72,668.13
127200	MCFGD WELDING MACHINE	3,695.35
127226	MC4 COMPUTER ROOM HVAC	5,616.35
127244	CSS REDESIGN - LGE	458.94
117361	ACCRUED LABOR - LGE	85,594.36
119902	CLEAR A&G LGE	(42,379.77)
ASBLY419	REGULATOR ASSEMBLIES RC419	1,639.94
BTM391	BEYOND THE METER RC391	1,103.88
CABLE341	BLANKET CABLE FOR JOINT TRENCH	54,654.59
CLR419	LEAK REPAIR 419	(166.96)
ECAPRR340	CAP, REG, RECLOSERS 340	77.72
GME406	GAS MAIN EXT. 406	(75,670.62)
L7	LINE PARAMETER UPGRADES	86,164.69
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	(255.93)
L7-2009	PARAMETER UPGRADE T-LINE LGE 2009	32,933.65
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	(145,527.06)
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	149,179.75
LRSUB-09	LGE TRANS. SUB MISC. CAPITAL	22,610.81
LSMR414	LARGE SCALE MAIN REPL.	467,760.41
LT8	LT8 TRANSMISSION	140,054.66
LT8-2008	LGE 2008 BLANKET	626.99
LT9	LT9 TRANSMISSION	60,350.36
LT9-2008	LT9 EXPAN. 2008	(6,754.60)
LTSUB-09	TRANS. SUB TERMINAL UPGRADES 09	348.00
MCAPRR340	CAP/REG/RECL 340	10,382.13
NBCD340OH	NEW BUS COMM OH 340	84,452.55
NBCD340UG	NEW BUS COMM UG 340	114,817.43
NBGS419	NEW BUS CONNECT SERV 419	51,955.81
NBGS341	NEW BUSINESS GAS SERVICE 341	13,418.23
NBGS419	NEW BUS GAS SERV 419	57,427.52
NBGS422	NEW BUSINESS GAS SERVICE 422	330.32
NBRD340OH	NEW BUS RES OH 340	15,121.96
NBRD341UG	NEW BUS RES UG 341	26,372.36
NBSB340OH	NEW BUS SUB OH 340	5,866.37
NBSB341UG	NEW BUS SUB UG 341	101,346.92
NBSV340OH	NEW ELECTRIC SERVICES	82,516.59
NBSV340UG	NEW EL SERV UG	60,031.04
NETVLT343	NETWORK VAULTS	38,472.31
PBWK340OH	PUB WORKS RELOC OH	19,804.78
PBWK340UG	PUB WORKS RELOC UG 340	(7,729.11)
PBWK344UG	PUBLIC RELOCATIONS U/G	6,921.76

**LGE 107001 Activity September 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 8,169.79
PBWK406G	PUBLIC WORKS GAS 406	60,425.60
PMR414	PRIORITY MAIN REPLACEMENT	91,485.29
RCST340	CUST REQ 340	13,447.49
RCST406G	CUSTOMER REQUESTED GAS 406	13,005.83
RDCBL340	REPL DEFECTIVE CABLE 340	88,670.84
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	29.06
RDDD340OH	REP DEF EQ OH 340	342,789.74
RDDD340UG	REP DEF EQ UG 340	87,874.70
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	53,187.11
RDMV332	MERCURY BULB REPL. PROJECT	16,431.40
RDPOLE340	POLE REP/REPL 340	439,635.76
RDSTLT332	REPAIR STREET LIGHTING 332	276,756.18
RDSTLT340	REP DEF ST LIGHTS 340	93.08
RELD01015	LGE GENERAL RELIABILITY 01015	55,754.94
RELD340OH	DIST. 0/H RELIABILITY 340	53,233.03
RNTPD340	REP THR PARTY DAM 340	26,829.23
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	13,405.89
RRCS419G	REP CO GAS SERV 419	167,002.63
RRCS421G	DIST MAINS 421 MULDRAUGH	19,791.11
STLT332OH	STREET LIGHTS OVERHEAD 333	72,977.58
STLT332UG	STREET LIGHT UG 332	105,499.79
STRMLGE	LGE MAJOR STORM EVENT	52,253.50
STRMLOUOC	MINOR STORM EVENTS LOUISVILLE	2,163.28
SYSEN406G	SYSTEM ENHANCE. GAS	22,695.32
SYSENH340	SYS ENH EXIST CUST 340	11,721.42
TBRD340OH	TROUBLE OVERHEAD 340	207,735.45
TBRD340UG	TROUBLE UNDERGROUND 340	49,422.86
TBRD419G	MISC. GAS MAIN LEAK REPAIR/REPL	59,409.61
TLEQ340	TOOLS AND EQ 340	11,664.60
TLEQ448	TOOLS AND EQUIPMENT 448	5,481.24
TLEQ451	TOOLS & EQUIPMENT 004510	684.34
XFRM340	TRANSFORMER 340	22,397.57
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	12,460.06
		<b><u>\$ 13,508,294.85</u></b>

LGE 107001 Activity October 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ (24,217.09)
112644	CAPITAL TOOLS	(7.76)
112767	MC ASH POND EXPANSION STUDY	47,768.05
113270	DISTRIBUTION LINE TRANSFORMER	113,618.51
114268	RESID. GAS REGULATOR REPL.	213,532.26
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUS. CUST.	(208.24)
117136	CR LANDFILL VERTICAL	138,482.51
117149	TC2 PROJECT	2,984,661.63
117320	SUBSTATION PROTECTION MODIFICATIONS	27,605.53
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	1,381,211.27
118239	LG&E SUBSTATION SPILL PREVENTION	624.30
118349	OHIO FALLS REDEVELOPMENT	20,853.36
120205	WESTPORT ROAD (KY-1447) REDLEAF DR. TO HURSTBOURNE PKWY	(14,031.64)
120317	PURCHASE TAP CHANGER CONTROLLER FOR STEWART TR 2	41,630.96
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	(75.60)
120583	PLUG & REPAIR WELLS FOUND TO HAVE CORRODED CASING	(11,445.36)
120595	PURCHASE REGULATORS - RESID. & COMMER.	506.76
120596	FARM TAP REGULATOR UPGRADE	43,149.01
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	1,106,279.14
120754	MISC. A/R UNCOLLECTIBLE - LGE CAPITAL	170,107.00
120803	SECURE E-MAIL	(44,272.45)
121620	CANE RUN NEW LANDFILL	160,344.79
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	771,271.07
121684	TC2 AQCS LGE	240,013.83
121726	MC LIMESTONE ENGINEERING STUDY	123,394.00
121777	PC INFRASTRUCTURE - LGE	(1,190.71)
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	(141.20)
121929	PLUG AND REPAIR WELLS FOUND TO HAVE CORRODED CASING	21,613.64
121964	FAIRMONT CIRCUIT WORK	(33.04)
121965	BLUEGRASS CIRCUIT WORK	(158.37)
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	56,691.92
122188	BR CT UNDERGROUND PIPE SPCC	1,117.41
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION	3,264.56
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	80,006.05
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	37,976.62
122370	MILL CREEK - HARDIN COUNTY OPGW	(6,734.74)
122512	MT 138KV COLLINS TERMINATION	142.48
122513	MIDDLETOWN - COLLINS 138 KV LINE	397,523.68
122514	COLLINS 138/69KV 150MVA TRNSFRMR	83,906.26
122539	SAP FOR CCS - LGE	9,739.04
122650	LGE GAS METERS	191,004.65
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	2,371.11
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	86,928.03
122821	CCS - CUSTOMER SERVICE	19.90
122823	CCS - TECHNOLOGY	91.60
122843	MC2 RECYCLE PUMP PIPING 2009	144,928.09
122862	UPS/SEMINOLE SUBSTATION ADDITION	(2.89)
122897	MC FIRE PROTECTION PIPING	139,050.00

LGE 107001 Activity October 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ (24,217.09)
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	(126,797.72)
122904	MC1 RECYCLE PUMP UPGRADE 2009	62,541.95
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	6,738.50
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	(1.25)
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	80,345.38
122974	CONESTOGA SUBSTATION	2,555.83
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	5,928.80
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	(104.00)
123023	CP IMPRESSED CURRENT SYSTEM	(86.40)
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	(1.16)
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACE	(197.12)
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	48,978.58
123047	REGULATOR CAPACITY	(14.46)
123050	OTTER CREEK EXPOSURE PROJECT	17,400.83
123077	MOBILE STOPBOX INSPECTION	(63.26)
123220	CT7 A/B CONVERSION - LGE	(705,819.47)
123260	GDS IMPLEMENTATION	1,159.53
123278	HUMANA DATA CENTER	(16,349.98)
123308	TC 480V SWITCHGEAR BREAKER UPGRADE 2008 PHASE 3	2,280.04
123311	TC CBU COUNTERWEIGHT CABLE REPLACEMENT	142,859.37
123614	MUD LANE HUMANA DATA CENTER	(0.16)
123831	CORRODED SERVICE LINE REPLACEMENT	1,055.00
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	(0.12)
123889	UPS AIRPORT EXPANSION PROJ ASHBOTTOM ROAD	(22.80)
123926	PLANT LAB EQUIP UPGRADE	6,152.94
123965	DATA QUALITY INITIATIVE LGE	21,130.38
124016	CR6 FRONT REHEAT PENDANT REPLACEMENT	134,930.00
124050	MC 4 DCS HARDWARE UPGRADE	9,952.08
124297	MULDRAUGH PURIFIER REDUNDANT PLC	(25.86)
124311	MC COAL HANDLING CONVEYOR BELTS	5,819.29
124355	CR6 BURNER CORNER REPL.	358,663.99
124361	CR5 4KV SWITCHGEAR UPGRADE	16,969.25
124458	REPLACE UNDERRATED 69KV BREAKERS AT MIDDLETOWN	(0.32)
124459	MIDDLETOWN 6601 CIRCUIT BREAKER CHANGE OUTS	513.50
124463	TC 1 1D FAN VFD UPGRADE 2009	1,364,943.39
124465	TC 1 LOWER SLOPE BOILER REPLACEMENT 2009	831,335.35
124471	TC 1 EMERGENCY BATTERY & CHAR	35,696.70
124475	TC 2009 TURBINE OUT PACKING	174,979.74
124478	TC 02 ANALYZER REPLMNT	91,598.09
124481	TC SPLIT COMMON REACT FEED A/B	7,339.08
124487	TC SAFETY AND ERT EQUIPMENT	954.52
124668	MADISON SUBSTATION EXPANSION	75,558.46
124669	OLD HENRY SUBSTATION-CONSTRUCT NEW SUBSTATION	3,423.45
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	20,147.20
124674	2009 AUXILLARY CONTROL SWITCHES INSTALLATION	12,637.16
124675	REPLACE FPE 525 & 546 TRANSFORMER LOAD TAP CHANGERS	2,674.34
124678	HILLCREST TRANSFORMER#1 BUSHING	6,580.11

LGE 107001 Activity October 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ (24,217.09)
124723	MOBILE GIS MODULES - LGE	1,822.07
124725	2009 ELECTRIC OMS	22,617.36
124731	MOBILE INFRASTRUCTURE LGE	22,604.19
124735	2009 CARRY OVER PROJECTS	(196.43)
124742	LGE PC & PRINTER INFRASTRUCTURE	(3,393.72)
124778	CR FGD ENGINEERING ASSESSMENT	39,912.50
124788	2009 FT CONVERSION PROJECTS	(10,864.81)
124793	MA GROUNDWATER PROTECTION PROJECTS 2009	9,067.93
124794	MAG TEMPERATURE CONTROL FOR THE #1 PURIFIER LEAN AMINE	69,669.99
124801	REPLACE BARE STEEL GATHERINGS LINES MAGNOLIA & CENTER	26,753.58
124802	MULDRAUGH STATION AUXILIARY BUILDING REPLACEMENT	89,134.40
124804	MULDRAUGH HYDRAULIC MOTORS FOR ENGINES #4 AND #5	9,400.29
124805	MULD PURIFIER 1 BOOSTER PUMP	16,166.76
124808	MULDRAUGH OXIDIZER AUTOMATION	2,482.28
124812	MULDRAUGH FACILITY IMPROVEMENTS	5,199.24
124817	MULD PLC REPLACEMENT	4,184.75
124819	MULD PURIFIER 2 REFLUX PUMP	12,986.26
124821	MULDRAUGH STATION PIPING	49,340.33
124826	STORAGE PIPELINE REPL MULDRUGH	20,729.00
124830	2009 INSTALL GATE VALVES ON STORAGE WELLS	14,093.25
124831	PLUG & REPAIR WELLS WITH CORRODED CASING	15,281.75
124833	2009 RELINE GAS STORAGE WELLS	35,350.61
124834	CORROSION WORK SERVICE LINE REPLACEMENT	2,223.60
124839	PI ACT COMPLIANCE RCVS	10,996.24
124842	UPGRADE BUILDINGS AT MAJOR STATIONS	6,809.01
124847	UPGRADE GAS CONTROL SCADA SYSTEM	10,107.09
124848	2009 COMMERCIAL HP GAS SERVICE REPLACEMENT	17,782.44
124849	2009 REGULATOR CAPACITY PROJECT	4,155.22
124850	2009 REGULATOR RELIEF CAPACITY PROJECT	41,903.50
124866	OLD HENRY SUBSTATION-OLD HENRY CROSSINGS DUCT WORK	2,016.00
124887	2009 ERTS	38,160.00
124999	LGE FAC IMPROVEMENTS (REMOVAL OF MAUS, FANS AND PIPING)	20,630.29
125001	OFFICE FURNISHINGS AND EQUIPMENT	1,455.00
125011	AUBURNDALE SECURITY EQUIPMENT	(1,020.00)
125012	SECURITY SYSTEMS AND EQUIPMENT (AUBURNDALE OP CENTER)	9,648.02
125013	FAILED EQUIPMENT - LGE	4,545.92
125036	DISTRIBUTION FACILITY IMPROVEMENTS (AUB-GAS REG AREA)	13,403.58
125107	STELLENT UPGRADE	20,868.34
125111	HW/SW DEV TOOLS LGE	1,905.33
125115	ITSD HW/SW PG LGE	4,113.53
125120	HW/SW DEV TOOLS 026570-LGE	469.77
125128	IT SEC MON/AUD/MGMT TOOLS	18,776.79
125140	NTWK ACCESS DEVICE/GATEWAY-LGE	579.35
125142	NETWORK MANAGEMENT SYSTEMS LGE	3,819.92
125145	PIX FIREWALL REP/UPG LGE	9,126.05
125147	SEC INFRASTRUCTURE ENCHANCE LGE	3,344.15
125151	VPN SWITCH UPGRADE LGE	(2,345.62)

LGE 107001 Activity October 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ (24,217.09)
125153	BACKUP CAPACILTY EXPANSION-LGE	101,511.54
125160	SAN SWITCH CAPACITY EXP	36,926.91
125166	MID-LEVEL STORAGE REFRESH-LGE	16,355.28
125171	PURIFIER #1 REPAIR	(48.00)
125176	CABLING SERVER CONNECT LGE	167.03
125179	SERVER HARDWARE REFRESH	36,470.45
125195	OUTSIDE CABLE PLANT LGE	15,548.23
125205	NETWORK ACCESS DEV SITE INFRA LGE	207.46
125207	NETWORK TOOLS & TEST EQUIP	1,209.25
125213	SEC FIBER CONNECT SIMPSON LGE	3,066.55
125215	NEW CONFERENCE BRIDGE-	4,606.97
125220	MONITOR REPLACEMENT LGE	57.11
125224	TIER C ROTATE DESKTOP/LAPTOPS LGE	110,329.22
125235	LOUISVILLE ELECTRICAL UPG LGE	1,001.26
125243	DATA BASE TOOLS AND EQUIP-LGE	7.45
125255	PROJECT MIRROR GOLD LEVEL SERVICE - LGE	203,590.78
125636	POWERPLAN BUDGETING	2,803.39
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	930,483.43
125766	CR NERC CYBERSECURITY	32,182.06
125811	EDISCOVERY	3,435.84
125813	LEGAL DEPT OFFICE RENOVATION	(126.72)
125824	OPTIO REPLACEMENT ORACLE BI PUBLISHER & RIGHTFAX)	3,243.17
125850	DIGITAL FAULT RECORDER STUDY - LGE	31,755.34
125882	2009 PC PURCHASES	17,129.59
125900	MULD ENGINE COOLING	1,936.13
125902	CRS LP FEEDWATER HEATER DRAIN PUMP REPL	2,684.26
125903	UPGRADE ALGONQUIN TR 5 69 KV U/G CABLE AND MAIN BUS	672.39
125952	REPLACE CANAL BREAKER C-3861	13,974.26
125953	REPLACE CLIFTON BREAKER CL-6624	11,129.13
125981	KY HWY 480 PHASE I GAS RELOCATION-PUBLIC WORKS PROJECTS	(185,514.02)
125982	KY HWY 22 (PHASE 2) FROM CHAMBERLAIN LN TO KY HWY 1694	5,609.36
126010	REPLACE 138KV RELAY AT BEARGRASS-LINE 3883	11,957.87
126050	CR5 B SUMP PUMP MOTOR REWIND	28,624.20
126178	FIRE PUMP ROTOR - MISC ENG	1,486.92
126181	OLD HENRY SUBSTATION TAP 138 KV LOOP	6,673.07
126191	CR ELECTRICAL EQPT HVAC UPGRADE	(0.43)
126192	CR STATION SWITCHGEAR RESTORATION	716.64
126205	OPEN ENROLL	7,185.10
126215	INTERNAL AND EXTERNAL OUTAGE COMMUNICATIONS	66,104.85
126217	ERT TOOLKITS	46,424.50
126221	ALGONQUIN 1374 & 1380 RECONDUCTOR NEW BUSINESS-RESID. OH	(31,099.27)
126230	SHELBY CAMPUS OFFICE PARK	1,857.02
126233	EPERFORMANCE LGE	22,446.10
126328	TC GSU BUSHING-MISC ENG	18,093.33
126358	NETWORK TRANSFORMER HIGH VOLTAGE COMPARTMENT RETROFIT	70,589.12
126468	REPAIR 69KV U/G 6617	867.42
126505	DEVELOP EONUS RMTE CAMPUS LGE	8,905.49

LGE 107001 Activity October 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ (24,217.09)
126554	EMS OSI WORKSTATIONS	14,663.96
126632	MC2 BOILER ROOM SUMP PIPING	25,187.27
126633	MC GPP STATION AIR COMPRESSORS	1,048.23
126751	MS PROJECT 2007 - LGE	968.88
127084	REPLACE ORACLE SERVERS - LGE	12,609.48
127125	GAS MANAGEMENT RELOCATION PROJECT	205,448.32
127129	CR SCREENHOUSE SWITCHGEAR RESTOR	115,572.06
127138	BOC LL FITNESS AND PSRT ROOMS	88,194.29
127192	BRCT6 QUENCH COOLER NOZ REPL - LGE	(1,462.41)
127198	MC TSI SYSTEM UPGRADE 2009	24,425.42
127218	HP D2D SOLUTION	21,752.50
127239	REVISED BRCT 5-6-7 PI INTERFACE	20,640.00
127241	CR5B CQP MOTOR REWIND	67,094.20
127244	CSS REDESIGN - LGE	5,549.77
127249	MCFIELD COMMUNICATOR EQUIP	5,071.41
127258	DISTRIBUTION THIRD PARTY POLE ATTACHMENT WORK	2,186.94
127274	TC1 GENERATOR STATOR REWEDGE	206,895.78
127275	TC1 TURBINE GENERATOR TIL 1292	198,213.60
127276	TC1 TURBINE SNOUT RINGS	99,060.00
111398-08	2008 LT MISC CAPITAL	4,046.29
117361	ACCRUED LABOR - LGE	(85,594.36)
119902	CLEAR A&G LGE	(115,106.28)
ASBLY419	REGULATOR ASSEMBLIES RC419	3,006.94
COMP419	GAS DISTRIBUTION COMPLIANCE	105.21
ECAPRR340	CAP, REG, RECLOSERS 340	980.77
GME406	GAS MAIN EXT. 406	71,258.34
L6-2009	NEW FACILITY TRANS. LINE 2009	19,322.31
L7-2009	PARAMETER UPGRADE T-LINE LGE 2009	(20,616.80)
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	335.98
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	64,179.67
LRSUB-09	LGE TRANS. SUB MISC. CAPITAL	69,941.10
LSMR414	LARGE SCALE MAIN REPL.	438,835.80
LT9-2008	LT9 EXPAN. 2008	25,105.27
LTSUB-09	TRANS. SUB TERMINAL UPGRADES 09	4,076.45
MAN414	ELECTRIC / GAS MANHOLE CONFLICT	2,468.48
MCAPRR340	CAP/REG/RECL 340	73,293.50
NBCD340OH	NEW BUS COMM OH 340	167,800.70
NBCD340UG	NEW BUS COMM UG 340	212,789.45
NBGCS419	NEW BUS CONNECT SERV 419	50,440.23
NBGS341	NEW BUSINESS GAS SERVICE 341	19,412.26
NBGS419	NEW BUS GAS SERV 419	82,568.96
NBGS421	NEW BUS. GAS SERV. 421	1,754.48
NBGS422	NEW BUSINESS GAS SERVICE 422	957.44
NBRD340OH	NEW BUS RES OH 340	101,540.10
NBRD341UG	NEW BUS RES UG 341	54,030.12
NBSB340OH	NEW BUS SUB OH 340	492.11
NBSB341UG	NEW BUS SUB UG 341	(4,151.34)



LGE 107001 Activity October 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ (24,217.09)
NBSV340OH	NEW ELECTRIC SERVICES	71,926.35
NBSV340UG	NEW EL SERV UG	39,006.40
NETVLT343	NETWORK VAULTS	4,365.63
PBWK340OH	PUB WORKS RELOC OH	131,996.37
PBWK340UG	PUB WORKS RELOC UG 340	19,534.15
PBWK344UG	PUBLIC RELOCATIONS U/G	33,664.83
PBWK406G	PUBLIC WORKS GAS 406	134,825.58
PMR414	PRIORITY MAIN REPLACEMENT	140,128.66
RCST340	CUST REQ 340	17,461.79
RCST406G	CUSTOMER REQUESTED GAS 406	1,304.87
RDCBL340	REPL DEFECTIVE CABLE 340	181,375.24
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	32,017.79
RDDD340OH	REP DEF EQ OH 340	308,407.76
RDDD340UG	REP DEF EQ UG 340	144,925.10
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	4,950.09
RDMV332	MERCURY BULB REPL. PROJECT	12,653.92
RDPOLE340	POLE REP/REPL 340	330,162.48
RDSTLT332	REPAIR STREET LIGHTING 332	158,081.19
RDSTLT340	REP DEF ST LIGHTS 340	2,457.56
RELD01015	LGE GENERAL RELIABILITY 01015	223,599.22
RELD340OH	DIST. 0/H RELIABILITY 340	18,222.08
RELD340UG	DIST U/G RELIABILITY 340	(250.31)
RNTPD340	REP THR PARTY DAM 340	(64,729.05)
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	10,070.62
RRCS419G	REP CO GAS SERV 419	171,567.14
RRCS421G	DIST MAINS 421 MULDRAUGH	6,706.99
RRCS422G	RETAIL GAS SERVICE RC 422	957.43
STLT332OH	STREET LIGHTS OVERHEAD 333	39,716.98
STLT332UG	STREET LIGHT UG 332	149,460.62
STRMLGE	LGE MAJOR STORM EVENT	30,045.12
STRMLOUOC	MINOR STORM EVENTS LOUISVILLE	3,371.97
SYSEN406G	SYSTEM ENHANCE. GAS	84,354.86
SYSENH340	SYS ENH EXIST CUST 340	4,896.98
TBRD340OH	TROUBLE OVERHEAD 340	169,840.95
TBRD340UG	TROUBLE UNDERGROUND 340	28,697.57
TBRD419G	MISC. GAS MAIN LEAK REPAIR/REPL	88,874.41
TLEQ340	TOOLS AND EQ 340	3,547.10
TLEQ419	PURCH. TOOLS 419	(43.76)
TLEQ450	TOOLS & EQUIPMENT 450	13,703.89
WEATH340	WEATHER 003400	624.62
XFRM340	TRANSFORMER 340	12,101.15
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	2,251.70
		<u><u>\$ 18,925,547.73</u></u>

LGE 107001 Activity November 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ (10,861.71)
112767	MC ASH POND EXPANSION STUDY	17,321.35
113270	DISTRIBUTION LINE TRANSFORMER	207,795.25
114268	RESID. GAS REGULATOR REPL.	174,058.92
117136	CR LANDFILL VERTICAL	195,539.41
117149	TC2 PROJECT	2,337,040.95
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	899,432.12
118239	LG&E SUBSTATION SPILL PREVENTION	35,342.56
118349	OHIO FALLS REDEVELOPMENT	47,703.63
120595	PURCHASE REGULATORS - RESID. & COMMER.	15,371.66
120596	FARM TAP REGULATOR UPGRADE	207,438.44
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	150,442.13
121620	CANE RUN NEW LANDFILL	176,150.01
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	413,951.95
121684	TC2 AQCS LGE	290,037.45
121726	MC LIMESTONE ENGINEERING STUDY	185,091.00
121964	FAIRMONT CIRCUIT WORK	(1,924.19)
121965	BLUEGRASS CIRCUIT WORK	(2,950.36)
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	40,258.88
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION	(243.95)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	24,037.66
122280	SO3 SORBENT INJECTION	31,843.58
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	55,147.10
122370	MILL CREEK - HARDIN COUNTY OPGW	1,115.62
122512	MT 138KV COLLINS TERMINATION	6,865.25
122513	MIDDLETOWN - COLLINS 138 KV LINE	58,384.72
122514	COLLINS 138/69KV 150MVA TRNSFRMR	21,984.55
122539	SAP FOR CCS - LGE	81.40
122650	LGE GAS METERS	169,251.75
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	3,073.72
122821	CCS - CUSTOMER SERVICE	20,000.00
122843	MC2 RECYCLE PUMP PIPING 2009	(6,529.88)
122897	MC FIRE PROTECTION PIPING	40,068.82
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	90,410.52
122904	MC1 RECYCLE PUMP UPGRADE 2009	(8,668.49)
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	(20,000.00)
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	55,393.51
122974	CONESTOGA SUBSTATION	17.77
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	26,521.16
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	(6,162.22)
123038	MULDRAUGH ACID RIG IMPROVEMENTS	(1,180.75)
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	215,908.38
123260	GDS IMPLEMENTATION	879.06
123278	HUMANA DATA CENTER	31,792.99
123308	TC 480V SWITCHGEAR BREAKER UPGRADE 2008 PHASE 3	(8,088.67)
123311	TC CBU COUNTERWEIGHT CABLE REPLACEMENT	197,765.14
123325	MC2 WATERWALL WELD OVERLAY 2009	721,440.25
123614	MUD LANE HUMANA DATA CENTER	613.22

LGE 107001 Activity November 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ (10,861.71)
123696	DIST CONESTOGA TAP	455.14
123926	PLANT LAB EQUIP UPGRADE	3,045.29
123965	DATA QUALITY INITIATIVE LGE	320.20
124016	CR6 FRONT REHEAT PENDANT REPLACEMENT	(134,930.00)
124040	MC 4A COAL MILL GEARBOX	101,007.88
124050	MC 4 DCS HARDWARE UPGRADE	4,355.51
124355	CR6 BURNER CORNER REPL.	15,144.19
124361	CR5 4KV SWITCHGEAR UPGRADE	(44,866.80)
124362	CR 480V SWITCHGEAR UPGRADE	29,578.51
124365	CR6 VOLTAGE REGULATOR REPL	40,803.45
124367	CR STACK PARTICULATE MONITORS	123,600.00
124380	CR ASBESTOS ABATEMENT 2009	15,486.88
124459	MIDDLETOWN 6601 CIRCUIT BREAKER CHANGE OUTS	3,189.82
124463	TC 1 1D FAN VFD UPGRADE 2009	62,086.75
124465	TC 1 LOWER SLOPE BOILER REPLACEMENT 2009	357,345.60
124468	TC 480V SW'GEAR BREAKER UPGRADE	13,044.27
124471	TC 1 EMERGCY BATTERY & CHAR	41,754.90
124475	TC 2009 TURBINE OUT PACKING	43,495.72
124478	TC 02 ANALYZER REPLMNT	5,286.82
124479	TC PARTICULATE MONITOR	61,217.93
124481	TC SPLIT COMMON REACT FEED A/B	16,864.86
124484	TC LAB PURCHASE MONITORS	4,968.43
124492	TC REPL ESP ENGRY MGMT	15,581.94
124668	MADISON SUBSTATION EXPANSION	44,258.57
124669	OLD HENRY SUBSTATION-CONSTRUCT NEW SUBSTATION	3,919.15
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	(27,784.08)
124674	2009 AUXILLARY CONTROL SWITCHES INSTALLATION	13,390.34
124675	REPLACE FPE 525 & 546 TRANSFORMER LOAD TAP CHANGERS	4,326.93
124678	HILLCREST TRANSFORMER#1 BUSHING	22,380.48
124717	SMALLWORLD 1.1.1 UPGRADE	611.74
124723	MOBILE GIS MODULES - LGE	12,188.32
124725	2009 ELECTRIC OMS	6,840.46
124731	MOBILE INFRASTRUCTURE LGE	(1,213.98)
124735	2009 CARRY OVER PROJECTS	860.68
124742	LGE PC & PRINTER INFRASTRUCTURE	78,422.48
124778	CR FGD ENGINEERING ASSESSMENT	39,912.50
124788	2009 FT CONVERSION PROJECTS	(9,151.73)
124793	MA GROUNDWATER PROTECTION PROJECTS 2009	1,596.00
124797	MAG REPL MUFFLERS AND EXPANSION JOINTS ON ENGINE #6	6,231.95
124801	REPLACE BARE STEEL GATHERINGS LINES MAGNOLIA & CENTER	6,061.67
124802	MULDRAUGH STATION AUXILIARY BUILDING REPLACEMENT	406,884.58
124804	MULDRAUGH HYDRAULIC MOTORS FOR ENGINES #4 AND #5	6,887.12
124805	MULD PURIFIER 1 BOOSTER PUMP	3,301.52
124806	MULD COMPRESSOR COOLING PIPING REPLACEMENT	585.17
124808	MULDRAUGH OXIDIZER AUTOMATION	7,252.29
124809	MULD COMPR STA YARD VALVES	24,907.45
124812	MULDRAUGH FACILITY IMPROVEMENTS	17,872.70

**LGE 107001 Activity November 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ (10,861.71)
124816	MULDRAUGH COOLER HANDRAILS	76,316.80
124817	MULD PLC REPLACEMENT	3,512.29
124819	MULD PURIFIER 2 REFLUX PUMP	9,864.49
124821	MULDRAUGH STATION PIPING	3,297.28
124822	MULDRAUGH VALVE ACTUATOR REPLACEMENT	(26,108.35)
124826	STORAGE PIPELINE REPL MULDRAUGH	6,323.04
124830	2009 INSTALL GATE VALVES ON STORAGE WELLS	7,227.62
124831	PLUG & REPAIR WELLS WITH CORRODED CASING	(28,725.64)
124833	2009 RELINE GAS STORAGE WELLS	10,641.95
124834	CORROSION WORK SERVICE LINE REPLACEMENT	5,544.33
124835	CP IMPRESSED CURRENT SYSTEM IMPROVEMENTS	8,984.72
124839	PI ACT COMPLIANCE RCVS	31,317.98
124841	2009 UPGRADE MAJOR STATION REGULATORS & CONTROLLERS	35,401.41
124842	UPGRADE BUILDINGS AT MAJOR STATIONS	12,049.18
124845	FT CUSTOMER MONITORING EQUIPMENT UPGRADE	39,864.21
124847	UPGRADE GAS CONTROL SCADA SYSTEM	11,181.36
124848	2009 COMMERCIAL HP GAS SERVICE REPLACEMENT	1,134.44
124849	2009 REGULATOR CAPACITY PROJECT	54,947.63
124850	2009 REGULATOR RELIEF CAPACITY PROJECT	58,567.81
124865	ELECTRIC EHANCE OH DISTR	483.84
124866	OLD HENRY SUBSTATION-OLD HENRY CROSSINGS DUCT WORK	45,301.86
124999	LGE FAC IMPROVEMENTS (REMOVAL OF MAUS, FANS AND PIPING)	3,447.00
125001	OFFICE FURNHISINGS AND EQUIPMENT	21,331.38
125012	SECURITY SYSTEMS AND EQUIPMENT (AUBURNDALE OP CENTER)	46,507.00
125013	FAILED EQUIPMENT - LGE	3,009.34
125036	DISTRIBUTION FACILITY IMPROVEMENTS (AUB-GAS REG AREA)	4,687.34
125107	STELLENT UPGRADE	11,564.13
125109	HW SW DEV TOOLS LGE 026580	562.94
125111	HW/SW DEV TOOLS LGE	114.31
125115	ITSD HW/SW PG LGE	1,067.99
125120	HW/SW DEV TOOLS 026570-LGE	321.55
125140	NTWK ACCESS DEVICE/GATEWAY-LGE	13,439.93
125160	SAN SWITCH CAPACITY EXP	32,850.95
125179	SERVER HARDWARE REFRESH	2,864.81
125197	BULK PWR ENV SYSTEMS LGE	40.08
125207	NETWORK TOOLS & TEST EQUIP	79.20
125211	TELEPHONE SYSTEM CAPACITY EXP	1,085.50
125213	SEC FIBER CONNECT SIMPSON LGE	22,152.36
125215	NEW CONFERENCE BRIDGE-	7,320.32
125220	MONITOR REPLACEMENT LGE	4,077.21
125224	TIER C ROTATE DESKTOP/LAPTOPS LGE	35,257.85
125241	SIMPSONVILLE ELECTRIC UPG LGE	2,586.96
125243	DATA BASE TOOLS AND EQUIP-LGE	1,467.57
125247	PROJ MIRROR-DATABASE TECH	2,983.91
125249	UPGRADE TO SQL 2008-LGE	(0.01)
125255	PROJECT MIRROR GOLD LEVEL SERVICE - LGE	46,744.74
125636	POWERPLAN BUDGETING	6,025.33

**LGE 107001 Activity November 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ (10,861.71)
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	(66,310.04)
125766	CR NERC CYBERSECURITY	45,115.45
125785	CR GT11 SPCC	5,731.95
125811	EDISCOVERY	339.74
125824	OPTIO REPLACEMENT ORACLE BI PUBLISHER & RIGHTFAX)	1,084.70
125850	DIGITAL FAULT RECORDER STUDY - LGE	23,491.15
125878	2009 CALL CENTER TECH UPGRADES	15,700.78
125881	AVAYA INTERACTION CTR	22,025.11
125882	2009 PC PURCHASES	7,959.15
125900	MULD ENGINE COOLING	3,784.73
125903	UPGRADE ALGONQUIN TR 5 69 KV U/G CABLE AND MAIN BUS	7.53
125951	REPLACE SURGE ARRESTERS	5,090.23
125952	REPLACE CANAL BREAKER C-3861	14,780.47
125953	REPLACE CLIFTON BREAKER CL-6624	2,411.91
125981	KY HWY 480 PHASE I GAS RELOCATION-PUBLIC WORKS PROJECTS	260,074.21
125982	KY HWY 22 (PHASE 2) FROM CHAMBERLAIN LN TO KY HWY 1694	0.21
126010	REPLACE 138KV RELAY AT BEARGRASS-LINE 3883	854.00
126050	CR5 B SUMP PUMP MOTOR REWIND	(28,624.20)
126173	CR5 TURBINE ROOM SUMP PUMP	51,196.69
126174	CR5 STACK ELEVATOR REPL	97,721.25
126176	CR6 1 BOILER FEED PUMP MOTOR REPL	103,000.00
126181	OLD HENRY SUBSTATION TAP 138 KV LOOP	2,379.73
126192	CR STATION SWITCHGEAR RESTORATION	316,764.83
126205	OPEN ENROLL	11,643.85
126215	INTERNAL AND EXTERNAL OUTAGE COMMUNICATIONS	105,812.87
126217	ERT TOOLKITS	55,580.03
126221	ALGONQUIN 1374 & 1380 RECONDUCTOR NEW BUSINESS-RESID. OH	1,239.40
126229	MAINTENANCE TRAINING DEMONSTRATORS	8,755.60
126230	SHELBY CAMPUS OFFICE PARK	30,096.60
126233	EPERFORMANCE LGE	16,287.56
126328	TC GSU BUSHING-MISC ENG	3,399.41
126358	NETWORK TRANSFORMER HIGH VOLTAGE COMPARTMENT RETROFIT	84,086.82
126468	REPAIR 69KV U/G 6617	(1,106.94)
126505	DEVELOP EONUS RMTE CAMPUS LGE	14,515.31
126554	EMS OSI WORKSTATIONS	8,798.37
126632	MC2 BOILER ROOM SUMP PIPING	564.12
126733	PURCHASE FORKLIFT FOR TRANSFORMER SERVICES	37,613.57
127034	CR RO SYSTEM REPL	77,087.33
127044	PR13 BACK-UP AIR COMPRESSOR	6,550.80
127050	OF DINGO TRACK SKIDSTEER	28,599.70
127075	CR5 A SUMP PUMP REPLACE	28,624.20
127076	CR E-1 CONVEYOR COAL BELT	8,119.49
127084	REPLACE ORACLE SERVERS - LGE	15,263.32
127125	GAS MANAGEMENT RELOCATION PROJECT	25,786.05
127129	CR SCREENHOUSE SWITCHGEAR RESTOR	180,301.02
127138	BOC LL FITNESS AND PSRT ROOMS	68,540.29
127198	MC TSI SYSTEM UPGRADE 2009	601.01

LGE 107001 Activity November 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ (10,861.71)
127218	HP D2D SOLUTION	20,261.29
127233	PASS MGR	12,933.06
127239	REVISED BRCT 5-6-7 PI INTERFACE	1,238.40
127244	CSS REDESIGN - LGE	6,911.75
127246	TC CCW REWIND-MISC ENG	11,764.95
127248	MC2 COAL FEEDER BUNDR VALVES	42,346.56
127249	MC FIELD COMMUNICATOR EQUIP	5,071.41
127250	MC2 COAL FEEDER VFDS	37,687.26
127251	MC4 COAL FEEDER VFDS	46,221.25
127258	DISTRIBUTION THIRD PARTY POLE ATTACHMENT WORK	5,639.53
127274	TC1 GENERATOR STATOR REWEDGE	(7,957.72)
127275	TC1 TURBINE GENERATOR TIL 1292	(25,389.90)
127276	TC1 TURBINE SNOOT RINGS	(15,834.33)
127278	MC MATERIAL HANDLING OFFICE	75,035.50
127282	TREE TRIMMING MODEL LGE	11,033.57
127289	DOCKING STATIONS & PR	1,171.77
127292	MC VEHICLES - 2009	38,610.81
127293	MC TELEHANDLER - 2009	43,672.00
127296	MC DUMP TRUCK - 2009	32,157.81
127320	CR VEHICLE 2009	44,985.20
127321	CR UTILITY VEHICLE 2009	12,803.03
127323	TC VEHICLES 2009 PURCHASES	72,763.49
111398-08	2008 LT MISC CAPITAL	794.42
119902	CLEAR A&G LGE	46,140.75
ASBLY419	REGULATOR ASSEMBLIES RC419	1,953.19
CABLE341	BLANKET CABLE FOR JOINT TRENCH	128,208.48
GME406	GAS MAIN EXT. 406	117,550.25
L6-2009	NEW FACILITY TRANS. LINE 2009	(19,322.31)
L7-2009	PARAMETER UPGRADE T-LINE LGE 2009	21,025.24
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	(17,616.59)
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	22,815.57
LRSUB-09	LGE TRANS. SUB MISC. CAPITAL	(56,995.95)
LSMR414	LARGE SCALE MAIN REPL.	410,581.19
LT9-2008	LT9 EXPAN. 2008	(68,114.94)
LTSUB-09	TRANS. SUB TERMINAL UPGRADES 09	18,912.45
MAN414	ELECTRIC / GAS MANHOLE CONFLICT	297,373.85
MCAPRR340	CAP/REG/RECL 340	14,329.93
NBCD340OH	NEW BUS COMM OH 340	206,020.86
NBCD340UG	NEW BUS COMM UG 340	111,561.59
NBGCS419	NEW BUS CONNECT SERV 419	32,329.37
NBGS341	NEW BUSINESS GAS SERVICE 341	2,558.41
NBGS419	NEW BUS GAS SERV 419	104,799.62
NBGS422	NEW BUSINESS GAS SERVICE 422	2,153.33
NBRD340OH	NEW BUS RES OH 340	110,106.53
NBRD341UG	NEW BUS RES UG 341	54,625.43
NBSB340OH	NEW BUS SUB OH 340	2,977.29
NBSB341UG	NEW BUS SUB UG 341	257,848.05

LGE 107001 Activity November 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ (10,861.71)
NBSV340OH	NEW ELECTRIC SERVICES	79,021.92
NBSV340UG	NEW EL SERV UG	60,229.98
NBVL343	NETWORK VAULTS 343	1,541.40
NETVLT343	NETWORK VAULTS	13,996.38
PBWK340OH	PUB WORKS RELOC OH	95,712.50
PBWK340UG	PUB WORKS RELOC UG 340	16,444.36
PBWK344UG	PUBLIC RELOCATIONS U/G	21,651.88
PBWK406G	PUBLIC WORKS GAS 406	111,632.87
PMR414	PRIORITY MAIN REPLACEMENT	(59,205.03)
RCST340	CUST REQ 340	5,152.47
RCST406G	CUSTOMER REQUESTED GAS 406	(283,649.67)
RDCBL340	REPL DEFECTIVE CABLE 340	(6,214.77)
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	19,379.47
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	6,245.59
RDDD340OH	REP DEF EQ OH 340	298,399.07
RDDD340UG	REP DEF EQ UG 340	171,987.67
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	6,533.00
RDMV332	MERCURY BULB REPL. PROJECT	17,055.08
RDPOLE340	POLE REP/REPL 340	336,249.17
RDSTLT332	REPAIR STREET LIGHTING 332	222,701.21
RDSTLT340	REP DEF ST LIGHTS 340	3,690.23
RELD01015	LGE GENERAL RELIABILITY 01015	178,329.09
RELD340OH	DIST. 0/H RELIABILITY 340	29,071.71
RELD340UG	DIST U/G RELIABILITY 340	(3,980.03)
RNTPD340	REP THR PARTY DAM 340	54,929.16
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	(2,266.41)
RRCS419G	REP CO GAS SERV 419	183,054.86
RRCS421G	DIST MAINS 421 MULDRAUGH	5,704.27
STLT332OH	STREET LIGHTS OVERHEAD 333	6,884.64
STLT332UG	STREET LIGHT UG 332	62,234.07
STRMLGE	LGE MAJOR STORM EVENT	60,990.24
STRMLOUC	MINOR STORM EVENTS LOUISVILLE	9,837.01
SYSEN406G	SYSTEM ENHANCE. GAS	6,832.39
SYSENH340	SYS ENH EXIST CUST 340	6,261.78
TBRD340OH	TROUBLE OVERHEAD 340	171,250.62
TBRD340UG	TROUBLE UNDERGROUND 340	32,187.14
TBRD419G	MISC. GAS MAIN LEAK REPAIR/REPL	(29,463.61)
TLEQ340	TOOLS AND EQ 340	4,111.67
TLEQ419	PURCH. TOOLS 419	26,793.54
TLEQ447	TOOLS AND EQUIPMENT 447	3,380.31
XFRM340	TRANSFORMER 340	13,258.48
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	2,928.99
		<u><u>\$ 15,125,025.96</u></u>

LGE 107001 Activity December 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
100650	RELOC. DIST. HWY. FACILITIES	\$ (183,982.40)
104671	CAPITAL PIPE TRANSFERS - MULD	(9,573.93)
112644	CAPITAL TOOLS	4,303.72
112767	MC ASH POND EXPANSION STUDY	1,288,426.53
113270	DISTRIBUTION LINE TRANSFORMER	252,160.08
114268	RESID. GAS REGULATOR REPL.	227,234.29
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUS. CUST.	26,185.93
117136	CR LANDFILL VERTICAL	3,986.74
117149	TC2 PROJECT	1,397,089.79
117320	SUBSTATION PROTECTION MODIFICATIONS	85,807.56
117918	PLUG AND REPAIR GAS STORAGE WELLS	(6,009.04)
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2 TRANS.	294,719.94
118239	LG&E SUBSTATION SPILL PREVENTION	10,712.89
118349	OHIO FALLS REDEVELOPMENT	19,630.80
120283	VIDEO CONFERENCING EQUIPMENT	15.00
120596	FARM TAP REGULATOR UPGRADE	128,590.93
120599	P J TECHNICAL EQUIPEMENT	30,340.91
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	1,428,534.43
120754	MISC. A/R UNCOLLECTIBLE - LGE CAPITAL	(257,399.83)
121620	CANE RUN NEW LANDFILL	86,434.85
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	549,024.36
121684	TC2 AQCS LGE	542,141.22
121908	CUSTOMER FT RATE CONVERSION PROJECTS	(325.80)
121928	RELINE GAS STORAGE WELLS	(939.91)
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	29,332.08
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION	(620.63)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(192,240.65)
122280	SO3 SORBENT INJECTION	10.20
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	369,608.57
122513	MIDDLETOWN - COLLINS 138 KV LINE	101,479.45
122514	COLLINS 138/69KV 150MVA TRNSFRMR	5,080.45
122539	SAP FOR CCS - LGE	(141,405.50)
122650	LGE GAS METERS	175,388.12
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	1,445.34
122805	MUSEUM PLAZA U/G RELOCATION (CIRCUITS 3861, 3809, & 6617)	68,892.93
122843	MC2 RECYCLE PUMP PIPING 2009	236,255.84
122898	MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	(212.91)
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	2,227.45
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	122,030.60
122974	CONESTOGA SUBSTATION	1,299.37
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	448,501.73
123011	FT RATE CONVERSION PROJECTS	325.80
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	(256,841.44)
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	349,826.41
123050	OTTER CREEK EXPOSURE PROJECT	26,605.83
123220	CT7 A/B CONVERSION 08 - LGE	(1,189,197.24)
123260	GDS IMPLEMENTATION	2,293.05
123311	TC CBU COUNTERWEIGHT CABLE REPLACEMENT	(18,515.42)



**LGE 107001 Activity December 2009**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
100650	RELOC. DIST. HWY. FACILITIES	\$ (183,982.40)
123325	MC2 WATERWALL WELD OVERLAY 2009	3,494,444.35
123696	DIST CONESTOGA TAP	615.94
123709	TC1 CATALYST LAYER PURCHASE & INSTALLATION 2008-2011	144,999.79
123831	CORRODED SERVICE LINE REPLACEMENT	56.00
123835	CHAMBERLAIN LANE HWY RELOCATION	(103,024.33)
124050	MC 4 DCS HARDWARE UPGRADE	16,026.38
124052	MC4 SCR CATALYST	565,366.79
124060	MC3 AIR HTR BASKETS-2011	536,182.98
124062	MC4 AIR HEATER BASKETS - 2010	682,799.56
124072	MC HVAC AIR HANDLERS	242,386.81
124084	MC CONVEYOR BELTS 2010	58,748.09
124153	MULDRAUGH STATION REDUNDANT AMINE PUMP	14,372.31
124297	MULDRAUGH PURIFIER REDUNDANT PLC	(14,372.31)
124361	CR5 4KV SWITCHGEAR UPGRADE	48,859.08
124362	CR 480V SWITCHGEAR UPGRADE	1,596.75
124365	CR6 VOLTAGE REGULATOR REPL	2,448.21
124367	CR STACK PARTICULATE MONITORS	7,416.00
124380	CR ASBESTOS ABATEMENT 2009	4,813.85
124463	TC 1 1D FAN VFD UPGRADE 2009	71,086.19
124465	TC 1 LOWER SLOPE BOILER REPLACEMENT 2009	259.80
124471	TC 1 EMERGENCY BATTERY & CHAR	36,873.00
124473	TC COAL CONVEYOR REPLACEMENT	28,514.78
124478	TC 02 ANALYZER REPLMNT	1,837.02
124479	TC PARTICULATE MONITOR	4,048.77
124481	TC SPLIT COMMON REACT FEED A/B	6,643.50
124484	TC LAB PURCHASE MONITORS	8,708.34
124668	MADISON SUBSTATION EXPANSION	1,614,419.09
124669	OLD HENRY SUBSTATION-CONSTRUCT NEW SUBSTATION	2,038,419.43
124672	LYNDON TR 2 TAP CHANGER CONTROLLER	17,146.29
124675	REPLACE FPE 525 & 546 TRANSFORMER LOAD TAP CHANGERS	254,515.09
124678	HILLCREST TRANSFORMER#1 BUSHING	2,574.44
124717	SMALLWORLD 1.1.1 UPGRADE	99.13
124723	MOBILE GIS MODULES - LGE	22,883.60
124725	2009 ELECTRIC OMS	37,899.22
124731	MOBILE INFRASTRUCTURE LGE	22,827.62
124735	2009 CARRY OVER PROJECTS	29,072.47
124742	LGE PC & PRINTER INFRASTRUCTURE	52.34
124781	MULDRAUGH GAS COMPRESSOR STATION	848.72
124793	MA GROUNDWATER PROTECTION PROJECTS 2009	10,731.04
124794	MAG TEMPERATURE CONTROL FOR THE #1 PURIFIER LEAN AMINE	17,474.24
124800	MAGNOLIA REPLACE 4,100 FT OF 16" CENTER STORAGE FIELD 2009	(26,470.70)
124801	REPLACE BARE STEEL GATHERINGS LINES MAGNOLIA & CENTER	17,977.35
124802	MULDRAUGH STATION AUXILIARY BUILDING REPLACEMENT	995,341.38
124804	MULDRAUGH HYDRAULIC MOTORS FOR ENGINES #4 AND #5	37,198.57
124805	MULD PURIFIER 1 BOOSTER PUMP	19,049.00
124806	MULD COMPRESSOR COOLING PIPING REPLACEMENT	28,195.04
124808	MULDRAUGH OXIDIZER AUTOMATION	4,710.17

LGE 107001 Activity December 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
100650	RELOC. DIST. HWY. FACILITIES	\$ (183,982.40)
124812	MULDRAUGH FACILITY IMPROVEMENTS	30,871.98
124817	MULD PLC REPLACEMENT	8,194.09
124818	MULD PURIF#3 REFLUX PUMP	14,565.80
124819	MULD PURIFIER 2 REFLUX PUMP	36,024.17
124824	MULDRAUGH ACID RIG IMPROVEMENTS	18,943.91
124826	STORAGE PIPELINE REPL MULDRAUGH	49,310.04
124827	MULDRAUGH TRANSMISSION REPLACEMENTS	65,636.45
124830	2009 INSTALL GATE VALVES ON STORAGE WELLS	258,096.25
124833	2009 RELINE GAS STORAGE WELLS	107,620.79
124834	CORROSION WORK SERVICE LINE REPLACEMENT	11,200.00
124839	PI ACT COMPLIANCE RCVS	18,135.77
124842	UPGRADE BUILDINGS AT MAJOR STATIONS	19,949.09
124845	FT CUSTOMER MONITORING EQUIPMENT UPGRADE	18,277.02
124847	UPGRADE GAS CONTROL SCADA SYSTEM	332,453.39
124848	2009 COMMERCIAL HP GAS SERVICE REPLACEMENT	55,676.24
124849	2009 REGULATOR CAPACITY PROJECT	26,035.24
124850	2009 REGULATOR RELIEF CAPACITY PROJECT	48,343.88
124866	OLD HENRY SUBSTATION-OLD HENRY CROSSINGS DUCT WORK	245,515.48
124887	2009 ERTS	8,093.64
124994	FACILITY EQUIPMENT	56,118.44
124999	LGE FAC IMPROVEMENTS (REMOVAL OF MAUS, FANS AND PIPING)	96,067.60
125001	OFFICE FURNISHINGS AND EQUIPMENT	30,731.65
125002	GREEN INITIATIVES	75,595.00
125036	DISTRIBUTION FACILITY IMPROVEMENTS (AUB-GAS REG AREA)	38,260.12
125107	STELLENT UPGRADE	5,419.09
125109	HW SW DEV TOOLS LGE 026580	7.02
125115	ITSD HW/SW PG LGE	8,066.56
125120	HW/SW DEV TOOLS 026570-LGE	487.72
125122	INTRUSION PREVENTION LGE	50,541.82
125126	IT SEC INFRASTRUCTURE-LGE	17,046.25
125130	VULNERABILITY SCANNING	2,743.55
125134	CORE NTKW INFRASTRUCTURE LGE	4,001.71
125160	SAN SWITCH CAPACITY EXP	(1.90)
125176	CABLING SERVER CONNECT LGE	9,976.23
125179	SERVER HARDWARE REFRESH	20,359.33
125185	RISS 2.0 UPGRADE LGE	77,362.62
125195	OUTSIDE CABLE PLANT LGE	1,088.27
125197	BULK PWR ENV SYSTEMS LGE	6,591.14
125205	NETWORK ACCESS DEV SITE INFRA LGE	111.10
125211	TELEPHONE SYSTEM CAPACITY EXP	(939.76)
125213	SEC FIBER CONNECT SIMPSON LGE	101,582.43
125215	NEW CONFERENCE BRIDGE-	68,042.60
125224	TIER C ROTATE DESKTOP/LAPTOPS LGE	20,712.27
125241	SIMPSONVILLE ELECTRIC UPG LGE	5,193.50
125243	DATA BASE TOOLS AND EQUIP-LGE	142.59
125249	UPGRADE TO SQL 2008-LGE	1,298.10
125253	CONVERT TO UC4-LGE	24,954.65

LGE 107001 Activity December 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
100650	RELOC. DIST. HWY. FACILITIES	\$ (183,982.40)
125255	PROJECT MIRROR GOLD LEVEL SERVICE - LGE	105,974.35
125307	ENTERPRISE STORAGE EXP	209,234.45
125348	IMPL RED ELEC SYS BOC DC LGE-10	24,115.11
125636	POWERPLAN BUDGETING	66,727.51
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	189,251.06
125715	CR5-2 BFP MOTOR	(34,950.26)
125785	CR GT11 SPCC	19,485.38
125811	EDISCOVERY	7,588.34
125823	CENTER 16 PIPE	(3,730.68)
125850	DIGITAL FAULT RECORDER STUDY - LGE	22,108.17
125878	2009 CALL CENTER TECH UPGRADES	42,381.84
125881	AVAYA INTERACTION CTR	102,290.01
125882	2009 PC PURCHASES	12,845.73
125900	MULD ENGINE COOLING	27,224.20
125951	REPLACE SURGE ARRESTERS	2,827.29
125952	REPLACE CANAL BREAKER C-3861	1,417.84
125964	REPLACE MILL CREEK BREAKER MC-138KV TR 7 & 8	254.60
125965	REPLACE MILL CREEK BREAKER MC-3855	1,212.11
125981	KY HWY 480 PHASE I GAS RELOCATION-PUBLIC WORKS PROJECTS	37,572.03
125982	KY HWY 22 (PHASE 2) FROM CHAMBERLAIN LN TO KY HWY 1694	111,036.07
126044	FIELDSMART VIEW LICENSES	26,500.00
126144	MC4 BLOWDOWN TANK	18,649.18
126174	CR5 STACK ELEVATOR REPL	3,133.78
126176	CR6 1 BOILER FEED PUMP MOTOR REPL	9,378.64
126181	OLD HENRY SUBSTATION TAP 138 KV LOOP	14,793.94
126192	CR STATION SWITCHGEAR RESTORATION	190,573.45
126205	OPEN ENROLL	(71.34)
126215	INTERNAL AND EXTERNAL OUTAGE COMMUNICATIONS	60,967.12
126217	ERT TOOLKITS	820.37
126221	ALGONQUIN 1374 & 1380 RECONDUCTOR NEW BUSINESS-RESID. OH	64,938.90
126230	SHELBY CAMPUS OFFICE PARK	249.00
126233	EPERFORMANCE LGE	2,659.36
126328	TC GSU BUSHING-MISC ENG	902.82
126358	NETWORK TRANSFORMER HIGH VOLTAGE COMPARTMENT RETROFIT	8,985.69
126468	REPAIR 69KV U/G 6617	124,225.78
126505	DEVELOP EONUS RMTE CAMPUS LGE	(136.94)
126554	EMS OSI WORKSTATIONS	3,570.39
126751	MS PROJECT 2007 - LGE	7,047.51
127034	CR RO SYSTEM REPL	182,682.99
127060	FORKLIFT AT ESC	16,181.13
127084	REPLACE ORACLE SERVERS - LGE	35,305.69
127125	GAS MANAGEMENT RELOCATION PROJECT	271,943.67
127129	CR SCREENHOUSE SWITCHGEAR RESTOR	22,103.09
127138	BOC LL FITNESS AND PSRT ROOMS	104,706.38
127233	PASS MGR	1,050.62
127239	REVISED BRCT 5-6-7 PI INTERFACE	10,059.58
127244	CSS REDESIGN - LGE	22,225.49

LGE 107001 Activity December 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
100650	RELOC. DIST. HWY. FACILITIES	\$ (183,982.40)
127246	TC CCW REWIND-MISC ENG	491.63
127248	MC2 COAL FEEDER BUNDR VALVES	1,384.12
127250	MC2 COAL FEEDER VFDS	20,741.32
127251	MC4 COAL FEEDER VFDS	3,024.39
127254	EMS SOFTWARE UPGRADE	1,558.28
127256	LGE DCC CALL RECORD SYSTEM	58,154.28
127258	DISTRIBUTION THIRD PARTY POLE ATTACHMENT WORK	2,479.72
127265	TC2 CAPITAL SPARES LGE	1,927,639.41
127274	TC1 GENERATOR STATOR REWEDGE	(9,282.36)
127276	TC1 TURBINE SNOUT RINGS	669.28
127278	MC MATERIAL HANDLING OFFICE	31,140.38
127280	MC2 SOOTBLOWER PIPE INSULATION	32,710.97
127282	TREE TRIMMING MODEL LGE	56,232.03
127287	SHAREPOINT HARDWARE LGE	1,555.44
127289	DOCKING STATIONS & PR	23.18
127302	MULDRAUGH - NON FUSEABLE DISC. SWITCHES	15,709.16
127309	FIELDSMART VIEW LICENSES	13,250.00
127311	AUBURNDALE RACKING	13,250.31
127323	TC VEHICLES 2009 PURCHASES	24,254.50
127340	MC2B BOILER FEED PUMP MOTOR	104,838.71
127344	FILL CASINGS WITH WAX	46,226.07
127352	TRANSPORATION HOISTS	45,935.61
127353	MC ANNEX HVAC 2009	19,684.19
127359	CR VEHICLE 2009A	18,634.76
127360	CR CONVEYOR COAL BELT	7,168.80
127363	MC DUCTWORK EXPANSION JOINTS	42,077.24
127369	MC2 HSWP 24" SUCTION VALVES	18,663.04
117361	ACCRUED LABOR - LGE	20,062.12
119902	CLEAR A&G LGE	27,056.41
ASBLY419	REGULATOR ASSEMBLIES RC419	232.44
BTM391	BEYOND THE METER RC391	42.90
CABLE341	BLANKET CABLE FOR JOINT TRENCH	95,212.09
CLR419	LEAK REPAIR 419	12,043.24
COMP419	GAS DISTRIBUTION COMPLIANCE	(749.41)
GME406	GAS MAIN EXT. 406	(3,460.57)
L7-2009	PARAMETER UPGRADE T-LINE LGE 2009	81,039.98
L8-2009	LGE STORM DAMAGE TRANS. LINE 2009	(30,352.75)
L9-2009	PRIORITY TRANS. LINE REPL. LGE 2009	21,535.94
LRSUB-09	LGE TRANS. SUB MISC. CAPITAL	13,190.58
LSMR414	LARGE SCALE MAIN REPL.	196,073.90
LT9-2008	LT9 EXPAN. 2008	503.39
LTSUB-09	TRANS. SUB TERMINAL UPGRADES 09	2,789.21
MAN414	ELECTRIC / GAS MANHOLE CONFLICT	289,029.03
MCAPRR340	CAP/REG/RECL 340	8,263.60
NBCD340OH	NEW BUS COMM OH 340	108,724.51
NBCD340UG	NEW BUS COMM UG 340	(93,157.64)
NBGCS419	NEW BUS CONNECT SERV 419	45,347.90

LGE 107001 Activity December 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
100650	RELOC. DIST. HWY. FACILITIES	\$ (183,982.40)
NBGS341	NEW BUSINESS GAS SERVICE 341	2,051.27
NBGS419	NEW BUS GAS SERV 419	98,522.72
NBGS421	NEW BUS. GAS SERV. 421	2,752.77
NBGS422	NEW BUSINESS GAS SERVICE 422	1,643.63
NBRD340OH	NEW BUS RES OH 340	79,881.18
NBRD341UG	NEW BUS RES UG 341	97,036.48
NBSB340OH	NEW BUS SUB OH 340	1,617.57
NBSB341UG	NEW BUS SUB UG 341	4,258.94
NBSV340OH	NEW ELECTRIC SERVICES	39,929.31
NBSV340UG	NEW EL SERV UG	68,815.15
NETVLT343	NETWORK VAULTS	11,072.86
PBWK340OH	PUB WORKS RELOC OH	83,371.23
PBWK340UG	PUB WORKS RELOC UG 340	9,775.51
PBWK344UG	PUBLIC RELOCATIONS U/G	24,466.14
PBWK406G	PUBLIC WORKS GAS 406	188,532.74
PMR414	PRIORITY MAIN REPLACEMENT	(4,344.43)
RCST340	CUST REQ 340	42,282.24
RCST406G	CUSTOMER REQUESTED GAS 406	297,000.00
RDCBL340	REPL DEFECTIVE CABLE 340	62,505.14
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	38,711.52
RDDD340OH	REP DEF EQ OH 340	174,702.99
RDDD340UG	REP DEF EQ UG 340	172,162.92
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	44,952.92
RDMV332	MERCURY BULB REPL. PROJECT	11,123.55
RDPOLE340	POLE REP/REPL 340	283,164.89
RDSTLT332	REPAIR STREET LIGHTING 332	94,222.32
RDSTLT340	REP DEF ST LIGHTS 340	547.01
RELD01015	LGE GENERAL RELIABILITY 01015	276,149.19
RELD340OH	DIST. O/H RELIABILITY 340	38,237.46
RELD340UG	DIST U/G RELIABILITY 340	147.45
RNTPD340	REP THR PARTY DAM 340	(651,756.23)
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	6,391.75
RRCS419G	REP CO GAS SERV 419	217,251.39
STLT332OH	STREET LIGHTS OVERHEAD 333	49,840.38
STLT332UG	STREET LIGHT UG 332	65,795.23
STRMLGE	LGE MAJOR STORM EVENT	20,438.31
SYSEN406G	SYSTEM ENHANCE. GAS	15,705.81
SYSENH340	SYS ENH EXIST CUST 340	154.14
TBRD340OH	TROUBLE OVERHEAD 340	190,947.70
TBRD340UG	TROUBLE UNDERGROUND 340	58,049.48
TBRD419G	MISC. GAS MAIN LEAK REPAIR/REPL	13,574.11
TLEQ340	TOOLS AND EQ 340	3,756.52
TLEQ419	PURCH. TOOLS 419	10,819.03
TLEQ447	TOOLS AND EQUIPMENT 447	1,317.21
TLEQ450	TOOLS & EQUIPMENT 450	1,975.84
TLEQ451	TOOLS & EQUIPMENT 004510	6,162.75
XFRM340	TRANSFORMER 340	12,951.65

LGE 107001 Activity December 2009

<u>Project</u>	<u>Description</u>	<u>Amount</u>
100650	RELOC. DIST. HWY. FACILITIES	\$ (183,982.40)
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	6,141.87
		<u>\$ 26,874,614.98</u>

LGE 107001 Activity January 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112644	Capital tools	\$ 3.30
112767	MC Landfill Expansion	66,950.00
113270	LGE DIST LINE TRANSFORMERS	186,065.28
114268	Gas Regulator Replacements	258,828.32
115030	PURCHASE REGULATORS	88.50
117136	CR Landfill Vertical Expansion	14,001.37
117149	Trimble County 2	1,220,706.00
117320	SPCC Mods - LG&E Transmission	14.45
118209	Trimble 2 Transmission lge	35,396.82
118239	LGE SUB SPILL PREVENTION	639.69
118349	OHIO FALLS REDEVELOPMENT 2004	3.97
119924	LGE Dist. 34.5KV Storm	(667.81)
120563	MAGN INSTALL PLC ENG#2 CONTR	32.13
120595	PURCHASE REGUL-RES/COMM	2,529.60
120596	FARM TAP REGULATOR UPGR	27,993.98
120730	TC Controls Upgrade 2006	2,156.21
121620	Cane Run - New Landfill	(46,769.70)
121683	TC Ash/Gypsum Ponds- LGE	274,672.41
121684	TC2 AQCS - LGE	232,257.36
121899	MULD-SPCC COMPLIANCE	(3,953.42)
121920	MAGN-EMERGENCY PIPELINE/EQ REP	(7,877.00)
121964	FAIRMOUNT SUB EXP CIRCUITS	14.05
121965	BLUEGRASS PKWY SUB EXP CIR	101.32
121974	LGE Electric Meters & Installs	10,193.45
122229	WATERSIDE ARENA DO ELECTRIC	2,057.25
122231	Waterside Arena-Transmission	(23,825.60)
122280	TC SO3 Sorbent Injection	(2.55)
122512	MT 138kV Collins termination	2,611.48
122513	Middletown-Collins 138kV Line	(37,128.87)
122514	Collins 138/69kV 150MVA Trnsfr	2,094.10
122539	Customer Care System LGE	1,555.62
122650	LGE Gas Meters	80,079.06
122696	GRADE LANE CIRCUIT WORK	630.91
122805	Museum Plaza Tower Reloc	(5,862.74)
122843	MC2 Recycle Pump Piping	(16,125.37)
122862	SEMINOLE SUBSTATION EXPANS	1.22
122959	MILL CREEK GAS MEASUREMENT	0.52
122971	CONESTOGA CIRCUIT WORK	(1,840.69)
122975	EASTWOOD SUBSTATION	9,588.45
123020	MULD-MISC FACILITY IMPRV	(20,714.87)
123021	MULD-SPCC COMPLIANCE PH 2	44.20
123023	CP IMPRESSED CURRENT SYS	36.72

LGE 107001 Activity January 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
123025	INSTALL VALVES ON STOR WELLS	0.49
123028	MAGN-EMERGENCY EQUIP & REPAIRS	(5,519.36)
123039	MULD-DRILL 5 RECOVERY WELLS	53,543.20
123047	2008 GAS REGUL CAPACITY PROJ	6.14
123311	TC CBU Counter Weight Cable	(23.21)
123325	MC2 Waterwall Weld Overlay	474.53
123614	MUD LANE (HUMANA UPGRADE)	0.07
123696	Dist Conestoga 69kV Tap	1,726.91
123835	*CHAMBERLAIN LANE HWY RELO	104,527.68
123857	JEFFERSONTOWN 1120 REC	0.05
123889	UPS ASHBOTTOM (GAS)	9.69
124050	MC4 DCS Hardware	29,278.60
124052	MC4 SCR Catalyst 2010	188,455.60
124297	REDUNDANT PURIFIER PLC	10.99
124361	CR5 4KV Switchgear Upgrade	6.58
124362	CR 480V Switchgear Upgrade	309.27
124458	MT 6652 & 6654 Brkr Repl	(8.96)
124463	TC ID FAN VFD REPLACEMENT	2,323.36
124471	TC1 EMERGCY BATTERY & CHARG	6,643.50
124479	TC PARTICULATE MONITOR	229.70
124484	TC LAB PURCHASE MONITORS	6,321.21
124668	'09 MADISON SUB EXPANSION	21,830.11
124669	'09 OLD HENRY SUBSTA	29,796.11
124672	'09 DIST MISC PROJECT	2,520.81
124675	'09 FPE TAP CHANGER PROJECT	15,110.28
124802	MULD KEWANEE BOILER BLDG	20,475.81
124804	MULD HYDRAULIC FAN MOTORS	3,266.56
124805	MULD REPL PURIF 1 BOOSTER PUMP	(371.37)
124812	MULD REPAIR/REPLACE DEF EQUIP	266.53
124817	MULD PLC REPLACEMENTS	178.31
124818	MULD PURIF#3 REFLUX PUMP	20,965.35
124819	MULD PURIF 2 REFLUX PUMP REPL	(20,952.41)
124826	MULD STORAGE PIPELINE REPL	6,907.82
124830	2009 INST GATE VALVES ON WELLS	3,950.58
124833	2009 RELINE GAS STORAGE WELLS	5,993.08
124834	CORROSION WORK SERV LINE REPL	(11,200.00)
124842	UPGR BLDGS AT MAJOR STATIONS	424.91
124847	UPGR GAS CONTROL SCADA SYS	1,625.96
124848	2009 COMMERCIAL HP SERV REPL	29,090.18
124849	2009 GAS REG CAPACITY	7,551.48
124850	2009 REGULATOR RELIEF VALVES	1,539.10
124866	OLD HENRY CIRCUIT WORK	24,871.93



LGE 107001 Activity January 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124994	FACILITY EQUIPMENT	(28,413.37)
124999	OS LGE FAC IMPROVEMENTS	(5,534.94)
125001	OFFICE FURNISHINGS AND EQUIP	766.38
125036	DIST FAC IMPROVEMENTS	2,341.50
125109	HW/SW Dev Tools 026580-LGE	244.03
125115	ITSD HW/SW PG-LGE	(8,066.56)
125120	HW/SW Dev Tools 026570-LGE	57.97
125122	Intrusion Prevention-LGE	3,032.51
125171	MAGN PURIFIER 1 REPAIR	20.40
125179	Server Hardware Refresh-LGE	1,792.20
125197	Bulk Pwr & Env Systems-LGE	79.95
125213	Sec Fiber Connect-Simpson-LGE	250.87
125235	Louisville Electrical Upg-LGE	1,968.17
125241	Simpsonville Electric Upg-LGE	52.82
125255	Proj Mirror-Gold Svc Level-LGE	666.54
125298	Ntwk Access Dev/Gateway-LGE10	972.09
125320	Mobile Radio-LGE10	1,583.13
125323	Phone Sys Capacity Exp-LGE10	395.23
125329	Monitor Replacement - LGE 10	8,117.48
125339	Lou Racks & Furniture-LGE10	5,173.36
125342	Data Base Tools & Equip-LGE10	1,000.12
125636	PowerPlan Budgeting (LG&E %)	2,892.39
125684	PIGGABILITY CALVARY LINE	60.52
125811	eDiscovery - LGE	0.01
125850	DFR	9,407.21
125881	LGE AVAYA INTERACTION CTR	4.65
125882	2009 PC PURCHASES	794.17
125900	MULD ENGINE COOLING	134.90
125903	Upgrade Algonquin TR 5 69 kV	8,066.30
125926	BRCT SF6 SFC Med Volt Bkr -LGE	23,573.27
125951	LR09-Surge-Arrest-Rep	6,628.82
125952	LBR09-ReplCanalBrk3861	1,783.76
125981	KY HWY 480 PHASE I	6,242.31
126012	LU09-Batteries	(2,148.94)
126129	MC4 345kV Isol Disconnects	9,637.98
126144	MC4 Blowdown Tank	1,253.68
126176	CR6-1 Boiler Feed Pump Repl	(57.79)
126181	Old Henry 138KV Tap	5,909.64
126192	CR Station Switchgear Repl	3,424.82
126215	OUTAGE SUMMARY MAPS LGE	834.58
126221	ALGONQUIN CIRCUIT 1380	2.10
126358	HV Compartment Retrofit	28,309.78

LGE 107001 Activity January 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126388	DOIT CARRY OVER PROJECTS	35.16
126468	6617 Underground Cable Repair	1,716.97
127034	CR RO System Upgrade	16,714.47
127060	Forklift at ESC	874.47
127084	Oracle Servers - 2009 (LG&E %)	7,578.04
127125	Gas Management Relocation	(82.50)
127129	CR Screenhouse Switchgear	1,551.31
127138	FITNESS RM AND PSRT RM	156.88
127205	Ohio Falls Redev. Common	4,806.91
127248	MC2 Coal Feeder Bunker Valves	81.10
127250	MC2 Coal Feeder VFDs	931.07
127251	MC4 Coal Feeder VFDs	2,704.51
127253	NS.Reactor-Install	277.69
127258	Third Party PAR	4,131.17
127265	TC2 CAPITAL SPARES - LGE	90,425.23
127268	HWY 933	1,617.33
127278	MC Material Handling Office	61.88
127279	MC Reactant Feed Piping	2,355.92
127311	Auburndale Racking	(15.36)
127340	MC 2B Boiler Feed Pump Motor	1,785.51
127343	Ops Engineering Wrkstation-LGE	1,124.03
127353	MC Annex HVAC 2009	391.40
127359	CR Vehicle 2009a	(509.85)
127360	CR G Conveyor Coal Belt	233.61
127363	MC Ductwork Expansion Joints	2,418.77
127369	MC2 HSWP 24" Suction Valves	3,175.51
127382	TC MISC ENG- B-BCP OH & Rewind	59,187.99
111398-08	LT Misc Capital Expend 2008	(794.42)
117361	Accrued Labor - LGE	(20,062.15)
119902	Clear 12/04 A&G	(156,081.17)
CABLE341	Blanket cable for joint trench	(248,960.10)
ECAPRR340	CAP, REG, RECLOSERS 340	507.90
GME406	GAS MAIN EXT 406	113,578.07
L5-2009	RELOCATIONS T LINES LGE 2009	(1,466.00)
L6-2009	NEW FACILITIES T-LINE LGE 2009	20,771.16
L7	T-Lines Parameter Upgrades	(15,735.00)
L7-2009	PARAM UPGRADE T LINE LGE 2009	21,724.08
L8-2009	STORM DAMAGE T-LINE LGE 2009	14,456.19
L9-2009	PRIORITY REPL T-LINES LGE 2009	21,630.45
L9-2010	PRIORITY REPL T-LINES LGE 2010	116,962.58
LRSUB-09	Routine Sub Capital09- LGE	5,038.33
LSMR414	Large Scale Main Replacements	727,978.35

LGE 107001 Activity January 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
LT9-2008	LT-9-2008	(55.50)
LTSUB-09	Terminal Upgrades09-LGE	6,131.43
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	363,952.79
MCAPRR340	MAINT CAP, REG, REC 340	10,056.61
NBCD340OH	NEW BUS COMM OH 340	85,687.56
NBCD340UG	NEW BUS COMM UG 340	229,033.13
NBCD341UG	NEW BUS COMM 341 UG	320.18
NBGCS419	NEW BUS CONNECT SERV 419	68,465.54
NBGS341	INSTALL GAS SVC-JOINT TRENCH	17,390.66
NBGS419	NEW BUS GAS SERV 419	98,000.85
NBRD340OH	NEW BUS RES OH 340	65,770.30
NBRD341UG	NEW BUS RESID UG 341	137,603.86
NBSB340OH	NEW BUS SUB OH 340	(3,728.15)
NBSB341UG	NEW BUS SUB 341 UG	323,186.19
NBSV340OH	NEW ELECTRIC SERVICES	28,550.42
NBSV340UG	NEW EL SERV UG	21,795.34
NBVL343	New Network Vaults - 003430	7,649.10
NETVLT343	Network Vaults 003430	20,135.27
PBWK340OH	PUB WORKS RELOC OH	56,157.52
PBWK340UG	PUB WORKS RELOC UG 340	13,388.11
PBWK344UG	PUB WORKS 344 UG	2,579.09
PBWK406G	PUB WORKS GAS 406	24,383.90
PMR414	Priority Main Replacement	728.13
RCST340	CUST REQ 340	(46,338.52)
RCST406G	Customer requested - Gas	4,244.38
RDCBL340	Replace Defective Cable 003400	86,836.42
RDD003065	Repair Defective Eqpt - 003065	(5,515.67)
RDD003190	Repair Defective Eqpt - 003190	120.86
RDDD340OH	REP DEF EQ OH 340	237,675.05
RDDD340UG	REP DEF EQ UG 340	79,424.27
RDDD345OH	POI	26,931.86
RDMV332	MERCURY BULB REPL PROJECT	10,920.28
RDPOLE340	Replace Defective Poles 340	123,036.02
RDSTLT332	REPAIR STREET LIGHTING	194,091.88
RELD01015	LGE GEN RELIABILITY	48,530.37
RELD340OH	OH Reliability 003400	5,458.27
RELD340UG	UG Reliability 003400	(6,618.00)
RNTPD340	REP THR PARTY DAM 340	(2,381.76)
RNTPD419	Repair Third Party Damages-419	6,125.94
RRCS419G	REP CO GAS SERV 419	97,088.49
STLT332OH	STREET LIGHT OVERHEAD	28,693.92
STLT332UG	STREET LIGHT UNDERGROUND	36,480.42

LGE 107001 Activity January 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
STRMLGE	LGE Major Storm Event	22,948.25
SYSEN406G	System enhancements - Gas	6,261.76
SYSENH340	SYS ENH EXIST CUST 340	59,167.37
TBRD340OH	Trouble OH 003400	133,824.82
TBRD340UG	Trouble UG 003400	37,053.02
TLEQ340	TOOLS AND EQ 340	4,769.99
TLEQ419	Purchase of Tools - 004190	26.94
WEATH340	WEATHER 003400	3,334.31
XFRM340	TRANSFORMER LABOR 340	(8,979.01)
XFRM341	TRANSFORMER LABOR 341	843.96
		<u>\$ 6,476,506.04</u>

LGE 107001 Activity February 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
113270	LGE DIST LINE TRANSFORMERS	\$ 240,321.41
114268	Gas Regulator Replacements	146,798.59
117136	CR Landfill Vertical Expansion	4,772.76
117149	Trimble County 2	586,279.80
118008	TC Stator Leak Detection	13,266.08
118209	Trimble 2 Transmission lge	49,919.30
118239	LGE SUB SPILL PREVENTION	263.31
120316	BR-138-69 kV (BR6) Replacement	(6,535.84)
120595	PURCHASE REGUL-RES/COMM	1,208.88
120596	FARM TAP REGULATOR UPGR	26,354.88
120730	TC Controls Upgrade 2006	4,787.20
121151	6623 River Park Relo	2,801.00
121620	Cane Run - New Landfill	(1,718.70)
121683	TC Ash/Gypsum Ponds- LGE	449,106.71
121684	TC2 AQCS - LGE	53,192.87
121700	MC3 Final Superheat Tubing	19,538.45
121965	BLUEGRASS PKWY SUB EXP CIR	(5,530.82)
121974	LGE Electric Meters & Installs	83,269.58
122229	WATERSIDE ARENA DO ELECTRIC	(2,057.25)
122231	Waterside Arena-Transmission	17,190.48
122512	MT 138kV Collins termination	656.70
122513	Middletown-Collins 138kV Line	326,841.49
122514	Collins 138/69kV 150MVA Trnsfr	(568,784.32)
122539	Customer Care System LGE	210,815.78
122650	LGE Gas Meters	192,952.98
122702	BARDSTOWN HP REGULATOR STATION	(12,500.00)
122805	Museum Plaza Tower Reloc	27.50
122819	CCS - Bus Intelligence	(27,817.73)
122820	CCS - Change Mgmt	(88.00)
122821	CCS - Customer Service	(138,648.83)
122822	CCS - Development	(20,585.94)
122823	CCS - Technology	(23,693.48)
122898	MC Boiler Water Make-Up System	34,362.20
122971	CONESTOGA CIRCUIT WORK	1,049.80
122975	EASTWOOD SUBSTATION	8,010.97
123028	MAGN-EMERGENCY EQUIP & REPAIRS	(13,524.66)
123039	MULD-DRILL 5 RECOVERY WELLS	119,005.28
123325	MC2 Waterwall Weld Overlay	(0.01)
123709	TC1 Catalyst Layer Install	419,441.96
123927	GS LGE Plant Lab Equip 2010	23,676.72
124040	MC 4A Coal Mill Gearbox	867.89
124049	MC3 DCS Hardware	1,432.22

LGE 107001 Activity February 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124050	MC4 DCS Hardware	24,360.09
124052	MC4 SCR Catalyst 2010	976,972.99
124062	MC4 Air Htr Baskets 2010	82,561.92
124064	MC4 Electromatic Relief Valve	50,174.16
124355	CR6 Burner Corner Repl	21,493.80
124362	CR 480V Switchgear Upgrade	1,317.01
124363	CR6 4KV Switchgear Arc Flash	61,518.56
124364	CR4 4KV Switchgear Arc Flash	61,518.56
124463	TC ID FAN VFD REPLACEMENT	411.66
124471	TC1 EMERGCY BATTERY & CHARG	(2,965.48)
124479	TC PARTICULATE MONITOR	(128.62)
124484	TC LAB PURCHASE MONITORS	105.21
124668	'09 MADISON SUB EXPANSION	135,008.30
124669	'09 OLD HENRY SUBSTA	27,805.35
124672	'09 DIST MISC PROJECT	157.88
124805	MULD REPL PURIF 1 BOOSTER PUMP	3,434.88
124812	MULD REPAIR/REPLACE DEF EQUIP	1,320.12
124821	MULD STATION PIPING REPL	2,202.37
124824	MULD ACID RIG REPIPE PH2	2,919.45
124826	MULD STORAGE PIPELINE REPL	5,081.55
124833	2009 RELINE GAS STORAGE WELLS	406.11
124842	UPGR BLDGS AT MAJOR STATIONS	57.50
124848	2009 COMMERCIAL HP SERV REPL	4,050.31
124849	2009 GAS REG CAPACITY	993.35
124850	2009 REGULATOR RELIEF VALVES	1,720.92
124865	COLLINS CIRCUIT WORK	(6,406.14)
124866	OLD HENRY CIRCUIT WORK	23,456.93
124994	FACILITY EQUIPMENT	354.15
125012	SECURITY SYSTEMS & EQP	(409.95)
125109	HW/SW Dev Tools 026580-LGE	108.12
125128	IT Sec Mon/Aud/Mgmt Tools-LGE	1,126.62
125179	Server Hardware Refresh-LGE	(1,792.18)
125185	RISS 2.0 Upgrade-LGE	52.41
125213	Sec Fiber Connect-Simpson-LGE	57,850.95
125255	Proj Mirror-Gold Svc Level-LGE	893.26
125268	HW/SW Dev Tools 026540-LGE10	449.61
125270	HW/SW Dev Tools 026530-LGE10	26.29
125283	HW/SW Dev Tools 026570-LGE10	154.53
125298	Ntwk Access Dev/Gateway-LGE10	58.33
125307	Enterprise Storage Exp-LGE10	171.72
125310	Server Hardware Refresh-LGE10	6,149.78
125317	Bulk Pwr & Env Systems-LGE10	131.93

LGE 107001 Activity February 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125320	Mobile Radio-LGE10	920.24
125321	Ntwk Acc Dev/Site Infr-LGE10	680.47
125323	Phone Sys Capacity Exp-LGE10	445.00
125338	Louisville Electric Upg-LGE10	147.26
125342	Data Base Tools & Equip-LGE10	67.60
125636	PowerPlan Budgeting (LG&E %)	28,484.87
125684	PIGGABILITY CALVARY LINE	62.96
125850	DFR	14,468.30
125881	LGE AVAYA INTERACTION CTR	(1,355.87)
125952	LBR09-ReplCanalBrk3861	720.12
126129	MC4 345kV Isol Disconnects	5,915.27
126144	MC4 Blowdown Tank	29,795.53
126174	CR5 Stack Elevator Repl	80,020.95
126181	Old Henry 138KV Tap	22,657.12
126192	CR Station Switchgear Repl	2,187.05
126221	ALGONQUIN CIRCUIT 1380	100.92
126358	HV Compartment Retrofit	76,647.86
126388	DOIT CARRY OVER PROJECTS	2,429.34
126390	DOIT HARDWARE INFRASTRUCTURE	9,656.84
126393	DOIT MOBILE GIS ENT LICENSE	86,582.27
126439	MAGN EMERGENCY EQ & REPAIRS	447.61
126449	2010 Misc. Dist. Project	8,124.86
126461	BDD RELAY REPLACEMENT PROJECT	571.12
126466	JEFFERSONTOWN SUB EXPANSION	2,059.38
126468	6617 Underground Cable Repair	145.39
126616	FURNITURE/OFFICE EQP-LGE 2011	7,428.31
126718	IT LGE RETAIL HARDWARE INFRA	2,746.80
127034	CR RO System Upgrade	(18,252.53)
127084	Oracle Servers - 2009 (LG&E %)	4,410.45
127129	CR Screenhouse Switchgear	5,804.06
127205	Ohio Falls Redev. Common	5,547.52
127210	FIELDNET LUTL	5,760.29
127251	MC4 Coal Feeder VFDs	174.65
127253	NS.Reactor-Install	4,469.55
127258	Third Party PAR	(23,316.63)
127265	TC2 CAPITAL SPARES - LGE	(386,580.43)
127268	HWY 933	18,767.87
127278	MC Material Handling Office	16.76
127279	MC Reactant Feed Piping	227,335.70
127309	FieldSmartView Licenses II LGE	734.25
127344	FILL CASINGS WITH WAX	6,331.06
127352	TRANSPORTATION HOIST LGE	36,182.77

LGE 107001 Activity February 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127373	MillCrkFenceWk	198.12
127382	TC MISC ENG- B-BCP OH & Rewind	(65.99)
127391	MC4 Boiler O2 Control System	20,295.82
127414	CR6 Exciter Cooler Repl	42,547.24
127415	CustSelfServ LowIncome Enh LGE	6,191.60
CABLE341	Blanket cable for joint trench	(214,882.46)
ECAPRR340	CAP, REG, RECLOSERS 340	2,412.38
GME406	GAS MAIN EXT 406	137,497.56
L5-2009	RELOCATIONS T LINES LGE 2009	(12,312.78)
L5-2010	RELOCATIONS T LINES LGE 2010	298.89
L6-2009	NEW FACILITIES T-LINE LGE 2009	921.72
L7-2009	PARAM UPGRADE T LINE LGE 2009	61,172.33
L9-2009	PRIORITY REPL T-LINES LGE 2009	(3,421.43)
L9-2010	PRIORITY REPL T-LINES LGE 2010	153,125.54
LRSUB-09	Routine Sub Capital09- LGE	1,153.60
LSMR414	Large Scale Main Replacements	833,879.86
LT9-2008	LT-9-2008	18,848.13
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	231,689.01
MCAPRR340	MAINT CAP, REG, REC 340	5,519.68
NBCD340OH	NEW BUS COMM OH 340	72,834.48
NBCD340UG	NEW BUS COMM UG 340	125,948.50
NBCD341UG	NEW BUS COMM 341 UG	856.48
NBGS419	NEW BUS CONNECT SERV 419	46,642.83
NBGS341	INSTALL GAS SVC-JOINT TRENCH	10,908.39
NBGS419	NEW BUS GAS SERV 419	93,061.44
NBGS421	NEW BUS GAS SERV 421	971.57
NBGS422	NBGS422	773.57
NBRD340OH	NEW BUS RES OH 340	76,796.31
NBRD341UG	NEW BUS RESID UG 341	120,218.58
NBSB340OH	NEW BUS SUB OH 340	(216.22)
NBSB341UG	NEW BUS SUB 341 UG	333,045.03
NBSV340OH	NEW ELECTRIC SERVICES	31,513.20
NBSV340UG	NEW EL SERV UG	55,013.24
NBSV341UG	NEW BUS SERVICES 341 UG	369.06
NETVLT343	Network Vaults 003430	9,986.78
PBWK340OH	PUB WORKS RELOC OH	17,644.57
PBWK340UG	PUB WORKS RELOC UG 340	16,480.65
PBWK344UG	PUB WORKS 344 UG	13,483.91
PBWK406G	PUB WORKS GAS 406	14,004.11
PMINSP340	PM Inspections 003400	374.65
RCST340	CUST REQ 340	(3,142.02)
RCST406G	Customer requested - Gas	(45,204.59)



LGE 107001 Activity February 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RDCBL340	Replace Defective Cable 003400	40,307.09
RDDD340OH	REP DEF EQ OH 340	244,929.58
RDDD340UG	REP DEF EQ UG 340	59,200.65
RDDD345OH	POI	(3,738.14)
RDMV332	MERCURY BULB REPL PROJECT	8,905.39
RDPOLE340	Replace Defective Poles 340	216,095.45
RDSTLT332	REPAIR STREET LIGHTING	75,651.62
RDSTLT340	REP DEF ST LIGHTS 340	2,387.27
RELD01015	LGE GEN RELIABILITY	32,697.16
RELD340OH	OH Reliability 003400	(468.23)
RELD340UG	UG Reliability 003400	(1,137.00)
RNTPD340	REP THR PARTY DAM 340	6,431.72
RNTPD419	Repair Third Party Damages-419	2,292.72
RRCS419G	REP CO GAS SERV 419	129,218.50
RRCS421G	REM/REPL CO GAS SERVICE-421	2,087.53
STLT332OH	STREET LIGHT OVERHEAD	42,032.79
STLT332UG	STREET LIGHT UNDERGROUND	56,566.93
STLT347	Street Lighting 003470	255.84
STRMLGE	LGE Major Storm Event	(25,641.30)
SYSEN406G	System enhancements - Gas	16,791.32
SYSENH340	SYS ENH EXIST CUST 340	8,889.04
TBRD340OH	Trouble OH 003400	165,684.50
TBRD340UG	Trouble UG 003400	28,544.57
TLEQ340	TOOLS AND EQ 340	2,058.83
TLEQ447	TOOLS AND EQUIP 447	13,943.68
WEATH340	WEATHER 003400	(90,605.99)
XFRM340	TRANSFORMER LABOR 340	(2,711.20)
XFRM341	TRANSFORMER LABOR 341	6,040.61
		<u>\$ 7,345,288.70</u>

LGE 107001 Activity March 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 1,041.89
113270	LGE DIST LINE TRANSFORMERS	466,174.38
114268	Gas Regulator Replacements	229,124.20
115030	PURCHASE REGULATORS	35,448.15
117136	CR Landfill Vertical Expansion	4,300.17
117149	Trimble County 2	1,396,903.53
117320	SPCC Mods - LG&E Transmission	190.27
118008	TC Stator Leak Detection	(13,266.08)
118209	Trimble 2 Transmission lge	107,581.60
119925	LGE Trans. 34.5KV Storms	(667.81)
120596	FARM TAP REGULATOR UPGR	21,636.58
120730	TC Controls Upgrade 2006	9,461.47
120754	Misc. A/R Uncollect - LGE Cap	(2,623.77)
121151	6623 River Park Relo	(2,801.00)
121528	REHL RD PUMP STATION	(26,002.39)
121620	Cane Run - New Landfill	17,285.79
121683	TC Ash/Gypsum Ponds- LGE	(443,976.11)
121684	TC2 AQCS - LGE	533,441.91
121700	MC3 Final Superheat Tubing	(19,538.45)
121822	BL-Bullitt Co 161kV Dble Ckt	(47,553.02)
121974	LGE Electric Meters & Installs	179,938.57
122148	CR6 Lower Slope Partial	32,092.07
122229	WATERSIDE ARENA DO ELECTRIC	74,506.46
122231	Waterside Arena-Transmission	(5,826.84)
122362	Mobile Radio System Build LGE	90.05
122512	MT 138kV Collins termination	154.17
122513	Middletown-Collins 138kV Line	896,696.08
122514	Collins 138/69kV 150MVA Trnsfr	7,764.70
122650	LGE Gas Meters	211,072.48
122696	GRADE LANE CIRCUIT WORK	4,010.20
122805	Museum Plaza Tower Reloc	(53.34)
122821	CCS - Customer Service	19.97
122898	MC Boiler Water Make-Up System	15,343.07
122971	CONESTOGA CIRCUIT WORK	806.07
122972	EASTWOOD CIRCUIT WORK	(4,546.07)
122975	EASTWOOD SUBSTATION	792.58
123021	MULD-SPCC COMPLIANCE PH 2	(2,956.20)
123039	MULD-DRILL 5 RECOVERY WELLS	477,682.34
123220	LGE BRCT7 A/B Conversion 08	(125,143.00)
123260	GDS Implementation - LGE	4,486.95
123311	TC CBU Counter Weight Cable	(600.17)
123709	TC1 Catalyst Layer Install	995.74

LGE 107001 Activity March 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
123927	GS LGE Plant Lab Equip 2010	12,811.53
124016	CR6 Reheat Pendant Repl	42,940.15
124040	MC 4A Coal Mill Gearbox	9,094.41
124049	MC3 DCS Hardware	1,696.88
124050	MC4 DCS Hardware	127,692.05
124052	MC4 SCR Catalyst 2010	218,943.58
124062	MC4 Air Htr Baskets 2010	62,662.95
124064	MC4 Electromatic Relief Valve	12,581.91
124091	MC Matl Handling Chutes 2009	125,848.06
124295	CR6 FGD Expansion Joint Repl	71,046.62
124355	CR6 Burner Corner Repl	15,435.99
124357	CR6A Air Heater Exp Joint Repl	22,209.98
124363	CR6 4KV Switchgear Arc Flash	9,717.41
124364	CR4 4KV Switchgear Arc Flash	7,800.36
124365	CR6 Voltage Regulator Repl	56,945.87
124367	CR Stack Particulate Monitors	5,891.60
124381	CR Asbestos Abatement 2010	14,997.37
124407	CR4 FGD Mist Eliminator B-Side	(2,530.96)
124463	TC ID FAN VFD REPLACEMENT	6,809.43
124471	TC1 EMERGCY BATTERY & CHARG	1,660.89
124475	TC 2009 TURBINE OUT PACKING	(33,430.46)
124479	TC PARTICULATE MONITOR	57.42
124502	TC COAL CONV BELT REPL C,F1,G2	74,636.61
124509	TC LAB MONITORS PURCHASE	8,434.47
124668	'09 MADISON SUB EXPANSION	126,483.76
124669	'09 OLD HENRY SUBSTA	11,272.80
124675	'09 FPE TAP CHANGER PROJECT	(975.75)
124802	MULD KEWANEE BOILER BLDG	341.89
124804	MULD HYDRAULIC FAN MOTORS	6,092.75
124827	MULD TRANSMISSION R/R DEF EQ	20,605.17
124847	UPGR GAS CONTROL SCADA SYS	7,545.17
124849	2009 GAS REG CAPACITY	162.59
124850	2009 REGULATOR RELIEF VALVES	404.04
124865	COLLINS CIRCUIT WORK	(1,238.49)
124866	OLD HENRY CIRCUIT WORK	43,960.02
125109	HW/SW Dev Tools 026580-LGE	0.30
125185	RISS 2.0 Upgrade-LGE	35,568.36
125213	Sec Fiber Connect-Simpson-LGE	99,250.17
125267	HW/SW Dev Tools 026580-LGE10	56.10
125268	HW/SW Dev Tools 026540-LGE10	316.94
125269	Upgrade-Magic System-LGE10	25,027.81
125270	HW/SW Dev Tools 026530-LGE10	7,450.75

LGE 107001 Activity March 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125271	MC3 SO3	16,450.06
125272	MC4 SO3	15,859.15
125276	Rate Case-LGE10	7,589.34
125283	HW/SW Dev Tools 026570-LGE10	9.27
125297	Data Networks Test Tools-LGE10	4,929.87
125298	Ntwk Access Dev/Gateway-LGE10	4,146.88
125310	Server Hardware Refresh-LGE10	46,405.53
125320	Mobile Radio-LGE10	431.81
125321	Ntwk Acc Dev/Site Infr-LGE10	11,466.45
125322	Ntwk Tools/Test Equip-LGE10	157.12
125331	Tier C rot-desk/lap-LGE10	8,860.83
125338	Louisville Electric Upg-LGE10	1,419.37
125345	Proj Mirror-DB tech-LGE10	4,920.77
125347	Proj Mirror-Sil Svc Lev-LGE10	8,227.53
125636	PowerPlan Budgeting (LG&E %)	53,966.27
125684	PIGGABILITY CALVARY LINE	36.28
125811	eDiscovery - LGE	2,543.08
125850	DFR	89,039.91
125902	CR5 LP FW Heater Drain Pump	(1,494.65)
125981	KY HWY 480 PHASE I	201,279.48
126129	MC4 345kV Isol Disconnects	82,899.68
126139	MC3 Cooling Tower Fan VFDs	4,793.67
126144	MC4 Blowdown Tank	18,626.71
126181	Old Henry 138KV Tap	2,053.14
126192	CR Station Switchgear Repl	6,169.36
126221	ALGONQUIN CIRCUIT 1380	27,129.87
126358	HV Compartment Retrofit	91,719.78
126390	DOIT HARDWARE INFRASTRUCTURE	6,925.71
126391	DOIT IF - ONLINE OUTAGE MAPS	3,900.00
126397	DOIT SMLWRLD GIS UPGRD ENHNC	1,949.07
126399	DOIT MOBILE INFRASTRUCTURE	10,611.22
126422	2010 RELINE GAS STORAGE WELLS	2,317.17
126439	MAGN EMERGENCY EQ & REPAIRS	80.49
126448	2010 Dist. Wildlife Protection	1,534.85
126449	2010 Misc. Dist. Project	220.19
126450	2010 TC OIL FILTERS	21,611.47
126460	2010 DIST. SUB. BATTERIES	460.99
126461	BDD RELAY REPLACEMENT PROJECT	23,439.51
126465	2010 SFC RELAY REPLACEMENT	1,644.45
126466	JEFFERSONTOWN SUB EXPANSION	11,148.98
126468	6617 Underground Cable Repair	74.22
126477	UPGR ROTARY METERS AT IND FAC	562.97

LGE 107001 Activity March 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126616	FURNITURE/OFFICE EQP-LGE 2011	6,851.69
126690	Server Cap Expan & Rel-LGE10	15,661.21
126718	IT LGE RETAIL HARDWARE INFRA	1,301.52
126806	Surge Arrestors - LGE-2010	29,246.32
126830	Replace MW Radio Northside	2,172.76
127034	CR RO System Upgrade	3,176.05
127129	CR Screenhouse Switchgear	(2,560.98)
127135	TC CCP LANDFILL PH1 RAV-LGE	30,138.32
127175	'Work Mgmt/FRP software - LG&E	49,700.29
127205	Ohio Falls Redev. Common	16,163.18
127209	Replace 12" Line at Center	5,099.37
127250	MC2 Coal Feeder VFDs	13.02
127251	MC4 Coal Feeder VFDs	21,499.16
127253	NS.Reactor-Install	4,256.07
127256	LGE DCC CALL RECORD SYSTEM	1,468.59
127258	Third Party PAR	15,341.12
127265	TC2 CAPITAL SPARES - LGE	(2,898.32)
127268	HWY 933	10,878.26
127274	TC1 Generator Stator Rewedge	9,769.81
127275	TC1 Turbine Generatoe TIL 1292	17,815.39
127276	TC1 Turbine Inlet Snout Rings	11,348.03
127278	MC Material Handling Office	212.14
127279	MC Reactant Feed Piping	101,485.33
127293	MC Telehandler - 2009	1,364.75
127295	EW-6658 BKR UPGRADE	71.95
127308	TEE SOFTWARE LGE	14,755.42
127343	Ops Engineering Wrkstation-LGE	1,191.47
127349	Open Composite Upgrade LGE	1,550.82
127363	MC Ductwork Expansion Joints	3,885.59
127373	MillCrkFenceWk	21,300.25
127376	ETARIFF LGE 2010	67,622.44
127389	MC1-MC2 Reactant Feed Piping	44,956.42
127391	MC4 Boiler O2 Control System	14,757.20
127393	Symrna Cap Bank	215.77
127398	LBR10-FH69kVBusT	164.26
127401	MC4 FGD Expansion Joints 2010	43,878.07
127414	CR6 Exciter Cooler Repl	(42,547.24)
127415	CustSelfServ LowIncome Enh LGE	5,459.33
127422	BI Infrastructure - LGE	4,885.34
127436	MC 4B Primary Air Fan Motor	1,135.78
127440	CR Ash Pond Instr	2,635.79
127442	EnergyEff CommAuditProj LGE	14,076.29

LGE 107001 Activity March 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127469	MC 4C Lower Bunker Valve	12,456.18
111398-08	LT Misc Capital Expend 2008	(22,245.00)
117361	Accrued Labor - LGE	37,081.33
119902	Clear 12/04 A&G	(334,660.19)
CABLE341	Blanket cable for joint trench	(1,374,940.39)
COMP419	GAS DISTRIBUTION COMPLIANCE	638.49
ECAPRR340	CAP, REG, RECLOSERS 340	886.87
GME406	GAS MAIN EXT 406	222,648.41
L7-2009	PARAM UPGRADE T LINE LGE 2009	55,219.13
L9-2009	PRIORITY REPL T-LINES LGE 2009	38,419.38
L9-2010	PRIORITY REPL T-LINES LGE 2010	34,933.77
LBR-10	LGE Breakers	443.14
LRSUB-10	LG&E Routine - Subs-10	13,249.11
LSMR414	Large Scale Main Replacements	874,515.56
LTSUB-09	Terminal Upgrades09-LGE	66.07
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	218,445.51
MCAPRR340	MAINT CAP, REG, REC 340	9,235.54
NBCD340OH	NEW BUS COMM OH 340	106,429.53
NBCD340UG	NEW BUS COMM UG 340	118,744.59
NBCD341UG	NEW BUS COMM 341 UG	(856.48)
NBGCS419	NEW BUS CONNECT SERV 419	56,050.89
NBGS341	INSTALL GAS SVC-JOINT TRENCH	3,304.93
NBGS419	NEW BUS GAS SERV 419	86,336.90
NBGS421	NEW BUS GAS SERV 421	1,115.28
NBGS422	NBGS422	1,435.38
NBRD340OH	NEW BUS RES OH 340	79,723.65
NBRD340UG	NEW BUS RES UG	4,264.23
NBRD341UG	NEW BUS RESID UG 341	77,262.40
NBSB340OH	NEW BUS SUB OH 340	9,689.88
NBSB341UG	NEW BUS SUB 341 UG	1,291,546.37
NBSV340OH	NEW ELECTRIC SERVICES	59,546.44
NBSV340UG	NEW EL SERV UG	50,293.74
NETVLT343	Network Vaults 003430	16,034.25
PBWK340OH	PUB WORKS RELOC OH	108,510.36
PBWK344UG	PUB WORKS 344 UG	8,878.37
PBWK406G	PUB WORKS GAS 406	12,405.56
PMINSP340	PM Inspections 003400	931.47
PMR414	Priority Main Replacement	1,137.00
RCST340	CUST REQ 340	(111,945.52)
RCST406G	Customer requested - Gas	42,926.30
RDCBL340	Replace Defective Cable 003400	133,046.40
RDD003065	Repair Defective Eqpt - 003065	1,194.23

LGE 107001 Activity March 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RDD003190	Repair Defective Eqpt - 003190	1,194.23
RDDD340OH	REP DEF EQ OH 340	278,763.60
RDDD340UG	REP DEF EQ UG 340	91,513.95
RDDD345OH	POI	3,788.38
RDMV332	MERCURY BULB REPL PROJECT	11,108.98
RDPOLE340	Replace Defective Poles 340	423,626.25
RDSTLT332	REPAIR STREET LIGHTING	186,506.32
RDSTLT340	REP DEF ST LIGHTS 340	1,035.54
RELD01015	LGE GEN RELIABILITY	45,080.75
RELD340OH	OH Reliability 003400	2,894.48
RELD340UG	UG Reliability 003400	(1,137.00)
RNTPD340	REP THR PARTY DAM 340	128,883.96
RNTPD419	Repair Third Party Damages-419	7,669.27
RRCS419G	REP CO GAS SERV 419	186,746.45
RRCS421G	REM/REPL CO GAS SERVICE-421	2,342.55
STLT332OH	STREET LIGHT OVERHEAD	41,659.49
STLT332UG	STREET LIGHT UNDERGROUND	116,602.46
STRMLGE	LGE Major Storm Event	(8,366.70)
SYSEN406G	System enhancements - Gas	62,864.04
SYSENH340	SYS ENH EXIST CUST 340	4,903.62
TBRD340OH	Trouble OH 003400	169,738.69
TBRD340UG	Trouble UG 003400	42,873.42
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	72.05
TLEQ340	TOOLS AND EQ 340	14,813.28
WEATH340	WEATHER 003400	469.62
XFRM340	TRANSFORMER LABOR 340	12,778.82
XFRM341	TRANSFORMER LABOR 341	(4,290.46)

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\$ 10,403,916.67

LGE 107001 Activity April 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 247.20
113270	LGE DIST LINE TRANSFORMERS	285,437.48
114268	Gas Regulator Replacements	536,154.32
117136	CR Landfill Vertical Expansion	29,092.13
117149	Trimble County 2	1,043,695.44
118209	Trimble 2 Transmission lge	292,960.45
118239	LGE SUB SPILL PREVENTION	798.90
120595	PURCHASE REGUL-RES/COMM	8,502.39
120596	FARM TAP REGULATOR UPGR	41,408.53
120730	TC Controls Upgrade 2006	329.80
120754	Misc. A/R Uncollect - LGE Cap	(410,664.35)
121527	RIVER PARK PLACE GAS RELO	143,214.07
121620	Cane Run - New Landfill	16,906.94
121683	TC Ash/Gypsum Ponds- LGE	(536,245.42)
121684	TC2 AQCS - LGE	50,874.98
121751	DIST WILDLIFE PROTECTION	107.82
121965	BLUEGRASS PKWY SUB EXP CIR	1,806.94
121974	LGE Electric Meters & Installs	28,937.10
122148	CR6 Lower Slope Partial	563,635.65
122229	WATERSIDE ARENA DO ELECTRIC	(74,506.46)
122231	Waterside Arena-Transmission	49,067.50
122272	MULDRAUGH THIRD PARTY DAMAGES	71.24
122512	MT 138kV Collins termination	25,849.20
122513	Middletown-Collins 138kV Line	183,581.45
122514	Collins 138/69kV 150MVA Trnsfr	(69,728.56)
122650	LGE Gas Meters	142,107.91
122821	CCS - Customer Service	20.98
122898	MC Boiler Water Make-Up System	(469.90)
122971	CONESTOGA CIRCUIT WORK	48,795.67
122975	EASTWOOD SUBSTATION	154.81
123039	MULD-DRILL 5 RECOVERY WELLS	225,636.40
123137	LG&E POLE INSPECTION	30,616.62
123927	GS LGE Plant Lab Equip 2010	10,668.33
124016	CR6 Reheat Pendant Repl	523,405.01
124040	MC 4A Coal Mill Gearbox	34,413.35
124049	MC3 DCS Hardware	(116.50)
124050	MC4 DCS Hardware	13,502.23
124052	MC4 SCR Catalyst 2010	64,360.56
124055	MC3 SCR NOX Outlet Probes	0.41
124056	MC4 SCR NOX Outlet Probes	0.48
124060	MC3 Air Htr Baskets 2011	73,994.60
124062	MC4 Air Htr Baskets 2010	5,529.65



LGE 107001 Activity April 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124063	MC3 Electromatic Relief Valve	0.21
124064	MC4 Electromatic Relief Valve	1,103.84
124091	MC Matl Handling Chutes 2009	40,710.76
124295	CR6 FGD Expansion Joint Repl	135,078.32
124355	CR6 Burner Corner Repl	610,610.48
124357	CR6A Air Heater Exp Joint Repl	1,913.53
124363	CR6 4KV Switchgear Arc Flash	161,531.99
124365	CR6 Voltage Regulator Repl	17,597.12
124367	CR Stack Particulate Monitors	16,805.12
124502	TC COAL CONV BELT REPL C,F1,G2	54,379.05
124509	TC LAB MONITORS PURCHASE	2,479.80
124511	TC PREDICTIVE MAINT DEVICE '10	7,195.84
124668	'09 MADISON SUB EXPANSION	131,258.18
124669	'09 OLD HENRY SUBSTA	5,260.54
124675	'09 FPE TAP CHANGER PROJECT	(120.89)
124804	MULD HYDRAULIC FAN MOTORS	554.38
124847	UPGR GAS CONTROL SCADA SYS	20,460.66
124866	OLD HENRY CIRCUIT WORK	3,018.69
125197	Bulk Pwr & Env Systems-LGE	780.00
125213	Sec Fiber Connect-Simpson-LGE	5,813.39
125267	HW/SW Dev Tools 026580-LGE10	3.37
125268	HW/SW Dev Tools 026540-LGE10	371.23
125269	Upgrade-Magic System-LGE10	24,465.60
125270	HW/SW Dev Tools 026530-LGE10	27.90
125271	MC3 SO3	34,456.62
125272	MC4 SO3	124,643.47
125276	Rate Case-LGE10	8,353.17
125283	HW/SW Dev Tools 026570-LGE10	234.24
125289	Data Protection-LGE10	51,556.94
125296	Core Network Infrastruc-LGE10	44,229.98
125297	Data Networks Test Tools-LGE10	297.87
125308	Cable-Server Connect-LGE10	1,507.06
125310	Server Hardware Refresh-LGE10	15,795.88
125316	Outside Cable Plant-LGE10	849.48
125317	Bulk Pwr & Env Systems-LGE10	1,168.00
125320	Mobile Radio-LGE10	8,020.42
125322	Ntwk Tools/Test Equip-LGE10	13,368.83
125323	Phone Sys Capacity Exp-LGE10	4,384.76
125331	Tier C rot-desk/lap-LGE10	41,304.12
125338	Louisville Electric Upg-LGE10	1,582.39
125347	Proj Mirror-Sil Svc Lev-LGE10	28,229.52
125636	PowerPlan Budgeting (LG&E %)	26,503.15

LGE 107001 Activity April 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125684	PIGGABILITY CALVARY LINE	508.50
125850	DFR	42,942.34
125881	LGE AVAYA INTERACTION CTR	44.29
125931	MC 4-2 Main Aux Trans Bushing	1.22
126010	LR09-BG-NS-3883-Relays	341.47
126129	MC4 345kV Isol Disconnects	13,796.10
126139	MC3 Cooling Tower Fan VFDs	122,839.31
126176	CR6-1 Boiler Feed Pump Repl	4,568.11
126181	Old Henry 138KV Tap	11,561.86
126221	ALGONQUIN CIRCUIT 1380	14,052.95
126330	MC Sewage Lift Station #2	0.26
126358	HV Compartment Retrofit	22,555.19
126388	DOIT CARRY OVER PROJECTS	3,490.32
126389	DOIT ELEC FAC INSPEC & SURVEYS	12,630.00
126390	DOIT HARDWARE INFRASTRUCTURE	1,731.72
126391	DOIT IF - ONLINE OUTAGE MAPS	7,575.00
126397	DOIT SMLWRLD GIS UPGRD ENHNC	2,636.03
126399	DOIT MOBILE INFRASTRUCTURE	53,343.82
126420	2010 INST CONTROL VALVES/WELLS	153,419.32
126422	2010 RELINE GAS STORAGE WELLS	23,575.86
126449	2010 Misc. Dist. Project	70,990.26
126450	2010 TC OIL FILTERS	149.46
126454	2010 FPE TAP CHGR REPLACEMENT	4,612.34
126460	2010 DIST. SUB. BATTERIES	862.68
126461	BDD RELAY REPLACEMENT PROJECT	5,397.76
126465	2010 SFC RELAY REPLACEMENT	431.36
126466	JEFFERSONTOWN SUB EXPANSION	3,972.22
126477	UPGR ROTARY METERS AT IND FAC	8,236.02
126587	TC CT HGPI LGE#1	38,048.01
126616	FURNITURE/OFFICE EQP-LGE 2011	62.04
126652	GS-LGE-Cyber Security	84,000.00
126655	Jeffersontown Circuit Work	46,741.18
126686	Microsoft License-LGE10	3,592.70
126690	Server Cap Expan & Rel-LGE10	330.59
126715	IT LGE CALL CENTER TECHNOLOGY	1,588.00
126718	IT LGE RETAIL HARDWARE INFRA	2,709.48
126761	LGE METER EQUIPMENT	7,639.92
126830	Replace MW Radio Northside	2,145.95
127033	CR6 Turbine Pack & Seal Repl	43,970.70
127135	TC CCP LANDFILL PH1 RAV-LGE	758,441.55
127175	'Work Mgmt/FRP software - LG&E	2,205.74
127205	Ohio Falls Redev. Common	18,488.96

LGE 107001 Activity April 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127209	Replace 12" Line at Center	19,340.62
127251	MC4 Coal Feeder VFDs	2,273.28
127253	NS.Reactor-Install	7,103.52
127258	Third Party PAR	55,049.04
127265	TC2 CAPITAL SPARES - LGE	112,796.27
127268	HWY 933	31,508.95
127279	MC Reactant Feed Piping	(2,059.01)
127295	EW-6658 BKR UPGRADE	140.00
127373	MillCrkFenceWk	373.90
127376	ETARIFF LGE 2010	108.35
127381	PaddRun-XFMR-Rep	7,567.36
127389	MC1-MC2 Reactant Feed Piping	19,691.87
127391	MC4 Boiler O2 Control System	169.96
127393	Symrna Cap Bank	7,874.14
127397	LBR10-MC-Brkrs	5,809.89
127398	LBR10-FH69kVBusT	3,418.96
127399	LBR10-PRun-6636A	3,731.63
127401	MC4 FGD Expansion Joints 2010	9,784.37
127411	LBR10-Aiken6650	3,418.96
127412	UPGR BEDFORD CG CEDAR LAKE	9,467.88
127414	CR6 Exciter Cooler Repl	44,674.60
127415	CustSelfServ LowIncome Enh LGE	364.47
127422	BI Infrastructure - LGE	6,843.36
127430	SAP-ParallelTest&QAEnvironLGE	35,640.00
127436	MC 4B Primary Air Fan Motor	29,429.39
127440	CR Ash Pond Instr	10,242.00
127442	EnergyEff CommAuditProj LGE	18,969.72
127469	MC 4C Lower Bunker Valve	319.97
127470	LR10-TC-4542-Relays	3,757.49
127472	CR6 Exciter Rewind	717,189.00
127490	2010 LGE Transformer Rewind #1	722.21
127502	MC 1B1 Recycle Pump Motor	1,163.43
117361	Accrued Labor - LGE	(37,081.33)
119902	Clear 12/04 A&G	(346.92)
ECAPRR340	CAP, REG, RECLOSERS 340	1,526.21
GME406	GAS MAIN EXT 406	120,672.37
L5-2010	RELOCATIONS T LINES LGE 2010	6,203.63
L7	T-Lines Parameter Upgrades	1,001.87
L7-2009	PARAM UPGRADE T LINE LGE 2009	9,924.97
L9-2009	PRIORITY REPL T-LINES LGE 2009	(141.90)
L9-2010	PRIORITY REPL T-LINES LGE 2010	116,965.74
LRSUB-10	LG&E Routine - Subs-10	62,446.58

LGE 107001 Activity April 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
LSMR414	Large Scale Main Replacements	947,005.12
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	30,700.99
MCAPRR340	MAINT CAP, REG, REC 340	5,253.51
NBCD340OH	NEW BUS COMM OH 340	112,994.54
NBCD340UG	NEW BUS COMM UG 340	313,204.35
NBGCS419	NEW BUS CONNECT SERV 419	30,921.39
NBGS419	NEW BUS GAS SERV 419	105,292.64
NBGS421	NEW BUS GAS SERV 421	2,254.84
NBRD340OH	NEW BUS RES OH 340	65,737.58
NBRD341UG	NEW BUS RESID UG 341	48,431.24
NBSB340OH	NEW BUS SUB OH 340	394.00
NBSB341UG	NEW BUS SUB 341 UG	103,319.62
NBSV340OH	NEW ELECTRIC SERVICES	67,043.46
NBSV340UG	NEW EL SERV UG	48,799.65
NETVLT343	Network Vaults 003430	23,129.82
PBWK340OH	PUB WORKS RELOC OH	39,860.78
PBWK344UG	PUB WORKS 344 UG	4,635.04
PBWK406G	PUB WORKS GAS 406	8,341.90
PMINSP340	PM Inspections 003400	(1,306.12)
PMR414	Priority Main Replacement	117,741.46
RCST340	CUST REQ 340	164,684.16
RCST406G	Customer requested - Gas	5,552.15
RDCBL340	Replace Defective Cable 003400	35,552.42
RDDD340OH	REP DEF EQ OH 340	338,139.16
RDDD340UG	REP DEF EQ UG 340	100,742.07
RDDD345OH	POI	4,548.00
RDMV332	MERCURY BULB REPL PROJECT	11,857.85
RDPOLE340	Replace Defective Poles 340	520,753.21
RDSTLT332	REPAIR STREET LIGHTING	123,310.97
RDSTLT340	REP DEF ST LIGHTS 340	2,355.39
RELD01015	LGE GEN RELIABILITY	9,110.67
RELD340OH	OH Reliability 003400	2,241.97
RELD340UG	UG Reliability 003400	3,411.00
RNTPD340	REP THR PARTY DAM 340	(37,592.13)
RNTPD419	Repair Third Party Damages-419	88,725.44
RRCS419G	REP CO GAS SERV 419	130,196.61
RRCS421G	REM/REPL CO GAS SERVICE-421	1,285.49
STLT332OH	STREET LIGHT OVERHEAD	19,601.76
STLT332UG	STREET LIGHT UNDERGROUND	123,344.53
STRMLGE	LGE Major Storm Event	1,649.56
SYSEN406G	System enhancements - Gas	136,972.80
SYSENH340	SYS ENH EXIST CUST 340	2,894.76

LGE 107001 Activity April 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
TBRD340OH	Trouble OH 003400	198,549.00
TBRD340UG	Trouble UG 003400	27,528.01
TLEQ340	TOOLS AND EQ 340	6,057.85
TLEQ419	Purchase of Tools - 004190	3,495.14
TLEQ451	Tools and Equipment , 004510	8,077.25
WEATH340	WEATHER 003400	(468.24)
XFRM340	TRANSFORMER LABOR 340	18,392.83
XFRM341	TRANSFORMER LABOR 341	(734.44)
		<u>\$ 12,200,218.80</u>

LGE 107001 Activity May 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 10,345.32
113270	LGE DIST LINE TRANSFORMERS	192,306.46
114268	Gas Regulator Replacements	381,980.29
117136	CR Landfill Vertical Expansion	1,946.80
117149	Trimble County 2	1,541,610.03
118209	Trimble 2 Transmission lge	190,599.97
118239	LGE SUB SPILL PREVENTION	(798.90)
120595	PURCHASE REGUL-RES/COMM	10,667.19
120596	FARM TAP REGULATOR UPGR	20,311.30
120730	TC Controls Upgrade 2006	47,601.66
121620	Cane Run - New Landfill	21,733.83
121683	TC Ash/Gypsum Ponds- LGE	326,318.18
121684	TC2 AQCS - LGE	27,294.72
121964	FAIRMOUNT SUB EXP CIRCUITS	(879.36)
121974	LGE Electric Meters & Installs	71,951.36
122148	CR6 Lower Slope Partial	(61,352.48)
122231	Waterside Arena-Transmission	(63,884.03)
122512	MT 138kV Collins termination	39,891.76
122513	Middletown-Collins 138kV Line	357,834.81
122514	Collins 138/69kV 150MVA Trnsfr	577,132.43
122650	LGE Gas Meters	206,162.35
122805	Museum Plaza Tower Reloc	(4,390.05)
122821	CCS - Customer Service	20.24
122971	CONESTOGA CIRCUIT WORK	(2,544.85)
122975	EASTWOOD SUBSTATION	2,329.24
123039	MULD-DRILL 5 RECOVERY WELLS	59,712.24
123050	MULD-DOE RUN LINE OTTER CREEK	(9,441.55)
123137	LG&E POLE INSPECTION	854,435.25
123897	MC3 Ash and Sump Piping	131,770.99
123927	GS LGE Plant Lab Equip 2010	756.41
124016	CR6 Reheat Pendant Repl	123,935.07
124029	MC Safety Equipment 2010	7,941.69
124039	MC 3C Coal Mill Gearbox	0.79
124040	MC 4A Coal Mill Gearbox	3,405.39
124041	MC 4E Coal Mill Gearbox	0.66
124049	MC3 DCS Hardware	19.68
124050	MC4 DCS Hardware	24,393.15
124052	MC4 SCR Catalyst 2010	198,872.68
124055	MC3 SCR NOX Outlet Probes	0.71
124056	MC4 SCR NOX Outlet Probes	0.35
124062	MC4 Air Htr Baskets 2010	292.52
124063	MC3 Electromatic Relief Valve	0.09

LGE 107001 Activity May 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124064	MC4 Electromatic Relief Valve	4,682.01
124077	MC3 345kv Isol Disconnects	0.26
124084	MC Conveyor Belts 2010	112,844.37
124295	CR6 FGD Expansion Joint Repl	(43,450.26)
124355	CR6 Burner Corner Repl	(116,115.40)
124357	CR6A Air Heater Exp Joint Repl	8,728.05
124363	CR6 4KV Switchgear Arc Flash	105,613.39
124365	CR6 Voltage Regulator Repl	34,933.23
124367	CR Stack Particulate Monitors	81,636.53
124368	CR Hardware Refresh	20,248.25
124463	TC ID FAN VFD REPLACEMENT	2,486.83
124509	TC LAB MONITORS PURCHASE	193.14
124511	TC PREDICTIVE MAINT DEVICE '10	447.43
124668	'09 MADISON SUB EXPANSION	101,756.06
124669	'09 OLD HENRY SUBSTA	5,972.42
124672	'09 DIST MISC PROJECT	(388.87)
124674	'09 GE AUX SWITCH PROJECT	(1,455.79)
124804	MULD HYDRAULIC FAN MOTORS	24.47
124812	MULD REPAIR/REPLACE DEF EQUIP	(1,945.41)
124826	MULD STORAGE PIPELINE REPL	(7,083.29)
124827	MULD TRANSMISSION R/R DEF EQ	(20,605.17)
124835	CP IMPRESSED CURRENT SY IMPRV	1,059.68
124841	2009 UPGR MAJ STA REGS & CONTR	7,106.57
124847	UPGR GAS CONTROL SCADA SYS	154,908.35
124848	2009 COMMERCIAL HP SERV REPL	343.69
124849	2009 GAS REG CAPACITY	343.69
124850	2009 REGULATOR RELIEF VALVES	14.21
124866	OLD HENRY CIRCUIT WORK	6,065.56
125185	RISS 2.0 Upgrade-LGE	1,260.00
125213	Sec Fiber Connect-Simpson-LGE	102,485.92
125267	HW/SW Dev Tools 026580-LGE10	655.81
125268	HW/SW Dev Tools 026540-LGE10	53.94
125271	MC3 SO3	3,578.07
125272	MC4 SO3	3,432.62
125276	Rate Case-LGE10	22,557.45
125283	HW/SW Dev Tools 026570-LGE10	1,655.37
125289	Data Protection-LGE10	10,772.84
125296	Core Network Infrastruc-LGE10	22,759.66
125297	Data Networks Test Tools-LGE10	11,029.83
125300	Network Management-LGE10	12,367.81
125301	Router Upgrade Project-LGE10	126,560.39
125302	Sec Infrastructure Enh-LGE10	17,946.83

LGE 107001 Activity May 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125310	Server Hardware Refresh-LGE10	20,071.39
125316	Outside Cable Plant-LGE10	408.22
125317	Bulk Pwr & Env Systems-LGE10	2,021.49
125319	Microwave Shelter Renov-LGE10	19,392.70
125320	Mobile Radio-LGE10	5,553.91
125321	Ntwk Acc Dev/Site Infr-LGE10	3,113.48
125322	Ntwk Tools/Test Equip-LGE10	272.97
125329	Monitor Replacement - LGE 10	8,166.24
125331	Tier C rot-desk/lap-LGE10	61,779.54
125339	Lou Racks & Furniture-LGE10	3,576.10
125342	Data Base Tools & Equip-LGE10	863.46
125347	Proj Mirror-Sil Svc Lev-LGE10	103,598.06
125348	Impl Red Elec Sys-BOC DC-LGE10	1,046.74
125636	PowerPlan Budgeting (LG&E %)	48,647.26
125684	PIGGABILITY CALVARY LINE	109.80
125850	DFR	38,330.87
125931	MC 4-2 Main Aux Trans Bushing	0.30
126129	MC4 345kV Isol Disconnects	678.66
126139	MC3 Cooling Tower Fan VFDs	68,130.89
126144	MC4 Blowdown Tank	742.63
126176	CR6-1 Boiler Feed Pump Repl	134,124.69
126181	Old Henry 138KV Tap	73,018.32
126192	CR Station Switchgear Repl	169.79
126221	ALGONQUIN CIRCUIT 1380	5,833.40
126239	TC Limestone Bull Gear Monit	1,985.22
126243	TC Upgrade Seals A Mill	935.07
126340	MAGNOLIA 2010 FACIL IMPR	11,370.00
126358	HV Compartment Retrofit	35,075.61
126370	MULD REFLUX COOL REFURB PUR#3	8,526.94
126389	DOIT ELEC FAC INSPEC & SURVEYS	5,833.91
126390	DOIT HARDWARE INFRASTRUCTURE	8,263.76
126394	DOIT MOBILE GIS ROUTING	7,420.00
126397	DOIT SMLWRLD GIS UPGRD ENHNC	13,417.50
126399	DOIT MOBILE INFRASTRUCTURE	(583.18)
126420	2010 INST CONTROL VALVES/WELLS	72,161.97
126422	2010 RELINE GAS STORAGE WELLS	7,777.47
126439	MAGN EMERGENCY EQ & REPAIRS	3,232.09
126441	MAG PURCHASE PLASTIC TANKS	4,891.24
126444	MULD STORAGE PIPELINE	31,515.62
126448	2010 Dist. Wildlife Protection	63,379.37
126449	2010 Misc. Dist. Project	22,801.91
126454	2010 FPE TAP CHGR REPLACEMENT	36,482.67



LGE 107001 Activity May 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126460	2010 DIST. SUB. BATTERIES	754.79
126461	BDD RELAY REPLACEMENT PROJECT	11,550.61
126465	2010 SFC RELAY REPLACEMENT	54,217.64
126466	JEFFERSONTOWN SUB EXPANSION	4,145.07
126473	UPGR INDIRECT HEATER FLAME SYS	37,817.33
126479	2010 RELIEF VALVE CAPACITY	2,496.32
126585	TC Upgrade A Limestone Mill	16,042.16
126586	TC Upgrade B Limestone Mill	14,537.32
126587	TC CT HGPI LGE#1	253,746.80
126615	FAC IMPROVEMENTS-LGE 2011	92,063.44
126616	FURNITURE/OFFICE EQP-LGE 2011	44,441.43
126652	GS-LGE-Cyber Security	(50,445.60)
126653	GS-LGE-Satellite Phone	134.42
126655	Jeffersontown Circuit Work	65,216.16
126690	Server Cap Expan & Rel-LGE10	16,286.50
126714	IT LGE IVR	4,541.45
126715	IT LGE CALL CENTER TECHNOLOGY	21,853.30
126829	MuldraughToHlsclw MW Radio Lnk	9,771.63
126830	Replace MW Radio Northside	8,456.25
127033	CR6 Turbine Pack & Seal Repl	57,097.02
127034	CR RO System Upgrade	6,370.77
127135	TC CCP LANDFILL PH1 RAV-LGE	349.94
127175	'Work Mgmt/FRP software - LG&E	34,564.66
127205	Ohio Falls Redev. Common	21,031.48
127209	Replace 12" Line at Center	191,984.08
127253	NS.Reactor-Install	8,421.41
127258	Third Party PAR	2,725.13
127265	TC2 CAPITAL SPARES - LGE	39,930.61
127268	HWY 933	35,268.67
127349	Open Composite Upgrade LGE	1,550.82
127373	MillCrkFenceWk	106.38
127376	ETARIFF LGE 2010	517.41
127381	PaddRun-XFMR-Rep	10,282.67
127389	MC1-MC2 Reactant Feed Piping	246,597.80
127391	MC4 Boiler O2 Control System	400.27
127392	Purchase Bearing Heater	2,637.70
127393	Symrna Cap Bank	58,352.28
127398	LBR10-FH69kVBusT	46,828.62
127399	LBR10-PRun-6636A	49,926.38
127409	TC MISC ENG- Control Stations	6,229.36
127412	UPGR BEDFORD CG CEDAR LAKE	39,285.62
127427	KUBOTA	39,073.01

LGE 107001 Activity May 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127428	CustSelfServ-First Release LGE	29,923.58
127430	SAP-ParallelTest&QAEvironLGE	25,200.00
127440	CR Ash Pond Instr	(77.79)
127442	EnergyEff CommAuditProj LGE	25,010.36
127464	SV Conf. Table- LGE	2,942.42
127467	LDISCAP10	360.64
127470	LR10-TC-4542-Relays	21,253.18
127476	CR RO Silica Analyzer	12,677.59
127481	LGE WEB MAPS CONNECTOR	5,000.00
127483	LGE DETS ENHANCEMENTS	345.95
127494	PowerSimm - LGE	17,759.42
127502	MC 1B1 Recycle Pump Motor	40,119.36
127542	Service Order Recon-LGE	2,595.90
127561	Drafting PCs/Printer-LGE	2,498.60
119902	Clear 12/04 A&G	177,348.59
CABLE341	Blanket cable for joint trench	(35,423.94)
ECAPRR340	CAP, REG, RECLOSERS 340	333.10
GME406	GAS MAIN EXT 406	(14,581.04)
L6-2009	NEW FACILITIES T-LINE LGE 2009	683.13
L7-2009	PARAM UPGRADE T LINE LGE 2009	(1,784.11)
L8-2009	STORM DAMAGE T-LINE LGE 2009	578.56
L9-2009	PRIORITY REPL T-LINES LGE 2009	7,480.75
L9-2010	PRIORITY REPL T-LINES LGE 2010	107,022.24
LRSUB-10	LG&E Routine - Subs-10	26,273.79
LRTU-10	LGE RTU10	4,240.00
LSMR414	Large Scale Main Replacements	1,365,661.16
LTSUB-09	Terminal Upgrades09-LGE	12,046.49
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	261,742.16
MCAPRR340	MAINT CAP, REG, REC 340	13,032.48
NBCD340OH	NEW BUS COMM OH 340	104,210.26
NBCD340UG	NEW BUS COMM UG 340	156,707.75
NBGS341	INSTALL GAS SVC-JOINT TRENCH	8,877.82
NBGS419	NEW BUS GAS SERV 419	147,230.67
NBGS422	NBGS422	2,844.59
NBRD340OH	NEW BUS RES OH 340	77,135.48
NBRD340UG	NEW BUS RES UG	2,057.67
NBRD341UG	NEW BUS RESID UG 341	54,253.31
NBSB340OH	NEW BUS SUB OH 340	348.60
NBSB341UG	NEW BUS SUB 341 UG	99,052.27
NBSV340OH	NEW ELECTRIC SERVICES	46,949.91
NBSV340UG	NEW EL SERV UG	68,247.47
NETVLT343	Network Vaults 003430	56,723.87

LGE 107001 Activity May 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
PBWK340OH	PUB WORKS RELOC OH	60,984.69
PBWK344UG	PUB WORKS 344 UG	32,273.47
PBWK406G	PUB WORKS GAS 406	101,763.56
PMR414	Priority Main Replacement	110,399.20
RCST340	CUST REQ 340	24,876.85
RCST406G	Customer requested - Gas	39,413.46
RDCBL340	Replace Defective Cable 003400	63,409.10
RDDD340OH	REP DEF EQ OH 340	242,261.00
RDDD340UG	REP DEF EQ UG 340	135,384.45
RDDD345OH	POI	(2,274.00)
RDMV332	MERCURY BULB REPL PROJECT	12,261.51
RDPOLE340	Replace Defective Poles 340	(372,782.72)
RDSTLT332	REPAIR STREET LIGHTING	184,094.47
RDSTLT340	REP DEF ST LIGHTS 340	1,325.91
RELD01015	LGE GEN RELIABILITY	27,904.36
RELD340OH	OH Reliability 003400	1,418.24
RELD340UG	UG Reliability 003400	(58.43)
RNTPD340	REP THR PARTY DAM 340	82,732.14
RNTPD419	Repair Third Party Damages-419	12,305.37
RRCS419G	REP CO GAS SERV 419	226,209.59
STLT332OH	STREET LIGHT OVERHEAD	28,718.62
STLT332UG	STREET LIGHT UNDERGROUND	68,446.85
STRM03230	LGE Minor Storm Events	10,617.39
SYSEN406G	System enhancements - Gas	49,034.57
SYSENH340	SYS ENH EXIST CUST 340	6,585.07
TBRD340OH	Trouble OH 003400	173,228.68
TBRD340UG	Trouble UG 003400	35,441.86
TLEQ340	TOOLS AND EQ 340	806.33
TLEQ447	TOOLS AND EQUIP 447	23,425.63
XFRM340	TRANSFORMER LABOR 340	13,944.99
XFRM341	TRANSFORMER LABOR 341	1,594.03

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\$ 12,857,710.60

LGE 107001 Activity June 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 140,183.12
113270	LGE DIST LINE TRANSFORMERS	364,053.16
114268	Gas Regulator Replacements	356,481.85
115030	PURCHASE REGULATORS	34,358.88
117136	CR Landfill Vertical Expansion	12,093.68
117149	Trimble County 2	(422,699.82)
117320	SPCC Mods - LG&E Transmission	991.95
118209	Trimble 2 Transmission lge	440,530.25
120563	MAGN INSTALL PLC ENG#2 CONTR	(2,148.93)
120595	PURCHASE REGUL-RES/COMM	603.30
120596	FARM TAP REGULATOR UPGR	107,203.31
120730	TC Controls Upgrade 2006	83,879.09
121620	Cane Run - New Landfill	28,283.79
121683	TC Ash/Gypsum Ponds- LGE	288,654.66
121684	TC2 AQCS - LGE	448,713.41
121965	BLUEGRASS PKWY SUB EXP CIR	(6,774.44)
121974	LGE Electric Meters & Installs	85,109.77
122148	CR6 Lower Slope Partial	390.59
122229	WATERSIDE ARENA DO ELECTRIC	3,237.40
122230	WATERSIDE ARENA DO GAS	(351.71)
122231	Waterside Arena-Transmission	(927.81)
122512	MT 138kV Collins termination	39,454.64
122513	Middletown-Collins 138kV Line	277,419.18
122514	Collins 138/69kV 150MVA Trnsfr	6,397.20
122650	LGE Gas Meters	181,971.46
122805	Museum Plaza Tower Reloc	(62,074.02)
122862	SEMINOLE SUBSTATION EXPANS	(82.18)
122959	MILL CREEK GAS MEASUREMENT	(35.56)
122971	CONESTOGA CIRCUIT WORK	14,171.19
122974	CONESTOGA SUBSTATION	250.09
122975	EASTWOOD SUBSTATION	1,140.17
123023	CP IMPRESSED CURRENT SYS	(2,455.92)
123039	MULD-DRILL 5 RECOVERY WELLS	60,433.34
123137	LG&E POLE INSPECTION	711,861.17
123220	LGE BRCT7 A/B Conversion 08	(8,660.08)
123835	*CHAMBERLAIN LANE HWY RELO	1,578.10
123857	JEFFERSONTOWN 1120 REC	(1,706.47)
123897	MC3 Ash and Sump Piping	18,312.72
124016	CR6 Reheat Pendant Repl	(52,812.21)
124029	MC Safety Equipment 2010	465.96
124039	MC 3C Coal Mill Gearbox	(0.79)
124040	MC 4A Coal Mill Gearbox	133,184.66

LGE 107001 Activity June 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124041	MC 4E Coal Mill Gearbox	(0.66)
124050	MC4 DCS Hardware	19,177.39
124052	MC4 SCR Catalyst 2010	905.33
124055	MC3 SCR NOX Outlet Probes	(1.12)
124056	MC4 SCR NOX Outlet Probes	(0.83)
124060	MC3 Air Htr Baskets 2011	749.59
124063	MC3 Electromatic Relief Valve	(0.30)
124077	MC3 345kv Isol Disconnects	(0.26)
124295	CR6 FGD Expansion Joint Repl	(10,635.64)
124355	CR6 Burner Corner Repl	(14,417.09)
124362	CR 480V Switchgear Upgrade	4,120.00
124363	CR6 4KV Switchgear Arc Flash	11,590.59
124367	CR Stack Particulate Monitors	3,076.38
124368	CR Hardware Refresh	20,248.25
124381	CR Asbestos Abatement 2010	45,168.37
124509	TC LAB MONITORS PURCHASE	6,027.04
124668	'09 MADISON SUB EXPANSION	15,580.01
124669	'09 OLD HENRY SUBSTA	704.68
124672	'09 DIST MISC PROJECT	(363.22)
124841	2009 UPGR MAJ STA REGS & CONTR	5,845.54
124847	UPGR GAS CONTROL SCADA SYS	17,098.44
124848	2009 COMMERCIAL HP SERV REPL	616.91
124850	2009 REGULATOR RELIEF VALVES	81.30
124865	COLLINS CIRCUIT WORK	(8,641.17)
124866	OLD HENRY CIRCUIT WORK	27,114.86
125171	MAGN PURIFIER 1 REPAIR	(1,364.40)
125213	Sec Fiber Connect-Simpson-LGE	20,889.78
125255	Proj Mirror-Gold Svc Level-LGE	(10,346.01)
125267	HW/SW Dev Tools 026580-LGE10	3,574.24
125271	MC3 SO3	80,237.73
125272	MC4 SO3	25,540.34
125276	Rate Case-LGE10	43,960.46
125289	Data Protection-LGE10	3,023.19
125294	IT Security Lab Enh-LGE10	693.31
125295	Access Switch Repl-LGE10	181,852.98
125296	Core Network Infrastruc-LGE10	3,112.29
125298	Ntwk Access Dev/Gateway-LGE10	3,112.29
125301	Router Upgrade Project-LGE10	1,042.07
125302	Sec Infrastructure Enh-LGE10	962.99
125303	Wireless Buildout-LGE10	345.64
125305	Backup Capacity Exp-LGE10	12,185.00
125308	Cable-Server Connect-LGE10	1,549.93

LGE 107001 Activity June 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125310	Server Hardware Refresh-LGE10	8,468.64
125316	Outside Cable Plant-LGE10	36,252.16
125317	Bulk Pwr & Env Systems-LGE10	1,616.09
125320	Mobile Radio-LGE10	301.04
125321	Ntwk Acc Dev/Site Infr-LGE10	5,858.32
125322	Ntwk Tools/Test Equip-LGE10	11,821.94
125323	Phone Sys Capacity Exp-LGE10	10,015.51
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	166.32
125331	Tier C rot-desk/lap-LGE10	135,844.72
125334	New Tech Implement-LGE10	12,600.93
125342	Data Base Tools & Equip-LGE10	17,393.42
125345	Proj Mirror-DB tech-LGE10	4,829.99
125347	Proj Mirror-Sil Svc Lev-LGE10	25,688.94
125348	Impl Red Elec Sys-BOC DC-LGE10	5,522.05
125632	EMS Redundancy LGE	61,926.02
125636	PowerPlan Budgeting (LG&E %)	37,809.12
125684	PIGGABILITY CALVARY LINE	59.14
125850	DFR	(6,977.22)
125931	MC 4-2 Main Aux Trans Bushing	(1.52)
125981	KY HWY 480 PHASE I	(200,662.00)
126118	MC1 Boiler Lower Sidewall	131,231.74
126129	MC4 345kV Isol Disconnects	4,382.43
126139	MC3 Cooling Tower Fan VFDs	62,275.96
126176	CR6-1 Boiler Feed Pump Repl	44,585.61
126181	Old Henry 138KV Tap	15,881.06
126221	ALGONQUIN CIRCUIT 1380	(18,027.46)
126239	TC Limestone Bull Gear Monit	1,297.52
126330	MC Sewage Lift Station #2	(0.26)
126340	MAGNOLIA 2010 FACIL IMPR	13,867.25
126358	HV Compartment Retrofit	400.02
126371	MULD ENG #4 & #8 WATER PUMP	2,621.70
126382	MULD 2010 REP/REPL DEF EQ	6,144.72
126388	DOIT CARRY OVER PROJECTS	36,742.50
126389	DOIT ELEC FAC INSPEC & SURVEYS	2,395.25
126390	DOIT HARDWARE INFRASTRUCTURE	3,695.53
126391	DOIT IF - ONLINE OUTAGE MAPS	10,000.00
126394	DOIT MOBILE GIS ROUTING	6,580.00
126399	DOIT MOBILE INFRASTRUCTURE	5,968.39
126420	2010 INST CONTROL VALVES/WELLS	57,636.45
126422	2010 RELINE GAS STORAGE WELLS	311.11
126439	MAGN EMERGENCY EQ & REPAIRS	1,868.94
126443	MULD UPGRADE EXISTING FARM TAP	7,450.55

LGE 107001 Activity June 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126448	2010 Dist. Wildlife Protection	215.62
126449	2010 Misc. Dist. Project	56.31
126450	2010 TC OIL FILTERS	2,994.16
126451	2010 M/E BKR REPLACEMENT	2,929.84
126454	2010 FPE TAP CHGR REPLACEMENT	12,315.00
126459	2010 TOOLS & EQUIPMENT	3,390.93
126460	2010 DIST. SUB. BATTERIES	539.14
126461	BDD RELAY REPLACEMENT PROJECT	5,415.42
126465	2010 SFC RELAY REPLACEMENT	215.65
126466	JEFFERSONTOWN SUB EXPANSION	255,302.41
126473	UPGR INDIRECT HEATER FLAME SYS	6,078.25
126477	UPGR ROTARY METERS AT IND FAC	1,682.86
126479	2010 RELIEF VALVE CAPACITY	14.06
126480	COMMERCIAL HP GAS SERVICE	41,482.48
126585	TC Upgrade A Limestone Mill	528.33
126586	TC Upgrade B Limestone Mill	(3.98)
126587	TC CT HGPI LGE#1	12,960.78
126615	FAC IMPROVEMENTS-LGE 2011	27,133.19
126616	FURNITURE/OFFICE EQP-LGE 2011	22,178.04
126655	Jeffersontown Circuit Work	286,495.79
126690	Server Cap Expan & Rel-LGE10	2,516.04
126714	IT LGE IVR	30,369.58
126718	IT LGE RETAIL HARDWARE INFRA	11,400.86
126763	LGE ERTS 2010	42,488.17
126810	Instrument Trsfrmr Rplcmnt-LGE	26,459.86
126829	MuldraughToHlsclw MW Radio Lnk	1,900.15
126830	Replace MW Radio Northside	18,658.08
127033	CR6 Turbine Pack & Seal Repl	141,739.27
127129	CR Screenhouse Switchgear	(8,389.36)
127135	TC CCP LANDFILL PH1 RAV-LGE	127,289.22
127175	"Work Mgmt/FRP software - LG&E	34,919.75
127205	Ohio Falls Redev. Common	33,338.55
127209	Replace 12" Line at Center	146,534.40
127253	NS.Reactor-Install	281,779.60
127256	LGE DCC CALL RECORD SYSTEM	9,093.75
127258	Third Party PAR	24,262.38
127265	TC2 CAPITAL SPARES - LGE	167,831.13
127268	HWY 933	12,633.21
127345	PENILE CITY GATE ST REDESIGN	741.12
127373	MillCrkFenceWk	1,382.84
127376	ETARIFF LGE 2010	7,908.88
127381	PaddRun-XFMR-Rep	11,865.45

LGE 107001 Activity June 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127389	MC1-MC2 Reactant Feed Piping	10,062.91
127390	MC Maintenance Forklift 2010	22,269.44
127393	Symrna Cap Bank	30,903.90
127397	LBR10-MC-Brkrs	310,525.16
127398	LBR10-FH69kVBusT	4,309.61
127399	LBR10-PRun-6636A	6,755.56
127409	TC MISC ENG- Control Stations	1,069.79
127411	LBR10-Aiken6650	49,412.21
127412	UPGR BEDFORD CG CEDAR LAKE	407.45
127426	TRACTOR	83,918.26
127427	KUBOTA	2,344.38
127428	CustSelfServ-First Release LGE	39,475.37
127430	SAP-ParallelTest&QAEnvironLGE	6,940.81
127440	CR Ash Pond Instr	38,800.00
127442	EnergyEff CommAuditProj LGE	26,419.18
127455	MAGNOLIA TO PICCADILLY MODIF	121,194.97
127467	LDISCAP10	25,675.67
127470	LR10-TC-4542-Relays	69,491.47
127472	CR6 Exciter Rewind	25,750.00
127473	WK BLUE & GREEN MODIFICATIONS	3,953.24
127475	CR Lab Coal Crusher	12,374.06
127483	LGE DETS ENHANCEMENTS	28,269.45
127490	2010 LGE Transformer Rewind #1	4,407.50
127494	PowerSimm - LGE	35,119.48
127507	PDS/TEST LAN LGE	5,239.00
127517	CR Emergency Air System	20,063.37
127518	CR A Coal Conveyor Belt	23,563.31
127542	Service Order Recon-LGE	4,306.10
127561	Drafting PCs/Printer-LGE	21,433.13
127563	Simpsonville Office Furniture	977.06
127646	FUEL WORKS LICENSE FEE LGE	21,438.50
130012	CCS/TOE ENHANCE LGE10	2,767.62
130014	AVG HANDLE TIME LGE 10	30,347.08
130034	LGE Channel Bank Standard	522.27
130176	RATECASE-STIPULATION AGREE-LGE	451.77
130190	CONSTRUCTION-SVCDESK - LGE	137.50
117361	Accrued Labor - LGE	31,967.28
119902	Clear 12/04 A&G	(177,363.31)
CABLE341	Blanket cable for joint trench	(2,695.51)
ECAPRR340	CAP, REG, RECLOSERS 340	3,336.26
GME406	GAS MAIN EXT 406	91,175.88
L6-2009	NEW FACILITIES T-LINE LGE 2009	22,918.66



LGE 107001 Activity June 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
L7-2009	PARAM UPGRADE T LINE LGE 2009	9,194.32
L9-2010	PRIORITY REPL T-LINES LGE 2010	194,244.04
LRSUB-10	LG&E Routine - Subs-10	3,312.77
LSMR414	Large Scale Main Replacements	1,293,068.76
LTSUB-09	Terminal Upgrades09-LGE	212.49
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	149,217.16
MCAPRR340	MAINT CAP, REG, REC 340	14,120.27
NBCD340OH	NEW BUS COMM OH 340	(222,253.82)
NBCD340UG	NEW BUS COMM UG 340	227,641.02
NBGS341	INSTALL GAS SVC-JOINT TRENCH	2,390.31
NBGS419	NEW BUS GAS SERV 419	114,366.09
NBGS421	NEW BUS GAS SERV 421	719.26
NBGS422	NBGS422	3,354.51
NBRD340OH	NEW BUS RES OH 340	(1,986.35)
NBRD340UG	NEW BUS RES UG	1,525.47
NBRD341UG	NEW BUS RESID UG 341	24,468.68
NBSB340OH	NEW BUS SUB OH 340	3,354.58
NBSB341UG	NEW BUS SUB 341 UG	59,275.13
NBSV340OH	NEW ELECTRIC SERVICES	78,792.01
NBSV340UG	NEW EL SERV UG	50,209.36
NETVLT343	Network Vaults 003430	33,635.71
PBWK340OH	PUB WORKS RELOC OH	(13,252.52)
PBWK344UG	PUB WORKS 344 UG	8,866.00
PBWK406G	PUB WORKS GAS 406	242,500.21
PMR414	Priority Main Replacement	74,623.27
RCST340	CUST REQ 340	(163,312.29)
RCST406G	Customer requested - Gas	171,596.07
RDCBL340	Replace Defective Cable 003400	68,012.07
RDD003065	Repair Defective Eqpt - 003065	6,754.90
RDDD340OH	REP DEF EQ OH 340	190,340.08
RDDD340UG	REP DEF EQ UG 340	92,011.05
RDMV332	MERCURY BULB REPL PROJECT	9,405.97
RDPOLE340	Replace Defective Poles 340	(272,950.43)
RDSTLT332	REPAIR STREET LIGHTING	113,605.58
RELD01015	LGE GEN RELIABILITY	112,440.89
RELD340OH	OH Reliability 003400	75,672.73
RELD340UG	UG Reliability 003400	(2,274.00)
RNTPD340	REP THR PARTY DAM 340	64,100.24
RNTPD419	Repair Third Party Damages-419	9,386.59
RRCS419G	REP CO GAS SERV 419	248,230.38
RRCS421G	REM/REPL CO GAS SERVICE-421	2,978.90
RRCS422G	RRCS422G	2,503.04

LGE 107001 Activity June 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
STLT332OH	STREET LIGHT OVERHEAD	31,268.15
STLT332UG	STREET LIGHT UNDERGROUND	47,442.21
STRM03230	LGE Minor Storm Events	32,286.56
SYSEN406G	System enhancements - Gas	43,436.03
SYSENH340	SYS ENH EXIST CUST 340	17,878.29
TBRD340OH	Trouble OH 003400	155,668.51
TBRD340UG	Trouble UG 003400	40,186.19
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	32,474.74
TLEQ340	TOOLS AND EQ 340	129,561.15
TLEQ419	Purchase of Tools - 004190	58,759.43
TLEQ447	TOOLS AND EQUIP 447	248.27
TLEQ451	Tools and Equipment , 004510	504.83
WEATH340	WEATHER 003400	(1.42)
XFRM340	TRANSFORMER LABOR 340	17,844.84
XFRM341	TRANSFORMER LABOR 341	1,694.05
		<u><u>\$ 10,919,372.37</u></u>

LGE 107001 Activity July 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 8,365.33
113270	LGE DIST LINE TRANSFORMERS	335,666.78
114268	Gas Regulator Replacements	414,407.76
117136	CR Landfill Vertical Expansion	7,735.24
117149	Trimble County 2	391,335.83
117320	SPCC Mods - LG&E Transmission	(991.95)
118209	Trimble 2 Transmission lge	144,077.43
120595	PURCHASE REGUL-RES/COMM	41,306.07
120596	FARM TAP REGULATOR UPGR	60,453.30
120730	TC Controls Upgrade 2006	16,065.93
121528	REHL RD PUMP STATION	54,219.09
121612	2007 Office Furn. and Equip.	(27.00)
121620	Cane Run - New Landfill	38,813.16
121683	TC Ash/Gypsum Ponds- LGE	269,368.59
121684	TC2 AQCS - LGE	37,555.96
121726	MC Limestone Grinding Upgrade	(497,833.32)
121974	LGE Electric Meters & Installs	11,232.97
122148	CR6 Lower Slope Partial	(65,592.03)
122512	MT 138kV Collins termination	9,858.05
122513	Middletown-Collins 138kV Line	93,162.35
122514	Collins 138/69kV 150MVA Trnsfr	4,839.38
122650	LGE Gas Meters	166,669.14
122891	MC1 345kv Isol Disconnects	2,156.67
122898	MC Boiler Water Make-Up System	(19,286.57)
122975	EASTWOOD SUBSTATION	920.94
123039	MULD-DRILL 5 RECOVERY WELLS	83,331.26
123137	LG&E POLE INSPECTION	265,376.21
123795	Dist Eastwood West Tap	642.11
123896	MC2 Ash and Sump Piping	28,157.84
123897	MC3 Ash and Sump Piping	873.20
124016	CR6 Reheat Pendant Repl	(1,357.18)
124040	MC 4A Coal Mill Gearbox	6,209.25
124049	MC3 DCS Hardware	(18.08)
124050	MC4 DCS Hardware	(18.08)
124052	MC4 SCR Catalyst 2010	(1,288.67)
124295	CR6 FGD Expansion Joint Repl	14,707.79
124297	REDUNDANT PURIFIER PLC	(735.00)
124355	CR6 Burner Corner Repl	14,284.79
124361	CR5 4KV Switchgear Upgrade	(616.67)
124363	CR6 4KV Switchgear Arc Flash	(17,198.94)
124367	CR Stack Particulate Monitors	15,923.06
124381	CR Asbestos Abatement 2010	40,376.00
124479	TC PARTICULATE MONITOR	(2.67)

LGE 107001 Activity July 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124509	TC LAB MONITORS PURCHASE	6,676.35
124668	'09 MADISON SUB EXPANSION	43,969.18
124669	'09 OLD HENRY SUBSTA	110,619.26
124818	MULD PURIF#3 REFLUX PUMP	4,607.18
124826	MULD STORAGE PIPELINE REPL	789.96
124847	UPGR GAS CONTROL SCADA SYS	523.38
124850	2009 REGULATOR RELIEF VALVES	1,501.76
124866	OLD HENRY CIRCUIT WORK	10,861.07
125213	Sec Fiber Connect-Simpson-LGE	45,901.52
125264	HW/SW Dev Tools 026510-LGE10	444.17
125271	MC3 SO3	119,627.29
125272	MC4 SO3	33,026.83
125276	Rate Case-LGE10	55,075.44
125289	Data Protection-LGE10	10,393.28
125294	IT Security Lab Enh-LGE10	46.65
125296	Core Network Infrastruc-LGE10	2,771.07
125298	Ntwk Access Dev/Gateway-LGE10	17,085.11
125301	Router Upgrade Project-LGE10	290.15
125310	Server Hardware Refresh-LGE10	37,789.81
125316	Outside Cable Plant-LGE10	608.80
125317	Bulk Pwr & Env Systems-LGE10	15,985.94
125319	Microwave Shelter Renov-LGE10	704.88
125321	Ntwk Acc Dev/Site Infr-LGE10	243.30
125322	Ntwk Tools/Test Equip-LGE10	1,188.26
125323	Phone Sys Capacity Exp-LGE10	1,462.32
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	1,330.76
125329	Monitor Replacement - LGE 10	8,283.37
125331	Tier C rot-desk/lap-LGE10	72,977.77
125340	Simpson Electric Upg-LGE10	1,721.03
125345	Proj Mirror-DB tech-LGE10	316.98
125347	Proj Mirror-Sil Svc Lev-LGE10	96,456.11
125348	Impl Red Elec Sys-BOC DC-LGE10	14,504.57
125632	EMS Redundancy LGE	4,995.37
125636	PowerPlan Budgeting (LG&E %)	14,076.49
125643	Oracle IPM (LG&E %)	129,511.23
125665	PowerPlant Upgrade (LG&E %)	2,212.43
125850	DFR	25,057.53
126129	MC4 345kV Isol Disconnects	2,222.74
126139	MC3 Cooling Tower Fan VFDs	2,360.60
126154	MC4 Ash and Sump Piping	14,815.51
126176	CR6-1 Boiler Feed Pump Repl	(292.83)
126181	Old Henry 138KV Tap	150,780.96
126192	CR Station Switchgear Repl	(10,083.43)

LGE 107001 Activity July 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126239	TC Limestone Bull Gear Monit	24,888.92
126243	TC Upgrade Seals A Mill	23,898.40
126340	MAGNOLIA 2010 FACIL IMPR	15,775.88
126350	MULD ELECTRIC MOTOR REPL	25,893.76
126370	MULD REFLUX COOL REFURB PUR#3	34,107.73
126371	MULD ENG #4 & #8 WATER PUMP	3,359.12
126384	MULD TURBINE PANEL UPGR	5,197.14
126388	DOIT CARRY OVER PROJECTS	(18,455.54)
126389	DOIT ELEC FAC INSPEC & SURVEYS	39,995.74
126390	DOIT HARDWARE INFRASTRUCTURE	2,940.28
126392	DOIT MOBILE GIS ENHANCEMENTS	808.71
126394	DOIT MOBILE GIS ROUTING	808.71
126397	DOIT SMLWRLD GIS UPGRD ENHNC	539.13
126399	DOIT MOBILE INFRASTRUCTURE	2,222.38
126420	2010 INST CONTROL VALVES/WELLS	15,639.09
126439	MAGN EMERGENCY EQ & REPAIRS	47,231.98
126441	MAG PURCHASE PLASTIC TANKS	3,485.26
126443	MULD UPGRADE EXISTING FARM TAP	6,115.24
126444	MULD STORAGE PIPELINE	3,477.55
126448	2010 Dist. Wildlife Protection	323.46
126449	2010 Misc. Dist. Project	13,438.29
126450	2010 TC OIL FILTERS	11,205.85
126451	2010 M/E BKR REPLACEMENT	2,466.36
126454	2010 FPE TAP CHGR REPLACEMENT	2,775.69
126458	2010 PORTABLE DGA DEVICE	50,763.87
126460	2010 DIST. SUB. BATTERIES	66,755.37
126461	BDD RELAY REPLACEMENT PROJECT	323.46
126463	2010 MISC NESC COMPLIANCE	554.74
126464	2010 TR MULSYFIRE SYSTEMS	3,338.33
126465	2010 SFC RELAY REPLACEMENT	4,007.94
126466	JEFFERSONTOWN SUB EXPANSION	2,449.08
126473	UPGR INDIRECT HEATER FLAME SYS	7,964.95
126475	REPL BARDSTOWN RD EMER GEN	19,462.08
126478	UPGR ODORANT SYS CONTR	65,256.56
126480	COMMERCIAL HP GAS SERVICE	40,644.33
126481	INST ELECTR PRESSURE RECORDERS	37,773.41
126482	UPGRADE REGULATION FACILITIES	4,932.52
126585	TC Upgrade A Limestone Mill	14,986.18
126586	TC Upgrade B Limestone Mill	529.26
126587	TC CT HGPI LGE#1	683.37
126615	FAC IMPROVEMENTS-LGE 2011	51,956.67
126616	FURNITURE/OFFICE EQP-LGE 2011	2,341.31
126619	SECURITY SYSTEM EQUIP-LGE 2011	19,665.50

LGE 107001 Activity July 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126655	Jeffersontown Circuit Work	170,833.02
126680	Config Mgr Infra Req-LGE10	20,389.08
126682	New OS Compatibility -LGE10	4,778.96
126714	IT LGE IVR	24,809.49
126763	LGE ERTS 2010	60,066.57
126807	Batteries - LGE-2010	151.59
126810	Instrument Trsfrmr Rplcmnt-LGE	1,854.08
126829	MuldraughToHlsclw MW Radio Lnk	3,506.73
126830	Replace MW Radio Northside	86,943.87
127033	CR6 Turbine Pack & Seal Repl	12,360.00
127034	CR RO System Upgrade	(0.10)
127135	TC CCP LANDFILL PH1 RAV-LGE	2,229.88
127175	'Work Mgmt/FRP software - LG&E	35,018.25
127205	Ohio Falls Redev. Common	70,920.78
127209	Replace 12" Line at Center	134,309.05
127253	NS.Reactor-Install	898.28
127258	Third Party PAR	18,270.32
127265	TC2 CAPITAL SPARES - LGE	84,114.34
127268	HWY 933	172,825.12
127279	MC Reactant Feed Piping	2,877.89
127345	PENILE CITY GATE ST REDESIGN	11,646.69
127373	MillCrkFenceWk	280.63
127376	ETARIFF LGE 2010	1,789.39
127381	PaddRun-XFMR-Rep	313,043.90
127389	MC1-MC2 Reactant Feed Piping	59,378.45
127393	Symrna Cap Bank	31,289.43
127397	LBR10-MC-Brkrs	72.56
127398	LBR10-FH69kVBusT	289.91
127399	LBR10-PRun-6636A	14,876.17
127411	LBR10-Aiken6650	2,464.05
127412	UPGR BEDFORD CG CEDAR LAKE	135.37
127428	CustSelfServ-First Release LGE	40,961.33
127440	CR Ash Pond Instr	(38,800.00)
127442	EnergyEff CommAuditProj LGE	25,059.60
127455	MAGNOLIA TO PICCADILLY MODIF	161,516.17
127467	LDISCAP10	41,079.52
127470	LR10-TC-4542-Relays	883.51
127473	WK BLUE & GREEN MODIFICATIONS	88,235.12
127483	LGE DETS ENHANCEMENTS	12,548.98
127490	2010 LGE Transformer Rewind #1	21,566.92
127494	PowerSimm - LGE	76.32
127502	MC 1B1 Recycle Pump Motor	(684.36)
127523	CR Air Monitors 2010	12,329.27

LGE 107001 Activity July 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127526	CR Station Battery Repl	41,118.33
127542	Service Order Recon-LGE	2,823.67
127563	Simpsonville Office Furniture	58.63
127565	CR Ammonia Analyzers	716.61
127566	CR Hydrazine Analyzers	4,727.94
130012	CCS/TOE ENHANCE LGE10	5,401.08
130014	AVG HANDLE TIME LGE 10	25,628.74
130031	CERUS III - LGE 10	144,771.58
130034	LGE Channel Bank Standard	5,064.08
130158	Ckt SM1233 Seminole Sub	24,539.63
130170	TANDBERG MGMT SUITE-LGE	3,032.53
130176	RATECASE-STIPULATION AGREE-LGE	12,924.26
130190	CONSTRUCTION-SVCDESK - LGE	1,368.38
130478	Mill Creek LS Grinding Upgrade	509,193.51
130484	FINANCE DUNNING ENH-LGE10	40,337.91
130486	SRVC ORDR ENH-LGE13	49,319.65
130601	METER READING ENH - LGE13	5,456.70
130630	MC Ash Pond Piezometers	38,800.00
131284	Waterside West Improvements	1,444.42
117361	Accrued Labor - LGE	(31,967.28)
119902	Clear 12/04 A&G	101,978.40
BTM391	Beyond the Meter - Org 003910	355.78
CABLE341	Blanket cable for joint trench	73,169.16
ECAPRR340	CAP, REG, RECLOSERS 340	7,356.27
GME406	GAS MAIN EXT 406	92,545.84
L6-2009	NEW FACILITIES T-LINE LGE 2009	5,308.13
L7-2009	PARAM UPGRADE T LINE LGE 2009	(3,699.02)
L8-2010	STORM DAMAGE T-LINE LGE 2010	51,665.24
L9-2009	PRIORITY REPL T-LINES LGE 2009	(4,507.49)
L9-2010	PRIORITY REPL T-LINES LGE 2010	254,687.91
LRSUB-10	LG&E Routine - Subs-10	67,304.70
LSMR414	Large Scale Main Replacements	1,276,599.22
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	176,208.15
MCAPRR340	MAINT CAP, REG, REC 340	9,537.76
NBCD340OH	NEW BUS COMM OH 340	96,633.01
NBCD340UG	NEW BUS COMM UG 340	357,737.49
NBGS419	NEW BUS GAS SERV 419	128,004.16
NBRD340OH	NEW BUS RES OH 340	93,365.68
NBRD340UG	NEW BUS RES UG	800.31
NBRD341UG	NEW BUS RESID UG 341	48,007.19
NBSB340OH	NEW BUS SUB OH 340	4,417.92
NBSB341UG	NEW BUS SUB 341 UG	94,170.74
NBSV340OH	NEW ELECTRIC SERVICES	48,330.47

LGE 107001 Activity July 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
NBSV340UG	NEW EL SERV UG	45,995.60
NETVLT343	Network Vaults 003430	127,069.33
PBWK340OH	PUB WORKS RELOC OH	(18,375.66)
PBWK406G	PUB WORKS GAS 406	(40,795.56)
PMR414	Priority Main Replacement	196,662.92
RCST340	CUST REQ 340	4,250.34
RCST406G	Customer requested - Gas	2,680.56
RDCBL340	Replace Defective Cable 003400	48,133.08
RDD003065	Repair Defective Eqpt - 003065	8,961.47
RDD003190	Repair Defective Eqpt - 003190	10,588.19
RDDD340OH	REP DEF EQ OH 340	226,235.61
RDDD340UG	REP DEF EQ UG 340	42,831.58
RDDD345OH	POI	(7,240.93)
RDMV332	MERCURY BULB REPL PROJECT	13,167.69
RDPOLE340	Replace Defective Poles 340	76,443.27
RDSTLT332	REPAIR STREET LIGHTING	182,401.77
RDSTLT340	REP DEF ST LIGHTS 340	22,046.67
RELD01015	LGE GEN RELIABILITY	138,875.78
RELD340OH	OH Reliability 003400	41,624.60
RELD340UG	UG Reliability 003400	(2,274.00)
RNTPD340	REP THR PARTY DAM 340	(35,350.18)
RNTPD419	Repair Third Party Damages-419	7,887.79
RRCS419G	REP CO GAS SERV 419	251,090.94
STLT332OH	STREET LIGHT OVERHEAD	80,704.09
STLT332UG	STREET LIGHT UNDERGROUND	33,572.36
STRM03230	LGE Minor Storm Events	37,578.15
STRMLGE	LGE Major Storm Event	(16,112.40)
SYSEN406G	System enhancements - Gas	18,683.42
SYSENH340	SYS ENH EXIST CUST 340	39,197.85
TBRD340OH	Trouble OH 003400	168,137.34
TBRD340UG	Trouble UG 003400	44,846.06
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	4,464.66
TLEQ340	TOOLS AND EQ 340	131.89
TLEQ419	Purchase of Tools - 004190	3,878.19
XFRM340	TRANSFORMER LABOR 340	28,264.05
XFRM341	TRANSFORMER LABOR 341	108.95
		\$ 11,047,392.52



LGE 107001 Activity August 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 116,005.65
113270	LGE DIST LINE TRANSFORMERS	144,920.67
114268	Gas Regulator Replacements	354,302.49
117136	CR Landfill Vertical Expansion	23,570.87
117149	Trimble County 2	(1,194,495.06)
117320	SPCC Mods - LG&E Transmission	991.95
118209	Trimble 2 Transmission lge	55,873.86
120595	PURCHASE REGUL-RES/COMM	1,838.85
120596	FARM TAP REGULATOR UPGR	46,713.21
120730	TC Controls Upgrade 2006	1,204.82
121620	Cane Run - New Landfill	38,619.33
121683	TC Ash/Gypsum Ponds- LGE	1,094,030.57
121684	TC2 AQCS - LGE	(582,390.13)
121974	LGE Electric Meters & Installs	55,476.33
122229	WATERSIDE ARENA DO ELECTRIC	2,113.77
122230	WATERSIDE ARENA DO GAS	(98.93)
122231	Waterside Arena-Transmission	410,597.95
122512	MT 138kV Collins termination	8,510.06
122513	Middletown-Collins 138kV Line	90,034.06
122514	Collins 138/69kV 150MVA Trnsfr	25,613.02
122547	New Base Unit - LG&E	(215.14)
122650	LGE Gas Meters	106,787.20
122891	MC1 345kv Isol Disconnects	814.17
122975	EASTWOOD SUBSTATION	15,910.14
123039	MULD-DRILL 5 RECOVERY WELLS	59,106.25
123137	LG&E POLE INSPECTION	398,705.52
123531	SL-LGE-Moisture Analyzer	407.50
123795	Dist Eastwood West Tap	4,464.86
123896	MC2 Ash and Sump Piping	77,716.30
123946	MC3 Reheater Lower Loops	302,757.86
123966	GS LGE DQI Strat 2010	51,235.53
124044	MC Roofing - MC2 Turbine Room	6,532.19
124049	MC3 DCS Hardware	7,016.57
124050	MC4 DCS Hardware	(1,414.14)
124052	MC4 SCR Catalyst 2010	(2,166.60)
124355	CR6 Burner Corner Repl	28,608.21
124363	CR6 4KV Switchgear Arc Flash	1,017.00
124367	CR Stack Particulate Monitors	777.32
124479	TC PARTICULATE MONITOR	160.08
124496	TC PURCHASE 90 TON LARGE CRANE	281,501.64
124668	'09 MADISON SUB EXPANSION	17,403.26
124669	'09 OLD HENRY SUBSTA	80,320.46

LGE 107001 Activity August 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124818	MULD PURIF#3 REFLUX PUMP	7,913.51
124831	2009 PLUG OR REPAIR WELLS	(8,583.55)
124835	CP IMPRESSED CURRENT SY IMPRV	2,603.27
124841	2009 UPGR MAJ STA REGS & CONTR	2,964.73
124847	UPGR GAS CONTROL SCADA SYS	122,267.05
124850	2009 REGULATOR RELIEF VALVES	2,521.40
124866	OLD HENRY CIRCUIT WORK	407,681.94
125213	Sec Fiber Connect-Simpson-LGE	5,700.00
125264	HW/SW Dev Tools 026510-LGE10	2,611.50
125267	HW/SW Dev Tools 026580-LGE10	113.00
125268	HW/SW Dev Tools 026540-LGE10	213.70
125271	MC3 SO3	(36,514.93)
125272	MC4 SO3	50,729.35
125276	Rate Case-LGE10	14,662.43
125287	IT Security Infrastruc-LGE10	299.75
125295	Access Switch Repl-LGE10	406.27
125310	Server Hardware Refresh-LGE10	21,710.10
125314	Site Security Improve-LGE10	12,641.08
125316	Outside Cable Plant-LGE10	2,287.35
125317	Bulk Pwr & Env Systems-LGE10	5,171.79
125319	Microwave Shelter Renov-LGE10	40,638.51
125321	Ntwk Acc Dev/Site Infr-LGE10	3,584.71
125322	Ntwk Tools/Test Equip-LGE10	5,747.37
125323	Phone Sys Capacity Exp-LGE10	4,778.96
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	740.99
125326	LG&E SCADA Radios-LGE10	1,883.23
125331	Tier C rot-desk/lap-LGE10	96,784.72
125334	New Tech Implement-LGE10	(30.79)
125336	Data Center Software-LGE10	242.35
125338	Louisville Electric Upg-LGE10	1,017.49
125347	Proj Mirror-Sil Svc Lev-LGE10	24,494.99
125348	Impl Red Elec Sys-BOC DC-LGE10	158,715.60
125636	PowerPlan Budgeting (LG&E %)	13,474.50
125643	Oracle IPM (LG&E %)	1,565.74
125665	PowerPlant Upgrade (LG&E %)	21,087.46
125850	DFR	15,790.75
125903	Upgrade Algonquin TR 5 69 kV	(50,192.07)
125926	BRCT SF6 SFC Med Volt Bkr -LGE	(5,722.93)
125981	KY HWY 480 PHASE I	(38,005.66)
126117	MC3 Pyrite Piping	19,614.13
126118	MC1 Boiler Lower Sidewall	262,463.48
126154	MC4 Ash and Sump Piping	46,357.40

LGE 107001 Activity August 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126181	Old Henry 138KV Tap	141,363.82
126239	TC Limestone Bull Gear Monit	748.30
126340	MAGNOLIA 2010 FACIL IMPR	1,140.16
126370	MULD REFLUX COOL REFURB PUR#3	42,634.66
126382	MULD 2010 REP/REPL DEF EQ	24,715.18
126384	MULD TURBINE PANEL UPGR	881.70
126389	DOIT ELEC FAC INSPEC & SURVEYS	3,437.65
126390	DOIT HARDWARE INFRASTRUCTURE	2,453.72
126399	DOIT MOBILE INFRASTRUCTURE	23,422.59
126420	2010 INST CONTROL VALVES/WELLS	10,914.01
126422	2010 RELINE GAS STORAGE WELLS	4,814.42
126439	MAGN EMERGENCY EQ & REPAIRS	44,765.35
126441	MAG PURCHASE PLASTIC TANKS	2,672.55
126443	MULD UPGRADE EXISTING FARM TAP	9,398.49
126444	MULD STORAGE PIPELINE	8,966.91
126445	MULD TRANSMISSION LINE REPL	2,931.15
126449	2010 Misc. Dist. Project	532.66
126450	2010 TC OIL FILTERS	4,674.15
126451	2010 M/E BKR REPLACEMENT	112,096.45
126454	2010 FPE TAP CHGR REPLACEMENT	279,611.04
126455	2010 BUILDINGS & GROUNDS	44,136.64
126460	2010 DIST. SUB. BATTERIES	2,273.89
126463	2010 MISC NESC COMPLIANCE	31,553.21
126465	2010 SFC RELAY REPLACEMENT	2,546.02
126466	JEFFERSONTOWN SUB EXPANSION	14,583.42
126478	UPGR ODORANT SYS CONTR	10,359.71
126479	2010 RELIEF VALVE CAPACITY	2,526.48
126480	COMMERCIAL HP GAS SERVICE	11,114.91
126481	INST ELECTR PRESSURE RECORDERS	2,728.52
126482	UPGRADE REGULATION FACILITIES	13,005.89
126585	TC Upgrade A Limestone Mill	82,812.09
126586	TC Upgrade B Limestone Mill	2,766.66
126587	TC CT HGPI LGE#1	1,110,459.37
126615	FAC IMPROVEMENTS-LGE 2011	50,903.81
126616	FURNITURE/OFFICE EQP-LGE 2011	28,493.77
126619	SECURITY SYSTEM EQUIP-LGE 2011	8,687.03
126653	GS-LGE-Satellite Phone	3,409.66
126655	Jeffersontown Circuit Work	93,292.55
126680	Config Mgr Infra Req-LGE10	29,304.26
126682	New OS Compatibility -LGE10	6,658.03
126710	CIP Compliance-LGE10	73,986.01
126714	IT LGE IVR	315,656.22

LGE 107001 Activity August 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126715	IT LGE CALL CENTER TECHNOLOGY	34.75
126734	Worthington Sub Expansion	262,278.80
126763	LGE ERTS 2010	3,729.22
126807	Batteries - LGE-2010	56,863.15
126810	Instrument Trsfrmr Rplcmnt-LGE	496.93
126829	MuldraughToHlsclw MW Radio Lnk	6,168.50
126830	Replace MW Radio Northside	12,956.71
127125	Gas Management Relocation	(18,610.31)
127135	TC CCP LANDFILL PHI RAV-LGE	16,522.70
127175	'Work Mgmt/FRP software - LG&E	29,369.03
127205	Ohio Falls Redev. Common	28,679.34
127209	Replace 12" Line at Center	12,141.39
127253	NS.Reactor-Install	3,506.84
127258	Third Party PAR	11,952.32
127265	TC2 CAPITAL SPARES - LGE	69,804.00
127268	HWY 933	(60,670.48)
127279	MC Reactant Feed Piping	16,030.48
127308	TEE SOFTWARE LGE	10,326.06
127345	PENILE CITY GATE ST REDESIGN	(12,361.92)
127373	MillCrkFenceWk	216,981.67
127381	PaddRun-XFMR-Rep	96,798.90
127389	MC1-MC2 Reactant Feed Piping	2,930.00
127393	Symrna Cap Bank	55,747.46
127397	LBR10-MC-Brkrs	2,099.46
127398	LBR10-FH69kVBusT	981.87
127399	LBR10-PRun-6636A	2,211.24
127411	LBR10-Aiken6650	2,196.06
127412	UPGR BEDFORD CG CEDAR LAKE	13,687.26
127428	CustSelfServ-First Release LGE	44,527.69
127430	SAP-ParallelTest&QAEvironLGE	12,367.32
127442	EnergyEff CommAuditProj LGE	19,007.95
127455	MAGNOLIA TO PICCADILLY MODIF	130,276.60
127467	LDISCAP10	159,276.00
127470	LR10-TC-4542-Relays	2,917.07
127473	WK BLUE & GREEN MODIFICATIONS	274,184.24
127481	LGE WEB MAPS CONNECTOR	1,303.74
127483	LGE DETS ENHANCEMENTS	10,206.16
127490	2010 LGE Transformer Rewind #1	1,805.53
127526	CR Station Battery Repl	1,549.12
127542	Service Order Recon-LGE	6,394.50
127543	TC2 LGE Whse. Racks & Storage	18,156.04
127559	NBU NGCC CR	41,415.99

LGE 107001 Activity August 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127565	CR Ammonia Analyzers	16,146.90
127566	CR Hydrazine Analyzers	17,159.13
127594	MC1 Emergency Batteries	48,022.61
130012	CCS/TOE ENHANCE LGE10	8,652.85
130014	AVG HANDLE TIME LGE 10	7,819.25
130034	LGE Channel Bank Standard	105,507.46
130055	SV Bookcases LG&E	731.52
130156	Ckt BR1181 Breckinridge Sub	152.92
130158	Ckt SM1233 Seminole Sub	6,983.90
130159	CktSP1116 South Park Sub	45,997.79
130161	Ckt WP1104 West Point Sub	36,519.52
130162	Ckt HB1147 Hurstbourne Sub	44,796.00
130163	Ckt SV1122 Shepherdsville Sub	352.34
130176	RATECASE-STIPULATION AGREE-LGE	35,559.76
130190	CONSTRUCTION-SVCDESK - LGE	5,723.61
130478	Mill Creek LS Grinding Upgrade	1,739.32
130484	FINANCE DUNNING ENH-LGE10	43,917.91
130486	SRVC ORDR ENH-LGE13	18,598.10
130490	VENTYX MOBILE UPGRD-LGE10	25,705.08
130506	ecoAsset Software - LGE	52,845.00
130552	Purchase Crane Truck AC 15-70B	138,428.61
130553	Primary Current Inj Test Set	35,929.64
130570	BUSINESS OBJECTS IMPL-LGE10	16,008.62
130601	METER READING ENH - LGE13	26,910.74
130622	TIP TOP (Ft. Knox) RECONDCTR	372,004.24
130630	MC Ash Pond Piezometers	659.61
130646	CR6 Bottle Pitch Insulation	29,493.00
130920	Spare GSU Trans	78,171.00
130929	Pwr Factor Tester LGE	15,580.00
131225	LGE Substation Equipment Prch	596.27
131284	Waterside West Improvements	41,898.83
131285	Tip Top Substation project	4,127.97
131330	LGE Power Quality Meter	8,898.88
131642	Homeland Security Vault	22,712.74
131725	2010 LGE Transformer Rewind #2	2,471.21
131837	Forklift @ AOC (2010)	18,326.34
119902	Clear 12/04 A&G	119,185.82
CABLE341	Blanket cable for joint trench	27,132.21
GME406	GAS MAIN EXT 406	68,461.66
L6-2009	NEW FACILITIES T-LINE LGE 2009	7,005.36
L6-2010	NEW FACILITIES T-LINE LGE 2010	12,132.36
L7	T-Lines Parameter Upgrades	(1,001.87)

LGE 107001 Activity August 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
L8-2010	STORM DAMAGE T-LINE LGE 2010	3,388.39
L9-2010	PRIORITY REPL T-LINES LGE 2010	7,932.66
LRSUB-10	LG&E Routine - Subs-10	168,764.10
LSMR414	Large Scale Main Replacements	498,350.12
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	(215,422.41)
MCAPRR340	MAINT CAP, REG, REC 340	16,419.74
NBCD340OH	NEW BUS COMM OH 340	117,366.45
NBCD340UG	NEW BUS COMM UG 340	140,084.21
NBCD341UG	NEW BUS COMM 341 UG	563.09
NBGS341	INSTALL GAS SVC-JOINT TRENCH	17,766.66
NBGS419	NEW BUS GAS SERV 419	123,849.77
NBGS421	NEW BUS GAS SERV 421	5,205.51
NBGS422	NBGS422	604.31
NBRD340OH	NEW BUS RES OH 340	89,855.04
NBRD340UG	NEW BUS RES UG	1,199.05
NBRD341UG	NEW BUS RESID UG 341	44,905.49
NBSB340OH	NEW BUS SUB OH 340	4,327.80
NBSB341UG	NEW BUS SUB 341 UG	249,863.98
NBSV340OH	NEW ELECTRIC SERVICES	79,378.51
NBSV340UG	NEW EL SERV UG	44,449.40
NETVLT343	Network Vaults 003430	51,443.26
PBWK340OH	PUB WORKS RELOC OH	19,491.38
PBWK406G	PUB WORKS GAS 406	11,383.25
PMR414	Priority Main Replacement	43,082.33
RCST340	CUST REQ 340	14,809.97
RCST406G	Customer requested - Gas	(39,960.02)
RDCBL340	Replace Defective Cable 003400	108,131.63
RDD003190	Repair Defective Eqpt - 003190	2,766.09
RDDD340OH	REP DEF EQ OH 340	192,751.30
RDDD340UG	REP DEF EQ UG 340	179,384.11
RDDD345OH	POI	1,137.00
RDMV332	MERCURY BULB REPL PROJECT	13,535.13
RDPOLE340	Replace Defective Poles 340	49,164.66
RDSTLT332	REPAIR STREET LIGHTING	168,912.79
RELD01015	LGE GEN RELIABILITY	194,246.40
RELD340OH	OH Reliability 003400	6,802.86
RELD340UG	UG Reliability 003400	19,762.43
RNTPD340	REP THR PARTY DAM 340	(22,558.44)
RNTPD419	Repair Third Party Damages-419	14,310.70
RRCS419G	REP CO GAS SERV 419	206,506.66
RRCS421G	REM/REPL CO GAS SERVICE-421	2,880.46
STLT332OH	STREET LIGHT OVERHEAD	(12,318.31)

LGE 107001 Activity August 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
STLT332UG	STREET LIGHT UNDERGROUND	59,745.46
STRM03230	LGE Minor Storm Events	445,463.27
SYSEN406G	System enhancements - Gas	9,715.24
SYSENH340	SYS ENH EXIST CUST 340	64,880.63
TBRD340OH	Trouble OH 003400	178,349.34
TBRD340UG	Trouble UG 003400	71,550.59
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	7,565.59
TLEQ340	TOOLS AND EQ 340	9,567.04
TLEQ419	Purchase of Tools - 004190	10,387.14
TLEQ447	TOOLS AND EQUIP 447	5,893.53
XFRM340	TRANSFORMER LABOR 340	21,631.68
XFRM341	TRANSFORMER LABOR 341	8,284.16
		<u>\$ 12,688,598.07</u>

LGE 107001 Activity September 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 8,103.93
113270	LGE DIST LINE TRANSFORMERS	301,958.94
114268	Gas Regulator Replacements	381,699.93
117136	CR Landfill Vertical Expansion	49,051.88
117149	Trimble County 2	(814,469.66)
118209	Trimble 2 Transmission lge	19,469.05
120595	PURCHASE REGUL-RES/COMM	20,183.71
120596	FARM TAP REGULATOR UPGR	48,143.84
121620	Cane Run - New Landfill	28,964.52
121683	TC Ash/Gypsum Ponds- LGE	595,627.33
121684	TC2 AQCS - LGE	(372,505.23)
121777	2007 LGE DOIT PC AND PRINTER	28.98
121974	LGE Electric Meters & Installs	108,364.46
122148	CR6 Lower Slope Partial	(14,617.34)
122230	WATERSIDE ARENA DO GAS	197.86
122231	Waterside Arena-Transmission	68.96
122512	MT 138kV Collins termination	12,561.16
122513	Middletown-Collins 138kV Line	53,061.16
122514	Collins 138/69kV 150MVA Trnsfr	13,191.00
122650	LGE Gas Meters	158,999.04
122823	CCS - Technology	352.23
122891	MC1 345kv Isol Disconnects	2,125.09
122908	MC "C" Coal Conv Structure	232,526.82
122975	EASTWOOD SUBSTATION	10,410.01
123039	MULD-DRILL 5 RECOVERY WELLS	85,968.49
123137	LG&E POLE INSPECTION	495,438.44
123140	MC4 FGD Refurbishment	(149,456.18)
123220	LGE BRCT7 A/B Conversion 08	78,289.75
123345	CR Sump Pump Repl	52,350.80
123531	SL-LGE-Moisture Analyzer	815.00
123598	LGE-Gen Stator Bar Study	1,854,899.00
123795	Dist Eastwood West Tap	577.67
123837	MC2 FGD Refurbishment	1,075,571.53
123883	GS LGE Lrg Format Equip 2010	7,123.95
123896	MC2 Ash and Sump Piping	45,852.29
123966	GS LGE DQI Strat 2010	10,215.34
124029	MC Safety Equipment 2010	18,428.39
124034	MC3 EHC Upgrade	4,850.46
124045	MC Roofing - MC3 Turbine Room	117,245.97
124049	MC3 DCS Hardware	73,523.17
124050	MC4 DCS Hardware	(35,533.00)
124052	MC4 SCR Catalyst 2010	160,895.61



LGE 107001 Activity September 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124073	MC HVAC Air Handlers 2010	42,215.10
124074	MC HVAC Air Handlers 2012	30,569.56
124355	CR6 Burner Corner Repl	(12,204.00)
124358	CR Mobile Crane Repl	298,050.97
124362	CR 480V Switchgear Upgrade	1,364.53
124367	CR Stack Particulate Monitors	36,989.15
124479	TC PARTICULATE MONITOR	(0.66)
124504	TC LIMESTONE CONV BELT REPL	42,655.11
124509	TC LAB MONITORS PURCHASE	7,474.96
124513	TC ROOF REPLACEMENTS	113,562.79
124668	'09 MADISON SUB EXPANSION	404.78
124669	'09 OLD HENRY SUBSTA	1,359,380.70
124672	'09 DIST MISC PROJECT	(1,895.45)
124675	'09 FPE TAP CHANGER PROJECT	(14,013.61)
124778	CR FGD Engineering Assessment	(157,635.00)
124818	MULD PURIF#3 REFLUX PUMP	7,690.18
124826	MULD STORAGE PIPELINE REPL	(53.65)
124830	2009 INST GATE VALVES ON WELLS	(1,165.02)
124831	2009 PLUG OR REPAIR WELLS	(4,517.47)
124833	2009 RELINE GAS STORAGE WELLS	(15,511.98)
124835	CP IMPRESSED CURRENT SY IMPRV	1,459.55
124847	UPGR GAS CONTROL SCADA SYS	3,425.62
124850	2009 REGULATOR RELIEF VALVES	328.41
124866	OLD HENRY CIRCUIT WORK	525,947.42
125010	ASC ROOF REPLACEMENT	373,568.48
125213	Sec Fiber Connect-Simpson-LGE	5,753.97
125268	HW/SW Dev Tools 026540-LGE10	68.56
125271	MC3 SO3	(25,460.49)
125272	MC4 SO3	(25,602.34)
125276	Rate Case-LGE10	(6,237.93)
125285	.NET WPF CLIENT FRAMEWORK-LGE	3,402.04
125286	Intrusion Prevention-LGE10	132,388.08
125287	IT Security Infrastruc-LGE10	4,155.09
125301	Router Upgrade Project-LGE10	831.46
125303	Wireless Buildout-LGE10	1,947.16
125308	Cable-Server Connect-LGE10	4,135.26
125310	Server Hardware Refresh-LGE10	7,509.29
125316	Outside Cable Plant-LGE10	2,809.00
125317	Bulk Pwr & Env Systems-LGE10	15,405.09
125319	Microwave Shelter Renov-LGE10	9,073.73
125321	Ntwk Acc Dev/Site Infr-LGE10	3,916.76
125322	Ntwk Tools/Test Equip-LGE10	1,548.68

LGE 107001 Activity September 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125323	Phone Sys Capacity Exp-LGE10	3,249.20
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	828.41
125326	LG&E SCADA Radios-LGE10	2,302.53
125331	Tier C rot-desk/lap-LGE10	16,923.00
125336	Data Center Software-LGE10	14.54
125339	Lou Racks & Furniture-LGE10	251.17
125342	Data Base Tools & Equip-LGE10	15,499.32
125347	Proj Mirror-Sil Svc Lev-LGE10	185,821.60
125348	Impl Red Elec Sys-BOC DC-LGE10	179,969.11
125620	10 EMS Servers & OUG - LGE	46,500.67
125632	EMS Redundancy LGE	106,451.98
125636	PowerPlan Budgeting (LG&E %)	2,104.25
125643	Oracle IPM (LG&E %)	3,358.25
125665	PowerPlant Upgrade (LG&E %)	27,143.01
125850	DFR	14,529.68
125890	MADISON CIRCUIT WORK	138,663.30
126117	MC3 Pyrite Piping	34,398.13
126126	MC Roofing - MC4 Turbine Room	130,915.25
126131	MC2 Pass Elevator Controls	82,067.83
126149	MC Coal Hndlg Bldg Locker Room	86,445.00
126154	MC4 Ash and Sump Piping	7,464.94
126181	Old Henry 138KV Tap	(32,654.56)
126233	E PERFORMANCE LGE	38,830.03
126239	TC Limestone Bull Gear Monit	95.38
126243	TC Upgrade Seals A Mill	10,560.15
126340	MAGNOLIA 2010 FACIL IMPR	15,878.64
126350	MULD ELECTRIC MOTOR REPL	10,975.54
126370	MULD REFLUX COOL REFURB PUR#3	19,643.97
126382	MULD 2010 REP/REPL DEF EQ	38,878.63
126384	MULD TURBINE PANEL UPGR	3,131.07
126386	DOIT GAS EMER MGMT SYSTEM	7,157.05
126389	DOIT ELEC FAC INSPEC & SURVEYS	4,028.15
126390	DOIT HARDWARE INFRASTRUCTURE	31,556.83
126395	DOIT RELIABILITY RPTG DATABASE	16,275.86
126399	DOIT MOBILE INFRASTRUCTURE	4,729.87
126420	2010 INST CONTROL VALVES/WELLS	15,696.30
126422	2010 RELINE GAS STORAGE WELLS	32,418.33
126439	MAGN EMERGENCY EQ & REPAIRS	31,408.70
126440	MAGN FARM TAP UPGRADE	19,495.75
126441	MAG PURCHASE PLASTIC TANKS	13,029.80
126443	MULD UPGRADE EXISTING FARM TAP	23,452.78
126444	MULD STORAGE PIPELINE	83,862.62

LGE 107001 Activity September 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126445	MULD TRANSMISSION LINE REPL	45,804.23
126448	2010 Dist. Wildlife Protection	215.65
126449	2010 Misc. Dist. Project	9,682.34
126451	2010 M/E BKR REPLACEMENT	108.39
126452	2010 GE AUX SWITCHES	529.80
126455	2010 BUILDINGS & GROUNDS	1,577.41
126460	2010 DIST. SUB. BATTERIES	4,341.53
126463	2010 MISC NESC COMPLIANCE	998.86
126466	JEFFERSONTOWN SUB EXPANSION	4,739.78
126468	6617 Underground Cable Repair	2,697.62
126475	REPL BARDSTOWN RD EMER GEN	0.13
126476	FT FIELD DEVICE UPGRADES	53,026.59
126477	UPGR ROTARY METERS AT IND FAC	264.41
126478	UPGR ODORANT SYS CONTR	9.79
126479	2010 RELIEF VALVE CAPACITY	17,572.00
126480	COMMERCIAL HP GAS SERVICE	46,193.19
126482	UPGRADE REGULATION FACILITIES	33,217.71
126585	TC Upgrade A Limestone Mill	(38,333.30)
126586	TC Upgrade B Limestone Mill	2,047.35
126587	TC CT HGPI LGE#1	456,861.40
126615	FAC IMPROVEMENTS-LGE 2011	(8,517.08)
126616	FURNITURE/OFFICE EQP-LGE 2011	25,100.96
126619	SECURITY SYSTEM EQUIP-LGE 2011	41,512.56
126647	GS-LGE-CEMS Shltr Rplt	8,040.00
126652	GS-LGE-Cyber Security	7,000.00
126653	GS-LGE-Satellite Phone	3,091.29
126655	Jeffersontown Circuit Work	139,877.62
126680	Config Mgr Infra Req-LGE10	(1,124.58)
126682	New OS Compatibility -LGE10	105,688.32
126690	Server Cap Expan & Rel-LGE10	6,636.21
126714	IT LGE IVR	18,061.13
126718	IT LGE RETAIL HARDWARE INFRA	9,700.32
126734	Worthington Sub Expansion	710.31
126807	Batteries - LGE-2010	2,214.75
126810	Instrument Trsfrmr Rplcmnt-LGE	1,451.95
126829	MuldraughToHlscw MW Radio Lnk	5,596.00
126830	Replace MW Radio Northside	123,808.89
126833	Tech Test Lab & Related-LGE10	5,424.76
127135	TC CCP LANDFILL PH1 RAV-LGE	863.57
127136	TC CCP RIVER FLY ASH BARGE-LGE	760.91
127175	'Work Mgmt/FRP software - LG&E	431,534.84
127205	Ohio Falls Redev. Common	4,329,298.16

LGE 107001 Activity September 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127210	FIELDNET LUTL	6,584.07
127258	Third Party PAR	4,312.88
127265	TC2 CAPITAL SPARES - LGE	56,245.05
127268	HWY 933	(17,092.28)
127279	MC Reactant Feed Piping	9,144.93
127345	PENILE CITY GATE ST REDESIGN	934.76
127376	ETARIFF LGE 2010	13,288.60
127381	PaddRun-XFMR-Rep	53,544.57
127389	MC1-MC2 Reactant Feed Piping	9,158.75
127390	MC Maintenance Forklift 2010	6,195.19
127393	Symrna Cap Bank	28,297.81
127397	LBR10-MC-Brkrs	12,827.07
127398	LBR10-FH69kVBusT	(44,251.50)
127399	LBR10-PRun-6636A	13,770.80
127411	LBR10-Aiken6650	531.61
127412	UPGR BEDFORD CG CEDAR LAKE	12,884.24
127428	CustSelfServ-First Release LGE	52,614.61
127430	SAP-ParallelTest&QAEnvironLGE	14,151.22
127442	EnergyEff CommAuditProj LGE	24,464.19
127455	MAGNOLIA TO PICCADILLY MODIF	181,076.14
127467	LDISCAP10	14,122.14
127470	LR10-TC-4542-Relays	506.03
127473	WK BLUE & GREEN MODIFICATIONS	27,359.08
127483	LGE DETS ENHANCEMENTS	9,515.17
127490	2010 LGE Transformer Rewind #1	1,158.21
127526	CR Station Battery Repl	3,051.00
127540	Ener Eff -Operations Auto LGE	2,359.55
127542	Service Order Recon-LGE	3,677.54
127559	NBU NGCC CR	7,649.14
127565	CR Ammonia Analyzers	(3.59)
127566	CR Hydrazine Analyzers	1,122.02
127567	Domain Controller - LG&E	1,551.30
127569	DMZ Servers - LG&E	10,138.82
127573	MC Gas Main	1,231.23
127584	MC 1D Coal Mill Gearbox	274.96
127594	MC1 Emergency Batteries	41,137.73
127653	MULDRAUGH KUBOTA	41,616.25
130012	CCS/TOE ENHANCE LGE10	2,647.70
130014	AVG HANDLE TIME LGE 10	28,913.71
130034	LGE Channel Bank Standard	5,066.00
130055	SV Bookcases LG&E	668.57
130156	Ckt BR1181 Breckinridge Sub	42,991.68

LGE 107001 Activity September 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130158	Ckt SM1233 Seminole Sub	43,816.45
130159	CktSP1116 South Park Sub	6,376.09
130160	Ckt SP1115 South Park Sub	466.81
130161	Ckt WP1104 West Point Sub	13,127.95
130162	Ckt HB1147 Hurstbourne Sub	3,278.38
130163	Ckt SV1122 Shepherdsville Sub	34,359.87
130164	CEMI LGE	11,143.98
130167	RISS Storage Upgrade-LGE	10,507.30
130170	TANDBERG MGMT SUITE-LGE	2,617.34
130176	RATECASE-STIPULATION AGREE-LGE	48,998.18
130478	Mill Creek LS Grinding Upgrade	673,308.26
130484	FINANCE DUNNING ENH-LGE10	35,823.96
130486	SRVC ORDR ENH-LGE13	12,407.97
130490	VENTYX MOBILE UPGRD-LGE10	5,998.90
130506	ecoAsset Software - LGE	4,842.00
130551	Purchase Sub Aerial Lift Truck	109,676.61
130570	BUSINESS OBJECTS IMPL-LGE10	13,811.43
130601	METER READING ENH - LGE13	21,595.84
130622	TIP TOP (Ft. Knox) RECONDCTR	613,230.81
130646	CR6 Bottle Pitch Insulation	468.02
130888	RATE COMPARE - LGE10	794.45
130920	Spare GSU Trans	25,509.49
130929	Pwr Factor Tester LGE	969.99
131222	PR12 GT Control Upgrade	350,579.00
131225	LGE Substation Equipment Prch	1,643.27
131284	Waterside West Improvements	24,793.66
131285	Tip Top Substation project	39.00
131296	Voltage Regulating Relay Upg	29,505.32
131312	LGE Relay Test Set	67,851.64
131475	CR4 Stack Elevator Repl	147,407.65
131642	Homeland Security Vault	4,169.70
131661	CR6 Stack Elevator Repl	147,407.65
131662	CR Portable AC Unit	12,126.75
131663	CR Rough Terrain Forklift	56,057.04
131693	Envir Compliance Study-Air-LGE	182,699.04
131700	REPL TUBING BUNDLE PURIF#1	8,013.58
131725	2010 LGE Transformer Rewind #2	35,076.25
131740	CR Backflow Preventer	48,465.13
131743	MULDRAUGH FACILITY	23,181.74
131746	MAGNOLIA BLDG CONSTRUCTION	2,942.72
131867	MC Coal Handling Lift Station	5,505.05
132078	2010 UPGR ROTARY METERS	552.30

LGE 107001 Activity September 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132089	ET-Brkr-Replc	46,979.89
132117	Thermography cameras	4,548.00
132123	MT WASHINGTON SCHOOL RELOC	(288,370.95)
132153	CENTER MODIFICATIONS	14,913.15
132177	DNS/DHCP MANAGEMENT-LGE10	661.49
132190	2010 DCC Cyber Control Area	18,207.69
132194	South Park 1116 Addition	466.81
132205	CSS LGE Vehicles	80,773.00
132229	Meter Shop Tablets - LGE	884.41
132018LGE	BRCT5 Inlet Coil Repl LGE 10	643.19
132129LGE	BCT5 LCI-HGC Repl 10 LGE	487,709.99
132265LGE	BRCT6 Rear Wall Repl LGE	555,408.00
117361	Accrued Labor - LGE	58,256.16
119902	Clear 12/04 A&G	(56,534.22)
BTM391	Beyond the Meter - Org 003910	(355.78)
CABLE341	Blanket cable for joint trench	(1,615.67)
ECAPRR340	CAP, REG, RECLOSERS 340	3,854.30
GME406	GAS MAIN EXT 406	(37,359.66)
L8-2010	STORM DAMAGE T-LINE LGE 2010	5,553.56
L9-2010	PRIORITY REPL T-LINES LGE 2010	198,230.92
LRSUB-10	LG&E Routine - Subs-10	62,586.29
LSMR414	Large Scale Main Replacements	2,346,945.19
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	457,389.00
MCAPRR340	MAINT CAP, REG, REC 340	4,861.28
NBCD340OH	NEW BUS COMM OH 340	107,880.27
NBCD340UG	NEW BUS COMM UG 340	474,271.85
NBCD341UG	NEW BUS COMM 341 UG	2,630.02
NBGS341	INSTALL GAS SVC-JOINT TRENCH	8,835.60
NBGS419	NEW BUS GAS SERV 419	137,305.44
NBGS421	NEW BUS GAS SERV 421	729.53
NBGS422	NBGS422	2,407.54
NBRD340OH	NEW BUS RES OH 340	89,497.43
NBRD340UG	NEW BUS RES UG	934.07
NBRD341UG	NEW BUS RESID UG 341	38,245.01
NBSB340OH	NEW BUS SUB OH 340	18,101.71
NBSB341UG	NEW BUS SUB 341 UG	158,348.48
NBSV340OH	NEW ELECTRIC SERVICES	76,254.59
NBSV340UG	NEW EL SERV UG	81,814.54
NBSV341UG	NEW BUS SERVICES 341 UG	1,597.89
NETVLT343	Network Vaults 003430	31,728.16
PBWK340OH	PUB WORKS RELOC OH	26,395.93
PBWK340UG	PUB WORKS RELOC UG 340	1,015.11

LGE 107001 Activity September 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
PBWK406G	PUB WORKS GAS 406	81,298.24
PMR414	Priority Main Replacement	469,246.23
RCST340	CUST REQ 340	(27,643.57)
RCST406G	Customer requested - Gas	8,546.35
RDCBL340	Replace Defective Cable 003400	32,239.41
RDD003065	Repair Defective Eqpt - 003065	2,739.32
RDDD340OH	REP DEF EQ OH 340	188,691.76
RDDD340UG	REP DEF EQ UG 340	81,779.36
RDDD345OH	POI	5,685.00
RDMV332	MERCURY BULB REPL PROJECT	27,841.98
RDPOLE340	Replace Defective Poles 340	79,927.93
RDSTLT332	REPAIR STREET LIGHTING	98,882.82
RELD01015	LGE GEN RELIABILITY	54,095.15
RELD340OH	OH Reliability 003400	59,493.04
RELD340UG	UG Reliability 003400	(1,092.95)
RNTPD340	REP THR PARTY DAM 340	(2,636.09)
RNTPD419	Repair Third Party Damages-419	18,561.18
RRCS419G	REP CO GAS SERV 419	241,906.17
RRCS421G	REM/REPL CO GAS SERVICE-421	1,933.47
STLT332OH	STREET LIGHT OVERHEAD	35,644.48
STLT332UG	STREET LIGHT UNDERGROUND	34,338.83
STRM03230	LGE Minor Storm Events	54,886.19
SYSEN406G	System enhancements - Gas	22,951.52
SYSENH340	SYS ENH EXIST CUST 340	(116,063.37)
TBRD340OH	Trouble OH 003400	257,446.36
TBRD340UG	Trouble UG 003400	57,841.78
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	23,369.37
XFRM340	TRANSFORMER LABOR 340	38,406.53
XFRM341	TRANSFORMER LABOR 341	5,709.44
		\$ 25,471,164.72

LGE 107001 Activity October 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 28,351.42
113270	LGE DIST LINE TRANSFORMERS	1,507,099.85
114268	Gas Regulator Replacements	244,760.58
117136	CR Landfill Vertical Expansion	326,782.95
117149	Trimble County 2	598,867.00
118209	Trimble 2 Transmission lge	89,786.65
120595	PURCHASE REGUL-RES/COMM	41,879.72
120596	FARM TAP REGULATOR UPGR	63,602.35
120730	TC Controls Upgrade 2006	24.40
121620	Cane Run - New Landfill	36,957.48
121683	TC Ash/Gypsum Ponds- LGE	736,345.61
121684	TC2 AQCS - LGE	(120,071.94)
121974	LGE Electric Meters & Installs	58,378.54
122512	MT 138kV Collins termination	223,898.14
122513	Middletown-Collins 138kV Line	78,174.63
122514	Collins 138/69kV 150MVA Trnsfr	432,444.21
122650	LGE Gas Meters	234,939.73
122821	CCS - Customer Service	(61.19)
122823	CCS - Technology	(352.23)
122891	MC1 345kv Isol Disconnects	21,840.71
122896	MC1 Primary Air Duct Insulatio	2,130.12
122908	MC "C" Coal Conv Structure	174,700.68
122959	MILL CREEK GAS MEASUREMENT	(14,308.60)
122975	EASTWOOD SUBSTATION	826,588.31
123039	MULD-DRILL 5 RECOVERY WELLS	436,034.80
123137	LG&E POLE INSPECTION	643,219.42
123220	LGE BRCT7 A/B Conversion 08	9,363.31
123345	CR Sump Pump Repl	194.95
123531	SL-LGE-Moisture Analyzer	37,629.40
123598	LGE-Gen Stator Bar Study	758,743.68
123795	Dist Eastwood West Tap	657.93
123835	*CHAMBERLAIN LANE HWY RELO	(1,578.10)
123837	MC2 FGD Refurbishment	2,273,137.38
123883	GS LGE Lrg Format Equip 2010	29,844.98
123896	MC2 Ash and Sump Piping	33,680.81
123897	MC3 Ash and Sump Piping	503.38
123946	MC3 Reheater Lower Loops	121,011.51
123966	GS LGE DQI Strat 2010	6,840.67
124034	MC3 EHC Upgrade	129,488.85
124043	MC Roofing - Bunker Rooms	50,850.00
124044	MC Roofing - MC2 Turbine Room	186,619.50
124045	MC Roofing - MC3 Turbine Room	110,941.86



LGE 107001 Activity October 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124049	MC3 DCS Hardware	2,660.39
124073	MC HVAC Air Handlers 2010	95.52
124081	MC Railroad Track 2010	83,291.76
124082	MC Railroad Track 2011	79,149.04
124355	CR6 Burner Corner Repl	734.78
124367	CR Stack Particulate Monitors	53,295.24
124479	TC PARTICULATE MONITOR	752.42
124502	TC COAL CONV BELT REPL C,F1,G2	15,567.16
124513	TC ROOF REPLACEMENTS	10,255.63
124515	TC FIRE HYDRANT UPGRADES	4,246.94
124572	TC CT LGE INSTAL GRD FALT PRT	17,143.58
124668	'09 MADISON SUB EXPANSION	800.04
124669	'09 OLD HENRY SUBSTA	238,385.25
124812	MULD REPAIR/REPLACE DEF EQUIP	(202.84)
124821	MULD STATION PIPING REPL	(2,202.37)
124830	2009 INST GATE VALVES ON WELLS	(11,600.00)
124831	2009 PLUG OR REPAIR WELLS	(808.29)
124839	PI ACT COMPLI RCVs	12,200.48
124847	UPGR GAS CONTROL SCADA SYS	140,163.66
124850	2009 REGULATOR RELIEF VALVES	4,595.68
124866	OLD HENRY CIRCUIT WORK	300,985.66
125010	ASC ROOF REPLACEMENT	1,024,052.48
125264	HW/SW Dev Tools 026510-LGE10	707.03
125268	HW/SW Dev Tools 026540-LGE10	442.87
125273	PR13 Blade and Vane Repl	3,841,436.02
125284	NetAdvan&V Studio LGE-10	18,864.53
125285	.NET WPF CLIENT FRAMEWORK-LGE	2,138.44
125286	Intrusion Prevention-LGE10	725.66
125287	IT Security Infrastruc-LGE10	20,761.14
125291	Gen Compl Infrs-LGE10	5,128.35
125294	IT Security Lab Enh-LGE10	6,703.19
125295	Access Switch Repl-LGE10	3,481.19
125296	Core Network Infrastruc-LGE10	4,110.91
125301	Router Upgrade Project-LGE10	435.22
125303	Wireless Buildout-LGE10	318.68
125305	Backup Capacity Exp-LGE10	29,614.61
125308	Cable-Server Connect-LGE10	1,942.29
125310	Server Hardware Refresh-LGE10	6,479.51
125314	Site Security Improve-LGE10	7,923.00
125316	Outside Cable Plant-LGE10	2,743.89
125317	Bulk Pwr & Env Systems-LGE10	4,549.22
125319	Microwave Shelter Renov-LGE10	4.24

LGE 107001 Activity October 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125321	Ntwk Acc Dev/Site Infr-LGE10	49,695.92
125322	Ntwk Tools/Test Equip-LGE10	5,368.96
125323	Phone Sys Capacity Exp-LGE10	586.39
125326	LG&E SCADA Radios-LGE10	17,811.98
125328	Eval Tools & Util-LGE10	45,741.52
125329	Monitor Replacement - LGE 10	4,899.74
125331	Tier C rot-desk/lap-LGE10	26,127.12
125336	Data Center Software-LGE10	787.51
125338	Louisville Electric Upg-LGE10	764.62
125339	Lou Racks & Furniture-LGE10	6.38
125345	Proj Mirror-DB tech-LGE10	33,015.39
125347	Proj Mirror-Sil Svc Lev-LGE10	126,412.57
125348	Impl Red Elec Sys-BOC DC-LGE10	90,902.92
125366	Data Protection-LGE11	35,465.66
125632	EMS Redundancy LGE	1,677.61
125636	PowerPlan Budgeting (LG&E %)	1,296.75
125643	Oracle IPM (LG&E %)	1,373.35
125665	PowerPlant Upgrade (LG&E %)	50,954.94
125850	DFR	10,763.98
126117	MC3 Pyrite Piping	35,214.64
126118	MC1 Boiler Lower Sidewall	274,755.78
126119	MC1 Final Superheater	161,511.22
126125	MC Horiz Serv Water Pump Hoist	31,716.87
126126	MC Roofing - MC4 Turbine Room	94,858.75
126127	MC Roofing - Tripper Room	25,425.00
126130	MC Freight Elevator Controls	42,804.89
126132	MC1 Hydrosteps	14,710.38
126133	MC2 Hydrosteps - 2012	15,297.11
126145	MC Yard Buildings Restoration	69,718.61
126149	MC Coal Hndlg Bldg Locker Room	175,687.69
126153	MC Mtl Handling Chutes 2012	236,710.75
126154	MC4 Ash and Sump Piping	103,335.51
126168	CR Switchgear Room A/C	6,792.43
126176	CR6-1 Boiler Feed Pump Repl	(5,829.45)
126181	Old Henry 138KV Tap	4,901.46
126233	E PERFORMANCE LGE	1,736.87
126239	TC Limestone Bull Gear Monit	13,393.82
126242	TC Limestone Conveyors	11,752.44
126339	HONEYWELL EXPERION SCADA	95,576.22
126350	MULD ELECTRIC MOTOR REPL	38,049.59
126370	MULD REFLUX COOL REFURB PUR#3	27,008.14
126371	MULD ENG #4 & #8 WATER PUMP	33,732.04

LGE 107001 Activity October 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126382	MULD 2010 REP/REPL DEF EQ	63,103.21
126384	MULD TURBINE PANEL UPGR	376,030.82
126385	DOIT GAS FAC INSPEC & SURVEYS	135,599.75
126386	DOIT GAS EMER MGMT SYSTEM	349,802.60
126389	DOIT ELEC FAC INSPEC & SURVEYS	49,809.96
126390	DOIT HARDWARE INFRASTRUCTURE	17,689.48
126391	DOIT IF - ONLINE OUTAGE MAPS	52,040.91
126392	DOIT MOBILE GIS ENHANCEMENTS	2,643.53
126394	DOIT MOBILE GIS ROUTING	91,370.17
126395	DOIT RELIABILITY RPTG DATABASE	9,618.29
126399	DOIT MOBILE INFRASTRUCTURE	90,841.71
126420	2010 INST CONTROL VALVES/WELLS	1,802.15
126421	2010 PLUG AND REPAIR WELLS	1,278.44
126422	2010 RELINE GAS STORAGE WELLS	225,772.13
126439	MAGN EMERGENCY EQ & REPAIRS	(48,366.21)
126440	MAGN FARM TAP UPGRADE	353,312.17
126441	MAG PURCHASE PLASTIC TANKS	3,339.80
126442	MAGN PURCHASE MISC EQUIP	19,182.63
126444	MULD STORAGE PIPELINE	5,158.36
126445	MULD TRANSMISSION LINE REPL	48,532.06
126448	2010 Dist. Wildlife Protection	7,513.32
126449	2010 Misc. Dist. Project	9,550.96
126450	2010 TC OIL FILTERS	2,216.33
126451	2010 M/E BKR REPLACEMENT	3,727.53
126452	2010 GE AUX SWITCHES	4,572.97
126459	2010 TOOLS & EQUIPMENT	6,510.00
126460	2010 DIST. SUB. BATTERIES	15,071.27
126463	2010 MISC NESC COMPLIANCE	26,213.73
126464	2010 TR MULSYFIRE SYSTEMS	13,079.50
126465	2010 SFC RELAY REPLACEMENT	431.33
126466	JEFFERSONTOWN SUB EXPANSION	629,737.74
126470	REMOTE CONTROL VALVES	24,400.92
126475	REPL BARDSTOWN RD EMER GEN	11,477.91
126477	UPGR ROTARY METERS AT IND FAC	26,041.74
126479	2010 RELIEF VALVE CAPACITY	1,193.35
126480	COMMERCIAL HP GAS SERVICE	19,648.42
126482	UPGRADE REGULATION FACILITIES	69,611.55
126486	2010 FT CUSTOMER CONVERSION	15,443.08
126585	TC Upgrade A Limestone Mill	816.82
126586	TC Upgrade B Limestone Mill	18,768.47
126587	TC CT HGPI LGE#1	112,476.12
126615	FAC IMPROVEMENTS-LGE 2011	123.66

LGE 107001 Activity October 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126616	FURNITURE/OFFICE EQP-LGE 2011	6,111.96
126617	GREEN INITIATIVES-LGE 2011	123,096.00
126618	CONTRACT MGMT EQUIP-LGE 2011	27,354.19
126619	SECURITY SYSTEM EQUIP-LGE 2011	25,989.76
126620	FACILITY EQUIP-ESC & SSC GEN	420.30
126634	DOIT POLE LOADING DESIGN	88,530.23
126647	GS-LGE-CEMS Shltr Rplt	6,440.19
126652	GS-LGE-Cyber Security	(4,336.78)
126653	GS-LGE-Satellite Phone	5,190.90
126655	Jeffersontown Circuit Work	365,067.46
126680	Config Mgr Infra Req-LGE10	1,440.51
126682	New OS Compatibility -LGE10	(100,044.60)
126684	Prod Software Upgrd-LGE10	240,015.76
126686	Microsoft License-LGE10	74,683.90
126690	Server Cap Expan & Rel-LGE10	13,644.87
126714	IT LGE IVR	138,322.38
126718	IT LGE RETAIL HARDWARE INFRA	3,908.58
126719	IT LGE TEXTING & CUST COMM	128,316.23
126734	Worthington Sub Expansion	619,139.85
126807	Batteries - LGE-2010	12,401.14
126810	Instrument Trsfmr Rplcmnt-LGE	2,046.20
126829	MuldraughToHlsclw MW Radio Lnk	121,023.02
126830	Replace MW Radio Northside	35,571.02
126911	Replace DC Roof - LGE12	164,188.33
127051	OF Main Breaker Lifting	7,991.79
127090	Ohio Falls Redev. #3	302,634.70
127091	Ohio Falls Redev. #4	302,634.70
127092	Ohio Falls Redev. #5	296,070.80
127095	Ohio Falls Redev. #8	311,796.21
127135	TC CCP LANDFILL PH1 RAV-LGE	4,477.57
127136	TC CCP RIVER FLY ASH BARGE-LGE	1,666.99
127175	'Work Mgmt/FRP software - LG&E	126,923.88
127201	Ohio Falls Redev. #1	302,634.70
127202	Ohio Falls Redev. #2	311,796.21
127205	Ohio Falls Redev. Common	4,278,418.91
127210	FIELDNET LUTL	20,161.01
127258	Third Party PAR	1,399.89
127265	TC2 CAPITAL SPARES - LGE	27,287.80
127268	HWY 933	(159,888.88)
127279	MC Reactant Feed Piping	17,577.18
127295	EW-6658 BKR UPGRADE	7,278.71
127343	Ops Engineering Wrkstation-LGE	72.59

LGE 107001 Activity October 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127345	PENILE CITY GATE ST REDESIGN	(960.65)
127381	PaddRun-XFMR-Rep	357,649.01
127389	MC1-MC2 Reactant Feed Piping	14,440.21
127393	Symrna Cap Bank	36,928.58
127397	LBR10-MC-Brkrs	32,882.08
127398	LBR10-FH69kVBusT	605.47
127399	LBR10-PRun-6636A	567.35
127411	LBR10-Aiken6650	8,275.94
127412	UPGR BEDFORD CG CEDAR LAKE	4,610.95
127428	CustSelfServ-First Release LGE	50,652.59
127442	EnergyEff CommAuditProj LGE	8,469.34
127445	TC Purchase Forklift	77,986.54
127455	MAGNOLIA TO PICCADILLY MODIF	508,595.56
127467	LDISCAP10	5,680.71
127473	WK BLUE & GREEN MODIFICATIONS	316,393.68
127483	LGE DETS ENHANCEMENTS	8,425.45
127490	2010 LGE Transformer Rewind #1	133,875.37
127526	CR Station Battery Repl	3,051.00
127540	Ener Eff -Operations Auto LGE	14,187.76
127542	Service Order Recon-LGE	2,747.53
127543	TC2 LGE Whse. Racks & Storage	3,195.27
127559	NBU NGCC CR	13,168.73
127565	CR Ammonia Analyzers	555.98
127566	CR Hydrazine Analyzers	238.76
127569	DMZ Servers - LG&E	1,652.88
127573	MC Gas Main	45,124.24
127584	MC 1D Coal Mill Gearbox	386,783.43
127594	MC1 Emergency Batteries	11,717.58
127607	MC Vacuum truck	9,764.00
127641	MC3 Burners	281,745.57
127649	MAGNOLIA UPGRADE STATION PLCs	159,099.73
127650	UPGR EFCs AT INDUSTRIAL METERS	108,309.30
127652	MULDRAUGH SHORING EQUIP	3,187.52
130000	REPLACE BOC CRAC UNIT-LGE	180,880.23
130012	CCS/TOE ENHANCE LGE10	16.36
130014	AVG HANDLE TIME LGE 10	24,654.34
130034	LGE Channel Bank Standard	1,436.67
130076	FIM Export to Excel (BCP)	18,760.50
130156	Ckt BR1181 Breckinridge Sub	45,606.87
130158	Ckt SM1233 Seminole Sub	17,630.19
130159	CktSP1116 South Park Sub	64,433.98
130160	Ckt SP1115 South Park Sub	32,944.64

LGE 107001 Activity October 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130161	Ckt WP1104 West Point Sub	95,992.27
130163	Ckt SV1122 Shepherdsville Sub	19,717.39
130164	CEMI LGE	10,061.75
130166	UPGRADE RTUs	34,811.63
130167	RISS Storage Upgrade-LGE	8,485.70
130170	TANDBERG MGMT SUITE-LGE	830.77
130176	RATECASE-STIPULATION AGREE-LGE	43,660.42
130223	SYS MONITOR-BLADELOGIC-LGE11	26,770.26
130478	Mill Creek LS Grinding Upgrade	114,893.45
130484	FINANCE DUNNING ENH-LGE10	8,638.33
130486	SRVC ORDR ENH-LGE13	39,092.49
130490	VENTYX MOBILE UPGRD-LGE10	25,087.05
130506	ecoAsset Software - LGE	294.27
130551	Purchase Sub Aerial Lift Truck	74,218.81
130552	Purchase Crane Truck AC 15-70B	129,714.14
130554	Purchase Forklift SCM LGE	30,154.38
130570	BUSINESS OBJECTS IMPL-LGE10	18,248.10
130601	METER READING ENH - LGE13	17,432.55
130622	TIP TOP (Ft. Knox) RECONDCTR	678,452.13
130720	MC1 Economizer Line Insulation	18,551.59
130888	RATE COMPARE - LGE10	6,047.34
130889	Drafting Equip - LGE	34,637.67
130920	Spare GSU Trans	6,121.82
131220	OF UPS System	67,768.38
131222	PR12 GT Control Upgrade	259,006.48
131225	LGE Substation Equipment Prch	1,239,656.61
131284	Waterside West Improvements	27,662.49
131285	Tip Top Substation project	3,611.03
131296	Voltage Regulating Relay Upg	281.55
131300	Purchase Thumper Tool	21,511.77
131309	LGE Sub Bldg & Grounds	2,380.80
131320	LGE Rplc Fire Det Thermos	6,074.31
131326	LGE Portable Mnt-GF Lctr	7,861.98
131377	CALVARY LINE REPL B'TOWN CG	52,713.37
131475	CR4 Stack Elevator Repl	(0.62)
131642	Homeland Security Vault	149,068.96
131661	CR6 Stack Elevator Repl	(0.62)
131693	Envir Compliance Study-Air-LGE	99,276.46
131700	REPL TUBING BUNDLE PURIF#1	35,552.63
131725	2010 LGE Transformer Rewind #2	187,498.99
131739	2010 LGE Transformer rewind #3	835,217.46
131743	MULDRAUGH FACILITY	(198.31)

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<u>Project</u>	<u>Description</u>	<u>Amount</u>
131746	MAGNOLIA BLDG CONSTRUCTION	135,751.94
131867	MC Coal Handling Lift Station	31,633.66
131960	WinIGS Software - LGE	10,303.20
132041	MULTIFUNCTIONAL DEVICES LGE	220,790.51
132077	MC Coal Conv Belts "A" & "B"	67,715.04
132078	2010 UPGR ROTARY METERS	2,940.08
132079	CR Thermal Imaging Camera	8,742.27
132080	CR PHD Backup Server	23,075.45
132089	ET-Brkr-Replc	692.48
132117	Thermography cameras	24,737.15
132123	MT WASHINGTON SCHOOL RELOC	173,474.94
132125	FTP Product - LGE	19,057.95
132128	MC Boom Mower Tractor	103,355.17
132142	MC Coal Handling Skid Loader	13,542.64
132146	2010 SC&M Crew Trucks	112,868.01
132153	CENTER MODIFICATIONS	239,057.29
132174	STORAGE VIRTUALIZATION-LGE10	500,821.48
132177	DNS/DHCP MANAGEMENT-LGE10	368.14
132180	IPS REPLACEMENT - LGE	42,457.90
132190	2010 DCC Cyber Control Area	21,493.76
132194	South Park 1116 Addition	87,638.88
132195	SERVICE SUITE ENHANCEMENTS-LGE	24,803.83
132205	CSS LGE Vehicles	5,181.71
132206	CSS LGE Major Equip	128,405.22
132209	EMS Digital Comm Channels LGE	12,341.00
132224	MC2 Clg Tower Pit Fire Prot	57,422.23
132228	CR Forklift 2010	19,237.28
132229	Meter Shop Tablets - LGE	69,059.45
132234	WK YELLOW @HWY44 CUTOUT	89,256.14
132235	WK YELLOW LINE REPL 4 ELLS	62,079.66
132236	CALVARY LINE @ GENTRY LN REP	47,001.85
132246	ORACLE LICENSES - LGE10	780,855.73
132283	SCALES TRANSPORT LGE	43,344.70
132287	VCS GATEWAY&CONTROLLER LGE	26,445.93
132291	MC2 Cooling Tower VFDs	5,967.12
132316	CR C2 Coal Conveyor Belt	23,226.08
132317	2010 URD MV Cable Reju Eval	32,707.74
132340	MC 1C Feeder Bunker Valve	11,282.32
126157LGE	PC Base Data Aquisition	4,198.75
126642LGE	GS Structures Model Sftwr	2,500.00
130097LGE	BOC Office Equipment-LGE	3,260.56
131444LGE	TC E-CONVEYOR VFD	40.48

LGE 107001 Activity October 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131482LGE	TC INSTALL CH AIR COMP	860.68
131485LGE	TC LGE BACKHOE	27,353.04
131487LGE	TC REPLACE 12KV CP SWITCHGEARS	54,152.70
132018LGE	BRCT5 Inlet Coil Repl LGE 10	82,097.24
132106LGE	TC LR EXCAVATOR	104,200.65
132129LGE	BCT5 LCI-HGC Repl 10 LGE	1,197,928.40
132265LGE	BRCT6 Rear Wall Repl LGE	(26,143.78)
132335LGE	TC C DECK CRANE LGE	49,618.88
117361	Accrued Labor - LGE	(58,256.16)
119902	Clear 12/04 A&G	2,153,792.17
CABLE341	Blanket cable for joint trench	40,008.35
ECAPRR340	CAP, REG, RECLOSERS 340	9,931.06
GME406	GAS MAIN EXT 406	106,078.41
L6-2009	NEW FACILITIES T-LINE LGE 2009	2,129.31
L8-2010	STORM DAMAGE T-LINE LGE 2010	2,638.08
L9-2010	PRIORITY REPL T-LINES LGE 2010	306,418.92
LBR-10	LGE Breakers	1,125.77
LCI-10	LBE Capacitor Installations10	108.76
LRSUB-10	LG&E Routine - Subs-10	(48,148.30)
LSMR414	Large Scale Main Replacements	600,236.75
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	(152,143.84)
MCAPRR340	MAINT CAP, REG, REC 340	5,973.36
NBCD340OH	NEW BUS COMM OH 340	116,806.03
NBCD340UG	NEW BUS COMM UG 340	443,131.06
NBCD341UG	NEW BUS COMM 341 UG	14,908.87
NBGS341	INSTALL GAS SVC-JOINT TRENCH	10,229.21
NBGS419	NEW BUS GAS SERV 419	165,423.80
NBGS421	NEW BUS GAS SERV 421	1,241.78
NBGS422	NBGS422	1,387.49
NBRD340OH	NEW BUS RES OH 340	78,921.10
NBRD340UG	NEW BUS RES UG	27,483.49
NBRD341UG	NEW BUS RESID UG 341	(5,362.62)
NBSB340OH	NEW BUS SUB OH 340	5,463.57
NBSB341UG	NEW BUS SUB 341 UG	204,608.77
NBSV340OH	NEW ELECTRIC SERVICES	63,786.74
NBSV340UG	NEW EL SERV UG	38,765.57
NBSV341UG	NEW BUS SERVICES 341 UG	255.83
NETVLT343	Network Vaults 003430	134,548.32
PBWK340OH	PUB WORKS RELOC OH	17,174.01
PBWK406G	PUB WORKS GAS 406	3,622.30
PMR414	Priority Main Replacement	373,753.13
RCST340	CUST REQ 340	204,871.67



LGE 107001 Activity October 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RCST406G	Customer requested - Gas	(121,370.20)
RDCBL340	Replace Defective Cable 003400	207,184.78
RDD003065	Repair Defective Eqpt - 003065	13,261.59
RDD003190	Repair Defective Eqpt - 003190	18,546.18
RDDD340OH	REP DEF EQ OH 340	242,619.48
RDDD340UG	REP DEF EQ UG 340	178,120.62
RDDD345OH	POI	(17,055.00)
RDMV332	MERCURY BULB REPL PROJECT	33,002.80
RDPOLE340	Replace Defective Poles 340	(14,024.72)
RDSTLT332	REPAIR STREET LIGHTING	169,201.90
RDSTLT340	REP DEF ST LIGHTS 340	337.91
RELD01015	LGE GEN RELIABILITY	154,689.96
RELD340OH	OH Reliability 003400	272,151.46
RELD340UG	UG Reliability 003400	(1,137.00)
RNTPD340	REP THR PARTY DAM 340	91,963.45
RNTPD419	Repair Third Party Damages-419	10,429.93
RRCS419G	REP CO GAS SERV 419	204,608.63
RRCS421G	REM/REPL CO GAS SERVICE-421	4,915.30
STLT332OH	STREET LIGHT OVERHEAD	71,901.68
STLT332UG	STREET LIGHT UNDERGROUND	113,910.31
STRM03230	LGE Minor Storm Events	51,255.39
SYSEN406G	System enhancements - Gas	108,254.69
SYSENH340	SYS ENH EXIST CUST 340	(681.93)
TBRD340OH	Trouble OH 003400	204,370.68
TBRD340UG	Trouble UG 003400	79,351.79
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	37,948.35
TLEQ340	TOOLS AND EQ 340	853.10
XFRM340	TRANSFORMER LABOR 340	7,593.22
XFRM341	TRANSFORMER LABOR 341	19,603.49
		\$ 48,715,927.96

LGE 107001 Activity November 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112491	Gas Meters-LGE	\$ 3,758.26
112767	MC Landfill Expansion	3,705.19
113270	LGE DIST LINE TRANSFORMERS	637,175.55
114268	Gas Regulator Replacements	327,637.52
117136	CR Landfill Vertical Expansion	45,982.25
117149	Trimble County 2	(987,492.43)
118209	Trimble 2 Transmission lge	(361,334.48)
120595	PURCHASE REGUL-RES/COMM	10,055.08
120596	FARM TAP REGULATOR UPGR	22,807.86
120730	TC Controls Upgrade 2006	14,360.06
121620	Cane Run - New Landfill	171,663.49
121683	TC Ash/Gypsum Ponds- LGE	1,528,509.33
121684	TC2 AQCS - LGE	(381,037.87)
121974	LGE Electric Meters & Installs	42,148.26
122512	MT 138kV Collins termination	32,997.12
122513	Middletown-Collins 138kV Line	61,125.75
122514	Collins 138/69kV 150MVA Trnsfr	454,238.92
122650	LGE Gas Meters	133,417.02
122891	MC1 345kv Isol Disconnects	122,555.18
122896	MC1 Primary Air Duct Insulatio	114,921.99
122908	MC "C" Coal Conv Structure	191.11
122975	EASTWOOD SUBSTATION	49,220.32
123039	MULD-DRILL 5 RECOVERY WELLS	645,560.93
123137	LG&E POLE INSPECTION	393,852.64
123696	Dist Conestoga 69kV Tap	5,775.97
123795	Dist Eastwood West Tap	2,084.55
123896	MC2 Ash and Sump Piping	2,634.53
123946	MC3 Reheater Lower Loops	605,057.54
123966	GS LGE DQI Strat 2010	21,338.31
124016	CR6 Reheat Pendant Repl	13,432.03
124029	MC Safety Equipment 2010	18,157.54
124032	MC Lab TGA 601 for Gypsum	73,678.46
124034	MC3 EHC Upgrade	325,338.92
124043	MC Roofing - Bunker Rooms	103,734.00
124045	MC Roofing - MC3 Turbine Room	825.59
124049	MC3 DCS Hardware	11,310.91
124052	MC4 SCR Catalyst 2010	105,768.00
124068	MC2 Condenser Tubing	431,208.00
124073	MC HVAC Air Handlers 2010	223,834.95
124074	MC HVAC Air Handlers 2012	157,790.75
124081	MC Railroad Track 2010	50,237.77
124367	CR Stack Particulate Monitors	16,428.14

LGE 107001 Activity November 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124368	CR Hardware Refresh	40,496.50
124410	PR13 GT Control Upgrade	49,877.47
124500	TC1 ECON HOPPER INSULATION	82,382.07
124501	TC YARD BATT/CHARGER REPL	19,448.39
124502	TC COAL CONV BELT REPL C,F1,G2	431.53
124503	TC ELEVATOR CONTROLS UPGRADE	14,910.79
124509	TC LAB MONITORS PURCHASE	(7,627.50)
124510	TC SAFETY/ERT EQUIPMENT	390.79
124515	TC FIRE HYDRANT UPGRADES	(1,906.03)
124528	TC CONTROL BAT/CHARGER REPL	13,268.18
124542	TC PREDICTIVE MAINT DEVICE	32,915.30
124572	TC CT LGE INSTAL GRD FALT PRT	4,968.89
124668	'09 MADISON SUB EXPANSION	33,564.59
124669	'09 OLD HENRY SUBSTA	29,405.74
124793	MAGN GRND WATER PROT	(6,675.00)
124815	MULD H2S SENSORS	(912.43)
124827	MULD TRANSMISSION R/R DEF EQ	(5,707.81)
124830	2009 INST GATE VALVES ON WELLS	(1,461.60)
124833	2009 RELINE GAS STORAGE WELLS	(42,791.05)
124834	CORROSION WORK SERV LINE REPL	1,391.69
124839	PI ACT COMPLI RCVs	9,883.65
124847	UPGR GAS CONTROL SCADA SYS	17,877.81
124850	2009 REGULATOR RELIEF VALVES	41.54
124866	OLD HENRY CIRCUIT WORK	198,503.58
125010	ASC ROOF REPLACEMENT	229,466.06
125267	HW/SW Dev Tools 026580-LGE10	17,022.45
125268	HW/SW Dev Tools 026540-LGE10	2,369.13
125271	MC3 SO3	24,935.15
125273	PR13 Blade and Vane Repl	248,722.94
125285	.NET WPF CLIENT FRAMEWORK-LGE	3,304.86
125286	Intrusion Prevention-LGE10	1,043.98
125287	IT Security Infrastruc-LGE10	1,398.84
125291	Gen Compl Infrac-LGE10	17,032.11
125295	Access Switch Repl-LGE10	5,615.63
125297	Data Networks Test Tools-LGE10	4,453.76
125300	Network Management-LGE10	4,868.28
125301	Router Upgrade Project-LGE10	14,664.57
125303	Wireless Buildout-LGE10	1,604.10
125305	Backup Capacity Exp-LGE10	1,623.29
125308	Cable-Server Connect-LGE10	929.96
125310	Server Hardware Refresh-LGE10	528.45
125317	Bulk Pwr & Env Systems-LGE10	4,170.90

LGE 107001 Activity November 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125322	Ntwk Tools/Test Equip-LGE10	3,735.74
125323	Phone Sys Capacity Exp-LGE10	886.76
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	332.91
125326	LG&E SCADA Radios-LGE10	27,463.93
125328	Eval Tools & Util-LGE10	19,014.31
125331	Tier C rot-desk/lap-LGE10	109,792.11
125336	Data Center Software-LGE10	47.25
125338	Louisville Electric Upg-LGE10	6,239.51
125339	Lou Racks & Furniture-LGE10	1,674.67
125340	Simpson Electric Upg-LGE10	18,867.07
125347	Proj Mirror-Sil Svc Lev-LGE10	9,538.47
125348	Impl Red Elec Sys-BOC DC-LGE10	228,555.79
125366	Data Protection-LGE11	2,127.94
125427	Server Hardware Refresh-LGE11	32,841.35
125620	10 EMS Servers & OUG - LGE	42,684.19
125643	Oracle IPM (LG&E %)	1,350.62
125665	PowerPlant Upgrade (LG&E %)	(4,020.14)
125850	DFR	6,830.37
125890	MADISON CIRCUIT WORK	25,353.52
126117	MC3 Pyrite Piping	9,690.66
126118	MC1 Boiler Lower Sidewall	594,935.59
126119	MC1 Final Superheater	615,054.65
126125	MC Horiz Serv Water Pump Hoist	1,869.58
126126	MC Roofing - MC4 Turbine Room	305.10
126127	MC Roofing - Tripper Room	10,170.00
126130	MC Freight Elevator Controls	82,067.83
126131	MC2 Pass Elevator Controls	22,316.10
126132	MC1 Hydrosteps	58,092.23
126133	MC2 Hydrosteps - 2012	58,347.95
126139	MC3 Cooling Tower Fan VFDs	0.19
126145	MC Yard Buildings Restoration	37,100.80
126149	MC Coal Hndlg Bldg Locker Room	9,321.22
126153	MC Mtl Handling Chutes 2012	4,884.51
126154	MC4 Ash and Sump Piping	65,373.10
126168	CR Switchgear Room A/C	12,703.75
126169	CR Remote Site Cameras	49,692.66
126181	Old Henry 138KV Tap	919.08
126239	TC Limestone Bull Gear Monit	(2,207.23)
126242	TC Limestone Conveyors	20,735.73
126246	TC Generator Core Monitor	48,506.74
126340	MAGNOLIA 2010 FACIL IMPR	30,210.55
126350	MULD ELECTRIC MOTOR REPL	12,999.78

LGE 107001 Activity November 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126371	MULD ENG #4 & #8 WATER PUMP	60,075.91
126382	MULD 2010 REP/REPL DEF EQ	4,012.31
126384	MULD TURBINE PANEL UPGR	21,412.60
126385	DOIT GAS FAC INSPEC & SURVEYS	(128,678.65)
126386	DOIT GAS EMER MGMT SYSTEM	280,877.79
126388	DOIT CARRY OVER PROJECTS	500.00
126389	DOIT ELEC FAC INSPEC & SURVEYS	1,546.32
126390	DOIT HARDWARE INFRASTRUCTURE	53,532.42
126391	DOIT IF - ONLINE OUTAGE MAPS	2,838.57
126392	DOIT MOBILE GIS ENHANCEMENTS	(193.53)
126394	DOIT MOBILE GIS ROUTING	65,650.00
126395	DOIT RELIABILITY RPTG DATABASE	6,854.97
126397	DOIT SMLWRLD GIS UPGRD ENHNC	9,575.00
126399	DOIT MOBILE INFRASTRUCTURE	7,062.84
126420	2010 INST CONTROL VALVES/WELLS	1,209.12
126421	2010 PLUG AND REPAIR WELLS	5,906.08
126422	2010 RELINE GAS STORAGE WELLS	129,659.78
126439	MAGN EMERGENCY EQ & REPAIRS	75,303.27
126440	MAGN FARM TAP UPGRADE	371,536.58
126444	MULD STORAGE PIPELINE	(2,882.36)
126445	MULD TRANSMISSION LINE REPL	3,029.36
126448	2010 Dist. Wildlife Protection	5,426.23
126449	2010 Misc. Dist. Project	17,813.47
126450	2010 TC OIL FILTERS	2,960.71
126451	2010 M/E BKR REPLACEMENT	3,783.25
126452	2010 GE AUX SWITCHES	11,435.49
126455	2010 BUILDINGS & GROUNDS	24,907.12
126460	2010 DIST. SUB. BATTERIES	5,399.74
126464	2010 TR MULSYFIRE SYSTEMS	1,373.91
126465	2010 SFC RELAY REPLACEMENT	2,726.57
126466	JEFFERSONTOWN SUB EXPANSION	40,963.35
126470	REMOTE CONTROL VALVES	14,014.39
126477	UPGR ROTARY METERS AT IND FAC	18,735.00
126479	2010 RELIEF VALVE CAPACITY	5,377.63
126480	COMMERCIAL HP GAS SERVICE	7,871.59
126482	UPGRADE REGULATION FACILITIES	29,810.47
126486	2010 FT CUSTOMER CONVERSION	(17,312.18)
126587	TC CT HGPI LGE#1	194,137.58
126615	FAC IMPROVEMENTS-LGE 2011	4,147.12
126616	FURNITURE/OFFICE EQP-LGE 2011	3,231.94
126617	GREEN INITIATIVES-LGE 2011	2,990.03
126618	CONTRACT MGMT EQUIP-LGE 2011	42,898.20

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<u>Project</u>	<u>Description</u>	<u>Amount</u>
126619	SECURITY SYSTEM EQUIP-LGE 2011	2,982.06
126620	FACILITY EQUIP-ESC & SSC GEN	528.02
126634	DOIT POLE LOADING DESIGN	(15,271.00)
126647	GS-LGE-CEMS Shltr Rplt	2,154.00
126652	GS-LGE-Cyber Security	118,674.48
126653	GS-LGE-Satellite Phone	30,454.14
126655	Jeffersontown Circuit Work	225,011.72
126680	Config Mgr Infra Req-LGE10	8,782.73
126682	New OS Compatibility -LGE10	2,653.76
126684	Prod Software Upgrd-LGE10	4,177.55
126686	Microsoft License-LGE10	4,481.03
126714	IT LGE IVR	107,305.42
126718	IT LGE RETAIL HARDWARE INFRA	277.02
126719	IT LGE TEXTING & CUST COMM	(20,947.65)
126734	Worthington Sub Expansion	(7,771.39)
126810	Instrument Trsfrmr Rplcmnt-LGE	2,437.01
126829	MuldraughToHlsclw MW Radio Lnk	22,840.87
126830	Replace MW Radio Northside	6,101.17
126911	Replace DC Roof - LGE12	168.94
127055	OF Trash Racks	386,582.84
127090	Ohio Falls Redev. #3	1,664,000.00
127091	Ohio Falls Redev. #4	1,664,000.00
127092	Ohio Falls Redev. #5	409,833.20
127095	Ohio Falls Redev. #8	1,664,000.00
127135	TC CCP LANDFILL PHI RAV-LGE	4,251.46
127136	TC CCP RIVER FLY ASH BARGE-LGE	911.63
127175	'Work Mgmt/FRP software - LG&E	182,190.02
127201	Ohio Falls Redev. #1	1,664,000.00
127202	Ohio Falls Redev. #2	1,664,000.00
127205	Ohio Falls Redev. Common	(8,474,192.28)
127209	Replace 12" Line at Center	1,250.44
127210	FIELDNET LUTL	68,681.46
127258	Third Party PAR	17,766.96
127265	TC2 CAPITAL SPARES - LGE	92,747.32
127268	HWY 933	858.04
127279	MC Reactant Feed Piping	1,116.81
127291	345kV-BKR RET-TC	965.68
127295	EW-6658 BKR UPGRADE	2,506.56
127376	ETARIFF LGE 2010	15,540.00
127381	PaddRun-XFMR-Rep	742,700.60
127389	MC1-MC2 Reactant Feed Piping	2,429.23
127393	Symrna Cap Bank	16,553.76

LGE 107001 Activity November 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127397	LBR10-MC-Brkrs	9,020.05
127402	MC1 FGD Expansion Joints 2010	30,346.98
127411	LBR10-Aiken6650	16,030.03
127413	TWIN FALLS RIVERCREST REG FAC	2,959.45
127428	CustSelfServ-First Release LGE	11,269.34
127430	SAP-ParallelTest&QAEnvironLGE	34,821.93
127442	EnergyEff CommAuditProj LGE	5,305.07
127455	MAGNOLIA TO PICCADILLY MODIF	46,892.21
127467	LDISCAP10	9,960.24
127473	WK BLUE & GREEN MODIFICATIONS	247,667.22
127483	LGE DETS ENHANCEMENTS	2,431.24
127494	PowerSimm - LGE	155.35
127540	Ener Eff -Operations Auto LGE	15,885.59
127542	Service Order Recon-LGE	4,523.05
127559	NBU NGCC CR	35,298.22
127573	MC Gas Main	(5,821.27)
127584	MC 1D Coal Mill Gearbox	46,206.25
127594	MC1 Emergency Batteries	5,998.76
127607	MC Vacuum truck	267,852.40
127641	MC3 Burners	551,772.72
127649	MAGNOLIA UPGRADE STATION PLCs	24,581.37
127652	MULDRAUGH SHORING EQUIP	42,686.57
130000	REPLACE BOC CRAC UNIT-LGE	11,797.89
130014	AVG HANDLE TIME LGE 10	14,626.48
130020	Emergency Generator Doe Run	18,267.04
130034	LGE Channel Bank Standard	852.31
130076	FIM Export to Excel (BCP)	(18,760.50)
130156	Ckt BR1181 Breckinridge Sub	51,292.81
130158	Ckt SM1233 Seminole Sub	816.35
130159	CktSP1116 South Park Sub	12,653.24
130160	Ckt SP1115 South Park Sub	15,895.01
130161	Ckt WP1104 West Point Sub	(15,825.82)
130162	Ckt HB1147 Hurstbourne Sub	207.12
130163	Ckt SV1122 Shepherdsville Sub	11,268.58
130164	CEMI LGE	7,351.64
130167	RISS Storage Upgrade-LGE	0.01
130478	Mill Creek LS Grinding Upgrade	1,764,713.48
130484	FINANCE DUNNING ENH-LGE10	16,457.57
130486	SRVC ORDR ENH-LGE13	13,388.11
130488	BILLING ENHANCEMENTS - LGE10	1,733.61
130490	VENTYX MOBILE UPGRD-LGE10	5,570.74
130506	ecoAsset Software - LGE	800.00

LGE 107001 Activity November 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130547	Purchase Sub HD Truck F-550	74,218.81
130548	Purchase Sub HD Truck F-650	120,495.85
130551	Purchase Sub Aerial Lift Truck	(74,218.81)
130552	Purchase Crane Truck AC 15-70B	(129,714.14)
130554	Purchase Forklift SCM LGE	1,169.98
130570	BUSINESS OBJECTS IMPL-LGE10	35,810.49
130601	METER READING ENH - LGE13	39,188.35
130622	TIP TOP (Ft. Knox) RECONDCTR	143,847.25
130720	MC1 Economizer Line Insulation	38,754.08
130888	RATE COMPARE - LGE10	11,083.66
130889	Drafting Equip - LGE	(431.94)
130920	Spare GSU Trans	272,528.71
131220	OF UPS System	(8,800.11)
131222	PR12 GT Control Upgrade	77,979.07
131225	LGE Substation Equipment Prch	1,651.05
131256	34KV regs on TT3311	69,915.69
131284	Waterside West Improvements	7,731.79
131285	Tip Top Substation project	129,304.79
131287	Network Protector Relays	513,006.52
131300	Purchase Thumper Tool	56,625.43
131309	LGE Sub Bldg & Grounds	561.65
131320	LGE Rplc Fire Det Thermos	29.73
131324	LGE Breaker Condition Monitors	20,433.91
131377	CALVARY LINE REPL B'TOWN CG	475,876.32
131475	CR4 Stack Elevator Repl	82,281.40
131642	Homeland Security Vault	49,237.38
131661	CR6 Stack Elevator Repl	54,854.95
131693	Envir Compliance Study-Air-LGE	(22,761.61)
131700	REPL TUBING BUNDLE PURIF#1	108,692.61
131739	2010 LGE Transformer rewind #3	9,945.25
131740	CR Backflow Preventer	26,138.46
131741	CR North Bin Vent Baghouse	59,183.30
131742	CR Deionization Bottle Repl	14,156.64
131746	MAGNOLIA BLDG CONSTRUCTION	143,009.65
132017	MC GPP "E" Vacuum Tank	27,683.55
132041	MULTIFUNCTIONAL DEVICES LGE	384,884.52
132080	CR PHD Backup Server	651.92
132128	MC Boom Mower Tractor	2,084.08
132153	CENTER MODIFICATIONS	118,893.69
132174	STORAGE VIRTUALIZATION-LGE10	(348.08)
132177	DNS/DHCP MANAGEMENT-LGE10	37,167.38
132186	UNIX/LINUX PATCH,MGT,AUDIT-LGE	32,426.43



LGE 107001 Activity November 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132189	LG&E PSRT Radios 2010	101,269.60
132190	2010 DCC Cyber Control Area	4,088.12
132194	South Park 1116 Addition	20,726.86
132195	SERVICE SUITE ENHANCEMENTS-LGE	5,439.81
132198	PERFORMANCE SUITE RPTING-LGE	47,387.77
132206	CSS LGE Major Equip	22,355.41
132209	EMS Digital Comm Channels LGE	21,107.95
132223	MC3 Online DGA Monitor	69,342.57
132224	MC2 Clg Tower Pit Fire Prot	0.37
132229	Meter Shop Tablets - LGE	2,456.88
132234	WK YELLOW @HWY44 CUTOUT	8,570.17
132235	WK YELLOW LINE REPL 4 ELLS	11,346.00
132236	CALVARY LINE @ GENTRY LN REP	5,207.44
132270	CR H Coal Conveyor Belt	21,361.92
132283	SCALES TRANSPORT LGE	3,209.11
132291	MC2 Cooling Tower VFDs	182,667.84
132298	MC 1&2 Bunker Room Roof	48,816.00
132300	EMS Firewalls LGE	12,326.76
132317	2010 URD MV Cable Reju Eval	15,702.88
132323	Performance Mgmt Project-LGE	383,120.96
132340	MC 1C Feeder Bunker Valve	704.37
132351	SAP License Software - LGE 11	1,900,157.59
132361	MC Lab Vehicle 2010	11,938.57
132362	MC Engineering Vehicle 2010	12,024.81
132404	TC MISC ENG HWELL PUMP RW	37,989.45
132429	MC EDG Analyzer	27,249.48
132431	MC Utility Truck 2010	14,773.76
132451	MC Office Vehicle 2010	26,384.04
126157LGE	PC Base Data Aquistion	5,119.90
126641LGE	GS Dam Model Software	7,364.00
126642LGE	GS Structures Model Sftwr	(2,500.00)
131444LGE	TC E-CONVEYOR VFD	49,953.99
131477LGE	TC LGE WATER TRUCK	23,463.80
131482LGE	TC INSTALL CH AIR COMP	691.00
131487LGE	TC REPLACE 12KV CP SWITCHGEARS	11,871.71
131493LGE	TC CT LGE HMI UPGRADE	49,239.92
132018LGE	BRCT5 Inlet Coil Repl LGE 10	(3,375.56)
132103LGE	TC D9T DOZER - 1	297,075.87
132129LGE	BCT5 LCI-HGC Repl 10 LGE	20,116.18
132379LGE	TC DUMP TRUCK LGE	45,129.57
119902	Clear 12/04 A&G	(2,046,895.08)
CABLE341	Blanket cable for joint trench	(4,238.14)

LGE 107001 Activity November 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
ECAPRR340	CAP, REG, RECLOSERS 340	337.69
GME406	GAS MAIN EXT 406	73,971.58
L5-2009	RELOCATIONS T LINES LGE 2009	143.30
L8-2009	STORM DAMAGE T-LINE LGE 2009	(13.34)
L9-2009	PRIORITY REPL T-LINES LGE 2009	(229.42)
L9-2010	PRIORITY REPL T-LINES LGE 2010	111,832.07
LBR-10	LGE Breakers	568,459.83
LRSUB-09	Routine Sub Capital09- LGE	2,590.80
LRSUB-10	LG&E Routine - Subs-10	25,988.90
LSMR414	Large Scale Main Replacements	1,540,387.47
MCAPRR340	MAINT CAP, REG, REC 340	3,511.77
NBCD340OH	NEW BUS COMM OH 340	92,914.67
NBCD340UG	NEW BUS COMM UG 340	169,492.98
NBCD341UG	NEW BUS COMM 341 UG	3,793.75
NBGS341	INSTALL GAS SVC-JOINT TRENCH	(2,389.84)
NBGS419	NEW BUS GAS SERV 419	169,888.00
NBGS422	NBGS422	4,213.68
NBRD340OH	NEW BUS RES OH 340	52,772.31
NBRD340UG	NEW BUS RES UG	807.26
NBRD341UG	NEW BUS RESID UG 341	44,266.78
NBRD344UG	New Bus. Resid. UG 003440	0.01
NBSB340OH	NEW BUS SUB OH 340	2,038.94
NBSB341UG	NEW BUS SUB 341 UG	60,733.33
NBSV340OH	NEW ELECTRIC SERVICES	59,023.12
NBSV340UG	NEW EL SERV UG	43,453.11
NBSV341UG	NEW BUS SERVICES 341 UG	147.69
NETVLT343	Network Vaults 003430	65,754.09
PBWK340OH	PUB WORKS RELOC OH	(5,916.55)
PBWK406G	PUB WORKS GAS 406	25,709.83
PMR414	Priority Main Replacement	434,014.38
RCST340	CUST REQ 340	(134,553.67)
RCST406G	Customer requested - Gas	(22,251.24)
RDCBL340	Replace Defective Cable 003400	(34,461.14)
RDD003190	Repair Defective Eqpt - 003190	(8,254.23)
RDDD340OH	REP DEF EQ OH 340	306,546.40
RDDD340UG	REP DEF EQ UG 340	(25,822.17)
RDDD345OH	POI	14,098.26
RDMV332	MERCURY BULB REPL PROJECT	15,651.73
RDPOLE340	Replace Defective Poles 340	158,529.11
RDSTLT332	REPAIR STREET LIGHTING	252,040.97
RELD01015	LGE GEN RELIABILITY	98,049.76
RELD340OH	OH Reliability 003400	(5,704.43)

LGE 107001 Activity November 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RELD340UG	UG Reliability 003400	3,411.00
RNTPD340	REP THR PARTY DAM 340	41,057.61
RNTPD419	Repair Third Party Damages-419	7,145.32
RRCS419G	REP CO GAS SERV 419	135,865.02
STLT332OH	STREET LIGHT OVERHEAD	48,086.09
STLT332UG	STREET LIGHT UNDERGROUND	49,008.22
STRM03230	LGE Minor Storm Events	6,690.63
SYSEN406G	System enhancements - Gas	2,436.70
SYSENH340	SYS ENH EXIST CUST 340	32,556.80
TBRD340OH	Trouble OH 003400	183,321.05
TBRD340UG	Trouble UG 003400	(16,059.56)
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	59,443.21
TLEQ340	TOOLS AND EQ 340	(26,013.14)
TLEQ447	TOOLS AND EQUIP 447	2,625.13
XFRM340	TRANSFORMER LABOR 340	10,940.97
XFRM341	TRANSFORMER LABOR 341	(2,872.74)

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\$ 24,770,878.69

LGE 107001 Activity December 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 1,885.77
113270	LGE DIST LINE TRANSFORMERS	59,576.31
114268	Gas Regulator Replacements	331,091.78
117136	CR Landfill Vertical Expansion	42,723.15
117149	Trimble County 2	401,662.06
118209	Trimble 2 Transmission lge	118,203.37
118349	OHIO FALLS REDEVELOPMENT 2004	(4,695,065.94)
120595	PURCHASE REGUL-RES/COMM	84.52
120596	FARM TAP REGULATOR UPGR	23,819.07
120730	TC Controls Upgrade 2006	189,555.97
120754	Misc. A/R Uncollect - LGE Cap	(3,984.05)
121620	Cane Run - New Landfill	166,310.69
121683	TC Ash/Gypsum Ponds- LGE	108,933.85
121684	TC2 AQCS - LGE	(146,145.41)
121726	MC Limestone Grinding Upgrade	1,638.29
121750	MISC DIST "NESC"	8.34
121974	LGE Electric Meters & Installs	296.07
122512	MT 138kV Collins termination	(33,341.95)
122513	Middletown-Collins 138kV Line	67,029.98
122514	Collins 138/69kV 150MVA Trnsfr	151,285.78
122650	LGE Gas Meters	188,036.25
122805	Museum Plaza Tower Reloc	138.00
122891	MC1 345kv Isol Disconnects	4,846.51
122896	MC1 Primary Air Duct Insulatio	2,386.39
122972	EASTWOOD CIRCUIT WORK	170,119.41
122975	EASTWOOD SUBSTATION	14,585.17
123039	MULD-DRILL 5 RECOVERY WELLS	462,493.66
123050	MULD-DOE RUN LINE OTTER CREEK	10,981.60
123137	LG&E POLE INSPECTION	122,858.42
123220	LGE BRCT7 A/B Conversion 08	(611.48)
123795	Dist Eastwood West Tap	4,595.34
123896	MC2 Ash and Sump Piping	3,069.85
123966	GS LGE DQI Strat 2010	12,710.18
124034	MC3 EHC Upgrade	80,952.96
124049	MC3 DCS Hardware	9,215.30
124068	MC2 Condenser Tubing	1,248.98
124073	MC HVAC Air Handlers 2010	111.87
124074	MC HVAC Air Handlers 2012	752.58
124362	CR 480V Switchgear Upgrade	126,156.34
124367	CR Stack Particulate Monitors	146,363.41
124410	PR13 GT Control Upgrade	133,006.59
124500	TC1 ECON HOPPER INSULATION	215,560.37

LGE 107001 Activity December 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124501	TC YARD BATT/CHARGER REPL	55,209.19
124503	TC ELEVATOR CONTROLS UPGRADE	143,311.98
124510	TC SAFETY/ERT EQUIPMENT	17,785.81
124511	TC PREDICTIVE MAINT DEVICE '10	1,552.27
124515	TC FIRE HYDRANT UPGRADES	16,505.35
124519	TC1 BOILER LOWER SLOPE	328,274.78
124525	TC CONV BELT REPL G,E,D	108,626.83
124528	TC CONTROL BAT/CHARGER REPL	66,732.62
124572	TC CT LGE INSTAL GRD FALT PRT	9,696.51
124668	'09 MADISON SUB EXPANSION	1,324.31
124669	'09 OLD HENRY SUBSTA	552,084.81
124798	MAGN EMERG EQUIP REP	(2,713.48)
124804	MULD HYDRAULIC FAN MOTORS	(73,503.71)
124818	MULD PURIF#3 REFLUX PUMP	3,729.36
124830	2009 INST GATE VALVES ON WELLS	(2,294.50)
124831	2009 PLUG OR REPAIR WELLS	(17,427.98)
124835	CP IMPRESSED CURRENT SY IMPRV	2,321.84
124839	PI ACT COMPLI RCVs	28,608.65
124847	UPGR GAS CONTROL SCADA SYS	168,436.31
124866	OLD HENRY CIRCUIT WORK	166,094.28
125010	ASC ROOF REPLACEMENT	293,175.21
125267	HW/SW Dev Tools 026580-LGE10	1,964.17
125268	HW/SW Dev Tools 026540-LGE10	(109.15)
125271	MC3 SO3	(12,467.57)
125272	MC4 SO3	12,467.57
125273	PR13 Blade and Vane Repl	20,534.66
125276	Rate Case-LGE10	(636.00)
125284	NetAdvan&V Studio LGE-10	19,760.52
125285	.NET WPF CLIENT FRAMEWORK-LGE	4,009.59
125286	Intrusion Prevention-LGE10	321.78
125287	IT Security Infrastruc-LGE10	3,696.93
125291	Gen Compl Infras-LGE10	57,788.67
125294	IT Security Lab Enh-LGE10	1,388.08
125295	Access Switch Repl-LGE10	3,101.08
125300	Network Management-LGE10	9,215.78
125301	Router Upgrade Project-LGE10	479.04
125302	Sec Infrastructure Enh-LGE10	7,290.72
125305	Backup Capacity Exp-LGE10	45,026.78
125308	Cable-Server Connect-LGE10	12,733.67
125310	Server Hardware Refresh-LGE10	4,492.18
125316	Outside Cable Plant-LGE10	5,661.21
125319	Microwave Shelter Renov-LGE10	10,556.00

LGE 107001 Activity December 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125321	Ntwk Acc Dev/Site Infr-LGE10	7,669.05
125322	Ntwk Tools/Test Equip-LGE10	7,182.83
125323	Phone Sys Capacity Exp-LGE10	15,949.40
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	24,403.82
125326	LG&E SCADA Radios-LGE10	7,577.50
125328	Eval Tools & Util-LGE10	(1,048.47)
125331	Tier C rot-desk/lap-LGE10	48,185.38
125341	Simpson Racks/Furniture-LGE10	10,848.77
125347	Proj Mirror-Sil Svc Lev-LGE10	70,960.32
125348	Impl Red Elec Sys-BOC DC-LGE10	115,474.46
125415	MidLevel Strge Refresh-LGE11	224,935.71
125427	Server Hardware Refresh-LGE11	5,209.10
125437	SAN Cap Ex incl virtual-LGE11	10,641.96
125571	Simpsonville Rks and Fur-LGE11	12,735.65
125620	10 EMS Servers & OUG - LGE	(8,285.04)
125636	PowerPlan Budgeting (LG&E %)	1,462.50
125643	Oracle IPM (LG&E %)	42,676.72
125665	PowerPlant Upgrade (LG&E %)	49,001.74
125850	DFR	1,338.71
126083	BRCT GT24 Purge Vlv 10-11 LGE	107,740.30
126118	MC1 Boiler Lower Sidewall	(99,093.28)
126119	MC1 Final Superheater	(1,244.05)
126125	MC Horiz Serv Water Pump Hoist	791.57
126131	MC2 Pass Elevator Controls	16,822.93
126132	MC1 Hydrosteps	6,745.87
126133	MC2 Hydrosteps - 2012	22,117.60
126149	MC Coal Hndlg Bldg Locker Room	2,271.40
126168	CR Switchgear Room A/C	186,622.27
126169	CR Remote Site Cameras	24,885.32
126181	Old Henry 138KV Tap	3,364.49
126242	TC Limestone Conveyors	48,616.71
126248	TC Limestone Conveyor Belt	42,042.78
126261	TC CT Station Air Line	9,008.59
126339	HONEYWELL EXPERION SCADA	119,885.63
126340	MAGNOLIA 2010 FACIL IMPR	24,459.60
126358	HV Compartment Retrofit	569.48
126370	MULD REFLUX COOL REFURB PUR#3	(102.32)
126371	MULD ENG #4 & #8 WATER PUMP	98,804.20
126384	MULD TURBINE PANEL UPGR	20,137.90
126385	DOIT GAS FAC INSPEC & SURVEYS	204,767.76
126386	DOIT GAS EMER MGMT SYSTEM	179,633.38
126390	DOIT HARDWARE INFRASTRUCTURE	25,022.97

LGE 107001 Activity December 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126391	DOIT IF - ONLINE OUTAGE MAPS	30,405.52
126392	DOIT MOBILE GIS ENHANCEMENTS	91,658.92
126394	DOIT MOBILE GIS ROUTING	(66,997.09)
126397	DOIT SMLWRLD GIS UPGRD ENHNC	(8,010.37)
126399	DOIT MOBILE INFRASTRUCTURE	32,287.07
126420	2010 INST CONTROL VALVES/WELLS	22,129.68
126422	2010 RELINE GAS STORAGE WELLS	83,254.79
126439	MAGN EMERGENCY EQ & REPAIRS	(14,217.94)
126440	MAGN FARM TAP UPGRADE	136,825.69
126442	MAGN PURCHASE MISC EQUIP	31,606.90
126448	2010 Dist. Wildlife Protection	3,877.72
126449	2010 Misc. Dist. Project	45,804.86
126450	2010 TC OIL FILTERS	1,361.70
126452	2010 GE AUX SWITCHES	13.52
126459	2010 TOOLS & EQUIPMENT	653.97
126460	2010 DIST. SUB. BATTERIES	8,368.16
126463	2010 MISC NESC COMPLIANCE	7,796.59
126464	2010 TR MULSYFIRE SYSTEMS	378.40
126465	2010 SFC RELAY REPLACEMENT	340.78
126466	JEFFERSONTOWN SUB EXPANSION	703,775.32
126470	REMOTE CONTROL VALVES	116,216.14
126477	UPGR ROTARY METERS AT IND FAC	23,487.21
126479	2010 RELIEF VALVE CAPACITY	28,076.99
126480	COMMERCIAL HP GAS SERVICE	40,847.02
126481	INST ELECTR PRESSURE RECORDERS	49,461.47
126482	UPGRADE REGULATION FACILITIES	136,602.78
126585	TC Upgrade A Limestone Mill	46,954.80
126586	TC Upgrade B Limestone Mill	46,825.67
126587	TC CT HGPI LGE#1	512,307.18
126611	LGE FACILITY EQUIPMENT-2011	7,300.00
126615	FAC IMPROVEMENTS-LGE 2011	140,807.72
126616	FURNITURE/OFFICE EQP-LGE 2011	7,993.67
126617	GREEN INITIATIVES-LGE 2011	154,693.21
126619	SECURITY SYSTEM EQUIP-LGE 2011	6,202.64
126620	FACILITY EQUIP-ESC & SSC GEN	441,703.10
126634	DOIT POLE LOADING DESIGN	8,978.27
126647	GS-LGE-CEMS Shltr Rplt	1,218.00
126652	GS-LGE-Cyber Security	223,955.99
126653	GS-LGE-Satellite Phone	3,346.60
126655	Jeffersontown Circuit Work	711,110.37
126656	NTWK TRAN PRTCT AUTO PILOT	108,468.57
126680	Config Mgr Infra Req-LGE10	1,865.30

LGE 107001 Activity December 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126682	New OS Compatibility -LGE10	7,734.53
126684	Prod Software Upgrd-LGE10	(236.46)
126690	Server Cap Expan & Rel-LGE10	78.66
126710	CIP Compliance-LGE10	1,169.76
126714	IT LGE IVR	42,309.56
126718	IT LGE RETAIL HARDWARE INFRA	30,124.24
126719	IT LGE TEXTING & CUST COMM	87,123.43
126734	Worthington Sub Expansion	11,126.77
126763	LGE ERTS 2010	6,123.50
126807	Batteries - LGE-2010	(18,721.69)
126829	MuldraughToHlsclw MW Radio Lnk	15,983.99
126830	Replace MW Radio Northside	11,679.74
127049	OF House Crane Gearcase	129,346.32
127055	OF Trash Racks	2,310.93
127092	Ohio Falls Redev. #5	4,700,820.90
127135	TC CCP LANDFILL PH1 RAV-LGE	265,144.78
127136	TC CCP RIVER FLY ASH BARGE-LGE	264,353.99
127175	'Work Mgmt/FRP software - LG&E	(101,647.93)
127205	Ohio Falls Redev. Common	20,148.32
127209	Replace 12" Line at Center	265.23
127210	FIELDNET LUTL	2,401.30
127248	MC2 Coal Feeder Bunker Valves	472.14
127258	Third Party PAR	34,377.81
127265	TC2 CAPITAL SPARES - LGE	148,217.18
127268	HWY 933	(54,024.61)
127279	MC Reactant Feed Piping	801.08
127319	CR6 Circulating Water Pump	229,450.12
127376	ETARIFF LGE 2010	13,320.00
127381	PaddRun-XFMR-Rep	76,346.50
127393	Symrna Cap Bank	2,356.30
127397	LBR10-MC-Brkrs	589.73
127402	MC1 FGD Expansion Joints 2010	2,602.06
127411	LBR10-Aiken6650	218.74
127413	TWIN FALLS RIVERCREST REG FAC	87,201.71
127414	CR6 Exciter Cooler Repl	24.72
127428	CustSelfServ-First Release LGE	7,161.44
127430	SAP-ParallelTest&QAEnvironLGE	17,334.05
127442	EnergyEff CommAuditProj LGE	6,192.12
127455	MAGNOLIA TO PICCADILLY MODIF	103,282.78
127467	LDISCAP10	2,239.10
127473	WK BLUE & GREEN MODIFICATIONS	237,884.97
127481	LGE WEB MAPS CONNECTOR	1,214.13



LGE 107001 Activity December 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127483	LGE DETS ENHANCEMENTS	1,213.61
127494	PowerSimm - LGE	102,359.32
127540	Ener Eff -Operations Auto LGE	26,038.23
127542	Service Order Recon-LGE	2,145.64
127543	TC2 LGE Whse. Racks & Storage	1,262.49
127559	NBU NGCC CR	35,143.33
127573	MC Gas Main	2,034.00
127584	MC 1D Coal Mill Gearbox	15,520.66
127594	MC1 Emergency Batteries	93.29
127609	MC2 FGD Expansion Joints 2011	31,593.90
127641	MC3 Burners	473,081.12
127649	MAGNOLIA UPGRADE STATION PLCs	4,918.20
130000	REPLACE BOC CRAC UNIT-LGE	(43,436.36)
130014	AVG HANDLE TIME LGE 10	11,894.64
130020	Emergency Generator Doe Run	8,872.43
130076	FIM Export to Excel (BCP)	16,500.00
130156	Ckt BR1181 Breckinridge Sub	10,807.16
130158	Ckt SM1233 Seminole Sub	227.48
130159	CktSP1116 South Park Sub	13,787.36
130160	Ckt SP1115 South Park Sub	2,653.13
130161	Ckt WP1104 West Point Sub	(1,030.19)
130163	Ckt SV1122 Shepherdsville Sub	26,511.56
130164	CEMI LGE	27,369.67
130167	RISS Storage Upgrade-LGE	1,079.13
130176	RATECASE-STIPULATION AGREE-LGE	636.00
130478	Mill Creek LS Grinding Upgrade	294,621.19
130484	FINANCE DUNNING ENH-LGE10	2,132.90
130486	SRVC ORDR ENH-LGE13	12,842.08
130488	BILLING ENHANCEMENTS - LGE10	17,449.82
130490	VENTYX MOBILE UPGRD-LGE10	44,604.18
130547	Purchase Sub HD Truck F-550	8,977.70
130558	WinDot Application for GC&S	49,811.52
130570	BUSINESS OBJECTS IMPL-LGE10	6,649.97
130601	METER READING ENH - LGE13	22,030.17
130622	TIP TOP (Ft. Knox) RECONDCTR	270,588.39
130638	Tip Top Breaker Replacement	229,962.02
130671	Tucker Stat Sub Property	747,399.91
130720	MC1 Economizer Line Insulation	4,941.82
130888	RATE COMPARE - LGE10	31,734.23
130898	Lou Upgd-Middletown 345kV Brkr	1,175.77
130920	Spare GSU Trans	(24,697.06)
131218	OF Station Battery	53,418.51

LGE 107001 Activity December 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131220	OF UPS System	0.33
131222	PR12 GT Control Upgrade	108,826.39
131225	LGE Substation Equipment Prch	92,723.77
131256	34KV regs on TT3311	138,983.43
131284	Waterside West Improvements	36,369.66
131285	Tip Top Substation project	241,054.01
131287	Network Protector Relays	365,586.01
131300	Purchase Thumper Tool	852.07
131309	LGE Sub Bldg & Grounds	867.83
131320	LGE Rplc Fire Det Thermos	1,702.80
131324	LGE Breaker Condition Monitors	1,206.77
131377	CALVARY LINE REPL B'TOWN CG	111,264.81
131475	CR4 Stack Elevator Repl	4,204.28
131531	TC1 BOILER SH PENDANT	612,364.02
131532	TC1 BOILER REPL FIN SH PENDANT	95,189.86
131533	TC1 BOILER REAR REHEAT REPL	572,944.13
131534	TC1 BOILER FRONT RH REPLACE	188,545.05
131642	Homeland Security Vault	175,515.09
131693	Envir Compliance Study-Air-LGE	18,000.41
131700	REPL TUBING BUNDLE PURIF#1	4,951.75
131725	2010 LGE Transformer Rewind #2	75,627.57
131739	2010 LGE Transformer rewind #3	5,463.51
131743	MULDRAUGH FACILITY	5,122.37
131746	MAGNOLIA BLDG CONSTRUCTION	191,282.35
132017	MC GPP "E" Vacuum Tank	4,068.00
132041	MULTIFUNCTIONAL DEVICES LGE	118,076.39
132080	CR PHD Backup Server	1,303.84
132097	Simpsonville Switch Gear LGE	32,224.77
132123	MT WASHINGTON SCHOOL RELOC	114,720.91
132125	FTP Product - LGE	4,386.60
132153	CENTER MODIFICATIONS	340,060.91
132167	CMS Upgrade - LGE	35,316.77
132174	STORAGE VIRTUALIZATION-LGE10	5,878.83
132177	DNS/DHCP MANAGEMENT-LGE10	4,960.17
132180	IPS REPLACEMENT - LGE	2,857.46
132186	UNIX/LINUX PATCH,MGT,AUDIT-LGE	43,442.08
132190	2010 DCC Cyber Control Area	6,017.48
132194	South Park 1116 Addition	53,995.90
132195	SERVICE SUITE ENHANCEMENTS-LGE	5,539.05
132198	PERFORMANCE SUITE RPTING-LGE	33,182.96
132206	CSS LGE Major Equip	676.28
132209	EMS Digital Comm Channels LGE	12,348.49

LGE 107001 Activity December 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132229	Meter Shop Tablets - LGE	30,747.58
132235	WK YELLOW LINE REPL 4 ELLS	1,341.04
132287	VCS GATEWAY&CONTROLLER LGE	2,685.37
132291	MC2 Cooling Tower VFDs	77,922.69
132298	MC 1&2 Bunker Room Roof	47,799.00
132300	EMS Firewalls LGE	761.84
132312	Waterside West Parking	7,457.08
132323	Performance Mgmt Project-LGE	502.44
132349	Defibrillators	17,206.03
132359	MULD WELDING TRK	58,064.45
132360	MULD AERIAL LIFT DEVICE	115,743.39
132384	Breckenridge TR5 Rewind	78,905.19
132427	MC Test Equipment	4,022.62
132430	MC Diesel Fuel Metering	13,696.95
132439	CR DCS Alarm Mgmt Servers	21,239.17
132442	SYS CNTR OPS MGR-LGE	133,979.69
132479	Polaris Ranger 800 ATV - LGE	19,739.69
132485	CR Vehicles 2010	40,262.02
132522	MC 4A Flyash Blower 2010	19,889.87
132523	OUTAGE WEATHER LGE	12,000.00
132525	ORACLE IPROCUREMENT LICENSE-L	73,621.77
132530	Purchase 5 Heavy Duty Trucks	375,472.34
132533	CR C-1 Coal Conveyor Belt	19,017.02
132534	CR Dozer D9H	93,248.00
132536	STRAT ASSET INVEST SFTWR LGE	50,439.00
132543	CENTER BY-PASS	278,327.76
126157LGE	PC Base Data Aquistion	77.43
126641LGE	GS Dam Model Software	(4,459.60)
131444LGE	TC E-CONVEYOR VFD	33,480.49
131466LGE	TC BOILER CAMERA	30,468.40
131477LGE	TC LGE WATER TRUCK	77,418.84
131480LGE	TC CATHODIC PROTECTION	10,567.81
131482LGE	TC INSTALL CH AIR COMP	12,720.57
131487LGE	TC REPLACE 12KV CP SWITCHGEARS	713.75
131490LGE	TC LIMESTONE BM INCHING DRIVE	108,246.16
131493LGE	TC CT LGE HMI UPGRADE	138,648.15
132018LGE	BRCT5 Inlet Coil Repl LGE 10	2,156.46
132103LGE	TC D9T DOZER - 1	17,824.55
132104LGE	TC D9T DOZER- 2	314,900.42
132105LGE	TC D6T DOZER	107,535.76
132129LGE	BCT5 LCI-HGC Repl 10 LGE	(20,067.69)
132265LGE	BRCT6 Rear Wall Repl LGE	(10,640.00)

LGE 107001 Activity December 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132379LGE	TC DUMP TRUCK LGE	203.27
132502LGE	TC-VEHICLES LIC 2010	64,724.07
132504LGE	TC N LIC VEHICLES 2010	4,023.54
132539LGE	TC FIRETRUCK LGE	162,976.14
117361	Accrued Labor - LGE	30,310.06
119902	Clear 12/04 A&G	1,950,180.62
CABLE341	Blanket cable for joint trench	(38,402.62)
GME406	GAS MAIN EXT 406	137,347.09
L8-2009	STORM DAMAGE T-LINE LGE 2009	(585.52)
L9-2009	PRIORITY REPL T-LINES LGE 2009	(48.45)
L9-2010	PRIORITY REPL T-LINES LGE 2010	205,837.76
LRSUB-10	LG&E Routine - Subs-10	179,709.81
LSMR414	Large Scale Main Replacements	1,256,311.91
MCAPRR340	MAINT CAP, REG, REC 340	1,090.66
NBCD340OH	NEW BUS COMM OH 340	183,416.21
NBCD340UG	NEW BUS COMM UG 340	221,862.49
NBCD341UG	NEW BUS COMM 341 UG	6,738.97
NBGS341	INSTALL GAS SVC-JOINT TRENCH	4,180.07
NBGS419	NEW BUS GAS SERV 419	137,313.99
NBGS421	NEW BUS GAS SERV 421	3,880.43
NBRD340OH	NEW BUS RES OH 340	82,871.85
NBRD340UG	NEW BUS RES UG	844.13
NBRD341UG	NEW BUS RESID UG 341	25,215.34
NBSB340OH	NEW BUS SUB OH 340	1,894.67
NBSB341UG	NEW BUS SUB 341 UG	19,696.99
NBSV340OH	NEW ELECTRIC SERVICES	82,355.17
NBSV340UG	NEW EL SERV UG	88,325.07
NBVL343	New Network Vaults - 003430	888.25
NETVLT343	Network Vaults 003430	(38,379.30)
PBWK340OH	PUB WORKS RELOC OH	(3,140.55)
PBWK406G	PUB WORKS GAS 406	211,057.57
PMR414	Priority Main Replacement	255,023.50
RCST340	CUST REQ 340	144,356.09
RCST406G	Customer requested - Gas	(50,012.79)
RDCBL340	Replace Defective Cable 003400	119,009.84
RDDD340OH	REP DEF EQ OH 340	195,064.44
RDDD340UG	REP DEF EQ UG 340	83,219.47
RDDD345OH	POI	(9,096.00)
RDMV332	MERCURY BULB REPL PROJECT	15,168.01
RDPOLE340	Replace Defective Poles 340	76,604.24
RDSTLT332	REPAIR STREET LIGHTING	103,310.19
RELD01015	LGE GEN RELIABILITY	63,940.49

LGE 107001 Activity December 2010

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RELD340OH	OH Reliability 003400	16,447.51
RELD340UG	UG Reliability 003400	7,207.64
RNTPD340	REP THR PARTY DAM 340	(3,258.40)
RNTPD419	Repair Third Party Damages-419	(8,408.90)
RRCS419G	REP CO GAS SERV 419	105,579.48
RRCS421G	REM/REPL CO GAS SERVICE-421	810.55
STLT332OH	STREET LIGHT OVERHEAD	40,073.24
STLT332UG	STREET LIGHT UNDERGROUND	79,909.16
STRM03230	LGE Minor Storm Events	(67,584.61)
SYSEN406G	System enhancements - Gas	92,446.72
SYSENH340	SYS ENH EXIST CUST 340	91,992.48
TBRD340OH	Trouble OH 003400	174,062.65
TBRD340UG	Trouble UG 003400	75,055.80
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	21,116.37
TLEQ340	TOOLS AND EQ 340	29,679.61
TLEQ450	Tools and Equipment , 004500	21,884.39
XFRM340	TRANSFORMER LABOR 340	16,142.55
XFRM341	TRANSFORMER LABOR 341	1,988.82
		<u>\$ 28,086,121.35</u>

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<u>Project</u>	<u>Description</u>	<u>Amount</u>
112644	Capital tools	\$ 0.58
113270	LGE DIST LINE TRANSFORMERS	154,943.41
114268	Gas Regulator Replacements	275,866.90
115030	PURCHASE REGULATORS	15,597.73
117136	CR Landfill Vertical Expansion	(49.27)
117149	Trimble County 2	595,748.58
117320	SPCC Mods - LG&E Transmission	(5.95)
117361	Accrued Labor - LGE	(30,310.03)
118209	Trimble 2 Transmission lge	43,928.92
118349	OHIO FALLS REDEVELOPMENT 2004	0.90
120595	PURCHASE REGUL-RES/COMM	607.20
120596	FARM TAP REGULATOR UPGR	15,454.52
120730	TC Controls Upgrade 2006	(6,722.68)
121620	Cane Run - New Landfill	74,902.04
121683	TC Ash/Gypsum Ponds- LGE	170,771.30
121684	TC2 AQCS - LGE	(308,726.64)
121726	MC Limestone Grinding Upgrade	(1,573.54)
121974	LGE Electric Meters & Installs	79,537.87
122512	MT 138kV Collins termination	16,187.03
122513	Middletown-Collins 138kV Line	9,151.14
122514	Collins 138/69kV 150MVA Trnsfr	58,557.33
122650	LGE Gas Meters	81,715.19
122696	GRADE LANE CIRCUIT WORK	0.24
122805	Museum Plaza Tower Reloc	1,509.27
122891	MC1 345kv Isol Disconnects	0.26
122898	MC Boiler Water Make-Up System	146.09
122959	MILL CREEK GAS MEASUREMENT	0.10
122971	CONESTOGA CIRCUIT WORK	0.38
122972	EASTWOOD CIRCUIT WORK	338.62
122975	EASTWOOD SUBSTATION	9,956.53
123025	INSTALL VALVES ON STOR WELLS	0.09
123039	MULD-DRILL 5 RECOVERY WELLS	115,744.23
123047	2008 GAS REGUL CAPACITY PROJ	1.09
123137	LG&E POLE INSPECTION	28,093.07
123598	LGE-Gen Stator Bar Study	241,099.12
123614	MUD LANE (HUMANA UPGRADE)	0.01
123795	Dist Eastwood West Tap	5,927.39
123837	MC2 FGD Refurbishment	1,119,391.56
123889	UPS ASHBOTTOM (GAS)	1.71
124034	MC3 EHC Upgrade	68,112.45
124052	MC4 SCR Catalyst 2010	640.92
124057	MC3 FD Fan Vane Drives	87.78

LGE 107001 Activity January 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124361	CR5 4KV Switchgear Upgrade	(330.77)
124362	CR 480V Switchgear Upgrade	411.74
124363	CR6 4KV Switchgear Arc Flash	0.29
124365	CR6 Voltage Regulator Repl	0.93
124500	TC1 ECON HOPPER INSULATION	351.97
124515	TC FIRE HYDRANT UPGRADES	(106.65)
124528	TC CONTROL BAT/CHARGER REPL	322.56
124570	TC CT LGE 5/6 REPL VLRA BATTERY	11,032.65
124572	TC CT LGE INSTAL GRD FALT PRT	597.35
124668	'09 MADISON SUB EXPANSION	2.15
124669	'09 OLD HENRY SUBSTA	326.14
124830	2009 INST GATE VALVES ON WELLS	8.22
124835	CP IMPRESSED CURRENT SY IMPRV	3,895.89
124839	PI ACT COMPLI RCVs	9.10
124866	OLD HENRY CIRCUIT WORK	114,664.35
125213	Sec Fiber Connect-Simpson-LGE	199.56
125267	HW/SW Dev Tools 026580-LGE10	29.56
125268	HW/SW Dev Tools 026540-LGE10	22.15
125273	PR13 Blade and Vane Repl	(141.34)
125285	.NET WPF CLIENT FRAMEWORK-LGE	4,015.41
125287	IT Security Infrastruc-LGE10	(399.67)
125291	Gen Compl Infrs-LGE10	416.70
125305	Backup Capacity Exp-LGE10	(27,133.85)
125310	Server Hardware Refresh-LGE10	5,155.81
125317	Bulk Pwr & Env Systems-LGE10	124.29
125321	Ntwk Acc Dev/Site Infr-LGE10	394.09
125322	Ntwk Tools/Test Equip-LGE10	318.27
125323	Phone Sys Capacity Exp-LGE10	808.99
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	16,204.84
125328	Eval Tools & Util-LGE10	10,212.36
125331	Tier C rot-desk/lap-LGE10	(3,333.07)
125348	Impl Red Elec Sys-BOC DC-LGE10	5,437.32
125415	MidLevel Strge Refresh-LGE11	(17,576.23)
125427	Server Hardware Refresh-LGE11	1,243.05
125437	SAN Cap Ex incl virtual-LGE11	17,576.23
125556	Telephone Syst Cap Exp-LGE11	159.60
125643	Oracle IPM (LG&E %)	3,286.23
125665	PowerPlant Upgrade (LG&E %)	798.49
125850	DFR	232.16
125900	MULD ENGINE COOLING	9.46
126129	MC4 345kV Isol Disconnects	0.50
126133	MC2 Hydrosteps - 2012	705.03

LGE 107001 Activity January 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126168	CR Switchgear Room A/C	(47,287.65)
126169	CR Remote Site Cameras	(146.05)
126176	CR6-1 Boiler Feed Pump Repl	0.54
126181	Old Henry 138KV Tap	133.04
126192	CR Station Switchgear Repl	(214.62)
126242	TC Limestone Conveyors	5,259.53
126248	TC Limestone Conveyor Belt	(3,494.97)
126261	TC CT Station Air Line	360.35
126340	MAGNOLIA 2010 FACIL IMPR	1,182.70
126358	HV Compartment Retrofit	0.12
126370	MULD REFLUX COOL REFURB PUR#3	(4,474.10)
126371	MULD ENG #4 & #8 WATER PUMP	8,696.72
126382	MULD 2010 REP/REPL DEF EQ	1.42
126386	DOIT GAS EMER MGMT SYSTEM	1,748.03
126390	DOIT HARDWARE INFRASTRUCTURE	1,803.34
126399	DOIT MOBILE INFRASTRUCTURE	86.95
126422	2010 RELINE GAS STORAGE WELLS	415.06
126440	MAGN FARM TAP UPGRADE	2,135.92
126443	MULD UPGRADE EXISTING FARM TAP	8,917.75
126448	2010 Dist. Wildlife Protection	5,334.54
126449	2010 Misc. Dist. Project	475.18
126450	2010 TC OIL FILTERS	1,270.38
126454	2010 FPE TAP CHGR REPLACEMENT	3.19
126460	2010 DIST. SUB. BATTERIES	756.61
126461	BDD RELAY REPLACEMENT PROJECT	(1,412.31)
126465	2010 SFC RELAY REPLACEMENT	(654.37)
126466	JEFFERSONTOWN SUB EXPANSION	56,536.26
126470	REMOTE CONTROL VALVES	1,462.01
126479	2010 RELIEF VALVE CAPACITY	6,480.47
126480	COMMERCIAL HP GAS SERVICE	9,273.38
126482	UPGRADE REGULATION FACILITIES	16,126.78
126585	TC Upgrade A Limestone Mill	8,452.19
126586	TC Upgrade B Limestone Mill	(200.98)
126587	TC CT HGPI LGE#1	(854.07)
126617	GREEN INITIATIVES-LGE 2011	23,638.49
126620	FACILITY EQUIP-ESC & SSC GEN	4,810.50
126652	GS-LGE-Cyber Security	(2,108.80)
126653	GS-LGE-Satellite Phone	(6,538.17)
126655	Jeffersontown Circuit Work	(65,835.17)
126714	IT LGE IVR	166.77
126719	IT LGE TEXTING & CUST COMM	10,952.93
126734	Worthington Sub Expansion	1,765.81



LGE 107001 Activity January 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126829	MuldraughToHlsclw MW Radio Lnk	22.57
127034	CR RO System Upgrade	(32.92)
127092	Ohio Falls Redev. #5	27,389.29
127095	Ohio Falls Redev. #8	(9,161.51)
127129	CR Screenhouse Switchgear	0.63
127135	TC CCP LANDFILL PH1 RAV-LGE	40,224.17
127136	TC CCP RIVER FLY ASH BARGE-LGE	18,721.55
127175	'Work Mgmt/FRP software - LG&E	36,355.89
127202	Ohio Falls Redev. #2	(9,161.51)
127205	Ohio Falls Redev. Common	18,520.76
127258	Third Party PAR	(896.15)
127265	TC2 CAPITAL SPARES - LGE	(51,627.60)
127268	HWY 933	55,580.42
127279	MC Reactant Feed Piping	1,905.02
127295	EW-6658 BKR UPGRADE	0.68
127319	CR6 Circulating Water Pump	27,003.17
127381	PaddRun-XFMR-Rep	(4,141.72)
127393	Symrna Cap Bank	222.07
127397	LBR10-MC-Brkrs	0.59
127399	LBR10-PRun-6636A	1.98
127411	LBR10-Aiken6650	0.48
127413	TWIN FALLS RIVERCREST REG FAC	(22,708.78)
127428	CustSelfServ-First Release LGE	(412.30)
127430	SAP-ParallelTest&QAEnvironLGE	(28,312.76)
127442	EnergyEff CommAuditProj LGE	(0.10)
127455	MAGNOLIA TO PICCADILLY MODIF	11,034.20
127467	LDISCAP10	12,377.00
127470	LR10-TC-4542-Relays	(4.66)
127473	WK BLUE & GREEN MODIFICATIONS	4,624.66
127494	PowerSimm - LGE	(19,612.50)
127540	Ener Eff -Operations Auto LGE	24,855.24
127559	NBU NGCC CR	42,241.41
127584	MC 1D Coal Mill Gearbox	64.36
127641	MC3 Burners	336.37
130020	Emergency Generator Doe Run	14,105.24
130034	LGE Channel Bank Standard	1,626.89
130156	Ckt BR1181 Breckinridge Sub	1,042.61
130158	Ckt SM1233 Seminole Sub	0.08
130159	CktSP1116 South Park Sub	5,483.74
130160	Ckt SP1115 South Park Sub	484.70
130161	Ckt WP1104 West Point Sub	(222.16)
130163	Ckt SV1122 Shepherdsville Sub	28,111.43

LGE 107001 Activity January 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130164	CEMI LGE	22,471.28
130190	CONSTRUCTION-SVCDESK - LGE	(24.37)
130478	Mill Creek LS Grinding Upgrade	120,663.36
130488	BILLING ENHANCEMENTS - LGE10	20,779.08
130490	VENTYX MOBILE UPGRD-LGE10	(19.18)
130506	ecoAsset Software - LGE	466.40
130511	REPL INSULATION PIPE IN PURIF	5,770.66
130622	TIP TOP (Ft. Knox) RECONDCTR	41,977.89
130638	Tip Top Breaker Replacement	9,376.32
130649	LGE Wildlife Protection	371.23
130888	RATE COMPARE - LGE10	13,954.46
130898	Lou Upgd-Middletown 345kV Brkr	972,376.08
131218	OF Station Battery	2,506.64
131222	PR12 GT Control Upgrade	1,753.85
131256	34KV regs on TT3311	74,531.11
131284	Waterside West Improvements	2,069.67
131285	Tip Top Substation project	3,164.43
131296	Voltage Regulating Relay Upg	0.22
131309	LGE Sub Bldg & Grounds	886.59
131377	CALVARY LINE REPL B'TOWN CG	2,161.26
131475	CR4 Stack Elevator Repl	745.41
131642	Homeland Security Vault	84,696.32
131693	Envir Compliance Study-Air-LGE	162,654.20
131710	Service Pilot UG	51.30
131725	2010 LGE Transformer Rewind #2	0.10
131742	CR Deionization Bottle Repl	849.40
131746	MAGNOLIA BLDG CONSTRUCTION	25,808.96
132041	MULTIFUNCTIONAL DEVICES LGE	221,459.43
132090	ET-Xfrmr-Replc	57,582.80
132123	MT WASHINGTON SCHOOL RELOC	(65,308.54)
132153	CENTER MODIFICATIONS	37,316.11
132194	South Park 1116 Addition	60,112.02
132198	PERFORMANCE SUITE RPTING-LGE	3,156.45
132235	WK YELLOW LINE REPL 4 ELLS	59,587.94
132291	MC2 Cooling Tower VFDs	179.53
132359	MULD WELDING TRK	(3,142.15)
132384	Breckenridge TR5 Rewind	530.29
132442	SYS CNTR OPS MGR-LGE	(9,486.71)
132522	MC 4A Flyash Blower 2010	581.60
132530	Purchase 5 Heavy Duty Trucks	20,888.36
132536	STRAT ASSET INVEST SFTWR LGE	50,439.15
132543	CENTER BY-PASS	50,398.61

LGE 107001 Activity January 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132544	CR6 4KV Switchgear HVAC	64,093.59
132548	BPEM ENHANCEMENTS-LGE	37,361.70
126157LGE	PC Base Data Aquistion	503.85
131444LGE	TC E-CONVEYOR VFD	13,823.63
131477LGE	TC LGE WATER TRUCK	19,940.32
131480LGE	TC CATHODIC PROTECTION	483.10
131490LGE	TC LIMESTONE BM INCHING DRIVE	(610.64)
131493LGE	TC CT LGE HMI UPGRADE	801.76
132129LGE	BCT5 LCI-HGC Repl 10 LGE	414.14
132265LGE	BRCT6 Rear Wall Repl LGE	(3,724.00)
119902	Clear 12/04 A&G	(1,954,173.23)
CABLE341	Blanket cable for joint trench	(34,516.99)
GME406	GAS MAIN EXT 406	68,724.15
L6-2010	NEW FACILITIES T-LINE LGE 2010	3,364.15
L7-2011	PARAM UPGRADE T LINE LGE 2011	10,271.02
L9-2010	PRIORITY REPL T-LINES LGE 2010	18,109.70
L9-2011	PRIORITY REPL T-LINES LGE 2011	75,469.17
LBR-11	LGE Breakers 11	91,837.55
LDISCAP11	LGE DISTRIBUTION CAPACITOR11	709.47
LRSUB-10	LG&E Routine - Subs-10	57,739.52
LRSUB-11	LG&E Routine - Subs-11	30,834.13
LSMR414	Large Scale Main Replacements	1,113,312.40
MCAPRR340	MAINT CAP, REG, REC 340	6,463.62
NBCD340OH	NEW BUS COMM OH 340	90,985.34
NBCD340UG	NEW BUS COMM UG 340	125,874.10
NBCD341UG	NEW BUS COMM 341 UG	1,092.35
NBGS341	INSTALL GAS SVC-JOINT TRENCH	1,556.15
NBGS419	NEW BUS GAS SERV 419	152,921.98
NBGS421	NEW BUS GAS SERV 421	3,568.51
NBGS422	NBGS422	2,712.74
NBRD340OH	NEW BUS RES OH 340	28,975.17
NBRD340UG	NEW BUS RES UG	567.85
NBRD341UG	NEW BUS RESID UG 341	32,868.00
NBSB340OH	NEW BUS SUB OH 340	(3,408.00)
NBSB341UG	NEW BUS SUB 341 UG	166,083.82
NBSV340OH	NEW ELECTRIC SERVICES	19,802.57
NBSV340UG	NEW EL SERV UG	10,070.16
NETVLT343	Network Vaults 003430	66,377.62
PBWK340OH	PUB WORKS RELOC OH	1,056.20
PBWK406G	PUB WORKS GAS 406	4,157.40
PMR414	Priority Main Replacement	234,986.86
RCST340	CUST REQ 340	34,810.51

LGE 107001 Activity January 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RCST406G	Customer requested - Gas	10,168.60
RDCBL340	Replace Defective Cable 003400	12,066.87
RDDD340OH	REP DEF EQ OH 340	342,614.39
RDDD340UG	REP DEF EQ UG 340	44,717.18
RDDD345OH	POI	(2,759.05)
RDMV332	MERCURY BULB REPL PROJECT	17,067.10
RDPOLE340	Replace Defective Poles 340	147,422.99
RDSTLT332	REPAIR STREET LIGHTING	219,895.01
RELD01015	LGE GEN RELIABILITY	11,337.77
RELD340OH	OH Reliability 003400	12,223.52
RELD340UG	UG Reliability 003400	(5,676.00)
RNTPD340	REP THR PARTY DAM 340	77,075.30
RNTPD419	Repair Third Party Damages-419	9,026.73
RRCS419G	REP CO GAS SERV 419	89,638.87
RRCS421G	REM/REPL CO GAS SERVICE-421	3,141.51
STLT332OH	STREET LIGHT OVERHEAD	37,245.59
STLT332UG	STREET LIGHT UNDERGROUND	108,479.58
STRM03230	LGE Minor Storm Events	9,202.23
SYSEN406G	System enhancements - Gas	11,736.96
SYSENH340	SYS ENH EXIST CUST 340	12,720.62
TBRD340OH	Trouble OH 003400	133,023.80
TBRD340UG	Trouble UG 003400	22,951.91
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	0.21
TLEQ340	TOOLS AND EQ 340	94.11
TLEQ419	Purchase of Tools - 004190	49,060.74
XFRM340	TRANSFORMER LABOR 340	5,859.55
XFRM341	TRANSFORMER LABOR 341	3,753.40

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\$ 7,290,372.02

LGE 107001 Activity February 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 742.35
113270	LGE DIST LINE TRANSFORMERS	157,920.35
114268	Gas Regulator Replacements	134,466.37
117136	CR Landfill Vertical Expansion	11,964.97
117149	Trimble County 2	127,423.20
118209	Trimble 2 Transmission lge	119,402.12
120596	FARM TAP REGULATOR UPGR	15,068.93
120730	TC Controls Upgrade 2006	3,956.97
121620	Cane Run - New Landfill	76,595.98
121683	TC Ash/Gypsum Ponds- LGE	12,115.22
121684	TC2 AQCS - LGE	11,430.09
121726	MC Limestone Grinding Upgrade	(690.36)
121974	LGE Electric Meters & Installs	95,240.27
122512	MT 138kV Collins termination	726.91
122513	Middletown-Collins 138kV Line	(3,384.44)
122514	Collins 138/69kV 150MVA Trnsfr	104,546.16
122650	LGE Gas Meters	208,880.61
122805	Museum Plaza Tower Reloc	1,148.86
122971	CONESTOGA CIRCUIT WORK	(16,040.98)
122975	EASTWOOD SUBSTATION	47,585.64
123039	MULD-DRILL 5 RECOVERY WELLS	(77,835.39)
123137	LG&E POLE INSPECTION	28,847.81
123278	HUMANA DATA CENTER CIRC WRK	(32,360.73)
123598	LGE-Gen Stator Bar Study	(270,989.62)
123795	Dist Eastwood West Tap	62,374.97
123837	MC2 FGD Refurbishment	159,580.00
123946	MC3 Reheater Lower Loops	177,992.65
124034	MC3 EHC Upgrade	602,971.60
124057	MC3 FD Fan Vane Drives	66,079.02
124570	TC CT LGE 5/6 REPL VLRA BATTERY	201.43
124839	PI ACT COMPLI RCVs	1,960.24
124847	UPGR GAS CONTROL SCADA SYS	73.19
124866	OLD HENRY CIRCUIT WORK	13,233.73
125273	PR13 Blade and Vane Repl	27,109.51
125285	.NET WPF CLIENT FRAMEWORK-LGE	2,437.91
125305	Backup Capacity Exp-LGE10	35,358.98
125308	Cable-Server Connect-LGE10	252.16
125310	Server Hardware Refresh-LGE10	3,545.69
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	(1,042.20)
125348	Impl Red Elec Sys-BOC DC-LGE10	3,061.14
125545	Mobile Radio-LGE11	2,648.95
125546	Netwk Acc Dev & St Infra-LGE11	2,292.20

LGE 107001 Activity February 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125547	Netwk Tools & Test Equi-LGE11	1,274.80
125549	Outside Cable Plant -LGE11	687.68
125556	Telephone Syst Cap Exp-LGE11	3,066.47
125572	Smpsnville Elect Upgrds-LGE11	4,336.09
125574	Louisville Elect Upgds-LGE11	2,069.68
125575	DB Tools & Eqiptmnt-LGE11	1,298.17
125582	Project Mirror - LGE11	11,118.51
125643	Oracle IPM (LG&E %)	11,091.89
125665	PowerPlant Upgrade (LG&E %)	18,785.94
125850	DFR	363.55
126127	MC Roofing - Tripper Room	1,313.00
126132	MC1 Hydrosteps	406.69
126143	MC3 Blowdown Tank	326.15
126242	TC Limestone Conveyors	4.08
126382	MULD 2010 REP/REPL DEF EQ	1,885.11
126386	DOIT GAS EMER MGMT SYSTEM	43,498.47
126394	DOIT MOBILE GIS ROUTING	(2,650.00)
126399	DOIT MOBILE INFRASTRUCTURE	3,729.39
126420	2010 INST CONTROL VALVES/WELLS	320.41
126422	2010 RELINE GAS STORAGE WELLS	5,343.08
126444	MULD STORAGE PIPELINE	1,190.48
126445	MULD TRANSMISSION LINE REPL	2,284.33
126449	2010 Misc. Dist. Project	168.06
126466	JEFFERSONTOWN SUB EXPANSION	43,873.33
126474	UPGR MAJOR STATION REG & CONTR	24,582.47
126477	UPGR ROTARY METERS AT IND FAC	1,128.25
126479	2010 RELIEF VALVE CAPACITY	2,247.08
126480	COMMERCIAL HP GAS SERVICE	5,631.68
126482	UPGRADE REGULATION FACILITIES	30,752.98
126485	GAS REGULATORY TOOLS & EQ	19,156.35
126585	TC Upgrade A Limestone Mill	574.16
126616	FURNITURE/OFFICE EQP-LGE 2011	4,600.85
126617	GREEN INITIATIVES-LGE 2011	(14,073.47)
126620	FACILITY EQUIP-ESC & SSC GEN	18,862.12
126652	GS-LGE-Cyber Security	4,400.00
126655	Jeffersontown Circuit Work	126,815.96
126719	IT LGE TEXTING & CUST COMM	5,564.59
126734	Worthington Sub Expansion	3,341.37
126806	Surge Arrestors - LGE-2010	1,836.67
126845	Srvr Cap Expan & Rel-LGE11	4,821.84
127034	CR RO System Upgrade	(1,494.72)
127090	Ohio Falls Redev. #3	1,683.34

LGE 107001 Activity February 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127091	Ohio Falls Redev. #4	1,683.34
127092	Ohio Falls Redev. #5	76,032.58
127095	Ohio Falls Redev. #8	1,683.33
127135	TC CCP LANDFILL PH1 RAV-LGE	89,586.95
127136	TC CCP RIVER FLY ASH BARGE-LGE	28,079.09
127175	'Work Mgmt/FRP software - LG&E	44,222.45
127201	Ohio Falls Redev. #1	1,683.34
127202	Ohio Falls Redev. #2	1,683.34
127205	Ohio Falls Redev. Common	1,997.50
127258	Third Party PAR	(6,091.48)
127265	TC2 CAPITAL SPARES - LGE	(7,020.89)
127268	HWY 933	(14,012.11)
127295	EW-6658 BKR UPGRADE	(0.33)
127319	CR6 Circulating Water Pump	11,312.84
127381	PaddRun-XFMR-Rep	38,796.17
127393	Symrna Cap Bank	72.43
127397	LBR10-MC-Brkrs	174.33
127411	LBR10-Aiken6650	10.13
127413	TWIN FALLS RIVERCREST REG FAC	9,395.33
127455	MAGNOLIA TO PICCADILLY MODIF	4,896.95
127470	LR10-TC-4542-Relays	1,317.01
127473	WK BLUE & GREEN MODIFICATIONS	12,177.21
127540	Ener Eff -Operations Auto LGE	29,304.29
127559	NBU NGCC CR	64,844.34
127584	MC 1D Coal Mill Gearbox	1,736.99
127597	MC3 Coal Feeder VFDs	109.54
127641	MC3 Burners	339,158.45
127649	MAGNOLIA UPGRADE STATION PLCs	984.55
130034	LGE Channel Bank Standard	942.75
130156	Ckt BR1181 Breckinridge Sub	42,073.15
130159	CktSP1116 South Park Sub	414.56
130160	Ckt SP1115 South Park Sub	437.58
130161	Ckt WP1104 West Point Sub	115.15
130163	Ckt SV1122 Shepherdsville Sub	(3,704.73)
130164	CEMI LGE	4,848.22
130173	CIP COMPLIANCE INFRASTR-LGE11	15,694.15
130478	Mill Creek LS Grinding Upgrade	251,726.16
130488	BILLING ENHANCEMENTS - LGE10	19,255.39
130504	MAGN FACILITY IMPROV	11,080.07
130547	Purchase Sub HD Truck F-550	(2,850.00)
130548	Purchase Sub HD Truck F-650	(1,770.71)
130551	Purchase Sub Aerial Lift Truck	(7,410.00)

LGE 107001 Activity February 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130552	Purchase Crane Truck AC 15-70B	(5,700.00)
130554	Purchase Forklift SCM LGE	69.28
130622	TIP TOP (Ft. Knox) RECONDCTR	24,419.33
130638	Tip Top Breaker Replacement	15,514.69
130649	LGE Wildlife Protection	427.44
130700	SCM 2011 Rplc FPE Xfmr LTCs	1,037.95
130705	SCM 2011 LGE Rpl Sub Batteries	430.64
130712	SCM 2011 LGE Misc Dist Proj	7,783.76
130728	SCM 11 PSD WSA Breaker Rplc	430.64
130888	RATE COMPARE - LGE10	6,177.94
130892	Env Comp MC4 SCR Upgrade	183.50
130898	Lou Upgd-Middletown 345kV Brkr	14,983.32
130934	MAGN 2011 REPL BARE STEEL LN	1,220.21
130942	WK YELLOW LINE MODIFICATIONS	27,268.80
131039	Hardware Infrastructure - LGE	6,524.38
131040	Carry Over Projects - LGE	158.59
131086	GAS Facility Inspections	3,686.14
131140	Retail Hardware IFS - LGE	4,320.03
131225	LGE Substation Equipment Prch	2,888.90
131256	34KV regs on TT3311	(6,000.20)
131285	Tip Top Substation project	9,539.94
131309	LGE Sub Bldg & Grounds	1,557.84
131589	OFFICE FURNITURE - LGE	7,972.05
131642	Homeland Security Vault	54,110.91
131693	Envir Compliance Study-Air-LGE	224,900.52
131739	2010 LGE Transformer rewind #3	9,745.15
131741	CR North Bin Vent Baghouse	1,016.00
131746	MAGNOLIA BLDG CONSTRUCTION	2,954.89
131920	GSU Light Arrst	2,625.80
132041	MULTIFUNCTIONAL DEVICES LGE	34,373.38
132117	Thermography cameras	3,049.31
132153	CENTER MODIFICATIONS	12,409.04
132194	South Park 1116 Addition	11,012.05
132198	PERFORMANCE SUITE RPTING-LGE	4,088.61
132235	WK YELLOW LINE REPL 4 ELLS	3,882.39
132291	MC2 Cooling Tower VFDs	(38.74)
132323	Performance Mgmt Project-LGE	3,194.00
132384	Breckenridge TR5 Rewind	318.18
132430	MC Diesel Fuel Metering	7,653.90
132522	MC 4A Flyash Blower 2010	1,111.04
132536	STRAT ASSET INVEST SFTWR LGE	(50,439.00)
132543	CENTER BY-PASS	907.41



LGE 107001 Activity February 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132548	BPEM ENHANCEMENTS-LGE	26,889.40
132581	MC 1A HSWP 2011	20,198.03
132587	MORGANFIELD OFFICE BLDG LGE	806.26
132588	INTERIM MORGANFLD CALL CTR LGE	4,466.26
132590	MC4 Reheat Lower Loops	135,977.24
132637	MC3 Upper Bunker Valves	12,105.86
132651	MC 4C Transformer Bushings	36,434.16
132654	MC 4E Lower Bunker Valve	13,096.84
131444LGE	TC E-CONVEYOR VFD	438.94
131477LGE	TC LGE WATER TRUCK	(25,806.28)
131493LGE	TC CT LGE HMI UPGRADE	4,451.94
119902	Clear 12/04 A&G	169,340.52
BTM391	Beyond the Meter - Org 003910	69.10
CABLE341	Blanket cable for joint trench	84,193.72
GME406	GAS MAIN EXT 406	127,100.76
L5-2011	RELOCATIONS T LINES LGE 2011	2,993.67
L6-2010	NEW FACILITIES T-LINE LGE 2010	1,509.00
L8-2011	STORM DAMAGE T-LINE LGE 2011	2,567.59
L9-2010	PRIORITY REPL T-LINES LGE 2010	33,228.96
L9-2011	PRIORITY REPL T-LINES LGE 2011	13,547.47
LDISCAP11	LGE DISTRIBUTION CAPACITOR11	573.08
LRSUB-10	LG&E Routine - Subs-10	3,424.89
LRSUB-11	LG&E Routine - Subs-11	9,665.16
LSMR414	Large Scale Main Replacements	286,545.19
LSURGE-11	Surge Arrestors LGE-11	25,248.78
MCAPRR340	MAINT CAP, REG, REC 340	8,629.74
NBCD340OH	NEW BUS COMM OH 340	106,733.82
NBCD340UG	NEW BUS COMM UG 340	156,641.45
NBCD344UG	NEW BUS COMM 344 UG	877.96
NBGS341	INSTALL GAS SVC-JOINT TRENCH	1,250.17
NBGS419	NEW BUS GAS SERV 419	143,547.79
NBGS421	NEW BUS GAS SERV 421	1,566.36
NBGS422	NBGS422	724.04
NBID341UG	NEW BUS INDUST 341 UG	(29,843.07)
NBRD340OH	NEW BUS RES OH 340	64,913.99
NBRD340UG	NEW BUS RES UG	692.12
NBRD341UG	NEW BUS RESID UG 341	5,499.43
NBSB340OH	NEW BUS SUB OH 340	1,140.00
NBSB341UG	NEW BUS SUB 341 UG	74,545.93
NBSV340OH	NEW ELECTRIC SERVICES	55,550.65
NBSV340UG	NEW EL SERV UG	52,484.87
NETVLT343	Network Vaults 003430	24,093.86

LGE 107001 Activity February 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
PBWK330OH	PUB WORKS RELOC OH 330	(150,383.29)
PBWK340OH	PUB WORKS RELOC OH	159,151.41
PBWK406G	PUB WORKS GAS 406	2,780.54
PMINSP340	PM Inspections 003400	(14,334.28)
PMR414	Priority Main Replacement	96,890.37
RCST340	CUST REQ 340	156,146.33
RCST406G	Customer requested - Gas	1,812.22
RDCBL340	Replace Defective Cable 003400	61,427.92
RDD003190	Repair Defective Eqpt - 003190	2,824.81
RDDD340OH	REP DEF EQ OH 340	361,674.73
RDDD340UG	REP DEF EQ UG 340	143,166.20
RDDD345OH	POI	1,873.58
RDMV332	MERCURY BULB REPL PROJECT	16,056.93
RDPOLD320	REP DEF POL'S 320	549.22
RDPOLD340	REP DEF POL'S	(13.91)
RDPOLE340	Replace Defective Poles 340	207,538.40
RDSTLT332	REPAIR STREET LIGHTING	125,657.66
RELD01015	LGE GEN RELIABILITY	28,583.12
RELD340OH	OH Reliability 003400	33,453.62
RELD340UG	UG Reliability 003400	1,669.15
RNTPD340	REP THR PARTY DAM 340	101,939.81
RNTPD419	Repair Third Party Damages-419	1,329.00
RRCS419G	REP CO GAS SERV 419	102,755.38
RRCS421G	REM/REPL CO GAS SERVICE-421	1,048.86
STLT332OH	STREET LIGHT OVERHEAD	42,128.60
STLT332UG	STREET LIGHT UNDERGROUND	60,757.34
STRM03230	LGE Minor Storm Events	60,451.98
SYSENH340	SYS ENH EXIST CUST 340	6,686.92
TBRD340OH	Trouble OH 003400	125,914.68
TBRD340UG	Trouble UG 003400	28,997.00
TLEQ340	TOOLS AND EQ 340	2,896.38
TLEQ419	Purchase of Tools - 004190	3,904.94
TLEQ451	Tools and Equipment , 004510	18,148.80
XFRM340	TRANSFORMER LABOR 340	33,997.02
XFRM341	TRANSFORMER LABOR 341	(1,267.77)

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\$ 7,313,878.08

LGE 107001 Activity March 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112491	Gas Meters-LGE	\$ (3,758.26)
112644	Capital tools	(221.18)
113270	LGE DIST LINE TRANSFORMERS	267,397.74
114268	Gas Regulator Replacements	94,645.59
115030	PURCHASE REGULATORS	23,320.32
117136	CR Landfill Vertical Expansion	2,528.62
117149	Trimble County 2	(435,550.20)
118209	Trimble 2 Transmission lge	(14,710.08)
120595	PURCHASE REGUL-RES/COMM	2,544.95
120596	FARM TAP REGULATOR UPGR	23,602.21
120754	Misc. A/R Uncollect - LGE Cap	83,259.99
121620	Cane Run - New Landfill	70,517.40
121683	TC Ash/Gypsum Ponds- LGE	297,867.69
121684	TC2 AQCS - LGE	149,176.00
121974	LGE Electric Meters & Installs	51,229.56
122074	Capital Tax	84.23
122512	MT 138kV Collins termination	24,332.17
122513	Middletown-Collins 138kV Line	9,351.05
122514	Collins 138/69kV 150MVA Trnsfr	179.97
122650	LGE Gas Meters	89,740.06
122805	Museum Plaza Tower Reloc	5,700.00
122972	EASTWOOD CIRCUIT WORK	26,510.94
122975	EASTWOOD SUBSTATION	18,059.60
123039	MULD-DRILL 5 RECOVERY WELLS	44,356.02
123137	LG&E POLE INSPECTION	86,471.02
123220	LGE BRCT7 A/B Conversion 08	(41,877.49)
123598	LGE-Gen Stator Bar Study	433,659.66
123795	Dist Eastwood West Tap	24,898.66
123837	MC2 FGD Refurbishment	705,411.54
123946	MC3 Reheater Lower Loops	378,267.93
124024	MC3 Turbine TIL 1292	251,211.45
124025	MC3 Turbine HP/IP Seals	369,540.14
124026	MC3 Turbine IP Buckets	313,981.44
124034	MC3 EHC Upgrade	86,559.55
124043	MC Roofing - Bunker Rooms	22,597.74
124049	MC3 DCS Hardware	39,714.51
124057	MC3 FD Fan Vane Drives	1,395.54
124060	MC3 Air Htr Baskets 2011	54,355.11
124382	CR Asbestos Abatement 2011	1,290.97
124410	PR13 GT Control Upgrade	41,193.53
124575	TC CT LGE INSTAL GRD FALT PRO	17,830.12
124839	PI ACT COMPLI RCVs	1,188.92

LGE 107001 Activity March 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124848	2009 COMMERCIAL HP SERV REPL	0.04
124866	OLD HENRY CIRCUIT WORK	16,278.53
125010	ASC ROOF REPLACEMENT	(1,554.69)
125273	PR13 Blade and Vane Repl	1,373.42
125285	.NET WPF CLIENT FRAMEWORK-LGE	5,711.45
125305	Backup Capacity Exp-LGE10	4,097.92
125310	Server Hardware Refresh-LGE10	728.80
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	8,332.53
125348	Impl Red Elec Sys-BOC DC-LGE10	2,928.39
125388	Core Network Infra-LGE11	49,031.40
125397	Network Acc Dev and Gate-LGE11	257.43
125403	Network Management-LGE11	9,736.00
125406	Security Infra Enh-LGE11	2,434.56
125419	Cabling for Server Conn-LGE11	2,949.53
125427	Server Hardware Refresh-LGE11	38,460.18
125445	Bulk Power & Envir Sys-LGE11	3,705.17
125546	Netwk Acc Dev & St Infra-LGE11	10,095.37
125547	Netwk Tools & Test Equi-LGE11	13,518.27
125549	Outside Cable Plant -LGE11	1,601.01
125556	Telephone Syst Cap Exp-LGE11	3,356.45
125561	Monitor Replmt - LGE-LGE11	1,837.83
125566	TC rot of dskt & lt-LGE-LGE11	31,927.14
125573	Louisville Racks & Fur-LGE11	9,592.20
125574	Louisville Elect Upgds-LGE11	2,808.44
125582	Project Mirror - LGE11	21,407.16
125636	PowerPlan Budgeting (LG&E %)	9,846.08
125643	Oracle IPM (LG&E %)	30,973.38
125665	PowerPlant Upgrade (LG&E %)	20,066.22
125850	DFR	4,880.41
126121	MC2 Boiler Lower Sidewall	120,473.26
126127	MC Roofing - Tripper Room	13,330.49
126128	MC2 345kV Isol Disconnects	598.83
126143	MC3 Blowdown Tank	43,784.75
126222	MC3 Turbine HP Snout Rings	247,099.16
126340	MAGNOLIA 2010 FACIL IMPR	3,909.62
126386	DOIT GAS EMER MGMT SYSTEM	35,050.86
126420	2010 INST CONTROL VALVES/WELLS	0.28
126422	2010 RELINE GAS STORAGE WELLS	7,982.88
126440	MAGN FARM TAP UPGRADE	531.58
126442	MAGN PURCHASE MISC EQUIP	(947.76)
126444	MULD STORAGE PIPELINE	0.68
126449	2010 Misc. Dist. Project	748.16

LGE 107001 Activity March 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126451	2010 M/E BKR REPLACEMENT	4,788.00
126466	JEFFERSONTOWN SUB EXPANSION	96,047.16
126479	2010 RELIEF VALVE CAPACITY	3,095.08
126480	COMMERCIAL HP GAS SERVICE	1,594.57
126482	UPGRADE REGULATION FACILITIES	28,583.86
126485	GAS REGULATORY TOOLS & EQ	8,402.11
126585	TC Upgrade A Limestone Mill	2,811.31
126586	TC Upgrade B Limestone Mill	(640.08)
126588	TC CT HGPI LGE#2 & CI PARTS	2,794,141.64
126611	LGE FACILITY EQUIPMENT-2011	6,200.00
126616	FURNITURE/OFFICE EQP-LGE 2011	276.06
126617	GREEN INITIATIVES-LGE 2011	8,950.00
126620	FACILITY EQUIP-ESC & SSC GEN	(6,308.60)
126652	GS-LGE-Cyber Security	2,495.79
126655	Jeffersontown Circuit Work	225,632.02
126719	IT LGE TEXTING & CUST COMM	712.64
126734	Worthington Sub Expansion	372,332.96
126829	MuldraughToHlsclw MW Radio Lnk	2,267.44
126845	Srvr Cap Expan & Rel-LGE11	947.28
127092	Ohio Falls Redev. #5	97,922.27
127135	TC CCP LANDFILL PH1 RAV-LGE	172,917.23
127136	TC CCP RIVER FLY ASH BARGE-LGE	51,959.91
127175	'Work Mgmt/FRP software - LG&E	45,147.83
127258	Third Party PAR	19,785.65
127265	TC2 CAPITAL SPARES - LGE	(113,009.23)
127268	HWY 933	(34,063.83)
127319	CR6 Circulating Water Pump	2,085.33
127345	PENILE CITY GATE ST REDESIGN	10.92
127381	PaddRun-XFMR-Rep	55,319.56
127393	Symrna Cap Bank	15,124.87
127397	LBR10-MC-Brkrs	834.86
127409	TC MISC ENG- Control Stations	(1,069.79)
127413	TWIN FALLS RIVERCREST REG FAC	7,900.08
127455	MAGNOLIA TO PICCADILLY MODIF	31.02
127473	WK BLUE & GREEN MODIFICATIONS	228,910.58
127494	PowerSimm - LGE	(5.00)
127540	Ener Eff -Operations Auto LGE	75,226.46
127559	NBU NGCC CR	74,097.14
127584	MC 1D Coal Mill Gearbox	1,085.86
127597	MC3 Coal Feeder VFDs	48,817.81
127610	MC3 FGD Expansion Joints 2011	3,504.30
127641	MC3 Burners	211,828.16

LGE 107001 Activity March 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130000	REPLACE BOC CRAC UNIT-LGE	1,197.04
130034	LGE Channel Bank Standard	2,200.87
130156	Ckt BR1181 Breckinridge Sub	10,753.15
130159	CktSP1116 South Park Sub	(948.40)
130160	Ckt SP1115 South Park Sub	9,711.47
130161	Ckt WP1104 West Point Sub	24,989.38
130163	Ckt SV1122 Shepherdsville Sub	11,951.27
130164	CEMI LGE	2,243.87
130173	CIP COMPLIANCE INFRASTR-LGE11	36,070.77
130478	Mill Creek LS Grinding Upgrade	234,972.70
130488	BILLING ENHANCEMENTS - LGE10	32,347.04
130504	MAGN FACILITY IMPROV	14,343.64
130517	MULD REP/REPL DEFECTIVE EQ	9,442.56
130622	TIP TOP (Ft. Knox) RECONDCTR	64,533.09
130638	Tip Top Breaker Replacement	61,662.45
130649	LGE Wildlife Protection	7,118.79
130660	Harrods Creek Substation	1,182,291.02
130700	SCM 2011 Rplc FPE Xfmr LTCs	218.52
130705	SCM 2011 LGE Rpl Sub Batteries	327.78
130712	SCM 2011 LGE Misc Dist Proj	19.38
130728	SCM 11 PSD WSA Breaker Rplc	2,498.52
130888	RATE COMPARE - LGE10	4,900.91
130892	Env Comp MC4 SCR Upgrade	31,388.07
130898	Lou Upgd-Middletown 345kV Brkr	182,388.31
130934	MAGN 2011 REPL BARE STEEL LN	1,406.63
130939	2011 INST GATE VALVES	126,184.54
130942	WK YELLOW LINE MODIFICATIONS	31,869.43
130944	MULD GAS TRANSMISSION	279.74
130946	DIST REG FACILITY REPL	7,370.15
131039	Hardware Infrastructure - LGE	286.90
131086	GAS Facility Inspections	13,206.08
131140	Retail Hardware IFS - LGE	966.73
131222	PR12 GT Control Upgrade	526.62
131225	LGE Substation Equipment Prch	(1,570,655.57)
131256	34KV regs on TT3311	29,445.93
131285	Tip Top Substation project	48,537.57
131309	LGE Sub Bldg & Grounds	251.77
131377	CALVARY LINE REPL B'TOWN CG	5.49
131533	TC1 BOILER REAR REHEAT REPL	72,811.05
131573	DO-MULDRAUGH HVAC	5,900.00
131583	REMODEL LGE OFFICES	13,300.00
131589	OFFICE FURNITURE - LGE	15,476.24

LGE 107001 Activity March 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131623	FAILED EQUIPMENT - LGE	10,450.00
131642	Homeland Security Vault	(586.75)
131693	Envir Compliance Study-Air-LGE	134,257.38
131725	2010 LGE Transformer Rewind #2	4,342.41
131746	MAGNOLIA BLDG CONSTRUCTION	8,004.14
131920	GSU Light Arrst	16,128.25
132041	MULTIFUNCTIONAL DEVICES LGE	123,725.10
132090	ET-Xfrmr-Replc	486.11
132123	MT WASHINGTON SCHOOL RELOC	65,310.08
132153	CENTER MODIFICATIONS	817.38
132194	South Park 1116 Addition	13,570.40
132198	PERFORMANCE SUITE RPTING-LGE	18,460.46
132223	MC3 Online DGA Monitor	1,507.47
132234	WK YELLOW @HWY44 CUTOUT	0.71
132235	WK YELLOW LINE REPL 4 ELLS	5,191.91
132236	CALVARY LINE @ GENTRY LN REP	0.91
132323	Performance Mgmt Project-LGE	24,424.10
132359	MULD WELDING TRK	9,561.98
132384	Breckenridge TR5 Rewind	1,124.27
132522	MC 4A Flyash Blower 2010	149.90
132536	STRAT ASSET INVEST SFTWR LGE	1,213.88
132543	CENTER BY-PASS	742.04
132544	CR6 4KV Switchgear HVAC	27,358.88
132548	BPEM ENHANCEMENTS-LGE	19,265.15
132587	MORGANFIELD OFFICE BLDG LGE	2,431.98
132588	INTERIM MORGANFLD CALL CTR LGE	28,513.59
132590	MC4 Reheat Lower Loops	287,539.23
132637	MC3 Upper Bunker Valves	36,252.76
132645	MC3 Heater Radars	817.61
132651	MC 4C Transformer Bushings	3,010.55
132653	MC3 Boiler Temperature Probe	24,644.00
132654	MC 4E Lower Bunker Valve	271.19
132666	MY ACCOUNT 2011 FIRST RELEASE	8,326.70
132685	MC Gypsum Loadout Conv Belt	10,605.88
132708	OF Sump Pump Repl Spare	26,850.85
132712	MC3 Turbine HP Casing Studs	7,173.35
132742	MR/SO/DIST CCS ENH BUND-LGE	4,975.45
131480LGE	TC CATHODIC PROTECTION	5,328.73
117361	Accrued Labor - LGE	80,540.54
119902	Clear 12/04 A&G	187,610.93
BTM391	Beyond the Meter - Org 003910	(69.10)
CABLE341	Blanket cable for joint trench	34,607.81

LGE 107001 Activity March 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
GME406	GAS MAIN EXT 406	76,148.37
L5-2011	RELOCATIONS T LINES LGE 2011	1,095.04
L7-2011	PARAM UPGRADE T LINE LGE 2011	689.11
L8-2011	STORM DAMAGE T-LINE LGE 2011	3,575.55
L9-2010	PRIORITY REPL T-LINES LGE 2010	28,338.55
L9-2011	PRIORITY REPL T-LINES LGE 2011	83,409.11
LBR-11	LGE Breakers 11	48,602.73
LDISCAP11	LGE DISTRIBUTION CAPACITOR 11	23,727.86
LRSUB-10	LG&E Routine - Subs-10	643.43
LRSUB-11	LG&E Routine - Subs-11	54,073.66
LSMR414	Large Scale Main Replacements	1,961,107.38
LSURGE-11	Surge Arrestors LGE-11	49,132.36
MAN414	ELECTRIC/GAS MANHOLE CONFLICTS	8.07
MCAPRR340	MAINT CAP, REG, REC 340	30,096.24
NBCD340OH	NEW BUS COMM OH 340	116,338.82
NBCD340UG	NEW BUS COMM UG 340	102,669.47
NBGCS419	NEW BUS CONNECT SERV 419	0.88
NBGS341	INSTALL GAS SVC-JOINT TRENCH	10,535.04
NBGS419	NEW BUS GAS SERV 419	108,747.86
NBGS421	NEW BUS GAS SERV 421	3,893.25
NBGS422	NBGS422	199.59
NBRD340OH	NEW BUS RES OH 340	60,473.47
NBRD341UG	NEW BUS RESID UG 341	16,094.98
NBSB340OH	NEW BUS SUB OH 340	3,240.15
NBSB341UG	NEW BUS SUB 341 UG	182,857.55
NBSV340OH	NEW ELECTRIC SERVICES	79,575.25
NBSV340UG	NEW EL SERV UG	46,390.64
NETVLT343	Network Vaults 003430	26,288.16
PBWK340OH	PUB WORKS RELOC OH	1,011.23
PBWK406G	PUB WORKS GAS 406	3,244.06
PMR414	Priority Main Replacement	475,616.87
RCST340	CUST REQ 340	42,678.26
RCST406G	Customer requested - Gas	199.98
RDCBL340	Replace Defective Cable 003400	81,642.52
RDD003190	Repair Defective Eqpt - 003190	20.37
RDDD340OH	REP DEF EQ OH 340	353,406.30
RDDD340UG	REP DEF EQ UG 340	67,600.72
RDDD345OH	POI	(2,280.00)
RDMV332	MERCURY BULB REPL PROJECT	15,064.82
RDPOLE340	Replace Defective Poles 340	263,408.41
RDSTLT332	REPAIR STREET LIGHTING	217,466.15
RELD01015	LGE GEN RELIABILITY	152,187.78



LGE 107001 Activity March 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RELD340OH	OH Reliability 003400	64,465.45
RELD340UG	UG Reliability 003400	2,280.00
RNTPD340	REP THR PARTY DAM 340	(25,112.20)
RNTPD419	Repair Third Party Damages-419	6,914.61
RRCS419G	REP CO GAS SERV 419	142,915.79
RRCS421G	REM/REPL CO GAS SERVICE-421	271.76
STLT332OH	STREET LIGHT OVERHEAD	50,190.34
STLT332UG	STREET LIGHT UNDERGROUND	101,267.70
STRM03230	LGE Minor Storm Events	156,023.23
SYSEN406G	System enhancements - Gas	28,781.60
SYSENH340	SYS ENH EXIST CUST 340	30,277.04
TBRD340OH	Trouble OH 003400	148,702.98
TBRD340UG	Trouble UG 003400	28,668.47
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	703.31
TLEQ447	TOOLS AND EQUIP 447	28,129.67
XFRM340	TRANSFORMER LABOR 340	16,054.69
XFRM341	TRANSFORMER LABOR 341	2,765.98
		<u>\$ 16,444,739.54</u>

LGE 107001 Activity April 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 3,535.47
113270	LGE DIST LINE TRANSFORMERS	399,433.42
114268	Gas Regulator Replacements	89,095.98
115030	PURCHASE REGULATORS	93.71
117136	CR Landfill Vertical Expansion	8,724.05
117149	Trimble County 2	830,254.17
117320	SPCC Mods - LG&E Transmission	83.30
118209	Trimble 2 Transmission lge	10,817.16
120595	PURCHASE REGUL-RES/COMM	63.56
120596	FARM TAP REGULATOR UPGR	3,580.38
121620	Cane Run - New Landfill	38,778.01
121683	TC Ash/Gypsum Ponds- LGE	325,190.48
121684	TC2 AQCS - LGE	18,238.12
121974	LGE Electric Meters & Installs	19,786.45
122513	Middletown-Collins 138kV Line	(1,689.38)
122514	Collins 138/69kV 150MVA Trnsfr	14,726.89
122650	LGE Gas Meters	159,793.90
122696	GRADE LANE CIRCUIT WORK	1.48
122959	MILL CREEK GAS MEASUREMENT	0.56
122971	CONESTOGA CIRCUIT WORK	2.34
122972	EASTWOOD CIRCUIT WORK	30,248.89
122975	EASTWOOD SUBSTATION	6,168.32
123025	INSTALL VALVES ON STOR WELLS	0.52
123039	MULD-DRILL 5 RECOVERY WELLS	92,829.89
123047	2008 GAS REGUL CAPACITY PROJ	6.51
123137	LG&E POLE INSPECTION	158,857.12
123278	HUMANA DATA CENTER CIRC WRK	51,743.66
123598	LGE-Gen Stator Bar Study	500,257.40
123614	MUD LANE (HUMANA UPGRADE)	0.08
123795	Dist Eastwood West Tap	8,425.27
123837	MC2 FGD Refurbishment	160,686.00
123889	UPS ASHBOTTOM (GAS)	10.26
123946	MC3 Reheater Lower Loops	645,406.36
124024	MC3 Turbine TIL 1292	(1,900.33)
124025	MC3 Turbine HP/IP Seals	(22,452.85)
124026	MC3 Turbine IP Buckets	(29,708.29)
124034	MC3 EHC Upgrade	97,638.33
124043	MC Roofing - Bunker Rooms	(214.94)
124049	MC3 DCS Hardware	36,520.91
124057	MC3 FD Fan Vane Drives	6,725.80
124060	MC3 Air Htr Baskets 2011	1,393.53
124361	CR5 4KV Switchgear Upgrade	351.03

LGE 107001 Activity April 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124382	CR Asbestos Abatement 2011	7,307.35
124410	PR13 GT Control Upgrade	98,817.34
124481	TC SPLIT COMMON REACT FEED A/B	(1,260.36)
124536	TC1 INSTALL CO MONITORS-BOILER	27,855.22
124669	'09 OLD HENRY SUBSTA	330.74
124778	CR FGD Engineering Assessment	(2,015.00)
124830	2009 INST GATE VALVES ON WELLS	49.32
124839	PI ACT COMPLI RCVs	5,376.67
124866	OLD HENRY CIRCUIT WORK	(98,759.38)
125273	PR13 Blade and Vane Repl	1,882.17
125285	.NET WPF CLIENT FRAMEWORK-LGE	2,954.18
125310	Server Hardware Refresh-LGE10	3,652.21
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	1,343.85
125348	Impl Red Elec Sys-BOC DC-LGE10	2,386.46
125351	HW/SW Dev Tools 026510-LGE11	1,080.00
125380	IT Sec Lab Enh-LGE11	916.04
125384	Access Switch Rotation-LGE11	137.10
125403	Network Management-LGE11	3,140.02
125406	Security Infra Enh-LGE11	19,266.90
125427	Server Hardware Refresh-LGE11	32,024.86
125445	Bulk Power & Envir Sys-LGE11	2,001.18
125547	Netwk Tools & Test Equi-LGE11	4,775.23
125561	Monitor Replmt - LGE-LGE11	(104.03)
125566	TC rot of dskt & It-LGE-LGE11	41,319.48
125572	Smpsnville Elect Upgrds-LGE11	8,082.45
125573	Louisville Racks & Fur-LGE11	1,053.36
125574	Louisville Elect Upgds-LGE11	1,199.73
125575	DB Tools & Eqiptmnt-LGE11	6,968.45
125582	Project Mirror - LGE11	29,865.70
125620	10 EMS Servers & OUG - LGE	65,846.95
125632	EMS Redundancy LGE	904.96
125643	Oracle IPM (LG&E %)	4,404.07
125665	PowerPlant Upgrade (LG&E %)	9,374.27
125850	DFR	2,265.61
125900	MULD ENGINE COOLING	56.75
126127	MC Roofing - Tripper Room	(8,243.49)
126133	MC2 Hydrosteps - 2012	1,214.00
126143	MC3 Blowdown Tank	5,368.49
126168	CR Switchgear Room A/C	0.01
126169	CR Remote Site Cameras	154.40
126192	CR Station Switchgear Repl	227.08
126222	MC3 Turbine HP Snout Rings	18,245.06

LGE 107001 Activity April 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126382	MULD 2010 REP/REPL DEF EQ	8.55
126386	DOIT GAS EMER MGMT SYSTEM	34,324.26
126422	2010 RELINE GAS STORAGE WELLS	620.28
126448	2010 Dist. Wildlife Protection	2,017.79
126455	2010 BUILDINGS & GROUNDS	(17,987.65)
126466	JEFFERSONTOWN SUB EXPANSION	36,109.74
126470	REMOTE CONTROL VALVES	17,018.47
126479	2010 RELIEF VALVE CAPACITY	3,932.06
126482	UPGRADE REGULATION FACILITIES	14,650.19
126485	GAS REGULATORY TOOLS & EQ	3,399.46
126585	TC Upgrade A Limestone Mill	1.85
126588	TC CT HGPI LGE#2 & CI PARTS	62,837.99
126620	FACILITY EQUIP-ESC & SSC GEN	36,056.35
126653	GS-LGE-Satellite Phone	3,505.14
126655	Jeffersontown Circuit Work	249,760.97
126719	IT LGE TEXTING & CUST COMM	904.37
126734	Worthington Sub Expansion	35,147.38
126806	Surge Arrestors - LGE-2010	1,360.88
126843	Microsoft License-LGE11	56,209.62
126845	Srvr Cap Expan & Rel-LGE11	3,380.36
127034	CR RO System Upgrade	0.05
127049	OF House Crane Gearcase	23,535.41
127090	Ohio Falls Redev. #3	82,044.24
127091	Ohio Falls Redev. #4	82,044.24
127092	Ohio Falls Redev. #5	89,301.96
127095	Ohio Falls Redev. #8	82,752.51
127135	TC CCP LANDFILL PH1 RAV-LGE	75,843.36
127136	TC CCP RIVER FLY ASH BARGE-LGE	20,615.81
127158	CIP- LGE 2011	13,591.41
127175	'Work Mgmt/FRP software - LG&E	36,200.32
127201	Ohio Falls Redev. #1	82,044.24
127202	Ohio Falls Redev. #2	82,044.24
127205	Ohio Falls Redev. Common	9,537.00
127258	Third Party PAR	14,289.25
127265	TC2 CAPITAL SPARES - LGE	(9,586.42)
127345	PENILE CITY GATE ST REDESIGN	(10.92)
127393	Symrna Cap Bank	14,255.88
127413	TWIN FALLS RIVERCREST REG FAC	33,048.91
127455	MAGNOLIA TO PICCADILLY MODIF	1.87
127470	LR10-TC-4542-Relays	67.23
127473	WK BLUE & GREEN MODIFICATIONS	111,886.72
127540	Ener Eff -Operations Auto LGE	41,363.63

LGE 107001 Activity April 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127559	NBU NGCC CR	50,206.44
127597	MC3 Coal Feeder VFDs	7,210.98
127610	MC3 FGD Expansion Joints 2011	89,279.93
127641	MC3 Burners	229,681.19
127649	MAGNOLIA UPGRADE STATION PLCs	7,118.37
130000	REPLACE BOC CRAC UNIT-LGE	4,555.75
130034	LGE Channel Bank Standard	58,245.77
130156	Ckt BR1181 Breckinridge Sub	(3,000.45)
130158	Ckt SM1233 Seminole Sub	(32.10)
130159	CktSP1116 South Park Sub	342.62
130161	Ckt WP1104 West Point Sub	789.59
130163	Ckt SV1122 Shepherdsville Sub	3,414.08
130173	CIP COMPLIANCE INFRASTR-LGE11	13,652.40
130362	PROJMIRROR DB TECH-LGE11	13,673.36
130478	Mill Creek LS Grinding Upgrade	97,308.62
130488	BILLING ENHANCEMENTS - LGE10	38,349.44
130492	UPGR INDIRECT HEAT RE-LITER	24,769.62
130504	MAGN FACILITY IMPROV	987.50
130505	GAS COMPRESSOR REP/ADD	2,088.03
130516	PURCHASE DIAGNOSTIC TOOLS	55,117.38
130517	MULD REP/REPL DEFECTIVE EQ	1,505.46
130622	TIP TOP (Ft. Knox) RECONDCTR	(38,322.69)
130638	Tip Top Breaker Replacement	9,596.03
130649	LGE Wildlife Protection	4,513.11
130660	Harrods Creek Substation	(297,677.78)
130700	SCM 2011 Rplc FPE Xfmr LTCs	1,493.84
130705	SCM 2011 LGE Rpl Sub Batteries	35,624.10
130712	SCM 2011 LGE Misc Dist Proj	2,562.63
130728	SCM 11 PSD WSA Breaker Rplc	36.00
130888	RATE COMPARE - LGE10	4,564.95
130892	Env Comp MC4 SCR Upgrade	37,885.79
130898	Lou Upgd-Middletown 345kV Brkr	52,004.09
130934	MAGN 2011 REPL BARE STEEL LN	31,428.60
130939	2011 INST GATE VALVES	99,517.83
130942	WK YELLOW LINE MODIFICATIONS	113,365.54
130944	MULD GAS TRANSMISSION	8,267.45
130946	DIST REG FACILITY REPL	11,083.27
131039	Hardware Infrastructure - LGE	27,790.37
131086	GAS Facility Inspections	121,558.85
131140	Retail Hardware IFS - LGE	667.59
131225	LGE Substation Equipment Prch	345,787.41
131256	34KV regs on TT3311	1,659.05

LGE 107001 Activity April 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131285	Tip Top Substation project	59,946.85
131293	BOC BATTERIES	21,087.61
131377	CALVARY LINE REPL B'TOWN CG	(8,290.90)
131432	Retail System Enhncmnts - LGE	2,593.26
131531	TC1 BOILER SH PENDANT	480,029.11
131583	REMODEL LGE OFFICES	15,312.73
131589	OFFICE FURNITURE - LGE	24,499.33
131642	Homeland Security Vault	1,873.88
131693	Envir Compliance Study-Air-LGE	47,242.79
131710	Service Pilot UG	74.14
131725	2010 LGE Transformer Rewind #2	(684.00)
131913	NERC Volt Reg	22,519.80
131920	GSU Light Arrst	737.44
132041	MULTIFUNCTIONAL DEVICES LGE	9,415.25
132090	ET-Xfrmr-Replc	633.13
132153	CENTER MODIFICATIONS	13,529.35
132174	STORAGE VIRTUALIZATION-LGE10	19,496.00
132194	South Park 1116 Addition	(1,528.76)
132198	PERFORMANCE SUITE RPTING-LGE	1,784.82
132206	CSS LGE Major Equip	(0.01)
132223	MC3 Online DGA Monitor	13,622.02
132323	Performance Mgmt Project-LGE	2,276.67
132384	Breckenridge TR5 Rewind	1,092.56
132475	MC-Brkrs-Rplc	595,620.80
132543	CENTER BY-PASS	(16,929.74)
132544	CR6 4KV Switchgear HVAC	9,806.10
132548	BPEM ENHANCEMENTS-LGE	19,643.39
132587	MORGANFIELD OFFICE BLDG LGE	2,370.02
132588	INTERIM MORGANFLD CALL CTR LGE	6,287.65
132590	MC4 Reheat Lower Loops	4,183.20
132611	PowerBase - LGE	135,769.93
132621	PENILE TO PADDY'S RUN PIPELINE	12,959.45
132637	MC3 Upper Bunker Valves	1,714.93
132645	MC3 Heater Radars	25,846.85
132651	MC 4C Transformer Bushings	3,018.50
132653	MC3 Boiler Temperature Probe	6,941.39
132663	CR6 Circ Water Pump (Spare)	227,875.21
132666	MY ACCOUNT 2011 FIRST RELEASE	16,351.33
132698	Dix Dam Boiler-LG&E	3,046.77
132708	OF Sump Pump Repl Spare	196.73
132711	MC3 Turb 8th Stage Partitions	91,566.00
132712	MC3 Turbine HP Casing Studs	53,897.16

LGE 107001 Activity April 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132717	MC3 Turb 10th Stage Partitions	91,566.00
132741	MAG-16 DENTS	46,039.03
132742	MR/SO/DIST CCS ENH BUND-LGE	31,797.48
132750	MC Conference Projector System	569.39
132761	MC3 Turb Outer Casing Studs	62,763.74
132763	EDI IMPLEMENTATION-LGE 11	9,741.22
132800	MC3 LP Turbine Discs	783,398.00
132987	MISC FARM TAP REPLACEMENTS	617.44
132992	CR4 Sump Pump Motor Rewind	40,633.82
131444LGE	TC E-CONVEYOR VFD	(1,320.46)
132018LGE	BRCT5 Inlet Coil Repl LGE 10	1,691.76
132265LGE	BRCT6 Rear Wall Repl LGE	50,031.07
117361	Accrued Labor - LGE	(80,540.54)
119902	Clear 12/04 A&G	89,315.70
CABLE341	Blanket cable for joint trench	30,007.93
ECAPRR340	CAP, REG, RECLOSERS 340	734.36
GME406	GAS MAIN EXT 406	89,201.66
L5-2011	RELOCATIONS T LINES LGE 2011	4,191.66
L7-2011	PARAM UPGRADE T LINE LGE 2011	3,338.32
L8-2009	STORM DAMAGE T-LINE LGE 2009	139.25
L8-2011	STORM DAMAGE T-LINE LGE 2011	13,693.25
L9-2010	PRIORITY REPL T-LINES LGE 2010	12,973.81
L9-2011	PRIORITY REPL T-LINES LGE 2011	115,786.83
LBR-10	LGE Breakers	(569,482.91)
LBR-11	LGE Breakers 11	18,910.29
LDISCAP11	LGE DISTRIBUTION CAPACITOR 11	3,176.62
LMS040911	LGE MAJOR STORM 040911	15,871.53
LMS042011	LGE MAJOR STORM 042011	74,709.33
LMS042211	LGE MAJOR STORM 042211	102,126.57
LRSUB-10	LG&E Routine - Subs-10	30,597.38
LRSUB-11	LG&E Routine - Subs-11	48,839.72
LSMR414	Large Scale Main Replacements	1,297,203.08
LSURGE-11	Surge Arrestors LGE-11	1,157.97
MCAPRR340	MAINT CAP, REG, REC 340	46,719.16
NBCD340OH	NEW BUS COMM OH 340	99,596.24
NBCD340UG	NEW BUS COMM UG 340	65,251.38
NBGCS419	NEW BUS CONNECT SERV 419	2,813.22
NBGS341	INSTALL GAS SVC-JOINT TRENCH	12,573.04
NBGS419	NEW BUS GAS SERV 419	135,768.64
NBGS421	NEW BUS GAS SERV 421	557.98
NBGS422	NBGS422	549.92
NBRD340OH	NEW BUS RES OH 340	54,221.89

LGE 107001 Activity April 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
NBRD341UG	NEW BUS RESID UG 341	21,498.35
NBSB340OH	NEW BUS SUB OH 340	1,149.25
NBSB341UG	NEW BUS SUB 341 UG	57,592.70
NBSV340OH	NEW ELECTRIC SERVICES	36,580.41
NBSV340UG	NEW EL SERV UG	45,157.15
NETVLT343	Network Vaults 003430	267,502.86
PBWK340OH	PUB WORKS RELOC OH	7,536.97
PBWK406G	PUB WORKS GAS 406	4,755.84
PMR414	Priority Main Replacement	40,221.28
RCST340	CUST REQ 340	106,750.74
RCST406G	Customer requested - Gas	4,299.05
RDCBL340	Replace Defective Cable 003400	46,814.69
RDDD340OH	REP DEF EQ OH 340	228,575.40
RDDD340UG	REP DEF EQ UG 340	63,977.85
RDMV332	MERCURY BULB REPL PROJECT	18,179.97
RDPOLE340	Replace Defective Poles 340	172,942.55
RDSTLT332	REPAIR STREET LIGHTING	140,597.32
RDSTLT340	REP DEF ST LIGHTS 340	250.13
RELD01015	LGE GEN RELIABILITY	206,377.39
RELD340OH	OH Reliability 003400	67,291.10
RELD340UG	UG Reliability 003400	170.53
RNTPD340	REP THR PARTY DAM 340	88,383.93
RNTPD419	Repair Third Party Damages-419	10,270.80
RRCS419G	REP CO GAS SERV 419	178,398.91
RRCS421G	REM/REPL CO GAS SERVICE-421	1,786.37
RRCS422G	RRCS422G	155.26
STLT332OH	STREET LIGHT OVERHEAD	13,149.48
STLT332UG	STREET LIGHT UNDERGROUND	94,607.34
STRM03230	LGE Minor Storm Events	43,832.06
SYSEN406G	System enhancements - Gas	62,443.64
SYSENH340	SYS ENH EXIST CUST 340	3,582.90
TBRD340OH	Trouble OH 003400	137,031.85
TBRD340UG	Trouble UG 003400	24,612.85
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	1.26
TLEQ340	TOOLS AND EQ 340	11,646.66
TLEQ419	Purchase of Tools - 004190	64.17
TLEQ448	Tools and Equipment 448	3,771.47
TLEQ451	Tools and Equipment , 004510	286.56
XFRM340	TRANSFORMER LABOR 340	14,253.51
XFRM341	TRANSFORMER LABOR 341	4,099.28

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\$ 13,657,328.27



LGE 107001 Activity May 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112767	MC Landfill Expansion	\$ 857,559.13
113270	LGE DIST LINE TRANSFORMERS	466,218.63
114268	Gas Regulator Replacements	117,182.53
117136	CR Landfill Vertical Expansion	13,882.34
117149	Trimble County 2	(537,380.37)
118209	Trimble 2 Transmission lge	12,230.69
120595	PURCHASE REGUL-RES/COMM	34,479.30
121620	Cane Run - New Landfill	20,027.07
121683	TC Ash/Gypsum Ponds- LGE	287,004.56
121684	TC2 AQCS - LGE	9,479.38
121974	LGE Electric Meters & Installs	32,236.98
122513	Middletown-Collins 138kV Line	(3,851.80)
122514	Collins 138/69kV 150MVA Trnsfr	28,615.97
122650	LGE Gas Meters	196,016.19
122805	Museum Plaza Tower Reloc	(5,700.00)
122972	EASTWOOD CIRCUIT WORK	1,144.05
122975	EASTWOOD SUBSTATION	43,489.56
123039	MULD-DRILL 5 RECOVERY WELLS	125,092.92
123137	LG&E POLE INSPECTION	(2,344.64)
123598	LGE-Gen Stator Bar Study	473,282.51
123795	Dist Eastwood West Tap	2,218.75
123896	MC2 Ash and Sump Piping	0.12
123946	MC3 Reheater Lower Loops	(87,367.61)
124024	MC3 Turbine TIL 1292	24,713.69
124025	MC3 Turbine HP/IP Seals	(42,272.37)
124026	MC3 Turbine IP Buckets	32,994.28
124034	MC3 EHC Upgrade	53,888.07
124049	MC3 DCS Hardware	19,640.03
124052	MC4 SCR Catalyst 2010	(492,453.76)
124057	MC3 FD Fan Vane Drives	5,860.84
124060	MC3 Air Htr Baskets 2011	2,089.95
124089	MC Limestone Excavator	211,619.20
124361	CR5 4KV Switchgear Upgrade	(24,130.70)
124368	CR Hardware Refresh	20,410.24
124410	PR13 GT Control Upgrade	(72,702.15)
124536	TC1 INSTALL CO MONITORS-BOILER	5,819.75
124826	MULD STORAGE PIPELINE REPL	(230.74)
124839	PI ACT COMPLI RCVs	2,308.00
124848	2009 COMMERCIAL HP SERV REPL	(117.82)
124866	OLD HENRY CIRCUIT WORK	95.22
125273	PR13 Blade and Vane Repl	5,731.91
125285	.NET WPF CLIENT FRAMEWORK-LGE	(14,162.90)

LGE 107001 Activity May 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125303	Wireless Buildout-LGE10	(4,215.58)
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	19,730.40
125348	Impl Red Elec Sys-BOC DC-LGE10	1,493.65
125351	HW/SW Dev Tools 026510-LGE11	135.85
125353	HW/SW Dev Tools 026540-LGE11	1,889.19
125384	Access Switch Rotation-LGE11	358.12
125393	Data Networks Test Tools-LGE11	22,820.17
125397	Network Acc Dev and Gate-LGE11	163.65
125403	Network Management-LGE11	3,762.52
125406	Security Infra Enh-LGE11	1,195.56
125408	Wireless Buildout-LGE11	496.75
125427	Server Hardware Refresh-LGE11	2,964.46
125445	Bulk Power & Envir Sys-LGE11	2,096.44
125545	Mobile Radio-LGE11	226.33
125546	Netwk Acc Dev & St Infra-LGE11	2,698.99
125547	Netwk Tools & Test Equi-LGE11	1,640.36
125556	Telephone Syst Cap Exp-LGE11	10,827.68
125566	TC rot of dskt & lt-LGE-LGE11	25,250.41
125572	Smprsnville Elect Upgrds-LGE11	10,552.68
125575	DB Tools & Eqiptmnt-LGE11	(350.75)
125576	Data Center Software-LGE11	4,332.52
125582	Project Mirror - LGE11	35,464.96
125620	10 EMS Servers & OUG - LGE	345.11
125636	PowerPlan Budgeting (LG&E %)	6,825.00
125643	Oracle IPM (LG&E %)	9,544.68
125665	PowerPlant Upgrade (LG&E %)	5,772.82
125684	PIGGABILITY CALVARY LINE	(14,533.69)
125850	DFR	12,648.89
126118	MC1 Boiler Lower Sidewall	1.18
126121	MC2 Boiler Lower Sidewall	240,946.52
126133	MC2 Hydrosteps - 2012	121.23
126136	MC3 SCR Catalyst - 2011	406,764.83
126154	MC4 Ash and Sump Piping	0.06
126168	CR Switchgear Room A/C	(1.02)
126222	MC3 Turbine HP Snout Rings	45,328.09
126340	MAGNOLIA 2010 FACIL IMPR	16,515.06
126386	DOIT GAS EMER MGMT SYSTEM	55,104.03
126441	MAG PURCHASE PLASTIC TANKS	(16,515.06)
126466	JEFFERSONTOWN SUB EXPANSION	37,818.79
126477	UPGR ROTARY METERS AT IND FAC	3,492.38
126482	UPGRADE REGULATION FACILITIES	25,202.08
126485	GAS REGULATORY TOOLS & EQ	12,264.57

LGE 107001 Activity May 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126586	TC Upgrade B Limestone Mill	81.68
126588	TC CT HGPI LGE#2 & CI PARTS	112,610.48
126620	FACILITY EQUIP-ESC & SSC GEN	100.26
126652	GS-LGE-Cyber Security	21,656.34
126653	GS-LGE-Satellite Phone	(2,760.00)
126655	Jeffersontown Circuit Work	210,273.42
126734	Worthington Sub Expansion	67,189.36
126845	Srvr Cap Expan & Rel-LGE11	9,441.95
127036	CR5 Expansion Joint Repl	222,810.60
127049	OF House Crane Gearcase	22,118.28
127090	Ohio Falls Redev. #3	109,759.20
127091	Ohio Falls Redev. #4	109,616.75
127092	Ohio Falls Redev. #5	1,047,312.29
127095	Ohio Falls Redev. #8	109,247.89
127135	TC CCP LANDFILL PH1 RAV-LGE	62,606.08
127136	TC CCP RIVER FLY ASH BARGE-LGE	24,321.89
127152	Openview.NET- LGE	106,162.51
127175	'Work Mgmt/FRP software - LG&E	53,970.90
127201	Ohio Falls Redev. #1	108,918.86
127202	Ohio Falls Redev. #2	108,272.61
127205	Ohio Falls Redev. Common	(7,158.11)
127258	Third Party PAR	14,345.88
127265	TC2 CAPITAL SPARES - LGE	(332,370.08)
127393	Symrna Cap Bank	7,653.09
127413	TWIN FALLS RIVERCREST REG FAC	(2,067.07)
127473	WK BLUE & GREEN MODIFICATIONS	56,826.96
127540	Ener Eff -Operations Auto LGE	47,757.72
127559	NBU NGCC CR	65,432.57
127573	MC Gas Main	0.06
127584	MC 1D Coal Mill Gearbox	1.68
127594	MC1 Emergency Batteries	0.42
127597	MC3 Coal Feeder VFDs	6,003.01
127610	MC3 FGD Expansion Joints 2011	(35,645.45)
127641	MC3 Burners	149,079.82
127649	MAGNOLIA UPGRADE STATION PLCs	5,244.17
130003	IMPLEMENT SOA-LGE	248.31
130034	LGE Channel Bank Standard	20,448.91
130156	Ckt BR1181 Breckinridge Sub	62,753.51
130160	Ckt SP1115 South Park Sub	(1,998.57)
130161	Ckt WP1104 West Point Sub	660.85
130163	Ckt SV1122 Shepherdsville Sub	59,629.36
130173	CIP COMPLIANCE INFRASTR-LGE11	2,866.08

LGE 107001 Activity May 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130241	UPGRADE TO SP2011-LGE11	1,312.50
130362	PROJMIRROR DB TECH-LGE11	(711.31)
130478	Mill Creek LS Grinding Upgrade	66,437.22
130488	BILLING ENHANCEMENTS - LGE10	13,410.48
130492	UPGR INDIRECT HEAT RE-LITER	4,123.38
130501	COMM HP SERV COMPLIANCE Prj	5,173.54
130503	GAS REG CAPACITY PROG	19,545.64
130504	MAGN FACILITY IMPROV	2,864.33
130505	GAS COMPRESSOR REP/ADD	59,263.41
130517	MULD REP/REPL DEFECTIVE EQ	15,354.03
130622	TIP TOP (Ft. Knox) RECONDCTR	12,106.67
130638	Tip Top Breaker Replacement	20,808.75
130660	Harrods Creek Substation	105.06
130700	SCM 2011 Rplc FPE Xfmr LTCs	2,783.08
130705	SCM 2011 LGE Rpl Sub Batteries	2,939.21
130712	SCM 2011 LGE Misc Dist Proj	58,972.97
130720	MC1 Economizer Line Insulation	0.25
130722	SCM 2011 LTC Oil Filter Un	29,052.28
130728	SCM 11 PSD WSA Breaker Rplc	328.82
130888	RATE COMPARE - LGE10	10,709.58
130892	Env Comp MC4 SCR Upgrade	7,553.11
130898	Lou Upgd-Middletown 345kV Brkr	350,316.21
130925	MAGN EMERGENCY EQ REP	7,764.46
130934	MAGN 2011 REPL BARE STEEL LN	71,897.98
130939	2011 INST GATE VALVES	13,529.56
130942	WK YELLOW LINE MODIFICATIONS	81,990.57
130944	MULD GAS TRANSMISSION	9,663.17
130946	DIST REG FACILITY REPL	24,283.65
130948	MAGN AIR COMPRESSOR	16,492.54
131039	Hardware Infrastructure - LGE	14,894.58
131086	GAS Facility Inspections	37,199.03
131225	LGE Substation Equipment Prch	18,331.31
131256	34KV regs on TT3311	5,226.08
131285	Tip Top Substation project	126,931.00
131293	BOC BATTERIES	(326.14)
131377	CALVARY LINE REPL B'TOWN CG	30,380.02
131432	Retail System Enhncmnts - LGE	1,403.28
131531	TC1 BOILER SH PENDANT	8,439.92
131532	TC1 BOILER REPL FIN SH PENDANT	12,131.93
131533	TC1 BOILER REAR REHEAT REPL	239,354.37
131534	TC1 BOILER FRONT RH REPLACE	66,291.65
131583	REMODEL LGE OFFICES	2,970.00

LGE 107001 Activity May 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131589	OFFICE FURNITURE - LGE	11,468.81
131693	Envir Compliance Study-Air-LGE	95,012.66
131739	2010 LGE Transformer rewind #3	51.05
131825	Financial Planning Software	19,472.00
131913	NERC Volt Reg	2,867.95
131920	GSU Light Arrst	541.42
132041	MULTIFUNCTIONAL DEVICES LGE	40,910.32
132078	2010 UPGR ROTARY METERS	(3,492.38)
132089	ET-Brkr-Replc	11,950.69
132090	ET-Xfrmr-Replc	114,177.94
132153	CENTER MODIFICATIONS	53,893.67
132194	South Park 1116 Addition	(4,057.50)
132223	MC3 Online DGA Monitor	28.95
132235	WK YELLOW LINE REPL 4 ELLS	2,058.14
132384	Breckenridge TR5 Rewind	6,215.82
132475	MC-Brkrs-Rplc	293,632.37
132533	CR C-1 Coal Conveyor Belt	4,069.60
132536	STRAT ASSET INVEST SFTWR LGE	1,266.87
132543	CENTER BY-PASS	68,567.11
132548	BPEM ENHANCEMENTS-LGE	16,961.52
132587	MORGANFIELD OFFICE BLDG LGE	2,697.87
132588	INTERIM MORGANFLD CALL CTR LGE	7,389.23
132590	MC4 Reheat Lower Loops	0.19
132611	PowerBase - LGE	6,149.53
132621	PENILE TO PADDY'S RUN PIPELINE	151,128.79
132645	MC3 Heater Radars	6,382.08
132653	MC3 Boiler Temperature Probe	1,811.35
132666	MY ACCOUNT 2011 FIRST RELEASE	25,477.42
132684	MILL CREEK LINE MODIFICATIONS	54,401.78
132708	OF Sump Pump Repl Spare	380.40
132711	MC3 Turb 8th Stage Partitions	2,684.49
132712	MC3 Turbine HP Casing Studs	2,917.47
132717	MC3 Turb 10th Stage Partitions	1,581.88
132725	CR Fuel Handling Skid Steer	29,504.60
132736	MC Reverse Osmosis Pump	12,833.48
132741	MAG-16 DENTS	64,921.03
132742	MR/SO/DIST CCS ENH BUND-LGE	47,637.50
132747	SCM 230KW 3PHASE GENERATOR	121,590.00
132761	MC3 Turb Outer Casing Studs	133,488.36
132763	EDI IMPLEMENTATION-LGE 11	16,092.45
132800	MC3 LP Turbine Discs	918,203.50
133003	MC3 WW Tube Overlay Spray	369,394.35

LGE 107001 Activity May 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
133092	KY HWY 22 RELOC - PHASE 3	2,793.76
133160	CCS ARCHIVE/PURGE TECH-LGE	3,145.51
133211	OF Station Roll Up Door Repl	12,208.80
133220	MC Stacker Reclaimer Boom Belt	15,714.44
131444LGE	TC E-CONVEYOR VFD	(1,230.04)
132265LGE	BRCT6 Rear Wall Repl LGE	(318,691.07)
132872LGE	TC2 SPARES ECR LGE	431,283.64
119902	Clear 12/04 A&G	(88.30)
CABLE341	Blanket cable for joint trench	(6,243.14)
GME406	GAS MAIN EXT 406	94,546.66
L5-2011	RELOCATIONS T LINES LGE 2011	831.35
L7-2011	PARAM UPGRADE T LINE LGE 2011	14,479.56
L8-2011	STORM DAMAGE T-LINE LGE 2011	45,740.81
L9-2010	PRIORITY REPL T-LINES LGE 2010	5,915.80
L9-2011	PRIORITY REPL T-LINES LGE 2011	116,456.35
LBR-11	LGE Breakers 11	18,256.89
LDISCAP11	LGE DISTRIBUTION CAPACITOR 11	127,896.52
LMS040911	LGE MAJOR STORM 040911	36,170.67
LMS042011	LGE MAJOR STORM 042011	52,154.08
LMS042211	LGE MAJOR STORM 042211	164,764.42
LMS052311	LGE MAJOR STORM 052311	514,206.45
LRSUB-10	LG&E Routine - Subs-10	(416,942.23)
LRSUB-11	LG&E Routine - Subs-11	62,060.91
LRTU-11	LGE RTU 11	14,611.40
LSMR414	Large Scale Main Replacements	1,597,162.39
LSURGE-11	Surge Arrestors LGE-11	15,302.46
MCAPRR340	MAINT CAP, REG, REC 340	55,709.45
NBCD340OH	NEW BUS COMM OH 340	81,530.90
NBCD340UG	NEW BUS COMM UG 340	326,443.90
NBGS341	INSTALL GAS SVC-JOINT TRENCH	15,958.92
NBGS419	NEW BUS GAS SERV 419	124,701.00
NBGS421	NEW BUS GAS SERV 421	1,323.73
NBGS422	NBGS422	619.53
NBRD340OH	NEW BUS RES OH 340	64,064.32
NBRD341UG	NEW BUS RESID UG 341	23,171.52
NBSB340OH	NEW BUS SUB OH 340	3,547.64
NBSB341UG	NEW BUS SUB 341 UG	131,586.88
NBSV340OH	NEW ELECTRIC SERVICES	44,324.54
NBSV340UG	NEW EL SERV UG	41,267.24
NETVLT343	Network Vaults 003430	133,869.57
PBWK340OH	PUB WORKS RELOC OH	10,396.51
PBWK406G	PUB WORKS GAS 406	3,927.44

LGE 107001 Activity May 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
PMR414	Priority Main Replacement	151,691.72
RCST340	CUST REQ 340	8,265.95
RCST406G	Customer requested - Gas	(2,245.62)
RDCBL340	Replace Defective Cable 003400	51,324.27
RDDD340OH	REP DEF EQ OH 340	190,171.95
RDDD340UG	REP DEF EQ UG 340	52,931.71
RDDD345OH	POI	663.55
RDMV332	MERCURY BULB REPL PROJECT	15,531.91
RDPOLE340	Replace Defective Poles 340	50,791.77
RDSTLT332	REPAIR STREET LIGHTING	81,735.12
RDSTLT340	REP DEF ST LIGHTS 340	312.66
RELD01015	LGE GEN RELIABILITY	381,795.33
RELD340OH	OH Reliability 003400	14,316.77
RELD340UG	UG Reliability 003400	1,158.00
RNTPD340	REP THR PARTY DAM 340	39,776.39
RNTPD419	Repair Third Party Damages-419	8,546.47
RRCS419G	REP CO GAS SERV 419	204,863.20
RRCS421G	REM/REPL CO GAS SERVICE-421	1,792.48
STLT332OH	STREET LIGHT OVERHEAD	50,474.67
STLT332UG	STREET LIGHT UNDERGROUND	46,418.14
STRM03230	LGE Minor Storm Events	4,756.22
SYSEN406G	System enhancements - Gas	22,301.48
SYSENH340	SYS ENH EXIST CUST 340	971.69
TBRD340OH	Trouble OH 003400	174,621.43
TBRD340UG	Trouble UG 003400	24,199.40
TLEQ448	Tools and Equipment 448	7,203.36
TLEQ451	Tools and Equipment , 004510	900.46
XFRM340	TRANSFORMER LABOR 340	11,510.16
XFRM341	TRANSFORMER LABOR 341	(65.65)

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\$ 14,882,450.48

LGE 107001 Activity June 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
113270	LGE DIST LINE TRANSFORMERS	\$ 616,562.50
114268	Gas Regulator Replacements	123,715.69
117136	CR Landfill Vertical Expansion	(3,266.14)
117149	Trimble County 2	(317,056.98)
118209	Trimble 2 Transmission lge	6,523.39
120595	PURCHASE REGUL-RES/COMM	64,883.39
120596	FARM TAP REGULATOR UPGR	694.27
120754	Misc. A/R Uncollect - LGE Cap	(10,048.23)
121620	Cane Run - New Landfill	12,198.32
121683	TC Ash/Gypsum Ponds- LGE	442,481.33
121684	TC2 AQCS - LGE	241,706.69
121974	LGE Electric Meters & Installs	104,130.56
122272	MULDRAUGH THIRD PARTY DAMAGES	(71.24)
122513	Middletown-Collins 138kV Line	(1,279.20)
122650	LGE Gas Meters	187,997.51
122972	EASTWOOD CIRCUIT WORK	6,892.97
122975	EASTWOOD SUBSTATION	75,759.45
123039	MULD-DRILL 5 RECOVERY WELLS	32,631.30
123137	LG&E POLE INSPECTION	91,154.97
123220	LGE BRCT7 A/B Conversion 08	80,383.30
123598	LGE-Gen Stator Bar Study	(227,399.03)
123795	Dist Eastwood West Tap	43,568.95
123946	MC3 Reheater Lower Loops	2,723.32
123966	GS LGE DQIStrat 2010	77,642.88
124024	MC3 Turbine TIL 1292	14,582.77
124025	MC3 Turbine HP/IP Seals	27,771.19
124026	MC3 Turbine IP Buckets	(31,446.82)
124034	MC3 EHC Upgrade	184,037.20
124044	MC Roofing - MC2 Turbine Room	1,322.62
124048	MC2 DCS Hardware	35,817.26
124049	MC3 DCS Hardware	(12,111.48)
124057	MC3 FD Fan Vane Drives	(3,613.35)
124089	MC Limestone Excavator	37,853.64
124361	CR5 4KV Switchgear Upgrade	90,447.87
124367	CR Stack Particulate Monitors	7,403.62
124368	CR Hardware Refresh	20,410.24
124382	CR Asbestos Abatement 2011	5,256.44
124410	PR13 GT Control Upgrade	136,165.62
124536	TC1 INSTALL CO MONITORS-BOILER	7,722.63
124669	'09 OLD HENRY SUBSTA	(2,189.73)
124839	PI ACT COMPLI RCVs	1,282.91
124847	UPGR GAS CONTROL SCADA SYS	4,886.65



LGE 107001 Activity June 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124866	OLD HENRY CIRCUIT WORK	(5,003.70)
125273	PR13 Blade and Vane Repl	(0.19)
125348	Impl Red Elec Sys-BOC DC-LGE10	1,194.94
125351	HW/SW Dev Tools 026510-LGE11	166.79
125353	HW/SW Dev Tools 026540-LGE11	113.35
125362	HW/SW Dev Tools 026560-LGE11	184.13
125366	Data Protection-LGE11	1,033.08
125380	IT Sec Lab Enh-LGE11	89.78
125384	Access Switch Rotation-LGE11	8,688.64
125388	Core Network Infra-LGE11	21,772.59
125393	Data Networks Test Tools-LGE11	297.67
125403	Network Management-LGE11	593.89
125419	Cabling for Server Conn-LGE11	1,142.30
125427	Server Hardware Refresh-LGE11	17,739.59
125445	Bulk Power & Envir Sys-LGE11	736.45
125546	Netwk Acc Dev & St Infra-LGE11	10,386.62
125547	Netwk Tools & Test Equi-LGE11	95.16
125556	Telephone Syst Cap Exp-LGE11	3,978.67
125561	Monitor Replmt - LGE-LGE11	5,040.04
125566	TC rot of dskt & It-LGE-LGE11	16,101.38
125569	New Tech Implmt-LGE11	8,399.18
125572	Smpsnville Elect Upgrds-LGE11	5,741.09
125573	Louisville Racks & Fur-LGE11	19.33
125582	Project Mirror - LGE11	6,700.17
125636	PowerPlan Budgeting (LG&E %)	487.50
125643	Oracle IPM (LG&E %)	3,998.66
125665	PowerPlant Upgrade (LG&E %)	277.53
126121	MC2 Boiler Lower Sidewall	180,709.89
126127	MC Roofing - Tripper Room	4,069.60
126136	MC3 SCR Catalyst - 2011	9,935.09
126137	MC4 SCR Catalyst Layer 2	168,125.35
126222	MC3 Turbine HP Snout Rings	(35,747.28)
126386	DOIT GAS EMER MGMT SYSTEM	59,476.18
126466	JEFFERSONTOWN SUB EXPANSION	15,528.72
126479	2010 RELIEF VALVE CAPACITY	60.77
126482	UPGRADE REGULATION FACILITIES	1,176.94
126586	TC Upgrade B Limestone Mill	451.01
126588	TC CT HGPI LGE#2 & CI PARTS	604,874.33
126655	Jeffersontown Circuit Work	252,354.59
126657	URD MV Cable Rejuvenation	89,820.96
126719	IT LGE TEXTING & CUST COMM	11,338.50
126734	Worthington Sub Expansion	19,930.67

LGE 107001 Activity June 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126735	Worthington Circuit Work	1,609.62
126807	Batteries - LGE-2010	(4,417.37)
126845	Srvr Cap Expan & Rel-LGE11	5,604.64
127034	CR RO System Upgrade	(7.77)
127090	Ohio Falls Redev. #3	484,888.87
127091	Ohio Falls Redev. #4	484,611.16
127092	Ohio Falls Redev. #5	316,822.71
127095	Ohio Falls Redev. #8	484,258.99
127135	TC CCP LANDFILL PH1 RAV-LGE	88,248.80
127136	TC CCP RIVER FLY ASH BARGE-LGE	66,033.25
127152	Openview.NET- LGE	(17,623.32)
127175	'Work Mgmt/FRP software - LG&E	45,063.44
127201	Ohio Falls Redev. #1	484,423.97
127202	Ohio Falls Redev. #2	483,438.47
127258	Third Party PAR	(5,337.27)
127265	TC2 CAPITAL SPARES - LGE	71,314.57
127393	Symrna Cap Bank	631.40
127473	WK BLUE & GREEN MODIFICATIONS	190,870.65
127540	Ener Eff -Operations Auto LGE	51,661.49
127559	NBU NGCC CR	128,616.97
127597	MC3 Coal Feeder VFDs	9.88
127610	MC3 FGD Expansion Joints 2011	1,091.87
127641	MC3 Burners	44,933.94
127646	FUEL WORKS LICENSE FEE LGE	(13,291.87)
127649	MAGNOLIA UPGRADE STATION PLCs	12,433.83
130003	IMPLEMENT SOA-LGE	397,325.46
130034	LGE Channel Bank Standard	19,131.71
130156	Ckt BR1181 Breckinridge Sub	289.45
130163	Ckt SV1122 Shepherdsville Sub	560.53
130173	CIP COMPLIANCE INFRASTR-LGE11	7,628.73
130241	UPGRADE TO SP2011-LGE11	39,039.32
130401	EVALUATE TOOLS&UTILITIES-LGE11	36,364.20
130478	Mill Creek LS Grinding Upgrade	167,829.08
130488	BILLING ENHANCEMENTS - LGE10	4,365.11
130501	COMM HP SERV COMPLIANCE Prj	19,928.85
130503	GAS REG CAPACITY PROG	10,068.32
130504	MAGN FACILITY IMPROV	2,420.22
130505	GAS COMPRESSOR REP/ADD	41,019.49
130510	REPLACE PURIFIER #1 REBOIL	115,399.82
130517	MULD REP/REPL DEFECTIVE EQ	204.89
130622	TIP TOP (Ft. Knox) RECONDCTR	(25,972.58)
130638	Tip Top Breaker Replacement	(1,363.28)

LGE 107001 Activity June 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130660	Harrods Creek Substation	2,180.54
130700	SCM 2011 Rplc FPE Xfmr LTCs	294,357.48
130705	SCM 2011 LGE Rpl Sub Batteries	21,146.29
130712	SCM 2011 LGE Misc Dist Proj	(2,018.33)
130722	SCM 2011 LTC Oil Filter Un	5,730.99
130728	SCM 11 PSD WSA Breaker Rplc	115,128.96
130740	SCM LGE Tools & Equip	6,763.22
130852	MAGN INSTALL WATER INLET	20,603.56
130853	MULD ELEC MTR & PUMP	36,026.54
130855	MAGN REPLACE MUFFLERS	14,175.06
130858	MAGN AIR SYS UPGRADE	13,070.19
130888	RATE COMPARE - LGE10	6,459.62
130892	Env Comp MC4 SCR Upgrade	11,285.91
130898	Lou Upgd-Middletown 345kV Brkr	(179,009.17)
130913	MULD H2S INLET UNITS Prj	43,764.05
130925	MAGN EMERGENCY EQ REP	99,795.43
130934	MAGN 2011 REPL BARE STEEL LN	30,380.13
130939	2011 INST GATE VALVES	266,428.09
130942	WK YELLOW LINE MODIFICATIONS	95,840.11
130944	MULD GAS TRANSMISSION	51,777.14
130946	DIST REG FACILITY REPL	32,393.91
131033	Rptg Business Intelligence LGE	3,040.37
131039	Hardware Infrastructure - LGE	20,982.78
131086	GAS Facility Inspections	76,817.89
131140	Retail Hardware IFS - LGE	8,199.39
131225	LGE Substation Equipment Prch	49,139.10
131256	34KV regs on TT3311	9,674.18
131285	Tip Top Substation project	262,939.07
131432	Retail System Enhncmnts - LGE	7,471.22
131531	TC1 BOILER SH PENDANT	6,751.94
131532	TC1 BOILER REPL FIN SH PENDANT	23,331.32
131533	TC1 BOILER REAR REHEAT REPL	14,261.51
131582	CARPET - LGE FACILITIES	512.50
131583	REMODEL LGE OFFICES	13,691.15
131589	OFFICE FURNITURE - LGE	1,304.10
131693	Envir Compliance Study-Air-LGE	45,998.35
131739	2010 LGE Transformer rewind #3	197.88
131825	Financial Planning Software	29,554.56
131913	NERC Volt Reg	1,836.45
131920	GSU Light Arrst	18,272.28
132041	MULTIFUNCTIONAL DEVICES LGE	10,522.50
132153	CENTER MODIFICATIONS	61,818.87

LGE 107001 Activity June 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132194	South Park 1116 Addition	69,143.11
132298	MC 1&2 Bunker Room Roof	22,382.80
132323	Performance Mgmt Project-LGE	(128.87)
132384	Breckenridge TR5 Rewind	269,215.10
132533	CR C-1 Coal Conveyor Belt	2,286.65
132543	CENTER BY-PASS	2,022.22
132548	BPEM ENHANCEMENTS-LGE	17,290.22
132587	MORGANFIELD OFFICE BLDG LGE	6,158.11
132588	INTERIM MORGANFLD CALL CTR LGE	5,713.18
132605	GUTHRIE COKE NETWORK VAULT	18,471.95
132611	PowerBase - LGE	12,076.39
132621	PENILE TO PADDY'S RUN PIPELINE	35,516.78
132645	MC3 Heater Radars	(3,416.61)
132653	MC3 Boiler Temperature Probe	2,479.94
132666	MY ACCOUNT 2011 FIRST RELEASE	31,647.62
132684	MILL CREEK LINE MODIFICATIONS	76,335.68
132688	Dix Ctrl Console Expansion LGE	6,154.93
132708	OF Sump Pump Repl Spare	22.82
132723	TOAD LICENSES-LGE11	33,864.56
132725	CR Fuel Handling Skid Steer	(3,230.78)
132730	QAS for EMS LGE	69,234.63
132742	MR/SO/DIST CCS ENH BUND-LGE	27,530.25
132750	MC Conference Projector System	1,617.72
132763	EDI IMPLEMENTATION-LGE 11	20,711.22
132770	EOC T-40LP TRAILER	21,448.06
132771	AOC T-40LP Trailer	21,448.06
132800	MC3 LP Turbine Discs	261,399.91
132809	4535 NRTHSD SBSTN PARA	30,010.29
132812	4560 MILCRK SBSTN PARA	31,692.34
132888	EMS CC Switchover - LG&E	1,558.51
132934	GS SL Dielectr Test LGE	5,026.92
133003	MC3 WW Tube Overlay Spray	5,234.08
133024	CCS LOW INCOME COMMITMENT-LGE	21,194.93
133092	KY HWY 22 RELOC - PHASE 3	36,513.89
133095	GS GE PMI Alloy Anlzlr LGE	4,668.78
133160	CCS ARCHIVE/PURGE TECH-LGE	1,221.59
133211	OF Station Roll Up Door Repl	4,247.56
133212	CR51 BFP Motor Rewind	70,560.79
133434	CALVARY 12" @ WESTSIDE DRIVE	7,252.90
133893	MINOR CONSTRUCTION BOC2-LGE	951.07
134308	BOC TELLER AREA RENOVATION	512.50
131444LGE	TC E-CONVEYOR VFD	460.74

LGE 107001 Activity June 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132265LGE	BRCT6 Rear Wall Repl LGE	(115,992.76)
132872LGE	TC2 SPARES ECR LGE	0.01
117361	Accrued Labor - LGE	61,613.11
119902	Clear 12/04 A&G	23,209.62
CABLE341	Blanket cable for joint trench	68,870.01
GME406	GAS MAIN EXT 406	90,203.12
L5-2011	RELOCATIONS T LINES LGE 2011	62,684.35
L7-2011	PARAM UPGRADE T LINE LGE 2011	1,491.89
L8-2011	STORM DAMAGE T-LINE LGE 2011	174,164.22
L9-2010	PRIORITY REPL T-LINES LGE 2010	6,141.00
L9-2011	PRIORITY REPL T-LINES LGE 2011	68,014.61
LBATTERY11	BATTERIES BLANKET LGE 2011	53,707.76
LBR-11	LGE Breakers 11	242,053.10
LDISCAP11	LGE DISTRIBUTION CAPACITOR 11	842.99
LMS040911	LGE MAJOR STORM 040911	1,658.58
LMS042011	LGE MAJOR STORM 042011	7,305.19
LMS042211	LGE MAJOR STORM 042211	10,029.23
LMS052311	LGE MAJOR STORM 052311	(77,254.55)
LMS061911	LGE MAJOR STORM 061911	18,976.45
LRSUB-11	LG&E Routine - Subs-11	66,121.24
LRTU-11	LGE RTU 11	487.60
LSMR414	Large Scale Main Replacements	1,451,811.65
MCAPRR340	MAINT CAP, REG, REC 340	13,344.76
NBCD340OH	NEW BUS COMM OH 340	91,144.87
NBCD340UG	NEW BUS COMM UG 340	141,041.19
NBGS341	INSTALL GAS SVC-JOINT TRENCH	1,075.42
NBGS419	NEW BUS GAS SERV 419	139,530.68
NBGS421	NEW BUS GAS SERV 421	984.77
NBGS422	NBGS422	6,049.71
NBRD340OH	NEW BUS RES OH 340	66,748.70
NBRD341UG	NEW BUS RESID UG 341	16,088.92
NBSB340OH	NEW BUS SUB OH 340	446.45
NBSB341UG	NEW BUS SUB 341 UG	70,312.77
NBSV340OH	NEW ELECTRIC SERVICES	49,530.85
NBSV340UG	NEW EL SERV UG	39,963.85
NBSV341UG	NEW BUS SERVICES 341 UG	155.49
NETVLT343	Network Vaults 003430	19,745.90
PBWK340OH	PUB WORKS RELOC OH	14,180.17
PBWK406G	PUB WORKS GAS 406	13,238.16
PMR414	Priority Main Replacement	125,097.34
RCST340	CUST REQ 340	55,393.32
RDCBL340	Replace Defective Cable 003400	74,164.48

LGE 107001 Activity June 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RDD003190	Repair Defective Eqpt - 003190	13,019.46
RDDD340OH	REP DEF EQ OH 340	206,760.61
RDDD340UG	REP DEF EQ UG 340	82,746.15
RDMV332	MERCURY BULB REPL PROJECT	14,492.95
RDPOLE340	Replace Defective Poles 340	74,360.21
RDSTLT332	REPAIR STREET LIGHTING	202,858.45
RELD01015	LGE GEN RELIABILITY	515,270.84
RELD340OH	OH Reliability 003400	24,459.77
RELD340UG	UG Reliability 003400	163.52
RNTPD340	REP THR PARTY DAM 340	58,559.95
RNTPD419	Repair Third Party Damages-419	13,506.11
RRCS419G	REP CO GAS SERV 419	163,880.79
RRCS421G	REM/REPL CO GAS SERVICE-421	4,422.65
STLT332OH	STREET LIGHT OVERHEAD	53,341.54
STLT332UG	STREET LIGHT UNDERGROUND	137,331.38
STRM03230	LGE Minor Storm Events	39,982.72
SYSEN406G	System enhancements - Gas	81,216.53
SYSENH340	SYS ENH EXIST CUST 340	9,014.76
TBRD340OH	Trouble OH 003400	182,050.28
TBRD340UG	Trouble UG 003400	31,128.01
TLEQ447	TOOLS AND EQUIP 447	42,979.36
TLEQ448	Tools and Equipment 448	8,128.89
XFRM340	TRANSFORMER LABOR 340	10,862.49
XFRM341	TRANSFORMER LABOR 341	443.58
		\$ 15,936,796.34

LGE 107001 Activity July 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
113270	LGE DIST LINE TRANSFORMERS	\$ 178,906.90
114268	Gas Regulator Replacements	129,821.17
115030	PURCHASE REGULATORS	26.03
117136	CR Landfill Vertical Expansion	5,252.58
117149	Trimble County 2	(26,980.07)
117320	SPCC Mods - LG&E Transmission	4.25
118209	Trimble 2 Transmission lge	19,941.09
120595	PURCHASE REGUL-RES/COMM	88,925.16
121620	Cane Run - New Landfill	25,858.60
121683	TC Ash/Gypsum Ponds- LGE	210,236.71
121684	TC2 AQCS - LGE	65,190.56
121974	LGE Electric Meters & Installs	17,563.27
122513	Middletown-Collins 138kV Line	19.72
122650	LGE Gas Meters	199,658.52
122696	GRADE LANE CIRCUIT WORK	0.41
122805	Museum Plaza Tower Reloc	59.74
122959	MILL CREEK GAS MEASUREMENT	0.16
122971	CONESTOGA CIRCUIT WORK	0.64
122972	EASTWOOD CIRCUIT WORK	112,643.47
122975	EASTWOOD SUBSTATION	45,908.44
123025	INSTALL VALVES ON STOR WELLS	0.15
123039	MULD-DRILL 5 RECOVERY WELLS	17,742.85
123047	2008 GAS REGUL CAPACITY PROJ	1.81
123137	LG&E POLE INSPECTION	20,310.35
123598	LGE-Gen Stator Bar Study	(1,255.01)
123614	MUD LANE (HUMANA UPGRADE)	0.02
123795	Dist Eastwood West Tap	38,820.55
123889	UPS ASHBOTTOM (GAS)	2.85
123946	MC3 Reheater Lower Loops	535.58
123966	GS LGE DQIStrat 2010	12,642.76
124025	MC3 Turbine HP/IP Seals	130,471.04
124026	MC3 Turbine IP Buckets	24,905.66
124034	MC3 EHC Upgrade	154,031.84
124049	MC3 DCS Hardware	(0.63)
124068	MC2 Condenser Tubing	1,454,960.60
124089	MC Limestone Excavator	9,817.49
124361	CR5 4KV Switchgear Upgrade	(90,447.87)
124367	CR Stack Particulate Monitors	36.38
124382	CR Asbestos Abatement 2011	28,334.83
124410	PR13 GT Control Upgrade	477.55
124669	'09 OLD HENRY SUBSTA	2,430.12
124804	MULD HYDRAULIC FAN MOTORS	105,015.40

LGE 107001 Activity July 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124830	2009 INST GATE VALVES ON WELLS	13.70
124835	CP IMPRESSED CURRENT SY IMPRV	(6,499.16)
125273	PR13 Blade and Vane Repl	(534.84)
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	11,940.26
125351	HW/SW Dev Tools 026510-LGE11	1,038.39
125352	HW/SW Dev Tools 026580-LGE11	2,133.40
125355	HW/SW Dev Tools 026530-LGE11	4,695.67
125362	HW/SW Dev Tools 026560-LGE11	2,512.39
125366	Data Protection-LGE11	3,691.27
125380	IT Sec Lab Enh-LGE11	3,507.40
125384	Access Switch Rotation-LGE11	165,438.18
125388	Core Network Infra-LGE11	473.30
125397	Network Acc Dev and Gate-LGE11	4,009.17
125403	Network Management-LGE11	1,720.95
125419	Cabling for Server Conn-LGE11	3,731.56
125427	Server Hardware Refresh-LGE11	2,566.86
125445	Bulk Power & Envir Sys-LGE11	46.49
125545	Mobile Radio-LGE11	1,712.47
125546	Netwk Acc Dev & St Infra-LGE11	5,824.27
125547	Netwk Tools & Test Equi-LGE11	11,091.55
125552	Site Security Impmts-LGE11	1,277.31
125556	Telephone Syst Cap Exp-LGE11	419.07
125566	TC rot of dskt & lt-LGE-LGE11	18,527.70
125572	Smpsnville Elect Upgrds-LGE11	12,205.10
125573	Louisville Racks & Fur-LGE11	227.14
125575	DB Tools & Eqiptmnt-LGE11	27,779.05
125576	Data Center Software-LGE11	317.35
125582	Project Mirror - LGE11	1,547.77
125620	10 EMS Servers & OUG - LGE	(2,949.29)
125643	Oracle IPM (LG&E %)	4,318.33
125900	MULD ENGINE COOLING	15.77
126136	MC3 SCR Catalyst - 2011	236,301.68
126137	MC4 SCR Catalyst Layer 2	826.25
126169	CR Remote Site Cameras	104.31
126192	CR Station Switchgear Repl	153.95
126222	MC3 Turbine HP Snout Rings	2,595.22
126340	MAGNOLIA 2010 FACIL IMPR	(1,140.16)
126371	MULD ENG #4 & #8 WATER PUMP	(105,015.40)
126382	MULD 2010 REP/REPL DEF EQ	2.37
126386	DOIT GAS EMER MGMT SYSTEM	48,329.92
126449	2010 Misc. Dist. Project	(1,242.21)
126466	JEFFERSONTOWN SUB EXPANSION	1,515.45



LGE 107001 Activity July 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126485	GAS REGULATORY TOOLS & EQ	7,559.50
126585	TC Upgrade A Limestone Mill	1.25
126588	TC CT HGPI LGE#2 & CI PARTS	266,910.53
126652	GS-LGE-Cyber Security	30,643.76
126655	Jeffersontown Circuit Work	24,680.23
126657	URD MV Cable Rejuvenation	618.79
126734	Worthington Sub Expansion	69,335.22
126837	HW/SW Dev Tools 026520-LGE11	497.80
127036	CR5 Expansion Joint Repl	(55,692.00)
127090	Ohio Falls Redev. #3	20,895.40
127091	Ohio Falls Redev. #4	20,984.97
127092	Ohio Falls Redev. #5	228,551.70
127095	Ohio Falls Redev. #8	52,109.84
127135	TC CCP LANDFILL PH1 RAV-LGE	132,670.63
127136	TC CCP RIVER FLY ASH BARGE-LGE	56,651.26
127152	Openview.NET- LGE	3,542.56
127175	'Work Mgmt/FRP software - LG&E	26,564.79
127201	Ohio Falls Redev. #1	20,505.79
127202	Ohio Falls Redev. #2	50,652.98
127258	Third Party PAR	16,625.27
127265	TC2 CAPITAL SPARES - LGE	1,052.37
127291	345kV-BKR RET-TC	(965.68)
127381	PaddRun-XFMR-Rep	91.59
127455	MAGNOLIA TO PICCADILLY MODIF	0.52
127470	LR10-TC-4542-Relays	(862.99)
127473	WK BLUE & GREEN MODIFICATIONS	145,036.41
127540	Ener Eff -Operations Auto LGE	51,982.99
127559	NBU NGCC CR	130,155.13
127641	MC3 Burners	189,221.05
127649	MAGNOLIA UPGRADE STATION PLCs	778.46
130000	REPLACE BOC CRAC UNIT-LGE	136,998.84
130003	IMPLEMENT SOA-LGE	2,361.74
130020	Emergency Generator Doe Run	17,067.03
130034	LGE Channel Bank Standard	16,169.51
130163	Ckt SV1122 Shepherdsville Sub	(4,008.51)
130173	CIP COMPLIANCE INFRASTR-LGE11	4,668.19
130401	EVALUATE TOOLS&UTILITIES-LGE11	894.21
130464	Collaborative Tools	978.47
130478	Mill Creek LS Grinding Upgrade	753,184.42
130492	UPGR INDIRECT HEAT RE-LITER	106.95
130493	UPGR DR & ELLINGSWORTH	19,960.18
130501	COMM HP SERV COMPLIANCE Prj	62,599.15

LGE 107001 Activity July 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130503	GAS REG CAPACITY PROG	7,475.63
130504	MAGN FACILITY IMPROV	2,682.66
130505	GAS COMPRESSOR REP/ADD	30,084.11
130510	REPLACE PURIFIER #1 REBOIL	18,508.46
130511	REPL INSULATION PIPE IN PURIF	3,444.56
130514	MULD COMPRESSOR PIPE REP	26,936.49
130622	TIP TOP (Ft. Knox) RECONDCTR	17,240.05
130638	Tip Top Breaker Replacement	412.00
130660	Harrods Creek Substation	109,762.96
130705	SCM 2011 LGE Rpl Sub Batteries	228.47
130712	SCM 2011 LGE Misc Dist Proj	(4,084.40)
130722	SCM 2011 LTC Oil Filter Un	5,132.06
130728	SCM 11 PSD WSA Breaker Rplc	4,959.36
130740	SCM LGE Tools & Equip	17,525.50
130852	MAGN INSTALL WATER INLET	7,771.94
130853	MULD ELEC MTR & PUMP	7,621.57
130855	MAGN REPLACE MUFFLERS	59.80
130858	MAGN AIR SYS UPGRADE	45,664.76
130869	MULDRAUGH FIELD STAIRWAY	5,824.90
130888	RATE COMPARE - LGE10	2,263.40
130892	Env Comp MC4 SCR Upgrade	38,783.48
130898	Lou Upgd-Middletown 345kV Brkr	20,169.86
130913	MULD H2S INLET UNITS Prj	373.27
130915	MULD INT AUX COOLING	6,087.63
130934	MAGN 2011 REPL BARE STEEL LN	8,172.40
130939	2011 INST GATE VALVES	12,453.03
130942	WK YELLOW LINE MODIFICATIONS	62,521.40
130944	MULD GAS TRANSMISSION	3,309.33
130946	DIST REG FACILITY REPL	4,240.19
131033	Rptg Business Intelligence LGE	1,523.08
131039	Hardware Infrastructure - LGE	109.98
131082	ERTS LGE	16,404.88
131086	GAS Facility Inspections	15,878.37
131140	Retail Hardware IFS - LGE	737.09
131225	LGE Substation Equipment Prch	(153,927.00)
131256	34KV regs on TT3311	6,496.46
131267	BRCT 5, 6 & 7 HMI Upgr 12 LGE	81,303.98
131285	Tip Top Substation project	43,726.99
131357	CR Station Battery 2011	88,545.56
131515	DO-FAC IMPROVEMENTS LGE	17,799.57
131531	TC1 BOILER SH PENDANT	(26,942.83)
131533	TC1 BOILER REAR REHEAT REPL	112,420.78

LGE 107001 Activity July 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131534	TC1 BOILER FRONT RH REPLACE	325.78
131538	TC1 BOILER PLATFORM	65,390.33
131566	DO-GAS STORAGE FAC IMPRVMTS	80,111.00
131583	REMODEL LGE OFFICES	6,769.04
131589	OFFICE FURNITURE - LGE	705.60
131618	LGE SECURITY EQUIP	13,054.91
131693	Envir Compliance Study-Air-LGE	68,619.82
131739	2010 LGE Transformer rewind #3	54.10
131741	CR North Bin Vent Baghouse	8,629.00
131825	Financial Planning Software	23,976.73
131913	NERC Volt Reg	4,031.18
131920	GSU Light Arrst	(2,284.03)
131946	GS GE Plt Lab '11 LGE	41,801.36
132041	MULTIFUNCTIONAL DEVICES LGE	1,773.15
132153	CENTER MODIFICATIONS	3,016.30
132174	STORAGE VIRTUALIZATION-LGE10	19,496.00
132194	South Park 1116 Addition	5,018.11
132384	Breckenridge TR5 Rewind	35,291.88
132475	MC-Brkrs-Rplc	639.17
132536	STRAT ASSET INVEST SFTWR LGE	65,216.91
132543	CENTER BY-PASS	43.42
132548	BPEM ENHANCEMENTS-LGE	540.80
132587	MORGANFIELD OFFICE BLDG LGE	11,391.21
132588	INTERIM MORGANFLD CALL CTR LGE	628.01
132611	PowerBase - LGE	6,507.23
132621	PENILE TO PADDY'S RUN PIPELINE	55,731.43
132637	MC3 Upper Bunker Valves	2,209.62
132653	MC3 Boiler Temperature Probe	717.31
132666	MY ACCOUNT 2011 FIRST RELEASE	14,028.39
132684	MILL CREEK LINE MODIFICATIONS	74,676.72
132708	OF Sump Pump Repl Spare	132.93
132712	MC3 Turbine HP Casing Studs	17,566.69
132730	QAS for EMS LGE	2,505.27
132741	MAG-16 DENTS	7,879.68
132742	MR/SO/DIST CCS ENH BUND-LGE	9,962.14
132750	MC Conference Projector System	15,688.34
132761	MC3 Turb Outer Casing Studs	10,203.37
132763	EDI IMPLEMENTATION-LGE 11	15,985.00
132800	MC3 LP Turbine Discs	50,330.99
132809	4535 NRTHSD SBSTN PARA	15,016.33
132812	4560 MILCRK SBSTN PARA	16,127.34
132888	EMS CC Switchover - LG&E	14,486.54

LGE 107001 Activity July 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132907	MT-Relays-2011	28,279.74
132909	NS-Relays-2011	687.18
132911	PW-Relays-2011	1,780.61
132912	TC-Relays-2011	14,624.03
132990	CR Coal Handling Transformer	16,358.40
133024	CCS LOW INCOME COMMITMENT-LGE	23,579.43
133029	4533 LRC RE-SAG	1,644.50
133083	Auburndale Forklift	30,451.68
133092	KY HWY 22 RELOC - PHASE 3	53,470.64
133095	GS GE PMI Alloy AnlZR LGE	17,778.08
133160	CCS ARCHIVE/PURGE TECH-LGE	7,528.00
133510	Sville Remodel - LG&E	21,530.49
133893	MINOR CONSTRUCTION BOC2-LGE	5,188.39
134085	CR Ash Pond Road Surfacing	20,599.31
134178	BALLARDSVILLE LINE @ HWY 146	2,267.85
134246	MC4 Long Shaft Serv Water Pmp	34,962.87
134308	BOC TELLER AREA RENOVATION	26,459.49
134341	CR RO Pump and Motor Upgrade	76,946.65
134342	LGE 5th Floor VP Suite	34,302.44
134355	MC4 Boiler Room Sump Piping	32,779.81
134363	69KV Lighting Arresters	2,619.10
134599	CR4B Trav Water Screen Repl	81,017.02
132265LGE	BRCT6 Rear Wall Repl LGE	657.76
132872LGE	TC2 SPARES ECR LGE	11,126.31
117361	Accrued Labor - LGE	(61,613.11)
119902	Clear 12/04 A&G	33,304.04
CABLE341	Blanket cable for joint trench	(8,333.15)
ECAPRR340	CAP, REG, RECLOSERS 340	3,080.67
GME406	GAS MAIN EXT 406	70,159.56
L5-2011	RELOCATIONS T LINES LGE 2011	(68,802.42)
L7-2011	PARAM UPGRADE T LINE LGE 2011	3,715.78
L8-2011	STORM DAMAGE T-LINE LGE 2011	2,944.97
L9-2009	PRIORITY REPL T-LINES LGE 2009	2,567.60
L9-2010	PRIORITY REPL T-LINES LGE 2010	4,561.34
L9-2011	PRIORITY REPL T-LINES LGE 2011	95,612.42
LBATTERY11	BATTERIES BLANKET LGE 2011	2,522.22
LBR-11	LGE Breakers11	(18,307.65)
LDISCAP11	LGE DISTRIBUTION CAPACITOR11	21,538.14
LINSTRF11	INSTRUMENT TRANSFMR LGE 2011	1,910.59
LMS042011	LGE MAJOR STORM 042011	414.00
LMS042211	LGE MAJOR STORM 042211	194.81
LMS052311	LGE MAJOR STORM 052311	127,068.29

LGE 107001 Activity July 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
LMS061911	LGE MAJOR STORM 061911	225,205.16
LMS071911	LGE MAJOR STORM 071911	129,371.98
LRSUB-11	LG&E Routine - Subs-11	59,226.36
LSMR414	Large Scale Main Replacements	1,493,821.39
MCAPRR340	MAINT CAP, REG, REC 340	10,569.31
NBCD340OH	NEW BUS COMM OH 340	110,550.30
NBCD340UG	NEW BUS COMM UG 340	300,552.13
NBGS341	INSTALL GAS SVC-JOINT TRENCH	5,837.65
NBGS419	NEW BUS GAS SERV 419	118,991.03
NBGS421	NEW BUS GAS SERV 421	384.92
NBGS422	NBGS422	1,130.48
NBRD340OH	NEW BUS RES OH 340	82,624.95
NBRD341UG	NEW BUS RESID UG 341	38,166.89
NBSB340OH	NEW BUS SUB OH 340	3,054.78
NBSB341UG	NEW BUS SUB 341 UG	121,497.16
NBSV340OH	NEW ELECTRIC SERVICES	73,944.02
NBSV340UG	NEW EL SERV UG	32,270.28
NETVLT343	Network Vaults 003430	28,789.65
PBWK340OH	PUB WORKS RELOC OH	6,075.47
PBWK406G	PUB WORKS GAS 406	25,441.21
PMR414	Priority Main Replacement	140,469.05
RCST340	CUST REQ 340	(4,940.60)
RCST406G	Customer requested - Gas	105,898.55
RDCBL340	Replace Defective Cable 003400	65,500.10
RDD003190	Repair Defective Eqpt - 003190	(2,694.05)
RDDD340OH	REP DEF EQ OH 340	202,479.18
RDDD340UG	REP DEF EQ UG 340	108,461.97
RDMV332	MERCURY BULB REPL PROJECT	14,072.90
RDPOLE340	Replace Defective Poles 340	27,805.99
RDSTLT332	REPAIR STREET LIGHTING	83,052.35
RELD01015	LGE GEN RELIABILITY	180,377.50
RELD340OH	OH Reliability 003400	26,526.23
RELD340UG	UG Reliability 003400	4,682.00
RNTPD340	REP THR PARTY DAM 340	(95,367.82)
RNTPD419	Repair Third Party Damages-419	10,784.09
RRCS419G	REP CO GAS SERV 419	176,702.60
RRCS421G	REM/REPL CO GAS SERVICE-421	579.52
RRCS422G	RRCS422G	1,170.24
STLT332OH	STREET LIGHT OVERHEAD	52,705.67
STLT332UG	STREET LIGHT UNDERGROUND	66,917.38
STRM03230	LGE Minor Storm Events	71,284.17
SYSEN406G	System enhancements - Gas	12,854.58

LGE 107001 Activity July 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
SYSENH340	SYS ENH EXIST CUST 340	3,311.31
TBRD340OH	Trouble OH 003400	230,235.73
TBRD340UG	Trouble UG 003400	63,041.88
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	3,084.70
TLEQ419	Purchase of Tools - 004190	17.83
TLEQ450	Tools and Equipment , 004500	16,221.16
XFRM340	TRANSFORMER LABOR 340	23,331.76
XFRM341	TRANSFORMER LABOR 341	1,895.11
		<u><u>\$ 12,619,722.89</u></u>

LGE 107001 Activity August 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
113270	LGE DIST LINE TRANSFORMERS	\$ 214,135.84
114268	Gas Regulator Replacements	81,424.20
117136	CR Landfill Vertical Expansion	54,117.75
117149	Trimble County 2	10,967.41
118209	Trimble 2 Transmission lge	2,274.59
120595	PURCHASE REGUL-RES/COMM	31,224.02
121620	Cane Run - New Landfill	15,551.07
121683	TC Ash/Gypsum Ponds- LGE	170,458.50
121684	TC2 AQCS - LGE	(45,156.74)
121974	LGE Electric Meters & Installs	24,612.88
122514	Collins 138/69kV 150MVA Trnsfr	51,006.26
122650	LGE Gas Meters	260,773.19
122972	EASTWOOD CIRCUIT WORK	39,238.69
122975	EASTWOOD SUBSTATION	115,857.54
123039	MULD-DRILL 5 RECOVERY WELLS	40,262.61
123137	LG&E POLE INSPECTION	119,936.27
123311	TC CBU Counter Weight Cable	(234,502.28)
123795	Dist Eastwood West Tap	25,113.18
123837	MC2 FGD Refurbishment	86,596.47
123966	GS LGE DQI Strat 2010	(923.63)
124034	MC3 EHC Upgrade	61,677.68
124048	MC2 DCS Hardware	9,683.21
124050	MC4 DCS Hardware	(15,959.41)
124068	MC2 Condenser Tubing	1,224.35
124083	MC Coal Pile Retention	222,065.28
124367	CR Stack Particulate Monitors	(39.59)
124382	CR Asbestos Abatement 2011	194.38
124410	PR13 GT Control Upgrade	6,717.68
124503	TC ELEVATOR CONTROLS UPGRADE	(70,375.99)
124530	TC1 UPGD GENERATOR RECTIFIERS	56,056.12
124545	TC AIR HEATER BASKET REPL	483,237.36
124669	'09 OLD HENRY SUBSTA	239.34
124847	UPGR GAS CONTROL SCADA SYS	4,131.23
125273	PR13 Blade and Vane Repl	(7,079.05)
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	6,084.09
125351	HW/SW Dev Tools 026510-LGE11	72.01
125352	HW/SW Dev Tools 026580-LGE11	1,709.05
125353	HW/SW Dev Tools 026540-LGE11	2,440.31
125366	Data Protection-LGE11	3,556.89
125368	IT Sec Mon/Aud/Mgt Tools-LGE11	276,792.46
125380	IT Sec Lab Enh-LGE11	226.01
125388	Core Network Infra-LGE11	1,758.07

LGE 107001 Activity August 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125397	Network Acc Dev and Gate-LGE11	4,840.16
125427	Server Hardware Refresh-LGE11	15,614.39
125445	Bulk Power & Envir Sys-LGE11	15,532.95
125545	Mobile Radio-LGE11	1,000.00
125546	Netwk Acc Dev & St Infra-LGE11	17,922.59
125547	Netwk Tools & Test Equi-LGE11	417.42
125549	Outside Cable Plant -LGE11	906.91
125556	Telephone Syst Cap Exp-LGE11	316.66
125566	TC rot of dskt & It-LGE-LGE11	12,955.79
125569	New Tech Implmt-LGE11	4,666.68
125573	Louisville Racks & Fur-LGE11	341.98
125582	Project Mirror - LGE11	13,708.45
125643	Oracle IPM (LG&E %)	6,888.82
125665	PowerPlant Upgrade (LG&E %)	5,248.13
126083	BRCT GT24 Purge Vlv 10-11 LGE	(21,346.30)
126121	MC2 Boiler Lower Sidewall	60,236.63
126136	MC3 SCR Catalyst - 2011	19,765.04
126137	MC4 SCR Catalyst Layer 2	(18,134.00)
126176	CR6-1 Boiler Feed Pump Repl	(17,368.65)
126192	CR Station Switchgear Repl	(31,375.41)
126239	TC Limestone Bull Gear Monit	263.75
126242	TC Limestone Conveyors	(307.59)
126248	TC Limestone Conveyor Belt	1,128.97
126386	DOIT GAS EMER MGMT SYSTEM	166,953.27
126449	2010 Misc. Dist. Project	1,060.92
126466	JEFFERSONTOWN SUB EXPANSION	1,719.78
126485	GAS REGULATORY TOOLS & EQ	7,636.49
126585	TC Upgrade A Limestone Mill	(1,398.95)
126586	TC Upgrade B Limestone Mill	22.17
126588	TC CT HGPI LGE#2 & CI PARTS	(345,050.23)
126616	FURNITURE/OFFICE EQP-LGE 2011	6,508.83
126644	GS-LGE-BTU Calorimtr Rplt	22,858.02
126652	GS-LGE-Cyber Security	(30,096.55)
126655	Jeffersontown Circuit Work	24,750.40
126657	URD MV Cable Rejuvenation	82,362.02
126719	IT LGE TEXTING & CUST COMM	86.64
126734	Worthington Sub Expansion	14,250.45
126837	HW/SW Dev Tools 026520-LGE11	497.80
126845	Srvr Cap Expan & Rel-LGE11	2,443.37
127090	Ohio Falls Redev. #3	438,806.66
127091	Ohio Falls Redev. #4	439,101.01
127092	Ohio Falls Redev. #5	1,657,081.93



LGE 107001 Activity August 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127095	Ohio Falls Redev. #8	427,263.13
127135	TC CCP LANDFILL PH1 RAV-LGE	191,002.77
127136	TC CCP RIVER FLY ASH BARGE-LGE	82,661.58
127138	FITNESS RM AND PSRT RM	2,042.58
127158	CIP- LGE 2011	1,697.91
127175	'Work Mgmt/FRP software - LG&E	92,896.79
127201	Ohio Falls Redev. #1	459,528.42
127202	Ohio Falls Redev. #2	425,044.56
127258	Third Party PAR	19,283.06
127265	TC2 CAPITAL SPARES - LGE	161,510.96
127473	WK BLUE & GREEN MODIFICATIONS	202,395.55
127540	Ener Eff -Operations Auto LGE	48,824.89
127559	NBU NGCC CR	108,106.36
127576	MC2 Partial Radiant Reheater	367.59
127600	MC4 Alterex Rewind	71,416.69
127641	MC3 Burners	(120,679.18)
127649	MAGNOLIA UPGRADE STATION PLCs	5,222.63
130003	IMPLEMENT SOA-LGE	7,096.02
130020	Emergency Generator Doe Run	10,379.05
130034	LGE Channel Bank Standard	3,972.42
130156	Ckt BR1181 Breckinridge Sub	533.40
130163	Ckt SV1122 Shepherdsville Sub	262.83
130173	CIP COMPLIANCE INFRASTR-LGE11	7,157.88
130210	SP ADMIN TOOL - LGE11	6,242.22
130241	UPGRADE TO SP2011-LGE11	5,307.82
130478	Mill Creek LS Grinding Upgrade	539,894.85
130492	UPGR INDIRECT HEAT RE-LITER	9,813.56
130493	UPGR DR & ELLINGSWORTH	12,400.34
130501	COMM HP SERV COMPLIANCE Prj	95,027.06
130503	GAS REG CAPACITY PROG	65,027.47
130504	MAGN FACILITY IMPROV	541.50
130505	GAS COMPRESSOR REP/ADD	80,364.45
130510	REPLACE PURIFIER #1 REBOIL	117,521.57
130514	MULD COMPRESSOR PIPE REP	22,724.20
130517	MULD REP/REPL DEFECTIVE EQ	45,183.56
130622	TIP TOP (Ft. Knox) RECONDCTR	93,332.83
130638	Tip Top Breaker Replacement	115,646.23
130660	Harrods Creek Substation	1,500.86
130661	Harrods Creek Sub Exp CW	980.57
130705	SCM 2011 LGE Rpl Sub Batteries	2,003.48
130712	SCM 2011 LGE Misc Dist Proj	5,168.66
130722	SCM 2011 LTC Oil Filter Un	6,013.89

LGE 107001 Activity August 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130853	MULD ELEC MTR & PUMP	6,306.77
130856	MULD PURIFIER PROCESS PIPE	399.88
130858	MAGN AIR SYS UPGRADE	11,776.49
130860	MAGN INST PNEUMATIC CRANE	35,447.63
130869	MULDRAUGH FIELD STAIRWAY	5,824.90
130874	MAGN REPACK #1 PURIFIER	391.97
130888	RATE COMPARE - LGE10	5,743.52
130889	Drafting Equip - LGE	(8,551.43)
130892	Env Comp MC4 SCR Upgrade	33,135.18
130898	Lou Upgd-Middletown 345kV Brkr	79,270.33
130913	MULD H2S INLET UNITS Prj	36,773.81
130915	MULD INT AUX COOLING	16,743.09
130916	MULD ENG NO. 7 COOLING PIPING	3,132.48
130934	MAGN 2011 REPL BARE STEEL LN	743.16
130937	MULD UPG EXISTING FARM TAPS	9,811.79
130939	2011 INST GATE VALVES	6,318.60
130941	MAGN OIL & WATER COOLING CONTR	2,894.56
130942	WK YELLOW LINE MODIFICATIONS	381,017.06
130946	DIST REG FACILITY REPL	8,172.00
131014	Internet Functionality-LGE	11,000.00
131033	Rptg Business Intelligence LGE	3,173.04
131039	Hardware Infrastructure - LGE	15,124.93
131082	ERTS LGE	87,877.14
131086	GAS Facility Inspections	245,494.57
131135	FieldNet Upgrades - LGE	6,608.00
131140	Retail Hardware IFS - LGE	6,441.27
131218	OF Station Battery	(3,760.00)
131225	LGE Substation Equipment Prch	836.37
131256	34KV regs on TT3311	231.98
131267	BRCT 5, 6 & 7 HMI Upgr 12 LGE	27,320.86
131285	Tip Top Substation project	(3,995.60)
131357	CR Station Battery 2011	1,074.86
131432	Retail System Enhncmnts - LGE	(2,558.11)
131475	CR4 Stack Elevator Repl	5,072.24
131534	TC1 BOILER FRONT RH REPLACE	3,624.08
131538	TC1 BOILER PLATFORM	310,145.29
131661	CR6 Stack Elevator Repl	5,072.24
131693	Envir Compliance Study-Air-LGE	220,620.89
131739	2010 LGE Transformer rewind #3	397.00
131741	CR North Bin Vent Baghouse	453.02
131825	Financial Planning Software	27,483.57
131913	NERC Volt Reg	7,088.14

LGE 107001 Activity August 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131946	GS GE Plt Lab '11 LGE	1,148.24
132041	MULTIFUNCTIONAL DEVICES LGE	11,946.73
132153	CENTER MODIFICATIONS	3,325.16
132194	South Park 1116 Addition	143.36
132384	Breckenridge TR5 Rewind	25,778.09
132543	CENTER BY-PASS	1,513.99
132587	MORGANFIELD OFFICE BLDG LGE	8,206.77
132588	INTERIM MORGANFLD CALL CTR LGE	38,230.82
132605	GUTHRIE COKE NETWORK VAULT	51,988.69
132611	PowerBase - LGE	13,624.83
132621	PENILE TO PADDY'S RUN PIPELINE	51,000.50
132637	MC3 Upper Bunker Valves	(16.69)
132651	MC 4C Transformer Bushings	14,410.30
132653	MC3 Boiler Temperature Probe	1,149.19
132666	MY ACCOUNT 2011 FIRST RELEASE	12,837.02
132684	MILL CREEK LINE MODIFICATIONS	18,558.79
132708	OF Sump Pump Repl Spare	(27,180.51)
132718	MC-E1 Coal Conveyor Belt	26,124.21
132719	MC-E2 Coal Conveyor Belt	26,158.49
132741	MAG-16 DENTS	5,996.20
132742	MR/SO/DIST CCS ENH BUND-LGE	16,239.68
132750	MC Conference Projector System	(8,189.02)
132763	EDI IMPLEMENTATION-LGE 11	21,783.55
132800	MC3 LP Turbine Discs	520.44
132809	4535 NRTHSD SBSTN PARA	20,272.27
132812	4560 MILCRK SBSTN PARA	16,672.20
132888	EMS CC Switchover - LG&E	24,510.28
132905	AP-Relays-2011	120.03
132907	MT-Relays-2011	281.18
132908	MC-Relays-2011	267.98
132909	NS-Relays-2011	957.30
132910	P-Relays-2011	194.06
132911	PW-Relays-2011	416.15
132912	TC-Relays-2011	120.03
132990	CR Coal Handling Transformer	981.50
133024	CCS LOW INCOME COMMITMENT-LGE	30,230.17
133029	4533 LRC RE-SAG	8,313.42
133092	KY HWY 22 RELOC - PHASE 3	(61,745.00)
133095	GS GE PMI Alloy AnlZR LGE	(270.17)
133160	CCS ARCHIVE/PURGE TECH-LGE	5,220.06
133434	CALVARY 12" @ WESTSIDE DRIVE	2,319.35
133510	Sville Remodel - LG&E	1,185.35

LGE 107001 Activity August 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
133893	MINOR CONSTRUCTION BOC2-LGE	17,027.82
134178	BALLARDSVILLE LINE @ HWY 146	179.51
134308	BOC TELLER AREA RENOVATION	2,485.67
134341	CR RO Pump and Motor Upgrade	45,739.93
134342	LGE 5th Floor VP Suite	18,123.70
134355	MC4 Boiler Room Sump Piping	18,577.90
134377	Transfer Units from LGE to KU	12,678.93
134560	PADDYSRUN TR4A REPL	1,818.80
134599	CR4B Trav Water Screen Repl	95,692.76
134808	MC 2D Mill Motor 2011	56,940.50
135219	MC 3B Hotwell Pump Motor	41,106.88
135285	EMS Laptops LGE	423.51
135374	LIGHTNING ARRESTERS	7,775.72
132018LGE	BRCT5 Inlet Coil Repl LGE 10	(6,632.08)
132872LGE	TC2 SPARES ECR LGE	5,500.39
119902	Clear 12/04 A&G	(69,390.84)
CABLE341	Blanket cable for joint trench	(4,933.02)
ECAPRR340	CAP, REG, RECLOSERS 340	13,491.86
GME406	GAS MAIN EXT 406	82,454.77
L5-2011	RELOCATIONS T LINES LGE 2011	5,286.70
L8-2011	STORM DAMAGE T-LINE LGE 2011	1,616.65
L9-2010	PRIORITY REPL T-LINES LGE 2010	20,682.15
L9-2011	PRIORITY REPL T-LINES LGE 2011	130,654.33
LBR-11	LGE Breakers11	114,839.56
LDISCAP11	LGE DISTRIBUTION CAPACITOR11	5,170.39
LMS040911	LGE MAJOR STORM 040911	2,328.95
LMS052311	LGE MAJOR STORM 052311	(45,522.95)
LMS061911	LGE MAJOR STORM 061911	(109,974.62)
LMS071911	LGE MAJOR STORM 071911	5,418.46
LMS081311	LG&E MAJOR STORM 081311	1,008,760.69
LRSUB-11	LG&E Routine - Subs-11	73,444.30
LSMR414	Large Scale Main Replacements	2,043,067.79
MCAPRR340	MAINT CAP, REG, REC 340	474.30
NBCD340OH	NEW BUS COMM OH 340	98,931.04
NBCD340UG	NEW BUS COMM UG 340	112,026.29
NBGS341	INSTALL GAS SVC-JOINT TRENCH	5,559.52
NBGS419	NEW BUS GAS SERV 419	138,408.96
NBGS421	NEW BUS GAS SERV 421	(11.18)
NBGS422	NBGS422	123.46
NBRD340OH	NEW BUS RES OH 340	72,535.65
NBRD341UG	NEW BUS RESID UG 341	70,522.71
NBSB340OH	NEW BUS SUB OH 340	260.57

LGE 107001 Activity August 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
NBSB341UG	NEW BUS SUB 341 UG	208,931.87
NBSV340OH	NEW ELECTRIC SERVICES	36,902.26
NBSV340UG	NEW EL SERV UG	57,926.87
NBVL343	New Network Vaults - 003430	25,994.34
NETVLT343	Network Vaults 003430	78,449.59
PBWK340OH	PUB WORKS RELOC OH	3,721.04
PBWK340UG	PUB WORKS RELOC UG 340	9,588.16
PBWK406G	PUB WORKS GAS 406	73,605.58
PMR414	Priority Main Replacement	238,146.07
RCST340	CUST REQ 340	(86,156.86)
RCST406G	Customer requested - Gas	(2,478.29)
RDCBL340	Replace Defective Cable 003400	41,634.92
RDD003190	Repair Defective Eqpt - 003190	1,220.17
RDDD340OH	REP DEF EQ OH 340	204,100.81
RDDD340UG	REP DEF EQ UG 340	64,125.16
RDMV332	MERCURY BULB REPL PROJECT	15,214.43
RDPOLE340	Replace Defective Poles 340	66,926.03
RDSTLT332	REPAIR STREET LIGHTING	73,719.07
RELD01015	LGE GEN RELIABILITY	132,765.19
RELD340OH	OH Reliability 003400	77,154.65
RELD340UG	UG Reliability 003400	(10,467.00)
RNTPD340	REP THR PARTY DAM 340	96,244.51
RNTPD419	Repair Third Party Damages-419	27,187.34
RRCS419G	REP CO GAS SERV 419	188,950.29
RRCS421G	REM/REPL CO GAS SERVICE-421	2,170.94
STLT332OH	STREET LIGHT OVERHEAD	19,378.20
STLT332UG	STREET LIGHT UNDERGROUND	97,738.45
STRM03230	LGE Minor Storm Events	(781.40)
SYSEN406G	System enhancements - Gas	55,423.33
SYSENH340	SYS ENH EXIST CUST 340	694.80
TBRD340OH	Trouble OH 003400	214,873.07
TBRD340UG	Trouble UG 003400	43,052.28
TLEQ340	TOOLS AND EQ 340	1,288.65
TLEQ419	Purchase of Tools - 004190	14,116.45
TLEQ447	TOOLS AND EQUIP 447	(23,527.08)
TLEQ450	Tools and Equipment , 004500	(852.11)
XFRM340	TRANSFORMER LABOR 340	36,463.63
XFRM341	TRANSFORMER LABOR 341	8,489.32

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\$ 16,284,003.43

LGE 107001 Activity September 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112644	Capital tools	\$ 6,548.26
112767	MC Landfill Expansion	1,338.19
113270	LGE DIST LINE TRANSFORMERS	318,186.20
114268	Gas Regulator Replacements	80,386.82
115030	PURCHASE REGULATORS	23,124.43
117136	CR Landfill Vertical Expansion	59,155.12
117149	Trimble County 2	52,191.02
118209	Trimble 2 Transmission Ige	(9,079.78)
120595	PURCHASE REGUL-RES/COMM	257.32
120754	Misc. A/R Uncollect - LGE Cap	(90,073.96)
121151	6623 River Park Relo	(2,801.00)
121527	RIVER PARK PLACE GAS RELO	(143,214.07)
121620	Cane Run - New Landfill	25,271.15
121683	TC Ash/Gypsum Ponds- LGE	215,534.54
121684	TC2 AQCS - LGE	(336.56)
121974	LGE Electric Meters & Installs	115,660.03
122514	Collins 138/69kV 150MVA Trnsfr	(362.56)
122650	LGE Gas Meters	168,140.90
122696	GRADE LANE CIRCUIT WORK	(95.45)
122805	Museum Plaza Tower Reloc	(55.56)
122971	CONESTOGA CIRCUIT WORK	(5.82)
122972	EASTWOOD CIRCUIT WORK	242,258.58
122975	EASTWOOD SUBSTATION	609,580.91
123039	MULD-DRILL 5 RECOVERY WELLS	173,567.50
123137	LG&E POLE INSPECTION	194,103.32
123220	LGE BRCT7 A/B Conversion 08	(3,203.22)
123311	TC CBU Counter Weight Cable	58,625.57
123614	MUD LANE (HUMANA UPGRADE)	(4.77)
123795	Dist Eastwood West Tap	8,252.20
123837	MC2 FGD Refurbishment	95,591.94
124024	MC3 Turbine TIL 1292	29,972.62
124030	MC Safety Equipment 2011	10,031.63
124034	MC3 EHC Upgrade	(1,412.37)
124083	MC Coal Pile Retention	30,598.80
124089	MC Limestone Excavator	358,733.43
124364	CR4 4KV Switchgear Arc Flash	5,589.38
124367	CR Stack Particulate Monitors	5,415.32
124410	PR13 GT Control Upgrade	33,251.65
124503	TC ELEVATOR CONTROLS UPGRADE	17,594.00
124530	TC1 UPGD GENERATOR RECTIFIERS	52,756.92
124541	TC SAFETY AND ERT EQUIPMENT	8,486.15
124545	TC AIR HEATER BASKET REPL	408,082.77

LGE 107001 Activity September 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124572	TC CT LGE INSTAL GRD FALT PRT	(3,092.30)
125272	MC4 SO3	1,489.57
125320	Mobile Radio-LGE10	8,020.42
125352	HW/SW Dev Tools 026580-LGE11	3,283.29
125353	HW/SW Dev Tools 026540-LGE11	2,146.50
125366	Data Protection-LGE11	89.81
125368	IT Sec Mon/Aud/Mgt Tools-LGE11	7,389.35
125384	Access Switch Rotation-LGE11	23,398.93
125397	Network Acc Dev and Gate-LGE11	11,048.64
125406	Security Infra Enh-LGE11	3,882.80
125408	Wireless Buildout-LGE11	30,395.32
125427	Server Hardware Refresh-LGE11	12,917.93
125445	Bulk Power & Envir Sys-LGE11	3,366.01
125545	Mobile Radio-LGE11	226.06
125546	Netwk Acc Dev & St Infra-LGE11	4,158.00
125547	Netwk Tools & Test Equi-LGE11	3,827.92
125549	Outside Cable Plant -LGE11	7,996.54
125552	Site Security Impmts-LGE11	11,643.00
125556	Telephone Syst Cap Exp-LGE11	13,313.16
125566	TC rot of dskt & lt-LGE-LGE11	25,750.98
125569	New Tech Implmt-LGE11	2,441.50
125572	Smpsnville Elect Upgrds-LGE11	240.66
125582	Project Mirror - LGE11	2,698.10
125620	10 EMS Servers & OUG - LGE	(49,250.16)
125643	Oracle IPM (LG&E %)	3,696.77
125665	PowerPlant Upgrade (LG&E %)	1,056.00
125684	PIGGABILITY CALVARY LINE	(13,343.43)
126136	MC3 SCR Catalyst - 2011	26,291.51
126137	MC4 SCR Catalyst Layer 2	(292.80)
126169	CR Remote Site Cameras	(50.91)
126237	Bently Nevada 1 Server Upgrade	17,202.07
126239	TC Limestone Bull Gear Monit	(65.94)
126242	TC Limestone Conveyors	(40,640.35)
126261	TC CT Station Air Line	(6,015.93)
126386	DOIT GAS EMER MGMT SYSTEM	33,857.30
126440	MAGN FARM TAP UPGRADE	2,277.44
126449	2010 Misc. Dist. Project	(1,060.92)
126466	JEFFERSONTOWN SUB EXPANSION	612.02
126585	TC Upgrade A Limestone Mill	(19,187.19)
126589	TC CT HGPI LGE #3	537,717.30
126651	GS-LGE-Gen Dist Monit Equip	174,625.22
126652	GS-LGE-Cyber Security	6,497.29

LGE 107001 Activity September 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126655	Jeffersontown Circuit Work	262,237.11
126719	IT LGE TEXTING & CUST COMM	103.98
126734	Worthington Sub Expansion	11,849.65
126735	Worthington Circuit Work	226,018.35
127090	Ohio Falls Redev. #3	54,801.04
127091	Ohio Falls Redev. #4	30,212.64
127092	Ohio Falls Redev. #5	2,253,168.67
127095	Ohio Falls Redev. #8	30,955.13
127135	TC CCP LANDFILL PH1 RAV-LGE	110,116.23
127136	TC CCP RIVER FLY ASH BARGE-LGE	20,759.75
127152	Openview.NET- LGE	49,250.16
127158	CIP- LGE 2011	5,593.04
127175	'Work Mgmt/FRP software - LG&E	32,053.63
127201	Ohio Falls Redev. #1	27,447.81
127202	Ohio Falls Redev. #2	31,556.82
127258	Third Party PAR	20,590.91
127265	TC2 CAPITAL SPARES - LGE	1,148.51
127393	Symrna Cap Bank	(7,762.26)
127413	TWIN FALLS RIVERCREST REG FAC	4,515.90
127473	WK BLUE & GREEN MODIFICATIONS	22,270.40
127540	Ener Eff -Operations Auto LGE	45,481.79
127559	NBU NGCC CR	79,149.99
127576	MC2 Partial Radiant Reheater	131,268.72
127583	MC 1C Coal Mill Gearbox	415,285.63
127586	MC 2D Coal Mill Gearbox	379,228.25
127587	MC 2C Coal Mill Gearbox	402,441.80
127588	MC1 Boiler Room Roofing	35,698.60
127589	MC2 Boiler Room Roofing	35,698.60
127600	MC4 Alterex Rewind	(170.44)
127641	MC3 Burners	35,983.44
127649	MAGNOLIA UPGRADE STATION PLCs	6,858.32
130003	IMPLEMENT SOA-LGE	3,930.19
130034	LGE Channel Bank Standard	9.55
130173	CIP COMPLIANCE INFRASTR-LGE11	31,899.04
130184	CIP COMPLIANCE TOOLS-LGE11	3,687.64
130241	UPGRADE TO SP2011-LGE11	2,666.12
130401	EVALUATE TOOLS&UTILITIES-LGE11	948.94
130464	Collaborative Tools	730.20
130478	Mill Creek LS Grinding Upgrade	366,102.24
130493	UPGR DR & ELLINGSWORTH	16,594.48
130500	UPGR ODORANT CONTROLL	83,736.00
130501	COMM HP SERV COMPLIANCE Prj	66,784.19



LGE 107001 Activity September 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130503	GAS REG CAPACITY PROG	44,787.55
130504	MAGN FACILITY IMPROV	1,843.15
130505	GAS COMPRESSOR REP/ADD	54,307.33
130510	REPLACE PURIFIER #1 REBOIL	80,076.90
130511	REPL INSULATION PIPE IN PURIF	18,407.32
130514	MULD COMPRESSOR PIPE REP	5,444.44
130515	MULD STATION TRANSM	31,999.63
130517	MULD REP/REPL DEFECTIVE EQ	50,670.84
130622	TIP TOP (Ft. Knox) RECONDCTR	2,164.13
130638	Tip Top Breaker Replacement	114,005.18
130660	Harrods Creek Substation	10,600.06
130705	SCM 2011 LGE Rpl Sub Batteries	959.64
130712	SCM 2011 LGE Misc Dist Proj	29,631.47
130722	SCM 2011 LTC Oil Filter Un	4,164.83
130736	SCM LGE NESC Comp Proj	12,302.55
130855	MAGN REPLACE MUFFLERS	7,566.43
130856	MULD PURIFIER PROCESS PIPE	5,339.53
130858	MAGN AIR SYS UPGRADE	664.62
130864	MAGN INST SAVE-AIR SYS	555.06
130874	MAGN REPACK #1 PURIFIER	46,180.27
130888	RATE COMPARE - LGE10	2,223.81
130892	Env Comp MC4 SCR Upgrade	25,262.64
130898	Lou Upgd-Middletown 345kV Brkr	71,608.78
130913	MULD H2S INLET UNITS Prj	1,518.33
130916	MULD ENG NO. 7 COOLING PIPING	8,335.05
130935	DRILL WELLS IN CENTER	52,252.39
130937	MULD UPG EXISTING FARM TAPS	371.16
130939	2011 INST GATE VALVES	10,806.13
130941	MAGN OIL & WATER COOLING CONTR	11,436.44
130942	WK YELLOW LINE MODIFICATIONS	141,684.56
130946	DIST REG FACILITY REPL	27,128.79
131033	Rptg Business Intelligence LGE	6,980.59
131034	Smallworld_GIS Upgrade LGE	1,541.70
131039	Hardware Infrastructure - LGE	12,052.22
131086	GAS Facility Inspections	38,684.11
131140	Retail Hardware IFS - LGE	4,660.12
131256	34KV regs on TT3311	3,273.45
131267	BRCT 5, 6 & 7 HMI Upgr 12 LGE	(82.46)
131285	Tip Top Substation project	329.02
131287	Network Protector Relays	21,545.02
131357	CR Station Battery 2011	11,831.54
131432	Retail System Enhncmnts - LGE	16,208.44

LGE 107001 Activity September 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131532	TC1 BOILER REPL FIN SH PENDANT	17,659.33
131534	TC1 BOILER FRONT RH REPLACE	73,939.19
131538	TC1 BOILER PLATFORM	(627.29)
131614	LGE CYBER SECURITY EQP	47,364.53
131618	LGE SECURITY EQUIP	7,842.50
131693	Envir Compliance Study-Air-LGE	99,415.65
131710	Service Pilot UG	8,009.13
131725	2010 LGE Transformer Rewind #2	2,233.71
131739	2010 LGE Transformer rewind #3	640.35
131825	Financial Planning Software	56,252.92
131913	NERC Volt Reg	16,914.06
131920	GSU Light Arrst	123.91
132153	CENTER MODIFICATIONS	16,684.84
132198	PERFORMANCE SUITE RPTING-LGE	909.91
132384	Breckenridge TR5 Rewind	8,866.58
132475	MC-Brkrs-Rplc	2,609.92
132587	MORGANFIELD OFFICE BLDG LGE	8,004.38
132588	INTERIM MORGANFLD CALL CTR LGE	18,428.43
132605	GUTHRIE COKE NETWORK VAULT	(245.23)
132611	PowerBase - LGE	58,316.01
132621	PENILE TO PADDY'S RUN PIPELINE	(2,622.36)
132629	Cooper Chapel Rd Gas Main Relo	162.28
132653	MC3 Boiler Temperature Probe	238.43
132666	MY ACCOUNT 2011 FIRST RELEASE	9,877.95
132684	MILL CREEK LINE MODIFICATIONS	11,640.00
132707	CR C2 Coal Crusher	72,266.52
132720	MC G1 Coal Conveyor	27,107.23
132721	MC G3 Coal Conv Belt	36,323.69
132730	QAS for EMS LGE	13,694.78
132742	MR/SO/DIST CCS ENH BUND-LGE	5,297.97
132750	MC Conference Projector System	8,860.67
132763	EDI IMPLEMENTATION-LGE 11	(4,703.17)
132809	4535 NRTUSD SBSTN PARA	(55,628.36)
132812	4560 MILCRK SBSTN PARA	(26,772.35)
132888	EMS CC Switchover - LG&E	126,368.50
132907	MT-Relays-2011	4,270.11
132909	NS-Relays-2011	1,959.03
132910	P-Relays-2011	7,085.77
132911	PW-Relays-2011	18,286.97
132912	TC-Relays-2011	1,166.10
132990	CR Coal Handling Transformer	37,149.92
133024	CCS LOW INCOME COMMITMENT-LGE	21,933.78

LGE 107001 Activity September 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
133029	4533 LRC RE-SAG	9,723.95
133092	KY HWY 22 RELOC - PHASE 3	46,414.21
133095	GS GE PMI Alloy AnlZR LGE	1,281.00
133160	CCS ARCHIVE/PURGE TECH-LGE	2,444.99
133213	CR Warehouse 16 Metal Roof	10,566.37
133893	MINOR CONSTRUCTION BOC2-LGE	2,759.50
134077	CR5A Ash Water Pump	37,613.97
134082	CR I/E Test Equipment	7,157.46
134178	BALLARDSVILLE LINE @ HWY 146	40,436.95
134308	BOC TELLER AREA RENOVATION	2,485.67
134342	LGE 5th Floor VP Suite	1,426.81
134355	MC4 Boiler Room Sump Piping	5,518.77
134560	PADDYSRUN TR4A REPL	17,630.57
134599	CR4B Trav Water Screen Repl	(68.33)
134661	CR61 BFP Motor Rewind	17,339.32
134808	MC 2D Mill Motor 2011	(26,099.10)
134828	Aiken 1290	54,267.40
134886	SV Drainage Issue	4,464.30
134890	QUALITY OF SERVICE-LGE 2011	861.31
135118	Check Sealer A/P	2,659.54
135219	MC 3B Hotwell Pump Motor	(6.73)
135226	MC Portable Air Conditioner	6,743.06
135285	EMS Laptops LGE	1,453.74
135296	COOPER CHAPEL RD ELECOVHD RELO	10,994.81
135300	PEOPLESOFT 9.1 LGE	791.07
135318	MC4 Front Reheat Tubing	287,597.19
135355	BLUESTRIPE - LGE 2011	12,064.18
135374	LIGHTNING ARRESTERS	5,972.70
135376	CR Operations Vehicles	23,787.16
135406	TERRY SUB DRIVEWAY CONSTRUCT	(5,363.00)
135529	CSXT RELO 6649	6,609.68
135588	LGE Sftwr EGOR/DSL	1,145.84
135603	MC 2B Mill Motor 2011	32,361.80
131482LGE	TC INSTALL CH AIR COMP	10,714.62
131493LGE	TC CT LGE HMI UPGRADE	(33,735.09)
132265LGE	BRCT6 Rear Wall Repl LGE	(0.10)
132872LGE	TC2 SPARES ECR LGE	(4,108.33)
135269LGE	BRCT GT24 Ignition Torch LGE	20,508.56
117361	Accrued Labor - LGE	13,641.81
119902	Clear 12/04 A&G	72,364.25
CABLE341	Blanket cable for joint trench	(4,163.34)
ECAPRR340	CAP, REG, RECLOSERS 340	4,239.82

LGE 107001 Activity September 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
GME406	GAS MAIN EXT 406	162,863.64
L5-2011	RELOCATIONS T LINES LGE 2011	(5,286.70)
L7-2011	PARAM UPGRADE T LINE LGE 2011	64,861.81
L8-2011	STORM DAMAGE T-LINE LGE 2011	6,191.09
L9-2010	PRIORITY REPL T-LINES LGE 2010	(34,039.11)
L9-2011	PRIORITY REPL T-LINES LGE 2011	177,697.30
LBATTERY11	BATTERIES BLANKET LGE 2011	1,228.16
LBR-11	LGE Breakers11	72,710.31
LDISCAP11	LGE DISTRIBUTION CAPACITOR11	5,827.06
LMS040911	LGE MAJOR STORM 040911	(25.91)
LMS052311	LGE MAJOR STORM 052311	19,830.90
LMS071911	LGE MAJOR STORM 071911	46,796.70
LMS081311	LG&E MAJOR STORM 081311	(142,550.84)
LRSUB-11	LG&E Routine - Subs-11	37,556.18
LSMR414	Large Scale Main Replacements	2,190,846.94
LSURGE-11	Surge Arrestors LGE-11	2,509.71
MCAPRR340	MAINT CAP, REG, REC 340	1,775.17
NBCD340OH	NEW BUS COMM OH 340	140,497.39
NBCD340UG	NEW BUS COMM UG 340	155,764.35
NBGS341	INSTALL GAS SVC-JOINT TRENCH	14,243.90
NBGS419	NEW BUS GAS SERV 419	204,967.33
NBGS421	NEW BUS GAS SERV 421	4,760.02
NBGS422	NBGS422	790.42
NBRD340OH	NEW BUS RES OH 340	95,890.75
NBRD340UG	NEW BUS RES UG	(975.76)
NBRD341UG	NEW BUS RESID UG 341	40,963.59
NBSB340OH	NEW BUS SUB OH 340	687.67
NBSB341UG	NEW BUS SUB 341 UG	135,343.91
NBSV340OH	NEW ELECTRIC SERVICES	73,971.52
NBSV340UG	NEW EL SERV UG	45,790.79
NBSV341UG	NEW BUS SERVICES 341 UG	348.11
NBVL343	New Network Vaults - 003430	(122.62)
NETVLT343	Network Vaults 003430	63,562.63
PBWK340OH	PUB WORKS RELOC OH	78,474.08
PBWK340UG	PUB WORKS RELOC UG 340	11,410.43
PBWK406G	PUB WORKS GAS 406	110,053.16
PMR414	Priority Main Replacement	213,950.57
RCST340	CUST REQ 340	(236,782.72)
RCST406G	Customer requested - Gas	14,092.99
RDCBL340	Replace Defective Cable 003400	80,305.17
RDDD340OH	REP DEF EQ OH 340	240,863.43
RDDD340UG	REP DEF EQ UG 340	86,448.85

LGE 107001 Activity September 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RDMV332	MERCURY BULB REPL PROJECT	16,236.56
RDPOLE340	Replace Defective Poles 340	82,698.80
RDSTLT332	REPAIR STREET LIGHTING	357,191.69
RELD01015	LGE GEN RELIABILITY	147,333.17
RELD340OH	OH Reliability 003400	131,447.50
RELD340UG	UG Reliability 003400	3,489.00
RNTPD340	REP THR PARTY DAM 340	(954.80)
RNTPD419	Repair Third Party Damages-419	(18,204.99)
RRCS419G	REP CO GAS SERV 419	161,164.90
RRCS421G	REM/REPL CO GAS SERVICE-421	337.05
STLT332OH	STREET LIGHT OVERHEAD	84,022.35
STLT332UG	STREET LIGHT UNDERGROUND	73,590.51
STRM03230	LGE Minor Storm Events	4,934.44
SYSEN406G	System enhancements - Gas	14,534.17
SYSENH340	SYS ENH EXIST CUST 340	2,208.98
TBRD340OH	Trouble OH 003400	202,410.37
TBRD340UG	Trouble UG 003400	40,272.04
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	3,512.98
TLEQ340	TOOLS AND EQ 340	1,095.55
TLEQ419	Purchase of Tools - 004190	(2,968.73)
TLEQ447	TOOLS AND EQUIP 447	7,561.87
TLEQ451	Tools and Equipment , 004510	4,569.91
XFRM340	TRANSFORMER LABOR 340	2,687.78
XFRM341	TRANSFORMER LABOR 341	(264.28)

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\$ 17,293,226.39

LGE 107001 Activity October 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112644	Capital tools	\$ 4,067.56
112767	MC Landfill Expansion	158.10
113270	LGE DIST LINE TRANSFORMERS	397,949.68
114268	Gas Regulator Replacements	127,973.75
115030	PURCHASE REGULATORS	22,753.09
117136	CR Landfill Vertical Expansion	14,139.58
117149	Trimble County 2	283,470.08
118209	Trimble 2 Transmission Ige	165.83
120596	FARM TAP REGULATOR UPGR	(50.88)
121620	Cane Run - New Landfill	16,020.47
121683	TC Ash/Gypsum Ponds- LGE	276,553.11
121684	TC2 AQCS - LGE	393.76
121974	LGE Electric Meters & Installs	93,197.24
122513	Middletown-Collins 138kV Line	23.01
122514	Collins 138/69kV 150MVA Trnsfr	132.08
122650	LGE Gas Meters	175,846.90
122805	Museum Plaza Tower Reloc	(81,463.14)
122971	CONESTOGA CIRCUIT WORK	(130.77)
122972	EASTWOOD CIRCUIT WORK	68,881.93
122975	EASTWOOD SUBSTATION	319,137.77
123039	MULD-DRILL 5 RECOVERY WELLS	328,586.67
123137	LG&E POLE INSPECTION	177,985.83
123709	TC1 Catalyst Layer Install	167,987.41
123795	Dist Eastwood West Tap	3,241.44
123837	MC2 FGD Refurbishment	58,137.72
123946	MC3 Reheater Lower Loops	(107.38)
124022	MC2 Turbine HP/IP Seals	255,395.52
124024	MC3 Turbine TIL 1292	(43.38)
124025	MC3 Turbine HP/IP Seals	(182.81)
124026	MC3 Turbine IP Buckets	(46.48)
124034	MC3 EHC Upgrade	(55.79)
124048	MC2 DCS Hardware	427,107.41
124057	MC3 FD Fan Vane Drives	(18.59)
124059	MC Wet Ash Loading System "A"	2,779.40
124060	MC3 Air Htr Baskets 2011	(16.25)
124083	MC Coal Pile Retention	122,381.53
124362	CR 480V Switchgear Upgrade	0.98
124364	CR4 4KV Switchgear Arc Flash	7,951.82
124378	PR11 GT Control Upgrade	98,939.18
124410	PR13 GT Control Upgrade	462.10
124519	TC1 BOILER LOWER SLOPE	301,176.35
124530	TC1 UPGD GENERATOR RECTIFIERS	24,127.33

LGE 107001 Activity October 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124545	TC AIR HEATER BASKET REPL	244,683.43
124546	TC1 SCR STRUCT REPL /EXP JOINT	273,460.28
124547	TC1 DUCTWORK EXP JOINT REPL	57,372.75
124669	'09 OLD HENRY SUBSTA	2,673.39
124839	PI ACT COMPLI RCVs	7,526.12
124847	UPGR GAS CONTROL SCADA SYS	202.67
124866	OLD HENRY CIRCUIT WORK	(5.87)
125325	ConT1 Sv-Bdstn-Unlic Wls-LGE10	32.13
125348	Impl Red Elec Sys-BOC DC-LGE10	1.08
125352	HW/SW Dev Tools 026580-LGE11	83.76
125353	HW/SW Dev Tools 026540-LGE11	487.42
125366	Data Protection-LGE11	5,371.30
125368	IT Sec Mon/Aud/Mgt Tools-LGE11	10,678.24
125380	IT Sec Lab Enh-LGE11	5,431.94
125388	Core Network Infra-LGE11	2.53
125403	Network Management-LGE11	151.82
125408	Wireless Buildout-LGE11	74,492.19
125427	Server Hardware Refresh-LGE11	13,464.70
125445	Bulk Power & Envir Sys-LGE11	872.63
125545	Mobile Radio-LGE11	3,535.96
125549	Outside Cable Plant -LGE11	526.26
125552	Site Security Impmts-LGE11	952.40
125556	Telephone Syst Cap Exp-LGE11	5,787.63
125566	TC rot of dskt & lt-LGE-LGE11	112,493.50
125572	Smpsnville Elect Upgrds-LGE11	1,084.54
125573	Louisville Racks & Fur-LGE11	360.69
125582	Project Mirror - LGE11	58,225.20
125620	10 EMS Servers & OUG - LGE	31,981.33
125643	Oracle IPM (LG&E %)	1,377.06
126128	MC2 345kV Isol Disconnects	24.59
126137	MC4 SCR Catalyst Layer 2	(1,695.97)
126143	MC3 Blowdown Tank	(20.99)
126168	CR Switchgear Room A/C	0.49
126222	MC3 Turbine HP Snout Rings	(43.38)
126237	Bently Nevada 1 Server Upgrade	(4,300.52)
126242	TC Limestone Conveyors	10,160.09
126386	DOIT GAS EMER MGMT SYSTEM	45,472.44
126422	2010 RELINE GAS STORAGE WELLS	(345.65)
126440	MAGN FARM TAP UPGRADE	1,798.64
126449	2010 Misc. Dist. Project	0.79
126450	2010 TC OIL FILTERS	5.99
126455	2010 BUILDINGS & GROUNDS	2,942.45

LGE 107001 Activity October 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
126466	JEFFERSONTOWN SUB EXPANSION	719.29
126479	2010 RELIEF VALVE CAPACITY	57.92
126482	UPGRADE REGULATION FACILITIES	2,515.06
126485	GAS REGULATORY TOOLS & EQ	28,833.14
126585	TC Upgrade A Limestone Mill	4,796.80
126589	TC CT HGPI LGE #3	70,299.36
126620	FACILITY EQUIP-ESC & SSC GEN	32.69
126651	GS-LGE-Gen Dist Monit Equip	19,791.24
126652	GS-LGE-Cyber Security	18,693.39
126653	GS-LGE-Satellite Phone	27.73
126655	Jeffersontown Circuit Work	11,170.42
126734	Worthington Sub Expansion	14,649.40
126735	Worthington Circuit Work	254,663.76
126845	Srvr Cap Expan & Rel-LGE11	5,313.67
126852	Wiring Upgrd VoIP & Data-LGE11	594.13
127090	Ohio Falls Redev. #3	66,627.02
127091	Ohio Falls Redev. #4	67,331.20
127092	Ohio Falls Redev. #5	554,537.23
127095	Ohio Falls Redev. #8	65,826.00
127135	TC CCP LANDFILL PH1 RAV-LGE	112,061.71
127136	TC CCP RIVER FLY ASH BARGE-LGE	5,573.96
127152	Openview.NET- LGE	(36,723.96)
127158	CIP- LGE 2011	(5,472.40)
127175	'Work Mgmt/FRP software - LG&E	40,335.70
127201	Ohio Falls Redev. #1	44,253.66
127202	Ohio Falls Redev. #2	66,029.39
127205	Ohio Falls Redev. Common	(375,537.49)
127258	Third Party PAR	50,005.62
127265	TC2 CAPITAL SPARES - LGE	(3,441.15)
127319	CR6 Circulating Water Pump	(12,814.09)
127455	MAGNOLIA TO PICCADILLY MODIF	(3.71)
127473	WK BLUE & GREEN MODIFICATIONS	100,038.86
127540	Ener Eff -Operations Auto LGE	65,449.20
127559	NBU NGCC CR	102,209.36
127576	MC2 Partial Radiant Reheater	(7,430.52)
127583	MC 1C Coal Mill Gearbox	21,013.73
127586	MC 2D Coal Mill Gearbox	5,057.87
127587	MC 2C Coal Mill Gearbox	5,057.87
127588	MC1 Boiler Room Roofing	56,296.70
127589	MC2 Boiler Room Roofing	13,575.89
127597	MC3 Coal Feeder VFDs	(49.58)
127609	MC2 FGD Expansion Joints 2011	20,731.10



LGE 107001 Activity October 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127610	MC3 FGD Expansion Joints 2011	(21.69)
127641	MC3 Burners	9,870.82
130003	IMPLEMENT SOA-LGE	27,806.99
130020	Emergency Generator Doe Run	8,247.58
130034	LGE Channel Bank Standard	266.53
130156	Ckt BR1181 Breckinridge Sub	(0.17)
130164	CEMI LGE	(1,812.72)
130173	CIP COMPLIANCE INFRASTR-LGE11	5,271.88
130184	CIP COMPLIANCE TOOLS-LGE11	6,424.59
130241	UPGRADE TO SP2011-LGE11	2,190.02
130401	EVALUATE TOOLS&UTILITIES-LGE11	8,581.50
130478	Mill Creek LS Grinding Upgrade	1,306,402.88
130492	UPGR INDIRECT HEAT RE-LITER	1,618.59
130493	UPGR DR & ELLINGSWORTH	37,358.24
130499	UPGRADE ELLINGSWORTH REG	50,092.12
130500	UPGR ODORANT CONTROLL	14,895.14
130501	COMM HP SERV COMPLIANCE Prj	82,612.02
130503	GAS REG CAPACITY PROG	21,070.15
130504	MAGN FACILITY IMPROV	6,384.42
130505	GAS COMPRESSOR REP/ADD	51,001.64
130510	REPLACE PURIFIER #1 REBOIL	311,365.23
130514	MULD COMPRESSOR PIPE REP	74,043.33
130515	MULD STATION TRANSM	2,545.49
130517	MULD REP/REPL DEFECTIVE EQ	18,666.66
130622	TIP TOP (Ft. Knox) RECONDCTR	(148,178.41)
130638	Tip Top Breaker Replacement	13,191.20
130649	LGE Wildlife Protection	9.90
130660	Harrods Creek Substation	11,336.20
130661	Harrods Creek Sub Exp CW	15,418.77
130705	SCM 2011 LGE Rpl Sub Batteries	4,160.49
130712	SCM 2011 LGE Misc Dist Proj	8,627.72
130722	SCM 2011 LTC Oil Filter Un	892.94
130728	SCM 11 PSD WSA Breaker Rplc	4,786.18
130736	SCM LGE NESC Comp Proj	10,081.57
130740	SCM LGE Tools & Equip	2,968.36
130853	MULD ELEC MTR & PUMP	6,030.18
130864	MAGN INST SAVE-AIR SYS	3,385.95
130869	MULDRAUGH FIELD STAIRWAY	2,302.90
130874	MAGN REPACK #1 PURIFIER	12,045.62
130892	Env Comp MC4 SCR Upgrade	6,246.45
130898	Lou Upgd-Middletown 345kV Brkr	451,841.60
130912	MULD COMPR COOLER BLDG	35,464.95

LGE 107001 Activity October 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130913	MULD H2S INLET UNITS Prj	2,016.14
130914	MULD STA ACID BERM	5,721.96
130915	MULD INT AUX COOLING	16,594.71
130916	MULD ENG NO. 7 COOLING PIPING	5,104.59
130921	CP IMPRESSED SYS IMP	88,753.82
130934	MAGN 2011 REPL BARE STEEL LN	2,004.82
130935	DRILL WELLS IN CENTER	15,141.38
130937	MULD UPG EXISTING FARM TAPS	5,221.68
130939	2011 INST GATE VALVES	(76.22)
130940	RELINER GAS STORAGE WELL	44,262.91
130942	WK YELLOW LINE MODIFICATIONS	158,204.18
130946	DIST REG FACILITY REPL	32,354.31
130947	MAG MOISTURE ANALYZER	21,382.21
131014	Internet Functionality-LGE	11,000.00
131019	Mobile Auto Dispatch - LGE	225,552.85
131033	Rptg Business Intelligence LGE	3,173.01
131034	Smallworld_GIS Upgrade LGE	69,514.05
131039	Hardware Infrastructure - LGE	7,085.58
131075	METER LGE EQUIP	27,639.35
131086	GAS Facility Inspections	18,650.21
131140	Retail Hardware IFS - LGE	21,595.69
131225	LGE Substation Equipment Prch	304.13
131256	34KV regs on TT3311	309.60
131267	BRCT 5, 6 & 7 HMI Upgr 12 LGE	6,022.31
131285	Tip Top Substation project	2,748.05
131287	Network Protector Relays	42,721.52
131309	LGE Sub Bldg & Grounds	(3,543.42)
131320	LGE Rplc Fire Det Thermos	6,269.45
131368	PR12 Diesel Engine	16,657.23
131377	CALVARY LINE REPL B'TOWN CG	2,124.80
131432	Retail System Enhncmnts - LGE	9,427.11
131531	TC1 BOILER SH PENDANT	429,332.98
131532	TC1 BOILER REPL FIN SH PENDANT	274,439.72
131533	TC1 BOILER REAR REHEAT REPL	536,647.31
131534	TC1 BOILER FRONT RH REPLACE	312,349.70
131538	TC1 BOILER PLATFORM	262,219.48
131583	REMODEL LGE OFFICES	5,863.21
131589	OFFICE FURNITURE - LGE	6,674.29
131614	LGE CYBER SECURITY EQP	13,252.28
131618	LGE SECURITY EQUIP	1,615.00
131693	Envir Compliance Study-Air-LGE	69,909.73
131739	2010 LGE Transformer rewind #3	936.80

LGE 107001 Activity October 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131746	MAGNOLIA BLDG CONSTRUCTION	45.17
131913	NERC Volt Reg	3,340.57
131920	GSU Light Arrst	5,344.64
132041	MULTIFUNCTIONAL DEVICES LGE	162.66
132123	MT WASHINGTON SCHOOL RELOC	173.56
132153	CENTER MODIFICATIONS	3,588.21
132194	South Park 1116 Addition	325.16
132198	PERFORMANCE SUITE RPTING-LGE	0.33
132223	MC3 Online DGA Monitor	2.53
132235	WK YELLOW LINE REPL 4 ELLS	314.91
132384	Breckenridge TR5 Rewind	2,781.28
132475	MC-Brkrs-Rplc	160,575.40
132543	CENTER BY-PASS	(40,829.16)
132587	MORGANFIELD OFFICE BLDG LGE	15,010.32
132588	INTERIM MORGANFLD CALL CTR LGE	26,136.10
132611	PowerBase - LGE	5,820.53
132621	PENILE TO PADDY'S RUN PIPELINE	97,992.78
132628	MC1B Circulating Water Pump	254,990.00
132629	Cooper Chapel Rd Gas Main Relo	106.19
132637	MC3 Upper Bunker Valves	(21.69)
132666	MY ACCOUNT 2011 FIRST RELEASE	11,138.39
132684	MILL CREEK LINE MODIFICATIONS	34,753.83
132707	CR C2 Coal Crusher	32,685.65
132712	MC3 Turbine HP Casing Studs	(68.17)
132718	MC-E1 Coal Conveyor Belt	2,769.19
132719	MC-E2 Coal Conveyor Belt	2,769.19
132720	MC G1 Coal Conveyor	4,050.26
132721	MC G3 Coal Conv Belt	3,530.08
132730	QAS for EMS LGE	31,219.76
132763	EDI IMPLEMENTATION-LGE 11	4,448.44
132809	4535 NRTHSD SBSTN PARA	95,952.48
132812	4560 MILCRK SBSTN PARA	89,695.94
132888	EMS CC Switchover - LG&E	241,344.70
132905	AP-Relays-2011	1,491.64
132907	MT-Relays-2011	17,357.30
132908	MC-Relays-2011	13,459.74
132909	NS-Relays-2011	12,497.95
132910	P-Relays-2011	3,693.52
132911	PW-Relays-2011	50,481.89
132912	TC-Relays-2011	4,182.96
132990	CR Coal Handling Transformer	(4,057.81)
132994	MC2 Warm-Up Gas System	22,725.94

LGE 107001 Activity October 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
133024	CCS LOW INCOME COMMITMENT-LGE	27,940.59
133029	4533 LRC RE-SAG	54,399.76
133092	KY HWY 22 RELOC - PHASE 3	(34,698.37)
133095	GS GE PMI Alloy Anlzs LGE	(292.00)
133160	CCS ARCHIVE/PURGE TECH-LGE	3,397.24
133510	Sville Remodel - LG&E	518.83
134079	CR Sewer Trmt Shelter	11,460.21
134081	CR4 Thickener Flocculent Bldg	5,748.72
134082	CR I/E Test Equipment	7,750.28
134089	MC Service Shop Roofing	90,729.54
134178	BALLARDSVILLE LINE @ HWY 146	12,578.26
134270	VIRTUAL DESKTOP - LGE	12,560.29
134342	LGE 5th Floor VP Suite	(14,496.74)
134355	MC4 Boiler Room Sump Piping	1,144.79
134363	69KV Lighting Arresters	2,069.56
134560	PADDYSRUN TR4A REPL	13,800.06
134599	CR4B Trav Water Screen Repl	2,622.59
134828	Aiken 1290	166,604.89
134886	SV Drainage Issue	53,709.08
134890	QUALITY OF SERVICE-LGE 2011	2,168.69
135290	OF Station Protective Relays	3,585.12
135296	COOPER CHAPEL RD ELECOVHD RELO	174,423.99
135300	PEOPLESOFT 9.1 LGE	26,387.29
135318	MC4 Front Reheat Tubing	(86,680.51)
135339	NUCLEUS PROJECT VAULT	22,130.83
135406	TERRY SUB DRIVEWAY CONSTRUCT	25,728.79
135435	IRISE SOFTWARE - LGE 2011	160,515.87
135529	CSXT RELO 6649	4,733.11
135564	Sville Mgr Ofc LGE	3,536.40
135578	SAP BWA Licenses-LGE11	62,938.56
135584	REGULATORS FOR MU1101 & BB1103	97,016.51
135587	MAGNOLIA 20" REPAIRS	172,437.74
135588	LGE Sftwr EGOR/DSL	5,405.37
135591	Netscout-LGE11	117,621.35
135595	CR 4/5 SPP Conveyor Enclosure	21,742.37
135596	ZN Elec Trip Assm Upgrade	6,431.11
135608	Contact Center - CTI - LGE11	746.50
135633	MULDRAUGH PARTS WASHER	13,523.60
135635	UPGR FACIL AT DISTRICT REG STA	449.03
135642	MicroSCADA Generation LGE	5,593.05
135657	Madison TR 2 69kV Bushings	327.50
135663	SolMan Process Blueprint-LGE11	21,683.71

LGE 107001 Activity October 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
135685	MC LD1-LD2 LS Conv Belts	44,828.02
135686	Taylor 1106 Add	15,507.62
135687	WT 1210	583.95
131482LGE	TC INSTALL CH AIR COMP	(2,678.65)
132872LGE	TC2 SPARES ECR LGE	10,500.52
135269LGE	BRCT GT24 Ignition Torch LGE	1,296.32
135689LGE	Bill Redesign-LGE11	9,599.22
135695LGE	SAP Testing Automation-LGE11	11,682.14
117361	Accrued Labor - LGE	(13,641.81)
119902	Clear 12/04 A&G	(10,189.66)
CABLE341	Blanket cable for joint trench	(56,671.69)
ECAPRR340	CAP, REG, RECLOSERS 340	4,436.59
GME406	GAS MAIN EXT 406	82,196.02
L5-2011	RELOCATIONS T LINES LGE 2011	0.01
L7-2011	PARAM UPGRADE T LINE LGE 2011	(75,069.09)
L8-2011	STORM DAMAGE T-LINE LGE 2011	2,217.94
L9-2010	PRIORITY REPL T-LINES LGE 2010	(39,218.27)
L9-2011	PRIORITY REPL T-LINES LGE 2011	(121,231.48)
LBR-11	LGE Breakers11	369,636.87
LDISCAP11	LGE DISTRIBUTION CAPACITOR11	12,970.14
LMS081311	LG&E MAJOR STORM 081311	231,291.19
LRSUB-10	LG&E Routine - Subs-10	63.57
LRSUB-11	LG&E Routine - Subs-11	41,876.20
LSMR414	Large Scale Main Replacements	1,929,793.49
LSURGE-11	Surge Arrestors LGE-11	2,056.35
MCAPRR340	MAINT CAP, REG, REC 340	2,799.59
NBCD340OH	NEW BUS COMM OH 340	125,108.71
NBCD340UG	NEW BUS COMM UG 340	138,856.29
NBGS341	INSTALL GAS SVC-JOINT TRENCH	4,111.90
NBGS419	NEW BUS GAS SERV 419	154,477.87
NBGS421	NEW BUS GAS SERV 421	501.07
NBGS422	NBGS422	1,336.75
NBRD340OH	NEW BUS RES OH 340	125,987.17
NBRD340UG	NEW BUS RES UG	(1,486.65)
NBRD341UG	NEW BUS RESID UG 341	56,250.97
NBSB340OH	NEW BUS SUB OH 340	791.17
NBSB341UG	NEW BUS SUB 341 UG	54,185.33
NBSV340OH	NEW ELECTRIC SERVICES	61,539.97
NBSV340UG	NEW EL SERV UG	70,304.80
NETVLT343	Network Vaults 003430	12,501.54
PBWK340OH	PUB WORKS RELOC OH	3,777.63
PBWK406G	PUB WORKS GAS 406	64,800.33

LGE 107001 Activity October 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
PMR414	Priority Main Replacement	571,024.61
RCST340	CUST REQ 340	74,031.79
RCST406G	Customer requested - Gas	1,103.47
RDCBL340	Replace Defective Cable 003400	70,718.92
RDD003065	Repair Defective Eqpt - 003065	525.78
RDD003190	Repair Defective Eqpt - 003190	16,746.69
RDDD340OH	REP DEF EQ OH 340	225,129.59
RDDD340UG	REP DEF EQ UG 340	56,601.48
RDDD345OH	POI	(4.88)
RDMV332	MERCURY BULB REPL PROJECT	12,671.40
RDPOLE340	Replace Defective Poles 340	151,783.79
RDSTLT332	REPAIR STREET LIGHTING	214,576.08
RELD01015	LGE GEN RELIABILITY	278,960.94
RELD340OH	OH Reliability 003400	282,919.28
RELD340UG	UG Reliability 003400	(2,326.00)
RNTPD340	REP THR PARTY DAM 340	99,025.87
RNTPD419	Repair Third Party Damages-419	5,913.79
RRCS419G	REP CO GAS SERV 419	173,345.73
RRCS421G	REM/REPL CO GAS SERVICE-421	747.87
STLT332OH	STREET LIGHT OVERHEAD	24,139.70
STLT332UG	STREET LIGHT UNDERGROUND	93,852.63
STRM03230	LGE Minor Storm Events	4,152.83
SYSEN406G	System enhancements - Gas	28,927.58
SYSENH340	SYS ENH EXIST CUST 340	(13.14)
TBRD340OH	Trouble OH 003400	250,142.44
TBRD340UG	Trouble UG 003400	60,394.86
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	16,344.05
TLEQ340	TOOLS AND EQ 340	50,650.51
TLEQ419	Purchase of Tools - 004190	38,013.11
XFRM340	TRANSFORMER LABOR 340	24,914.29
XFRM341	TRANSFORMER LABOR 341	1,046.57
		<u>\$ 20,023,402.20</u>

LGE 107001 Activity November 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
112644	Capital tools	\$ 3,989.00
112767	MC Landfill Expansion	1,172.95
113270	LGE DIST LINE TRANSFORMERS	89,416.40
114268	Gas Regulator Replacements	253,282.63
115030	PURCHASE REGULATORS	(1,850.07)
117136	CR Landfill Vertical Expansion	14,844.92
117149	Trimble County 2	(92,784.54)
117320	SPCC Mods - LG&E Transmission	(1,073.55)
118209	Trimble 2 Transmission lge	(28,469.65)
120595	PURCHASE REGUL-RES/COMM	(53,432.56)
121620	Cane Run - New Landfill	160,516.78
121683	TC Ash/Gypsum Ponds- LGE	505,446.65
121684	TC2 AQCS - LGE	(1,127.83)
121974	LGE Electric Meters & Installs	22,915.18
122650	LGE Gas Meters	230,576.17
122972	EASTWOOD CIRCUIT WORK	194,323.33
122975	EASTWOOD SUBSTATION	42,882.44
123039	MULD-DRILL 5 RECOVERY WELLS	461,035.02
123137	LG&E POLE INSPECTION	195,243.85
123709	TC1 Catalyst Layer Install	51,849.19
123795	Dist Eastwood West Tap	565.90
123837	MC2 FGD Refurbishment	64,257.48
124030	MC Safety Equipment 2011	10,284.28
124034	MC3 EHC Upgrade	429.20
124048	MC2 DCS Hardware	101,996.24
124059	MC Wet Ash Loading System "A"	7,395.09
124068	MC2 Condenser Tubing	129.89
124070	MC2 Cooling Tower Headers	46,408.18
124083	MC Coal Pile Retention	(28,439.66)
124089	MC Limestone Excavator	512,232.19
124364	CR4 4KV Switchgear Arc Flash	1,045.01
124378	PR11 GT Control Upgrade	180,873.39
124410	PR13 GT Control Upgrade	2,002.61
124516	TC PRECIP REBUILD 5TH FLD	267,377.04
124519	TC1 BOILER LOWER SLOPE	(151,767.01)
124520	TC1 Ductwork/Mod Reline	319,801.88
124522	TC REPL PLANT INVERTERS	148,143.05
124530	TC1 UPGD GENERATOR RECTIFIERS	54,257.93
124540	TC LAB MONITORS PURCH	18,624.45
124545	TC AIR HEATER BASKET REPL	217,637.55
124546	TC1 SCR STRUCT REPL /EXP JOINT	233,834.96
124547	TC1 DUCTWORK EXP JOINT REPL	66,456.78

LGE 107001 Activity November 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
124669	'09 OLD HENRY SUBSTA	191.32
124839	PI ACT COMPLI RCVs	503.13
125273	PR13 Blade and Vane Repl	5,966.59
125351	HW/SW Dev Tools 026510-LGE11	1,204.46
125353	HW/SW Dev Tools 026540-LGE11	2,117.33
125368	IT Sec Mon/Aud/Mgt Tools-LGE11	54,776.35
125384	Access Switch Rotation-LGE11	7,572.53
125397	Network Acc Dev and Gate-LGE11	1,233.43
125403	Network Management-LGE11	105.46
125406	Security Infra Enh-LGE11	22,792.24
125408	Wireless Buildout-LGE11	5,724.59
125419	Cabling for Server Conn-LGE11	1,903.83
125427	Server Hardware Refresh-LGE11	14,966.65
125437	SAN Cap Ex incl virtual-LGE11	20,508.64
125546	Netwk Acc Dev & St Infra-LGE11	3,213.43
125547	Netwk Tools & Test Equi-LGE11	(115.86)
125549	Outside Cable Plant -LGE11	17,406.42
125552	Site Security Impmts-LGE11	488.00
125556	Telephone Syst Cap Exp-LGE11	16,332.25
125566	TC rot of dskt & lt-LGE-LGE11	11,556.83
125575	DB Tools & Eqiptmnt-LGE11	971.76
125576	Data Center Software-LGE11	17,090.58
125582	Project Mirror - LGE11	123,889.13
126386	DOIT GAS EMER MGMT SYSTEM	186,826.87
126422	2010 RELINE GAS STORAGE WELLS	(4,461.98)
126470	REMOTE CONTROL VALVES	4,181.33
126482	UPGRADE REGULATION FACILITIES	351.52
126485	GAS REGULATORY TOOLS & EQ	(28,833.43)
126587	TC CT HGPI LGE#1	(86,691.78)
126589	TC CT HGPI LGE #3	825,717.15
126651	GS-LGE-Gen Dist Monit Equip	224,744.85
126652	GS-LGE-Cyber Security	3,208.00
126655	Jeffersontown Circuit Work	13,844.45
126657	URD MV Cable Rejuvenation	14,577.77
126719	IT LGE TEXTING & CUST COMM	103.98
126734	Worthington Sub Expansion	17,245.65
126735	Worthington Circuit Work	141,182.83
126837	HW/SW Dev Tools 026520-LGE11	720.48
126845	Srvr Cap Expan & Rel-LGE11	16,057.53
126849	Upgrd Vmware Infrast-LGE11	20,704.27
126852	Wiring Upgrd VoIP & Data-LGE11	891.69
127090	Ohio Falls Redev. #3	157,646.36



LGE 107001 Activity November 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
127091	Ohio Falls Redev. #4	155,828.80
127092	Ohio Falls Redev. #5	918,380.51
127095	Ohio Falls Redev. #8	23,354.94
127135	TC CCP LANDFILL PH1 RAV-LGE	60,879.05
127136	TC CCP RIVER FLY ASH BARGE-LGE	10,023.07
127152	Openview.NET- LGE	(3,756.49)
127158	CIP- LGE 2011	1,307.16
127175	'Work Mgmt/FRP software - LG&E	16,184.76
127201	Ohio Falls Redev. #1	154,907.21
127202	Ohio Falls Redev. #2	155,152.35
127205	Ohio Falls Redev. Common	(9.49)
127258	Third Party PAR	35,775.03
127265	TC2 CAPITAL SPARES - LGE	6,688.84
127473	WK BLUE & GREEN MODIFICATIONS	22,640.91
127540	Ener Eff -Operations Auto LGE	66,677.10
127559	NBU NGCC CR	58,893.09
127574	MC2 CT Distribution Mods	44,294.32
127576	MC2 Partial Radiant Reheater	175,029.86
127583	MC 1C Coal Mill Gearbox	2,122.76
127588	MC1 Boiler Room Roofing	17,832.83
127589	MC2 Boiler Room Roofing	7,093.10
127609	MC2 FGD Expansion Joints 2011	23,766.08
127641	MC3 Burners	103,626.81
130034	LGE Channel Bank Standard	902.76
130173	CIP COMPLIANCE INFRASTR-LGE11	5,971.14
130184	CIP COMPLIANCE TOOLS-LGE11	45,298.02
130236	ENTERPRISE STORAGE EXPAN-LGE11	119,601.30
130241	UPGRADE TO SP2011-LGE11	2,348.72
130362	PROJMIRROR DB TECH-LGE11	34,144.76
130401	EVALUATE TOOLS&UTILITIES-LGE11	2,578.51
130478	Mill Creek LS Grinding Upgrade	624,781.81
130481	MULD MODIFY ST FLD LINES	70,181.41
130493	UPGR DR & ELLINGSWORTH	66,671.96
130495	REMOTE ODORANT SYS REP	5,189.74
130500	UPGR ODORANT CONTROLL	740.97
130501	COMM HP SERV COMPLIANCE Prj	66,339.52
130503	GAS REG CAPACITY PROG	29,761.57
130504	MAGN FACILITY IMPROV	7,659.81
130505	GAS COMPRESSOR REP/ADD	417,912.35
130510	REPLACE PURIFIER #1 REBOIL	80,561.07
130511	REPL INSULATION PIPE IN PURIF	35,126.08
130517	MULD REP/REPL DEFECTIVE EQ	(3,126.53)

LGE 107001 Activity November 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130622	TIP TOP (Ft. Knox) RECONDCTR	9,216.19
130638	Tip Top Breaker Replacement	(7,583.09)
130660	Harrods Creek Substation	46,085.96
130661	Harrods Creek Sub Exp CW	111,866.17
130674	2011 Dist Regulator Upgrades	27,835.09
130705	SCM 2011 LGE Rpl Sub Batteries	1,665.60
130722	SCM 2011 LTC Oil Filter Un	1,039.18
130728	SCM 11 PSD WSA Breaker Rplc	4,967.91
130736	SCM LGE NESC Comp Proj	25,261.13
130740	SCM LGE Tools & Equip	7,760.53
130752	Manslick Substation Exp	276,817.26
130853	MULD ELEC MTR & PUMP	31,162.19
130856	MULD PURIFIER PROCESS PIPE	16,004.06
130864	MAGN INST SAVE-AIR SYS	141.94
130869	MULDRAUGH FIELD STAIRWAY	12,306.37
130881	MC3 FGD & FABRIC FILTER	60,000.00
130892	Env Comp MC4 SCR Upgrade	21,580.60
130896	TC1 FABRIC FILTER	170.69
130898	Lou Upgd-Middletown 345kV Brkr	39,331.82
130912	MULD COMPR COOLER BLDG	60,090.45
130914	MULD STA ACID BERM	1,274.90
130915	MULD INT AUX COOLING	1,079.43
130916	MULD ENG NO. 7 COOLING PIPING	24,837.36
130921	CP IMPRESSED SYS IMP	(8,066.34)
130930	MAGN PLASTIC TANKS	18,262.44
130935	DRILL WELLS IN CENTER	207,720.24
130939	2011 INST GATE VALVES	63,623.08
130940	RELINER GAS STORAGE WELL	35,473.71
130942	WK YELLOW LINE MODIFICATIONS	477,678.65
130944	MULD GAS TRANSMISSION	15,230.51
130946	DIST REG FACILITY REPL	23,222.41
131019	Mobile Auto Dispatch - LGE	303,077.99
131025	Mobile GIS Enhancements LGE	1,156.24
131033	Rptg Business Intelligence LGE	9,227.35
131034	Smallworld_GIS Upgrade LGE	35,991.59
131039	Hardware Infrastructure - LGE	31,851.75
131086	GAS Facility Inspections	223,072.47
131135	FieldNet Upgrades - LGE	22,184.00
131140	Retail Hardware IFS - LGE	38,900.49
131225	LGE Substation Equipment Prch	(27,645.67)
131256	34KV regs on TT3311	96.58
131267	BRCT 5, 6 & 7 HMI Upgr 12 LGE	20,275.20

LGE 107001 Activity November 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131285	Tip Top Substation project	2,833.73
131287	Network Protector Relays	13,894.50
131309	LGE Sub Bldg & Grounds	(2,963.06)
131357	CR Station Battery 2011	12,991.43
131362	CR6 Mist Eliminators Repl	50,222.83
131368	PR12 Diesel Engine	13,198.35
131432	Retail System Enhncmnts - LGE	20,700.63
131531	TC1 BOILER SH PENDANT	356,598.23
131532	TC1 BOILER REPL FIN SH PENDANT	149,842.40
131533	TC1 BOILER REAR REHEAT REPL	60,982.89
131534	TC1 BOILER FRONT RH REPLACE	98,015.50
131538	TC1 BOILER PLATFORM	288,514.28
131541	TC1 A-BCWP OVERHAUL	57,773.48
131582	CARPET - LGE FACILITIES	55,147.74
131583	REMODEL LGE OFFICES	89,102.75
131589	OFFICE FURNITURE - LGE	30,118.46
131606	SSC - HVAC REPLACEMENT	48,635.00
131614	LGE CYBER SECURITY EQP	32,008.46
131693	Envir Compliance Study-Air-LGE	51,675.29
131739	2010 LGE Transformer rewind #3	93,361.29
131825	Financial Planning Software	24,840.67
131913	NERC Volt Reg	6,570.97
131918	Impoundment Cap-LGE	1,281.00
131920	GSU Light Arrst	4,563.10
131922	Metallurgy Lab	1,117.24
132384	Breckenridge TR5 Rewind	301.59
132475	MC-Brkrs-Rplc	20,118.78
132536	STRAT ASSET INVEST SFTWR LGE	915.32
132543	CENTER BY-PASS	684.00
132587	MORGANFIELD OFFICE BLDG LGE	52,684.53
132588	INTERIM MORGANFLD CALL CTR LGE	8,566.77
132611	PowerBase - LGE	1,760.99
132621	PENILE TO PADDY'S RUN PIPELINE	145,969.91
132629	Cooper Chapel Rd Gas Main Relo	84,661.32
132651	MC 4C Transformer Bushings	13,911.40
132666	MY ACCOUNT 2011 FIRST RELEASE	11,113.52
132684	MILL CREEK LINE MODIFICATIONS	7,340.78
132720	MC G1 Coal Conveyor	55.75
132730	QAS for EMS LGE	39,706.04
132750	MC Conference Projector System	474.01
132763	EDI IMPLEMENTATION-LGE 11	1,715.07
132809	4535 NRTHSD SBSTN PARA	18,107.75

LGE 107001 Activity November 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132812	4560 MILCRK SBSTN PARA	18,896.48
132881	4533 MILL CREEK 345 PARA	1,292.62
132883	4531 MILL CREEK 345 PARA	1,219.62
132884	4532 MILL CREEK 345 PARA	1,146.64
132888	EMS CC Switchover - LG&E	170,607.72
132890	MC2 Clg Tower Fan Stacks	24,887.02
132907	MT-Relays-2011	44,631.51
132908	MC-Relays-2011	3,678.72
132909	NS-Relays-2011	1,419.53
132910	P-Relays-2011	1,863.94
132911	PW-Relays-2011	15,566.47
132912	TC-Relays-2011	10,687.76
132987	MISC FARM TAP REPLACEMENTS	891.85
133024	CCS LOW INCOME COMMITMENT-LGE	15,398.47
133029	4533 LRC RE-SAG	393.36
133092	KY HWY 22 RELOC - PHASE 3	36,752.22
133095	GS GE PMI Alloy AnlZR LGE	178.20
133099	GS GE IOTech 650U LGE	2,578.21
133455	DIST-NA-WTRSN-MDLTN	2,331.82
133510	Sville Remodel - LG&E	1,500.91
133614	MC4 FGD, FF	153.66
133893	MINOR CONSTRUCTION BOC2-LGE	50.00
134033	OF Station Admin Bldg	52,476.94
134078	CR4 Mist Eliminators Repl	49,896.44
134079	CR Sewer Trmt Shelter	18,907.81
134081	CR4 Thickener Flocculent Bldg	26,569.55
134082	CR I/E Test Equipment	6,749.50
134089	MC Service Shop Roofing	(1,408.57)
134178	BALLARDSVILLE LINE @ HWY 146	35,281.16
134270	VIRTUAL DESKTOP - LGE	269,344.51
134298	MAGNOLIA DUMP TRUCK	14,325.26
134342	LGE 5th Floor VP Suite	187.50
134355	MC4 Boiler Room Sump Piping	658.47
134386	DIST-NA-CNRN-CNRNS1	21,599.11
134447	VISTA SWITCH_ELEC LINE FEEDS	86,812.14
134560	PADDYSRUN TR4A REPL	422,506.56
134588	HEATER RELITER UPGRADE	22,263.44
134615	TIP TOP PHASE 3	111,313.32
134656	DOZER WITH TRAILER	3,197.44
134663	PR Station Battery 2011	55.96
134828	Aiken 1290	63,574.84
134886	SV Drainage Issue	(53,709.08)

LGE 107001 Activity November 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
134890	QUALITY OF SERVICE-LGE 2011	4,256.83
135163	REPLACE CG CONTROLLERS	25,384.08
135182	ALLEN BRADLEY PLC_H2S FLARE	7,316.90
135287	EMS Satellite Servers LGE	2,556.14
135296	COOPER CHAPEL RD ELECOVHD RELO	153,185.27
135300	PEOPLESOFT 9.1 LGE	55,225.47
135318	MC4 Front Reheat Tubing	(41.78)
135339	NUCLEUS PROJECT VAULT	14,054.56
135355	BLUESTRIPE - LGE 2011	765.11
135435	IRISE SOFTWARE - LGE 2011	3,067.98
135471	REPL ACTUATOR CONTROLLERS	26,880.74
135529	CSXT RELO 6649	(11,342.79)
135558	6TH FLOOR CONSTRUCTION-LGE11	7,523.73
135564	Sville Mgr Ofc LGE	(3,536.40)
135571	MC Gate 3 Paving	18,359.28
135584	REGULATORS FOR MU1101 & BB1103	21,453.12
135586	REPLACE WESTERN KY YELLOW LINE	9,411.23
135587	MAGNOLIA 20" REPAIRS	96,635.26
135588	LGE Sftwr EGOR/DSL	5,187.81
135596	ZN Elec Trip Assm Upgrade	1,639.31
135599	DCS IPM CUSTOMER CLIENT-LGE	49,340.00
135603	MC 2B Mill Motor 2011	38,451.47
135608	Contact Center - CTI - LGE11	412,180.72
135636	DEMAGNITIZER	28,833.43
135642	MicroSCADA Generation LGE	(1,164.67)
135659	CR PALL Module Partial Repl	50,730.38
135660	CR HEPA Filtration System	18,149.18
135661	CR C1 Coal Crusher Repl	68,347.52
135663	SolMan Process Blueprint-LGE11	30,881.43
135668	2,550 ITRON GAS 40 GB ERTS	156,773.64
135685	MC LD1-LD2 LS Conv Belts	(354.93)
135686	Taylor 1106 Add	80,298.88
135687	WT 1210	47,035.89
135693	FLARE INFRARED CAMERA	14,747.08
135702	HP QUALITY CENTER UPGR-LGE	2,740.55
135753	TC1 BURNER COMPONENTS	92,555.25
135770	Madison TR2 Rewind	5,292.40
135771	SSC BUILDING	1,087.50
135775	CENTER TRAN LINE REPLACEMENT	37,533.54
135778	DUMP TRUCK	14,325.26
131482LGE	TC INSTALL CH AIR COMP	(19.86)
132872LGE	TC2 SPARES ECR LGE	19,919.05

LGE 107001 Activity November 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
135675LGE	PPL Alternate Data Ctr-LGE11	3,128.06
135677LGE	Disk Backup & NAS Rfresh-LGE11	281,671.38
135689LGE	Bill Redesign-LGE11	18,177.27
135695LGE	SAP Testing Automation-LGE11	94,785.29
135697LGE	Revenue Collect Enh-LGE11	2,493.79
135719LGE	TDMS Implementation-LGE11	80,896.85
135754LGE	SQL Server Compression-LGE11	16,609.97
119902	Clear 12/04 A&G	1,898.18
CABLE341	Blanket cable for joint trench	32,929.63
ECAPRR340	CAP, REG, RECLOSERS 340	1,370.60
GME406	GAS MAIN EXT 406	20,448.32
L5-2010	RELOCATIONS T LINES LGE 2010	(298.89)
L8-2011	STORM DAMAGE T-LINE LGE 2011	11,692.32
L9-2010	PRIORITY REPL T-LINES LGE 2010	5,498.92
L9-2011	PRIORITY REPL T-LINES LGE 2011	86,997.96
LBR-11	LGE Breakers11	372,116.73
LDISCAP11	LGE DISTRIBUTION CAPACITOR11	20,457.34
LINSTRF11	INSTRUMENT TRANSFMR LGE 2011	50,571.10
LMS042011	LGE MAJOR STORM 042011	934.14
LMS071911	LGE MAJOR STORM 071911	1,830.69
LMS081311	LG&E MAJOR STORM 081311	51,026.86
LRSUB-11	LG&E Routine - Subs-11	132,901.07
LSMR414	Large Scale Main Replacements	1,626,791.41
LSURGE-11	Surge Arrestors LGE-11	354.53
MCAPRR340	MAINT CAP, REG, REC 340	13,961.26
NBCD340OH	NEW BUS COMM OH 340	156,283.71
NBCD340UG	NEW BUS COMM UG 340	115,824.42
NBGS341	INSTALL GAS SVC-JOINT TRENCH	2,730.97
NBGS419	NEW BUS GAS SERV 419	210,865.22
NBGS421	NEW BUS GAS SERV 421	873.49
NBGS422	NBGS422	3,134.57
NBRD340OH	NEW BUS RES OH 340	80,532.50
NBRD341UG	NEW BUS RESID UG 341	5,403.15
NBSB340OH	NEW BUS SUB OH 340	4,804.23
NBSB341UG	NEW BUS SUB 341 UG	122,862.52
NBSV340OH	NEW ELECTRIC SERVICES	68,281.15
NBSV340UG	NEW EL SERV UG	55,165.88
NETVLT343	Network Vaults 003430	10,916.38
PBWK340OH	PUB WORKS RELOC OH	4,056.35
PBWK406G	PUB WORKS GAS 406	146,926.04
PMR414	Priority Main Replacement	72,764.93
RCST340	CUST REQ 340	21,771.58

LGE 107001 Activity November 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RCST406G	Customer requested - Gas	16,649.77
RDCBL340	Replace Defective Cable 003400	83,515.72
RDD003065	Repair Defective Eqpt - 003065	950.50
RDD003190	Repair Defective Eqpt - 003190	3,807.30
RDDD340OH	REP DEF EQ OH 340	215,161.37
RDDD340UG	REP DEF EQ UG 340	297,930.25
RDMV332	MERCURY BULB REPL PROJECT	11,650.30
RDPOLE340	Replace Defective Poles 340	99,307.78
RDSTLT332	REPAIR STREET LIGHTING	201,128.90
RELD01015	LGE GEN RELIABILITY	323,766.52
RELD340OH	OH Reliability 003400	81,763.41
RELD340UG	UG Reliability 003400	5,815.00
RNTPD340	REP THR PARTY DAM 340	(17,639.17)
RNTPD419	Repair Third Party Damages-419	4,604.04
RRCS419G	REP CO GAS SERV 419	134,746.25
RRCS421G	REM/REPL CO GAS SERVICE-421	370.01
RRCS422G	RRCS422G	448.08
STLT332OH	STREET LIGHT OVERHEAD	22,713.50
STLT332UG	STREET LIGHT UNDERGROUND	52,169.40
STRM03230	LGE Minor Storm Events	5,943.15
SYSEN406G	System enhancements - Gas	20,189.24
SYSENH340	SYS ENH EXIST CUST 340	(531.01)
TBRD340OH	Trouble OH 003400	235,597.89
TBRD340UG	Trouble UG 003400	63,246.88
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	1,682.39
TLEQ340	TOOLS AND EQ 340	8,792.60
TLEQ450	Tools and Equipment , 004500	28,257.89
XFRM340	TRANSFORMER LABOR 340	10,547.14
XFRM341	TRANSFORMER LABOR 341	(342.91)
		\$ 22,900,494.71

LGE 107001 Activity December 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
113270	LGE DIST LINE TRANSFORMERS	\$ 2,194,672.91
114268	Gas Regulator Replacements	624,764.68
117136	CR Landfill Vertical Expansion	117,122.43
117149	Trimble County 2	59,271.87
118209	Trimble 2 Transmission lge	(8,558.95)
120754	Misc. A/R Uncollect - LGE Cap	277.58
121620	Cane Run - New Landfill	126,218.52
121683	TC Ash/Gypsum Ponds- LGE	1,026,365.14
121684	TC2 AQCS - LGE	228,626.93
121974	LGE Electric Meters & Installs	9,237.74
122650	LGE Gas Meters	401,693.48
122972	EASTWOOD CIRCUIT WORK	2,830.43
122975	EASTWOOD SUBSTATION	298,511.78
123025	INSTALL VALVES ON STOR WELLS	(33.63)
123039	MULD-DRILL 5 RECOVERY WELLS	482,165.06
123137	LG&E POLE INSPECTION	475,242.36
123220	LGE BRCT7 A/B Conversion 08	(38,275.99)
123709	TC1 Catalyst Layer Install	(39,013.47)
123795	Dist Eastwood West Tap	1,418.70
123837	MC2 FGD Refurbishment	202,579.39
123945	MC2 Front Lower Waterwall	94,740.67
123966	GS LGE DQI Strat 2010	28,578.00
124030	MC Safety Equipment 2011	9,815.99
124034	MC3 EHC Upgrade	(710.02)
124059	MC Wet Ash Loading System "A"	138,494.15
124070	MC2 Cooling Tower Headers	420,309.95
124089	MC Limestone Excavator	459,887.56
124351	CR Service Water Pump Repl	44,035.75
124364	CR4 4KV Switchgear Arc Flash	1,679.57
124368	CR Hardware Refresh	41,022.95
124378	PR11 GT Control Upgrade	221,522.62
124516	TC PRECIP REBUILD 5TH FLD	(69,945.91)
124520	TC1 Ductwork/Mod Reline	(117.42)
124522	TC REPL PLANT INVERTERS	33,160.31
124530	TC1 UPGD GENERATOR RECTIFIERS	(3,112.74)
124541	TC SAFETY AND ERT EQUIPMENT	13,450.81
124545	TC AIR HEATER BASKET REPL	116,311.98
124546	TC1 SCR STRUCT REPL /EXP JOINT	(68,126.29)
124547	TC1 DUCTWORK EXP JOINT REPL	(54,658.64)
124830	2009 INST GATE VALVES ON WELLS	(3,186.62)
124847	UPGR GAS CONTROL SCADA SYS	221,939.42
125293	Identity Mgmt - LGE11	8,199.96



LGE 107001 Activity December 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125351	HW/SW Dev Tools 026510-LGE11	1,656.63
125352	HW/SW Dev Tools 026580-LGE11	27.92
125368	IT Sec Mon/Aud/Mgt Tools-LGE11	9,682.49
125380	IT Sec Lab Enh-LGE11	(5,431.94)
125403	Network Management-LGE11	2,861.01
125408	Wireless Buildout-LGE11	27,928.48
125419	Cabling for Server Conn-LGE11	10,708.40
125427	Server Hardware Refresh-LGE11	62,198.63
125437	SAN Cap Ex incl virtual-LGE11	1,230.52
125445	Bulk Power & Envir Sys-LGE11	(343.00)
125546	Netwk Acc Dev & St Infra-LGE11	272.48
125547	Netwk Tools & Test Equi-LGE11	7,448.35
125552	Site Security Impmts-LGE11	8,052.00
125556	Telephone Syst Cap Exp-LGE11	6,931.72
125566	TC rot of dskt & lt-LGE-LGE11	5,120.00
125574	Louisville Elect Upgds-LGE11	6,471.89
125576	Data Center Software-LGE11	1,025.44
125582	Project Mirror - LGE11	590.58
125665	PowerPlant Upgrade (LG&E %)	1,650.00
126137	MC4 SCR Catalyst Layer 2	201,837.55
126169	CR Remote Site Cameras	(21,280.44)
126224	MC2 Turbine HP Snout Rings	102,209.09
126386	DOIT GAS EMER MGMT SYSTEM	94,008.56
126440	MAGN FARM TAP UPGRADE	697.80
126466	JEFFERSONTOWN SUB EXPANSION	84,049.22
126467	FEGENBUSH AREA SUB PROPERTY	519,009.11
126470	REMOTE CONTROL VALVES	15,649.48
126474	UPGR MAJOR STATION REG & CONTR	5,034.12
126482	UPGRADE REGULATION FACILITIES	12,005.87
126485	GAS REGULATORY TOOLS & EQ	(2,777.25)
126589	TC CT HGPI LGE #3	37,079.02
126651	GS-LGE-Gen Dist Monit Equip	125,335.16
126652	GS-LGE-Cyber Security	38,692.16
126655	Jeffersontown Circuit Work	16,922.45
126657	URD MV Cable Rejuvenation	85,147.01
126719	IT LGE TEXTING & CUST COMM	331.02
126734	Worthington Sub Expansion	603,146.69
126735	Worthington Circuit Work	151,732.96
126837	HW/SW Dev Tools 026520-LGE11	502.32
126845	Srvr Cap Expan & Rel-LGE11	1,061.67
126849	Upgrd Vmware Infrast-LGE11	19,381.72
126852	Wiring Upgrd VoIP & Data-LGE11	17,243.91

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<u>Project</u>	<u>Description</u>	<u>Amount</u>
127090	Ohio Falls Redev. #3	223,536.21
127091	Ohio Falls Redev. #4	109,252.79
127092	Ohio Falls Redev. #5	1,813,550.35
127095	Ohio Falls Redev. #8	86,993.50
127135	TC CCP LANDFILL PH1 RAV-LGE	858,063.63
127136	TC CCP RIVER FLY ASH BARGE-LGE	452,302.38
127158	CIP- LGE 2011	4,230.44
127175	'Work Mgmt/FRP software - LG&E	155,658.23
127201	Ohio Falls Redev. #1	108,487.35
127202	Ohio Falls Redev. #2	87,595.48
127258	Third Party PAR	4,179.28
127265	TC2 CAPITAL SPARES - LGE	85,205.28
127345	PENILE CITY GATE ST REDESIGN	118.22
127455	MAGNOLIA TO PICCADILLY MODIF	(120.95)
127473	WK BLUE & GREEN MODIFICATIONS	46,451.21
127540	Ener Eff -Operations Auto LGE	62,246.65
127559	NBU NGCC CR	45,206.33
127574	MC2 CT Distribution Mods	409,179.65
127576	MC2 Partial Radiant Reheater	72,653.90
127583	MC 1C Coal Mill Gearbox	879.22
127588	MC1 Boiler Room Roofing	62,575.36
127589	MC2 Boiler Room Roofing	100,340.35
127600	MC4 Alterex Rewind	320,727.13
127641	MC3 Burners	42,302.55
127649	MAGNOLIA UPGRADE STATION PLCs	33,727.00
130003	IMPLEMENT SOA-LGE	23,277.28
130034	LGE Channel Bank Standard	10.71
130156	Ckt BR1181 Breckinridge Sub	(1,587.69)
130173	CIP COMPLIANCE INFRASTR-LGE11	2,232.68
130184	CIP COMPLIANCE TOOLS-LGE11	29,401.23
130210	SP ADMIN TOOL - LGE11	7,750.00
130241	UPGRADE TO SP2011-LGE11	15,610.95
130271	RISS REPLACEMENT-LGE11	168,982.46
130401	EVALUATE TOOLS&UTILITIES-LGE11	12,510.31
130478	Mill Creek LS Grinding Upgrade	434,646.32
130481	MULD MODIFY ST FLD LINES	171,891.29
130493	UPGR DR & ELLINGSWORTH	28,557.88
130494	2011 UPGR MAJOR STAT REGS	29,796.06
130498	UPGRADE VALVE ACTUATORS Prj	64,753.15
130501	COMM HP SERV COMPLIANCE Prj	35,250.52
130503	GAS REG CAPACITY PROG	220,108.97
130504	MAGN FACILITY IMPROV	54,453.69

LGE 107001 Activity December 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
130505	GAS COMPRESSOR REP/ADD	5,038,750.58
130510	REPLACE PURIFIER #1 REBOIL	150,272.19
130515	MULD STATION TRANSM	25,126.08
130517	MULD REP/REPL DEFECTIVE EQ	14,196.85
130518	MULD STATION YARD VALVE	69,534.48
130622	TIP TOP (Ft. Knox) RECONDCTR	4,000.50
130638	Tip Top Breaker Replacement	(30,273.80)
130660	Harrods Creek Substation	604,418.42
130661	Harrods Creek Sub Exp CW	399,638.18
130705	SCM 2011 LGE Rpl Sub Batteries	1,173.79
130736	SCM LGE NESC Comp Proj	3,256.40
130740	SCM LGE Tools & Equip	16,188.73
130752	Manslick Substation Exp	645,906.94
130856	MULD PURIFIER PROCESS PIPE	18,800.89
130864	MAGN INST SAVE-AIR SYS	58,791.98
130874	MAGN REPACK #1 PURIFIER	19,435.02
130875	MC1&2 FGD, MC1FF, MC2FF	62,860.43
130881	MC3 FGD & FABRIC FILTER	163,151.86
130892	Env Comp MC4 SCR Upgrade	99,954.20
130896	TC1 FABRIC FILTER	5,842.78
130898	Lou Upgd-Middletown 345kV Brkr	75,104.18
130912	MULD COMPR COOLER BLDG	6,157.09
130914	MULD STA ACID BERM	79,119.37
130915	MULD INT AUX COOLING	12,314.13
130917	AC MITIGATION Prj	21,459.01
130925	MAGN EMERGENCY EQ REP	8,943.31
130930	MAGN PLASTIC TANKS	10,803.57
130935	DRILL WELLS IN CENTER	468,906.59
130937	MULD UPG EXISTING FARM TAPS	3,905.88
130939	2011 INST GATE VALVES	3,457.79
130940	RELINER GAS STORAGE WELL	19,914.11
130942	WK YELLOW LINE MODIFICATIONS	329,695.80
130944	MULD GAS TRANSMISSION	1,142.23
130946	DIST REG FACILITY REPL	3,411.22
131019	Mobile Auto Dispatch - LGE	796,331.07
131025	Mobile GIS Enhancements LGE	27,380.29
131033	Rptg Business Intelligence LGE	3,867.06
131034	Smallworld_GIS Upgrade LGE	84,533.53
131039	Hardware Infrastructure - LGE	17,398.61
131086	GAS Facility Inspections	31,813.39
131140	Retail Hardware IFS - LGE	3,013.64
131225	LGE Substation Equipment Prch	66,743.98

LGE 107001 Activity December 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
131267	BRCT 5, 6 & 7 HMI Upgr 12 LGE	17,139.94
131285	Tip Top Substation project	9,352.06
131362	CR6 Mist Eliminators Repl	1,461.60
131368	PR12 Diesel Engine	50,666.51
131432	Retail System Enhncmnts - LGE	16,930.33
131515	DO-FAC IMPROVEMENTS LGE	3,584.14
131531	TC1 BOILER SH PENDANT	(12,665.39)
131532	TC1 BOILER REPL FIN SH PENDANT	(28,945.48)
131533	TC1 BOILER REAR REHEAT REPL	(12,789.51)
131534	TC1 BOILER FRONT RH REPLACE	(10,968.36)
131538	TC1 BOILER PLATFORM	59,049.95
131539	TC1 FIRE PROTECTION TD BFP	97,083.97
131540	TC1 TURBINE/GEN SPRINKLER SYS	65,022.45
131541	TC1 A-BCWP OVERHAUL	15,299.40
131582	CARPET - LGE FACILITIES	112,311.21
131583	REMODEL LGE OFFICES	68,235.27
131589	OFFICE FURNITURE - LGE	65,843.30
131606	SSC - HVAC REPLACEMENT	2,074.00
131614	LGE CYBER SECURITY EQP	34,358.84
131618	LGE SECURITY EQUIP	10,300.47
131693	Envir Compliance Study-Air-LGE	(145,982.69)
131710	Service Pilot UG	28,996.16
131739	2010 LGE Transformer rewind #3	2,404.02
131825	Financial Planning Software	920.00
131913	NERC Volt Reg	6,848.01
131918	Impoundment Cap-LGE	25,083.43
131920	GSU Light Arrst	(4,683.77)
131922	Metallurgy Lab	41,694.57
132072	PowerPlant Memory (LG&E %)	16,637.45
132475	MC-Brkrs-Rplc	(33,266.90)
132536	STRAT ASSET INVEST SFTWR LGE	59,531.07
132543	CENTER BY-PASS	(7,758.59)
132587	MORGANFIELD OFFICE BLDG LGE	44,244.42
132588	INTERIM MORGANFLD CALL CTR LGE	442.95
132611	PowerBase - LGE	(8,100.92)
132621	PENILE TO PADDY'S RUN PIPELINE	650,519.54
132628	MC1B Circulating Water Pump	(1,950.16)
132642	DIST-NA-MDLTWN-T.C	4,097.86
132666	MY ACCOUNT 2011 FIRST RELEASE	13,327.63
132684	MILL CREEK LINE MODIFICATIONS	18,591.13
132698	Dix Dam Boiler-LG&E	(1,330.27)
132708	OF Sump Pump Repl Spare	23,271.92

LGE 107001 Activity December 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
132730	QAS for EMS LGE	29,321.73
132763	EDI IMPLEMENTATION-LGE 11	1,038.66
132803	MC4 Cooling Tower Pump	251,285.50
132809	4535 NRTHSD SBSTN PARA	32,030.69
132812	4560 MILCRK SBSTN PARA	3,526.91
132888	EMS CC Switchover - LG&E	260,918.36
132890	MC2 Clg Tower Fan Stacks	225,548.86
132907	MT-Relays-2011	11,671.45
132908	MC-Relays-2011	9,963.67
132909	NS-Relays-2011	3.17
132910	P-Relays-2011	6,529.91
132911	PW-Relays-2011	2,768.10
132912	TC-Relays-2011	2,930.27
132994	MC2 Warm-Up Gas System	90,903.73
133024	CCS LOW INCOME COMMITMENT-LGE	7,531.66
133092	KY HWY 22 RELOC - PHASE 3	307.55
133160	CCS ARCHIVE/PURGE TECH-LGE	1,096.76
133214	CR4 Expansion Joint Repl	31,118.98
133225	GS GE Hardness Test LGE	5,504.24
133455	DIST-NA-WTRSN-MDLTN	8,724.43
133510	Sville Remodel - LG&E	747.11
133614	MC4 FGD, FF	32,082.40
133893	MINOR CONSTRUCTION BOC2-LGE	5,098.31
134033	OF Station Admin Bldg	282,010.78
134078	CR4 Mist Eliminators Repl	6,050.40
134079	CR Sewer Trmt Shelter	8,002.04
134081	CR4 Thickener Flocculent Bldg	23,918.89
134082	CR I/E Test Equipment	15,012.17
134178	BALLARDSVILLE LINE @ HWY 146	81,153.56
134270	VIRTUAL DESKTOP - LGE	569,051.07
134355	MC4 Boiler Room Sump Piping	6,476.13
134386	DIST-NA-CNRN-CNRNS1	120,917.40
134438	ROD DROP INSTRUMENTATION	22,435.65
134439	HYDRAULIC PUSHRODS_ROCKER ARMS	32,936.04
134441	INST LEVEL MONITORS ON TOWERS	65,263.46
134523	Resource Mgmt Tool-LGE	81,959.00
134560	PADDYSRUN TR4A REPL	296,157.08
134603	CG & LG REGULATOR ST RTUs	68,715.20
134652	MAGNOLIA LEAK SURVEY INSTRU	47,551.43
134656	DOZER WITH TRAILER	176,534.10
134663	PR Station Battery 2011	28,274.65
134750	8 New EMS Workstations LGE	24,451.14

LGE 107001 Activity December 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
134828	Aiken 1290	53,091.19
134886	SV Drainage Issue	46,741.63
134890	QUALITY OF SERVICE-LGE 2011	42,232.64
134911	SCM2012 FPE TAPCHGR-NORMANDY	331.71
134915	SCM2012 RPL GE SFC PRTCT RELAY	221.13
135133	CR4A Trav Water Screen Repl	85,961.15
135163	REPLACE CG CONTROLLERS	11,649.05
135168	OBSOLETE ROTARY METER UPGR	42,691.18
135182	ALLEN BRADLEY PLC_H2S FLARE	7,114.68
135287	EMS Satellite Servers LGE	15,259.42
135290	OF Station Protective Relays	32,885.25
135296	COOPER CHAPEL RD ELECOVHD RELO	212,249.25
135300	PEOPLESOFT 9.1 LGE	69,035.80
135318	MC4 Front Reheat Tubing	128,629.70
135337	CR B House Air Comp Mtr Rwd	19,633.07
135339	NUCLEUS PROJECT VAULT	408,245.18
135355	BLUESTRIPE - LGE 2011	11,815.21
135407	MC 1B Ash Water Pump Mtr	71,964.30
135435	IRISE SOFTWARE - LGE 2011	16,197.83
135471	REPL ACTUATOR CONTROLLERS	1,139.37
135529	CSXT RELO 6649	147,018.62
135558	6TH FLOOR CONSTRUCTION-LGE11	12,560.85
135566	Swing Reach	90,631.32
135571	MC Gate 3 Paving	299.99
135584	REGULATORS FOR MU1101 & BB1103	21,548.93
135586	REPLACE WESTERN KY YELLOW LINE	919,190.65
135587	MAGNOLIA 20" REPAIRS	79,637.97
135588	LGE Sftwr EGOR/DSL	8,253.70
135596	ZN Elec Trip Assm Upgrade	32,948.72
135599	DCS IPM CUSTOMER CLIENT-LGE	30,660.00
135603	MC 2B Mill Motor 2011	(25,802.65)
135608	Contact Center - CTI - LGE11	188,640.68
135617	Worthington Trans 1 Bush Repl.	2,577.74
135642	MicroSCADA Generation LGE	9,490.65
135657	Madison TR 2 69kV Bushings	10,473.70
135658	CR Sump Pump Rewind	53,809.24
135659	CR PALL Module Partial Repl	372.86
135660	CR HEPA Filtration System	9,617.75
135661	CR C1 Coal Crusher Repl	18,924.67
135686	Taylor 1106 Add	2,740.70
135687	WT 1210	23,463.37
135692	LACONIA OFFICE UPGRADE	20,509.35

LGE 107001 Activity December 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
135702	HP QUALITY CENTER UPGR-LGE	13,030.16
135705	CR Safety Tagging Sys Upgrade	9,600.00
135752	MC Gypsum Shuttle Conv Belt	7,731.77
135753	TC1 BURNER COMPONENTS	388,273.09
135765	GS GE Perf Equip LGE	7,764.80
135770	Madison TR2 Rewind	78,644.93
135771	SSC BUILDING	135,267.00
135775	CENTER TRAN LINE REPLACEMENT	5,256.38
135777	REPL PIECE PENILE TO PADDY'S	50,056.10
135787	GS GE Test Equip LGE	2,362.63
135791	MC Spare Sump Pump 2012	28,707.80
135793	LG&E Spare 138-13kV 44.8 MVA	939,333.24
135794	LG&E Spare 69-13kV 44.8 MVA	902,453.71
135801	CR Fuel Mgmt System	11,840.72
135805	TRACTOR LOADER CUTTER	43,615.24
135809	Trans Operator Log Sys-LG&E	58,407.07
135823	Auburndale Pole Racks	77,824.35
135829	MC "R" Coal Conv Belt	25,205.37
135837	Purchase 5 Radios for Transp	17,240.90
135839	Satellite Phones	34,110.80
135843	MC Coal Yard Truck	15,108.67
135844	MC Maint Truck 2011	17,811.57
135845	MC Planning Truck 2011	17,270.99
135846	MC Warehouse Truck 2011	16,730.41
135847	MC Yard Ops Truck 2011	16,730.41
135848	MC Trash Pump	25,213.41
135852	MC Man Lift 2011	62,599.02
135853	MC Fusion Machine	16,006.57
135854	EMS Backup Hware/Sware-LGE	13,531.84
135859	MC JB Coal Conv Belt 2011	114,235.52
135864	CR4 Turbine Valve Fast Repl	48,264.51
135865	CR Vehicle 2011	13,703.17
135873	Repl fail Pot Trans, Tip Top.	9,615.68
131482LGE	TC INSTALL CH AIR COMP	4.97
131487LGE	TC REPLACE 12KV CP SWITCHGEARS	(43,144.27)
131535LGE	TC CHANGE HVAC UNITS	48,743.50
131543LGE	TC LAPE LIMESTONE TRIPPER	24,413.60
132872LGE	TC2 SPARES ECR LGE	14,888.86
133534LGE	TC2 Boiler MTCE WP	37,644.17
133586LGE	TC1 FD FAN ROOF REPL	30,598.80
133588LGE	TC RCT PREP BLDG ROOF REPL	70,378.80
135353LGE	TC THERMAL IMAGE DEVICE	6,828.55

LGE 107001 Activity December 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
135675LGE	PPL Alternate Data Ctr-LGE11	115,995.28
135677LGE	Disk Backup & NAS Rfresh-LGE11	51,202.38
135689LGE	Bill Redesign-LGE11	17,935.65
135695LGE	SAP Testing Automation-LGE11	73,089.82
135697LGE	Revenue Collect Enh-LGE11	2,894.99
135719LGE	TDMS Implementation-LGE11	3,652.69
135754LGE	SQL Server Compression-LGE11	996.60
135814LGE	TC2 Mercury Monitors	46,568.32
135905LGE	TC Misc Plt Equip LGE	18,298.08
117361	Accrued Labor - LGE	31,048.76
119902	Clear 12/04 A&G	(890,263.43)
CABLE341	Blanket cable for joint trench	91,195.55
ECAPRR340	CAP, REG, RECLOSERS 340	212.86
GME406	GAS MAIN EXT 406	105,444.21
L6-2011	NEW FACILITIES T-LINE LGE 2011	441.39
L7-2011	PARAM UPGRADE T LINE LGE 2011	60,408.25
L8-2011	STORM DAMAGE T-LINE LGE 2011	(10,917.84)
L9-2011	PRIORITY REPL T-LINES LGE 2011	435,196.37
LBR-11	LGE Breakers11	358,361.13
LDISCAP11	LGE DISTRIBUTION CAPACITOR11	12,634.70
LGRNDRP11	GROUNDING REPAIRS LG&E 2011	127.53
LINSTRF11	INSTRUMENT TRANSFMR LGE 2011	11,900.91
LMS061911	LGE MAJOR STORM 061911	0.14
LMS071911	LGE MAJOR STORM 071911	21,032.85
LMS081311	LG&E MAJOR STORM 081311	4,908.39
LRSUB-11	LG&E Routine - Subs-11	115,741.77
LSMR414	Large Scale Main Replacements	1,335,472.31
MCAPRR340	MAINT CAP, REG, REC 340	401.33
NBCD340OH	NEW BUS COMM OH 340	268,764.28
NBCD340UG	NEW BUS COMM UG 340	251,795.09
NBGS341	INSTALL GAS SVC-JOINT TRENCH	2,759.09
NBGS419	NEW BUS GAS SERV 419	106,152.86
NBGS421	NEW BUS GAS SERV 421	2,816.43
NBGS422	NBGS422	441.96
NBRD340OH	NEW BUS RES OH 340	118,911.20
NBRD341UG	NEW BUS RESID UG 341	31,029.49
NBSB340OH	NEW BUS SUB OH 340	25,896.88
NBSB341UG	NEW BUS SUB 341 UG	242,627.85
NBSV340OH	NEW ELECTRIC SERVICES	68,407.16
NBSV340UG	NEW EL SERV UG	110,264.53
NETVLT343	Network Vaults 003430	99,832.11
PBWK340OH	PUB WORKS RELOC OH	990.77



LGE 107001 Activity December 2011

<u>Project</u>	<u>Description</u>	<u>Amount</u>
PBWK406G	PUB WORKS GAS 406	86,877.11
PMR414	Priority Main Replacement	327,209.15
RCST340	CUST REQ 340	72,981.37
RCST406G	Customer requested - Gas	(2,145.36)
RDCBL340	Replace Defective Cable 003400	194,744.11
RDDD340OH	REP DEF EQ OH 340	164,995.51
RDDD340UG	REP DEF EQ UG 340	182,096.96
RDMV332	MERCURY BULB REPL PROJECT	9,419.29
RDPOLE340	Replace Defective Poles 340	139,371.64
RDSTLT332	REPAIR STREET LIGHTING	96,709.97
RELD01015	LGE GEN RELIABILITY	294,307.79
RELD340OH	OH Reliability 003400	131,890.44
RELD340UG	UG Reliability 003400	(5,815.00)
RNTPD340	REP THR PARTY DAM 340	87,303.74
RNTPD419	Repair Third Party Damages-419	10,209.67
RRCS419G	REP CO GAS SERV 419	67,719.46
STLT332OH	STREET LIGHT OVERHEAD	55,536.99
STLT332UG	STREET LIGHT UNDERGROUND	107,868.66
STRM03230	LGE Minor Storm Events	18,181.77
SYSEN406G	System enhancements - Gas	103,091.46
SYSENH340	SYS ENH EXIST CUST 340	2,402.09
TBRD340OH	Trouble OH 003400	151,008.07
TBRD340UG	Trouble UG 003400	48,546.66
TBRD419G	MISC GAS MAIN LEAK REPAIR/REM	9,893.28
TLEQ340	TOOLS AND EQ 340	80,083.28
TLEQ448	Tools and Equipment 448	51,255.25
TLEQ450	Tools and Equipment , 004500	7,535.97
XFRM340	TRANSFORMER LABOR 340	19,513.61
XFRM341	TRANSFORMER LABOR 341	90.10
		\$ 42,483,459.80

Louisville Gas & Electric Company  
Expense Account Detail  
2009-2011

Account Number	Account Description	31-JAN-09	28-FEB-09	31-MAR-09
403011	DEPREC EXP - STEAM POWER GEN	4,761,107.56	5,486,048.00	5,507,553.57
403012	DEPREC EXP - HYDRO POWER GEN	61,419.03	47,874.01	48,751.43
403013	DEPREC EXP - OTH POWER GEN	620,402.90	688,803.84	693,518.85
403014	DEPREC EXP - TRANSMISSION	504,389.32	401,246.12	393,866.59
403015	DEPREC EXP - DISTRIBUTION	2,246,735.13	1,656,594.19	1,658,619.21
403016	GENERAL DEPRECIATION EXPENSE	14,167.02	51,458.67	51,604.94
403020	FUEL, LOCOMOTIVES, RAILCARS	-	114.70	(114.70)
403021	DEPREC. EXP. - UNDERGROUND - GAS	118,689.73	83,512.35	83,506.03
403022	DEPREC. EXP. - TRANSMISSION - GAS	18,062.67	3,959.71	3,972.25
403023	DEPREC. EXP. - DISTRIBUTION - GAS	1,242,731.23	1,059,664.41	1,060,986.59
403024	DEPREC. EXP. - GENERAL - GAS	14,561.24	29,197.19	29,426.17
403025	DEPREC. EXP. - COMMON	731,212.27	1,089,622.20	1,092,708.16
403026	DEPREC. EXP. - STEAM - ECR	-	-	-
403111	DEPREC EXP ARO STEAM	13,622.78	13,618.91	13,627.58
403112	DEPREC EXP ARO TRANSMISSION	15.01	15.00	1.55
403113	DEPREC EXP ARO OTHER PRODUCTION	279.95	283.83	281.89
403114	DEPREC EXP ARO HYDRO	41.34	41.34	41.34
403115	DEPREC EXP ARO DISTRIBUTION	30.51	30.51	30.51
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	735.48	735.48	735.48
403212	DEPREC EXP ARO GAS DISTRIBUTION	26.67	26.67	26.67
403213	DEPREC EXP ARO GAS TRANSMISSION	-	-	-
403311	DEPREC EXP ARO COMMON	2.86	2.86	2.86
404301	AMORT-INTANG GAS PLT	138,329.72	127,450.51	116,099.00
404401	AMT-EL INTAN PLT-RTL	207,494.57	191,175.77	174,148.49
404402	AMT-EL INTAN PLT-WHS	186,213.08	171,568.00	156,287.11
407401	REGULATORY CREDITS - GENERATION ACCRETION	(123,018.58)	(123,646.16)	(124,276.86)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(155.47)	(156.25)	(157.06)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(1,300.22)	(1,306.38)	(1,312.57)
407406	REGULATORY CREDITS - GAS ACCRETION	(38,010.34)	(38,186.21)	(38,362.89)
407407	REGULATORY CREDITS - COMMON ACCRETION	(128.91)	(129.52)	(130.13)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(13,944.07)	(13,944.08)	(13,950.81)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(15.01)	(15.00)	(1.55)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(30.51)	(30.51)	(30.51)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(762.15)	(762.15)	(762.15)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(2.86)	(2.86)	(2.86)
408101	TAX-NON INC-UTIL OPR	7,339.75	-	-
408102	REAL AND PERSONAL PROP. TAX	1,500,277.01	1,511,213.95	1,456,758.89
408103	KY PUBLIC SERVICE COMMISSION TAX	157,536.02	157,536.02	157,536.02
408105	FEDERAL UNEMP TAX	(10,352.55)	2,051.39	22,148.77
408106	FICA TAX	461,850.89	492,597.04	389,422.73
408107	STATE UNEMP TAX	(1,473.68)	4,548.84	50,133.97
408108	REAL AND PERSONAL PROP TAX - ECR	-	-	-
408195	FEDERAL UNEMP TAX - INDIRECT	1,370.21	1,333.41	1,827.52
408196	FICA TAX - INDIRECT	142,882.83	139,057.54	190,564.95
408197	STATE UNEMP TAX - INDIRECT	5,094.15	4,957.71	6,794.24
408202	TAX-NON INC-OTHER	199.00	199.00	199.00
409101	FED INC TAX-UTIL OPR	-	-	(3,346,188.39)
409102	KY ST INCOME TAXES	-	-	(378,507.95)

**Louisville Gas & Electric Company**  
**Expense Account Detail**  
**2009-2011**

Account Number	Account Description	31-JAN-09	28-FEB-09	31-MAR-09
409104	FED INC TAXES - EST	4,783,427.16	(3,756,471.33)	(1,026,955.82)
409105	ST INC TAXES - EST	911,128.99	(685,070.77)	(226,058.22)
409203	FED INC TAX-OTHER	-	2,720,242.81	(851,873.26)
409206	ST INC TAX-OTHER	-	457,096.03	(116,359.94)
409209	FED IN TAXES-OTH EST	27,825.59	318,730.45	(346,556.04)
409210	ST INC TAXES-OTH EST	5,300.11	58,127.13	(63,427.24)
410101	DEF FED INC TAX-OPR	-	-	5,933,837.44
410102	DEF ST INC TAX-OPR	-	-	183,183.26
410203	DEF FEDERAL INC TX	-	-	-
410204	DEF STATE INC TAX	-	-	-
411101	FED INC TX DEF-CR-OP	-	-	(4,397,246.13)
411102	ST INC TAX DEF-CR-OP	-	-	(483,396.13)
411150	ACCRETION EXPENSE - GENERATION	123,018.58	123,646.16	124,276.86
411151	ACCRETION EXPENSE - TRANSMISSION	155.47	156.25	157.06
411155	ACCRETION EXPENSE - DISTRIBUTION	1,300.22	1,306.38	1,312.57
411156	ACCRETION EXPENSE - GAS	38,010.34	38,186.21	38,362.89
411157	ACCRETION EXPENSE - COMMON	128.91	129.52	130.13
411201	FD INC TX DEF-CR-OTH	-	-	-
411202	ST INC TX DEF-CR-OTH	-	-	-
411403	ITC DEFERRED	-	-	912,336.51
411404	AMORTIZATION OF ITC	(312,908.00)	(196,559.00)	(254,732.72)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	1,780.90	2,925.11	1,741.89
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	-	-	-
421201	LOSS-PROPERTY DISP	-	-	4,070.34
426101	DONATIONS	135,960.67	152,970.24	133,493.31
426191	DONATIONS - INDIRECT	-	1,000.00	6,242.05
426301	PENALTIES	(11,905.50)	433,685.61	(71,628.00)
426401	EXP-CIVIC/POL/REL	-	282.57	-
426491	EXP-CIVIC/POL/REL - INDIRECT	42,390.04	46,616.81	46,945.28
426501	OTHER DEDUCTIONS	88,506.44	(41,419.68)	187,696.92
426508	FOREIGN EXCHANGE LOSSES	841.67	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	622,135.01	(18,295.96)	68,282.68
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	-	-	-
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	-	-	-
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	(183,426.00)	(130,854.00)	(36,297.00)
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	(622,135.01)	18,295.96	(68,282.68)
426557	AMORT OF OCI-PCB JC2003A \$128M	-	-	-
426558	AMORT OF REG ASSET - SWAP TERMINATION	-	-	-
426591	OTHER DEDUCTIONS - INDIRECT	6,828.73	8,808.66	9,487.45
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-
427020	INT EXP-FMB LGE2010 \$250M 11/15	-	-	-
427021	INT EXP-FMB LGE2010 \$285M 11/40	-	-	-
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	145,312.50	145,312.50	145,312.50
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	(0.03)	-	-
427127	INT EXP-PCB TC2007A \$60M 06/33	230,000.00	230,000.02	230,000.00
427128	INT EXP-PCB JC2000A \$25M 05/27	111,979.17	111,979.17	111,979.17
427129	INT EXP-PCB TC2000A \$83.3M 08/30	18,889.27	23,750.48	31,343.22
427130	INT EXP-PCB JC2001A \$10.1M 09/27	5,895.68	3,732.88	3,884.43

**Louisville Gas & Electric Company**  
**Expense Account Detail**  
**2009-2011**

<b>Account Number</b>	<b>Account Description</b>	<b>31-JAN-09</b>	<b>28-FEB-09</b>	<b>31-MAR-09</b>
427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	339,890.74	344,846.12	329,728.44
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	89,134.83	90,538.66	86,238.76
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	88,814.84	90,218.67	84,949.92
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	90,148.17	91,552.00	85,259.25
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	-	-	-
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	-	-	-
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	-	-	-
427180	INT EXP-PCB JC2001A \$22.5M 9/26	37,200.36	22,863.73	23,886.98
427181	INT EXP-PCB TC2001A \$27.5M 9/26	45,467.09	27,944.56	29,195.21
427182	INT EXP-PCB JC2001B \$35M 11/27	51,939.34	33,916.37	28,239.72
427183	INT EXP-PCB TC2001B \$35M 11/27	51,939.34	33,916.37	28,239.72
427189	INT EXP-PCB TC2002A \$41.665M 10/32	21,559.64	19,155.63	27,227.22
427190	INT EXP-PCB JC2003A \$128M	(5,409.06)	(5,409.06)	(5,409.06)
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	191,666.67	191,666.66	191,666.67
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-
428020	AM EXP-FMB LGE2010 \$250M 11/15	-	-	-
428021	AM EXP-FMB LGE2010 \$285M 11/40	-	-	-
428031	AM EXP \$35.2M 6/33	-	-	-
428035	AM EXP-PCB TC2007A \$60M 6/33	3,932.70	3,932.70	3,932.70
428059	AM EXP-PCB JC2001A \$10.1M 9/27	1,666.01	1,666.01	1,667.40
428076	AM EXP-PCB TC2000A \$83M 8/30	3,196.41	3,196.41	3,197.62
428080	AM EXP-PCB JC2001A \$22.5M 9/26	823.00	823.00	826.99
428081	AM EXP-PCB TC2001A \$27.5M 9/26	895.00	895.00	899.17
428082	AM EXP-PCB JC2001B \$35M 11/27	912.00	912.00	916.27
428083	AM EXP-PCB TC2001B \$35M 11/27	912.00	912.00	916.42
428089	AM EXP-PCB TC2002A \$41.665M 10/32	3,075.65	3,075.65	3,076.74
428091	AM EXP-PCB LM/JC2003A \$128M	-	-	-
428104	AM LOSS-1985J \$25M 07/95	2,625.01	2,625.01	2,625.01
428107	AM LOSS-FMB \$25M 10/09	7,944.01	7,944.01	7,944.01
428108	AM LOSS-1976B \$35.2M 09/06	1,825.99	1,825.99	1,825.99
428109	AM LOSS-1975A \$31M 09/00	956.00	956.00	956.00
428110	AM LOSS-1987A \$60M 08/97	8,582.00	8,582.00	8,582.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	9,571.18	9,639.67	1,045.15
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	11,975.01	11,975.01	11,975.01
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	-	-	6,056.03
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	-	-	8,768.17
428128	AM LOSS-PCB JC2000A \$25M 05/27	-	-	8,778.25
428130	AM LOSS-PCB JC1992A \$31M 09/17	3,253.65	3,304.67	(5,316.71)
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	2,253.02	2,253.02	(3,802.87)
428135	AM LOSS REACQ \$60M 6/33	547.29	547.29	547.29
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	6,452.00	6,452.00	6,452.00
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	5,450.01	5,450.01	5,450.01
428182	AM LOSS-PCB JC1997A \$35M 11/27	4,088.00	4,088.00	4,088.00
428183	AM LOSS-PCB TC1997A \$35M 11/27	4,072.00	4,072.00	4,072.00
428189	AM LOSS-TC1990B \$41.665M 10/20	4,651.00	4,651.00	4,651.00
428191	AM LOSS-JC1993B \$26M 11/03	25,932.57	25,932.57	(4,288.11)
428192	AM LOSS-LM/JC2003A \$128M 10/33	-	-	30,221.73

**Louisville Gas & Electric Company**  
**Expense Account Detail**  
**2009-2011**

Account Number	Account Description	31-JAN-09	28-FEB-09	31-MAR-09
428194	AM LOSS-JC1995A \$40M 11/05	7,860.19	7,908.26	(4,056.44)
428195	AM LOSS REACQ PRE STK 5.875	-	-	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	-	-	12,093.49
428220	AM DISC-FMB LGE2010 \$250M 11/15	-	-	-
428221	AM DISC-FMB LGE2010 \$285M 11/40	-	-	-
430002	INT-DEBT TO ASSOC CO	169,645.90	97,369.33	75,489.29
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	2,220,149.99	2,220,149.99	2,220,149.99
431002	INT-CUST DEPOSITS	86,928.16	89,707.69	83,899.61
431004	INT-OTHER TAX DEFNCY	-	-	-
431008	INT-DSM COST RECOVER	6,919.52	7,231.60	7,663.43
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	-	-	56.67
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	(14,594.88)	32,346.26	114,532.95
500100	OPER SUPER/ENG	44,201.05	77,524.72	61,637.70
500900	OPER SUPER/ENG - INDIRECT	170,436.70	193,844.23	75,735.93
501001	FUEL-COAL - TON	31,729,104.59	26,352,043.78	25,564,600.68
501004	FUEL COAL - TO SOURCE UTILITY OSS	-	-	-
501005	FUEL COAL - OSS	83,058.37	38,804.81	1,285,606.20
501006	FUEL COAL - OFFSET	(9,552,908.58)	(9,543,377.75)	(10,137,172.00)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	9,469,850.23	9,504,572.94	8,851,565.81
501020	START-UP OIL -GAL	11,847.46	39,658.11	85,584.03
501022	STABILIZATION OIL - GAL	756.81	16,199.20	33,283.06
501026	COAL RESALE EXPENSES	82,929.75	8,963.48	6,016.76
501090	FUEL HANDLING	346,823.38	367,170.10	370,741.64
501091	FUEL SAMPLING AND TESTING	-	-	-
501100	START-UP GAS - MCF	360,985.59	157,161.85	193,819.29
501102	STABILIZATION GAS - MCF	450,782.64	400,112.20	337,495.76
501200	BOTTOM ASH DISPOSAL	141,940.85	142,621.98	141,006.22
501201	PLANT-ECR BOTTOM ASH DISPOSAL	171,471.17	171,471.15	171,471.17
501202	BOTTOM ASH PROCEEDS	(2,525.53)	(57.36)	(1,428.19)
501250	FLY ASH PROCEEDS	(2,492.96)	(2,281.89)	-
501251	FLY ASH DISPOSAL	3,207.54	-	-
501990	FUEL HANDLING - INDIRECT	31,495.32	36,313.96	36,877.91
502001	OTHER WASTE DISPOSAL	282,574.97	155,363.82	314,482.99
502002	BOILER SYSTEMS OPR	657,972.41	611,375.59	657,745.40
502003	SDRS OPERATION	-	-	-
502004	SDRS-H2O SYS OPR	259,404.53	240,003.96	286,992.05
502005	SLUDGE STAB SYS OPR	74,089.66	57,145.82	68,367.37
502006	SCRUBBER REACTANT EX	1,574,791.80	1,308,881.90	1,384,435.97
502022	OTHER WASTE DISPOSAL - OSS	692.73	388.92	1,336.60
502023	OTHER WASTE DISPOSAL - OFFSET	(692.73)	(388.92)	(1,336.60)
502025	SCRUBBER REACTANT - OSS	15,645.60	4,614.26	90,723.46
502026	SCRUBBER REACTANT - OFFSET	(15,645.60)	(4,614.26)	(90,723.46)
502056	ECR SCRUBBER REACTANT EX	-	-	-
502100	STM EXP(EX SDRS.SPP)	339,924.14	326,808.63	380,689.04
502900	STM EXP(EX SDRS.SPP) - INDIRECT	5,024.17	409.38	1,230.19
504001	STEAM XFERRED - CR - PROJECT USE	-	-	-
505100	ELECTRIC SYS OPR	61,195.24	57,724.37	60,509.41
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	-	-	-

**Louisville Gas & Electric Company**  
**Expense Account Detail**  
**2009-2011**

<b>Account Number</b>	<b>Account Description</b>	<b>31-JAN-09</b>	<b>28-FEB-09</b>	<b>31-MAR-09</b>
506100	MISC STM PWR EXP	1,138,960.34	1,605,929.72	1,332,889.74
506104	NOX REDUCTION REAGENT	123,217.88	159,010.40	121,086.19
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	8,242.96	8,639.16	8,709.40
506107	SCR/NOX - OSS	-	-	8,120.73
506108	SCR/NOX - OFFSET	-	-	(8,120.73)
506109	SORBENT INJECTION OPERATION	19,637.51	25,651.62	31,010.92
506150	ECR MERCURY MONITORS OPERATIONS	-	-	-
506151	ECR ACTIVATED CARBON	-	-	-
506152	ECR SORBENT REACTANT - REAGENT ONLY	-	-	-
506154	ECR NOX REDUCTION REAGENT	-	-	-
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	-	-	-
506159	ECR SORBENT INJECTION OPERATION	-	-	-
506900	MISC STM PWR EXP - INDIRECT	-	-	145.93
507100	RENTS-STEAM	-	-	-
509002	SO2 EMISSION ALLOWANCES	111.45	99.23	98.81
509003	NOX EMISSION ALLOWANCES	-	-	-
509007	EMISSION ALLOWANCES - OSS	-	-	-
509008	EMISSION ALLOWANCES - OFFSET	-	-	-
510100	MTCE SUPER/ENG - STEAM	160,742.81	156,185.07	227,574.65
511100	MTCE-STRUCTURES	113,607.12	168,847.07	234,754.66
512005	MAINTENANCE-SDRS	319,511.81	673,810.93	899,992.65
512011	INSTR/CNTRL-ENVRNL	-	-	-
512015	SDRS-COMMON H2O SYS	13,855.43	37,847.68	26,688.20
512017	MTCE-SLUDGE STAB SYS	111,051.21	127,424.32	219,035.43
512051	ECR INSTR/CNTRL-ENVRNL	-	-	-
512055	ECR MAINTENANCE-SDRS	-	-	-
512100	MTCE-BOILER PLANT	1,213,533.74	2,760,771.37	3,064,552.71
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	22,232.84	29,310.69	81,249.73
512102	SORBENT INJECTION MAINTENANCE	2,632.12	3,995.32	1,696.33
512103	MERCURY MONITORS MAINTENANCE	-	-	-
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	-	-	-
512152	ECR SORBENT INJECTION MAINTENANCE	-	-	-
512153	ECR MERCURY MONITORS MAINTENANCE	-	-	-
513100	MTCE-ELECTRIC PLANT	207,036.69	404,075.58	449,470.07
513900	MTCE-ELECTRIC PLANT - BOILER	3,310.29	2,949.65	7,563.92
514100	MTCE-MISC/STM PLANT	113,642.69	104,017.21	189,894.60
535100	OPER SUPER/ENG-HYDRO	-	-	34,687.26
536100	WATER FOR POWER	3,214.08	3,214.08	3,214.08
538100	ELECTRIC EXPENSES - HYDRO	14,278.75	12,122.02	13,825.30
539100	MISC HYD PWR GEN EXP	9,330.07	4,859.02	4,603.80
540100	RENTS-HYDRO	37,719.42	35,607.72	37,547.57
541100	MTCE-SUPER/ENG - HYDRO	-	-	92.49
542100	MAINT OF STRUCTURES - HYDRO	11,490.84	4,670.24	17,670.91
543100	MTCE-RES/DAMS/WATERW	1,890.59	1,875.47	15,535.92
544100	MTCE-ELECTRIC PLANT	17,885.76	11,846.93	24,154.66
546100	OPER SUPER/ENG - TURBINES	3,153.20	2,758.34	2,693.92
547030	FUEL-GAS - MCF	1,012,970.15	1,030,225.85	426,526.25
547040	FUEL-OIL - GAL	515.47	4,081.55	215.57

**Louisville Gas & Electric Company**  
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Account Number	Account Description	31-JAN-09	28-FEB-09	31-MAR-09
547051	FUEL - TO SOURCE UTILITY OSS	-	-	-
547052	FUEL - OSS	20,997.90	15,711.91	27,326.42
547053	FUEL - OFFSET	(774,179.28)	(712,908.91)	(324,819.80)
547054	FUEL - TO SOURCE UTILITY RETAIL	753,181.38	697,197.00	297,493.38
547056	FUEL - GAS - INTRACOMPANY	104,743.34	64,154.20	55,737.59
548100	GENERATION EXP	10,077.32	15,898.42	10,173.02
549002	AIR QUALITY EXPENSES	830.31	834.27	834.28
549003	NOX EMISSION ALLOWANCES	-	-	-
549100	MISC OTH PWR GEN EXP	2,675.27	4,248.39	2,766.72
550100	RENTS-OTH PWR	-	-	-
551100	MTCE-SUPER/ENG - TURBINES	2,658.07	2,155.11	3,276.88
552100	MTCE-STRUCTURES - OTH PWR	6,432.60	6,788.99	4,836.97
553100	MTCE-GEN/ELECT EQ	64,593.32	61,204.88	451,254.81
554100	MTCE-MISC OTH PWR GEN	4,901.90	5,923.85	63,847.28
555006	MISO DAY 2 PURCHASED POWER - OSS	1,178.57	239.41	9,945.66
555007	MISO DAY 2 PURCHASED POWER - NL	-	8,690.90	34,580.54
555010	OSS POWER PURCHASES	97,782.19	15,597.22	62,801.27
555015	NL POWER PURCHASES - ENERGY	1,684,065.89	1,774,697.28	1,723,935.98
555016	NL POWER PURCHASES - DEMAND	1,565,313.85	1,261,486.79	1,405,522.82
555020	OSS I/C POWER PURCHASES	4,782,079.54	2,301,382.17	2,183,597.51
555025	NL I/C POWER PURCHASES	-	-	43,555.63
556100	SYS CTRL / DISPATCHING	-	-	-
556900	SYS CTRL / DISPATCHING - INDIRECT	138,616.78	111,083.81	125,615.52
557100	OTH POWER SUPPLY EXP	3,886.21	5,212.49	4,926.89
557110	MARKET FEES - NATIVE LOAD	-	-	-
557111	MARKET FEES - OFF SYSTEM SALES	2,043.93	2,208.42	2,071.49
557206	MISO DAY 2 OTHER - NATIVE LOAD	27.38	2,286.15	1,600.88
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	31,705.29	24,036.34	56,821.43
557208	RTO OTHER (NON-MISO) - NL	(145.64)	-	(67.54)
557209	RTO OTHER (NON-MISO) - OSS	(1,171.95)	(107.27)	(811.81)
557211	RTO OPERATING RESRV (NON-MISO) - NL	2,261.82	(336.09)	332.67
557212	RTO OPERATING RESRV (NON-MISO) - OSS	137,706.85	(38,289.61)	57,420.63
558001	ELEC DEPT USE-CR	(250,614.00)	(236,626.00)	(280,774.00)
558002	OTHER DEPT USE-CR	(29,370.01)	(16,603.90)	(28,076.68)
560100	OP SUPER/ENG-SSTOPER	3,031.08	1,930.63	2,241.55
560900	OP SUPER/ENG-SSTOPER - INDIRECT	57,552.27	72,517.24	58,463.45
561100	LOAD DISPATCH-WELOB	-	-	-
561190	LOAD DISPATCH - INDIRECT	-	-	172,628.75
561402	MISO DAY 1 SCH 10 - RESERVE	19.92	2.04	0.34
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	-	-	87.10
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	-	-	-
561601	TRANSMISSION SERVICE STUDIES	591.89	-	-
561802	MISO DAY 1 SCH 10 - RESERVE	1.43	0.15	0.02
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	-	-	6.26
561900	LOAD DISPATCH-WELOB - INDIRECT	35,498.44	31,107.14	(66,605.58)
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	19,238.32	24,773.17	(44,011.49)
562100	STA EXP-SUBST OPER	51,727.23	72,496.67	98,741.56
563100	OTHER INSP-ELEC TRAN	930.40	8,048.95	8,569.02

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Account Number	Account Description	31-JAN-09	28-FEB-09	31-MAR-09
565002	TRANSMISSION ELECTRIC OSS	5,821.60	3,418.64	31,612.63
565005	TRANSMISSION ELECTRIC NATIVE LOAD	298.53	5,258.90	17,432.19
565006	TRANSMISSION ELECTRIC OSS - MISO	(152.08)	1,226.96	(553,471.20)
565014	INTERCOMPANY TRANSMISSION EXPENSE	431,210.93	212,062.71	323,161.23
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	-	-	-
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	-	-	-
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	-	934.60	26,017.43
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	-	-	-
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	-	-	-
566100	MISC TRANS EXP-SSTMT	32,865.91	41,563.92	31,461.83
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	18,334.00	18,334.00	18,334.00
566140	INDEPENDENT OPERATOR	145,530.00	145,530.00	259,943.00
566150	EKPC DEPANCAKING SETTLEMENT	-	(838,200.00)	13,970.00
566151	KMPA MISO CHARGES	-	-	-
566900	MISC TRANS EXP-SSTMT - INDIRECT	29,287.47	78,460.32	46,254.88
567100	RENTS-ELEC/SUBSTATION OPERATIONS	15,987.15	-	-
569100	MTCE-STRUCT-SSTMTCE	1,257.08	1,350.32	1,505.46
569101	MAINTENANCE OF COMPUTER HARDWARE	-	-	153.16
570100	MTCE-ST EQ-SSTMTCE	90,764.26	108,881.79	107,890.12
571100	MTCE OF OVERHEAD LINES	159,157.27	141,301.44	346,527.89
573100	MTCE-MISC TR PLT-SSTMT	204.60	271.36	802.50
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	402.04	263.70	434.75
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	-	-	-
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	-	19.26	25.48
575704	MISO DAY 1 SCH 10 - RESERVE	0.68	0.07	0.01
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	-	-	2.99
580100	OP SUPER/ENG-SSTOPER	1,398,527.95	2,818,525.39	(1,566,739.75)
580900	OP SUPER/ENG-SSTOPER - INDIRECT	23,461.96	21,043.13	22,622.81
581900	SYS CTRL/SWITCH-DIST - INDIRECT	30,809.12	29,998.75	25,321.27
582100	STATION EXP-SSTOPER	55,750.25	87,206.16	101,779.31
583001	OPR-O/H LINES	828,169.67	2,092,051.50	(167,595.49)
583003	O/H LOAD/VOLT TEST	-	-	-
583005	CUST COMPL RESP-O/H	93,902.23	44,728.62	115,132.90
583008	INST/REMV TRANSF/REG	1,583.66	1,072.85	1,574.07
583009	INSPC O/H LINE FACIL	6,694.72	1,822.55	12,330.12
583010	LOC O/H ELEC FAC-BUD	46,110.74	8,082.68	79,875.99
583100	O/H LINE EXP-SSTOPER	23,052.70	4,681.16	20,011.07
584001	OPR-UNDERGRND LINES	(21,076.05)	(7,804.24)	20,023.07
584002	INSPC U/G LINE FACIL	468.89	-	2,334.51
584003	LOAD/VOLT TEST-U/G	-	-	-
584005	RESP-U/G CUST COMPL	3,051.83	1,308.96	4,525.60
584008	INST/RMV/REPL TRANSF	16,711.63	11,972.86	10,614.97
585100	STREET LIGHTING AND SIGNAL SYST EXP	67.57	-	735.52
586100	METER EXP	430,759.09	374,788.36	447,565.09
586900	METER EXP - INDIRECT	628.91	23.95	250.08
587100	CUST INSTALLATION EXP	(16,356.71)	(8,701.73)	(8,029.19)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	503,566.93	4,020,248.73	(4,046,262.15)
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	19,201.02	18,651.93	36,678.84



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Account Number	Account Description	31-JAN-09	28-FEB-09	31-MAR-09
589100	RENTS-DISTR / SUBSTAT OPER	760.64	733.40	700.94
590100	MTCE/SUPER/ENG-SSTMT	29,328.53	25,185.83	981.22
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	-	40.59	40.89
591003	MTCE-MISC STRUCT-DIS	21,581.55	40,220.33	118,212.63
592100	MTCE-ST EQ-SSTMTCE	50,993.80	116,645.02	87,279.20
593001	MTCE-POLE/FIXT-DISTR	217,389.61	293,618.16	1,180,624.45
593002	MTCE-COND/DEVICE-DIS	4,040,538.97	11,460,833.78	12,413,435.40
593003	MTCE-SERVICES	1,790.68	84,729.18	113,434.32
593004	TREE TRIMMING	553,364.00	2,291,513.39	527,207.42
593005	MINOR EXEMPT EXPENSE	(8,536.70)	35,818.78	(29,039.14)
594002	MTCE-U/G COND ETC	72,129.23	75,059.64	107,734.97
595100	MTCE-TRANSF/REG	21,016.76	416,052.01	181,109.46
596100	MTCE OF STREET LIGHTING AND SIGNALS	14,262.46	21,708.88	22,496.86
598100	MTCE OF MISC DISTRIBUTION PLANT	2,468.24	18,190.91	4,148,592.74
803001	GAS TRANS LINE PURCH	30,370,156.66	12,930,089.19	7,668,250.35
803002	PURCHASED GAS REFUND	-	-	-
803003	GAS COST ACTUAL ADJ	15,293,891.84	4,356,797.15	2,970,100.29
803004	GAS COST BALANCE ADJ	107,332.66	(157,858.97)	(982,666.89)
803006	PURCHASED GAS - WHOLESALE SALES	-	-	-
803007	WHOLESALE SALES MARGIN	-	-	-
803008	ACQ AND TRANS INCENTIVE	-	-	(324,000.00)
803009	PBR RECOVERY	506,976.12	490,618.29	373,424.02
806001	EXCHANGE GAS	2,042,461.42	3,169,907.35	2,506,106.46
807001	PURCH GAS CALC EXP	2,916.32	(4,907.20)	(674.25)
807002	OTHER PURCH GAS EXP	1,677.04	(2,631.84)	0.01
807003	GAS PROCUREMENT EXP	47,783.56	(84,536.61)	-
807401	PURCH GAS CALC EXP	-	7,681.43	3,688.23
807501	OTHER PURCH GAS EXP	-	(1,698.43)	2,063.43
807502	GAS PROCUREMENT EXP	-	137,979.99	50,695.58
808101	GAS W/D FROM STOR-DR	28,336,394.01	26,846,364.55	16,862,041.09
808201	GAS DELD TO STOR-CR	-	-	(71,390.39)
810001	GAS-COMP STA FUEL-CR	(265,510.95)	(251,806.83)	(241,462.78)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	(23,727.33)	-	-
812020	GAS-CITY GATE-CR	-	-	(61,813.72)
812030	GAS-OTH DEPT-CR	(2,001.12)	(1,535.26)	(62,056.80)
813001	OTH GAS SUPPLY EXP	1,677.04	1,242.56	1,834.15
814003	SUPV-STOR/COMPR STA	37,147.83	32,220.24	38,980.02
816100	WELLS EXPENSE	17,327.24	2,040.94	(75,412.19)
817100	LINES EXPENSE	39,219.35	82,357.10	37,581.12
818100	COMPR STATION EXP	189,972.91	92,614.73	128,642.69
819100	COMPR STA FUEL-U/G	258,716.82	240,943.78	310,197.40
821100	PURIFICATION EXP	315,176.88	302,394.05	370,808.19
823100	GAS LOSSES	425,581.65	362,345.92	313,534.54
824100	OPR-U/G STO/COMPR	1,197.73	1,244.87	(706.68)
825100	ROYALTIES	1,490.43	-	13,389.24
826100	RENTS-STORAGE FIELDS	4,026.57	-	11,566.83
830100	MTCE SUPRV AND ENGR - STOR COMPR	25,682.58	24,099.91	29,760.80
832100	MTC-RESERVOIRS/WELLS	11,934.20	18,578.58	16,029.97

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>31-JAN-09</b>	<b>28-FEB-09</b>	<b>31-MAR-09</b>
833100	MTCE-LINES	8,795.07	3,204.26	18,776.75
834100	MTCE-COMP STA EQUIP	41,952.57	76,064.43	85,549.37
835100	MTCE-M/R EQ-COMPR	3,179.15	1,370.64	3,190.55
836100	MTCE-PURIFICATION EQUIP	20,826.67	11,761.34	5,673.56
837100	MTCE-OTHER EQUIP	6,258.74	5,576.53	1,514.59
850100	OPR SUPV AND ENGR	-	-	-
851100	SYS CTRL/DSPTCH-GAS	24,102.62	23,278.08	23,700.12
856100	MAINS EXPENSES	10,057.73	13,227.50	15,872.88
860100	RENTS-GAS TRANS	997.40	1,724.46	274.71
863100	MTCE-GAS MAINS-TRANS	9,349.33	7,717.70	35,927.92
871100	DISTR LOAD DISPATCH	34,563.51	32,957.09	33,537.95
874001	OTHER MAINS/SERV EXP	71,191.70	59,839.50	69,700.06
874002	LEAK SUR-DIST MN/SVC	40,370.37	5,048.34	66,137.16
874005	CHEK STOP BOX ACCESS	147,975.16	108,621.73	110,295.28
874006	PATROLLING MAINS	510.90	166.08	9,002.27
874007	CHEK/GREASE VALVES	13,232.42	8,533.02	15,156.74
874008	OPR-ODOR EQ	4,029.57	4,100.33	5,374.22
875100	MEAS/REG STA-GENERAL	25,729.14	15,054.45	16,467.91
876100	MEAS/REG STA-INDUSTRIAL	45,615.24	43,135.69	46,095.00
877100	MEAS/REG STA-CITY GATE	5,820.65	4,343.41	72,840.01
878100	METER/REG EXPENSE	(1,278.62)	5,063.78	4,966.22
879100	CUST INSTALL EXPENSE	24,632.11	37,622.24	20,280.66
880100	OTH GAS DISTR EXPENSE	169,968.58	170,382.32	263,309.66
880900	OTH GAS DISTR EXPENSE - INDIRECT	9,348.92	22,342.21	21,913.08
881100	RENTS-GAS DISTR	250.00	-	150.00
886100	MTCE-GAS DIST STRUCT	17,203.66	36,738.75	103,953.12
887100	MTCE-GAS MAINS-DISTR	523,945.26	621,584.63	748,269.80
889100	MTCE-M/R STA EQ-GENL	7,916.22	5,277.09	5,822.06
890100	MTCE-M/R STA EQ-INDL	25,953.60	40,126.42	49,268.46
891100	MTCE-M/R ST EQ-CITY GATE	31,091.35	26,626.31	19,520.02
892100	MTCE-OTH SERVICES	55,374.85	119,225.91	90,766.90
894100	MTCE-OTHER EQUIP	23,876.24	18,575.72	38,301.44
901001	SUPV-CUST ACCTS	92,870.82	60,429.88	104,336.29
901900	SUPV-CUST ACCTS - INDIRECT	20,592.85	28,759.28	26,085.68
902001	METER READ-SERV AREA	325,881.38	248,314.01	366,982.06
902002	METER READ-CLER/OTH	2,119.05	1,198.30	1,735.04
902003	METER READ-DIST 25	-	-	-
902900	METER READ-SERV AREA - INDIRECT	-	-	-
903001	AUDIT CUST ACCTS	42,478.21	46,188.42	58,645.93
903002	BILL SPECIAL ACCTS	560.54	871.23	992.45
903003	PROCESS METER ORDERS	-	194.44	1,732.93
903006	CUST BILL/ACCTG	18,736.47	21,152.24	36,598.38
903007	PROCESS PAYMENTS	41,970.12	50,412.36	46,723.00
903008	INVEST THEFT OF SVC	17,355.92	18,522.14	24,235.27
903012	PROC CUST CNTRT/ORDR	10,288.62	9,822.03	12,773.56
903013	HANDLE CREDIT PROBS	-	-	-
903022	COLL OFF-LINE BILLS	32,797.85	32,306.21	31,836.72
903023	PROC BANKRUPT CLAIMS	1,601.35	1,441.89	1,596.37

Louisville Gas & Electric Company  
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903025	MTCE-ASST PROGRAMS	9,525.40	8,986.50	11,429.67
903030	PROC CUST REQUESTS	165,590.29	306,239.46	(162,319.13)
903031	PROC CUST PAYMENTS	8,880.04	8,224.95	8,967.36
903032	DELIVER BILLS-REG	165,284.35	168,377.75	166,312.25
903035	COLLECTING-OTHER	6,266.92	7,451.70	7,657.44
903036	CUSTOMER COMPLAINTS	-	2,973.61	260.81
903038	MISC CASH OVERAGE/SHORTAGE	-	-	-
903902	BILL SPECIAL ACCTS - INDIRECT	1,231.22	1,868.15	1,899.81
903903	PROCESS METER ORDERS - INDIRECT	-	-	-
903906	CUST BILL/ACCTG - INDIRECT	5,356.85	5,801.70	6,441.35
903907	PROCESS PAYMENTS - INDIRECT	17,235.86	36,303.96	41,683.85
903909	PROC EXCEPTION PMTS - INDIRECT	1,145.91	2,773.15	3,485.42
903912	PROC CUST CNTRT/ORDR - INDIRECT	12,979.89	13,922.80	21,730.56
903930	PROC CUST REQUESTS - INDIRECT	121,959.68	111,311.84	185,497.58
903931	PROC CUST PAYMENTS - INDIRECT	26,146.42	2,448.27	27,070.35
903936	CUSTOMER COMPLAINTS - INDIRECT	13,644.11	17,175.32	20,364.30
904001	UNCOLLECTIBLE ACCTS	433,050.60	335,264.34	223,320.22
904002	UNCOLLECTABLE ACCTS - WHOLESALE	177.46	-	450.66
904003	UNCOLL ACCTS - A/R MISC	-	-	(34,261.00)
905001	MISC CUST SERV EXP	22,677.81	38,194.55	49,993.01
905002	MISC CUST BILL/ACCTG	15,975.20	19,252.12	1,007.34
905003	MISC COLLECTING EXP	6,396.41	6,226.75	7,786.95
907001	SUPV-CUST SER/INFO	3,037.13	4,082.16	3,480.33
907900	SUPV-CUST SER/INFO - INDIRECT	11,801.28	6,398.81	12,642.49
908001	CUST MKTG/ASSIST	391.47	116.60	-
908004	DSM - ENERGY AUDIT	-	-	-
908005	DSM CONSERVATION PROG	168,451.30	991,817.64	133,081.30
908006	DSM - HVAC	-	-	-
908007	DSM - CONSERVATION	-	-	-
908009	MISC MARKETING EXP	-	-	-
908010	DSM CONSERVATION PROG - OFFSET	-	-	-
908901	CUST MKTG/ASSIST - INDIRECT	17,404.93	16,543.64	18,281.55
908902	RES CONS/ENG ED PROG - INDIRECT	16,500.00	16,500.00	16,500.00
908909	MISC MARKETING EXP - INDIRECT	2,849.89	2,401.95	8,106.33
909004	MISC CUST COM-SER/IN	1,146.51	1,048.84	5,525.00
909005	MEDIA RELATIONS	-	-	-
909010	PRINT ADVER-SER/INFO	-	8,063.19	9,462.60
909013	SAFETY PROGRAMS	-	2,416.04	571.34
910001	MISC CUST SER/INFO	146,098.94	349,136.21	399,543.25
910900	MISC CUST SER/INFO - INDIRECT	-	48,625.00	-
912003	GEN MKTG AND MKTG PGMS	-	-	-
913012	OTH ADVER-SALES	250.00	2,512.67	12,108.85
920100	OTHER GENERAL AND ADMIN SALARIES	174,304.15	222,352.09	379,871.95
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	1,151,845.03	1,085,129.60	1,608,147.83
920901	OFFICERS SALARIES- INDIRECT	(40.63)	-	-
921001	EXP-OFFICERS/EXEC	-	-	-
921002	EXP-GEN OFFICE EMPL	23,644.04	(22,162.45)	39,643.96
921003	GEN OFFICE SUPPL/EXP	6,185.60	122,694.38	135,066.89

Louisville Gas & Electric Company  
Expense Account Detail  
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Account Number	Account Description	31-JAN-09	28-FEB-09	31-MAR-09
921004	OPR-GEN OFFICE BLDG	32,592.72	61,153.18	58,561.40
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	39,479.81	52,589.50	45,509.65
921903	GEN OFFICE SUPPL/EXP - INDIRECT	72,972.72	95,160.96	185,793.51
922001	A/G SAL TRANSFER-CR	(119,351.80)	(117,672.27)	(178,908.83)
922002	OFF SUPP/EXP TRAN-CR	(15,738.74)	(27,849.21)	(41,811.77)
922003	TRIMBLE CTY TRAN-CR	(31,473.63)	(50,885.43)	(54,199.25)
923100	OUTSIDE SERVICES	(48,147.48)	285,491.55	214,651.80
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	65,891.67	65,891.67	65,891.67
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	1,250.00	1,250.00	1,250.00
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	852.00	-	-
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	-	-	-
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	650.00	650.00	650.00
923900	OUTSIDE SERVICES - INDIRECT	123,193.17	155,707.19	280,285.44
924100	PROPERTY INSURANCE	291,195.22	291,195.22	291,373.72
925001	PUBLIC LIABILITY	104,226.91	95,957.71	107,599.20
925002	WORKERS COMP EXPENSE - BURDENS	63,018.87	63,030.74	312,584.93
925003	AUTO LIABILITY	3,573.98	5,764.40	9,650.00
925004	SAFETY AND INDUSTRIAL HEALTH	5,268.87	9,263.79	5,371.20
925100	OTHER INJURIES AND DAMAGES	1,203.55	(328.05)	3,782.80
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	757.53	720.40	978.55
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	327.22	98.10	-
926001	TUITION REFUND PLAN	40,337.26	12,488.45	13,437.70
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	27,993.87	28,635.04	29,615.68
926003	MEDICAL INSURANCE EXPENSE - BURDENS	611,097.89	605,277.07	634,604.06
926004	DENTAL INSURANCE EXPENSE - BURDENS	41,062.96	41,562.51	43,564.81
926005	LONG TERM DISABILITY EXPENSE - BURDENS	36,526.55	37,230.34	38,729.19
926019	OTHER BENEFITS EXPENSE - BURDENS	11,463.68	25,980.43	90,301.05
926100	EMPLOYEE BENEFITS - NON-BURDEN	5,345.30	3,945.63	5,866.78
926101	PENSIONS EXPENSE - BURDENS	853,099.21	866,091.77	3,633,405.15
926102	401K EXPENSE - BURDENS	215,474.97	219,511.76	228,360.57
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	33,979.82	33,404.83	35,126.55
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	212,541.27	215,164.26	314,737.83
926110	EMPLOYEE WELFARE	8,130.66	6,059.87	8,614.55
926116	RETIREMENT INCOME EXPENSE - BURDENS	28,207.11	28,790.23	29,925.90
926117	PENSION INTEREST EXPENSE - BURDENS	(430,207.47)	(430,073.31)	2,013,646.36
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	333,599.45	334,140.24	403,865.93
926901	TUITION REFUND PLAN - INDIRECT	24,079.78	10,033.31	5,742.22
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	9,997.04	9,504.54	12,913.50
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	150,105.32	142,709.25	193,893.30
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	10,402.99	9,890.43	13,437.67
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	11,404.05	10,842.23	14,730.66
926911	PENSIONS EXPENSE - BURDENS INDIRECT	205,677.82	195,543.65	265,677.02
926912	401K EXPENSE - BURDENS INDIRECT	67,301.18	63,985.15	86,933.96
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	7,589.07	7,215.25	9,803.02
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	26,122.41	24,835.25	33,742.63
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	5,790.04	5,504.68	7,478.97
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	5,059.49	4,810.19	6,535.43
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	6,290.41	5,980.54	8,125.56

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<b>Account Number</b>	<b>Account Description</b>	<b>31-JAN-09</b>	<b>28-FEB-09</b>	<b>31-MAR-09</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	8,969.12	8,527.17	11,585.48
927001	ELEC SUPPL W/O CH-DR	-	-	10,533.47
927003	CITY OF LOU GAS FRAN	46,618.24	42,063.61	46,570.43
928002	REG UPKEEP ASSESSMTS	49,345.74	55,415.81	49,278.17
928003	AMORTIZATION OF RATE CASE EXPENSES	-	-	27,538.54
929001	FRANCHISE REQMTS-CR	-	-	(10,533.47)
929002	ELEC USED-ELEC DEPT	(702.00)	702.00	(184.24)
929003	GAS USED-GAS DEPT	(199,773.02)	(186,500.52)	(373,321.26)
929004	ELECTRICITY USED - OTHER DEPARTMENTS	-	-	-
930101	GEN PUBLIC INFO EXP	19,869.72	5,000.00	86,086.87
930191	GEN PUBLIC INFO EXP - INDIRECT	31.77	2.79	-
930201	MISC CORPORATE EXP	-	-	-
930202	ASSOCIATION DUES	-	-	138,889.00
930203	RESEARCH WORK	-	-	-
930207	OTHER MISC GEN EXP	423.91	58,064.05	16,295.02
930272	ASSOCIATION DUES - INDIRECT	-	-	-
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	-	-	-
930277	OTHER MISC GEN EXP - INDIRECT	-	-	-
930902	ASSOCIATION DUES - INDIRECT	299,168.35	64,682.18	-
930903	RESEARCH WORK - INDIRECT	3,500.00	35,958.47	(15,865.97)
930904	RESEARCH AND DEVELOPMENT EXPENSES	1,397.67	213,457.67	24,121.15
930907	OTHER MISC GEN EXP - INDIRECT	126.60	-	300.00
931004	RENTS-CORPORATE HQ	137,206.56	136,258.13	137,694.42
931100	RENTS-OTHER	-	-	-
935101	MTCE-GEN PLANT	4,276.79	28,331.81	61,618.51
935203	SOFTWARE MTCE AGREEMENTS	-	-	-
935391	MTCE-COMMUNICATION EQ - INDIRECT	97,384.45	96,578.72	128,097.09
935401	MTCE-OTH GEN EQ	64,803.91	90,215.82	72,497.56
935403	MNTC BONDABLE PROPERTY	-	-	217.11
935488	MTCE-OTH GEN EQ - INDIRECT	527,021.16	375,099.41	563,019.12
<b>Total</b>		<b>168,861,620.99</b>	<b>143,948,392.38</b>	<b>118,257,176.03</b>

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Account Number	Account Description	30-APR-09	31-MAY-09	30-JUN-09
403011	DEPREC EXP - STEAM POWER GEN	5,515,218.59	5,518,224.00	5,529,425.83
403012	DEPREC EXP - HYDRO POWER GEN	49,636.33	49,654.45	49,677.44
403013	DEPREC EXP - OTH POWER GEN	698,233.81	698,961.80	700,858.71
403014	DEPREC EXP - TRANSMISSION	386,751.92	387,563.20	389,006.92
403015	DEPREC EXP - DISTRIBUTION	1,664,521.43	1,671,222.15	1,683,805.72
403016	GENERAL DEPRECIATION EXPENSE	51,689.80	51,689.80	51,624.13
403020	FUEL, LOCOMOTIVES, RAILCARS	-	-	-
403021	DEPREC. EXP. - UNDERGROUND - GAS	83,466.95	83,431.99	83,671.09
403022	DEPREC. EXP. - TRANSMISSION - GAS	3,984.79	3,984.79	4,005.01
403023	DEPREC. EXP. - DISTRIBUTION - GAS	1,062,389.12	1,064,084.96	1,066,022.42
403024	DEPREC. EXP. - GENERAL - GAS	29,761.66	29,868.17	30,058.74
403025	DEPREC. EXP. - COMMON	1,105,078.69	1,125,068.46	1,142,234.22
403026	DEPREC. EXP. - STEAM - ECR	-	-	-
403111	DEPREC EXP ARO STEAM	13,634.39	13,634.38	13,634.38
403112	DEPREC EXP ARO TRANSMISSION	1.55	1.55	1.55
403113	DEPREC EXP ARO OTHER PRODUCTION	47,503.49	207.05	207.05
403114	DEPREC EXP ARO HYDRO	41.34	41.34	41.34
403115	DEPREC EXP ARO DISTRIBUTION	30.51	30.51	30.51
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	735.48	735.48	735.48
403212	DEPREC EXP ARO GAS DISTRIBUTION	26.67	26.67	26.67
403213	DEPREC EXP ARO GAS TRANSMISSION	-	-	-
403311	DEPREC EXP ARO COMMON	2.86	2.86	2.86
404301	AMORT-INTANG GAS PLT	161,560.72	207,466.51	208,573.84
404401	AMT-EL INTAN PLT-RTL	242,341.08	311,199.77	312,860.76
404402	AMT-EL INTAN PLT-WHS	217,485.57	279,281.85	280,772.48
407401	REGULATORY CREDITS - GENERATION ACCRETION	(124,910.85)	(122,772.83)	(123,500.07)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(157.86)	(158.67)	(59.60)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(1,318.79)	(1,325.04)	(1,331.31)
407406	REGULATORY CREDITS - GAS ACCRETION	(38,540.38)	(38,718.67)	(38,897.81)
407407	REGULATORY CREDITS - COMMON ACCRETION	(130.76)	(131.37)	(131.99)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(61,179.22)	(13,882.77)	(13,882.77)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(1.55)	(1.55)	(1.55)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(30.51)	(30.51)	(30.51)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(762.15)	(762.15)	(762.15)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(2.86)	(2.86)	(2.86)
408101	TAX-NON INC-UTIL OPR	12,911.20	-	12,911.20
408102	REAL AND PERSONAL PROP. TAX	1,456,758.89	1,456,758.89	1,456,758.89
408103	KY PUBLIC SERVICE COMMISSION TAX	157,536.02	157,536.02	157,536.01
408105	FEDERAL UNEMP TAX	(375.51)	(623.57)	(616.69)
408106	FICA TAX	427,952.13	421,595.21	371,683.03
408107	STATE UNEMP TAX	1,374.60	1,168.85	1,112.78
408108	REAL AND PERSONAL PROP TAX - ECR	-	-	-
408195	FEDERAL UNEMP TAX - INDIRECT	1,344.82	1,387.05	1,615.14
408196	FICA TAX - INDIRECT	140,247.61	144,647.20	168,433.97
408197	STATE UNEMP TAX - INDIRECT	5,000.33	5,157.03	6,005.09
408202	TAX-NON INC-OTHER	199.00	199.00	199.00
409101	FED INC TAX-UTIL OPR	(4,135,812.17)	-	8,644,048.46
409102	KY ST INCOME TAXES	(754,251.46)	-	2,026,384.42

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<b>Account Number</b>	<b>Account Description</b>	<b>30-APR-09</b>	<b>31-MAY-09</b>	<b>30-JUN-09</b>
409104	FED INC TAXES - EST	3,970,974.75	(153,383.89)	(3,817,590.85)
409105	ST INC TAXES - EST	724,189.93	(27,972.74)	(696,217.19)
409203	FED INC TAX-OTHER	-	-	1,448,924.16
409206	ST INC TAX-OTHER	-	-	264,241.48
409209	FED IN TAXES-OTH EST	2,046,199.37	990,698.60	(3,036,897.97)
409210	ST INC TAXES-OTH EST	373,167.07	180,674.52	(553,841.59)
410101	DEF FED INC TAX-OPR	-	-	7,084,948.21
410102	DEF ST INC TAX-OPR	-	-	371,053.32
410203	DEF FEDERAL INC TX	-	-	2,701,243.83
410204	DEF STATE INC TAX	-	-	463,070.37
411101	FED INC TX DEF-CR-OP	-	-	(5,318,293.41)
411102	ST INC TAX DEF-CR-OP	-	-	(795,068.70)
411150	ACCRETION EXPENSE - GENERATION	124,910.85	122,772.83	123,500.07
411151	ACCRETION EXPENSE - TRANSMISSION	157.86	158.67	59.60
411155	ACCRETION EXPENSE - DISTRIBUTION	1,318.79	1,325.04	1,331.31
411156	ACCRETION EXPENSE - GAS	38,540.38	38,718.67	38,897.81
411157	ACCRETION EXPENSE - COMMON	130.75	131.37	131.99
411201	FD INC TX DEF-CR-OTH	-	-	(162,074.63)
411202	ST INC TX DEF-CR-OTH	-	-	(73,090.18)
411403	ITC DEFERRED	-	-	912,336.47
411404	AMORTIZATION OF ITC	(196,559.00)	(312,908.00)	(254,732.72)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	1,989.16	954.83	1,144.85
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	-	-	-
421201	LOSS-PROPERTY DISP	-	-	-
426101	DONATIONS	75,824.10	34,470.64	45,721.00
426191	DONATIONS - INDIRECT	8,926.00	3,000.00	(5,230.00)
426301	PENALTIES	-	-	-
426401	EXP-CIVIC/POL/REL	-	-	-
426491	EXP-CIVIC/POL/REL - INDIRECT	55,258.20	41,034.75	48,048.80
426501	OTHER DEDUCTIONS	4,240.68	24,386.56	40,768.17
426508	FOREIGN EXCHANGE LOSSES	-	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	149,964.60	25,484.55	(656,300.05)
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	-	-	-
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	-	-	-
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	(318,963.00)	57,858.00	104,052.00
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	(149,964.60)	(25,484.55)	656,300.05
426557	AMORT OF OCI-PCB JC2003A \$128M	-	-	-
426558	AMORT OF REG ASSET - SWAP TERMINATION	-	-	-
426591	OTHER DEDUCTIONS - INDIRECT	6,568.05	8,946.33	16,586.83
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-
427020	INT EXP-FMB LGE2010 \$250M 11/15	-	-	-
427021	INT EXP-FMB LGE2010 \$285M 11/40	-	-	-
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	145,312.50	145,312.50	145,312.50
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	-	-	-
427127	INT EXP-PCB TC2007A \$60M 06/33	230,000.00	230,000.00	230,000.00
427128	INT EXP-PCB JC2000A \$25M 05/27	111,979.17	111,979.17	111,979.17
427129	INT EXP-PCB TC2000A \$83.3M 08/30	15,463.27	18,657.79	46,575.01
427130	INT EXP-PCB JC2001A \$10.1M 09/27	3,261.35	3,861.97	4,069.68

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<b>Account Number</b>	<b>Account Description</b>	<b>30-APR-09</b>	<b>31-MAY-09</b>	<b>30-JUN-09</b>
427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	345,530.84	348,156.74	357,198.20
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	87,315.46	89,684.88	91,717.33
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	87,974.67	89,365.17	91,397.33
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	90,287.56	90,698.46	92,730.66
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	-	-	-
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	-	-	-
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	-	-	-
427180	INT EXP-PCB JC2001A \$22.5M 9/26	19,263.69	19,109.59	18,493.15
427181	INT EXP-PCB TC2001A \$27.5M 9/26	23,544.52	23,356.16	22,602.74
427182	INT EXP-PCB JC2001B \$35M 11/27	23,732.88	23,780.82	23,013.70
427183	INT EXP-PCB TC2001B \$35M 11/27	23,732.88	23,780.82	23,013.70
427189	INT EXP-PCB TC2002A \$41.665M 10/32	19,314.31	15,994.79	13,081.67
427190	INT EXP-PCB JC2003A \$128M	(5,409.06)	(5,409.06)	(5,409.06)
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	191,666.67	191,666.67	191,666.67
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-
428020	AM EXP-FMB LGE2010 \$250M 11/15	-	-	-
428021	AM EXP-FMB LGE2010 \$285M 11/40	-	-	-
428031	AM EXP \$35.2M 6/33	-	-	-
428035	AM EXP-PCB TC2007A \$60M 6/33	3,932.70	3,932.70	3,932.70
428059	AM EXP-PCB JC2001A \$10.1M 9/27	1,678.51	1,699.28	1,699.28
428076	AM EXP-PCB TC2000A \$83M 8/30	3,207.20	3,225.11	3,225.11
428080	AM EXP-PCB JC2001A \$22.5M 9/26	826.99	826.99	826.99
428081	AM EXP-PCB TC2001A \$27.5M 9/26	899.17	899.17	899.17
428082	AM EXP-PCB JC2001B \$35M 11/27	916.27	916.27	916.27
428083	AM EXP-PCB TC2001B \$35M 11/27	916.42	916.42	916.42
428089	AM EXP-PCB TC2002A \$41.665M 10/32	3,085.46	3,101.71	3,101.71
428091	AM EXP-PCB LM/JC2003A \$128M	-	-	-
428104	AM LOSS-1985J \$25M 07/95	2,625.01	2,625.01	2,625.01
428107	AM LOSS-FMB \$25M 10/09	7,944.01	7,944.01	7,944.01
428108	AM LOSS-1976B \$35.2M 09/06	1,825.99	1,825.99	1,825.99
428109	AM LOSS-1975A \$31M 09/00	956.00	956.00	956.00
428110	AM LOSS-1987A \$60M 08/97	8,582.00	8,582.00	8,582.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	6,752.00	6,752.00	6,752.00
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	11,975.01	11,975.01	11,975.01
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	2,027.19	2,042.88	2,042.88
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	3,037.59	3,037.59	3,037.59
428128	AM LOSS-PCB JC2000A \$25M 05/27	3,071.40	3,071.40	3,071.40
428130	AM LOSS-PCB JC1992A \$31M 09/17	413.87	413.87	413.87
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	234.39	234.39	234.39
428135	AM LOSS REACQ \$60M 6/33	547.29	547.29	547.29
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	6,452.00	6,452.00	6,452.00
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	5,450.01	5,450.01	5,450.01
428182	AM LOSS-PCB JC1997A \$35M 11/27	4,088.00	4,088.00	4,088.00
428183	AM LOSS-PCB TC1997A \$35M 11/27	4,072.00	4,072.00	4,072.00
428189	AM LOSS-TC1990B \$41.665M 10/20	4,651.00	4,651.00	4,651.00
428191	AM LOSS-JC1993B \$26M 11/03	15,859.00	15,859.00	15,859.00
428192	AM LOSS-LM/JC2003A \$128M 10/33	10,082.97	10,098.55	10,098.55



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Account Number	Account Description	30-APR-09	31-MAY-09	30-JUN-09
428194	AM LOSS-JC1995A \$40M 11/05	3,904.00	3,904.00	3,904.00
428195	AM LOSS REACQ PRE STK 5.875	-	-	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	4,133.04	4,133.04	4,133.04
428220	AM DISC-FMB LGE2010 \$250M 11/15	-	-	-
428221	AM DISC-FMB LGE2010 \$285M 11/40	-	-	-
430002	INT-DEBT TO ASSOC CO	58,561.89	43,808.91	29,744.71
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	2,220,150.14	2,220,149.99	2,220,150.02
431002	INT-CUST DEPOSITS	99,666.99	101,625.46	103,709.69
431004	INT-OTHER TAX DEFNCY	-	-	-
431008	INT-DSM COST RECOVER	7,011.45	6,595.12	5,236.31
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	-	(92,238.00)	33,378.80
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	16,250.25	25,317.17	53,350.09
500100	OPER SUPER/ENG	71,502.42	56,690.09	56,512.61
500900	OPER SUPER/ENG - INDIRECT	110,024.85	140,261.50	138,548.96
501001	FUEL-COAL - TON	25,023,175.20	25,613,293.65	26,031,017.03
501004	FUEL COAL - TO SOURCE UTILITY OSS	34,728.42	-	-
501005	FUEL COAL - OSS	216,770.51	282,525.87	379.53
501006	FUEL COAL - OFFSET	(9,851,125.51)	(9,968,643.29)	(6,334,483.02)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	9,599,626.61	9,686,117.42	6,334,103.51
501020	START-UP OIL -GAL	21,090.68	43,260.58	8,006.11
501022	STABILIZATION OIL - GAL	10,864.65	35,395.92	12,007.85
501026	COAL RESALE EXPENSES	3,266.72	72,863.56	9,503.59
501090	FUEL HANDLING	346,706.61	358,059.90	330,719.83
501091	FUEL SAMPLING AND TESTING	-	-	-
501100	START-UP GAS - MCF	297,069.25	264,301.78	198,023.80
501102	STABILIZATION GAS - MCF	263,233.04	269,598.32	285,938.35
501200	BOTTOM ASH DISPOSAL	15,861.32	116,034.43	119,761.50
501201	PLANT-ECR BOTTOM ASH DISPOSAL	171,471.15	171,471.17	171,471.15
501202	BOTTOM ASH PROCEEDS	-	(1,716.66)	(1,605.80)
501250	FLY ASH PROCEEDS	-	-	-
501251	FLY ASH DISPOSAL	-	2,553.75	3,341.81
501990	FUEL HANDLING - INDIRECT	41,541.86	39,786.94	45,939.46
502001	OTHER WASTE DISPOSAL	278,218.70	272,472.46	264,599.75
502002	BOILER SYSTEMS OPR	643,026.52	658,626.69	604,725.56
502003	SDRS OPERATION	-	-	-
502004	SDRS-H2O SYS OPR	235,160.82	236,319.15	267,775.34
502005	SLUDGE STAB SYS OPR	52,961.38	52,608.96	55,124.84
502006	SCRUBBER REACTANT EX	1,486,182.51	1,146,687.49	1,294,520.88
502022	OTHER WASTE DISPOSAL - OSS	38.58	128.37	1.81
502023	OTHER WASTE DISPOSAL - OFFSET	(38.58)	(128.37)	(1.81)
502025	SCRUBBER REACTANT - OSS	5,318.85	23,815.03	57.40
502026	SCRUBBER REACTANT - OFFSET	(5,318.85)	(23,815.03)	(57.40)
502056	ECR SCRUBBER REACTANT EX	-	-	-
502100	STM EXP(EX SDRS.SPP)	386,918.47	330,960.64	375,864.72
502900	STM EXP(EX SDRS.SPP) - INDIRECT	3,333.83	2,650.27	2,514.39
504001	STEAM XFERRED - CR - PROJECT USE	-	-	-
505100	ELECTRIC SYS OPR	51,098.21	59,201.69	53,953.97
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	-	-	-

**Louisville Gas & Electric Company**  
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506100	MISC STM PWR EXP	1,403,782.61	1,588,635.88	1,560,768.69
506104	NOX REDUCTION REAGENT	153,558.49	163,368.20	250,958.59
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	8,920.79	9,194.18	8,746.06
506107	SCR/NOX - OSS	1,227.96	1,736.59	-
506108	SCR/NOX - OFFSET	(1,227.96)	(1,736.59)	-
506109	SORBENT INJECTION OPERATION	22,400.93	26,011.25	82,720.96
506150	ECR MERCURY MONITORS OPERATIONS	-	-	-
506151	ECR ACTIVATED CARBON	-	-	-
506152	ECR SORBENT REACTANT - REAGENT ONLY	-	-	-
506154	ECR NOX REDUCTION REAGENT	-	-	-
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	-	-	-
506159	ECR SORBENT INJECTION OPERATION	-	-	-
506900	MISC STM PWR EXP - INDIRECT	-	-	724.97
507100	RENTS-STEAM	-	-	-
509002	SO2 EMISSION ALLOWANCES	84.65	97.43	99.76
509003	NOX EMISSION ALLOWANCES	-	108.90	122.60
509007	EMISSION ALLOWANCES - OSS	0.16	0.83	-
509008	EMISSION ALLOWANCES - OFFSET	(0.16)	(0.83)	-
510100	MTCE SUPER/ENG - STEAM	199,699.90	177,715.36	177,748.14
511100	MTCE-STRUCTURES	160,461.86	124,318.40	241,924.19
512005	MAINTENANCE-SDRS	940,074.69	569,237.94	479,099.45
512011	INSTR/CNTRL-ENVRNL	-	-	-
512015	SDRS-COMMON H2O SYS	22,643.47	71,947.58	133,845.50
512017	MTCE-SLUDGE STAB SYS	164,704.19	119,050.43	127,127.71
512051	ECR INSTR/CNTRL-ENVRNL	-	-	-
512055	ECR MAINTENANCE-SDRS	-	-	-
512100	MTCE-BOILER PLANT	2,795,383.43	2,120,606.96	1,478,307.07
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	29,969.20	26,251.95	21,303.06
512102	SORBENT INJECTION MAINTENANCE	4,136.16	1,600.28	1,124.58
512103	MERCURY MONITORS MAINTENANCE	-	-	-
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	-	-	-
512152	ECR SORBENT INJECTION MAINTENANCE	-	-	-
512153	ECR MERCURY MONITORS MAINTENANCE	-	-	-
513100	MTCE-ELECTRIC PLANT	545,632.81	359,933.57	476,617.71
513900	MTCE-ELECTRIC PLANT - BOILER	6,622.49	11,739.42	16,516.90
514100	MTCE-MISC/STM PLANT	163,645.59	95,668.95	100,271.45
535100	OPER SUPER/ENG-HYDRO	8,639.22	8,230.66	8,660.15
536100	WATER FOR POWER	3,611.47	3,214.08	3,276.95
538100	ELECTRIC EXPENSES - HYDRO	12,612.42	13,273.30	13,769.35
539100	MISC HYD PWR GEN EXP	9,690.91	15,915.98	11,563.70
540100	RENTS-HYDRO	36,248.58	33,447.77	31,590.97
541100	MTCE-SUPER/ENG - HYDRO	-	-	-
542100	MAINT OF STRUCTURES - HYDRO	5,104.94	29,405.21	12,318.93
543100	MTCE-RES/DAMS/WATERW	14,022.30	6,411.38	10,611.45
544100	MTCE-ELECTRIC PLANT	11,433.47	13,566.54	8,748.88
546100	OPER SUPER/ENG - TURBINES	2,465.26	2,295.30	2,394.92
547030	FUEL-GAS - MCF	544,576.91	342,803.85	1,193,816.29
547040	FUEL-OIL - GAL	2,071.22	-	-

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547051	FUEL - TO SOURCE UTILITY OSS	1,252.18	-	-
547052	FUEL - OSS	535.74	14,093.66	3,642.11
547053	FUEL - OFFSET	(224,871.76)	(59,880.41)	(294,065.63)
547054	FUEL - TO SOURCE UTILITY RETAIL	223,083.84	45,786.75	290,423.52
547056	FUEL - GAS - INTRACOMPANY	99,167.20	56,051.21	60,639.80
548100	GENERATION EXP	10,411.11	9,043.60	8,847.27
549002	AIR QUALITY EXPENSES	1,201.99	834.28	834.28
549003	NOX EMISSION ALLOWANCES	-	(0.63)	4.20
549100	MISC OTH PWR GEN EXP	1,534.68	2,674.57	1,934.84
550100	RENTS-OTH PWR	-	-	-
551100	MTCE-SUPER/ENG - TURBINES	4,388.18	3,881.32	4,419.97
552100	MTCE-STRUCTURES - OTH PWR	5,211.84	6,149.13	7,473.30
553100	MTCE-GEN/ELECT EQ	49,858.49	20,015.19	90,583.93
554100	MTCE-MISC OTH PWR GEN	4,860.97	9,271.62	8,258.97
555006	MISO DAY 2 PURCHASED POWER - OSS	0.03	4,551.31	612.39
555007	MISO DAY 2 PURCHASED POWER - NL	446.00	1,879.72	17,020.01
555010	OSS POWER PURCHASES	11,656.61	150,692.52	101,688.00
555015	NL POWER PURCHASES - ENERGY	1,749,419.78	1,276,312.55	1,519,571.56
555016	NL POWER PURCHASES - DEMAND	1,292,568.42	1,528,209.56	1,519,692.66
555020	OSS I/C POWER PURCHASES	1,089,894.26	3,192,875.92	675,909.33
555025	NL I/C POWER PURCHASES	-	101.75	9,536.73
556100	SYS CTRL / DISPATCHING	-	3,713.40	-
556900	SYS CTRL / DISPATCHING - INDIRECT	120,074.67	112,359.04	119,202.05
557100	OTH POWER SUPPLY EXP	2,450.00	3,835.56	1,756.42
557110	MARKET FEES - NATIVE LOAD	182.95	(105.17)	-
557111	MARKET FEES - OFF SYSTEM SALES	1,371.57	53.91	3,077.62
557206	MISO DAY 2 OTHER - NATIVE LOAD	(49.75)	(18.66)	401,257.49
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	9,539.49	(1,194,114.77)	(17,358.75)
557208	RTO OTHER (NON-MISO) - NL	(251.38)	(159.48)	(608.37)
557209	RTO OTHER (NON-MISO) - OSS	(821.52)	49.33	(598.51)
557211	RTO OPERATING RESRV (NON-MISO) - NL	163.61	382.68	590.69
557212	RTO OPERATING RESRV (NON-MISO) - OSS	22,152.30	82,391.28	3,892.65
558001	ELEC DEPT USE-CR	(287,664.00)	(613,886.00)	(571,350.00)
558002	OTHER DEPT USE-CR	(16,598.75)	(19,556.07)	(18,566.44)
560100	OP SUPER/ENG-SSTOPER	591.85	879.85	1,405.81
560900	OP SUPER/ENG-SSTOPER - INDIRECT	56,602.60	43,434.24	47,972.13
561100	LOAD DISPATCH-WELOB	2,622.24	3,107.92	2,654.68
561190	LOAD DISPATCH - INDIRECT	14,311.67	14,016.23	14,705.18
561402	MISO DAY 1 SCH 10 - RESERVE	33.03	-	34.07
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	237.03	2.20	23.74
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	3,500.00	12,855.88	19,667.82
561601	TRANSMISSION SERVICE STUDIES	3,184.82	497.62	-
561802	MISO DAY 1 SCH 10 - RESERVE	2.37	-	2.45
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	17.04	0.16	1.71
561900	LOAD DISPATCH-WELOB - INDIRECT	52,889.18	29,117.39	28,297.90
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	27,129.39	24,276.58	21,553.91
562100	STA EXP-SUBST OPER	89,143.51	129,403.82	126,076.71
563100	OTHER INSP-ELEC TRAN	11,430.59	9,974.52	14,041.71

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565002	TRANSMISSION ELECTRIC OSS	131.91	2,260.17	1,782.81
565005	TRANSMISSION ELECTRIC NATIVE LOAD	(3,572.90)	2,411.12	7,469.69
565006	TRANSMISSION ELECTRIC OSS - MISO	42,958.03	3,006.04	1,155.05
565014	INTERCOMPANY TRANSMISSION EXPENSE	178,311.78	318,295.07	106,223.67
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	-	-	-
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	-	-	-
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	365.48	316.32	3,625.69
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	-	-	-
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	-	-	-
566100	MISC TRANS EXP-SSTMT	24,542.65	39,367.54	43,325.94
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	18,334.00	18,334.00	18,334.00
566140	INDEPENDENT OPERATOR	145,530.00	145,530.00	145,530.00
566150	EKPC DEPANCAKING SETTLEMENT	13,970.00	13,970.00	13,970.00
566151	KMPA MISO CHARGES	-	-	-
566900	MISC TRANS EXP-SSTMT - INDIRECT	27,919.53	78,404.22	44,004.27
567100	RENTS-ELEC/SUBSTATION OPERATIONS	2,236.13	130.00	711.07
569100	MTCE-STRUCT-SSTMTCE	1,264.02	8.56	-
569101	MAINTENANCE OF COMPUTER HARDWARE	1,233.00	201.38	2.30
570100	MTCE-ST EQ-SSTMTCE	69,829.07	76,124.84	104,125.77
571100	MTCE OF OVERHEAD LINES	(491,356.73)	29,657.51	397,190.53
573100	MTCE-MISC TR PLT-SSTMT	-	1,865.33	141.26
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	10,718.45	6,059.54	5,231.05
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	17,321.22	8,660.61	8,660.61
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	87,643.26	43,824.60	43,873.25
575704	MISO DAY 1 SCH 10 - RESERVE	1.14	(0.01)	1.18
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	111,571.43	55,781.73	55,782.46
580100	OP SUPER/ENG-SSTOPER	(490,170.86)	151,304.06	229,424.83
580900	OP SUPER/ENG-SSTOPER - INDIRECT	22,320.06	15,218.71	25,543.19
581900	SYS CTRL/SWITCH-DIST - INDIRECT	45,014.94	36,939.02	34,646.13
582100	STATION EXP-SSTOPER	74,387.13	108,089.54	98,919.25
583001	OPR-O/H LINES	(402,830.30)	(592,539.67)	(502,479.77)
583003	O/H LOAD/VOLT TEST	-	206.39	-
583005	CUST COMPL RESP-O/H	112,496.21	112,934.11	132,731.07
583008	INST/REMV TRANSF/REG	1,375.88	1,244.45	998.96
583009	INSPC O/H LINE FACIL	9,761.77	9,103.23	8,420.89
583010	LOC O/H ELEC FAC-BUD	22,400.12	103,801.13	54,218.65
583100	O/H LINE EXP-SSTOPER	29,095.64	25,590.01	40,958.77
584001	OPR-UNDERGRND LINES	14,465.26	18,112.31	9,017.48
584002	INSPC U/G LINE FACIL	33.15	-	9,912.41
584003	LOAD/VOLT TEST-U/G	-	-	-
584005	RESP-U/G CUST COMPL	3,397.18	4,775.36	1,719.01
584008	INST/RMV/REPL TRANSF	6,484.16	7,887.27	12,756.04
585100	STREET LIGHTING AND SIGNAL SYST EXP	1,034.88	1,362.06	-
586100	METER EXP	564,993.45	487,404.10	493,891.00
586900	METER EXP - INDIRECT	23.95	821.37	35.16
587100	CUST INSTALLATION EXP	-	(7,044.38)	(11,733.13)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	224,292.18	174,463.45	146,223.56
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	31,948.64	26,545.16	27,821.02

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589100	RENTS-DISTR / SUBSTAT OPER	1,439.56	404.92	5,065.96
590100	MTCE/SUPER/ENG-SSTMT	60,108.79	1,532.04	2,761.72
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	-	-	-
591003	MTCE-MISC STRUCT-DIS	60,131.95	61,170.83	53,936.91
592100	MTCE-ST EQ-SSTMTCE	45,846.88	65,751.81	105,886.06
593001	MTCE-POLE/FIXT-DISTR	73,356.07	(3,905.76)	73,960.14
593002	MTCE-COND/DEVICE-DIS	3,016,852.14	657,447.99	1,485,716.53
593003	MTCE-SERVICES	11,923.77	18,931.13	2,791.18
593004	TREE TRIMMING	(149,465.88)	532,231.55	789,964.23
593005	MINOR EXEMPT EXPENSE	(5,281.01)	84,535.44	-
594002	MTCE-U/G COND ETC	114,341.79	141,322.60	192,046.71
595100	MTCE-TRANSF/REG	415,233.13	301,113.65	253,232.78
596100	MTCE OF STREET LIGHTING AND SIGNALS	71,090.54	47,037.71	23,599.34
598100	MTCE OF MISC DISTRIBUTION PLANT	1,042,918.77	228,943.59	(33,332.08)
803001	GAS TRANS LINE PURCH	8,006,154.22	7,250,579.62	12,733,815.60
803002	PURCHASED GAS REFUND	-	-	-
803003	GAS COST ACTUAL ADJ	3,641,634.88	2,493,711.81	(272,924.66)
803004	GAS COST BALANCE ADJ	(181,912.57)	154,514.55	70,026.16
803006	PURCHASED GAS - WHOLESALE SALES	-	-	-
803007	WHOLESALE SALES MARGIN	-	-	-
803008	ACQ AND TRANS INCENTIVE	-	-	(318,000.00)
803009	PBR RECOVERY	256,471.80	120,362.54	71,165.44
806001	EXCHANGE GAS	(4,235,340.92)	(6,235,064.53)	(2,803,428.24)
807001	PURCH GAS CALC EXP	987.09	-	-
807002	OTHER PURCH GAS EXP	-	-	-
807003	GAS PROCUREMENT EXP	-	-	-
807401	PURCH GAS CALC EXP	1,932.10	2,495.53	3,030.26
807501	OTHER PURCH GAS EXP	2,211.17	1,563.13	1,317.17
807502	GAS PROCUREMENT EXP	45,127.01	44,768.53	52,412.18
808101	GAS W/D FROM STOR-DR	13,410,684.43	2,810,554.96	12,895.53
808201	GAS DELD TO STOR-CR	-	-	(6,604,021.33)
810001	GAS-COMP STA FUEL-CR	(67,653.22)	(170.64)	(36.13)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	-	-	(34.58)
812020	GAS-CITY GATE-CR	-	(32,055.13)	(5,023.47)
812030	GAS-OTH DEPT-CR	(176.09)	(4,249.62)	(54,758.61)
813001	OTH GAS SUPPLY EXP	1,552.54	1,563.13	1,317.17
814003	SUPV-STOR/COMPR STA	39,907.63	37,339.03	42,949.53
816100	WELLS EXPENSE	2,543.68	3,646.32	3,957.87
817100	LINES EXPENSE	35,102.68	26,166.29	50,477.37
818100	COMPR STATION EXP	80,592.64	68,586.75	118,478.25
819100	COMPR STA FUEL-U/G	35,294.02	46.96	36.13
821100	PURIFICATION EXP	240,910.63	123,500.60	2,397.69
823100	GAS LOSSES	263,396.40	273,454.24	214,857.54
824100	OPR-U/G STO/COMPR	1,244.87	1,244.87	1,244.87
825100	ROYALTIES	3,493.10	2,271.33	1,173.43
826100	RENTS-STORAGE FIELDS	6,333.88	1,604.97	2,963.16
830100	MTCE SUPRV AND ENGR - STOR COMPR	25,998.92	25,509.52	29,938.40
832100	MTC-RESERVOIRS/WELLS	29,999.35	45,797.90	288,628.66

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<b>Account Number</b>	<b>Account Description</b>	<b>30-APR-09</b>	<b>31-MAY-09</b>	<b>30-JUN-09</b>
833100	MTCE-LINES	12,098.58	16,959.04	18,156.73
834100	MTCE-COMP STA EQUIP	82,962.25	62,246.98	69,442.01
835100	MTCE-M/R EQ-COMPR	7,107.55	6,022.02	4,607.84
836100	MTCE-PURIFICATION EQUIP	24,130.85	60,240.26	(5,678.80)
837100	MTCE-OTHER EQUIP	1,245.83	3,740.18	5,440.22
850100	OPR SUPV AND ENGR	-	117.99	115.83
851100	SYS CTRL/DSPTCH-GAS	23,980.90	20,935.48	23,222.85
856100	MAINS EXPENSES	9,087.79	13,663.83	13,921.61
860100	RENTS-GAS TRANS	899.22	-	-
863100	MTCE-GAS MAINS-TRANS	29,610.82	84,675.72	15,356.43
871100	DISTR LOAD DISPATCH	34,394.27	30,009.56	31,921.62
874001	OTHER MAINS/SERV EXP	41,433.31	35,620.25	51,345.92
874002	LEAK SUR-DIST MN/SVC	44,074.03	30,974.72	52,925.58
874005	CHEK STOP BOX ACCESS	137,102.72	109,363.45	158,572.12
874006	PATROLLING MAINS	9,995.18	22,012.30	10,637.55
874007	CHEK/GREASE VALVES	(5,849.36)	7,692.28	9,859.19
874008	OPR-ODOR EQ	7,202.65	4,707.67	5,950.41
875100	MEAS/REG STA-GENERAL	40,685.72	67,060.99	67,125.25
876100	MEAS/REG STA-INDUSTRIAL	21,082.93	9,552.39	14,704.31
877100	MEAS/REG STA-CITY GATE	6,558.08	37,379.17	12,068.47
878100	METER/REG EXPENSE	8,010.22	7,641.77	6,321.73
879100	CUST INSTALL EXPENSE	28,837.72	47,345.84	26,888.72
880100	OTH GAS DISTR EXPENSE	229,859.02	258,250.84	232,301.53
880900	OTH GAS DISTR EXPENSE - INDIRECT	39,609.21	16,903.01	60,473.41
881100	RENTS-GAS DISTR	571.45	100.00	7,700.05
886100	MTCE-GAS DIST STRUCT	48,172.75	46,699.55	39,368.24
887100	MTCE-GAS MAINS-DISTR	657,640.22	794,964.33	693,323.01
889100	MTCE-M/R STA EQ-GENL	6,374.84	5,201.64	4,864.28
890100	MTCE-M/R STA EQ-INDL	37,119.22	23,854.22	5,688.07
891100	MTCE-M/R ST EQ-CITY GATE	13,703.71	13,500.22	16,782.27
892100	MTCE-OTH SERVICES	102,717.95	111,491.95	103,620.67
894100	MTCE-OTHER EQUIP	46,657.58	35,608.38	30,347.57
901001	SUPV-CUST ACCTS	86,719.47	94,216.05	101,485.54
901900	SUPV-CUST ACCTS - INDIRECT	27,080.01	24,537.52	25,695.10
902001	METER READ-SERV AREA	385,632.34	350,444.05	327,038.06
902002	METER READ-CLER/OTH	2,497.04	1,810.24	2,120.52
902003	METER READ-DIST 25	-	-	-
902900	METER READ-SERV AREA - INDIRECT	-	233.54	-
903001	AUDIT CUST ACCTS	95,658.06	81,360.57	70,727.03
903002	BILL SPECIAL ACCTS	-	-	-
903003	PROCESS METER ORDERS	12,070.80	22,203.66	10,355.44
903006	CUST BILL/ACCTG	13,199.17	11,812.83	15,996.54
903007	PROCESS PAYMENTS	55,358.93	38,473.07	32,660.54
903008	INVEST THEFT OF SVC	19,230.28	15,340.15	18,095.19
903012	PROC CUST CNTRT/ORDR	12,926.97	12,633.24	14,436.26
903013	HANDLE CREDIT PROBS	-	122.11	121.76
903022	COLL OFF-LINE BILLS	61,615.29	32,141.81	36,558.84
903023	PROC BANKRUPT CLAIMS	1,941.71	2,255.18	1,764.71

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<b>Account Number</b>	<b>Account Description</b>	<b>30-APR-09</b>	<b>31-MAY-09</b>	<b>30-JUN-09</b>
903025	MTCE-ASST PROGRAMS	7,944.14	7,516.07	8,593.54
903030	PROC CUST REQUESTS	211,487.91	196,219.58	277,986.40
903031	PROC CUST PAYMENTS	11,946.42	9,610.75	9,161.81
903032	DELIVER BILLS-REG	164,888.91	178,686.43	173,180.51
903035	COLLECTING-OTHER	10,419.82	7,957.97	8,830.86
903036	CUSTOMER COMPLAINTS	116.40	233.88	267.12
903038	MISC CASH OVERAGE/SHORTAGE	-	683.08	(64.17)
903902	BILL SPECIAL ACCTS - INDIRECT	4,195.20	3,479.17	2,872.01
903903	PROCESS METER ORDERS - INDIRECT	-	-	-
903906	CUST BILL/ACCTG - INDIRECT	6,528.30	6,145.93	6,567.45
903907	PROCESS PAYMENTS - INDIRECT	23,942.47	29,658.58	28,454.86
903909	PROC EXCEPTION PMTS - INDIRECT	(197.51)	874.31	689.51
903912	PROC CUST CNTRT/ORDR - INDIRECT	21,476.17	18,159.81	21,726.89
903930	PROC CUST REQUESTS - INDIRECT	142,512.67	120,703.15	132,593.23
903931	PROC CUST PAYMENTS - INDIRECT	25,302.91	172.18	15,092.20
903936	CUSTOMER COMPLAINTS - INDIRECT	17,675.97	20,943.84	19,612.09
904001	UNCOLLECTIBLE ACCTS	(49,730.00)	327,534.98	(257,712.26)
904002	UNCOLLECTABLE ACCTS - WHOLESALE	3,745.49	(3,745.51)	(628.12)
904003	UNCOLL ACCTS - A/R MISC	-	-	(16,079.00)
905001	MISC CUST SERV EXP	48,920.95	36,924.95	36,899.55
905002	MISC CUST BILL/ACCTG	757.93	(523.34)	19,642.69
905003	MISC COLLECTING EXP	8,398.89	6,873.24	8,010.99
907001	SUPV-CUST SER/INFO	4,867.13	3,336.42	3,767.53
907900	SUPV-CUST SER/INFO - INDIRECT	11,413.30	11,230.27	11,963.66
908001	CUST MKTG/ASSIST	669.58	1,805.68	1,504.16
908004	DSM - ENERGY AUDIT	-	-	-
908005	DSM CONSERVATION PROG	618,483.41	569,216.35	603,234.89
908006	DSM - HVAC	-	-	-
908007	DSM - CONSERVATION	-	-	-
908009	MISC MARKETING EXP	-	-	-
908010	DSM CONSERVATION PROG - OFFSET	-	-	-
908901	CUST MKTG/ASSIST - INDIRECT	17,554.63	16,407.83	15,829.57
908902	RES CONS/ENG ED PROG - INDIRECT	16,500.00	16,500.00	16,500.00
908909	MISC MARKETING EXP - INDIRECT	4,030.21	15,539.48	5,624.82
909004	MISC CUST COM-SER/IN	20,525.00	5,525.00	9,175.00
909005	MEDIA RELATIONS	-	-	-
909010	PRINT ADVER-SER/INFO	-	-	2,686.20
909013	SAFETY PROGRAMS	2,744.77	2,286.23	3,760.78
910001	MISC CUST SER/INFO	323,904.82	183,349.49	189,728.83
910900	MISC CUST SER/INFO - INDIRECT	-	48,625.00	-
912003	GEN MKTG AND MKTG PGMS	-	-	-
913012	OTH ADVER-SALES	2,625.25	10,443.90	3,004.61
920100	OTHER GENERAL AND ADMIN SALARIES	113,964.50	213,140.07	230,677.92
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	994,716.16	1,149,964.50	1,414,953.22
920901	OFFICERS SALARIES- INDIRECT	-	-	-
921001	EXP-OFFICERS/EXEC	-	-	-
921002	EXP-GEN OFFICE EMPL	17,574.33	8,530.36	10,328.61
921003	GEN OFFICE SUPPL/EXP	84,994.72	69,482.73	146,490.59

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<b>Account Number</b>	<b>Account Description</b>	<b>30-APR-09</b>	<b>31-MAY-09</b>	<b>30-JUN-09</b>
921004	OPR-GEN OFFICE BLDG	64,093.00	65,532.94	57,652.49
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	41,923.38	58,889.27	12,358.13
921903	GEN OFFICE SUPPL/EXP - INDIRECT	168,550.53	153,053.08	262,163.48
922001	A/G SAL TRANSFER-CR	(99,775.47)	(122,679.37)	(147,885.06)
922002	OFF SUPP/EXP TRAN-CR	(24,501.71)	(31,987.04)	(44,009.36)
922003	TRIMBLE CTY TRAN-CR	(37,947.65)	(48,698.12)	(55,248.73)
923100	OUTSIDE SERVICES	179,597.80	222,053.77	290,552.58
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	65,891.67	65,891.67	65,891.67
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	1,250.00	1,250.00	1,250.00
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	-	-	-
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	-	-	-
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	650.00	650.00	650.00
923900	OUTSIDE SERVICES - INDIRECT	130,089.33	230,017.72	203,397.42
924100	PROPERTY INSURANCE	305,527.84	291,962.56	305,207.09
925001	PUBLIC LIABILITY	136,273.92	126,729.38	159,295.13
925002	WORKERS COMP EXPENSE - BURDENS	62,420.02	61,124.05	(14,823.24)
925003	AUTO LIABILITY	708.93	218.00	4,437.42
925004	SAFETY AND INDUSTRIAL HEALTH	8,155.20	6,980.61	9,968.57
925100	OTHER INJURIES AND DAMAGES	4,772.34	10,500.00	4,715.40
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	727.40	752.08	880.77
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	586.60	15.25	248.43
926001	TUITION REFUND PLAN	17,454.65	33,170.96	16,230.98
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	27,967.97	28,408.26	28,076.71
926003	MEDICAL INSURANCE EXPENSE - BURDENS	593,494.72	596,308.68	598,234.38
926004	DENTAL INSURANCE EXPENSE - BURDENS	40,752.52	40,955.84	41,074.10
926005	LONG TERM DISABILITY EXPENSE - BURDENS	36,437.82	36,853.78	36,655.99
926019	OTHER BENEFITS EXPENSE - BURDENS	82,499.71	83,034.00	85,209.25
926100	EMPLOYEE BENEFITS - NON-BURDEN	4,270.76	3,281.68	5,235.44
926101	PENSIONS EXPENSE - BURDENS	1,501,718.48	1,707,094.73	1,627,818.28
926102	401K EXPENSE - BURDENS	214,904.09	217,361.70	216,185.48
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	32,878.68	33,030.00	33,238.06
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	126,689.68	229,540.27	219,597.33
926110	EMPLOYEE WELFARE	5,926.48	6,980.64	3,902.42
926116	RETIREMENT INCOME EXPENSE - BURDENS	28,162.96	28,495.52	28,320.83
926117	PENSION INTEREST EXPENSE - BURDENS	222,643.92	308,523.09	297,707.50
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	258,268.54	325,372.39	316,883.53
926901	TUITION REFUND PLAN - INDIRECT	12,819.63	22,402.96	17,221.28
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	9,598.55	9,923.16	11,622.49
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	144,120.87	148,995.36	174,510.43
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	9,988.28	10,326.05	12,094.43
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	10,949.36	11,319.80	13,258.02
926911	PENSIONS EXPENSE - BURDENS INDIRECT	197,477.82	204,156.81	239,118.21
926912	401K EXPENSE - BURDENS INDIRECT	64,618.12	66,803.61	78,243.43
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	7,286.57	7,533.03	8,823.11
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	25,080.85	25,929.18	30,369.47
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	5,559.20	5,747.07	6,731.29
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	4,857.79	5,022.17	5,882.05
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	6,039.81	6,244.00	7,313.29



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<b>Account Number</b>	<b>Account Description</b>	<b>30-APR-09</b>	<b>31-MAY-09</b>	<b>30-JUN-09</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	8,611.43	8,902.62	10,427.24
927001	ELEC SUPPL W/O CH-DR	-	-	8,261.47
927003	CITY OF LOU GAS FRAN	45,068.16	46,570.43	45,068.16
928002	REG UPKEEP ASSESSMTS	49,242.53	49,449.98	110,464.83
928003	AMORTIZATION OF RATE CASE EXPENSES	27,538.54	27,538.54	27,538.54
929001	FRANCHISE REQMTS-CR	-	-	(8,261.47)
929002	ELEC USED-ELEC DEPT	-	-	(185.15)
929003	GAS USED-GAS DEPT	(137,341.96)	(57,725.36)	(498.57)
929004	ELECTRICITY USED - OTHER DEPARTMENTS	-	-	-
930101	GEN PUBLIC INFO EXP	42,563.47	47,350.51	16,501.52
930191	GEN PUBLIC INFO EXP - INDIRECT	7,661.93	(4,916.80)	80.14
930201	MISC CORPORATE EXP	-	-	-
930202	ASSOCIATION DUES	-	-	-
930203	RESEARCH WORK	-	-	-
930207	OTHER MISC GEN EXP	1,165.56	4,339.67	1,392.72
930272	ASSOCIATION DUES - INDIRECT	-	-	50.00
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	-	1,041.67	1,041.67
930277	OTHER MISC GEN EXP - INDIRECT	-	-	-
930902	ASSOCIATION DUES - INDIRECT	-	-	-
930903	RESEARCH WORK - INDIRECT	-	-	-
930904	RESEARCH AND DEVELOPMENT EXPENSES	443,210.44	(133,692.96)	-
930907	OTHER MISC GEN EXP - INDIRECT	-	-	-
931004	RENTS-CORPORATE HQ	139,486.11	137,047.27	137,404.21
931100	RENTS-OTHER	-	-	-
935101	MTCE-GEN PLANT	34,545.30	23,505.45	28,547.56
935203	SOFTWARE MTCE AGREEMENTS	-	-	-
935391	MTCE-COMMUNICATION EQ - INDIRECT	106,616.66	107,486.61	99,151.79
935401	MTCE-OTH GEN EQ	87,123.18	63,933.29	56,583.56
935403	MNTC BONDABLE PROPERTY	-	-	-
935488	MTCE-OTH GEN EQ - INDIRECT	554,452.87	595,237.59	686,777.31
Total		<u>98,955,124.35</u>	<u>82,208,701.02</u>	<u>88,723,434.49</u>

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Account Number	Account Description	31-JUL-09	31-AUG-09	30-SEP-09
403011	DEPREC EXP - STEAM POWER GEN	5,543,302.59	5,548,134.25	5,552,681.52
403012	DEPREC EXP - HYDRO POWER GEN	49,690.39	49,711.12	49,731.82
403013	DEPREC EXP - OTH POWER GEN	702,103.05	702,178.49	702,151.96
403014	DEPREC EXP - TRANSMISSION	390,451.92	390,526.79	389,602.22
403015	DEPREC EXP - DISTRIBUTION	1,699,611.70	1,702,817.14	1,732,379.18
403016	GENERAL DEPRECIATION EXPENSE	51,558.46	51,558.46	51,558.46
403020	FUEL, LOCOMOTIVES, RAILCARS	-	-	-
403021	DEPREC. EXP. - UNDERGROUND - GAS	85,595.21	87,844.16	88,912.60
403022	DEPREC. EXP. - TRANSMISSION - GAS	4,224.22	4,450.15	4,525.14
403023	DEPREC. EXP. - DISTRIBUTION - GAS	1,069,897.44	1,073,791.60	1,075,980.26
403024	DEPREC. EXP. - GENERAL - GAS	30,213.37	30,272.33	30,328.02
403025	DEPREC. EXP. - COMMON	1,151,118.68	1,152,309.37	1,148,751.30
403026	DEPREC. EXP. - STEAM - ECR	-	-	-
403111	DEPREC EXP ARO STEAM	13,634.38	13,634.37	21,364.63
403112	DEPREC EXP ARO TRANSMISSION	1.55	1.55	1.55
403113	DEPREC EXP ARO OTHER PRODUCTION	207.05	207.05	207.05
403114	DEPREC EXP ARO HYDRO	41.34	41.34	41.34
403115	DEPREC EXP ARO DISTRIBUTION	30.51	30.51	30.51
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	735.48	735.48	735.48
403212	DEPREC EXP ARO GAS DISTRIBUTION	26.67	26.67	26.67
403213	DEPREC EXP ARO GAS TRANSMISSION	-	-	-
403311	DEPREC EXP ARO COMMON	2.86	2.86	2.86
404301	AMORT-INTANG GAS PLT	195,596.84	182,309.78	182,662.17
404401	AMT-EL INTAN PLT-RTL	293,395.27	273,464.68	273,993.26
404402	AMT-EL INTAN PLT-WHS	263,303.44	245,417.02	245,891.39
407401	REGULATORY CREDITS - GENERATION ACCRETION	(124,131.20)	(124,765.49)	(125,403.04)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(59.89)	(60.17)	(60.45)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(1,337.63)	(1,343.97)	(1,350.33)
407406	REGULATORY CREDITS - GAS ACCRETION	(39,077.78)	(39,258.59)	(39,440.23)
407407	REGULATORY CREDITS - COMMON ACCRETION	(132.62)	(133.26)	(133.88)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(13,882.77)	(13,882.76)	(21,613.02)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(1.55)	(1.55)	(1.55)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(30.51)	(30.51)	(30.51)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(762.15)	(762.15)	(762.15)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(2.86)	(2.86)	(2.86)
408101	TAX-NON INC-UTIL OPR	-	-	-
408102	REAL AND PERSONAL PROP. TAX	1,456,758.89	1,456,758.89	1,456,758.89
408103	KY PUBLIC SERVICE COMMISSION TAX	161,675.42	161,675.42	161,675.42
408105	FEDERAL UNEMP TAX	(384.73)	(310.20)	(52.61)
408106	FICA TAX	460,914.96	385,020.64	385,120.61
408107	STATE UNEMP TAX	665.73	(3,584.93)	(3,985.29)
408108	REAL AND PERSONAL PROP TAX - ECR	-	-	-
408195	FEDERAL UNEMP TAX - INDIRECT	1,468.01	1,474.54	1,990.31
408196	FICA TAX - INDIRECT	153,081.65	153,762.94	207,542.14
408197	STATE UNEMP TAX - INDIRECT	5,457.82	5,482.14	7,399.48
408202	TAX-NON INC-OTHER	199.00	199.00	199.00
409101	FED INC TAX-UTIL OPR	-	(177,667.67)	7,116,702.62
409102	KY ST INCOME TAXES	-	(68,933.67)	1,748,889.57

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Account Number	Account Description	31-JUL-09	31-AUG-09	30-SEP-09
409104	FED INC TAXES - EST	4,633,147.19	5,881,103.98	(10,514,251.17)
409105	ST INC TAXES - EST	844,950.86	1,072,541.76	(1,917,492.63)
409203	FED INC TAX-OTHER	-	592,753.72	(3,043,195.35)
409206	ST INC TAX-OTHER	-	108,100.97	(554,990.03)
409209	FED IN TAXES-OTH EST	203,405.99	(216,971.80)	13,565.81
409210	ST INC TAXES-OTH EST	37,095.32	(39,569.33)	2,474.01
410101	DEF FED INC TAX-OPR	-	23,964,452.80	34,593,465.38
410102	DEF ST INC TAX-OPR	-	3,753,003.54	5,209,891.89
410203	DEF FEDERAL INC TX	-	49,515.53	1,350,621.91
410204	DEF STATE INC TAX	-	-	304,625.37
411101	FED INC TX DEF-CR-OP	-	(23,737,123.85)	(4,971,999.37)
411102	ST INC TAX DEF-CR-OP	-	(3,789,662.44)	(571,936.28)
411150	ACCRETION EXPENSE - GENERATION	124,131.20	124,765.49	125,403.04
411151	ACCRETION EXPENSE - TRANSMISSION	59.89	60.17	60.45
411155	ACCRETION EXPENSE - DISTRIBUTION	1,337.63	1,343.97	1,350.33
411156	ACCRETION EXPENSE - GAS	39,077.78	39,258.59	39,440.23
411157	ACCRETION EXPENSE - COMMON	132.62	133.25	133.88
411201	FD INC TX DEF-CR-OTH	-	(825,643.70)	(10,163,974.31)
411202	ST INC TX DEF-CR-OTH	-	(141,472.92)	(1,838,834.00)
411403	ITC DEFERRED	-	-	769,517.00
411404	AMORTIZATION OF ITC	(254,733.00)	(254,733.00)	(254,733.84)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	2,219.67	1,474.20	1,891.42
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	-	-	-
421201	LOSS-PROPERTY DISP	-	-	-
426101	DONATIONS	71,953.00	66,065.01	25,245.90
426191	DONATIONS - INDIRECT	-	1,215.00	-
426301	PENALTIES	-	210.00	-
426401	EXP-CIVIC/POL/REL	-	117.71	723.11
426491	EXP-CIVIC/POL/REL - INDIRECT	51,860.81	67,020.79	135,912.21
426501	OTHER DEDUCTIONS	30,677.65	117,928.47	79,408.82
426508	FOREIGN EXCHANGE LOSSES	-	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	68,416.93	197,776.29	503,677.54
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	-	-	-
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	-	-	-
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	44,667.00	(18,009.00)	(25,092.00)
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	(68,416.93)	(197,776.29)	351,774.32
426557	AMORT OF OCI-PCB JC2003A \$128M	-	-	-
426558	AMORT OF REG ASSET - SWAP TERMINATION	-	-	-
426591	OTHER DEDUCTIONS - INDIRECT	35,404.25	6,175.43	7,528.19
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-
427020	INT EXP-FMB LGE2010 \$250M 11/15	-	-	-
427021	INT EXP-FMB LGE2010 \$285M 11/40	-	-	-
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	145,312.50	145,312.50	145,312.50
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	-	-	-
427127	INT EXP-PCB TC2007A \$60M 06/33	230,000.00	230,000.00	230,000.00
427128	INT EXP-PCB JC2000A \$25M 05/27	111,979.17	111,979.17	111,979.17
427129	INT EXP-PCB TC2000A \$83.3M 08/30	34,676.62	27,361.66	22,917.12
427130	INT EXP-PCB JC2001A \$10.1M 09/27	4,103.36	2,694.39	1,498.92

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>31-JUL-09</b>	<b>31-AUG-09</b>	<b>30-SEP-09</b>
427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	382,364.00	329,725.67	359,047.54
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	97,862.81	86,099.55	92,782.68
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	97,521.47	85,800.88	92,462.67
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	98,943.69	87,045.32	93,796.00
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	-	-	-
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	-	-	-
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	-	-	-
427180	INT EXP-PCB JC2001A \$22.5M 9/26	16,027.40	16,674.66	17,568.49
427181	INT EXP-PCB TC2001A \$27.5M 9/26	21,472.60	21,020.55	20,342.48
427182	INT EXP-PCB JC2001B \$35M 11/27	31,068.49	35,671.23	34,520.55
427183	INT EXP-PCB TC2001B \$35M 11/27	31,068.49	35,671.23	34,520.55
427189	INT EXP-PCB TC2002A \$41.665M 10/32	12,929.85	12,125.09	10,085.21
427190	INT EXP-PCB JC2003A \$128M	(5,409.06)	(5,409.06)	(5,409.06)
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	191,666.67	191,666.67	191,666.67
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-
428020	AM EXP-FMB LGE2010 \$250M 11/15	-	-	-
428021	AM EXP-FMB LGE2010 \$285M 11/40	-	-	-
428031	AM EXP \$35.2M 6/33	-	-	-
428035	AM EXP-PCB TC2007A \$60M 6/33	3,932.70	3,932.70	3,932.70
428059	AM EXP-PCB JC2001A \$10.1M 9/27	1,699.28	1,699.28	1,699.28
428076	AM EXP-PCB TC2000A \$83M 8/30	3,225.11	3,225.11	3,225.11
428080	AM EXP-PCB JC2001A \$22.5M 9/26	826.99	826.99	826.99
428081	AM EXP-PCB TC2001A \$27.5M 9/26	899.17	899.17	899.17
428082	AM EXP-PCB JC2001B \$35M 11/27	916.27	916.27	916.27
428083	AM EXP-PCB TC2001B \$35M 11/27	916.42	916.42	916.42
428089	AM EXP-PCB TC2002A \$41.665M 10/32	3,101.71	3,101.71	3,101.71
428091	AM EXP-PCB LM/JC2003A \$128M	-	-	-
428104	AM LOSS-1985J \$25M 07/95	2,625.01	2,625.01	2,625.01
428107	AM LOSS-FMB \$25M 10/09	7,944.01	7,944.01	7,955.28
428108	AM LOSS-1976B \$35.2M 09/06	1,825.99	1,825.99	1,825.99
428109	AM LOSS-1975A \$31M 09/00	956.00	956.00	956.00
428110	AM LOSS-1987A \$60M 08/97	8,582.00	8,582.00	8,582.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	6,752.00	6,752.00	6,752.00
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	11,975.01	11,975.01	11,975.01
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	2,042.88	2,042.88	2,042.88
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	3,037.59	3,037.59	3,037.59
428128	AM LOSS-PCB JC2000A \$25M 05/27	3,071.40	3,071.40	3,071.40
428130	AM LOSS-PCB JC1992A \$31M 09/17	413.87	413.87	413.87
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	234.39	234.39	234.39
428135	AM LOSS REACQ \$60M 6/33	547.29	547.29	547.29
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	6,452.00	6,452.00	6,452.00
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	5,450.01	5,450.01	5,450.01
428182	AM LOSS-PCB JC1997A \$35M 11/27	4,088.00	4,088.00	4,088.00
428183	AM LOSS-PCB TC1997A \$35M 11/27	4,072.00	4,072.00	4,072.00
428189	AM LOSS-TC1990B \$41.665M 10/20	4,651.00	4,651.00	4,651.00
428191	AM LOSS-JC1993B \$26M 11/03	15,859.00	15,859.00	15,859.00
428192	AM LOSS-LM/JC2003A \$128M 10/33	10,098.55	10,098.55	10,098.55

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Account Number	Account Description	31-JUL-09	31-AUG-09	30-SEP-09
428194	AM LOSS-JC1995A \$40M 11/05	3,904.00	3,904.00	3,904.00
428195	AM LOSS REACQ PRE STK 5.875	-	-	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	4,133.04	4,133.04	4,133.04
428220	AM DISC-FMB LGE2010 \$250M 11/15	-	-	-
428221	AM DISC-FMB LGE2010 \$285M 11/40	-	-	-
430002	INT-DEBT TO ASSOC CO	46,040.28	40,247.62	29,735.72
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	2,220,150.00	2,220,149.99	2,220,150.02
431002	INT-CUST DEPOSITS	114,859.00	49,338.43	81,671.86
431004	INT-OTHER TAX DEFNCY	-	-	(12,853.00)
431008	INT-DSM COST RECOVER	5,276.80	4,163.68	68,202.11
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	-	-	(3,228.30)
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	204,028.79	63,957.45	62,041.50
500100	OPER SUPER/ENG	65,314.34	65,843.60	79,511.03
500900	OPER SUPER/ENG - INDIRECT	182,090.98	120,378.69	135,983.96
501001	FUEL-COAL - TON	26,274,853.30	26,152,084.04	24,727,008.16
501004	FUEL COAL - TO SOURCE UTILITY OSS	867.09	-	-
501005	FUEL COAL - OSS	53.61	-	-
501006	FUEL COAL - OFFSET	(7,202,399.06)	(5,885,372.72)	(7,308,219.42)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	7,201,478.38	5,885,372.72	7,308,219.42
501020	START-UP OIL -GAL	18,289.52	49,210.24	17,793.98
501022	STABILIZATION OIL - GAL	10,288.03	23,157.12	18,520.57
501026	COAL RESALE EXPENSES	61,476.81	45,069.59	5,967.37
501090	FUEL HANDLING	352,759.16	353,436.40	341,245.44
501091	FUEL SAMPLING AND TESTING	-	-	-
501100	START-UP GAS - MCF	210,692.63	246,242.35	209,578.71
501102	STABILIZATION GAS - MCF	237,761.44	190,260.23	195,013.51
501200	BOTTOM ASH DISPOSAL	58,083.95	81,073.00	89,057.21
501201	PLANT-ECR BOTTOM ASH DISPOSAL	171,471.17	171,471.15	171,471.17
501202	BOTTOM ASH PROCEEDS	-	(1,060.21)	(1,326.37)
501250	FLY ASH PROCEEDS	-	(636,288.17)	-
501251	FLY ASH DISPOSAL	(2,475.50)	81,301.72	6,518.20
501990	FUEL HANDLING - INDIRECT	42,128.26	45,142.17	41,374.41
502001	OTHER WASTE DISPOSAL	299,017.95	301,728.08	303,671.61
502002	BOILER SYSTEMS OPR	667,158.87	672,544.65	629,670.71
502003	SDRS OPERATION	-	-	-
502004	SDRS-H2O SYS OPR	248,953.72	235,799.73	235,755.72
502005	SLUDGE STAB SYS OPR	61,818.58	64,419.39	54,799.47
502006	SCRUBBER REACTANT EX	1,506,809.37	1,392,654.78	1,492,510.04
502022	OTHER WASTE DISPOSAL - OSS	4.55	-	-
502023	OTHER WASTE DISPOSAL - OFFSET	(4.55)	-	-
502025	SCRUBBER REACTANT - OSS	168.16	-	-
502026	SCRUBBER REACTANT - OFFSET	(168.16)	-	-
502056	ECR SCRUBBER REACTANT EX	-	-	-
502100	STM EXP(EX SDRS.SPP)	412,497.58	343,050.41	376,798.95
502900	STM EXP(EX SDRS.SPP) - INDIRECT	1,481.08	2,077.58	1,159.35
504001	STEAM XFERRED - CR - PROJECT USE	-	-	-
505100	ELECTRIC SYS OPR	74,440.16	73,691.39	75,083.54
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	-	-	-

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<b>Account Number</b>	<b>Account Description</b>	<b>31-JUL-09</b>	<b>31-AUG-09</b>	<b>30-SEP-09</b>
506100	MISC STM PWR EXP	1,296,392.17	1,420,907.09	1,258,229.31
506104	NOX REDUCTION REAGENT	119,528.80	160,564.31	291,838.15
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	8,735.42	12,544.51	27,128.15
506107	SCR/NOX - OSS	-	-	-
506108	SCR/NOX - OFFSET	-	-	-
506109	SORBENT INJECTION OPERATION	66,531.40	102,590.61	47,692.16
506150	ECR MERCURY MONITORS OPERATIONS	-	-	-
506151	ECR ACTIVATED CARBON	-	-	-
506152	ECR SORBENT REACTANT - REAGENT ONLY	-	-	-
506154	ECR NOX REDUCTION REAGENT	-	-	-
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	-	-	-
506159	ECR SORBENT INJECTION OPERATION	-	-	-
506900	MISC STM PWR EXP - INDIRECT	-	109.94	219.93
507100	RENTS-STEAM	-	-	-
509002	SO2 EMISSION ALLOWANCES	91.75	104.62	89.00
509003	NOX EMISSION ALLOWANCES	131.32	121.25	121.24
509007	EMISSION ALLOWANCES - OSS	0.01	-	-
509008	EMISSION ALLOWANCES - OFFSET	(0.01)	-	-
510100	MTCE SUPER/ENG - STEAM	84,488.96	185,241.94	473,984.25
511100	MTCE-STRUCTURES	203,918.54	161,721.95	194,888.13
512005	MAINTENANCE-SDRS	427,815.07	381,499.88	503,673.21
512011	INSTR/CNTRL-ENVRNL	-	-	-
512015	SDRS-COMMON H2O SYS	44,257.22	102,901.36	12,590.32
512017	MTCE-SLUDGE STAB SYS	146,873.22	152,102.17	133,095.87
512051	ECR INSTR/CNTRL-ENVRNL	-	-	-
512055	ECR MAINTENANCE-SDRS	-	-	-
512100	MTCE-BOILER PLANT	1,260,004.96	1,417,295.72	1,857,596.62
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	19,361.73	23,335.79	48,646.16
512102	SORBENT INJECTION MAINTENANCE	895.79	162.28	1,015.94
512103	MERCURY MONITORS MAINTENANCE	-	-	-
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	-	-	-
512152	ECR SORBENT INJECTION MAINTENANCE	-	-	-
512153	ECR MERCURY MONITORS MAINTENANCE	-	-	-
513100	MTCE-ELECTRIC PLANT	546,098.84	334,198.62	510,422.20
513900	MTCE-ELECTRIC PLANT - BOILER	10,329.23	11,603.19	5,208.19
514100	MTCE-MISC/STM PLANT	118,957.47	153,904.48	94,430.03
535100	OPER SUPER/ENG-HYDRO	6,487.19	11,381.85	5,671.87
536100	WATER FOR POWER	3,221.95	3,221.95	3,221.95
538100	ELECTRIC EXPENSES - HYDRO	16,058.92	13,649.14	12,857.05
539100	MISC HYD PWR GEN EXP	9,554.87	12,546.51	11,675.83
540100	RENTS-HYDRO	21,656.70	15,920.10	14,363.72
541100	MTCE-SUPER/ENG - HYDRO	-	-	-
542100	MAINT OF STRUCTURES - HYDRO	20,363.15	21,901.18	30,394.89
543100	MTCE-RES/DAMS/WATERW	112.98	10,056.35	5,458.02
544100	MTCE-ELECTRIC PLANT	11,458.75	14,076.51	26,648.64
546100	OPER SUPER/ENG - TURBINES	2,328.96	2,880.50	3,118.90
547030	FUEL-GAS - MCF	948,289.73	1,154,428.06	846,548.73
547040	FUEL-OIL - GAL	13,519.01	1.20	-

**Louisville Gas & Electric Company**  
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Account Number	Account Description	31-JUL-09	31-AUG-09	30-SEP-09
547051	FUEL - TO SOURCE UTILITY OSS	903.52	-	-
547052	FUEL - OSS	-	-	4,540.46
547053	FUEL - OFFSET	(153,057.75)	(268,353.51)	(156,709.35)
547054	FUEL - TO SOURCE UTILITY RETAIL	152,154.23	268,353.51	152,168.89
547056	FUEL - GAS - INTRACOMPANY	57,817.83	56,010.03	56,759.01
548100	GENERATION EXP	9,304.88	10,302.65	11,971.96
549002	AIR QUALITY EXPENSES	864.06	864.06	864.06
549003	NOX EMISSION ALLOWANCES	5.36	5.52	8.00
549100	MISC OTH PWR GEN EXP	2,379.29	2,668.04	1,406.75
550100	RENTS-OTH PWR	-	-	-
551100	MTCE-SUPER/ENG - TURBINES	4,439.15	1,247.49	5,448.40
552100	MTCE-STRUCTURES - OTH PWR	5,739.48	1,377.93	5,762.12
553100	MTCE-GEN/ELECT EQ	91,846.19	82,914.15	3,432.33
554100	MTCE-MISC OTH PWR GEN	5,367.73	1,566.30	(66,472.15)
555006	MISO DAY 2 PURCHASED POWER - OSS	0.10	15,129.15	-
555007	MISO DAY 2 PURCHASED POWER - NL	58,293.97	13,303.88	8,015.46
555010	OSS POWER PURCHASES	26,649.91	165,604.98	16,640.61
555015	NL POWER PURCHASES - ENERGY	1,670,171.76	1,809,375.81	1,295,442.43
555016	NL POWER PURCHASES - DEMAND	1,479,623.95	1,500,091.08	1,129,553.78
555020	OSS I/C POWER PURCHASES	176,086.31	233,503.32	330,328.28
555025	NL I/C POWER PURCHASES	-	17,386.38	5,120.51
556100	SYS CTRL / DISPATCHING	-	-	-
556900	SYS CTRL / DISPATCHING - INDIRECT	134,310.13	126,192.88	136,476.07
557100	OTH POWER SUPPLY EXP	7,432.00	2,529.51	2,245.00
557110	MARKET FEES - NATIVE LOAD	-	-	-
557111	MARKET FEES - OFF SYSTEM SALES	3,583.00	3,805.63	3,316.23
557206	MISO DAY 2 OTHER - NATIVE LOAD	5,247.07	89.14	88,294.41
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	(126.39)	548.71	20,567.63
557208	RTO OTHER (NON-MISO) - NL	(3,570.50)	(978.90)	8.10
557209	RTO OTHER (NON-MISO) - OSS	(280.62)	(197.13)	1.82
557211	RTO OPERATING RESRV (NON-MISO) - NL	2,421.55	472.82	9.76
557212	RTO OPERATING RESRV (NON-MISO) - OSS	1,517.28	2,810.46	2,539.92
558001	ELEC DEPT USE-CR	(287,690.00)	(291,798.00)	(245,102.00)
558002	OTHER DEPT USE-CR	(20,399.04)	(20,746.62)	(19,935.82)
560100	OP SUPER/ENG-SSTOPER	777.75	7,521.28	7,211.97
560900	OP SUPER/ENG-SSTOPER - INDIRECT	44,705.87	43,186.43	59,314.41
561100	LOAD DISPATCH-WELOB	3,043.16	3,686.24	4,912.93
561190	LOAD DISPATCH - INDIRECT	8,771.24	18,353.09	15,087.86
561402	MISO DAY 1 SCH 10 - RESERVE	0.20	-	5.56
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	25.84	88.93	48.64
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	24,266.77	22,125.37	25,069.55
561601	TRANSMISSION SERVICE STUDIES	1,093.23	-	(22,081.01)
561802	MISO DAY 1 SCH 10 - RESERVE	0.01	-	0.40
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	1.86	6.39	3.50
561900	LOAD DISPATCH-WELOB - INDIRECT	21,984.10	34,435.32	27,845.08
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	24,436.56	20,226.98	16,695.70
562100	STA EXP-SUBST OPER	98,899.09	176,977.07	97,193.74
563100	OTHER INSP-ELEC TRAN	22,570.42	6,435.10	6,279.06

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<b>Account Number</b>	<b>Account Description</b>	<b>31-JUL-09</b>	<b>31-AUG-09</b>	<b>30-SEP-09</b>
565002	TRANSMISSION ELECTRIC OSS	2,467.05	1,080.33	92.33
565005	TRANSMISSION ELECTRIC NATIVE LOAD	20,108.32	3,968.95	2,895.36
565006	TRANSMISSION ELECTRIC OSS - MISO	2.10	406.27	(17.03)
565014	INTERCOMPANY TRANSMISSION EXPENSE	117,595.13	81,675.16	122,811.47
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	-	-	-
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	-	-	-
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	20,014.41	7,066.27	1,892.63
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	-	-	-
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	-	-	-
566100	MISC TRANS EXP-SSTMT	44,555.29	40,928.87	45,273.65
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	18,334.00	18,334.00	18,334.00
566140	INDEPENDENT OPERATOR	145,530.00	962,771.26	145,530.00
566150	EKPC DEPANCAKING SETTLEMENT	13,970.00	13,970.00	13,970.00
566151	KMPA MISO CHARGES	-	-	-
566900	MISC TRANS EXP-SSTMT - INDIRECT	33,774.97	17,645.68	68,105.52
567100	RENTS-ELEC/SUBSTATION OPERATIONS	-	215.00	250.00
569100	MTCE-STRUCT-SSTMTCE	841.25	3,266.90	2,046.91
569101	MAINTENANCE OF COMPUTER HARDWARE	-	-	-
570100	MTCE-ST EQ-SSTMTCE	85,133.78	90,434.30	150,217.56
571100	MTCE OF OVERHEAD LINES	116,449.93	49,080.50	(91,695.44)
573100	MTCE-MISC TR PLT-SSTMT	376.89	116.05	277.14
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	5,119.30	5,187.50	5,108.47
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	8,660.61	8,660.61	8,660.61
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	44,190.01	43,845.65	43,859.44
575704	MISO DAY 1 SCH 10 - RESERVE	-	-	0.17
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	55,782.54	55,784.70	55,783.32
580100	OP SUPER/ENG-SSTOPER	85,490.24	217,704.01	(1,477,676.42)
580900	OP SUPER/ENG-SSTOPER - INDIRECT	16,945.47	15,658.20	19,765.55
581900	SYS CTRL/SWITCH-DIST - INDIRECT	30,792.51	40,220.91	33,673.71
582100	STATION EXP-SSTOPER	91,065.69	71,060.19	94,719.22
583001	OPR-O/H LINES	(203,831.74)	62,073.90	(347,231.56)
583003	O/H LOAD/VOLT TEST	-	2,063.26	133.18
583005	CUST COMPL RESP-O/H	114,402.64	93,219.18	132,436.98
583008	INST/REMV TRANSF/REG	6,428.51	3,331.88	837.04
583009	INSPC O/H LINE FACIL	35,482.57	15,374.65	9,255.48
583010	LOC O/H ELEC FAC-BUD	61,133.01	65,345.67	55,398.03
583100	O/H LINE EXP-SSTOPER	33,909.74	22,732.51	17,138.29
584001	OPR-UNDERGRND LINES	25,006.36	(13,668.46)	8,637.40
584002	INSPC U/G LINE FACIL	24,088.61	3,171.33	5,525.67
584003	LOAD/VOLT TEST-U/G	140.90	168.86	-
584005	RESP-U/G CUST COMPL	2,146.22	1,580.61	2,555.42
584008	INST/RMV/REPL TRANSF	5,065.42	3,731.97	7,681.45
585100	STREET LIGHTING AND SIGNAL SYST EXP	1,715.56	88.94	372.81
586100	METER EXP	510,699.24	542,832.33	497,887.12
586900	METER EXP - INDIRECT	31.30	27.72	27.72
587100	CUST INSTALLATION EXP	(26,377.40)	(21,342.68)	(19,734.17)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	220,448.66	213,150.93	256,407.81
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	42,237.74	29,386.74	30,796.41



**Louisville Gas & Electric Company**  
**Expense Account Detail**  
**2009-2011**

<b>Account Number</b>	<b>Account Description</b>	<b>31-JUL-09</b>	<b>31-AUG-09</b>	<b>30-SEP-09</b>
589100	RENTS-DISTR / SUBSTAT OPER	300.00	243.70	2,569.06
590100	MTCE/SUPER/ENG-SSTMT	731.03	2,852.60	(95,562.72)
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	-	-	-
591003	MTCE-MISC STRUCT-DIS	43,149.31	70,694.31	68,208.12
592100	MTCE-ST EQ-SSTMTCE	112,753.70	61,990.64	78,793.47
593001	MTCE-POLE/FIXT-DISTR	99,903.38	153,821.49	(1,024,625.16)
593002	MTCE-COND/DEVICE-DIS	622,186.38	748,207.30	(30,472,482.40)
593003	MTCE-SERVICES	40,078.27	65,279.44	(169,649.82)
593004	TREE TRIMMING	418,876.90	529,007.92	(1,733,718.88)
593005	MINOR EXEMPT EXPENSE	-	44,925.51	1,159.16
594002	MTCE-U/G COND ETC	138,779.94	320,438.23	226,749.94
595100	MTCE-TRANSF/REG	128,131.47	48,984.02	(1,560,573.50)
596100	MTCE OF STREET LIGHTING AND SIGNALS	70,801.36	25,573.07	53,329.63
598100	MTCE OF MISC DISTRIBUTION PLANT	104,128.02	394,923.33	(5,672,597.41)
803001	GAS TRANS LINE PURCH	15,859,055.10	14,333,839.21	11,675,586.48
803002	PURCHASED GAS REFUND	-	-	-
803003	GAS COST ACTUAL ADJ	847,064.03	807,368.01	807,625.30
803004	GAS COST BALANCE ADJ	69,760.48	24,308.31	(18,471.39)
803006	PURCHASED GAS - WHOLESALE SALES	-	-	-
803007	WHOLESALE SALES MARGIN	-	-	-
803008	ACQ AND TRANS INCENTIVE	-	-	(348,000.00)
803009	PBR RECOVERY	65,730.68	66,158.42	63,856.64
806001	EXCHANGE GAS	(1,124,923.28)	(1,071,996.27)	660,590.50
807001	PURCH GAS CALC EXP	-	-	-
807002	OTHER PURCH GAS EXP	-	-	-
807003	GAS PROCUREMENT EXP	300.00	1,139.89	-
807401	PURCH GAS CALC EXP	2,414.64	2,465.95	2,167.47
807501	OTHER PURCH GAS EXP	1,290.82	890.65	456.41
807502	GAS PROCUREMENT EXP	43,507.06	47,438.38	71,610.33
808101	GAS W/D FROM STOR-DR	2,415.11	1,904.70	1,767.56
808201	GAS DELD TO STOR-CR	(11,457,290.99)	(10,543,807.10)	(9,545,883.53)
810001	GAS-COMP STA FUEL-CR	(58.51)	-	(4.32)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	-	-	-
812020	GAS-CITY GATE-CR	(1,733.56)	-	(146.36)
812030	GAS-OTH DEPT-CR	40,885.30	(1,291.91)	(540.14)
813001	OTH GAS SUPPLY EXP	1,200.14	890.64	457.50
814003	SUPV-STOR/COMPR STA	42,414.63	39,619.55	41,276.02
816100	WELLS EXPENSE	1,865.62	1,690.41	3,973.83
817100	LINES EXPENSE	60,365.91	44,271.25	42,961.59
818100	COMPR STATION EXP	182,369.90	67,524.21	117,506.51
819100	COMPR STA FUEL-U/G	58.51	-	4.32
821100	PURIFICATION EXP	76,354.45	841.05	1,521.54
823100	GAS LOSSES	213,255.77	217,375.58	219,094.74
824100	OPR-U/G STO/COMPR	1,244.87	1,244.87	1,244.87
825100	ROYALTIES	5,682.00	8,250.00	2,148.00
826100	RENTS-STORAGE FIELDS	2,750.53	1,163.29	2,299.67
830100	MTCE SUPRV AND ENGR - STOR COMPR	27,389.23	28,621.72	29,072.94
832100	MTC-RESERVOIRS/WELLS	158,731.28	(109,916.37)	34,562.91

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>31-JUL-09</b>	<b>31-AUG-09</b>	<b>30-SEP-09</b>
833100	MTCE-LINES	8,330.18	20,850.62	8,803.15
834100	MTCE-COMP STA EQUIP	70,442.23	89,404.07	104,444.73
835100	MTCE-M/R EQ-COMPR	2,162.02	10,518.79	2,911.32
836100	MTCE-PURIFICATION EQUIP	17,319.35	40,323.57	16,695.91
837100	MTCE-OTHER EQUIP	5,455.63	5,293.32	3,791.21
850100	OPR SUPV AND ENGR	191.82	-	2,540.77
851100	SYS CTRL/DSPTCH-GAS	20,982.61	26,667.62	19,425.23
856100	MAINS EXPENSES	29,444.05	39,106.07	40,135.66
860100	RENTS-GAS TRANS	-	15.00	1,169.74
863100	MTCE-GAS MAINS-TRANS	36,903.45	47,675.50	20,112.57
871100	DISTR LOAD DISPATCH	29,863.54	31,349.95	27,287.51
874001	OTHER MAINS/SERV EXP	61,694.86	53,355.54	37,424.49
874002	LEAK SUR-DIST MN/SVC	83,084.85	44,881.81	67,619.12
874005	CHEK STOP BOX ACCESS	127,490.19	177,060.29	158,838.66
874006	PATROLLING MAINS	718.38	1,711.78	(200.00)
874007	CHEK/GREASE VALVES	7,549.41	14,641.11	3,303.22
874008	OPR-ODOR EQ	6,359.63	5,951.55	8,913.90
875100	MEAS/REG STA-GENERAL	70,353.25	74,185.39	71,072.00
876100	MEAS/REG STA-INDUSTRIAL	7,151.15	9,508.36	11,002.13
877100	MEAS/REG STA-CITY GATE	6,752.52	17,533.73	(9,956.66)
878100	METER/REG EXPENSE	10,870.89	12,951.80	6,950.34
879100	CUST INSTALL EXPENSE	27,827.12	34,048.02	33,396.64
880100	OTH GAS DISTR EXPENSE	230,592.78	299,645.97	327,507.60
880900	OTH GAS DISTR EXPENSE - INDIRECT	8,011.50	26,647.73	(124,468.73)
881100	RENTS-GAS DISTR	100.00	15.00	831.04
886100	MTCE-GAS DIST STRUCT	39,619.74	46,394.41	48,205.70
887100	MTCE-GAS MAINS-DISTR	649,337.78	689,747.40	650,268.12
889100	MTCE-M/R STA EQ-GENL	11,205.92	3,577.36	4,566.80
890100	MTCE-M/R STA EQ-INDL	(3,768.23)	4,099.62	4,381.84
891100	MTCE-M/R ST EQ-CITY GATE	17,962.14	10,917.87	23,165.23
892100	MTCE-OTH SERVICES	91,275.04	112,471.93	119,450.80
894100	MTCE-OTHER EQUIP	31,613.79	26,027.69	20,895.79
901001	SUPV-CUST ACCTS	105,165.38	105,302.78	112,915.84
901900	SUPV-CUST ACCTS - INDIRECT	52,252.46	28,413.33	32,350.40
902001	METER READ-SERV AREA	305,427.47	265,262.15	305,194.52
902002	METER READ-CLER/OTH	1,615.20	955.85	1,555.75
902003	METER READ-DIST 25	-	-	-
902900	METER READ-SERV AREA - INDIRECT	-	-	-
903001	AUDIT CUST ACCTS	58,109.18	92,065.04	82,695.93
903002	BILL SPECIAL ACCTS	-	-	-
903003	PROCESS METER ORDERS	30,525.89	23,890.41	110,394.88
903006	CUST BILL/ACCTG	7,421.10	16,820.53	13,041.02
903007	PROCESS PAYMENTS	51,137.53	25,031.67	39,680.21
903008	INVEST THEFT OF SVC	17,025.91	18,849.77	18,402.44
903012	PROC CUST CNTRT/ORDR	15,146.97	12,892.11	16,962.51
903013	HANDLE CREDIT PROBS	122.34	-	-
903022	COLL OFF-LINE BILLS	47,016.83	33,679.84	56,068.41
903023	PROC BANKRUPT CLAIMS	2,714.43	1,352.44	1,553.80

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>31-JUL-09</b>	<b>31-AUG-09</b>	<b>30-SEP-09</b>
903025	MTCE-ASST PROGRAMS	6,313.70	8,407.21	8,073.53
903030	PROC CUST REQUESTS	272,974.38	174,724.61	55,041.31
903031	PROC CUST PAYMENTS	10,591.07	10,493.47	9,559.28
903032	DELIVER BILLS-REG	167,146.02	161,919.95	167,759.71
903035	COLLECTING-OTHER	9,426.51	10,593.57	11,096.13
903036	CUSTOMER COMPLAINTS	2,190.42	61.60	75.24
903038	MISC CASH OVERAGE/SHORTAGE	53.81	336.06	(0.77)
903902	BILL SPECIAL ACCTS - INDIRECT	2,644.76	1,811.88	1,973.63
903903	PROCESS METER ORDERS - INDIRECT	-	-	-
903906	CUST BILL/ACCTG - INDIRECT	6,120.28	4,200.97	6,325.06
903907	PROCESS PAYMENTS - INDIRECT	1,288.83	30,026.80	50,140.99
903909	PROC EXCEPTION PMTS - INDIRECT	1,243.93	782.00	1,082.80
903912	PROC CUST CNTRT/ORDR - INDIRECT	21,000.44	19,827.33	20,698.19
903930	PROC CUST REQUESTS - INDIRECT	128,194.19	108,209.75	190,985.86
903931	PROC CUST PAYMENTS - INDIRECT	8,515.51	9,782.46	9,017.80
903936	CUSTOMER COMPLAINTS - INDIRECT	16,076.01	15,583.33	16,982.99
904001	UNCOLLECTIBLE ACCTS	1,219,686.40	59,205.61	470,227.94
904002	UNCOLLECTABLE ACCTS - WHOLESALE	4,998.25	-	-
904003	UNCOLL ACCTS - A/R MISC	-	-	86,809.00
905001	MISC CUST SERV EXP	42,211.14	41,158.25	43,428.10
905002	MISC CUST BILL/ACCTG	2,474.71	926.40	3,120.35
905003	MISC COLLECTING EXP	6,795.05	6,301.73	7,184.97
907001	SUPV-CUST SER/INFO	5,113.53	5,805.17	3,912.55
907900	SUPV-CUST SER/INFO - INDIRECT	11,019.16	11,578.99	12,124.92
908001	CUST MKTG/ASSIST	-	-	-
908004	DSM - ENERGY AUDIT	-	-	-
908005	DSM CONSERVATION PROG	1,010,976.82	2,427,633.20	1,050,586.72
908006	DSM - HVAC	-	-	-
908007	DSM - CONSERVATION	-	-	-
908009	MISC MARKETING EXP	-	-	-
908010	DSM CONSERVATION PROG - OFFSET	-	-	-
908901	CUST MKTG/ASSIST - INDIRECT	9,712.66	12,870.75	11,675.61
908902	RES CONS/ENG ED PROG - INDIRECT	16,500.00	16,500.00	16,500.00
908909	MISC MARKETING EXP - INDIRECT	4,420.82	1,348.46	2,318.72
909004	MISC CUST COM-SER/IN	-	-	1,750.70
909005	MEDIA RELATIONS	723.27	-	-
909010	PRINT ADVER-SER/INFO	3,644.40	-	9,093.40
909013	SAFETY PROGRAMS	11,061.74	6,228.57	18,253.75
910001	MISC CUST SER/INFO	16,944.50	16,642.72	839,807.18
910900	MISC CUST SER/INFO - INDIRECT	-	88,625.00	-
912003	GEN MKTG AND MKTG PGMS	7,959.90	-	-
913012	OTH ADVER-SALES	4,843.35	4,788.50	5,151.00
920100	OTHER GENERAL AND ADMIN SALARIES	220,247.26	230,444.36	653,322.32
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	1,232,706.47	1,267,337.77	1,838,598.83
920901	OFFICERS SALARIES- INDIRECT	-	-	-
921001	EXP-OFFICERS/EXEC	-	75.34	-
921002	EXP-GEN OFFICE EMPL	18,858.55	9,031.38	7,252.47
921003	GEN OFFICE SUPPL/EXP	82,800.72	104,798.39	97,003.45

Louisville Gas & Electric Company  
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Account Number	Account Description	31-JUL-09	31-AUG-09	30-SEP-09
921004	OPR-GEN OFFICE BLDG	67,680.54	57,388.20	64,894.15
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	59,526.90	73,704.98	35,049.10
921903	GEN OFFICE SUPPL/EXP - INDIRECT	192,810.25	228,965.66	229,181.66
922001	A/G SAL TRANSFER-CR	(130,944.68)	(134,689.25)	(223,860.02)
922002	OFF SUPP/EXP TRAN-CR	(37,950.94)	(40,989.66)	(36,423.73)
922003	TRIMBLE CTY TRAN-CR	(54,337.24)	(62,073.14)	(73,379.30)
923100	OUTSIDE SERVICES	202,233.90	363,385.69	278,678.75
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	65,891.67	65,891.67	65,891.67
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	1,250.00	1,250.00	1,250.00
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	-	381.60	-
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	5,720.00	-	-
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	700.00	700.00	700.00
923900	OUTSIDE SERVICES - INDIRECT	163,379.38	92,709.74	160,422.89
924100	PROPERTY INSURANCE	293,962.09	291,195.22	291,195.22
925001	PUBLIC LIABILITY	120,538.08	107,669.66	(7,163.58)
925002	WORKERS COMP EXPENSE - BURDENS	(104,969.73)	62,156.07	95,810.04
925003	AUTO LIABILITY	8,101.79	959.34	550.00
925004	SAFETY AND INDUSTRIAL HEALTH	11,606.82	6,365.16	4,470.21
925100	OTHER INJURIES AND DAMAGES	456.80	512.45	28.17
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	808.48	776.18	1,087.13
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	81.16	17.75	27.25
926001	TUITION REFUND PLAN	10,921.53	20,469.57	14,541.76
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	27,625.31	4,758.89	671.08
926003	MEDICAL INSURANCE EXPENSE - BURDENS	584,775.74	580,080.38	579,268.74
926004	DENTAL INSURANCE EXPENSE - BURDENS	40,155.70	19,158.71	16,305.54
926005	LONG TERM DISABILITY EXPENSE - BURDENS	35,965.59	(13,125.85)	(20,059.29)
926019	OTHER BENEFITS EXPENSE - BURDENS	82,529.94	98,605.36	106,382.45
926100	EMPLOYEE BENEFITS - NON-BURDEN	4,516.59	5,386.20	(23,960.38)
926101	PENSIONS EXPENSE - BURDENS	1,622,938.73	1,670,743.45	1,765,374.19
926102	401K EXPENSE - BURDENS	212,116.98	183,738.46	181,791.94
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	32,446.81	32,753.08	32,964.91
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	219,668.80	225,201.13	233,909.95
926110	EMPLOYEE WELFARE	4,015.97	8,183.21	6,565.33
926116	RETIREMENT INCOME EXPENSE - BURDENS	27,796.33	30,578.06	30,954.73
926117	PENSION INTEREST EXPENSE - BURDENS	295,800.89	292,581.19	340,189.29
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	317,559.69	322,566.63	338,688.88
926901	TUITION REFUND PLAN - INDIRECT	9,969.81	9,085.92	9,368.09
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	10,668.70	10,240.95	14,346.74
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	160,187.61	153,764.52	215,414.62
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	11,101.79	10,656.50	14,929.15
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	12,170.00	11,682.14	16,365.87
926911	PENSIONS EXPENSE - BURDENS INDIRECT	219,492.80	210,691.72	295,166.16
926912	401K EXPENSE - BURDENS INDIRECT	71,821.71	68,941.86	96,583.25
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	8,098.93	7,774.27	10,891.12
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	27,876.76	26,759.15	37,487.85
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	6,178.90	5,931.18	8,309.05
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	5,399.31	5,182.81	7,260.81
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	6,712.98	6,443.95	9,027.46

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>31-JUL-09</b>	<b>31-AUG-09</b>	<b>30-SEP-09</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	9,571.51	9,187.68	12,871.28
927001	ELEC SUPPL W/O CH-DR	-	-	-
927003	CITY OF LOU GAS FRAN	46,570.43	46,570.43	45,068.16
928002	REG UPKEEP ASSESSMTS	64,677.00	63,988.13	250,229.46
928003	AMORTIZATION OF RATE CASE EXPENSES	27,658.33	27,562.49	27,562.49
929001	FRANCHISE REQMTS-CR	-	-	-
929002	ELEC USED-ELEC DEPT	-	-	(131.25)
929003	GAS USED-GAS DEPT	586.95	(13,274.45)	12,799.79
929004	ELECTRICITY USED - OTHER DEPARTMENTS	-	-	-
930101	GEN PUBLIC INFO EXP	34,052.88	50,929.96	45,705.45
930191	GEN PUBLIC INFO EXP - INDIRECT	1,463.43	(128.73)	4,256.77
930201	MISC CORPORATE EXP	-	-	-
930202	ASSOCIATION DUES	175.00	(5,518.06)	(5,125.04)
930203	RESEARCH WORK	-	-	-
930207	OTHER MISC GEN EXP	4,582.90	(27.14)	263.53
930272	ASSOCIATION DUES - INDIRECT	-	-	354,385.92
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	198,013.22	1,092.96	1,061.32
930277	OTHER MISC GEN EXP - INDIRECT	-	2,560.00	-
930902	ASSOCIATION DUES - INDIRECT	-	-	(363,850.53)
930903	RESEARCH WORK - INDIRECT	(4,050.00)	-	-
930904	RESEARCH AND DEVELOPMENT EXPENSES	84.29	-	-
930907	OTHER MISC GEN EXP - INDIRECT	-	-	-
931004	RENTS-CORPORATE HQ	152,031.68	164,257.27	162,798.24
931100	RENTS-OTHER	-	-	-
935101	MTCE-GEN PLANT	38,542.23	328,461.53	(153,795.94)
935203	SOFTWARE MTCE AGREEMENTS	-	-	-
935391	MTCE-COMMUNICATION EQ - INDIRECT	123,877.29	100,600.89	144,561.18
935401	MTCE-OTH GEN EQ	55,026.59	11,330.00	(87,787.55)
935403	MNTC BONDABLE PROPERTY	-	-	-
935488	MTCE-OTH GEN EQ - INDIRECT	689,453.76	673,231.17	724,422.87
Total		<u>85,807,989.57</u>	<u>87,268,445.04</u>	<u>52,907,576.41</u>

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Account Number	Account Description	31-OCT-09	30-NOV-09	31-DEC-09
403011	DEPREC EXP - STEAM POWER GEN	5,558,099.04	5,558,392.17	5,326,637.60
403012	DEPREC EXP - HYDRO POWER GEN	49,731.82	49,731.82	49,731.82
403013	DEPREC EXP - OTH POWER GEN	702,125.43	702,125.43	702,125.43
403014	DEPREC EXP - TRANSMISSION	388,733.56	388,415.87	388,394.41
403015	DEPREC EXP - DISTRIBUTION	1,765,477.82	1,777,656.73	1,788,768.23
403016	GENERAL DEPRECIATION EXPENSE	51,558.46	51,579.63	51,600.80
403020	FUEL, LOCOMOTIVES, RAILCARS	-	-	-
403021	DEPREC. EXP. - UNDERGROUND - GAS	89,400.92	90,421.88	91,573.03
403022	DEPREC. EXP. - TRANSMISSION - GAS	4,575.88	4,578.56	4,574.00
403023	DEPREC. EXP. - DISTRIBUTION - GAS	1,088,220.49	1,109,535.14	1,129,690.25
403024	DEPREC. EXP. - GENERAL - GAS	30,288.80	30,288.80	30,346.20
403025	DEPREC. EXP. - COMMON	1,145,594.71	1,145,862.03	1,146,016.80
403026	DEPREC. EXP. - STEAM - ECR	-	-	-
403111	DEPREC EXP ARO STEAM	13,622.04	13,622.04	13,622.03
403112	DEPREC EXP ARO TRANSMISSION	1.55	1.55	1.55
403113	DEPREC EXP ARO OTHER PRODUCTION	207.05	207.05	207.05
403114	DEPREC EXP ARO HYDRO	41.34	41.34	41.34
403115	DEPREC EXP ARO DISTRIBUTION	30.51	30.51	30.51
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	5,093.36	707.72	707.72
403212	DEPREC EXP ARO GAS DISTRIBUTION	26.67	26.67	26.67
403213	DEPREC EXP ARO GAS TRANSMISSION	-	-	-
403311	DEPREC EXP ARO COMMON	2.86	2.86	2.86
404301	AMORT-INTANG GAS PLT	182,755.56	182,755.42	183,084.10
404401	AMT-EL INTAN PLT-RTL	274,133.33	274,133.13	274,626.17
404402	AMT-EL INTAN PLT-WHS	246,017.10	246,016.91	246,459.38
407401	REGULATORY CREDITS - GENERATION ACCRETION	(122,879.65)	(123,508.74)	(124,141.14)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(60.74)	(61.03)	(61.32)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(1,356.74)	(1,363.17)	(1,369.62)
407406	REGULATORY CREDITS - GAS ACCRETION	(39,622.69)	(37,861.27)	(38,036.50)
407407	REGULATORY CREDITS - COMMON ACCRETION	(134.51)	(135.15)	(135.79)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(13,870.43)	(13,870.43)	(13,870.42)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(1.55)	(1.55)	(1.55)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(30.51)	(30.51)	(30.51)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(5,120.03)	(734.39)	(734.39)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(2.86)	(2.86)	(2.86)
408101	TAX-NON INC-UTIL OPR	12,911.20	-	-
408102	REAL AND PERSONAL PROP. TAX	468,654.89	468,654.89	335,155.16
408103	KY PUBLIC SERVICE COMMISSION TAX	161,675.42	161,675.42	161,675.42
408105	FEDERAL UNEMP TAX	(1,116.95)	(22.20)	17,030.08
408106	FICA TAX	325,759.35	384,531.92	595,672.73
408107	STATE UNEMP TAX	(5,472.48)	(2,861.53)	(9,113.77)
408108	REAL AND PERSONAL PROP TAX - ECR	-	-	-
408195	FEDERAL UNEMP TAX - INDIRECT	1,369.87	1,397.46	1,219.41
408196	FICA TAX - INDIRECT	142,847.77	145,721.81	127,162.92
408197	STATE UNEMP TAX - INDIRECT	5,093.00	5,195.48	4,533.79
408202	TAX-NON INC-OTHER	199.00	199.00	199.00
409101	FED INC TAX-UTIL OPR	(665,135.75)	(400,777.86)	18,237,401.26
409102	KY ST INCOME TAXES	571,978.53	(507,418.31)	1,255,386.88

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<b>Account Number</b>	<b>Account Description</b>	<b>31-OCT-09</b>	<b>30-NOV-09</b>	<b>31-DEC-09</b>
409104	FED INC TAXES - EST	-	9,582.30	(9,582.30)
409105	ST INC TAXES - EST	-	1,747.52	(1,747.52)
409203	FED INC TAX-OTHER	1,236,824.51	400,777.85	(1,794,788.84)
409206	ST INC TAX-OTHER	225,560.70	73,090.18	(330,032.84)
409209	FED IN TAXES-OTH EST	-	(227,397.78)	227,397.78
409210	ST INC TAXES-OTH EST	-	(41,470.72)	41,470.72
410101	DEF FED INC TAX-OPR	1,985,279.24	(4,014,705.91)	12,823,458.79
410102	DEF ST INC TAX-OPR	58,428.31	(1,162,557.44)	2,003,207.62
410203	DEF FEDERAL INC TX	424,625.74	25,581.56	2,991,142.54
410204	DEF STATE INC TAX	77,178.39	-	508,422.23
411101	FED INC TX DEF-CR-OP	(1,655,086.04)	(5,719,532.94)	(28,245,874.89)
411102	ST INC TAX DEF-CR-OP	(273,805.62)	(454,387.25)	(2,597,105.06)
411150	ACCRETION EXPENSE - GENERATION	122,879.65	123,508.74	124,141.14
411151	ACCRETION EXPENSE - TRANSMISSION	60.74	61.03	61.32
411155	ACCRETION EXPENSE - DISTRIBUTION	1,356.74	1,363.17	1,369.62
411156	ACCRETION EXPENSE - GAS	39,622.69	37,861.27	38,036.50
411157	ACCRETION EXPENSE - COMMON	134.51	135.15	135.79
411201	FD INC TX DEF-CR-OTH	399,346.97	9,656,577.59	(600,385.76)
411202	ST INC TX DEF-CR-OTH	73,090.18	1,765,743.82	(72,417.95)
411403	ITC DEFERRED	351,718.67	-	703,437.35
411404	AMORTIZATION OF ITC	(254,733.24)	(254,733.00)	(242,041.48)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	1,442.45	1,675.47	2,218.64
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	-	-	-
421201	LOSS-PROPERTY DISP	-	-	-
426101	DONATIONS	34,153.47	7,196.35	64,838.51
426191	DONATIONS - INDIRECT	2,565.00	3,540.00	(2,210.00)
426301	PENALTIES	-	(36,149.50)	6,000.00
426401	EXP-CIVIC/POL/REL	(649.50)	649.50	-
426491	EXP-CIVIC/POL/REL - INDIRECT	65,444.36	58,725.79	79,793.03
426501	OTHER DEDUCTIONS	64,710.59	27,255.58	158,106.05
426508	FOREIGN EXCHANGE LOSSES	-	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	(918,350.12)	(631,587.60)	1,221,960.94
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	(19,416.53)	19,416.53	(20,979,515.00)
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	-	-	20,979,515.00
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	475,334.00	30,730.00	-
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	274,406.73	420,079.13	208,589.84
426557	AMORT OF OCI-PCB JC2003A \$128M	(704,659.57)	645,159.91	(5,409.06)
426558	AMORT OF REG ASSET - SWAP TERMINATION	-	-	-
426591	OTHER DEDUCTIONS - INDIRECT	(7,729.66)	22,271.92	80,139.24
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-
427020	INT EXP-FMB LGE2010 \$250M 11/15	-	-	-
427021	INT EXP-FMB LGE2010 \$285M 11/40	-	-	-
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	145,312.50	145,312.50	145,312.50
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	-	-	-
427127	INT EXP-PCB TC2007A \$60M 06/33	230,000.00	230,000.00	230,000.00
427128	INT EXP-PCB JC2000A \$25M 05/27	111,979.17	111,979.17	111,979.17
427129	INT EXP-PCB TC2000A \$83.3M 08/30	20,509.66	17,778.12	16,852.18
427130	INT EXP-PCB JC2001A \$10.1M 09/27	1,947.83	1,891.70	2,082.56

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427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	374,369.93	351,692.25	399,468.18
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	96,007.66	90,001.05	102,436.12
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	95,676.98	98,228.28	93,547.56
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	97,054.76	90,980.61	103,550.79
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	-	-	-
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	-	-	-
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	-	-	-
427180	INT EXP-PCB JC2001A \$22.5M 9/26	18,154.12	17,568.49	11,897.26
427181	INT EXP-PCB TC2001A \$27.5M 9/26	21,020.55	20,342.46	21,020.55
427182	INT EXP-PCB JC2001B \$35M 11/27	30,876.71	28,767.12	24,212.33
427183	INT EXP-PCB TC2001B \$35M 11/27	30,876.70	28,767.11	24,212.33
427189	INT EXP-PCB TC2002A \$41.665M 10/32	9,094.39	8,595.56	7,964.29
427190	INT EXP-PCB JC2003A \$128M	736,993.96	(688,312.42)	-
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	191,666.67	191,666.67	191,666.67
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	(515,452.00)	(41,420.00)	(81,242.00)
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-
428020	AM EXP-FMB LGE2010 \$250M 11/15	-	-	-
428021	AM EXP-FMB LGE2010 \$285M 11/40	-	-	-
428031	AM EXP \$35.2M 6/33	-	-	-
428035	AM EXP-PCB TC2007A \$60M 6/33	3,932.70	3,932.70	3,932.70
428059	AM EXP-PCB JC2001A \$10.1M 9/27	1,699.28	1,699.28	1,699.38
428076	AM EXP-PCB TC2000A \$83M 8/30	3,225.53	3,225.53	3,225.61
428080	AM EXP-PCB JC2001A \$22.5M 9/26	826.99	826.99	826.99
428081	AM EXP-PCB TC2001A \$27.5M 9/26	899.17	899.17	899.17
428082	AM EXP-PCB JC2001B \$35M 11/27	916.27	916.27	916.27
428083	AM EXP-PCB TC2001B \$35M 11/27	916.42	916.42	916.42
428089	AM EXP-PCB TC2002A \$41.665M 10/32	3,101.71	3,101.71	3,101.78
428091	AM EXP-PCB LM/JC2003A \$128M	-	-	-
428104	AM LOSS-1985J \$25M 07/95	2,625.01	2,625.01	2,625.01
428107	AM LOSS-FMB \$25M 10/09	-	-	-
428108	AM LOSS-1976B \$35.2M 09/06	1,825.99	1,825.99	1,825.99
428109	AM LOSS-1975A \$31M 09/00	956.00	956.00	956.00
428110	AM LOSS-1987A \$60M 08/97	8,582.00	8,582.00	8,582.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	6,752.00	6,752.00	6,752.00
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	11,975.01	11,975.01	11,975.01
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	2,042.88	2,042.88	2,042.95
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	3,037.59	3,037.59	3,037.59
428128	AM LOSS-PCB JC2000A \$25M 05/27	3,071.40	3,071.40	3,071.40
428130	AM LOSS-PCB JC1992A \$31M 09/17	413.87	413.87	413.87
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	234.39	234.39	234.39
428135	AM LOSS REACQ \$60M 6/33	547.29	547.29	547.29
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	6,452.00	6,452.00	6,452.00
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	5,450.01	5,450.01	5,450.01
428182	AM LOSS-PCB JC1997A \$35M 11/27	4,088.00	4,088.00	4,088.00
428183	AM LOSS-PCB TC1997A \$35M 11/27	4,072.00	4,072.00	4,072.00
428189	AM LOSS-TC1990B \$41.665M 10/20	4,651.00	4,651.00	4,651.00
428191	AM LOSS-JC1993B \$26M 11/03	15,859.00	15,859.00	15,859.00
428192	AM LOSS-LM/JC2003A \$128M 10/33	10,098.55	10,098.55	10,098.63



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428194	AM LOSS-JC1995A \$40M 11/05	3,904.00	3,904.00	3,904.00
428195	AM LOSS REACQ PRE STK 5.875	(127,859.16)	127,859.16	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	4,133.04	4,133.04	4,133.04
428220	AM DISC-FMB LGE2010 \$250M 11/15	-	-	-
428221	AM DISC-FMB LGE2010 \$285M 11/40	-	-	-
430002	INT-DEBT TO ASSOC CO	(37,594.72)	93,553.33	27,695.94
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	2,220,150.00	2,220,149.99	2,220,150.02
431002	INT-CUST DEPOSITS	83,030.11	97,000.00	368,085.88
431004	INT-OTHER TAX DEFNCY	-	-	(2,027.00)
431008	INT-DSM COST RECOVER	4,647.33	3,217.24	1,900.99
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	-	-	42.82
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	63,084.38	32,346.63	32,837.80
500100	OPER SUPER/ENG	77,009.25	62,348.98	(32,722.13)
500900	OPER SUPER/ENG - INDIRECT	51,273.34	132,794.49	89,952.64
501001	FUEL-COAL - TON	20,112,486.58	21,670,641.80	23,970,365.49
501004	FUEL COAL - TO SOURCE UTILITY OSS	-	-	-
501005	FUEL COAL - OSS	426.75	-	-
501006	FUEL COAL - OFFSET	(6,233,326.25)	(7,542,116.94)	(6,403,608.10)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	6,232,899.51	7,542,116.94	6,403,608.10
501020	START-UP OIL -GAL	-	158,940.89	77,285.27
501022	STABILIZATION OIL - GAL	-	165,429.12	172,021.35
501026	COAL RESALE EXPENSES	14,171.36	14,071.81	37,106.66
501090	FUEL HANDLING	493,359.85	368,956.72	595,811.56
501091	FUEL SAMPLING AND TESTING	-	-	-
501100	START-UP GAS - MCF	229,245.62	243,398.59	169,946.55
501102	STABILIZATION GAS - MCF	188,508.85	161,376.49	242,283.03
501200	BOTTOM ASH DISPOSAL	67,990.23	101,054.22	175,906.16
501201	PLANT-ECR BOTTOM ASH DISPOSAL	171,471.15	171,471.17	171,471.15
501202	BOTTOM ASH PROCEEDS	(397.50)	-	(620.66)
501250	FLY ASH PROCEEDS	-	-	232,288.17
501251	FLY ASH DISPOSAL	-	10,387.00	(27,356.57)
501990	FUEL HANDLING - INDIRECT	71,703.28	45,377.08	110,097.18
502001	OTHER WASTE DISPOSAL	274,906.48	340,944.51	(340,585.43)
502002	BOILER SYSTEMS OPR	653,925.81	671,682.47	681,437.72
502003	SDRS OPERATION	-	-	-
502004	SDRS-H2O SYS OPR	241,413.38	228,105.74	242,063.56
502005	SLUDGE STAB SYS OPR	73,116.80	45,335.84	43,361.04
502006	SCRUBBER REACTANT EX	1,046,007.39	1,237,025.45	1,586,101.38
502022	OTHER WASTE DISPOSAL - OSS	6.47	-	-
502023	OTHER WASTE DISPOSAL - OFFSET	(6.47)	-	-
502025	SCRUBBER REACTANT - OSS	94.17	-	-
502026	SCRUBBER REACTANT - OFFSET	(94.17)	-	-
502056	ECR SCRUBBER REACTANT EX	-	-	-
502100	STM EXP(EX SDRS.SPP)	379,865.72	427,785.85	295,603.50
502900	STM EXP(EX SDRS.SPP) - INDIRECT	2,363.83	2,004.17	4,092.08
504001	STEAM XFERRED - CR - PROJECT USE	-	-	-
505100	ELECTRIC SYS OPR	58,153.27	77,888.82	73,874.75
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	-	-	-

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506100	MISC STM PWR EXP	1,577,651.80	1,297,930.31	1,443,721.76
506104	NOX REDUCTION REAGENT	191,065.38	163,138.92	233,837.58
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	5,722.96	7,240.29	8,792.93
506107	SCR/NOX - OSS	-	-	-
506108	SCR/NOX - OFFSET	-	-	-
506109	SORBENT INJECTION OPERATION	14,638.08	39,014.23	33,812.92
506150	ECR MERCURY MONITORS OPERATIONS	-	-	-
506151	ECR ACTIVATED CARBON	-	-	-
506152	ECR SORBENT REACTANT - REAGENT ONLY	-	-	-
506154	ECR NOX REDUCTION REAGENT	-	-	-
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	-	-	-
506159	ECR SORBENT INJECTION OPERATION	-	-	-
506900	MISC STM PWR EXP - INDIRECT	-	-	-
507100	RENTS-STEAM	-	-	-
509002	SO2 EMISSION ALLOWANCES	89.49	93.61	89.77
509003	NOX EMISSION ALLOWANCES	-	0.69	-
509007	EMISSION ALLOWANCES - OSS	-	-	-
509008	EMISSION ALLOWANCES - OFFSET	-	-	-
510100	MTCE SUPER/ENG - STEAM	10,276.87	299,718.31	605,448.49
511100	MTCE-STRUCTURES	356,831.75	319,716.95	536,165.48
512005	MAINTENANCE-SDRS	595,963.41	610,951.50	629,171.45
512011	INSTR/CNTRL-ENVRNL	-	-	-
512015	SDRS-COMMON H2O SYS	21,836.36	19,266.02	93,823.93
512017	MTCE-SLUDGE STAB SYS	131,723.61	100,604.38	128,309.59
512051	ECR INSTR/CNTRL-ENVRNL	-	-	-
512055	ECR MAINTENANCE-SDRS	-	-	-
512100	MTCE-BOILER PLANT	3,148,073.58	3,230,195.73	5,010,657.36
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	45,507.47	20,379.59	146,289.31
512102	SORBENT INJECTION MAINTENANCE	58.08	72.61	-
512103	MERCURY MONITORS MAINTENANCE	-	-	-
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	-	-	-
512152	ECR SORBENT INJECTION MAINTENANCE	-	-	-
512153	ECR MERCURY MONITORS MAINTENANCE	-	-	-
513100	MTCE-ELECTRIC PLANT	2,625,245.96	227,105.47	216,538.25
513900	MTCE-ELECTRIC PLANT - BOILER	8,800.64	5,731.36	2,311.43
514100	MTCE-MISC/STM PLANT	199,994.35	194,238.51	154,636.66
535100	OPER SUPER/ENG-HYDRO	13,029.42	6,987.21	6,156.59
536100	WATER FOR POWER	3,221.95	3,221.95	3,221.90
538100	ELECTRIC EXPENSES - HYDRO	15,954.46	12,220.67	11,535.42
539100	MISC HYD PWR GEN EXP	8,181.18	6,905.77	5,648.56
540100	RENTS-HYDRO	36,354.77	37,603.31	36,184.40
541100	MTCE-SUPER/ENG - HYDRO	-	-	-
542100	MAINT OF STRUCTURES - HYDRO	27,754.57	15,729.55	51,252.35
543100	MTCE-RES/DAMS/WATERW	11,750.16	9,574.93	27,835.91
544100	MTCE-ELECTRIC PLANT	27,427.50	31,954.88	1,004.48
546100	OPER SUPER/ENG - TURBINES	2,297.32	1,973.82	2,138.18
547030	FUEL-GAS - MCF	255,125.88	136,551.16	697,423.16
547040	FUEL-OIL - GAL	-	-	-

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547051	FUEL - TO SOURCE UTILITY OSS	-	-	-
547052	FUEL - OSS	109.71	-	10,686.02
547053	FUEL - OFFSET	(16,916.84)	(20,511.37)	(429,470.00)
547054	FUEL - TO SOURCE UTILITY RETAIL	16,807.13	20,511.37	418,783.98
547056	FUEL - GAS - INTRACOMPANY	56,505.26	56,209.53	106,130.96
548100	GENERATION EXP	8,363.06	7,248.07	7,732.16
549002	AIR QUALITY EXPENSES	864.06	864.06	864.06
549003	NOX EMISSION ALLOWANCES	-	3.45	-
549100	MISC OTH PWR GEN EXP	2,963.13	1,751.00	3,047.30
550100	RENTS-OTH PWR	-	-	-
551100	MTCE-SUPER/ENG - TURBINES	182.27	3,881.35	4,929.87
552100	MTCE-STRUCTURES - OTH PWR	382.00	7,049.64	7,044.70
553100	MTCE-GEN/ELECT EQ	(109,826.72)	31,622.75	(121,541.53)
554100	MTCE-MISC OTH PWR GEN	13,251.15	25,723.09	32,467.37
555006	MISO DAY 2 PURCHASED POWER - OSS	-	-	4,007.30
555007	MISO DAY 2 PURCHASED POWER - NL	-	355.00	2,000.50
555010	OSS POWER PURCHASES	17,593.63	16,383.97	31,436.94
555015	NL POWER PURCHASES - ENERGY	1,567,936.60	1,502,111.03	1,976,717.76
555016	NL POWER PURCHASES - DEMAND	1,326,125.46	1,375,136.01	1,490,851.83
555020	OSS I/C POWER PURCHASES	2,145,905.60	1,463,905.71	2,397,083.98
555025	NL I/C POWER PURCHASES	522.94	-	62,781.57
556100	SYS CTRL / DISPATCHING	-	-	-
556900	SYS CTRL / DISPATCHING - INDIRECT	130,024.84	129,028.75	113,646.95
557100	OTH POWER SUPPLY EXP	2,785.57	3,924.59	3,478.02
557110	MARKET FEES - NATIVE LOAD	-	-	-
557111	MARKET FEES - OFF SYSTEM SALES	3,805.63	3,612.30	6,305.63
557206	MISO DAY 2 OTHER - NATIVE LOAD	20,319.68	(20,310.17)	442.19
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	15,712.96	9,373.12	16,044.92
557208	RTO OTHER (NON-MISO) - NL	2.66	1.93	(836.21)
557209	RTO OTHER (NON-MISO) - OSS	(195.35)	(98.41)	(550.72)
557211	RTO OPERATING RESRV (NON-MISO) - NL	70.56	25.00	957.08
557212	RTO OPERATING RESRV (NON-MISO) - OSS	33,342.47	18,596.47	47,847.92
558001	ELEC DEPT USE-CR	(213,356.00)	(329,810.00)	(416,286.00)
558002	OTHER DEPT USE-CR	(19,179.51)	(20,895.27)	(32,724.71)
560100	OP SUPER/ENG-SSTOPER	2,100.99	892.36	1,418.83
560900	OP SUPER/ENG-SSTOPER - INDIRECT	46,309.06	33,799.78	31,386.94
561100	LOAD DISPATCH-WELOB	3,102.88	2,327.17	3,192.58
561190	LOAD DISPATCH - INDIRECT	14,158.84	13,591.47	9,903.02
561402	MISO DAY 1 SCH 10 - RESERVE	-	-	-
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	52.36	-	4.59
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	26,682.91	21,789.57	24,881.46
561601	TRANSMISSION SERVICE STUDIES	14,327.01	(14,327.01)	-
561802	MISO DAY 1 SCH 10 - RESERVE	-	-	-
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	3.76	-	0.33
561900	LOAD DISPATCH-WELOB - INDIRECT	26,837.18	24,594.36	23,253.90
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	31,948.68	21,797.88	21,193.35
562100	STA EXP-SUBST OPER	143,644.99	212,124.17	89,286.15
563100	OTHER INSP-ELEC TRAN	15,240.25	13,509.43	1,867.02

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565002	TRANSMISSION ELECTRIC OSS	1,058.37	529.19	1,501.81
565005	TRANSMISSION ELECTRIC NATIVE LOAD	558.48	178.76	1,789.83
565006	TRANSMISSION ELECTRIC OSS - MISO	512,712.56	(512,614.57)	544.44
565014	INTERCOMPANY TRANSMISSION EXPENSE	230,347.53	182,211.95	238,261.09
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	-	-	-
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	-	-	-
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	1,420.58	96.68	6,702.80
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	-	-	-
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	-	-	-
566100	MISC TRANS EXP-SSTMT	47,775.40	61,952.87	57,116.37
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	18,334.00	18,334.00	18,334.00
566140	INDEPENDENT OPERATOR	35,617.00	262,193.00	147,780.00
566150	EKPC DEPANCAKING SETTLEMENT	13,970.00	13,970.00	13,970.00
566151	KMPA MISO CHARGES	-	-	-
566900	MISC TRANS EXP-SSTMT - INDIRECT	29,271.25	32,691.45	102,237.09
567100	RENTS-ELEC/SUBSTATION OPERATIONS	-	500.00	2,358.09
569100	MTCE-STRUCT-SSTMTCE	1,085.85	1,296.23	1,768.26
569101	MAINTENANCE OF COMPUTER HARDWARE	-	-	-
570100	MTCE-ST EQ-SSTMTCE	83,669.35	137,418.51	136,497.24
571100	MTCE OF OVERHEAD LINES	(71,094.09)	293,850.00	90,093.32
573100	MTCE-MISC TR PLT-SSTMT	60.69	-	254.92
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	5,415.54	5,378.70	5,586.53
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	8,660.61	8,660.61	8,660.61
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	43,822.70	43,821.03	43,829.66
575704	MISO DAY 1 SCH 10 - RESERVE	(0.01)	-	-
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	55,783.45	55,781.65	55,781.81
580100	OP SUPER/ENG-SSTOPER	97,747.70	98,223.16	90,053.28
580900	OP SUPER/ENG-SSTOPER - INDIRECT	18,295.51	14,423.96	9,382.39
581900	SYS CTRL/SWITCH-DIST - INDIRECT	39,426.72	32,844.13	29,900.17
582100	STATION EXP-SSTOPER	60,254.18	113,627.27	75,994.71
583001	OPR-O/H LINES	82,015.43	50,847.65	114,418.85
583003	O/H LOAD/VOLT TEST	-	-	-
583005	CUST COMPL RESP-O/H	112,785.89	107,250.65	98,616.06
583008	INST/REMV TRANSF/REG	2,514.45	657.40	1,610.14
583009	INSPC O/H LINE FACIL	20,520.36	14,654.80	58,732.77
583010	LOC O/H ELEC FAC-BUD	51,017.27	54,416.02	40,022.14
583100	O/H LINE EXP-SSTOPER	17,805.86	23,320.11	21,787.06
584001	OPR-UNDERGRND LINES	8,059.47	(6,625.81)	11,713.53
584002	INSPC U/G LINE FACIL	10,744.74	-	11,413.27
584003	LOAD/VOLT TEST-U/G	-	-	-
584005	RESP-U/G CUST COMPL	2,752.41	2,542.20	1,689.87
584008	INST/RMV/REPL TRANSF	8,427.80	7,997.35	7,705.86
585100	STREET LIGHTING AND SIGNAL SYST EXP	995.01	3,020.36	588.73
586100	METER EXP	587,324.59	506,632.46	496,031.49
586900	METER EXP - INDIRECT	27.72	27.69	32.89
587100	CUST INSTALLATION EXP	(16,032.03)	(13,328.92)	(13,465.22)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	254,254.37	222,363.43	238,171.06
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	31,368.22	23,211.06	22,842.39

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589100	RENTS-DISTR / SUBSTAT OPER	-	-	1,945.28
590100	MTCE/SUPER/ENG-SSTMT	(1,688.16)	207.38	535.10
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	-	-	-
591003	MTCE-MISC STRUCT-DIS	67,926.14	51,934.58	94,555.00
592100	MTCE-ST EQ-SSTMTCE	(3,509.53)	108,370.36	90,923.41
593001	MTCE-POLE/FIXT-DISTR	97,851.59	88,192.94	114,519.32
593002	MTCE-COND/DEVICE-DIS	102,534.31	253,726.57	174,444.12
593003	MTCE-SERVICES	-	-	1,345.54
593004	TREE TRIMMING	284,649.19	306,141.79	378,789.19
593005	MINOR EXEMPT EXPENSE	284.56	19,438.60	84,101.13
594002	MTCE-U/G COND ETC	(46,235.57)	175,133.57	151,192.10
595100	MTCE-TRANSF/REG	4,243.36	38,497.72	19,385.01
596100	MTCE OF STREET LIGHTING AND SIGNALS	14,816.16	58,867.26	13,775.51
598100	MTCE OF MISC DISTRIBUTION PLANT	23,359.81	26,043.53	45,796.69
803001	GAS TRANS LINE PURCH	18,174,760.21	12,537,894.82	20,480,347.33
803002	PURCHASED GAS REFUND	-	-	-
803003	GAS COST ACTUAL ADJ	99,810.63	(2,031,370.08)	(764,703.89)
803004	GAS COST BALANCE ADJ	(27,687.57)	(23,481.76)	26,345.49
803006	PURCHASED GAS - WHOLESALE SALES	-	-	1,036,790.56
803007	WHOLESALE SALES MARGIN	-	-	(50,688.69)
803008	ACQ AND TRANS INCENTIVE	-	-	(755,292.00)
803009	PBR RECOVERY	95,620.29	172,850.65	401,130.33
806001	EXCHANGE GAS	573,878.53	(182,520.30)	3,103,608.19
807001	PURCH GAS CALC EXP	-	-	-
807002	OTHER PURCH GAS EXP	-	-	-
807003	GAS PROCUREMENT EXP	-	-	6,200.00
807401	PURCH GAS CALC EXP	2,294.91	2,142.90	2,325.87
807501	OTHER PURCH GAS EXP	1,377.52	-	-
807502	GAS PROCUREMENT EXP	47,760.66	49,315.20	46,149.80
808101	GAS W/D FROM STOR-DR	5,056.90	3,210,981.56	11,018,657.08
808201	GAS DELD TO STOR-CR	(10,035,068.99)	(579,438.19)	(947,995.56)
810001	GAS-COMP STA FUEL-CR	(466.21)	(1,898.23)	(206,573.63)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	-	-	-
812020	GAS-CITY GATE-CR	(168.35)	(8.52)	(235.66)
812030	GAS-OTH DEPT-CR	(1,285.09)	(150.62)	(243.25)
813001	OTH GAS SUPPLY EXP	1,377.54	-	-
814003	SUPV-STOR/COMPR STA	39,761.08	37,354.44	39,715.83
816100	WELLS EXPENSE	2,854.47	3,947.51	3,164.49
817100	LINES EXPENSE	41,811.61	39,630.92	43,215.92
818100	COMPR STATION EXP	89,886.21	107,210.08	137,195.49
819100	COMPR STA FUEL-U/G	466.21	1,879.10	166,518.52
821100	PURIFICATION EXP	70.96	24,202.04	217,906.98
823100	GAS LOSSES	238,656.32	263,896.51	228,814.84
824100	OPR-U/G STO/COMPR	1,244.87	(413.36)	1,244.87
825100	ROYALTIES	1,742.17	4,025.02	1,000.00
826100	RENTS-STORAGE FIELDS	3,461.45	5,636.32	(49.00)
830100	MTCE SUPRV AND ENGR - STOR COMPR	26,561.23	25,727.07	29,552.05
832100	MTC-RESERVOIRS/WELLS	67,808.76	(36,949.50)	8,977.08

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833100	MTCE-LINES	15,588.56	10,088.75	33,798.40
834100	MTCE-COMP STA EQUIP	77,247.36	99,451.35	106,839.23
835100	MTCE-M/R EQ-COMPR	2,585.99	2,542.61	991.21
836100	MTCE-PURIFICATION EQUIP	28,352.42	1,767.93	30,149.41
837100	MTCE-OTHER EQUIP	1,702.16	5,306.81	8,108.14
850100	OPR SUPV AND ENGR	0.84	-	614.70
851100	SYS CTRL/DSPTCH-GAS	20,358.15	18,926.63	20,713.66
856100	MAINS EXPENSES	32,501.23	18,765.89	31,958.60
860100	RENTS-GAS TRANS	-	717.03	-
863100	MTCE-GAS MAINS-TRANS	99,619.59	69,437.45	396,515.92
871100	DISTR LOAD DISPATCH	28,753.30	27,247.50	29,420.44
874001	OTHER MAINS/SERV EXP	58,551.28	44,595.74	55,331.89
874002	LEAK SUR-DIST MN/SVC	20,381.77	32,483.61	3,233.15
874005	CHEK STOP BOX ACCESS	147,837.28	216,798.35	325,972.49
874006	PATROLLING MAINS	3,200.00	(2,939.59)	(11,618.61)
874007	CHEK/GREASE VALVES	9,166.98	5,091.60	404.88
874008	OPR-ODOR EQ	73,755.72	9,522.06	5,181.89
875100	MEAS/REG STA-GENERAL	78,956.30	71,838.25	40,520.61
876100	MEAS/REG STA-INDUSTRIAL	12,764.59	15,577.95	38,319.98
877100	MEAS/REG STA-CITY GATE	6,147.63	3,227.74	4,387.45
878100	METER/REG EXPENSE	5,620.16	4,623.98	3,757.40
879100	CUST INSTALL EXPENSE	38,386.81	33,097.31	40,143.95
880100	OTH GAS DISTR EXPENSE	276,457.99	362,368.09	372,730.11
880900	OTH GAS DISTR EXPENSE - INDIRECT	9,073.73	6,575.27	7,058.44
881100	RENTS-GAS DISTR	-	447.89	-
886100	MTCE-GAS DIST STRUCT	45,268.20	39,070.54	71,373.69
887100	MTCE-GAS MAINS-DISTR	723,814.98	577,931.36	634,573.68
889100	MTCE-M/R STA EQ-GENL	6,148.21	6,745.84	3,467.85
890100	MTCE-M/R STA EQ-INDL	2,360.85	6,843.39	18,161.03
891100	MTCE-M/R ST EQ-CITY GATE	22,688.37	56,005.80	18,401.15
892100	MTCE-OTH SERVICES	116,721.15	95,177.68	95,140.41
894100	MTCE-OTHER EQUIP	22,626.88	27,391.30	23,082.47
901001	SUPV-CUST ACCTS	111,111.88	97,581.36	79,998.01
901900	SUPV-CUST ACCTS - INDIRECT	32,502.90	26,110.01	20,781.35
902001	METER READ-SERV AREA	318,776.80	306,488.18	384,468.65
902002	METER READ-CLER/OTH	4,059.74	1,034.92	1,683.34
902003	METER READ-DIST 25	-	-	-
902900	METER READ-SERV AREA - INDIRECT	-	-	30.37
903001	AUDIT CUST ACCTS	79,472.25	69,338.80	65,386.87
903002	BILL SPECIAL ACCTS	-	-	-
903003	PROCESS METER ORDERS	46,454.17	20,604.48	18,668.75
903006	CUST BILL/ACCTG	12,274.61	9,068.48	8,352.43
903007	PROCESS PAYMENTS	51,952.35	29,338.38	15,999.02
903008	INVEST THEFT OF SVC	20,158.68	18,106.82	14,841.07
903012	PROC CUST CNTRT/ORDR	17,276.41	12,036.67	10,782.66
903013	HANDLE CREDIT PROBS	-	74.80	-
903022	COLL OFF-LINE BILLS	41,096.59	37,999.02	29,834.65
903023	PROC BANKRUPT CLAIMS	1,065.59	1,024.28	1,335.98

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<b>Account Number</b>	<b>Account Description</b>	<b>31-OCT-09</b>	<b>30-NOV-09</b>	<b>31-DEC-09</b>
903025	MTCE-ASST PROGRAMS	8,290.43	5,966.96	6,272.35
903030	PROC CUST REQUESTS	94,254.97	104,640.87	77,698.63
903031	PROC CUST PAYMENTS	12,354.02	11,461.09	10,439.51
903032	DELIVER BILLS-REG	157,100.35	178,529.47	169,492.51
903035	COLLECTING-OTHER	10,877.14	10,363.37	8,270.05
903036	CUSTOMER COMPLAINTS	11.52	2,025.51	1,193.00
903038	MISC CASH OVERAGE/SHORTAGE	40.00	9.00	13.11
903902	BILL SPECIAL ACCTS - INDIRECT	2,174.20	2,126.64	1,802.66
903903	PROCESS METER ORDERS - INDIRECT	-	-	-
903906	CUST BILL/ACCTG - INDIRECT	5,303.02	5,426.06	17,275.73
903907	PROCESS PAYMENTS - INDIRECT	38,992.04	34,722.35	29,618.14
903909	PROC EXCEPTION PMTS - INDIRECT	1,044.95	689.56	597.46
903912	PROC CUST CNTRT/ORDR - INDIRECT	20,683.43	18,525.59	13,434.51
903930	PROC CUST REQUESTS - INDIRECT	218,245.34	190,545.21	152,219.07
903931	PROC CUST PAYMENTS - INDIRECT	9,754.15	9,857.38	(5,425.85)
903936	CUSTOMER COMPLAINTS - INDIRECT	17,838.19	13,354.42	10,091.90
904001	UNCOLLECTIBLE ACCTS	422,009.10	545,546.49	596,994.80
904002	UNCOLLECTABLE ACCTS - WHOLESALE	-	-	-
904003	UNCOLL ACCTS - A/R MISC	(3,859.00)	-	(17,734.76)
905001	MISC CUST SERV EXP	49,417.09	36,548.84	51,992.57
905002	MISC CUST BILL/ACCTG	2,328.54	2,143.19	2,367.16
905003	MISC COLLECTING EXP	5,691.38	3,738.16	3,068.70
907001	SUPV-CUST SER/INFO	3,748.06	3,126.00	3,240.26
907900	SUPV-CUST SER/INFO - INDIRECT	12,465.23	12,049.45	7,817.54
908001	CUST MKTG/ASSIST	-	-	-
908004	DSM - ENERGY AUDIT	-	-	725.00
908005	DSM CONSERVATION PROG	754,918.90	1,734,376.78	1,082,239.43
908006	DSM - HVAC	-	-	550.00
908007	DSM - CONSERVATION	-	-	(6,448.00)
908009	MISC MARKETING EXP	-	-	-
908010	DSM CONSERVATION PROG - OFFSET	-	-	-
908901	CUST MKTG/ASSIST - INDIRECT	14,471.18	9,945.59	9,488.19
908902	RES CONS/ENG ED PROG - INDIRECT	16,500.00	33,000.00	-
908909	MISC MARKETING EXP - INDIRECT	2,610.77	6,754.89	6,284.36
909004	MISC CUST COM-SER/IN	(416.70)	25,753.52	11,841.24
909005	MEDIA RELATIONS	(723.27)	723.27	(723.27)
909010	PRINT ADVER-SER/INFO	-	-	-
909013	SAFETY PROGRAMS	9,292.55	5,086.15	5,171.71
910001	MISC CUST SER/INFO	(21,100.89)	83,762.52	205,494.87
910900	MISC CUST SER/INFO - INDIRECT	112.50	48,512.50	6,103.34
912003	GEN MKTG AND MKTG PGMS	-	-	-
913012	OTH ADVER-SALES	-	4,159.87	2,431.25
920100	OTHER GENERAL AND ADMIN SALARIES	(150,877.35)	222,162.98	315,518.52
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	1,007,992.37	1,167,884.97	1,034,050.03
920901	OFFICERS SALARIES- INDIRECT	-	-	-
921001	EXP-OFFICERS/EXEC	(8,592.68)	8,592.68	-
921002	EXP-GEN OFFICE EMPL	40,785.82	(17,295.04)	67,123.06
921003	GEN OFFICE SUPPL/EXP	70,426.97	119,057.40	112,844.16

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921004	OPR-GEN OFFICE BLDG	63,266.28	68,798.43	142,134.01
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	69,815.01	23,319.24	35,166.13
921903	GEN OFFICE SUPPL/EXP - INDIRECT	233,846.88	281,336.69	236,445.31
922001	A/G SAL TRANSFER-CR	(77,103.44)	(125,060.20)	(121,022.46)
922002	OFF SUPP/EXP TRAN-CR	(43,275.74)	(41,958.67)	(50,822.38)
922003	TRIMBLE CTY TRAN-CR	(42,438.80)	(42,917.58)	(67,205.82)
923100	OUTSIDE SERVICES	579,538.70	150,567.68	1,229,382.34
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	65,891.67	65,891.67	(1,208.35)
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	1,250.00	1,250.00	(9,750.00)
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	-	-	-
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	-	27,170.00	-
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	700.00	-	1,400.00
923900	OUTSIDE SERVICES - INDIRECT	239,133.18	114,973.41	499,256.51
924100	PROPERTY INSURANCE	259,406.14	326,208.84	375,904.16
925001	PUBLIC LIABILITY	109,581.95	131,319.29	63,050.93
925002	WORKERS COMP EXPENSE - BURDENS	55,707.47	52,276.45	121,018.13
925003	AUTO LIABILITY	901.91	816.93	(283.76)
925004	SAFETY AND INDUSTRIAL HEALTH	6,384.98	4,736.63	4,526.66
925100	OTHER INJURIES AND DAMAGES	(8,982.03)	164.00	95.75
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	732.82	759.52	775.11
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	51.00	7.50	15.25
926001	TUITION REFUND PLAN	11,889.42	2,885.03	22,236.53
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	3,242.19	2,106.60	(34,261.80)
926003	MEDICAL INSURANCE EXPENSE - BURDENS	532,575.45	487,092.63	(33,508.75)
926004	DENTAL INSURANCE EXPENSE - BURDENS	16,623.36	14,660.18	(7,711.05)
926005	LONG TERM DISABILITY EXPENSE - BURDENS	(14,214.43)	(14,456.92)	(46,139.00)
926019	OTHER BENEFITS EXPENSE - BURDENS	91,947.49	85,942.75	(264,737.81)
926100	EMPLOYEE BENEFITS - NON-BURDEN	(11,209.81)	-	-
926101	PENSIONS EXPENSE - BURDENS	1,199,265.59	1,887,231.67	1,650,758.67
926102	401K EXPENSE - BURDENS	169,758.63	153,538.93	206,979.21
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	30,078.87	27,610.65	(222,541.38)
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	169,165.38	249,371.81	221,030.50
926110	EMPLOYEE WELFARE	4,845.18	3,080.04	15,215.86
926116	RETIREMENT INCOME EXPENSE - BURDENS	28,437.66	25,935.90	(92,667.98)
926117	PENSION INTEREST EXPENSE - BURDENS	173,321.12	349,207.31	293,252.92
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	252,370.32	347,311.73	312,626.18
926901	TUITION REFUND PLAN - INDIRECT	9,708.13	7,523.28	12,070.52
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	9,669.96	10,022.93	10,227.98
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	145,192.08	150,493.98	153,571.52
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	10,062.52	10,429.97	10,643.13
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	11,030.80	11,433.53	11,667.31
926911	PENSIONS EXPENSE - BURDENS INDIRECT	198,945.56	206,210.53	210,426.97
926912	401K EXPENSE - BURDENS INDIRECT	65,098.35	67,475.43	68,855.19
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	7,340.77	7,608.84	7,764.54
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	25,267.26	26,190.08	26,725.59
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	5,600.43	5,804.86	5,923.72
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	4,893.77	5,072.53	5,176.35
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	6,084.63	6,306.83	6,435.76



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<b>Account Number</b>	<b>Account Description</b>	<b>31-OCT-09</b>	<b>30-NOV-09</b>	<b>31-DEC-09</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	8,675.38	8,992.26	9,176.23
927001	ELEC SUPPL W/O CH-DR	-	-	13,999.04
927003	CITY OF LOU GAS FRAN	22,534.08	68,826.37	46,382.99
928002	REG UPKEEP ASSESSMTS	50,162.74	33,133.00	(8,267.96)
928003	AMORTIZATION OF RATE CASE EXPENSES	27,562.49	27,562.49	27,562.49
929001	FRANCHISE REQMTS-CR	-	-	(13,999.04)
929002	ELEC USED-ELEC DEPT	-	-	(183.72)
929003	GAS USED-GAS DEPT	(1,602.07)	(579.53)	(95,341.24)
929004	ELECTRICITY USED - OTHER DEPARTMENTS	-	-	-
930101	GEN PUBLIC INFO EXP	5,000.00	49,073.79	62,106.22
930191	GEN PUBLIC INFO EXP - INDIRECT	3,723.45	5,245.87	2,027.82
930201	MISC CORPORATE EXP	-	-	-
930202	ASSOCIATION DUES	5,125.04	-	-
930203	RESEARCH WORK	-	12,750.00	-
930207	OTHER MISC GEN EXP	16,277.19	4.63	4,319.03
930272	ASSOCIATION DUES - INDIRECT	2,676.74	1,792.58	16,658.77
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	270,071.82	(2,602.33)	17,974.78
930277	OTHER MISC GEN EXP - INDIRECT	-	1,100.00	-
930902	ASSOCIATION DUES - INDIRECT	-	-	-
930903	RESEARCH WORK - INDIRECT	4,900.00	11,085.50	-
930904	RESEARCH AND DEVELOPMENT EXPENSES	-	-	(99,500.00)
930907	OTHER MISC GEN EXP - INDIRECT	-	-	-
931004	RENTS-CORPORATE HQ	161,330.24	162,873.35	161,149.90
931100	RENTS-OTHER	-	-	-
935101	MTCE-GEN PLANT	60,791.23	31,575.06	62,961.98
935203	SOFTWARE MTCE AGREEMENTS	-	-	-
935391	MTCE-COMMUNICATION EQ - INDIRECT	122,634.24	130,775.84	132,095.07
935401	MTCE-OTH GEN EQ	6,658.88	8,512.76	5,262.04
935403	MNTC BONDABLE PROPERTY	24,225.12	2,321.13	5,240.60
935488	MTCE-OTH GEN EQ - INDIRECT	699,040.35	646,718.54	636,370.79
Total		81,511,438.45	83,773,948.82	118,878,454.89

Louisville Gas & Electric Company  
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Account Number	Account Description	31-JAN-10	28-FEB-10	31-MAR-10	30-APR-10
403011	DEPREC EXP - STEAM POWER GEN	5,340,674.95	5,350,262.84	5,356,943.13	5,362,974.80
403012	DEPREC EXP - HYDRO POWER GEN	49,759.11	49,786.41	49,786.41	49,786.41
403013	DEPREC EXP - OTH POWER GEN	702,133.10	699,271.92	696,567.18	696,731.20
403014	DEPREC EXP - TRANSMISSION	388,567.50	389,140.40	389,989.85	390,466.16
403015	DEPREC EXP - DISTRIBUTION	1,795,157.03	1,803,461.85	1,808,389.58	1,809,617.97
403016	GENERAL DEPRECIATION EXPENSE	51,600.80	51,600.80	51,600.80	51,600.80
403020	FUEL, LOCOMOTIVES, RAILCARS	-	-	-	-
403021	DEPREC. EXP. - UNDERGROUND - GAS	92,620.28	93,984.36	94,417.50	94,385.69
403022	DEPREC. EXP. - TRANSMISSION - GAS	4,556.31	4,543.19	4,824.26	5,105.33
403023	DEPREC. EXP. - DISTRIBUTION - GAS	1,141,491.07	1,144,857.55	1,147,518.66	1,149,873.64
403024	DEPREC. EXP. - GENERAL - GAS	30,605.17	31,001.48	31,196.20	31,196.20
403025	DEPREC. EXP. - COMMON	1,154,527.71	1,164,057.02	1,171,686.24	1,190,748.23
403026	DEPREC. EXP. - STEAM - ECR	-	-	-	-
403111	DEPREC EXP ARO STEAM	13,622.06	13,622.07	13,622.04	13,622.05
403112	DEPREC EXP ARO TRANSMISSION	1.55	1.55	1.55	1.55
403113	DEPREC EXP ARO OTHER PRODUCTION	207.05	207.05	207.05	207.05
403114	DEPREC EXP ARO HYDRO	41.34	41.34	41.34	41.34
403115	DEPREC EXP ARO DISTRIBUTION	30.51	30.51	30.51	30.51
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	707.72	707.72	707.72	707.72
403212	DEPREC EXP ARO GAS DISTRIBUTION	26.67	26.67	26.67	26.67
403213	DEPREC EXP ARO GAS TRANSMISSION	-	-	-	-
403311	DEPREC EXP ARO COMMON	2.86	2.86	2.86	2.86
404301	AMORT-INTANG GAS PLT	194,441.42	199,298.84	181,989.23	164,303.42
404401	AMT-EL INTAN PLT-RTL	273,658.30	280,494.66	256,133.00	231,241.86
404402	AMT-EL INTAN PLT-WHS	252,053.69	258,350.35	235,911.96	212,985.92
407401	REGULATORY CREDITS - GENERATION ACCRETION	(124,776.74)	(125,415.66)	(126,057.81)	(126,703.23)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(61.61)	(61.90)	(62.19)	(62.49)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(1,376.11)	(1,382.63)	(1,389.19)	(1,395.77)
407406	REGULATORY CREDITS - GAS ACCRETION	(38,212.52)	(38,389.35)	(38,567.00)	(38,745.48)
407407	REGULATORY CREDITS - COMMON ACCRETION	(136.43)	(137.08)	(137.73)	(138.38)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(13,870.45)	(13,870.46)	(13,870.43)	(13,870.44)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(1.55)	(1.55)	(1.55)	(1.55)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(30.51)	(30.51)	(30.51)	(30.51)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(734.39)	(734.39)	(734.39)	(734.39)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(2.86)	(2.86)	(2.86)	(2.86)
408101	TAX-NON INC-UTIL OPR	12,911.19	-	-	7,222.67
408102	REAL AND PERSONAL PROP. TAX	1,222,746.10	1,222,746.10	1,221,512.78	1,222,746.10
408103	KY PUBLIC SERVICE COMMISSION TAX	161,675.42	161,675.42	161,675.42	161,675.42
408105	FEDERAL UNEMP TAX	24,214.74	11,033.26	288.31	(989.34)
408106	FICA TAX	482,746.13	413,923.36	476,097.65	416,960.11
408107	STATE UNEMP TAX	32,356.78	18,300.46	(1,216.88)	(2,802.79)
408108	REAL AND PERSONAL PROP TAX - ECR	-	-	-	-
408195	FEDERAL UNEMP TAX - INDIRECT	1,562.83	1,557.83	2,003.15	1,549.55
408196	FICA TAX - INDIRECT	162,964.94	162,451.25	208,886.85	161,588.96
408197	STATE UNEMP TAX - INDIRECT	5,810.14	5,791.88	7,447.46	5,761.13
408202	TAX-NON INC-OTHER	231.00	231.00	231.00	231.00
409101	FED INC TAX-UTIL OPR	-	230,226.91	12,867,078.64	958,044.71
409102	KY ST INCOME TAXES	-	-	2,247,777.73	174,719.40

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409104	FED INC TAXES - EST	4,687,680.25	13,394,406.08	(18,082,086.33)	446,727.88
409105	ST INC TAXES - EST	854,896.11	2,442,748.84	(3,297,644.94)	81,470.12
409203	FED INC TAX-OTHER	-	-	167,436.78	-
409206	ST INC TAX-OTHER	-	-	33,685.58	-
409209	FED IN TAXES-OTH EST	45,953.55	(141,272.25)	95,318.70	(882,874.32)
409210	ST INC TAXES-OTH EST	8,380.58	(25,763.93)	17,383.35	(161,010.51)
410101	DEF FED INC TAX-OPR	-	-	21,005,497.80	61,151.79
410102	DEF ST INC TAX-OPR	-	-	3,399,180.10	-
410203	DEF FEDERAL INC TX	-	-	-	-
410204	DEF STATE INC TAX	-	-	-	-
411101	FED INC TX DEF-CR-OP	-	(230,226.90)	(17,896,346.20)	(1,019,196.50)
411102	ST INC TAX DEF-CR-OP	-	-	(2,823,547.93)	(174,719.40)
411150	ACCRETION EXPENSE - GENERATION	124,776.74	125,415.66	126,057.81	126,703.23
411151	ACCRETION EXPENSE - TRANSMISSION	61.61	61.90	62.19	62.49
411155	ACCRETION EXPENSE - DISTRIBUTION	1,376.11	1,382.63	1,389.19	1,395.77
411156	ACCRETION EXPENSE - GAS	38,212.52	38,389.35	38,567.00	38,745.48
411157	ACCRETION EXPENSE - COMMON	136.43	137.08	137.73	138.38
411201	FD INC TX DEF-CR-OTH	-	-	-	-
411202	ST INC TX DEF-CR-OTH	-	-	-	-
411403	ITC DEFERRED	-	-	-	-
411404	AMORTIZATION OF ITC	(219,158.00)	(197,806.00)	(208,481.00)	(208,481.00)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	602.78	268.09	1,542.49	1,804.36
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	-	-	-	-
421201	LOSS-PROPERTY DISP	-	-	-	-
426101	DONATIONS	226,796.50	189,416.27	110,382.28	141,732.62
426191	DONATIONS - INDIRECT	324.00	3,765.24	1,403.99	-
426301	PENALTIES	6,000.00	(6,000.00)	-	-
426401	EXP-CIVIC/POL/REL	10.75	-	2,000.00	-
426491	EXP-CIVIC/POL/REL - INDIRECT	162,351.74	55,353.78	80,256.63	59,490.52
426501	OTHER DEDUCTIONS	65,010.02	116,635.35	73,348.21	94,417.43
426508	FOREIGN EXCHANGE LOSSES	-	-	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	(1,111,528.25)	1,046,881.81	4,005,742.56	(1,406,533.03)
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	1,384,321.00	353,646.99	(1,272,363.00)	2,351,870.01
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	-	-	-	-
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-	-
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	1,111,528.25	(1,046,881.81)	(4,005,742.56)	1,406,533.03
426557	AMORT OF OCI-PCB JC2003A \$128M	(5,409.07)	(5,409.07)	(5,409.07)	(5,409.07)
426558	AMORT OF REG ASSET - SWAP TERMINATION	-	-	-	-
426591	OTHER DEDUCTIONS - INDIRECT	9,421.07	4,073.45	3,649.38	7,911.19
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-	-
427020	INT EXP-FMB LGE2010 \$250M 11/15	-	-	-	-
427021	INT EXP-FMB LGE2010 \$285M 11/40	-	-	-	-
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	145,312.50	145,312.50	145,312.50	145,312.50
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	-	-	-	-
427127	INT EXP-PCB TC2007A \$60M 06/33	230,000.00	230,000.00	230,000.00	230,000.00
427128	INT EXP-PCB JC2000A \$25M 05/27	111,979.17	111,979.17	111,979.17	111,979.16
427129	INT EXP-PCB TC2000A \$83.3M 08/30	11,481.71	15,185.49	65,475.85	29,745.97
427130	INT EXP-PCB JC2001A \$10.1M 09/27	1,465.08	1,872.05	7,450.29	3,452.21

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Account Number	Account Description	31-JAN-10	28-FEB-10	31-MAR-10	30-APR-10
427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	331,754.46	368,819.21	365,371.99	397,961.55
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	83,859.47	93,648.53	93,233.74	102,312.67
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	83,571.47	93,328.52	92,913.73	101,960.67
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	84,771.47	94,661.85	94,247.06	103,427.34
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	-	-	-	-
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	-	-	-	-
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	-	-	-	-
427180	INT EXP-PCB JC2001A \$22.5M 9/26	11,687.67	10,873.97	12,039.04	11,539.74
427181	INT EXP-PCB TC2001A \$27.5M 9/26	16,748.63	13,290.40	14,714.39	13,501.37
427182	INT EXP-PCB JC2001B \$35M 11/27	22,294.52	20,136.98	20,184.92	18,698.62
427183	INT EXP-PCB TC2001B \$35M 11/27	22,294.52	20,136.98	20,184.92	18,698.62
427189	INT EXP-PCB TC2002A \$41.665M 10/32	6,971.19	7,186.92	112,750.44	19,793.73
427190	INT EXP-PCB JC2003A \$128M	-	-	-	-
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	191,666.67	191,666.67	191,666.67	191,666.66
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	(25,198.00)	(3,729.01)	45,141.01	27,195.01
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-	-
428020	AM EXP-FMB LGE2010 \$250M 11/15	-	-	-	-
428021	AM EXP-FMB LGE2010 \$285M 11/40	-	-	-	-
428031	AM EXP \$35.2M 6/33	-	-	-	-
428035	AM EXP-PCB TC2007A \$60M 6/33	3,932.71	3,932.71	3,932.71	3,932.71
428059	AM EXP-PCB JC2001A \$10.1M 9/27	1,699.38	1,699.38	1,699.38	1,699.38
428076	AM EXP-PCB TC2000A \$83M 8/30	3,225.62	3,225.62	3,225.62	3,225.62
428080	AM EXP-PCB JC2001A \$22.5M 9/26	826.98	826.98	826.98	826.98
428081	AM EXP-PCB TC2001A \$27.5M 9/26	899.17	899.17	899.17	899.17
428082	AM EXP-PCB JC2001B \$35M 11/27	916.27	916.27	916.27	916.27
428083	AM EXP-PCB TC2001B \$35M 11/27	916.43	916.43	916.43	916.43
428089	AM EXP-PCB TC2002A \$41.665M 10/32	3,101.78	3,101.78	3,101.78	3,101.78
428091	AM EXP-PCB LM/JC2003A \$128M	-	-	-	-
428104	AM LOSS-1985J \$25M 07/95	2,625.00	2,625.00	2,625.00	2,625.00
428107	AM LOSS-FMB \$25M 10/09	-	-	-	-
428108	AM LOSS-1976B \$35.2M 09/06	1,826.00	1,826.00	1,826.00	1,826.00
428109	AM LOSS-1975A \$31M 09/00	956.00	956.00	956.00	956.00
428110	AM LOSS-1987A \$60M 08/97	8,582.00	8,582.00	8,582.00	8,582.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	6,752.00	6,752.00	6,752.00	6,752.00
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	11,975.01	11,975.01	11,975.01	11,975.01
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	2,042.95	2,042.95	2,042.95	2,042.95
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	3,037.57	3,037.57	3,037.57	3,037.57
428128	AM LOSS-PCB JC2000A \$25M 05/27	3,071.40	3,071.40	3,071.40	3,071.40
428130	AM LOSS-PCB JC1992A \$31M 09/17	413.87	413.87	413.87	413.87
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	234.38	234.38	234.38	234.38
428135	AM LOSS REACQ \$60M 6/33	547.29	547.29	547.29	547.29
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	6,451.99	6,451.99	6,451.99	6,451.99
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	5,450.00	5,450.00	5,450.00	5,450.00
428182	AM LOSS-PCB JC1997A \$35M 11/27	4,088.00	4,088.00	4,088.00	4,088.00
428183	AM LOSS-PCB TC1997A \$35M 11/27	4,072.00	4,072.00	4,072.00	4,072.00
428189	AM LOSS-TC1990B \$41.665M 10/20	4,651.02	4,651.02	4,651.02	4,651.02
428191	AM LOSS-JC1993B \$26M 11/03	15,859.00	15,859.00	15,859.00	15,859.00
428192	AM LOSS-LM/JC2003A \$128M 10/33	10,098.63	10,192.16	10,192.16	10,192.16

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Account Number	Account Description	31-JAN-10	28-FEB-10	31-MAR-10	30-APR-10
428194	AM LOSS-JC1995A \$40M 11/05	3,904.00	3,904.00	3,904.00	3,904.00
428195	AM LOSS REACQ PRE STK 5.875	-	-	-	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	4,133.04	4,133.04	4,133.04	4,133.04
428220	AM DISC-FMB LGE2010 \$250M 11/15	-	-	-	-
428221	AM DISC-FMB LGE2010 \$285M 11/40	-	-	-	-
430002	INT-DEBT TO ASSOC CO	29,367.77	16,298.81	18,202.26	19,943.47
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	2,220,150.01	2,220,149.99	2,220,150.01	2,220,150.01
431002	INT-CUST DEPOSITS	140,886.87	94,641.67	105,899.89	116,987.62
431004	INT-OTHER TAX DEFNCY	-	-	-	-
431008	INT-DSM COST RECOVER	586.76	1,311.04	13,741.86	951.96
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	-	-	42.23	7.10
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	62,593.12	1,964.66	62,840.82	55,578.02
500100	OPER SUPER/ENG	73,063.30	76,968.41	89,578.54	80,770.33
500900	OPER SUPER/ENG - INDIRECT	140,890.00	98,784.72	156,510.92	131,446.53
501001	FUEL-COAL - TON	25,426,194.34	26,611,516.56	22,914,062.65	25,351,465.84
501004	FUEL COAL - TO SOURCE UTILITY OSS	-	-	-	200.12
501005	FUEL COAL - OSS	73,020.90	266,288.72	81,147.17	26,448.88
501006	FUEL COAL - OFFSET	(6,694,511.02)	(8,693,440.94)	(5,995,096.68)	(9,496,335.54)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	6,621,490.13	8,427,152.20	5,913,949.51	9,469,686.54
501020	START-UP OIL -GAL	31,153.55	73,905.60	15,700.91	7,339.04
501022	STABILIZATION OIL - GAL	84,232.48	296,423.49	769,377.47	359,575.76
501026	COAL RESALE EXPENSES	73,843.66	104,235.64	45,724.40	83,516.08
501090	FUEL HANDLING	447,925.42	341,662.90	459,519.58	370,222.68
501091	FUEL SAMPLING AND TESTING	-	-	-	-
501100	START-UP GAS - MCF	327,592.29	194,701.95	220,020.97	168,820.90
501102	STABILIZATION GAS - MCF	178,747.84	245,078.90	267,272.98	267,644.75
501200	BOTTOM ASH DISPOSAL	84,000.00	101,703.66	87,402.42	82,235.35
501201	PLANT-ECR BOTTOM ASH DISPOSAL	171,471.17	171,471.15	171,471.17	171,471.15
501202	BOTTOM ASH PROCEEDS	-	(131.76)	-	(69.63)
501250	FLY ASH PROCEEDS	(1,455.00)	(132.50)	-	-
501251	FLY ASH DISPOSAL	351.69	55.10	-	-
501990	FUEL HANDLING - INDIRECT	2,278.50	64,405.64	81,666.90	53,893.66
502001	OTHER WASTE DISPOSAL	487,458.88	(65,583.27)	228,152.14	292,897.71
502002	BOILER SYSTEMS OPR	712,947.89	638,209.85	682,185.07	650,440.47
502003	SDRS OPERATION	-	-	-	-
502004	SDRS-H2O SYS OPR	249,515.30	227,583.46	233,268.46	244,877.01
502005	SLUDGE STAB SYS OPR	49,420.80	52,211.79	37,582.65	53,863.77
502006	SCRUBBER REACTANT EX	1,376,847.87	1,418,511.56	998,923.07	794,424.58
502022	OTHER WASTE DISPOSAL - OSS	501.68	1,766.64	428.65	156.59
502023	OTHER WASTE DISPOSAL - OFFSET	(501.68)	(1,766.64)	(428.65)	(156.59)
502025	SCRUBBER REACTANT - OSS	11,965.99	46,369.61	16,364.59	4,542.51
502026	SCRUBBER REACTANT - OFFSET	(11,965.99)	(46,369.61)	(16,364.59)	(4,542.51)
502056	ECR SCRUBBER REACTANT EX	-	-	-	-
502100	STM EXP(EX SDRS.SPP)	408,385.86	408,505.07	424,692.89	336,662.82
502900	STM EXP(EX SDRS.SPP) - INDIRECT	1,014.68	2,257.01	1,409.95	5,749.60
504001	STEAM XFERRED - CR - PROJECT USE	-	-	(261,387.00)	(209,899.20)
505100	ELECTRIC SYS OPR	59,212.26	77,776.79	62,882.20	73,037.18
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	-	-	-	-

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506100	MISC STM PWR EXP	988,942.22	1,052,871.28	1,060,266.58	1,001,589.57
506104	NOX REDUCTION REAGENT	187,633.30	191,094.70	165,409.88	266,861.95
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	7,275.36	8,093.06	8,344.43	14,559.01
506107	SCR/NOX - OSS	-	-	-	-
506108	SCR/NOX - OFFSET	-	-	-	-
506109	SORBENT INJECTION OPERATION	42,827.48	52,776.73	71,514.31	123,147.44
506150	ECR MERCURY MONITORS OPERATIONS	-	-	-	-
506151	ECR ACTIVATED CARBON	-	-	-	-
506152	ECR SORBENT REACTANT - REAGENT ONLY	-	-	-	-
506154	ECR NOX REDUCTION REAGENT	-	-	-	-
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	-	-	-	-
506159	ECR SORBENT INJECTION OPERATION	-	-	-	-
506900	MISC STM PWR EXP - INDIRECT	-	-	-	-
507100	RENTS-STEAM	-	-	-	-
509002	SO2 EMISSION ALLOWANCES	67.27	72.25	51.46	62.98
509003	NOX EMISSION ALLOWANCES	-	-	(1.24)	-
509007	EMISSION ALLOWANCES - OSS	0.29	0.87	0.23	0.10
509008	EMISSION ALLOWANCES - OFFSET	(0.29)	(0.87)	(0.23)	(0.10)
510100	MTCE SUPER/ENG - STEAM	161,011.41	243,895.59	1,023,905.37	656,738.30
511100	MTCE-STRUCTURES	167,366.40	141,209.74	145,025.68	157,049.28
512005	MAINTENANCE-SDRS	431,097.62	620,714.16	1,044,610.02	519,367.89
512011	INSTR/CNTRL-ENVRNL	-	-	-	-
512015	SDRS-COMMON H2O SYS	50,491.95	32,766.52	29,336.19	21,098.31
512017	MTCE-SLUDGE STAB SYS	91,814.40	94,415.65	129,804.65	113,716.96
512051	ECR INSTR/CNTRL-ENVRNL	-	-	-	-
512055	ECR MAINTENANCE-SDRS	-	-	-	-
512100	MTCE-BOILER PLANT	1,544,144.46	1,613,610.79	5,397,638.60	3,270,829.03
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	32,588.14	25,357.46	37,489.86	80,464.38
512102	SORBENT INJECTION MAINTENANCE	427.98	921.17	43.74	527.24
512103	MERCURY MONITORS MAINTENANCE	-	-	-	-
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	-	-	-	-
512152	ECR SORBENT INJECTION MAINTENANCE	-	-	-	-
512153	ECR MERCURY MONITORS MAINTENANCE	-	-	-	-
513100	MTCE-ELECTRIC PLANT	435,602.02	620,255.60	2,015,406.84	1,943,544.60
513900	MTCE-ELECTRIC PLANT - BOILER	10,516.04	9,870.26	10,691.67	9,581.41
514100	MTCE-MISC/STM PLANT	152,597.91	142,696.83	33,477.39	163,118.01
535100	OPER SUPER/ENG-HYDRO	9,045.07	8,712.56	10,250.45	8,142.58
536100	WATER FOR POWER	3,221.95	3,221.95	3,221.95	3,221.95
538100	ELECTRIC EXPENSES - HYDRO	15,380.55	10,814.63	8,983.75	11,984.08
539100	MISC HYD PWR GEN EXP	7,049.68	5,158.94	3,825.45	4,087.11
540100	RENTS-HYDRO	35,773.15	35,549.20	34,587.05	40,511.02
541100	MTCE-SUPER/ENG - HYDRO	22.92	-	331.99	169.01
542100	MAINT OF STRUCTURES - HYDRO	18,335.52	3,782.25	9,120.98	10,109.37
543100	MTCE-RES/DAMS/WATERW	3,260.91	(16,407.47)	7,958.21	2,805.97
544100	MTCE-ELECTRIC PLANT	11,658.31	38,860.57	7,744.08	13,668.83
546100	OPER SUPER/ENG - TURBINES	2,476.32	2,774.74	2,970.36	2,888.06
547030	FUEL-GAS - MCF	2,201,013.62	379,019.71	328,005.14	545,735.09
547040	FUEL-OIL - GAL	-	-	-	-

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547051	FUEL - TO SOURCE UTILITY OSS	-	-	-	41.73
547052	FUEL - OSS	28,560.33	8,863.69	1,675.95	710.22
547053	FUEL - OFFSET	(1,400,546.39)	(345,587.93)	(210,862.34)	(181,520.79)
547054	FUEL - TO SOURCE UTILITY RETAIL	1,371,986.06	336,724.24	209,186.39	180,768.84
547056	FUEL - GAS - INTRACOMPANY	56,593.66	57,910.08	56,054.53	103,398.32
548100	GENERATION EXP	8,257.87	12,553.79	19,342.50	10,312.85
549002	AIR QUALITY EXPENSES	863.73	863.73	863.74	863.74
549003	NOX EMISSION ALLOWANCES	-	-	-	-
549100	MISC OTH PWR GEN EXP	1,533.43	4,101.07	4,280.15	1,817.91
550100	RENTS-OTH PWR	-	-	-	-
551100	MTCE-SUPER/ENG - TURBINES	2,564.12	2,876.68	3,223.97	3,244.76
552100	MTCE-STRUCTURES - OTH PWR	5,168.55	2,619.74	150.44	3,768.45
553100	MTCE-GEN/ELECT EQ	62,502.39	32,658.80	65,933.72	51,710.07
554100	MTCE-MISC OTH PWR GEN	2,608.48	1,736.44	68.04	24,792.78
555006	MISO DAY 2 PURCHASED POWER - OSS	-	0.01	-	-
555007	MISO DAY 2 PURCHASED POWER - NL	-	-	987.16	-
555010	OSS POWER PURCHASES	22,894.88	60,957.25	935.97	4,911.34
555015	NL POWER PURCHASES - ENERGY	2,431,101.97	1,274,256.26	1,311,083.50	1,546,575.27
555016	NL POWER PURCHASES - DEMAND	2,176,503.19	574,755.96	1,734,370.11	1,459,665.93
555020	OSS I/C POWER PURCHASES	1,655,178.06	4,178,184.57	1,064,137.48	602,458.63
555025	NL I/C POWER PURCHASES	1,314.53	-	-	-
556100	SYS CTRL / DISPATCHING	-	-	-	-
556900	SYS CTRL / DISPATCHING - INDIRECT	163,262.08	127,679.17	140,778.50	137,107.80
557100	OTH POWER SUPPLY EXP	2,089.23	7,353.66	1,395.63	2,515.00
557110	MARKET FEES - NATIVE LOAD	-	756.89	-	(145.36)
557111	MARKET FEES - OFF SYSTEM SALES	3,784.70	104,104.58	-	(19,992.74)
557206	MISO DAY 2 OTHER - NATIVE LOAD	147.29	(14.28)	16.37	4.92
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	38,819.88	28,839.23	11,420.61	265.37
557208	RTO OTHER (NON-MISO) - NL	(38.85)	(6.77)	(310.53)	2.28
557209	RTO OTHER (NON-MISO) - OSS	(534.55)	(302.03)	8.45	(8.95)
557211	RTO OPERATING RESRV (NON-MISO) - NL	1.66	5.97	365.27	(66.15)
557212	RTO OPERATING RESRV (NON-MISO) - OSS	21,455.69	82,711.14	15,633.12	8,501.46
558001	ELEC DEPT USE-CR	-	-	-	-
558002	OTHER DEPT USE-CR	(32,640.00)	(30,178.53)	(17,453.56)	80,272.09
560100	OP SUPER/ENG-SSTOPER	6,508.77	2,479.78	3,642.39	2,191.26
560900	OP SUPER/ENG-SSTOPER - INDIRECT	45,686.95	44,713.83	56,641.47	55,827.74
561100	LOAD DISPATCH-WELOB	3,868.69	3,901.61	4,600.40	2,600.54
561190	LOAD DISPATCH - INDIRECT	14,157.01	14,359.66	21,612.52	14,394.75
561402	MISO DAY 1 SCH 10 - RESERVE	8.54	-	-	-
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	15.81	-	-	4.45
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	23,863.52	28,978.38	49,904.81	30,201.93
561601	TRANSMISSION SERVICE STUDIES	-	-	-	-
561802	MISO DAY 1 SCH 10 - RESERVE	0.61	-	-	-
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	1.14	-	-	0.32
561900	LOAD DISPATCH-WELOB - INDIRECT	27,665.48	24,901.43	31,560.97	27,979.41
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	17,823.33	26,185.27	27,165.40	25,640.21
562100	STA EXP-SUBST OPER	72,949.33	75,261.73	83,544.65	106,417.82
563100	OTHER INSP-ELEC TRAN	3,786.30	3,243.43	12,771.45	3,782.28

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565002	TRANSMISSION ELECTRIC OSS	1,318.67	3,611.26	2,344.67	737.91
565005	TRANSMISSION ELECTRIC NATIVE LOAD	32,108.67	(32,337.34)	(31,300.67)	32,278.21
565006	TRANSMISSION ELECTRIC OSS - MISO	(68.62)	-	-	-
565014	INTERCOMPANY TRANSMISSION EXPENSE	159,794.35	390,333.57	122,856.43	108,819.57
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	-	-	-	-
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	-	-	-	-
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	5,011.01	439.00	1,369.03	1,416.72
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	-	-	-	-
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	-	-	-	-
566100	MISC TRANS EXP-SSTMT	46,165.89	40,890.09	44,528.65	63,622.60
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	18,334.00	18,334.00	18,334.00	18,334.00
566140	INDEPENDENT OPERATOR	147,780.00	147,780.00	147,780.00	147,780.00
566150	EKPC DEPANCAKING SETTLEMENT	13,970.00	13,970.00	13,970.00	13,970.00
566151	KMPA MISO CHARGES	-	-	-	-
566900	MISC TRANS EXP-SSTMT - INDIRECT	6,743.12	94,256.18	39,385.55	76,523.26
567100	RENTS-ELEC/SUBSTATION OPERATIONS	15,987.15	150.00	(150.00)	-
569100	MTCE-STRUCT-SSTMTCE	(344.96)	(203.53)	48.51	6.64
569101	MAINTENANCE OF COMPUTER HARDWARE	-	-	-	-
570100	MTCE-ST EQ-SSTMTCE	89,481.45	103,800.48	131,814.40	144,836.11
571100	MTCE OF OVERHEAD LINES	54,928.51	42,240.75	38,777.48	83,147.36
573100	MTCE-MISC TR PLT-SSTMT	366.43	175.57	-	-
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	5,598.03	5,652.01	5,386.88	5,129.20
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	8,660.61	8,660.61	8,660.61	8,660.61
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	43,822.89	43,821.04	43,821.24	43,821.04
575704	MISO DAY 1 SCH 10 - RESERVE	0.30	-	-	-
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	55,782.19	55,781.65	55,781.65	55,781.80
580100	OP SUPER/ENG-SSTOPER	95,784.12	108,615.10	111,303.97	88,942.98
580900	OP SUPER/ENG-SSTOPER - INDIRECT	12,861.24	13,329.27	12,997.87	12,932.64
581900	SYS CTRL/SWITCH-DIST - INDIRECT	33,105.21	35,885.50	40,131.40	36,240.76
582100	STATION EXP-SSTOPER	83,338.18	82,368.94	85,478.93	76,088.21
583001	OPR-O/H LINES	72,271.13	78,880.82	126,849.85	88,691.25
583003	O/H LOAD/VOLT TEST	-	1,320.92	-	648.66
583005	CUST COMPL RESP-O/H	109,350.12	108,945.47	136,714.90	155,693.91
583008	INST/REMV TRANSF/REG	1,135.27	810.18	2,554.47	2,188.09
583009	INSPC O/H LINE FACIL	32,963.75	29,400.73	35,088.44	5,132.04
583010	LOC O/H ELEC FAC-BUD	50,227.82	36,609.96	43,488.58	62,556.59
583100	O/H LINE EXP-SSTOPER	37,601.14	41,252.55	18,210.25	20,155.23
584001	OPR-UNDERGRND LINES	(3,084.93)	13,846.55	5,271.05	19,455.53
584002	INSPC U/G LINE FACIL	4,245.54	11,714.10	11,826.22	606.45
584003	LOAD/VOLT TEST-U/G	-	-	-	-
584005	RESP-U/G CUST COMPL	2,916.59	1,540.45	3,497.32	1,482.50
584008	INST/RMV/REPL TRANSF	17,403.97	9,983.21	17,425.89	6,190.49
585100	STREET LIGHTING AND SIGNAL SYST EXP	31.68	1,516.98	10,022.25	3,666.58
586100	METER EXP	510,213.64	502,809.07	529,026.37	566,541.20
586900	METER EXP - INDIRECT	27.86	27.60	28.03	20.45
587100	CUST INSTALLATION EXP	(5,726.98)	(57,928.89)	36,571.81	(19,737.45)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	107,298.00	194,980.89	250,387.65	235,911.89
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	27,437.04	24,739.34	33,334.27	29,188.99



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589100	RENTS-DISTR / SUBSTAT OPER	-	1,363.43	963.93	100.00
590100	MTCE/SUPER/ENG-SSTMT	601.17	1,434.51	113.22	-
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	-	-	-	-
591003	MTCE-MISC STRUCT-DIS	13,642.41	48,278.68	99,472.44	71,267.07
592100	MTCE-ST EQ-SSTMTCE	67,166.47	76,881.13	42,422.36	62,214.19
593001	MTCE-POLE/FIXT-DISTR	56,447.79	117,147.33	225,522.82	185,389.39
593002	MTCE-COND/DEVICE-DIS	220,259.43	(6,402.72)	170,855.07	124,607.13
593003	MTCE-SERVICES	-	-	1,045.32	-
593004	TREE TRIMMING	411,660.08	358,092.61	448,259.02	347,030.11
593005	MINOR EXEMPT EXPENSE	(165,967.85)	878.74	(466.50)	344.33
594002	MTCE-U/G COND ETC	163,406.40	141,209.29	146,953.75	123,581.69
595100	MTCE-TRANSF/REG	11,032.11	13,919.10	11,474.49	16,826.40
596100	MTCE OF STREET LIGHTING AND SIGNALS	31,332.59	25,947.07	33,073.03	33,919.58
598100	MTCE OF MISC DISTRIBUTION PLANT	17,287.87	10,255.42	26,151.25	20,059.56
803001	GAS TRANS LINE PURCH	28,705,954.73	21,845,699.55	11,586,008.43	6,841,083.30
803002	PURCHASED GAS REFUND	-	(20,097.47)	(34,544.39)	(13,540.06)
803003	GAS COST ACTUAL ADJ	(15,016,667.78)	(12,402,316.39)	1,247,142.66	(1,547,733.55)
803004	GAS COST BALANCE ADJ	41,249.36	(37,157.64)	(106,073.98)	(38,471.42)
803006	PURCHASED GAS - WHOLESALE SALES	-	151,670.00	-	-
803007	WHOLESALE SALES MARGIN	-	(1,522.50)	-	-
803008	ACQ AND TRANS INCENTIVE	-	-	(437,000.00)	-
803009	PBR RECOVERY	628,021.83	476,238.42	239,519.39	116,071.32
806001	EXCHANGE GAS	5,373,562.95	3,426,089.73	1,757,484.92	(5,041,794.91)
807001	PURCH GAS CALC EXP	-	-	-	-
807002	OTHER PURCH GAS EXP	-	-	-	-
807003	GAS PROCUREMENT EXP	-	800.00	1,800.00	3,600.00
807401	PURCH GAS CALC EXP	2,351.13	2,440.85	3,278.51	3,000.00
807501	OTHER PURCH GAS EXP	-	-	-	-
807502	GAS PROCUREMENT EXP	48,124.39	47,057.38	52,780.01	53,119.63
808101	GAS W/D FROM STOR-DR	14,572,165.37	14,321,019.92	7,750,909.27	4,724,614.78
808201	GAS DELD TO STOR-CR	(121,712.33)	(218,576.27)	(353,396.10)	-
810001	GAS-COMP STA FUEL-CR	(237,840.41)	(294,816.78)	90,433.03	(25,655.81)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	-	-	-	-
812020	GAS-CITY GATE-CR	(19,085.86)	(26,309.31)	5,785.74	(8,467.79)
812030	GAS-OTH DEPT-CR	(30,903.16)	(33,145.64)	11,571.85	(4,491.65)
813001	OTH GAS SUPPLY EXP	-	-	-	-
814003	SUPV-STOR/COMPR STA	38,338.10	39,748.70	41,809.80	43,571.47
816100	WELLS EXPENSE	14,071.10	1,906.01	1,645.14	6,279.08
817100	LINES EXPENSE	42,741.09	42,823.20	51,262.83	58,731.99
818100	COMPR STATION EXP	140,219.87	150,142.38	188,259.11	85,045.38
819100	COMPR STA FUEL-U/G	218,378.29	286,572.58	(78,944.50)	25,611.96
821100	PURIFICATION EXP	276,437.78	433,089.76	134,633.34	180,825.89
823100	GAS LOSSES	201,192.85	176,474.26	152,688.71	135,030.09
824100	OPR-U/G STO/COMPR	1,240.94	1,240.94	(1,585.32)	1,240.94
825100	ROYALTIES	2,017.65	1,527.60	12,796.39	2,174.67
826100	RENTS-STORAGE FIELDS	3,622.32	2,411.29	8,439.22	4,452.24
830100	MTCE SUPRV AND ENGR - STOR COMPR	24,617.00	29,035.53	31,302.80	30,549.32
832100	MTC-RESERVOIRS/WELLS	17,431.20	10,942.56	7,254.85	22,247.63

**Louisville Gas & Electric Company**  
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Account Number	Account Description	31-JAN-10	28-FEB-10	31-MAR-10	30-APR-10
833100	MTCE-LINES	7,382.76	6,656.11	12,415.89	12,414.50
834100	MTCE-COMP STA EQUIP	74,490.86	49,736.14	21,759.55	29,238.92
835100	MTCE-M/R EQ-COMPR	1,077.38	820.76	1,687.73	849.80
836100	MTCE-PURIFICATION EQUIP	18,147.37	35,696.11	10,654.28	20,768.21
837100	MTCE-OTHER EQUIP	6,227.94	1,918.32	1,761.12	1,724.25
850100	OPR SUPV AND ENGR	-	627.78	-	-
851100	SYS CTRL/DSPTCH-GAS	21,027.60	21,616.95	26,383.61	24,632.12
856100	MAINS EXPENSES	11,494.16	7,041.31	11,933.27	14,444.81
860100	RENTS-GAS TRANS	402.00	2,633.66	597.62	-
863100	MTCE-GAS MAINS-TRANS	(47,245.56)	158,679.56	16,796.52	27,182.09
871100	DISTR LOAD DISPATCH	29,781.30	31,530.77	37,949.69	35,978.75
874001	OTHER MAINS/SERV EXP	37,798.04	43,706.42	51,528.78	36,249.55
874002	LEAK SUR-DIST MN/SVC	11,863.01	1,808.22	10,535.00	56,254.34
874005	CHEK STOP BOX ACCESS	54,652.55	191,579.87	188,516.75	122,461.41
874006	PATROLLING MAINS	9,201.93	(334.60)	22,019.10	20,194.83
874007	CHEK/GREASE VALVES	6,328.30	8,588.03	5,946.89	8,559.68
874008	OPR-ODOR EQ	4,884.49	4,841.71	5,454.03	11,412.28
875100	MEAS/REG STA-GENERAL	18,313.09	25,798.76	18,555.82	51,701.73
876100	MEAS/REG STA-INDUSTRIAL	66,382.36	58,210.35	53,346.11	25,258.30
877100	MEAS/REG STA-CITY GATE	31,301.60	35,201.88	696.42	16,529.50
878100	METER/REG EXPENSE	3,399.64	23,913.09	4,546.46	2,869.33
879100	CUST INSTALL EXPENSE	26,114.99	33,174.96	39,749.98	33,686.26
880100	OTH GAS DISTR EXPENSE	208,699.48	250,730.21	279,165.08	343,484.69
880900	OTH GAS DISTR EXPENSE - INDIRECT	8,419.38	9,062.97	9,563.72	9,065.17
881100	RENTS-GAS DISTR	-	-	150.00	-
886100	MTCE-GAS DIST STRUCT	12,323.79	44,291.54	69,644.69	55,895.26
887100	MTCE-GAS MAINS-DISTR	580,337.20	589,886.58	592,710.57	706,586.38
889100	MTCE-M/R STA EQ-GENL	3,717.88	3,528.96	2,607.70	7,506.42
890100	MTCE-M/R STA EQ-INDL	27,592.69	31,327.19	32,321.93	10,607.29
891100	MTCE-M/R ST EQ-CITY GATE	15,506.94	29,818.62	27,201.49	16,315.96
892100	MTCE-OTH SERVICES	71,357.83	68,885.30	94,839.97	81,422.75
894100	MTCE-OTHER EQUIP	26,850.59	28,549.00	35,352.23	41,053.76
901001	SUPV-CUST ACCTS	109,092.64	104,390.93	131,342.82	107,042.68
901900	SUPV-CUST ACCTS - INDIRECT	31,231.26	33,018.58	34,726.98	32,416.78
902001	METER READ-SERV AREA	237,972.69	296,049.65	299,486.23	317,971.78
902002	METER READ-CLER/OTH	2,432.16	3,973.19	2,841.27	3,215.82
902003	METER READ-DIST 25	-	-	-	-
902900	METER READ-SERV AREA - INDIRECT	-	14.74	-	-
903001	AUDIT CUST ACCTS	80,241.35	75,183.87	58,753.89	100,589.50
903002	BILL SPECIAL ACCTS	-	-	-	-
903003	PROCESS METER ORDERS	16,503.46	11,785.75	2,531.24	14,878.83
903006	CUST BILL/ACCTG	9,876.43	12,602.21	3,437.22	2,608.93
903007	PROCESS PAYMENTS	33,597.16	40,640.69	56,102.70	46,622.32
903008	INVEST THEFT OF SVC	16,798.44	16,547.94	17,704.98	18,734.25
903012	PROC CUST CNTRT/ORDR	15,382.57	16,186.19	19,400.53	15,138.85
903013	HANDLE CREDIT PROBS	140.51	-	-	-
903022	COLL OFF-LINE BILLS	25,988.48	26,425.27	31,626.35	36,100.80
903023	PROC BANKRUPT CLAIMS	1,375.16	1,304.67	1,746.46	1,950.43

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Account Number	Account Description	31-JAN-10	28-FEB-10	31-MAR-10	30-APR-10
903025	MTCE-ASST PROGRAMS	7,827.01	7,874.90	9,529.85	8,049.62
903030	PROC CUST REQUESTS	56,877.00	153,018.06	52,906.67	54,456.98
903031	PROC CUST PAYMENTS	13,034.95	13,130.73	17,706.91	15,931.73
903032	DELIVER BILLS-REG	155,932.11	(924.96)	318,125.39	30,333.91
903035	COLLECTING-OTHER	8,305.17	9,345.13	12,256.90	9,967.45
903036	CUSTOMER COMPLAINTS	854.96	-	95.22	88.92
903038	MISC CASH OVERAGE/SHORTAGE	(22.17)	219.15	(15.20)	146.99
903902	BILL SPECIAL ACCTS - INDIRECT	2,362.71	2,167.32	3,223.75	3,101.73
903903	PROCESS METER ORDERS - INDIRECT	-	-	-	-
903906	CUST BILL/ACCTG - INDIRECT	(6,675.74)	6,329.32	6,164.27	5,584.36
903907	PROCESS PAYMENTS - INDIRECT	26,016.63	24,647.61	21,333.13	23,449.30
903909	PROC EXCEPTION PMTS - INDIRECT	627.07	547.13	824.13	43.13
903912	PROC CUST CNTRT/ORDR - INDIRECT	18,874.28	18,195.29	20,691.18	16,453.48
903930	PROC CUST REQUESTS - INDIRECT	199,148.46	206,353.77	242,738.35	282,976.17
903931	PROC CUST PAYMENTS - INDIRECT	21,133.49	7,159.86	7,900.12	8,980.29
903936	CUSTOMER COMPLAINTS - INDIRECT	16,352.29	17,073.77	20,433.13	16,149.79
904001	UNCOLLECTIBLE ACCTS	838,229.27	350,747.13	481,345.80	453,084.27
904002	UNCOLLECTABLE ACCTS - WHOLESALE	-	(2,200.73)	-	-
904003	UNCOLL ACCTS - A/R MISC	-	-	37,769.71	(2,801.00)
905001	MISC CUST SERV EXP	27,460.46	43,971.08	61,775.71	45,300.39
905002	MISC CUST BILL/ACCTG	6,291.71	6,880.62	1,881.22	496.45
905003	MISC COLLECTING EXP	7,034.33	7,307.37	7,516.61	7,857.06
907001	SUPV-CUST SER/INFO	3,942.31	4,112.76	10,417.17	4,435.83
907900	SUPV-CUST SER/INFO - INDIRECT	12,699.45	12,460.90	10,004.45	12,786.04
908001	CUST MKTG/ASSIST	-	-	-	-
908004	DSM - ENERGY AUDIT	(725.00)	-	-	-
908005	DSM CONSERVATION PROG	1,087,574.53	1,684,840.06	1,034,326.09	1,152,146.47
908006	DSM - HVAC	(550.00)	-	-	-
908007	DSM - CONSERVATION	6,448.00	-	-	-
908009	MISC MARKETING EXP	-	-	666.20	-
908010	DSM CONSERVATION PROG - OFFSET	-	-	(344,655.66)	-
908901	CUST MKTG/ASSIST - INDIRECT	12,255.30	12,559.30	18,849.91	18,678.63
908902	RES CONS/ENG ED PROG - INDIRECT	-	12,450.00	12,450.00	12,450.00
908909	MISC MARKETING EXP - INDIRECT	4,344.62	4,022.51	4,281.42	2,879.95
909004	MISC CUST COM-SER/IN	-	-	-	-
909005	MEDIA RELATIONS	-	-	-	-
909010	PRINT ADVER-SER/INFO	-	-	2,998.99	-
909013	SAFETY PROGRAMS	100.00	5,072.28	640.00	3,111.22
910001	MISC CUST SER/INFO	15,624.56	8,467.48	(70,773.85)	10,380.09
910900	MISC CUST SER/INFO - INDIRECT	-	2,657.81	29,280.63	-
912003	GEN MKTG AND MKTG PGMS	-	-	-	-
913012	OTH ADVER-SALES	3,982.75	250.00	5,606.57	5,172.60
920100	OTHER GENERAL AND ADMIN SALARIES	139,108.57	238,196.86	465,546.14	26,867.03
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	1,293,868.52	1,303,301.11	1,741,971.15	1,262,305.33
920901	OFFICERS SALARIES - INDIRECT	-	-	-	-
921001	EXP-OFFICERS/EXEC	-	-	-	-
921002	EXP-GEN OFFICE EMPL	17,328.03	(22,225.63)	83,035.43	48,112.36
921003	GEN OFFICE SUPPL/EXP	44,392.77	120,566.91	119,379.27	80,314.43

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Account Number	Account Description	31-JAN-10	28-FEB-10	31-MAR-10	30-APR-10
921004	OPR-GEN OFFICE BLDG	38,246.18	62,662.05	89,566.93	64,218.69
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	94,996.99	87,544.96	24,513.82	103,998.84
921903	GEN OFFICE SUPPL/EXP - INDIRECT	268,518.53	358,580.24	102,939.48	278,639.43
922001	A/G SAL TRANSFER-CR	(85,983.68)	(92,483.73)	(132,447.99)	(77,164.47)
922002	OFF SUPP/EXP TRAN-CR	(27,808.93)	(31,927.47)	(25,166.11)	(34,517.03)
922003	TRIMBLE CTY TRAN-CR	(54,763.37)	(61,555.02)	(72,588.21)	(62,009.89)
923100	OUTSIDE SERVICES	54,346.52	102,632.83	(22,790.50)	208,855.12
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	60,375.00	55,933.33	58,154.16	58,154.16
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	-	-	-	-
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	-	-	852.01	-
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	-	-	-	4,400.00
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	700.00	700.00	700.00	700.00
923900	OUTSIDE SERVICES - INDIRECT	128,463.81	110,284.66	305,858.84	152,938.58
924100	PROPERTY INSURANCE	413,421.34	374,120.42	409,228.16	376,673.93
925001	PUBLIC LIABILITY	112,368.23	113,492.58	219,010.08	87,678.20
925002	WORKERS COMP EXPENSE - BURDENS	(380,144.62)	60,758.14	(510,285.98)	58,793.60
925003	AUTO LIABILITY	2,981.64	1,787.32	28,660.06	23,424.77
925004	SAFETY AND INDUSTRIAL HEALTH	6,951.00	5,108.83	3,876.22	5,575.02
925100	OTHER INJURIES AND DAMAGES	12,530.00	477.28	11,165.62	-
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	852.20	840.07	1,070.85	849.13
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	20.51	15.25	-	-
926001	TUITION REFUND PLAN	20,554.74	3,790.93	7,511.43	18,469.80
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	7,706.77	7,629.86	7,730.29	6,769.71
926003	MEDICAL INSURANCE EXPENSE - BURDENS	643,011.02	652,937.98	737,662.70	872,592.75
926004	DENTAL INSURANCE EXPENSE - BURDENS	36,103.59	36,534.27	41,021.40	34,954.40
926005	LONG TERM DISABILITY EXPENSE - BURDENS	18,388.45	18,114.05	19,595.26	16,922.04
926019	OTHER BENEFITS EXPENSE - BURDENS	76,828.71	83,188.81	95,667.41	79,987.51
926100	EMPLOYEE BENEFITS - NON-BURDEN	105.95	-	-	-
926101	PENSIONS EXPENSE - BURDENS	1,530,857.75	1,587,859.63	1,234,764.44	1,362,946.38
926102	401K EXPENSE - BURDENS	210,297.49	222,446.10	249,739.11	212,959.23
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	43,838.55	40,687.54	46,113.50	38,880.72
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	189,337.93	196,435.33	191,583.20	178,788.73
926110	EMPLOYEE WELFARE	10,742.02	5,828.08	9,160.68	5,199.91
926116	RETIREMENT INCOME EXPENSE - BURDENS	19,082.36	17,889.62	19,711.40	16,683.17
926117	PENSION INTEREST EXPENSE - BURDENS	226,735.21	238,182.35	(44,758.82)	142,726.03
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	300,307.72	308,911.23	229,386.94	261,766.57
926901	TUITION REFUND PLAN - INDIRECT	18,307.21	4,927.80	11,992.27	19,797.58
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	11,246.16	11,085.59	14,130.68	11,203.42
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	168,860.08	166,448.09	212,170.29	168,217.88
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	11,702.80	11,535.63	14,704.35	11,658.28
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	12,828.90	12,645.74	16,119.40	12,780.13
926911	PENSIONS EXPENSE - BURDENS INDIRECT	231,375.82	228,071.12	290,720.82	230,496.19
926912	401K EXPENSE - BURDENS INDIRECT	75,710.00	74,628.65	95,128.65	75,422.10
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	8,537.32	8,415.37	10,727.14	8,504.82
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	29,386.28	28,966.41	36,923.36	29,274.40
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	6,513.36	6,420.37	6,183.97	6,488.60
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	5,691.58	5,610.30	7,151.40	5,669.93
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	7,076.42	6,975.30	8,891.51	7,049.66

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>31-JAN-10</b>	<b>28-FEB-10</b>	<b>31-MAR-10</b>	<b>30-APR-10</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	10,089.69	9,945.56	12,677.51	10,051.30
927001	ELEC SUPPL W/O CH-DR	-	-	11,114.86	-
927003	CITY OF LOU GAS FRAN	46,382.99	42,196.09	46,717.10	45,210.10
928002	REG UPKEEP ASSESSMTS	(15,292.94)	107,852.00	45,764.00	46,640.90
928003	AMORTIZATION OF RATE CASE EXPENSES	27,562.50	27,562.50	27,562.50	27,562.49
929001	FRANCHISE REQMTS-CR	-	-	(11,114.86)	-
929002	ELEC USED-ELEC DEPT	-	-	(178.79)	-
929003	GAS USED-GAS DEPT	(164,036.39)	(290,093.05)	56,655.12	(63,104.34)
929004	ELECTRICITY USED - OTHER DEPARTMENTS	-	-	-	-
930101	GEN PUBLIC INFO EXP	45,333.39	5,418.63	29,703.37	46,261.25
930191	GEN PUBLIC INFO EXP - INDIRECT	1,392.15	672.00	2,113.53	109.25
930201	MISC CORPORATE EXP	-	-	-	-
930202	ASSOCIATION DUES	147,631.00	-	-	-
930203	RESEARCH WORK	-	-	-	-
930207	OTHER MISC GEN EXP	232.79	10,821.05	15,642.49	(1,492.14)
930272	ASSOCIATION DUES - INDIRECT	269,099.01	1,278.39	18,262.96	-
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	1,041.67	153,049.43	164,251.07	345,286.36
930277	OTHER MISC GEN EXP - INDIRECT	-	-	300.00	(250.00)
930902	ASSOCIATION DUES - INDIRECT	-	-	-	-
930903	RESEARCH WORK - INDIRECT	-	17,375.03	2,164.79	-
930904	RESEARCH AND DEVELOPMENT EXPENSES	-	-	-	-
930907	OTHER MISC GEN EXP - INDIRECT	-	-	-	-
931004	RENTS-CORPORATE HQ	167,483.63	164,316.77	164,749.29	164,316.77
931100	RENTS-OTHER	-	-	-	12,000.00
935101	MTCE-GEN PLANT	9,522.27	32,579.81	38,726.86	29,279.38
935203	SOFTWARE MTCE AGREEMENTS	-	-	-	-
935391	MTCE-COMMUNICATION EQ - INDIRECT	157,741.25	203,463.74	173,023.48	182,301.53
935401	MTCE-OTH GEN EQ	6,979.40	9,795.75	8,372.37	8,373.66
935403	MNTC BONDABLE PROPERTY	2,321.13	2,321.13	2,321.13	2,321.12
935488	MTCE-OTH GEN EQ - INDIRECT	778,857.78	785,081.50	851,717.50	791,421.16
<b>Total</b>		<b>118,218,589.88</b>	<b>121,272,680.26</b>	<b>96,458,266.94</b>	<b>83,761,352.07</b>

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Account Number	Account Description	31-MAY-10	30-JUN-10	31-JUL-10	31-AUG-10
403011	DEPREC EXP - STEAM POWER GEN	5,367,968.81	5,375,597.42	5,378,575.75	5,377,243.33
403012	DEPREC EXP - HYDRO POWER GEN	49,786.41	49,786.41	49,786.41	49,786.41
403013	DEPREC EXP - OTH POWER GEN	696,731.20	696,763.68	696,839.88	696,875.81
403014	DEPREC EXP - TRANSMISSION	393,719.48	395,252.76	424,982.26	454,497.68
403015	DEPREC EXP - DISTRIBUTION	1,823,251.06	1,834,641.64	1,842,027.09	1,845,697.79
403016	GENERAL DEPRECIATION EXPENSE	52,185.49	52,864.09	52,958.02	52,958.02
403020	FUEL, LOCOMOTIVES, RAILCARS	-	-	-	-
403021	DEPREC. EXP. - UNDERGROUND - GAS	97,247.62	97,561.76	99,271.52	100,837.21
403022	DEPREC. EXP. - TRANSMISSION - GAS	5,103.41	5,101.34	5,101.35	5,101.35
403023	DEPREC. EXP. - DISTRIBUTION - GAS	1,162,889.39	1,168,701.98	1,172,072.80	1,174,812.41
403024	DEPREC. EXP. - GENERAL - GAS	31,196.20	31,196.20	31,196.20	31,197.88
403025	DEPREC. EXP. - COMMON	1,204,348.63	1,209,483.68	1,215,168.60	1,242,378.68
403026	DEPREC. EXP. - STEAM - ECR	-	-	-	-
403111	DEPREC EXP ARO STEAM	13,622.04	13,622.04	13,622.06	13,622.06
403112	DEPREC EXP ARO TRANSMISSION	1.55	1.55	1.55	1.55
403113	DEPREC EXP ARO OTHER PRODUCTION	207.05	207.05	207.05	207.05
403114	DEPREC EXP ARO HYDRO	41.34	41.34	41.34	41.34
403115	DEPREC EXP ARO DISTRIBUTION	30.51	30.51	30.51	30.51
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	707.72	707.72	707.72	707.72
403212	DEPREC EXP ARO GAS DISTRIBUTION	26.67	26.67	26.67	26.67
403213	DEPREC EXP ARO GAS TRANSMISSION	-	-	-	-
403311	DEPREC EXP ARO COMMON	2.86	2.86	2.86	2.86
404301	AMORT-INTANG GAS PLT	164,995.74	166,349.09	167,846.06	168,150.77
404401	AMT-EL INTAN PLT-RTL	232,216.23	234,120.94	236,227.79	236,656.64
404402	AMT-EL INTAN PLT-WHS	213,883.37	215,637.70	217,578.23	217,973.23
407401	REGULATORY CREDITS - GENERATION ACCRETION	(127,352.02)	(128,004.15)	(128,659.63)	(129,318.46)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(62.78)	(63.08)	(63.38)	(63.68)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(1,402.38)	(1,409.03)	(1,415.71)	(1,422.42)
407406	REGULATORY CREDITS - GAS ACCRETION	(38,924.77)	(39,104.92)	(39,285.89)	(39,467.70)
407407	REGULATORY CREDITS - COMMON ACCRETION	(139.04)	(139.70)	(140.36)	(141.02)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(13,870.43)	(13,870.43)	(13,870.45)	(13,870.45)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(1.55)	(1.55)	(1.55)	(1.55)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(30.51)	(30.51)	(30.51)	(30.51)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(734.39)	(734.39)	(734.39)	(734.39)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(2.86)	(2.86)	(2.86)	(2.86)
408101	TAX-NON INC-UTIL OPR	-	-	7,222.67	-
408102	REAL AND PERSONAL PROP. TAX	1,222,746.10	1,222,746.10	1,222,746.10	1,222,746.10
408103	KY PUBLIC SERVICE COMMISSION TAX	161,675.42	161,675.44	161,096.90	161,096.90
408105	FEDERAL UNEMP TAX	(632.62)	(935.67)	(609.49)	(1,055.36)
408106	FICA TAX	371,565.32	396,263.23	412,073.20	406,580.89
408107	STATE UNEMP TAX	(2,545.21)	(2,993.12)	(2,185.46)	(3,149.95)
408108	REAL AND PERSONAL PROP TAX - ECR	-	-	-	-
408195	FEDERAL UNEMP TAX - INDIRECT	1,631.03	1,685.09	1,408.82	1,640.00
408196	FICA TAX - INDIRECT	170,079.05	175,722.50	146,914.99	171,030.97
408197	STATE UNEMP TAX - INDIRECT	6,063.77	6,265.09	5,237.91	6,097.81
408202	TAX-NON INC-OTHER	231.00	231.00	231.00	231.00
409101	FED INC TAX-UTIL OPR	-	(3,439,809.35)	-	-
409102	KY ST INCOME TAXES	-	(2,338,278.68)	-	-

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409104	FED INC TAXES - EST	2,343,232.70	(2,789,960.59)	8,612,458.61	11,783,267.74
409105	ST INC TAXES - EST	427,337.27	(508,807.39)	1,570,661.15	2,148,924.21
409203	FED INC TAX-OTHER	-	(3,493,718.87)	-	-
409206	ST INC TAX-OTHER	-	(634,002.38)	-	-
409209	FED IN TAXES-OTH EST	(1,137,168.90)	2,020,043.22	(284,604.89)	701,210.61
409210	ST INC TAXES-OTH EST	(207,386.43)	368,396.94	(51,903.63)	127,880.35
410101	DEF FED INC TAX-OPR	-	29,541,634.39	-	-
410102	DEF ST INC TAX-OPR	-	6,388,196.11	-	-
410203	DEF FEDERAL INC TX	-	-	-	-
410204	DEF STATE INC TAX	-	-	-	-
411101	FED INC TX DEF-CR-OP	-	(16,279,134.82)	(3.75)	-
411102	ST INC TAX DEF-CR-OP	-	(2,366,970.75)	-	-
411150	ACCRETION EXPENSE - GENERATION	127,352.02	128,004.15	128,659.63	129,318.46
411151	ACCRETION EXPENSE - TRANSMISSION	62.78	63.08	63.38	63.68
411155	ACCRETION EXPENSE - DISTRIBUTION	1,402.38	1,409.03	1,415.71	1,422.42
411156	ACCRETION EXPENSE - GAS	38,924.77	39,104.92	39,285.89	39,467.70
411157	ACCRETION EXPENSE - COMMON	139.04	139.70	140.36	141.02
411201	FD INC TX DEF-CR-OTH	-	-	-	-
411202	ST INC TX DEF-CR-OTH	-	-	-	-
411403	ITC DEFERRED	-	-	-	-
411404	AMORTIZATION OF ITC	(208,481.00)	(208,481.00)	(208,481.00)	(208,481.00)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	1,592.74	2,419.13	1,950.27	3,062.89
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	-	-	-	-
421201	LOSS-PROPERTY DISP	-	-	-	-
426101	DONATIONS	103,470.19	94,425.83	79,868.35	71,245.94
426191	DONATIONS - INDIRECT	4,320.00	4,900.00	120.00	820.76
426301	PENALTIES	-	-	-	-
426401	EXP-CIVIC/POL/REL	6,794.18	4,810.57	4,373.34	7,753.82
426491	EXP-CIVIC/POL/REL - INDIRECT	65,388.29	65,147.86	61,477.39	63,445.18
426501	OTHER DEDUCTIONS	34,226.20	96,183.01	154,692.14	66,226.29
426508	FOREIGN EXCHANGE LOSSES	-	-	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	(2,615,593.00)	(798,443.35)	179,510.60	774,928.63
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	2,949,700.00	3,820,845.00	404,631.00	(2,535,344.00)
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	-	-	-	-
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-	-
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	2,615,593.00	798,443.35	(179,510.60)	(774,928.63)
426557	AMORT OF OCI-PCB JC2003A \$128M	(5,409.07)	(5,409.07)	(5,409.07)	(5,409.07)
426558	AMORT OF REG ASSET - SWAP TERMINATION	-	-	-	21,539.65
426591	OTHER DEDUCTIONS - INDIRECT	1,325.97	4,303.58	3,012.86	6,999.42
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-	-
427020	INT EXP-FMB LGE2010 \$250M 11/15	-	-	-	-
427021	INT EXP-FMB LGE2010 \$285M 11/40	-	-	-	-
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	145,312.50	145,312.49	145,312.46	145,312.50
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	-	-	-	-
427127	INT EXP-PCB TC2007A \$60M 06/33	230,000.00	230,000.00	230,000.00	230,000.00
427128	INT EXP-PCB JC2000A \$25M 05/27	111,979.16	111,979.16	111,979.08	111,979.17
427129	INT EXP-PCB TC2000A \$83.3M 08/30	38,310.94	42,361.96	35,185.88	30,498.30
427130	INT EXP-PCB JC2001A \$10.1M 09/27	5,444.93	4,301.22	3,571.48	3,866.17

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427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	325,019.62	361,421.57	374,986.55	349,752.12
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	83,068.77	91,105.33	94,085.41	88,619.71
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	82,780.76	90,785.32	93,754.75	88,310.38
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	83,980.76	92,118.66	95,132.54	89,599.27
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	-	-	-	-
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	-	-	-	-
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	-	-	-	-
427180	INT EXP-PCB JC2001A \$22.5M 9/26	13,376.70	12,945.21	17,352.74	19,109.60
427181	INT EXP-PCB TC2001A \$27.5M 9/26	14,691.78	13,561.65	15,445.21	13,750.01
427182	INT EXP-PCB JC2001B \$35M 11/27	37,176.70	41,175.34	42,220.53	40,229.86
427183	INT EXP-PCB TC2001B \$35M 11/27	38,260.26	41,041.09	42,431.50	40,254.77
427189	INT EXP-PCB TC2002A \$41.665M 10/32	20,824.51	19,964.95	19,026.63	21,338.19
427190	INT EXP-PCB JC2003A \$128M	-	-	-	-
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	191,666.66	191,666.66	191,666.57	191,666.67
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	115,679.01	143,834.00	66,433.01	61,969.02
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-	-
428020	AM EXP-FMB LGE2010 \$250M 11/15	-	-	-	-
428021	AM EXP-FMB LGE2010 \$285M 11/40	-	-	-	-
428031	AM EXP \$35.2M 6/33	-	-	-	-
428035	AM EXP-PCB TC2007A \$60M 6/33	3,932.71	3,961.20	3,961.20	3,961.20
428059	AM EXP-PCB JC2001A \$10.1M 9/27	1,699.38	1,699.38	1,699.38	1,699.38
428076	AM EXP-PCB TC2000A \$83M 8/30	3,225.62	3,225.62	3,225.62	3,225.62
428080	AM EXP-PCB JC2001A \$22.5M 9/26	826.98	826.98	826.98	826.98
428081	AM EXP-PCB TC2001A \$27.5M 9/26	899.17	899.17	899.17	899.17
428082	AM EXP-PCB JC2001B \$35M 11/27	916.27	916.27	916.27	916.27
428083	AM EXP-PCB TC2001B \$35M 11/27	916.43	916.43	916.43	916.43
428089	AM EXP-PCB TC2002A \$41.665M 10/32	3,101.78	3,101.78	3,101.78	3,101.78
428091	AM EXP-PCB LM/JC2003A \$128M	-	-	-	-
428104	AM LOSS-1985J \$25M 07/95	2,625.00	2,625.00	2,625.00	2,625.00
428107	AM LOSS-FMB \$25M 10/09	-	-	-	-
428108	AM LOSS-1976B \$35.2M 09/06	1,826.00	1,826.00	1,826.00	1,826.00
428109	AM LOSS-1975A \$31M 09/00	956.00	956.00	956.00	956.00
428110	AM LOSS-1987A \$60M 08/97	8,582.00	8,582.00	8,582.00	8,582.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	6,752.00	6,752.00	6,752.00	6,752.00
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	11,975.01	11,975.01	11,975.01	11,975.01
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	2,042.95	2,057.76	2,057.76	2,057.76
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	3,037.57	3,059.59	3,059.59	3,059.59
428128	AM LOSS-PCB JC2000A \$25M 05/27	3,071.40	3,071.40	3,071.40	3,071.40
428130	AM LOSS-PCB JC1992A \$31M 09/17	413.87	416.87	416.87	416.87
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	234.38	236.09	236.09	236.09
428135	AM LOSS REACQ \$60M 6/33	547.29	551.25	551.25	551.25
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	6,451.99	6,451.99	6,451.99	6,451.99
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	5,450.00	5,450.00	5,450.00	5,450.00
428182	AM LOSS-PCB JC1997A \$35M 11/27	4,088.00	4,088.00	4,088.00	4,088.00
428183	AM LOSS-PCB TC1997A \$35M 11/27	4,072.00	4,072.00	4,072.00	4,072.00
428189	AM LOSS-TC1990B \$41.665M 10/20	4,651.02	4,651.02	4,651.02	4,651.02
428191	AM LOSS-JC1993B \$26M 11/03	15,859.00	15,915.25	15,915.25	15,915.25
428192	AM LOSS-LM/JC2003A \$128M 10/33	10,192.16	10,228.71	10,228.71	10,228.71



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428194	AM LOSS-JC1995A \$40M 11/05	3,904.00	3,904.00	3,904.00	3,904.00
428195	AM LOSS REACQ PRE STK 5.875	-	-	-	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	4,133.04	4,133.04	4,133.04	4,133.04
428220	AM DISC-FMB LGE2010 \$250M 11/15	-	-	-	-
428221	AM DISC-FMB LGE2010 \$285M 11/40	-	-	-	-
430002	INT-DEBT TO ASSOC CO	24,735.68	37,766.25	38,613.69	28,309.68
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	2,220,149.99	2,220,150.01	2,220,150.01	2,220,149.99
431002	INT-CUST DEPOSITS	111,116.64	138,308.08	109,949.11	108,831.84
431004	INT-OTHER TAX DEFNCY	-	7,469.00	-	-
431008	INT-DSM COST RECOVER	708.19	(439.83)	(439.83)	968.14
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	-	13,223.48	-	-
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	41,478.14	169,999.44	145,646.67	12,226.62
500100	OPER SUPER/ENG	78,746.04	81,464.50	64,340.64	79,024.37
500900	OPER SUPER/ENG - INDIRECT	125,494.65	186,084.06	131,582.28	128,824.57
501001	FUEL-COAL - TON	26,669,831.72	28,222,569.18	31,439,661.82	31,091,017.52
501004	FUEL COAL - TO SOURCE UTILITY OSS	-	675.72	(675.72)	-
501005	FUEL COAL - OSS	96,852.38	67,259.33	(14,419.49)	41,559.62
501006	FUEL COAL - OFFSET	(6,621,264.85)	(4,515,030.44)	(4,474,478.70)	(4,914,474.91)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	6,524,412.44	4,447,095.39	4,489,573.91	4,872,915.32
501020	START-UP OIL -GAL	220,958.27	78,118.52	19,965.56	45,398.99
501022	STABILIZATION OIL - GAL	58,768.64	348,359.70	19,336.28	44,813.02
501026	COAL RESALE EXPENSES	30,015.50	89,641.57	88,816.37	68,780.00
501090	FUEL HANDLING	351,948.63	366,216.88	324,498.71	414,769.48
501091	FUEL SAMPLING AND TESTING	537.13	-	2,358.30	(115.38)
501100	START-UP GAS - MCF	237,895.80	222,360.38	275,552.59	235,319.82
501102	STABILIZATION GAS - MCF	207,599.80	176,334.09	153,039.22	257,397.23
501200	BOTTOM ASH DISPOSAL	69,503.27	62,828.19	77,555.69	84,387.45
501201	PLANT-ECR BOTTOM ASH DISPOSAL	-	-	-	-
501202	BOTTOM ASH PROCEEDS	(622.24)	(1,505.25)	-	(530.54)
501250	FLY ASH PROCEEDS	-	-	-	-
501251	FLY ASH DISPOSAL	153.68	490.93	(115.38)	173.03
501990	FUEL HANDLING - INDIRECT	57,632.94	46,558.13	50,144.19	48,744.61
502001	OTHER WASTE DISPOSAL	270,247.97	317,350.14	328,045.08	404,943.55
502002	BOILER SYSTEMS OPR	670,479.03	704,699.43	691,526.59	752,920.38
502003	SDRS OPERATION	19,050.00	9,525.00	7,620.00	-
502004	SDRS-H2O SYS OPR	238,561.95	229,473.38	256,213.65	231,676.65
502005	SLUDGE STAB SYS OPR	51,529.42	55,329.08	48,136.35	58,486.36
502006	SCRUBBER REACTANT EX	1,102,296.51	1,328,109.43	1,489,371.14	1,513,505.69
502022	OTHER WASTE DISPOSAL - OSS	394.77	50.65	311.33	(772.23)
502023	OTHER WASTE DISPOSAL - OFFSET	(394.77)	(50.65)	(311.33)	772.23
502025	SCRUBBER REACTANT - OSS	13,359.30	784.42	6,385.63	6,584.51
502026	SCRUBBER REACTANT - OFFSET	(13,359.30)	(784.42)	(6,385.63)	(6,584.51)
502056	ECR SCRUBBER REACTANT EX	-	-	-	-
502100	STM EXP(EX SDRS.SPP)	452,825.23	420,094.40	288,898.54	565,598.77
502900	STM EXP(EX SDRS.SPP) - INDIRECT	2,857.50	8,258.51	1,286.57	18,369.99
504001	STEAM XFERRED - CR - PROJECT USE	(195,901.08)	(217,778.28)	(6,674.08)	(6,547.04)
505100	ELECTRIC SYS OPR	77,712.55	68,631.13	68,652.38	79,435.45
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	-	-	-	-

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506100	MISC STM PWR EXP	1,006,461.33	1,114,764.79	1,034,304.21	1,172,708.98
506104	NOX REDUCTION REAGENT	240,421.45	202,659.86	259,200.06	250,081.92
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	9,248.84	9,841.76	9,850.36	12,949.32
506107	SCR/NOX - OSS	-	-	-	-
506108	SCR/NOX - OFFSET	-	-	-	-
506109	SORBENT INJECTION OPERATION	92,101.70	91,097.86	83,161.94	97,615.56
506150	ECR MERCURY MONITORS OPERATIONS	-	-	-	-
506151	ECR ACTIVATED CARBON	-	-	-	-
506152	ECR SORBENT REACTANT - REAGENT ONLY	-	-	-	-
506154	ECR NOX REDUCTION REAGENT	-	-	-	-
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	-	-	-	-
506159	ECR SORBENT INJECTION OPERATION	-	-	-	-
506900	MISC STM PWR EXP - INDIRECT	-	306.61	-	-
507100	RENTS-STEAM	33,155.47	6,875.00	10,275.00	6,875.00
509002	SO2 EMISSION ALLOWANCES	68.21	81.08	88.20	77.49
509003	NOX EMISSION ALLOWANCES	23.23	26.88	25.90	26.16
509007	EMISSION ALLOWANCES - OSS	0.39	0.02	0.15	0.14
509008	EMISSION ALLOWANCES - OFFSET	(0.39)	(0.02)	(0.15)	(0.14)
510100	MTCE SUPER/ENG - STEAM	137,880.73	235,637.10	204,074.14	212,542.97
511100	MTCE-STRUCTURES	153,339.96	194,906.69	298,628.41	189,167.12
512005	MAINTENANCE-SDRS	718,467.96	590,306.63	439,321.22	547,776.86
512011	INSTR/CNTRL-ENVRNL	-	-	-	-
512015	SDRS-COMMON H2O SYS	129,660.55	57,207.17	136,531.88	57,608.57
512017	MTCE-SLUDGE STAB SYS	(94,211.93)	253,484.95	96,956.99	131,858.52
512051	ECR INSTR/CNTRL-ENVRNL	-	-	-	-
512055	ECR MAINTENANCE-SDRS	-	-	-	-
512100	MTCE-BOILER PLANT	2,493,252.99	1,699,599.19	1,278,368.32	1,942,781.92
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	20,516.69	55,323.19	12,141.33	37,429.72
512102	SORBENT INJECTION MAINTENANCE	53.54	260.79	2,810.97	91.58
512103	MERCURY MONITORS MAINTENANCE	-	40,271.00	30,203.00	2,083.19
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	-	-	-	-
512152	ECR SORBENT INJECTION MAINTENANCE	-	-	-	-
512153	ECR MERCURY MONITORS MAINTENANCE	-	-	-	-
513100	MTCE-ELECTRIC PLANT	1,079,618.88	1,531,363.69	1,234,392.53	194,350.34
513900	MTCE-ELECTRIC PLANT - BOILER	3,447.12	8,049.70	10,174.42	14,922.60
514100	MTCE-MISC/STM PLANT	188,189.15	257,117.45	106,716.56	129,090.96
535100	OPER SUPER/ENG-HYDRO	9,141.32	10,241.81	5,909.84	12,226.11
536100	WATER FOR POWER	3,250.95	3,220.46	3,220.46	3,220.46
538100	ELECTRIC EXPENSES - HYDRO	14,130.18	12,099.19	10,553.24	15,293.37
539100	MISC HYD PWR GEN EXP	4,998.90	13,503.07	10,391.32	8,984.34
540100	RENTS-HYDRO	36,523.14	40,250.27	40,722.87	38,624.67
541100	MTCE-SUPER/ENG - HYDRO	-	-	25.19	7.90
542100	MAINT OF STRUCTURES - HYDRO	8,409.84	12,299.11	(557.82)	24,074.20
543100	MTCE-RES/DAMS/WATERW	5,616.42	7,268.42	1,891.54	5,195.89
544100	MTCE-ELECTRIC PLANT	19,312.48	11,717.70	54,116.44	20,945.77
546100	OPER SUPER/ENG - TURBINES	2,235.96	2,930.66	2,257.70	2,737.70
547030	FUEL-GAS - MCF	1,666,661.97	3,036,380.10	3,512,184.10	3,553,275.87
547040	FUEL-OIL - GAL	233.36	126,814.31	-	-

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547051	FUEL - TO SOURCE UTILITY OSS	330.68	407.48	-	-
547052	FUEL - OSS	65,459.53	4,878.92	44,244.14	38,762.83
547053	FUEL - OFFSET	(797,494.55)	(887,261.32)	(1,784,697.09)	(1,483,716.28)
547054	FUEL - TO SOURCE UTILITY RETAIL	731,704.34	881,974.92	1,740,452.95	1,444,953.45
547056	FUEL - GAS - INTRACOMPANY	76,821.59	125,303.18	79,024.76	78,358.21
548100	GENERATION EXP	13,311.24	10,932.28	12,849.78	12,653.55
549002	AIR QUALITY EXPENSES	7,268.24	863.16	860.55	860.55
549003	NOX EMISSION ALLOWANCES	2.16	4.32	3.60	5.42
549100	MISC OTH PWR GEN EXP	1,274.70	2,644.46	958.72	835.20
550100	RENTS-OTH PWR	8,995.05	1,300.81	1,356.49	1,515.27
551100	MTCE-SUPER/ENG - TURBINES	6,882.37	3,853.35	3,695.30	3,919.76
552100	MTCE-STRUCTURES - OTH PWR	3,100.30	9,575.72	7,961.53	10,520.90
553100	MTCE-GEN/ELECT EQ	58,666.00	64,909.91	82,434.85	78,003.83
554100	MTCE-MISC OTH PWR GEN	426,259.86	32,279.50	19,954.52	11,366.36
555006	MISO DAY 2 PURCHASED POWER - OSS	-	-	-	0.02
555007	MISO DAY 2 PURCHASED POWER - NL	-	-	3,650.66	1,001.25
555010	OSS POWER PURCHASES	60,586.07	151,082.80	(35,971.51)	69,856.10
555015	NL POWER PURCHASES - ENERGY	1,611,804.61	2,506,755.20	1,625,315.83	2,251,482.44
555016	NL POWER PURCHASES - DEMAND	1,802,370.17	1,592,078.13	1,652,028.51	1,240,125.30
555020	OSS I/C POWER PURCHASES	1,103,576.37	171,177.30	619,743.88	527,038.37
555025	NL I/C POWER PURCHASES	28,154.64	196,256.89	12,822.17	-
556100	SYS CTRL / DISPATCHING	-	194.13	-	-
556900	SYS CTRL / DISPATCHING - INDIRECT	120,523.94	118,025.72	123,723.85	132,285.50
557100	OTH POWER SUPPLY EXP	2,115.35	1,950.00	2,034.00	2,000.00
557110	MARKET FEES - NATIVE LOAD	-	-	-	-
557111	MARKET FEES - OFF SYSTEM SALES	-	-	-	-
557206	MISO DAY 2 OTHER - NATIVE LOAD	(0.93)	(0.06)	299.48	295.51
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	3,468.72	162.48	(8.68)	(40.48)
557208	RTO OTHER (NON-MISO) - NL	(807.17)	(6,496.81)	(1,295.37)	(5,637.36)
557209	RTO OTHER (NON-MISO) - OSS	(24.50)	(241.48)	(138.18)	(247.19)
557211	RTO OPERATING RESRV (NON-MISO) - NL	1,880.64	8,975.05	3,733.54	7,414.77
557212	RTO OPERATING RESRV (NON-MISO) - OSS	29,014.10	11,547.86	10,586.51	4,726.03
558001	ELEC DEPT USE-CR	-	-	-	-
558002	OTHER DEPT USE-CR	-	-	-	-
560100	OP SUPER/ENG-SSTOPER	2,989.54	3,070.93	1,006.00	3,400.52
560900	OP SUPER/ENG-SSTOPER - INDIRECT	53,618.06	55,949.58	45,070.45	49,404.94
561100	LOAD DISPATCH-WELOB	3,999.88	2,399.93	4,399.87	4,399.87
561190	LOAD DISPATCH - INDIRECT	13,259.62	21,051.58	33,564.01	25,578.98
561402	MISO DAY 1 SCH 10 - RESERVE	0.04	-	-	6.98
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	4.55	-	-	-
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	26,672.84	26,957.91	18,563.61	35,570.28
561601	TRANSMISSION SERVICE STUDIES	-	2,147.88	178.33	-
561802	MISO DAY 1 SCH 10 - RESERVE	-	-	-	0.50
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	0.33	-	-	-
561900	LOAD DISPATCH-WELOB - INDIRECT	29,505.07	24,202.09	25,114.38	29,183.62
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	23,623.09	26,102.93	27,342.50	30,120.73
562100	STA EXP-SUBST OPER	111,033.13	105,994.04	93,283.11	78,366.78
563100	OTHER INSP-ELEC TRAN	8,104.77	14,623.74	5.32	29,018.23

**Louisville Gas & Electric Company**  
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Account Number	Account Description	31-MAY-10	30-JUN-10	31-JUL-10	31-AUG-10
565002	TRANSMISSION ELECTRIC OSS	835.81	1,535.13	2,204.15	3,534.87
565005	TRANSMISSION ELECTRIC NATIVE LOAD	7,198.84	12,046.01	18,576.47	20,635.25
565006	TRANSMISSION ELECTRIC OSS - MISO	0.11	-	-	(17.46)
565014	INTERCOMPANY TRANSMISSION EXPENSE	180,464.31	88,820.83	34,597.77	32,408.17
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	-	-	-	-
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	-	-	-	-
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	4,672.39	18,531.29	4,517.70	2,220.37
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	-	-	-	-
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	-	-	-	-
566100	MISC TRANS EXP-SSTMT	38,467.77	41,981.58	36,244.02	40,689.89
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	18,334.00	18,334.00	18,334.00	18,334.00
566140	INDEPENDENT OPERATOR	147,780.00	282,240.00	147,780.00	147,780.00
566150	EKPC DEPANCAKING SETTLEMENT	13,970.00	13,970.00	13,970.00	13,970.00
566151	KMPA MISO CHARGES	647,039.78	283,573.97	177,034.72	169,513.43
566900	MISC TRANS EXP-SSTMT - INDIRECT	87,071.15	106,426.32	99,138.85	93,046.60
567100	RENTS-ELEC/SUBSTATION OPERATIONS	3,748.48	405.70	315.89	465.00
569100	MTCE-STRUCT-SSTMTCE	2.63	60.90	6.70	117.35
569101	MAINTENANCE OF COMPUTER HARDWARE	-	-	-	-
570100	MTCE-ST EQ-SSTMTCE	122,220.88	160,197.32	107,021.21	128,595.09
571100	MTCE OF OVERHEAD LINES	146,153.14	15,971.53	41,947.33	1,755.36
573100	MTCE-MISC TR PLT-SSTMT	-	32.43	457.36	-
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	5,163.17	(4,550.07)	5,105.78	2,814.18
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	8,660.61	8,660.61	8,660.61	4,773.51
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	43,821.04	43,474.94	43,828.60	24,156.05
575704	MISO DAY 1 SCH 10 - RESERVE	(0.01)	-	-	0.24
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	55,781.81	55,781.65	55,781.65	30,745.45
580100	OP SUPER/ENG-SSTOPER	109,983.81	129,078.67	135,153.30	109,153.91
580900	OP SUPER/ENG-SSTOPER - INDIRECT	13,385.44	12,294.04	14,365.43	13,466.39
581900	SYS CTRL/SWITCH-DIST - INDIRECT	35,682.43	34,375.40	36,621.34	41,010.50
582100	STATION EXP-SSTOPER	66,095.82	118,869.40	58,419.22	63,453.25
583001	OPR-O/H LINES	138,922.08	147,747.72	98,349.35	130,696.08
583003	O/H LOAD/VOLT TEST	581.46	2,003.94	882.55	1,428.89
583005	CUST COMPL RESP-O/H	122,094.10	122,994.99	151,627.43	128,759.73
583008	INST/REMV TRANSF/REG	2,611.51	3,066.77	955.70	1,791.85
583009	INSPC O/H LINE FACIL	33,183.62	2,073.56	14,533.57	29,161.54
583010	LOC O/H ELEC FAC-BUD	61,338.28	47,799.38	72,545.59	65,785.44
583100	O/H LINE EXP-SSTOPER	20,138.58	21,232.84	20,417.13	26,221.43
584001	OPR-UNDERGRND LINES	7,174.71	5,781.38	11,663.82	21,641.74
584002	INSPC U/G LINE FACIL	23,604.72	-	11,548.20	131,318.58
584003	LOAD/VOLT TEST-U/G	2,798.20	2,741.73	1,940.93	1,641.71
584005	RESP-U/G CUST COMPL	3,071.76	1,807.99	1,765.24	2,004.67
584008	INST/RMV/REPL TRANSF	6,930.53	9,224.81	9,484.63	11,097.78
585100	STREET LIGHTING AND SIGNAL SYST EXP	659.95	530.09	521.33	881.99
586100	METER EXP	527,327.07	493,071.39	560,939.22	431,519.44
586900	METER EXP - INDIRECT	33.56	25.05	47.27	26.98
587100	CUST INSTALLATION EXP	(27,765.58)	(25,051.39)	(3,489.64)	(8,720.59)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	158,879.39	245,770.84	157,046.58	231,698.53
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	29,543.61	29,837.68	29,594.55	32,997.91

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Account Number	Account Description	31-MAY-10	30-JUN-10	31-JUL-10	31-AUG-10
589100	RENTS-DISTR / SUBSTAT OPER	312.71	4,723.12	3,162.44	243.70
590100	MTCE/SUPER/ENG-SSTMT	-	3,221.97	-	1,163.51
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	-	-	-	-
591003	MTCE-MISC STRUCT-DIS	61,199.98	64,526.70	46,748.89	55,432.88
592100	MTCE-ST EQ-SSTMTCE	60,948.97	94,468.29	90,043.38	73,975.57
593001	MTCE-POLE/FIXT-DISTR	138,177.66	112,658.17	150,613.04	168,721.16
593002	MTCE-COND/DEVICE-DIS	230,359.11	288,807.43	330,195.80	952,756.83
593003	MTCE-SERVICES	188.27	3,264.34	783.93	6,508.73
593004	TREE TRIMMING	398,444.28	290,263.72	443,713.79	331,356.16
593005	MINOR EXEMPT EXPENSE	-	-	31,526.16	(29,548.98)
594002	MTCE-U/G COND ETC	226,412.09	195,881.13	121,485.38	160,465.50
595100	MTCE-TRANSF/REG	15,222.87	13,037.72	13,613.22	13,781.63
596100	MTCE OF STREET LIGHTING AND SIGNALS	47,293.60	19,010.70	72,707.99	16,057.09
598100	MTCE OF MISC DISTRIBUTION PLANT	25,386.51	31,276.37	26,054.71	16,472.13
803001	GAS TRANS LINE PURCH	9,105,480.69	13,524,334.35	19,482,840.78	19,062,820.81
803002	PURCHASED GAS REFUND	(7,172.15)	(5,622.14)	(4,771.58)	(5,077.59)
803003	GAS COST ACTUAL ADJ	(1,392,389.55)	(293,829.00)	(26,300.25)	652,566.09
803004	GAS COST BALANCE ADJ	34,204.91	49,281.47	41,807.93	7,312.10
803006	PURCHASED GAS - WHOLESALE SALES	-	-	-	-
803007	WHOLESALE SALES MARGIN	-	-	-	-
803008	ACQ AND TRANS INCENTIVE	-	(339,000.00)	-	-
803009	PBR RECOVERY	64,394.90	48,161.23	40,861.59	36,432.83
806001	EXCHANGE GAS	(7,261,780.08)	(1,217,637.70)	(192,893.63)	(1,157,169.67)
807001	PURCH GAS CALC EXP	-	-	-	-
807002	OTHER PURCH GAS EXP	-	-	-	-
807003	GAS PROCUREMENT EXP	-	(6,200.00)	-	-
807401	PURCH GAS CALC EXP	2,406.15	2,623.58	2,507.88	2,985.26
807501	OTHER PURCH GAS EXP	238.85	-	-	-
807502	GAS PROCUREMENT EXP	48,682.17	58,401.71	51,273.54	49,379.28
808101	GAS W/D FROM STOR-DR	3,987,748.84	3,694.32	2,057.29	1,227.68
808201	GAS DELD TO STOR-CR	-	(8,561,202.48)	(15,693,600.46)	(14,507,050.93)
810001	GAS-COMP STA FUEL-CR	(16.44)	32,261.68	(69.79)	(11.51)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	(904.81)	(9,207.49)	-	(2,038.39)
812020	GAS-CITY GATE-CR	(1,345.78)	(465.79)	(153.11)	(22.16)
812030	GAS-OTH DEPT-CR	(1,713.85)	(641.42)	(401.47)	(456.68)
813001	OTH GAS SUPPLY EXP	-	-	-	-
814003	SUPV-STOR/COMPR STA	43,454.30	46,467.39	39,365.54	47,460.12
816100	WELLS EXPENSE	8,496.85	3,149.13	3,620.80	5,368.73
817100	LINES EXPENSE	34,337.23	55,745.51	41,178.86	45,602.68
818100	COMPR STATION EXP	90,956.59	96,957.80	213,541.25	95,219.30
819100	COMPR STA FUEL-U/G	-	(32,295.99)	-	-
821100	PURIFICATION EXP	144,010.01	(29,508.93)	2.24	640.05
823100	GAS LOSSES	135,003.39	147,899.97	180,461.45	217,071.58
824100	OPR-U/G STO/COMPR	1,240.67	1,240.67	1,240.67	1,240.67
825100	ROYALTIES	4,006.72	1,613.43	9,371.74	-
826100	RENTS-STORAGE FIELDS	3,704.86	11,108.64	3,573.37	-
830100	MTCE SUPRV AND ENGR - STOR COMPR	30,276.51	34,031.97	26,355.82	36,436.13
832100	MTC-RESERVOIRS/WELLS	49,408.47	175,157.77	230,994.55	45,000.10

**Louisville Gas & Electric Company**  
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Account Number	Account Description	31-MAY-10	30-JUN-10	31-JUL-10	31-AUG-10
833100	MTCE-LINES	12,274.32	6,253.69	11,358.88	16,268.38
834100	MTCE-COMP STA EQUIP	53,738.29	97,397.65	96,966.58	86,802.37
835100	MTCE-M/R EQ-COMPR	3,907.79	7,222.18	4,010.37	981.47
836100	MTCE-PURIFICATION EQUIP	11,190.54	49,578.23	29,125.63	40,216.81
837100	MTCE-OTHER EQUIP	2,123.52	2,901.48	2,131.13	1,837.81
850100	OPR SUPV AND ENGR	-	-	221.39	-
851100	SYS CTRL/DSPTCH-GAS	21,019.42	23,796.78	21,529.70	25,275.82
856100	MAINS EXPENSES	11,185.19	16,552.83	40,460.08	72,393.55
860100	RENTS-GAS TRANS	600.68	-	714.71	69.00
863100	MTCE-GAS MAINS-TRANS	87,203.92	35,070.08	75,309.82	35,329.55
871100	DISTR LOAD DISPATCH	30,476.96	33,471.30	31,215.34	41,377.85
874001	OTHER MAINS/SERV EXP	50,339.33	46,170.99	49,621.01	40,296.04
874002	LEAK SUR-DIST MN/SVC	26,636.43	48,933.04	94,440.61	58,162.07
874005	CHEK STOP BOX ACCESS	119,020.67	111,498.40	90,877.97	19,584.97
874006	PATROLLING MAINS	17,116.55	2,941.96	3,218.59	19,413.28
874007	CHEK/GREASE VALVES	11,577.59	7,867.77	6,380.13	8,842.91
874008	OPR-ODOR EQ	5,130.14	5,446.76	7,768.14	5,591.33
875100	MEAS/REG STA-GENERAL	73,632.67	59,053.36	73,215.96	58,980.96
876100	MEAS/REG STA-INDUSTRIAL	19,754.44	17,810.56	13,103.74	17,295.93
877100	MEAS/REG STA-CITY GATE	3,432.69	6,635.59	5,465.00	8,046.72
878100	METER/REG EXPENSE	1,466.22	2,661.96	932.78	3,182.03
879100	CUST INSTALL EXPENSE	31,139.63	34,949.10	40,495.43	36,446.22
880100	OTH GAS DISTR EXPENSE	204,598.68	269,123.28	216,330.33	252,965.60
880900	OTH GAS DISTR EXPENSE - INDIRECT	8,598.32	9,412.90	8,833.05	12,151.11
881100	RENTS-GAS DISTR	4,020.88	4,558.12	638.75	30.00
886100	MTCE-GAS DIST STRUCT	51,622.91	46,714.75	43,162.16	43,968.10
887100	MTCE-GAS MAINS-DISTR	632,886.31	722,574.59	614,690.05	679,563.50
889100	MTCE-M/R STA EQ-GENL	3,962.53	7,095.85	2,020.83	9,075.74
890100	MTCE-M/R STA EQ-INDL	12,877.06	9,194.97	7,194.96	3,245.05
891100	MTCE-M/R ST EQ-CITY GATE	21,564.69	36,595.23	16,755.95	12,316.37
892100	MTCE-OTH SERVICES	82,068.98	95,034.37	78,316.63	106,229.44
894100	MTCE-OTHER EQUIP	38,127.92	41,202.06	30,706.12	62,541.34
901001	SUPV-CUST ACCTS	105,250.00	115,539.11	101,054.90	108,239.40
901900	SUPV-CUST ACCTS - INDIRECT	31,146.88	25,704.70	27,659.59	25,816.85
902001	METER READ-SERV AREA	301,406.47	307,012.72	315,054.54	304,890.43
902002	METER READ-CLER/OTH	1,425.25	2,702.89	2,061.75	1,915.75
902003	METER READ-DIST 25	-	-	-	15.00
902900	METER READ-SERV AREA - INDIRECT	-	-	-	-
903001	AUDIT CUST ACCTS	69,870.00	65,361.61	61,774.69	73,703.53
903002	BILL SPECIAL ACCTS	-	-	-	-
903003	PROCESS METER ORDERS	18,565.35	12,585.18	11,735.03	14,631.79
903006	CUST BILL/ACCTG	16,433.31	14,150.97	14,260.53	12,380.64
903007	PROCESS PAYMENTS	38,418.99	44,331.47	42,121.67	39,431.12
903008	INVEST THEFT OF SVC	17,068.86	17,211.06	18,716.79	18,263.09
903012	PROC CUST CNTRT/ORDR	15,511.28	15,736.05	12,386.13	16,749.71
903013	HANDLE CREDIT PROBS	-	-	60.51	-
903022	COLL OFF-LINE BILLS	18,428.64	25,259.12	24,145.89	22,635.22
903023	PROC BANKRUPT CLAIMS	1,637.52	1,425.74	1,787.74	1,739.65

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>31-MAY-10</b>	<b>30-JUN-10</b>	<b>31-JUL-10</b>	<b>31-AUG-10</b>
903025	MTCE-ASST PROGRAMS	6,372.95	7,844.59	6,397.84	9,123.62
903030	PROC CUST REQUESTS	35,116.47	31,263.77	96,439.33	(20,080.07)
903031	PROC CUST PAYMENTS	15,151.47	15,922.78	14,400.47	16,361.09
903032	DELIVER BILLS-REG	315,760.04	184,168.23	151,284.48	151,812.00
903035	COLLECTING-OTHER	8,925.04	10,376.52	10,122.24	11,640.68
903036	CUSTOMER COMPLAINTS	1,920.03	1,481.96	2,001.09	1,617.52
903038	MISC CASH OVERAGE/SHORTAGE	8.00	1.40	196.01	4.04
903902	BILL SPECIAL ACCTS - INDIRECT	2,239.97	2,343.15	2,426.25	2,719.71
903903	PROCESS METER ORDERS - INDIRECT	122.46	-	-	-
903906	CUST BILL/ACCTG - INDIRECT	5,628.66	6,370.36	5,524.92	5,791.77
903907	PROCESS PAYMENTS - INDIRECT	21,393.95	21,754.80	20,390.76	20,680.71
903909	PROC EXCEPTION PMTS - INDIRECT	799.16	1,869.44	43.17	799.47
903912	PROC CUST CNTRT/ORDR - INDIRECT	16,775.58	19,744.58	18,934.18	20,407.84
903930	PROC CUST REQUESTS - INDIRECT	289,503.55	266,988.91	188,863.35	374,806.69
903931	PROC CUST PAYMENTS - INDIRECT	8,880.53	7,766.85	9,374.13	8,173.02
903936	CUSTOMER COMPLAINTS - INDIRECT	19,213.82	19,501.77	16,960.63	16,633.62
904001	UNCOLLECTIBLE ACCTS	429,968.79	(153,830.52)	709,173.19	1,260,102.24
904002	UNCOLLECTABLE ACCTS - WHOLESALE	-	-	-	(11,913.61)
904003	UNCOLL ACCTS - A/R MISC	-	(1,943.02)	430.88	2,487.93
905001	MISC CUST SERV EXP	35,032.44	45,749.50	36,696.19	35,337.15
905002	MISC CUST BILL/ACCTG	1,893.83	(14,457.86)	2,705.44	3,380.71
905003	MISC COLLECTING EXP	6,624.26	7,074.51	5,879.05	6,065.71
907001	SUPV-CUST SER/INFO	4,969.63	3,551.77	4,183.76	4,758.33
907900	SUPV-CUST SER/INFO - INDIRECT	14,666.10	14,556.15	13,671.11	15,886.97
908001	CUST MKTG/ASSIST	-	-	-	-
908004	DSM - ENERGY AUDIT	-	-	-	-
908005	DSM CONSERVATION PROG	1,072,647.55	793,414.67	1,513,520.91	679,728.52
908006	DSM - HVAC	-	-	-	-
908007	DSM - CONSERVATION	-	-	-	-
908009	MISC MARKETING EXP	-	-	-	-
908010	DSM CONSERVATION PROG - OFFSET	-	-	-	-
908901	CUST MKTG/ASSIST - INDIRECT	23,350.84	19,128.82	18,684.39	19,372.17
908902	RES CONS/ENG ED PROG - INDIRECT	12,450.00	12,450.00	12,450.00	-
908909	MISC MARKETING EXP - INDIRECT	6,021.87	4,819.33	5,252.80	7,038.99
909004	MISC CUST COM-SER/IN	398.03	2,975.80	2,000.00	9,360.94
909005	MEDIA RELATIONS	-	-	-	-
909010	PRINT ADVER-SER/INFO	-	221.25	8,258.54	-
909013	SAFETY PROGRAMS	4,645.00	-	3,340.00	1,320.00
910001	MISC CUST SER/INFO	9,479.48	8,949.21	10,978.51	9,606.98
910900	MISC CUST SER/INFO - INDIRECT	11,250.00	-	6,215.14	40,000.00
912003	GEN MKTG AND MKTG PGMS	-	-	-	-
913012	OTH ADVER-SALES	250.00	3,533.26	6,681.20	4,080.25
920100	OTHER GENERAL AND ADMIN SALARIES	214,558.22	405,097.96	59,101.57	201,917.64
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	1,400,268.55	1,469,588.41	1,113,510.53	1,348,106.10
920901	OFFICERS SALARIES - INDIRECT	-	-	-	-
921001	EXP-OFFICERS/EXEC	-	-	-	-
921002	EXP-GEN OFFICE EMPL	17,636.42	(18,688.28)	23,885.79	14,503.27
921003	GEN OFFICE SUPPL/EXP	130,421.42	111,876.92	224,790.40	124,692.11

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921004	OPR-GEN OFFICE BLDG	21,830.86	65,196.85	45,544.10	44,669.08
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	75,040.01	66,242.50	82,444.49	49,235.59
921903	GEN OFFICE SUPPL/EXP - INDIRECT	291,357.03	285,084.13	234,573.64	253,187.21
922001	A/G SAL TRANSFER-CR	(96,877.91)	(112,477.93)	(70,356.70)	(93,001.42)
922002	OFF SUPP/EXP TRAN-CR	(32,177.14)	(29,066.38)	(36,674.31)	(28,459.42)
922003	TRIMBLE CTY TRAN-CR	(64,830.07)	(34,068.32)	(55,098.06)	(96,081.82)
923100	OUTSIDE SERVICES	133,367.56	(759,782.15)	122,933.67	1,219,704.09
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	58,154.16	52,465.64	57,204.80	57,204.80
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	-	-	-	-
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	-	-	-	-
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	-	4,532.01	5,280.00	-
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	700.00	700.00	700.00	700.00
923900	OUTSIDE SERVICES - INDIRECT	139,075.43	222,971.89	62,354.83	228,046.08
924100	PROPERTY INSURANCE	394,116.12	477,171.35	381,237.54	375,821.34
925001	PUBLIC LIABILITY	123,647.01	124,118.35	121,499.02	125,829.41
925002	WORKERS COMP EXPENSE - BURDENS	623,731.03	(604,275.22)	689,206.86	48,554.04
925003	AUTO LIABILITY	1,977.72	90.00	3,392.20	5,010.58
925004	SAFETY AND INDUSTRIAL HEALTH	5,938.38	5,761.79	10,888.81	13,487.87
925100	OTHER INJURIES AND DAMAGES	6,192.51	7,504.52	-	(84.39)
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	890.09	937.69	769.29	894.15
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	40.75	12.80	1,408.59	31.26
926001	TUITION REFUND PLAN	25,397.30	12,413.80	11,737.03	6,869.58
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	6,365.92	6,187.28	6,237.30	6,929.04
926003	MEDICAL INSURANCE EXPENSE - BURDENS	628,381.07	561,954.43	579,216.38	686,802.45
926004	DENTAL INSURANCE EXPENSE - BURDENS	34,948.35	35,743.62	32,322.35	38,356.68
926005	LONG TERM DISABILITY EXPENSE - BURDENS	16,693.80	16,865.57	15,736.89	18,595.61
926019	OTHER BENEFITS EXPENSE - BURDENS	80,687.67	82,975.81	73,662.39	86,993.35
926100	EMPLOYEE BENEFITS - NON-BURDEN	1,324.00	-	1,162.00	-
926101	PENSIONS EXPENSE - BURDENS	1,441,624.80	1,461,362.48	1,127,442.81	1,708,689.97
926102	401K EXPENSE - BURDENS	212,680.81	217,062.37	196,510.99	231,405.35
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	39,140.00	40,190.37	35,948.03	42,945.36
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	188,738.41	191,389.34	175,174.01	196,844.96
926110	EMPLOYEE WELFARE	2,489.68	3,383.66	7,826.10	2,157.65
926116	RETIREMENT INCOME EXPENSE - BURDENS	21,168.83	21,483.49	19,614.04	22,851.52
926117	PENSION INTEREST EXPENSE - BURDENS	150,483.19	153,455.96	(43,037.70)	334,273.60
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	278,388.82	282,612.71	186,632.73	362,742.19
926901	TUITION REFUND PLAN - INDIRECT	24,302.89	10,973.41	13,026.66	8,766.08
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	11,746.28	12,373.12	10,152.41	11,797.65
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	176,367.61	185,780.57	152,436.68	177,139.52
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	12,222.98	12,875.42	10,564.59	12,276.55
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	13,399.31	14,114.44	11,581.19	13,457.92
926911	PENSIONS EXPENSE - BURDENS INDIRECT	241,663.05	254,560.81	208,872.25	242,720.73
926912	401K EXPENSE - BURDENS INDIRECT	79,076.19	83,296.57	68,346.54	79,422.23
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	8,917.06	9,393.03	7,707.11	8,956.05
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	30,692.70	32,330.86	26,528.08	30,827.08
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	6,803.03	7,165.94	5,879.99	6,832.75
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	5,944.65	6,261.89	5,138.07	5,970.68
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	7,391.08	7,785.53	6,388.24	7,423.28



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<b>Account Number</b>	<b>Account Description</b>	<b>31-MAY-10</b>	<b>30-JUN-10</b>	<b>31-JUL-10</b>	<b>31-AUG-10</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	10,538.14	11,100.66	9,108.34	10,584.28
927001	ELEC SUPPL W/O CH-DR	-	7,077.48	-	-
927003	CITY OF LOU GAS FRAN	46,717.10	45,210.10	46,717.10	46,717.10
928002	REG UPKEEP ASSESSMTS	44,198.21	44,702.00	84,930.73	44,482.06
928003	AMORTIZATION OF RATE CASE EXPENSES	27,562.50	27,562.50	27,562.50	69,586.30
929001	FRANCHISE REQMTS-CR	-	(7,077.48)	-	-
929002	ELEC USED-ELEC DEPT	-	(201.77)	(196.84)	(186.71)
929003	GAS USED-GAS DEPT	(49,097.37)	30,011.97	(755.01)	(53.10)
929004	ELECTRICITY USED - OTHER DEPARTMENTS	-	-	-	-
930101	GEN PUBLIC INFO EXP	40,918.55	9,779.37	11,116.30	15,287.67
930191	GEN PUBLIC INFO EXP - INDIRECT	2,046.49	672.00	1,377.59	1,372.00
930201	MISC CORPORATE EXP	-	-	-	-
930202	ASSOCIATION DUES	-	-	-	-
930203	RESEARCH WORK	-	-	-	-
930207	OTHER MISC GEN EXP	3,244.04	1,097.84	1,434.22	17,868.65
930272	ASSOCIATION DUES - INDIRECT	1,808.68	3,993.72	1,901.89	2,133.62
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	86,999.37	137,050.05	25,111.83	9,740.11
930277	OTHER MISC GEN EXP - INDIRECT	-	-	50.00	200.00
930902	ASSOCIATION DUES - INDIRECT	-	-	-	-
930903	RESEARCH WORK - INDIRECT	-	-	1,209.99	-
930904	RESEARCH AND DEVELOPMENT EXPENSES	-	-	-	26,422.51
930907	OTHER MISC GEN EXP - INDIRECT	-	-	-	-
931004	RENTS-CORPORATE HQ	161,890.84	161,615.22	177,501.97	114,170.11
931100	RENTS-OTHER	3,000.00	3,000.00	3,000.00	3,000.00
935101	MTCE-GEN PLANT	36,510.48	41,874.28	35,040.71	20,558.71
935203	SOFTWARE MTCE AGREEMENTS	-	-	-	-
935391	MTCE-COMMUNICATION EQ - INDIRECT	130,718.01	142,043.22	159,285.24	144,645.42
935401	MTCE-OTH GEN EQ	5,564.61	1,862.78	1,398.46	987.06
935403	MNTC BONDABLE PROPERTY	2,321.12	2,321.12	2,321.12	2,321.12
935488	MTCE-OTH GEN EQ - INDIRECT	775,452.71	686,284.20	701,338.86	658,953.47
Total		88,662,556.36	94,025,534.50	97,835,910.40	102,565,931.74

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403011	DEPREC EXP - STEAM POWER GEN	5,376,994.24	5,378,927.21	5,321,474.99	5,327,197.91
403012	DEPREC EXP - HYDRO POWER GEN	49,786.41	49,786.41	49,786.41	49,786.41
403013	DEPREC EXP - OTH POWER GEN	696,868.04	696,868.04	699,696.46	702,495.46
403014	DEPREC EXP - TRANSMISSION	455,194.32	455,401.05	455,645.18	455,527.96
403015	DEPREC EXP - DISTRIBUTION	1,850,235.86	1,858,029.03	1,863,746.93	1,868,973.20
403016	GENERAL DEPRECIATION EXPENSE	34,056.64	15,155.26	15,248.12	16,676.36
403020	FUEL, LOCOMOTIVES, RAILCARS	-	-	-	-
403021	DEPREC. EXP. - UNDERGROUND - GAS	101,181.18	101,401.85	101,485.06	101,355.25
403022	DEPREC. EXP. - TRANSMISSION - GAS	5,101.35	5,110.19	5,119.02	5,119.02
403023	DEPREC. EXP. - DISTRIBUTION - GAS	1,176,761.69	1,180,060.52	1,182,738.51	1,182,179.39
403024	DEPREC. EXP. - GENERAL - GAS	24,745.57	18,291.59	18,589.73	19,182.29
403025	DEPREC. EXP. - COMMON	1,134,197.18	1,004,516.39	1,009,298.74	1,013,331.19
403026	DEPREC. EXP. - STEAM - ECR	-	-	60,620.82	60,620.82
403111	DEPREC EXP ARO STEAM	399,917.30	65,550.95	199,206.54	5,187.79
403112	DEPREC EXP ARO TRANSMISSION	(9.69)	36.88	16.56	16.56
403113	DEPREC EXP ARO OTHER PRODUCTION	14,667.50	38,331.54	-	192.68
403114	DEPREC EXP ARO HYDRO	(419.33)	279.61	(140,638.02)	140,929.30
403115	DEPREC EXP ARO DISTRIBUTION	55.11	1,293.42	502.56	502.69
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	(15,478.40)	8,340.36	19,724.24	19,741.91
403212	DEPREC EXP ARO GAS DISTRIBUTION	48,787.24	11,397.51	24,861.02	24,873.86
403213	DEPREC EXP ARO GAS TRANSMISSION	-	-	-	-
403311	DEPREC EXP ARO COMMON	100.32	196.60	171.56	171.63
404301	AMORT-INTANG GAS PLT	168,145.03	169,085.87	170,471.31	171,210.19
404401	AMT-EL INTAN PLT-RTL	236,648.59	239,972.71	239,922.61	240,962.50
404402	AMT-EL INTAN PLT-WHS	217,965.80	219,185.39	220,981.33	221,939.13
407401	REGULATORY CREDITS - GENERATION ACCRETION	(1,292,826.44)	(92,278.42)	(133,822.70)	(134,375.80)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(63.98)	(82.50)	(63.07)	(63.36)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(1,429.15)	(3,519.87)	(2,205.53)	(2,215.64)
407406	REGULATORY CREDITS - GAS ACCRETION	(39,650.34)	(79,366.54)	(80,239.73)	(80,605.47)
407407	REGULATORY CREDITS - COMMON ACCRETION	(141.69)	(434.45)	(464.70)	(466.83)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(461,450.11)	(56,877.46)	(58,568.52)	(146,309.77)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(9.46)	(17.73)	(16.56)	(16.56)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(458.23)	(890.30)	(502.56)	(502.69)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(17,804.62)	(35,242.09)	(44,585.26)	(44,615.77)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(100.32)	(196.60)	(171.56)	(171.63)
408101	TAX-NON INC-UTIL OPR	-	7,222.67	-	-
408102	REAL AND PERSONAL PROP. TAX	1,222,746.10	1,227,263.12	264,334.10	423,400.94
408103	KY PUBLIC SERVICE COMMISSION TAX	161,096.90	161,096.90	161,096.90	161,096.90
408105	FEDERAL UNEMP TAX	(1,350.32)	16,719.69	(6,837.33)	14,193.59
408106	FICA TAX	361,998.43	684,287.04	133,215.33	811,131.31
408107	STATE UNEMP TAX	(3,771.72)	25,797.04	(16,241.74)	12,533.83
408108	REAL AND PERSONAL PROP TAX - ECR	-	-	8,412.00	8,412.00
408195	FEDERAL UNEMP TAX - INDIRECT	1,833.79	1,524.05	1,509.02	2,188.53
408196	FICA TAX - INDIRECT	191,224.24	158,911.55	157,351.15	228,221.99
408197	STATE UNEMP TAX - INDIRECT	6,817.78	5,665.64	5,609.99	8,133.51
408202	TAX-NON INC-OTHER	231.00	231.00	231.00	-
409101	FED INC TAX-UTIL OPR	13,712,697.95	7,914,704.51	2,710,579.67	(6,078,915.85)
409102	KY ST INCOME TAXES	2,365,360.28	2,876,833.06	494,330.64	226,424.99

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409104	FED INC TAXES - EST	(20,395,726.35)	-	-	-
409105	ST INC TAXES - EST	(3,719,585.36)	-	-	-
409203	FED INC TAX-OTHER	6,411,239.15	(3,331,296.01)	(127,211.46)	(1,938.79)
409206	ST INC TAX-OTHER	1,172,372.95	(618,943.64)	(23,199.66)	(623.10)
409209	FED IN TAXES-OTH EST	(416,605.72)	-	-	-
409210	ST INC TAXES-OTH EST	(75,976.72)	-	-	-
410101	DEF FED INC TAX-OPR	54,867,831.04	34,727,706.52	-	83,352,771.64
410102	DEF ST INC TAX-OPR	8,556,693.22	4,313,632.46	-	13,167,910.63
410203	DEF FEDERAL INC TX	4,975,903.63	3,283,799.05	-	35,035.98
410204	DEF STATE INC TAX	836,818.74	562,815.47	-	-
411101	FED INC TX DEF-CR-OP	(47,737,023.46)	(42,556,482.17)	-	(70,171,174.38)
411102	ST INC TAX DEF-CR-OP	(7,066,919.48)	(8,858,446.05)	-	(12,164,984.47)
411150	ACCRETION EXPENSE - GENERATION	1,292,826.44	92,278.42	133,822.70	134,375.80
411151	ACCRETION EXPENSE - TRANSMISSION	63.98	82.50	63.07	63.36
411155	ACCRETION EXPENSE - DISTRIBUTION	1,429.15	3,519.87	2,205.53	2,215.64
411156	ACCRETION EXPENSE - GAS	39,650.34	79,366.54	80,239.73	80,605.47
411157	ACCRETION EXPENSE - COMMON	141.69	434.45	464.70	466.83
411201	FD INC TX DEF-CR-OTH	(1,867,236.26)	(208,798.32)	-	(583,932.77)
411202	ST INC TX DEF-CR-OTH	(269,888.52)	(2,025.06)	-	(100,102.77)
411403	ITC DEFERRED	-	-	-	-
411404	AMORTIZATION OF ITC	(208,481.00)	(208,481.00)	(208,481.00)	(208,481.00)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	1,785.74	3,374.25	3,162.61	1,405.98
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	-	-	-	-
421201	LOSS-PROPERTY DISP	-	-	-	-
426101	DONATIONS	40,537.08	100,920.79	144,129.05	311,766.47
426191	DONATIONS - INDIRECT	251.80	2,695.00	6,580.00	-
426301	PENALTIES	-	-	-	-
426401	EXP-CIVIC/POL/REL	5,074.23	4,235.15	7,367.12	6,972.96
426491	EXP-CIVIC/POL/REL - INDIRECT	69,032.35	65,837.69	62,144.86	97,029.76
426501	OTHER DEDUCTIONS	98,887.74	68,773.05	21,901.51	130,756.10
426508	FOREIGN EXCHANGE LOSSES	-	-	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	(396,201.07)	(89,885.22)	(344,134.81)	787,795.98
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	(28,084,789.64)	-	-	-
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	-	-	-	-
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-	-
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	396,201.07	224,341.40	-	-
426557	AMORT OF OCI-PCB JC2003A \$128M	43,272.54	-	-	-
426558	AMORT OF REG ASSET - SWAP TERMINATION	21,539.65	21,539.65	21,539.65	21,539.65
426591	OTHER DEDUCTIONS - INDIRECT	8,075.16	11,734.58	3,557.98	31,501.34
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	276,285.01	318,393.33
427020	INT EXP-FMB LGE2010 \$250M 11/15	-	-	169,270.84	338,541.67
427021	INT EXP-FMB LGE2010 \$285M 11/40	-	-	608,593.75	1,217,187.50
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	145,312.50	145,312.50	145,312.50	145,312.50
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	-	-	-	-
427127	INT EXP-PCB TC2007A \$60M 06/33	230,000.00	230,000.00	230,000.00	230,000.00
427128	INT EXP-PCB JC2000A \$25M 05/27	111,979.17	111,979.17	111,979.17	111,979.17
427129	INT EXP-PCB TC2000A \$83.3M 08/30	32,986.76	25,058.37	31,077.02	33,912.71
427130	INT EXP-PCB JC2001A \$10.1M 09/27	3,852.15	4,392.43	3,866.17	3,600.95

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427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	362,563.36	362,243.62	362,700.37	396,340.58
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	92,816.57	(181,436.29)	-	-
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	92,496.57	(180,806.85)	-	-
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	93,829.90	(183,429.18)	-	-
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	-	274,154.73	92,913.05	101,980.09
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	-	273,205.29	92,593.05	101,628.09
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	-	277,160.95	93,926.38	103,094.76
427180	INT EXP-PCB JC2001A \$22.5M 9/26	18,493.15	19,109.60	18,493.15	23,886.98
427181	INT EXP-PCB TC2001A \$27.5M 9/26	11,602.73	12,431.51	12,431.51	12,845.88
427182	INT EXP-PCB JC2001B \$35M 11/27	36,428.77	31,404.11	23,013.68	23,541.10
427183	INT EXP-PCB TC2001B \$35M 11/27	35,575.34	31,116.44	23,013.68	23,541.10
427189	INT EXP-PCB TC2002A \$41.665M 10/32	15,513.08	17,514.14	17,824.63	16,258.48
427190	INT EXP-PCB JC2003A \$128M	-	-	-	-
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	191,666.67	191,666.67	191,666.67	191,666.67
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	(431,324.03)	-	-	-
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	83,937.50	85,147.84
428020	AM EXP-FMB LGE2010 \$250M 11/15	-	-	13,275.16	37,100.42
428021	AM EXP-FMB LGE2010 \$285M 11/40	-	-	3,592.74	8,919.33
428031	AM EXP \$35.2M 6/33	-	-	-	-
428035	AM EXP-PCB TC2007A \$60M 6/33	3,961.20	3,961.20	3,961.20	3,961.20
428059	AM EXP-PCB JC2001A \$10.1M 9/27	1,699.38	1,699.38	1,699.38	1,699.38
428076	AM EXP-PCB TC2000A \$83M 8/30	3,225.62	3,225.62	3,225.62	3,225.62
428080	AM EXP-PCB JC2001A \$22.5M 9/26	826.98	826.98	826.98	826.98
428081	AM EXP-PCB TC2001A \$27.5M 9/26	899.17	899.17	899.17	899.17
428082	AM EXP-PCB JC2001B \$35M 11/27	916.27	916.27	916.27	916.27
428083	AM EXP-PCB TC2001B \$35M 11/27	916.43	916.43	916.43	916.43
428089	AM EXP-PCB TC2002A \$41.665M 10/32	3,101.78	3,101.78	3,101.78	3,101.78
428091	AM EXP-PCB LM/JC2003A \$128M	-	-	-	-
428104	AM LOSS-1985J \$25M 07/95	2,625.00	2,625.00	2,625.00	2,625.00
428107	AM LOSS-FMB \$25M 10/09	-	-	-	-
428108	AM LOSS-1976B \$35.2M 09/06	1,826.00	1,826.00	1,826.00	1,826.00
428109	AM LOSS-1975A \$31M 09/00	956.00	956.00	956.00	956.00
428110	AM LOSS-1987A \$60M 08/97	8,582.00	8,582.00	8,582.00	8,582.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	6,752.00	6,752.00	6,752.00	6,752.00
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	11,975.01	11,975.01	11,975.01	11,975.01
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	2,057.76	2,057.76	2,057.76	2,057.76
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	3,059.59	3,059.59	3,059.59	3,059.59
428128	AM LOSS-PCB JC2000A \$25M 05/27	3,071.40	3,071.40	3,071.40	3,071.40
428130	AM LOSS-PCB JC1992A \$31M 09/17	416.87	416.87	416.87	416.87
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	236.09	236.09	236.09	236.09
428135	AM LOSS REACQ \$60M 6/33	551.25	551.25	551.25	551.25
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	6,451.99	6,451.99	6,451.99	6,451.99
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	5,450.00	5,450.00	5,450.00	5,450.00
428182	AM LOSS-PCB JC1997A \$35M 11/27	4,088.00	4,088.00	4,088.00	4,088.00
428183	AM LOSS-PCB TC1997A \$35M 11/27	4,072.00	4,072.00	4,072.00	4,072.00
428189	AM LOSS-TC1990B \$41.665M 10/20	4,651.02	4,651.02	4,651.02	4,651.02
428191	AM LOSS-JC1993B \$26M 11/03	15,915.25	15,915.25	15,915.25	15,915.25
428192	AM LOSS-LM/JC2003A \$128M 10/33	10,228.71	10,228.71	10,228.71	10,228.71

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428194	AM LOSS-JC1995A \$40M 11/05	3,904.00	3,904.00	3,904.00	3,904.00
428195	AM LOSS REACQ PRE STK 5.875	-	-	-	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	4,133.04	4,133.04	4,133.04	4,133.04
428220	AM DISC-FMB LGE2010 \$250M 11/15	-	-	4,306.67	8,613.33
428221	AM DISC-FMB LGE2010 \$285M 11/40	-	-	7,354.17	14,708.34
430002	INT-DEBT TO ASSOC CO	22,634.30	24,620.75	1,280.89	648.33
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	2,220,150.01	2,229,150.01	1,110,074.99	-
431002	INT-CUST DEPOSITS	105,824.09	136,697.86	107,695.66	112,067.13
431004	INT-OTHER TAX DEFNCY	3,525.00	(28,494.00)	-	-
431008	INT-DSM COST RECOVER	2,342.34	4,249.01	1,172.58	1,263.02
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	-	-	-	-
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	129,530.81	33,716.45	53,450.90	160,471.71
500100	OPER SUPER/ENG	83,476.43	76,292.59	71,783.32	90,305.56
500900	OPER SUPER/ENG - INDIRECT	137,098.01	156,383.40	145,751.19	223,033.66
501001	FUEL-COAL - TON	29,302,516.28	26,387,012.61	26,978,483.83	30,040,975.72
501004	FUEL COAL - TO SOURCE UTILITY OSS	-	-	-	-
501005	FUEL COAL - OSS	48,551.42	129,339.15	514,020.66	480,837.06
501006	FUEL COAL - OFFSET	(7,390,860.53)	(9,983,535.23)	(9,791,805.62)	(9,456,488.58)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	7,342,309.13	9,854,196.06	9,277,784.94	8,975,651.53
501020	START-UP OIL -GAL	(8,523.76)	123,257.22	26,558.05	21,762.53
501022	STABILIZATION OIL - GAL	14,554.31	88,870.85	58,697.89	26,461.96
501026	COAL RESALE EXPENSES	71,362.73	18,929.95	30,572.46	23,146.26
501090	FUEL HANDLING	392,543.10	427,962.99	446,415.28	608,880.62
501091	FUEL SAMPLING AND TESTING	115.38	-	-	-
501100	START-UP GAS - MCF	189,156.90	153,510.61	295,891.27	292,486.57
501102	STABILIZATION GAS - MCF	335,166.16	320,035.79	218,064.68	349,078.02
501200	BOTTOM ASH DISPOSAL	133,962.02	147,400.71	113,723.81	107,361.72
501201	PLANT-ECR BOTTOM ASH DISPOSAL	-	-	-	-
501202	BOTTOM ASH PROCEEDS	530.54	-	-	-
501250	FLY ASH PROCEEDS	-	-	-	-
501251	FLY ASH DISPOSAL	(173.03)	-	-	-
501990	FUEL HANDLING - INDIRECT	56,250.71	41,777.18	88,353.46	58,872.63
502001	OTHER WASTE DISPOSAL	284,084.28	(83,314.91)	128,947.07	334,049.45
502002	BOILER SYSTEMS OPR	688,424.55	678,797.94	695,069.24	897,264.56
502003	SDRS OPERATION	18,573.75	-	-	-
502004	SDRS-H2O SYS OPR	231,509.66	226,378.70	228,414.30	291,555.25
502005	SLUDGE STAB SYS OPR	51,142.45	54,383.85	47,543.21	61,652.46
502006	SCRUBBER REACTANT EX	1,248,444.36	1,444,899.55	1,459,117.70	1,436,638.46
502022	OTHER WASTE DISPOSAL - OSS	475.81	791.73	2,990.82	2,158.80
502023	OTHER WASTE DISPOSAL - OFFSET	(475.81)	(791.73)	(2,990.82)	(2,158.80)
502025	SCRUBBER REACTANT - OSS	8,525.00	25,222.01	58,752.94	52,756.89
502026	SCRUBBER REACTANT - OFFSET	(8,525.00)	(25,222.01)	(58,752.94)	(52,756.89)
502056	ECR SCRUBBER REACTANT EX	-	-	22,286.43	88,311.97
502100	STM EXP(EX SDRS.SPP)	338,285.23	287,339.75	483,151.99	386,135.69
502900	STM EXP(EX SDRS.SPP) - INDIRECT	5,295.80	4,098.38	22,136.26	301.56
504001	STEAM XFERRED - CR - PROJECT USE	(257,179.70)	(219,595.22)	(90,717.81)	(119,326.14)
505100	ELECTRIC SYS OPR	76,846.76	83,731.52	68,993.14	91,528.26
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	-	-	-	-

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506100	MISC STM PWR EXP	1,202,919.64	1,114,551.27	966,852.00	2,378,590.79
506104	NOX REDUCTION REAGENT	298,168.35	292,382.16	290,140.72	300,426.57
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	7,520.48	11,504.08	12,653.11	10,937.86
506107	SCR/NOX - OSS	-	-	2,290.34	3,526.64
506108	SCR/NOX - OFFSET	-	-	(2,290.34)	(3,526.64)
506109	SORBENT INJECTION OPERATION	125,974.39	68,783.65	-	-
506150	ECR MERCURY MONITORS OPERATIONS	-	-	-	-
506151	ECR ACTIVATED CARBON	-	-	-	-
506152	ECR SORBENT REACTANT - REAGENT ONLY	-	-	-	-
506154	ECR NOX REDUCTION REAGENT	-	-	-	-
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	-	-	-	-
506159	ECR SORBENT INJECTION OPERATION	-	-	97,488.41	83,365.41
506900	MISC STM PWR EXP - INDIRECT	-	-	-	-
507100	RENTS-STEAM	9,378.65	6,875.00	6,875.00	8,752.74
509002	SO2 EMISSION ALLOWANCES	74.63	70.36	63.43	70.10
509003	NOX EMISSION ALLOWANCES	23.56	-	-	-
509007	EMISSION ALLOWANCES - OSS	0.19	0.44	1.06	0.71
509008	EMISSION ALLOWANCES - OFFSET	(0.19)	(0.44)	(1.06)	(0.71)
510100	MTCE SUPER/ENG - STEAM	216,147.10	273,290.08	194,849.09	211,060.60
511100	MTCE-STRUCTURES	280,283.12	235,375.83	198,130.29	341,953.44
512005	MAINTENANCE-SDRS	573,165.64	749,057.75	790,171.07	1,223,322.25
512011	INSTR/CNTRL-ENVRNL	-	454.88	1,524.16	(792.42)
512015	SDRS-COMMON H2O SYS	116,790.50	194,556.90	68,721.57	76,690.80
512017	MTCE-SLUDGE STAB SYS	121,028.94	151,804.45	96,051.78	259,052.21
512051	ECR INSTR/CNTRL-ENVRNL	-	-	-	-
512055	ECR MAINTENANCE-SDRS	-	-	-	-
512100	MTCE-BOILER PLANT	2,151,790.04	3,217,653.67	3,654,001.48	4,038,701.86
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	38,006.39	76,613.08	24,832.69	15,382.74
512102	SORBENT INJECTION MAINTENANCE	-	-	-	-
512103	MERCURY MONITORS MAINTENANCE	1,212.54	3,596.54	-	-
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	-	-	-	-
512152	ECR SORBENT INJECTION MAINTENANCE	-	-	442.46	1,889.80
512153	ECR MERCURY MONITORS MAINTENANCE	-	-	1,257.04	2,120.31
513100	MTCE-ELECTRIC PLANT	245,373.22	428,316.66	576,343.72	862,569.23
513900	MTCE-ELECTRIC PLANT - BOILER	19,811.93	14,319.72	16,150.11	13,194.28
514100	MTCE-MISC/STM PLANT	161,837.35	190,489.05	145,655.18	156,808.89
535100	OPER SUPER/ENG-HYDRO	9,498.97	9,049.24	3,597.12	10,743.89
536100	WATER FOR POWER	3,220.46	3,220.46	3,220.46	3,220.49
538100	ELECTRIC EXPENSES - HYDRO	15,879.01	21,214.14	17,522.25	23,771.47
539100	MISC HYD PWR GEN EXP	8,602.13	7,868.44	5,807.55	9,071.92
540100	RENTS-HYDRO	7,753.45	33,057.55	34,948.28	36,663.99
541100	MTCE-SUPER/ENG - HYDRO	-	-	55.96	-
542100	MAINT OF STRUCTURES - HYDRO	105,849.88	16,278.13	46,073.58	1,890.60
543100	MTCE-RES/DAMS/WATERW	7,064.63	1,372.30	2,201.93	2,749.39
544100	MTCE-ELECTRIC PLANT	9,307.02	71,289.54	54,177.06	39,895.98
546100	OPER SUPER/ENG - TURBINES	3,136.78	3,004.06	2,875.50	2,249.10
547030	FUEL-GAS - MCF	1,617,373.80	269,657.69	209,653.18	2,804,177.08
547040	FUEL-OIL - GAL	-	-	-	-

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547051	FUEL - TO SOURCE UTILITY OSS	-	-	-	-
547052	FUEL - OSS	1,964.19	236.02	1,503.41	58,536.12
547053	FUEL - OFFSET	(758,980.06)	(13,944.58)	(64,330.80)	(1,768,399.23)
547054	FUEL - TO SOURCE UTILITY RETAIL	757,015.87	13,708.56	62,827.39	1,709,863.11
547056	FUEL - GAS - INTRACOMPANY	70,861.47	104,574.80	116,626.43	161,876.96
548100	GENERATION EXP	10,000.23	11,563.16	9,674.14	13,865.16
549002	AIR QUALITY EXPENSES	(7,355.90)	860.55	860.55	864.79
549003	NOX EMISSION ALLOWANCES	2.18	-	-	-
549100	MISC OTH PWR GEN EXP	772.95	1,013.27	1,284.06	2,929.17
550100	RENTS-OTH PWR	2,182.34	841.03	1,322.37	2,072.17
551100	MTCE-SUPER/ENG - TURBINES	3,430.56	491.13	1,990.21	2,193.54
552100	MTCE-STRUCTURES - OTH PWR	1,182.53	827.29	5,437.20	6,136.99
553100	MTCE-GEN/ELECT EQ	91,717.80	38,523.51	54,134.48	2,531,692.33
554100	MTCE-MISC OTH PWR GEN	(280,404.64)	77,652.79	18,310.31	10,192.76
555006	MISO DAY 2 PURCHASED POWER - OSS	-	40.55	-	0.07
555007	MISO DAY 2 PURCHASED POWER - NL	-	6,719.53	-	6,041.89
555010	OSS POWER PURCHASES	41,020.45	12,582.34	31,126.78	54,418.19
555015	NL POWER PURCHASES - ENERGY	1,886,303.88	1,696,766.98	1,901,589.60	2,279,881.54
555016	NL POWER PURCHASES - DEMAND	1,114,178.77	1,441,763.63	1,534,722.49	1,466,064.11
555020	OSS I/C POWER PURCHASES	525,874.57	974,852.94	1,130,540.32	984,022.79
555025	NL I/C POWER PURCHASES	-	-	-	-
556100	SYS CTRL / DISPATCHING	-	-	-	639.23
556900	SYS CTRL / DISPATCHING - INDIRECT	114,437.05	142,288.07	121,741.94	183,357.83
557100	OTH POWER SUPPLY EXP	2,000.00	4,352.00	5,574.24	8,883.20
557110	MARKET FEES - NATIVE LOAD	-	-	-	-
557111	MARKET FEES - OFF SYSTEM SALES	-	-	-	2,500.00
557206	MISO DAY 2 OTHER - NATIVE LOAD	(86.50)	564.49	22.79	413.41
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	2,179.66	(33.08)	7,045.76	3,660.18
557208	RTO OTHER (NON-MISO) - NL	(298.32)	(8.17)	6.48	(6.48)
557209	RTO OTHER (NON-MISO) - OSS	(141.70)	0.01	(0.29)	(103.00)
557211	RTO OPERATING RESRV (NON-MISO) - NL	249.38	112.02	12.12	32.69
557212	RTO OPERATING RESRV (NON-MISO) - OSS	8,337.60	56,247.72	35,371.46	100,891.01
558001	ELEC DEPT USE-CR	-	-	-	-
558002	OTHER DEPT USE-CR	-	-	-	-
560100	OP SUPER/ENG-SSTOPER	27,042.82	11,781.57	16,025.57	(2,979.03)
560900	OP SUPER/ENG-SSTOPER - INDIRECT	63,388.73	91,236.43	57,207.60	89,488.85
561100	LOAD DISPATCH-WELOB	4,199.87	3,666.54	2,799.92	5,488.51
561190	LOAD DISPATCH - INDIRECT	20,282.13	22,940.39	26,398.93	51,824.04
561402	MISO DAY 1 SCH 10 - RESERVE	7.19	-	0.12	-
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	-	-	63.10	-
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	33,240.55	30,560.67	27,944.83	39,218.75
561601	TRANSMISSION SERVICE STUDIES	-	-	(6,959.17)	-
561802	MISO DAY 1 SCH 10 - RESERVE	0.52	-	0.01	-
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	-	-	4.54	-
561900	LOAD DISPATCH-WELOB - INDIRECT	28,675.54	25,989.87	26,077.45	40,533.79
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	32,238.47	29,221.18	30,701.15	45,248.30
562100	STA EXP-SUBST OPER	101,597.07	2,593,776.90	1,467,436.53	(3,720,968.65)
563100	OTHER INSP-ELEC TRAN	7,652.21	9,415.41	10,337.53	21,944.74

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565002	TRANSMISSION ELECTRIC OSS	1,356.44	857.12	1,051.64	5,284.73
565005	TRANSMISSION ELECTRIC NATIVE LOAD	1,466.18	1,928.95	101.90	1,432.09
565006	TRANSMISSION ELECTRIC OSS - MISO	(24.84)	3.66	(0.27)	-
565014	INTERCOMPANY TRANSMISSION EXPENSE	108,119.00	(273,326.70)	127,108.44	109,544.28
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	-	13,067.40	246.94	3,181.94
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	-	446,038.10	57,994.27	51,736.13
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	1,972.98	(12,259.76)	548.29	6,807.82
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	-	(13,067.41)	(246.94)	(3,181.94)
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	-	(446,038.08)	(57,994.27)	(51,736.13)
566100	MISC TRANS EXP-SSTMT	43,523.81	32,654.93	48,361.87	40,050.61
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	18,334.00	18,334.00	18,334.00	18,334.00
566140	INDEPENDENT OPERATOR	123,780.00	365,531.60	245,421.57	144,593.43
566150	EKPC DEPANCAKING SETTLEMENT	13,970.00	13,970.00	13,970.00	13,970.00
566151	KMPA MISO CHARGES	145,860.33	152,995.97	159,986.12	150,705.48
566900	MISC TRANS EXP-SSTMT - INDIRECT	87,801.28	58,154.30	42,139.16	177,571.68
567100	RENTS-ELEC/SUBSTATION OPERATIONS	-	-	500.00	2,358.09
569100	MTCE-STRUCT-SSTMTCE	50.72	11.90	27.81	167.14
569101	MAINTENANCE OF COMPUTER HARDWARE	-	-	-	-
570100	MTCE-ST EQ-SSTMTCE	131,499.57	79,538.56	120,773.97	77,206.16
571100	MTCE OF OVERHEAD LINES	136,554.63	125,047.82	65,758.49	21,686.98
573100	MTCE-MISC TR PLT-SSTMT	-	-	-	-
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	2,852.58	2,823.88	3,140.11	2,951.69
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	4,773.51	4,773.51	4,773.51	4,773.51
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	24,153.60	24,191.41	24,155.11	24,167.59
575704	MISO DAY 1 SCH 10 - RESERVE	0.24	-	0.01	-
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	30,745.45	30,745.45	30,747.61	30,745.45
580100	OP SUPER/ENG-SSTOPER	103,775.59	160,421.30	94,915.27	127,552.35
580900	OP SUPER/ENG-SSTOPER - INDIRECT	11,826.96	15,666.99	12,005.12	16,865.39
581900	SYS CTRL/SWITCH-DIST - INDIRECT	40,322.74	35,481.90	38,710.29	52,278.24
582100	STATION EXP-SSTOPER	87,550.07	74,604.82	68,537.65	100,005.06
583001	OPR-O/H LINES	111,429.60	135,174.91	123,235.09	169,972.45
583003	O/H LOAD/VOLT TEST	-	-	-	558.52
583005	CUST COMPL RESP-O/H	116,975.11	119,744.27	112,784.28	166,380.20
583008	INST/REMV TRANSF/REG	-	1,066.56	2,400.12	1,452.37
583009	INSPC O/H LINE FACIL	21,560.96	(9,582.62)	(2,196.48)	28,581.43
583010	LOC O/H ELEC FAC-BUD	52,874.57	40,219.05	86,465.54	40,158.03
583100	O/H LINE EXP-SSTOPER	(19,617.38)	11,094.03	10,810.22	27,966.59
584001	OPR-UNDERGRND LINES	8,784.50	88,758.84	(72,676.83)	70,929.30
584002	INSPC U/G LINE FACIL	57,395.32	47,726.84	18,860.40	3,251.86
584003	LOAD/VOLT TEST-U/G	634.08	-	136.53	558.52
584005	RESP-U/G CUST COMPL	3,418.57	3,414.81	2,122.22	3,189.13
584008	INST/RMV/REPL TRANSF	9,229.32	15,605.90	9,945.34	3,329.70
585100	STREET LIGHTING AND SIGNAL SYST EXP	423.96	106.66	121.80	10,837.68
586100	METER EXP	716,863.19	585,699.95	673,545.20	653,855.61
586900	METER EXP - INDIRECT	132.59	137.27	129.00	129.01
587100	CUST INSTALLATION EXP	(16,835.00)	(30,188.22)	(38,146.19)	(10,227.00)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	237,759.83	161,319.42	239,822.25	324,178.18
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	34,124.40	28,600.09	22,917.39	38,513.50



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589100	RENTS-DISTR / SUBSTAT OPER	15.00	150.00	-	1,945.28
590100	MTCE/SUPER/ENG-SSTMT	1,515.45	15.50	-	341.55
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	-	-	-	-
591003	MTCE-MISC STRUCT-DIS	64,953.13	53,935.86	47,426.81	91,294.94
592100	MTCE-ST EQ-SSTMTCE	107,308.49	110,790.09	86,253.06	149,222.89
593001	MTCE-POLE/FIXT-DISTR	(8,823.58)	101,903.05	96,308.90	132,370.53
593002	MTCE-COND/DEVICE-DIS	871,954.77	890,140.61	653,293.94	774,667.64
593003	MTCE-SERVICES	19,213.30	3,565.19	1,300.15	262.10
593004	TREE TRIMMING	447,847.54	345,388.75	394,123.19	716,094.10
593005	MINOR EXEMPT EXPENSE	1,863.12	(3.70)	-	251.22
594002	MTCE-U/G COND ETC	92,736.55	142,059.84	142,694.52	178,166.70
595100	MTCE-TRANSF/REG	16,709.45	12,483.49	13,660.92	15,810.50
596100	MTCE OF STREET LIGHTING AND SIGNALS	19,438.81	32,860.59	64,257.00	23,281.66
598100	MTCE OF MISC DISTRIBUTION PLANT	19,358.55	19,621.01	16,094.11	42,544.17
803001	GAS TRANS LINE PURCH	15,359,246.68	14,671,416.79	13,384,844.59	25,743,469.06
803002	PURCHASED GAS REFUND	(6,107.66)	(7,528.94)	(16,729.63)	(52,097.47)
803003	GAS COST ACTUAL ADJ	1,029,987.45	1,252,490.08	318,596.70	178,261.98
803004	GAS COST BALANCE ADJ	(15,810.36)	(19,558.41)	(3,551.26)	77,089.39
803006	PURCHASED GAS - WHOLESALE SALES	214,200.00	-	551,218.92	-
803007	WHOLESALE SALES MARGIN	(2,418.75)	-	(23,289.47)	-
803008	ACQ AND TRANS INCENTIVE	(329,000.00)	-	-	(730,759.00)
803009	PBR RECOVERY	39,178.85	48,427.25	95,223.25	269,626.62
806001	EXCHANGE GAS	(117,613.93)	(16,148.63)	1,676,108.78	3,467,490.88
807001	PURCH GAS CALC EXP	-	-	-	-
807002	OTHER PURCH GAS EXP	-	-	-	-
807003	GAS PROCUREMENT EXP	-	-	-	-
807401	PURCH GAS CALC EXP	2,779.93	2,757.18	2,482.84	3,356.22
807501	OTHER PURCH GAS EXP	-	-	-	-
807502	GAS PROCUREMENT EXP	50,220.74	67,396.42	51,363.05	125,665.81
808101	GAS W/D FROM STOR-DR	145,993.68	4,028.73	370,893.30	11,099,501.98
808201	GAS DELD TO STOR-CR	(12,094,507.67)	(8,888,621.79)	(552,418.14)	(2,084,682.16)
810001	GAS-COMP STA FUEL-CR	-	(54.58)	(3,225.12)	(74,874.34)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	-	(27.34)	(1,941.57)	(8,713.11)
812020	GAS-CITY GATE-CR	(27.99)	(105.93)	(515.66)	(4,990.93)
812030	GAS-OTH DEPT-CR	(575.35)	(449.52)	(2,259.42)	(7,274.23)
813001	OTH GAS SUPPLY EXP	-	-	-	-
814003	SUPV-STOR/COMPR STA	38,414.89	44,005.63	38,391.64	48,914.24
816100	WELLS EXPENSE	3,646.42	44,104.99	59,523.51	19,086.78
817100	LINES EXPENSE	61,323.37	34,784.34	36,238.69	154,223.84
818100	COMPR STATION EXP	128,055.88	179,409.53	68,500.08	150,785.15
819100	COMPR STA FUEL-U/G	-	54.58	1,091.08	67,760.11
821100	PURIFICATION EXP	8,673.81	2,641.49	9,020.91	200,237.24
823100	GAS LOSSES	225,653.76	244,629.71	267,012.60	235,931.08
824100	OPR-U/G STO/COMPR	1,240.67	1,240.67	(694.27)	1,240.69
825100	ROYALTIES	1,100.00	1,989.62	3,761.35	615.00
826100	RENTS-STORAGE FIELDS	1,502.39	2,546.13	4,531.15	804.65
830100	MTCE SUPRV AND ENGR - STOR COMPR	28,012.86	32,343.98	27,182.26	35,883.49
832100	MTC-RESERVOIRS/WELLS	(8,696.60)	(28,859.58)	19,435.18	6,916.80

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833100	MTCE-LINES	11,151.69	31,094.56	18,505.26	3,940.78
834100	MTCE-COMP STA EQUIP	67,332.40	138,313.04	103,704.03	120,588.36
835100	MTCE-M/R EQ-COMPR	1,800.11	1,064.39	1,307.41	743.39
836100	MTCE-PURIFICATION EQUIP	46,490.38	206,535.21	67,747.58	78,590.43
837100	MTCE-OTHER EQUIP	5,851.37	375.19	2,716.53	4,393.08
850100	OPR SUPV AND ENGR	-	-	63.32	-
851100	SYS CTRL/DSPTCH-GAS	24,070.13	28,185.18	23,485.77	27,987.38
856100	MAINS EXPENSES	57,235.55	47,930.61	50,628.30	204,057.80
860100	RENTS-GAS TRANS	586.76	150.00	441.88	-
863100	MTCE-GAS MAINS-TRANS	92,278.05	152,623.37	13,241.51	200,004.26
871100	DISTR LOAD DISPATCH	35,546.09	34,099.50	31,822.23	44,198.07
874001	OTHER MAINS/SERV EXP	32,251.29	33,034.99	33,962.68	37,464.97
874002	LEAK SUR-DIST MN/SVC	105,530.01	41,177.50	6,037.50	51,136.62
874005	CHEK STOP BOX ACCESS	88,227.33	71,190.34	68,113.13	232,403.64
874006	PATROLLING MAINS	11,264.52	(11,887.12)	5,749.52	49,152.75
874007	CHEK/GREASE VALVES	21,680.01	17,599.39	4,258.53	1,692.93
874008	OPR-ODOR EQ	5,967.06	7,906.35	68,729.24	15,332.09
875100	MEAS/REG STA-GENERAL	56,018.48	62,715.94	59,507.62	73,469.75
876100	MEAS/REG STA-INDUSTRIAL	16,062.42	18,136.18	16,784.77	35,208.07
877100	MEAS/REG STA-CITY GATE	6,093.82	8,413.83	5,571.43	9,477.70
878100	METER/REG EXPENSE	2,266.06	5,120.75	3,719.19	23,722.58
879100	CUST INSTALL EXPENSE	39,506.98	43,235.92	37,132.74	54,938.55
880100	OTH GAS DISTR EXPENSE	348,190.20	277,905.63	211,643.02	222,303.82
880900	OTH GAS DISTR EXPENSE - INDIRECT	11,792.41	12,008.91	9,783.87	15,578.55
881100	RENTS-GAS DISTR	-	200.00	347.89	-
886100	MTCE-GAS DIST STRUCT	47,554.17	40,141.73	37,048.39	81,490.95
887100	MTCE-GAS MAINS-DISTR	755,373.96	750,500.16	699,966.37	1,027,715.44
889100	MTCE-M/R STA EQ-GENL	4,095.46	12,624.90	9,185.25	7,540.42
890100	MTCE-M/R STA EQ-INDL	2,071.57	7,834.59	8,312.45	25,330.85
891100	MTCE-M/R ST EQ-CITY GATE	22,818.97	33,084.74	25,273.37	34,722.85
892100	MTCE-OTH SERVICES	83,920.05	86,624.83	63,743.88	122,296.33
894100	MTCE-OTHER EQUIP	13,065.96	20,184.60	21,315.75	22,324.74
901001	SUPV-CUST ACCTS	117,236.32	107,552.14	101,629.50	151,637.19
901900	SUPV-CUST ACCTS - INDIRECT	21,793.05	37,504.25	27,529.07	31,044.56
902001	METER READ-SERV AREA	305,799.62	316,955.99	308,221.66	329,268.76
902002	METER READ-CLER/OTH	2,510.79	3,973.69	6,806.25	14,242.38
902003	METER READ-DIST 25	-	10.00	-	-
902900	METER READ-SERV AREA - INDIRECT	-	-	-	-
903001	AUDIT CUST ACCTS	65,098.18	67,024.07	68,821.94	70,106.65
903002	BILL SPECIAL ACCTS	-	231.58	(231.58)	-
903003	PROCESS METER ORDERS	12,093.51	18,540.39	19,375.72	21,296.54
903006	CUST BILL/ACCTG	11,603.85	7,965.32	7,602.15	16,436.45
903007	PROCESS PAYMENTS	43,038.67	56,640.96	43,297.07	42,116.14
903008	INVEST THEFT OF SVC	17,432.43	18,303.72	14,694.61	16,759.39
903012	PROC CUST CNTRT/ORDR	15,924.47	17,194.38	13,757.83	19,447.13
903013	HANDLE CREDIT PROBS	149.51	-	-	-
903022	COLL OFF-LINE BILLS	24,243.93	7,517.93	23,479.23	41,513.08
903023	PROC BANKRUPT CLAIMS	1,424.23	1,533.36	1,699.68	1,964.39

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903025	MTCE-ASST PROGRAMS	7,543.40	9,310.84	6,714.36	9,245.46
903030	PROC CUST REQUESTS	194,599.04	(44,398.34)	198,634.44	25,981.97
903031	PROC CUST PAYMENTS	16,824.14	14,217.23	14,376.78	18,334.44
903032	DELIVER BILLS-REG	163,157.80	152,064.91	170,683.26	209,311.85
903035	COLLECTING-OTHER	10,183.69	12,104.21	13,924.68	14,767.97
903036	CUSTOMER COMPLAINTS	2,195.28	2,776.95	2,690.74	1,581.20
903038	MISC CASH OVERAGE/SHORTAGE	53.41	(66.08)	(116.47)	26.00
903902	BILL SPECIAL ACCTS - INDIRECT	3,238.06	4,353.73	4,646.49	9,753.31
903903	PROCESS METER ORDERS - INDIRECT	-	-	-	-
903906	CUST BILL/ACCTG - INDIRECT	6,056.01	6,072.91	6,147.23	7,655.26
903907	PROCESS PAYMENTS - INDIRECT	22,248.07	18,810.09	23,326.10	17,866.01
903909	PROC EXCEPTION PMTS - INDIRECT	1,567.11	654.17	43.07	1,450.80
903912	PROC CUST CNTRT/ORDR - INDIRECT	14,386.18	20,843.06	14,856.39	21,639.98
903930	PROC CUST REQUESTS - INDIRECT	206,046.02	260,150.83	289,486.43	349,813.60
903931	PROC CUST PAYMENTS - INDIRECT	10,195.38	11,984.03	(2,622.54)	5,668.99
903936	CUSTOMER COMPLAINTS - INDIRECT	18,539.13	15,472.51	18,686.56	22,718.26
904001	UNCOLLECTIBLE ACCTS	429,299.01	355,373.61	292,855.77	458,096.67
904002	UNCOLLECTABLE ACCTS - WHOLESALE	-	-	-	-
904003	UNCOLL ACCTS - A/R MISC	(2,324.91)	(8,176.75)	2,330.27	1,702.96
905001	MISC CUST SERV EXP	51,661.81	41,821.37	43,711.78	63,451.19
905002	MISC CUST BILL/ACCTG	3,648.94	3,397.76	1,806.95	4,638.09
905003	MISC COLLECTING EXP	7,711.86	5,227.55	6,018.66	4,220.05
907001	SUPV-CUST SER/INFO	4,862.01	9,625.58	5,517.88	8,265.83
907900	SUPV-CUST SER/INFO - INDIRECT	14,181.33	14,546.05	13,397.08	18,679.66
908001	CUST MKTG/ASSIST	-	-	-	-
908004	DSM - ENERGY AUDIT	-	-	-	-
908005	DSM CONSERVATION PROG	969,995.50	1,466,663.76	996,060.71	672,913.81
908006	DSM - HVAC	-	-	-	-
908007	DSM - CONSERVATION	-	-	-	-
908009	MISC MARKETING EXP	-	-	-	-
908010	DSM CONSERVATION PROG - OFFSET	-	-	-	-
908901	CUST MKTG/ASSIST - INDIRECT	20,022.92	25,482.83	27,700.22	49,343.21
908902	RES CONS/ENG ED PROG - INDIRECT	25,573.77	12,450.00	12,450.00	24,900.00
908909	MISC MARKETING EXP - INDIRECT	7,670.71	9,448.32	6,312.16	5,257.10
909004	MISC CUST COM-SER/IN	1,335.52	1,392.84	3,822.15	-
909005	MEDIA RELATIONS	-	-	-	-
909010	PRINT ADVER-SER/INFO	-	-	-	-
909013	SAFETY PROGRAMS	3,780.00	7,593.33	4,085.00	11,438.33
910001	MISC CUST SER/INFO	10,373.30	90,706.81	(21,200.00)	(35,250.72)
910900	MISC CUST SER/INFO - INDIRECT	12,901.00	110,999.51	38,821.04	97,199.25
912003	GEN MKTG AND MKTG PGMS	-	-	-	-
913012	OTH ADVER-SALES	3,878.30	2,241.25	3,741.00	3,518.15
920100	OTHER GENERAL AND ADMIN SALARIES	551,228.01	364,377.88	(225,082.92)	521,633.48
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	1,619,405.14	1,162,495.38	1,291,072.31	1,811,785.51
920901	OFFICERS SALARIES- INDIRECT	-	-	-	-
921001	EXP-OFFICERS/EXEC	-	-	-	-
921002	EXP-GEN OFFICE EMPL	31,707.75	27,301.68	7,724.91	39,145.72
921003	GEN OFFICE SUPPL/EXP	104,786.81	77,263.35	293,333.93	230,251.63

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921004	OPR-GEN OFFICE BLDG	73,573.39	89,076.63	106,037.35	59,877.76
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	25,085.71	64,883.71	30,926.32	163,528.69
921903	GEN OFFICE SUPPL/EXP - INDIRECT	244,183.35	296,039.40	282,719.86	454,174.78
922001	A/G SAL TRANSFER-CR	(130,185.10)	(65,457.27)	(94,419.22)	(141,176.08)
922002	OFF SUPP/EXP TRAN-CR	(18,266.14)	(26,339.74)	(28,843.85)	(37,086.23)
922003	TRIMBLE CTY TRAN-CR	(85,372.53)	(69,501.83)	(63,952.89)	(76,334.08)
923100	OUTSIDE SERVICES	1,843,240.56	(927,220.44)	246,877.64	317,973.48
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	58,663.04	106,234.96	117,232.96	154,994.32
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	-	-	-	-
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	-	-	-	-
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	-	5,500.00	-	-
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	700.00	700.00	700.00	700.00
923900	OUTSIDE SERVICES - INDIRECT	184,744.51	227,351.45	186,448.85	312,959.50
924100	PROPERTY INSURANCE	455,523.14	375,876.29	341,573.05	430,648.92
925001	PUBLIC LIABILITY	126,519.39	125,740.68	159,419.53	173,920.39
925002	WORKERS COMP EXPENSE - BURDENS	(191,111.62)	(464,978.79)	556,421.65	(409,962.86)
925003	AUTO LIABILITY	1,777.05	24,980.38	89.50	3,845.35
925004	SAFETY AND INDUSTRIAL HEALTH	7,415.66	4,912.54	7,467.62	8,276.74
925100	OTHER INJURIES AND DAMAGES	72.00	462,864.04	85.00	3,289.32
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	1,001.08	835.46	853.85	789.03
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	574.51	-	46.24	-
926001	TUITION REFUND PLAN	6,654.16	20,558.83	5,809.86	20,871.37
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	6,270.29	158,610.72	(146,706.77)	176,119.50
926003	MEDICAL INSURANCE EXPENSE - BURDENS	493,001.07	(3,733.93)	1,141,201.86	461,714.90
926004	DENTAL INSURANCE EXPENSE - BURDENS	35,908.13	5,762.20	59,414.70	(19,086.60)
926005	LONG TERM DISABILITY EXPENSE - BURDENS	16,735.20	13,389.18	17,657.70	12,895.50
926019	OTHER BENEFITS EXPENSE - BURDENS	84,456.93	(86,757.32)	260,998.44	(241,443.13)
926100	EMPLOYEE BENEFITS - NON-BURDEN	2,290.00	1,254.00	-	1,205.00
926101	PENSIONS EXPENSE - BURDENS	1,426,236.31	1,244,926.19	1,909,671.47	1,769,120.76
926102	401K EXPENSE - BURDENS	219,385.46	131,650.58	265,536.59	176,215.34
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	40,297.14	(124,588.19)	197,717.36	(668,778.74)
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	186,907.72	161,884.18	251,806.45	238,865.15
926110	EMPLOYEE WELFARE	3,764.66	9,238.95	10,000.27	9,657.76
926116	RETIREMENT INCOME EXPENSE - BURDENS	21,828.31	125,123.37	(85,480.11)	130,909.81
926117	PENSION INTEREST EXPENSE - BURDENS	152,049.58	136,306.64	32,723.51	311,043.90
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	279,177.57	244,557.85	245,919.19	267,884.75
926901	TUITION REFUND PLAN - INDIRECT	14,556.97	2,557.28	3,972.51	17,641.45
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	13,210.00	11,025.81	11,268.07	10,412.49
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	198,347.64	165,551.35	169,188.87	156,342.11
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	13,746.27	11,473.30	11,725.49	10,835.24
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	15,069.14	12,577.47	12,853.90	11,877.93
926911	PENSIONS EXPENSE - BURDENS INDIRECT	271,780.59	226,842.13	231,826.43	214,223.59
926912	401K EXPENSE - BURDENS INDIRECT	88,931.07	74,226.42	75,857.44	70,097.50
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	10,028.19	8,370.13	8,554.10	7,904.56
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	34,517.80	28,810.40	29,443.50	27,207.76
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	7,650.83	6,385.74	6,526.14	6,030.43
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	6,685.39	5,580.11	5,702.67	5,269.63
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	8,312.02	6,937.73	7,090.26	6,551.98

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>30-SEP-10</b>	<b>31-OCT-10</b>	<b>30-NOV-10</b>	<b>31-DEC-10</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	11,851.50	9,892.02	10,109.26	9,341.62
927001	ELEC SUPPL W/O CH-DR	6,995.65	-	-	8,988.04
927003	CITY OF LOU GAS FRAN	45,210.10	47,029.22	45,795.29	47,321.80
928002	REG UPKEEP ASSESSMTS	42,260.15	46,445.00	53,575.69	63,672.00
928003	AMORTIZATION OF RATE CASE EXPENSES	58,867.55	64,226.94	64,226.94	64,226.94
929001	FRANCHISE REQMTS-CR	(6,995.65)	-	-	(8,988.04)
929002	ELEC USED-ELEC DEPT	(200.08)	-	-	(195.34)
929003	GAS USED-GAS DEPT	(2,586.61)	(762.59)	(4,291.72)	(81,805.96)
929004	ELECTRICITY USED - OTHER DEPARTMENTS	-	-	-	-
930101	GEN PUBLIC INFO EXP	20,407.87	122,672.35	1,662.51	72,529.22
930191	GEN PUBLIC INFO EXP - INDIRECT	1,344.00	1,372.00	-	672.00
930201	MISC CORPORATE EXP	-	-	-	-
930202	ASSOCIATION DUES	-	-	-	146,778.24
930203	RESEARCH WORK	-	-	-	-
930207	OTHER MISC GEN EXP	5,006.52	6,459.67	23,060.56	1,013.82
930272	ASSOCIATION DUES - INDIRECT	61,732.44	4,143.22	2,302.44	-
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	29,022.16	242,430.11	49,201.67	11,541.67
930277	OTHER MISC GEN EXP - INDIRECT	(150.00)	1,500.00	-	1,300.00
930902	ASSOCIATION DUES - INDIRECT	-	-	-	-
930903	RESEARCH WORK - INDIRECT	6,497.52	4,105.00	3,645.52	18,647.52
930904	RESEARCH AND DEVELOPMENT EXPENSES	26,422.51	26,422.51	26,422.51	26,422.51
930907	OTHER MISC GEN EXP - INDIRECT	-	-	-	-
931004	RENTS-CORPORATE HQ	167,574.10	148,412.51	150,848.86	172,848.93
931100	RENTS-OTHER	3,000.00	3,000.00	3,000.00	-
935101	MTCE-GEN PLANT	27,519.01	25,964.00	23,043.18	61,368.65
935203	SOFTWARE MTCE AGREEMENTS	-	-	-	-
935391	MTCE-COMMUNICATION EQ - INDIRECT	145,964.90	120,143.04	115,595.92	177,057.81
935401	MTCE-OTH GEN EQ	139.79	460.46	370.18	5,229.55
935403	MNTC BONDABLE PROPERTY	2,321.12	3,888.01	13,882.51	17,771.47
935488	MTCE-OTH GEN EQ - INDIRECT	739,741.99	773,082.51	891,039.14	907,057.39
<b>Total</b>		<b>68,806,258.61</b>	<b>84,353,343.58</b>	<b>98,783,923.25</b>	<b>136,865,000.37</b>

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Account Number	Account Description	31-JAN-11	28-FEB-11	31-MAR-11	30-APR-11
403011	DEPREC EXP - STEAM POWER GEN	5,547,471.92	5,755,395.58	5,779,086.80	5,800,612.93
403012	DEPREC EXP - HYDRO POWER GEN	49,786.41	49,786.41	49,820.76	49,855.09
403013	DEPREC EXP - OTH POWER GEN	702,466.70	702,467.36	705,016.17	707,573.04
403014	DEPREC EXP - TRANSMISSION	455,376.49	456,243.59	459,210.91	461,394.13
403015	DEPREC EXP - DISTRIBUTION	1,873,259.17	1,879,841.21	1,889,590.08	1,898,145.79
403016	GENERAL DEPRECIATION EXPENSE	18,028.03	18,044.30	18,248.52	18,452.73
403020	FUEL, LOCOMOTIVES, RAILCARS	-	-	-	-
403021	DEPREC. EXP. - UNDERGROUND - GAS	101,189.04	101,190.35	101,540.27	102,181.06
403022	DEPREC. EXP. - TRANSMISSION - GAS	5,118.94	5,236.44	5,358.30	5,405.55
403023	DEPREC. EXP. - DISTRIBUTION - GAS	1,185,963.20	1,192,458.64	1,201,924.81	1,213,366.35
403024	DEPREC. EXP. - GENERAL - GAS	19,484.59	19,492.46	19,301.89	19,152.81
403025	DEPREC. EXP. - COMMON	1,035,060.54	1,058,854.61	1,065,933.77	1,072,892.45
403026	DEPREC. EXP. - STEAM - ECR	136,047.13	211,473.44	211,473.44	211,473.44
403111	DEPREC EXP ARO STEAM	102,465.85	102,465.80	102,176.46	121,011.02
403112	DEPREC EXP ARO TRANSMISSION	16.57	16.57	16.57	16.57
403113	DEPREC EXP ARO OTHER PRODUCTION	-	-	241.10	96.56
403114	DEPREC EXP ARO HYDRO	145.71	145.71	145.71	145.71
403115	DEPREC EXP ARO DISTRIBUTION	502.82	502.83	502.82	502.82
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	19,759.65	19,759.60	19,759.64	24,833.47
403212	DEPREC EXP ARO GAS DISTRIBUTION	24,886.89	24,886.89	24,886.79	99,074.78
403213	DEPREC EXP ARO GAS TRANSMISSION	-	-	-	-
403311	DEPREC EXP ARO COMMON	171.70	171.70	171.70	171.70
404301	AMORT-INTANG GAS PLT	172,804.40	173,291.08	187,789.21	216,408.59
404401	AMT-EL INTAN PLT-RTL	243,206.20	243,891.15	246,068.61	249,976.99
404402	AMT-EL INTAN PLT-WHS	224,005.70	224,636.58	213,691.16	191,448.57
407401	REGULATORY CREDITS - GENERATION ACCRETION	(134,931.38)	(135,489.18)	(136,049.40)	(136,612.01)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(63.65)	(63.94)	(64.23)	(64.53)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(2,225.79)	(2,235.99)	(2,246.24)	(2,256.54)
407406	REGULATORY CREDITS - GAS ACCRETION	(80,972.85)	(81,341.91)	(81,712.67)	(82,085.11)
407407	REGULATORY CREDITS - COMMON ACCRETION	(468.97)	(471.12)	(473.28)	(475.45)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(102,611.56)	(102,611.51)	(102,563.27)	(121,253.29)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(16.57)	(16.57)	(16.57)	(16.57)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(502.82)	(502.83)	(502.82)	(502.82)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(44,646.54)	(44,646.49)	(44,646.43)	(123,908.25)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(171.70)	(171.70)	(171.70)	(171.70)
408101	TAX-NON INC-UTIL OPR	7,222.67	-	8,886.80	13,844.77
408102	REAL AND PERSONAL PROP. TAX	1,441,378.00	1,439,604.00	1,440,491.00	1,440,491.00
408103	KY PUBLIC SERVICE COMMISSION TAX	161,096.90	161,096.90	161,096.90	161,096.90
408105	FEDERAL UNEMP TAX	20,970.27	10,433.01	307.78	(412.95)
408106	FICA TAX	445,110.31	447,261.18	503,347.28	469,579.22
408107	STATE UNEMP TAX	26,958.40	16,420.15	(2,898.41)	(318.82)
408108	REAL AND PERSONAL PROP TAX - ECR	8,412.00	10,186.00	9,299.00	9,299.00
408195	FEDERAL UNEMP TAX - INDIRECT	1,773.90	1,637.82	2,191.60	1,495.86
408196	FICA TAX - INDIRECT	184,986.13	170,799.52	228,540.68	174,347.92
408197	STATE UNEMP TAX - INDIRECT	6,595.27	6,089.52	8,148.15	2,973.23
408202	TAX-NON INC-OTHER	264.00	264.00	264.00	264.00
409101	FED INC TAX-UTIL OPR	-	-	6,012,136.69	-
409102	KY ST INCOME TAXES	-	-	3,154,270.65	-

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Account Number	Account Description	31-JAN-11	28-FEB-11	31-MAR-11	30-APR-11
409104	FED INC TAXES - EST	9,942,013.27	6,404,946.04	(16,346,959.32)	1,727,882.62
409105	ST INC TAXES - EST	1,813,133.12	1,168,075.26	(2,981,208.39)	315,115.37
409203	FED INC TAX-OTHER	-	-	(22,409.81)	-
409206	ST INC TAX-OTHER	-	-	(4,086.90)	-
409209	FED IN TAXES-OTH EST	128,731.45	409,474.78	(538,206.23)	(517,710.47)
409210	ST INC TAXES-OTH EST	23,476.86	74,676.25	(98,153.11)	(94,415.30)
410101	DEF FED INC TAX-OPR	6.82	-	31,010,681.78	-
410102	DEF ST INC TAX-OPR	-	-	3,102,326.43	-
410203	DEF FEDERAL INC TX	-	-	16,055.58	-
410204	DEF STATE INC TAX	-	-	-	-
411101	FED INC TX DEF-CR-OP	-	-	(17,352,203.27)	-
411102	ST INC TAX DEF-CR-OP	-	-	(2,760,399.07)	-
411150	ACCRETION EXPENSE - GENERATION	134,931.38	135,489.18	136,049.40	136,612.01
411151	ACCRETION EXPENSE - TRANSMISSION	63.65	63.94	64.23	64.53
411155	ACCRETION EXPENSE - DISTRIBUTION	2,225.79	2,235.99	2,246.24	2,256.54
411156	ACCRETION EXPENSE - GAS	80,972.85	81,341.91	81,712.67	82,085.11
411157	ACCRETION EXPENSE - COMMON	468.97	471.12	473.28	475.45
411201	FD INC TX DEF-CR-OTH	-	-	(267,592.85)	-
411202	ST INC TX DEF-CR-OTH	-	-	(45,873.06)	-
411403	ITC DEFERRED	-	-	-	-
411404	AMORTIZATION OF ITC	(209,367.00)	(236,034.00)	(236,034.00)	(236,034.00)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	1,741.26	1,728.85	1,551.07	1,148.61
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	19,869.52	-	-	-
421201	LOSS-PROPERTY DISP	-	-	-	-
426101	DONATIONS	152,884.31	319,811.54	198,429.89	141,866.36
426191	DONATIONS - INDIRECT	1,855.00	2,635.50	2,470.00	1,182.00
426301	PENALTIES	(29.58)	-	-	-
426401	EXP-CIVIC/POL/REL	3,543.03	5,287.91	4,054.84	4,170.74
426491	EXP-CIVIC/POL/REL - INDIRECT	55,976.89	57,212.15	86,375.30	54,357.06
426501	OTHER DEDUCTIONS	48,225.61	67,346.73	44,203.81	41,934.08
426508	FOREIGN EXCHANGE LOSSES	-	-	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	(245,600.90)	(358,753.50)	1,119,908.89	1,251,818.72
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	-	-	-	-
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	-	-	-	-
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-	-
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	-	-	-	-
426557	AMORT OF OCI-PCB JC2003A \$128M	-	-	-	-
426558	AMORT OF REG ASSET - SWAP TERMINATION	21,539.66	21,539.66	21,539.66	21,539.66
426591	OTHER DEDUCTIONS - INDIRECT	5,065.33	11,323.43	8,835.28	2,355.52
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	185,005.01	-	-	-
427020	INT EXP-FMB LGE2010 \$250M 11/15	338,541.67	338,541.67	338,541.67	338,541.65
427021	INT EXP-FMB LGE2010 \$285M 11/40	1,217,187.50	1,217,187.50	1,217,187.50	1,217,187.50
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	145,312.49	145,312.49	145,312.49	145,312.49
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	34,814.26	55,733.34	55,733.34	56,216.83
427127	INT EXP-PCB TC2007A \$60M 06/33	230,000.00	230,000.00	230,000.00	230,000.00
427128	INT EXP-PCB JC2000A \$25M 05/27	111,979.18	111,979.18	111,979.18	111,979.14
427129	INT EXP-PCB TC2000A \$83.3M 08/30	31,539.97	26,088.47	22,593.04	16,666.98
427130	INT EXP-PCB JC2001A \$10.1M 09/27	3,295.03	2,598.97	2,520.39	1,633.34

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Account Number	Account Description	31-JAN-11	28-FEB-11	31-MAR-11	30-APR-11
427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	326,754.62	364,367.24	363,705.18	388,666.01
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	-	-	-	-
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	-	-	-	-
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	-	-	-	-
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	83,356.97	93,119.63	92,629.44	99,305.70
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	83,068.97	92,799.64	92,309.44	98,964.37
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	84,268.98	94,132.97	93,642.77	100,386.59
427180	INT EXP-PCB JC2001A \$22.5M 9/26	23,886.99	21,575.34	23,886.99	23,116.41
427181	INT EXP-PCB TC2001A \$27.5M 9/26	10,660.97	9,493.15	9,417.81	9,041.09
427182	INT EXP-PCB JC2001B \$35M 11/27	26,234.24	22,630.14	28,699.99	39,311.26
427183	INT EXP-PCB TC2001B \$35M 11/27	26,513.70	22,821.92	26,513.68	38,451.78
427189	INT EXP-PCB TC2002A \$41.665M 10/32	15,373.81	14,757.40	14,088.47	11,711.85
427190	INT EXP-PCB JC2003A \$128M	126,597.26	202,666.67	202,666.67	204,424.94
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	191,666.67	191,666.67	191,666.67	191,666.64
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-	-
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	85,147.84	85,147.84	85,147.84	85,147.85
428020	AM EXP-FMB LGE2010 \$250M 11/15	37,755.05	38,291.65	38,927.50	38,927.50
428021	AM EXP-FMB LGE2010 \$285M 11/40	9,038.28	9,123.96	9,223.98	9,223.98
428031	AM EXP \$35.2M 6/33	421.27	450.74	563.48	563.48
428035	AM EXP-PCB TC2007A \$60M 6/33	3,961.20	3,961.20	3,961.20	3,961.20
428059	AM EXP-PCB JC2001A \$10.1M 9/27	1,699.37	1,699.37	1,699.37	1,699.37
428076	AM EXP-PCB TC2000A \$83M 8/30	3,225.61	3,225.61	3,225.61	3,225.61
428080	AM EXP-PCB JC2001A \$22.5M 9/26	826.98	826.98	826.98	826.98
428081	AM EXP-PCB TC2001A \$27.5M 9/26	899.17	899.17	899.17	899.17
428082	AM EXP-PCB JC2001B \$35M 11/27	916.27	916.27	916.27	916.27
428083	AM EXP-PCB TC2001B \$35M 11/27	916.42	916.42	916.42	916.42
428089	AM EXP-PCB TC2002A \$41.665M 10/32	3,101.77	3,101.77	3,101.77	3,101.77
428091	AM EXP-PCB LM/JC2003A \$128M	1,435.52	1,464.54	1,575.62	1,575.62
428104	AM LOSS-1985J \$25M 07/95	2,625.01	2,625.01	2,625.01	2,625.01
428107	AM LOSS-FMB \$25M 10/09	-	-	-	-
428108	AM LOSS-1976B \$35.2M 09/06	1,826.00	1,826.00	1,826.00	1,826.00
428109	AM LOSS-1975A \$31M 09/00	956.00	956.00	956.00	956.00
428110	AM LOSS-1987A \$60M 08/97	8,582.00	8,582.00	8,582.00	8,582.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	6,752.00	6,752.00	6,752.00	6,752.00
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	11,975.01	11,975.01	11,975.01	11,975.01
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	2,057.77	2,057.77	2,057.77	2,057.77
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	3,059.59	3,059.59	3,059.59	3,059.59
428128	AM LOSS-PCB JC2000A \$25M 05/27	3,071.40	3,071.40	3,071.40	3,071.40
428130	AM LOSS-PCB JC1992A \$31M 09/17	416.87	416.87	416.87	416.87
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	236.09	236.09	236.09	236.09
428135	AM LOSS REACQ \$60M 6/33	551.25	551.25	551.25	551.25
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	6,452.00	6,452.00	6,452.00	6,452.00
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	5,450.00	5,450.00	5,450.00	5,450.00
428182	AM LOSS-PCB JC1997A \$35M 11/27	4,087.99	4,087.99	4,087.99	4,087.99
428183	AM LOSS-PCB TC1997A \$35M 11/27	4,071.99	4,071.99	4,071.99	4,071.99
428189	AM LOSS-TC1990B \$41.665M 10/20	4,651.00	4,651.00	4,651.00	4,651.00
428191	AM LOSS-JC1993B \$26M 11/03	15,915.25	15,915.25	15,915.25	15,915.25
428192	AM LOSS-LM/JC2003A \$128M 10/33	10,228.71	10,228.71	10,228.71	10,228.71



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428194	AM LOSS-JC1995A \$40M 11/05	3,904.00	3,904.00	3,904.00	3,904.00
428195	AM LOSS REACQ PRE STK 5.875	-	-	-	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	4,133.04	4,133.04	4,133.04	4,133.04
428220	AM DISC-FMB LGE2010 \$250M 11/15	14,708.33	14,708.33	14,708.33	14,708.33
428221	AM DISC-FMB LGE2010 \$285M 11/40	8,613.33	8,613.33	8,613.33	8,613.33
430002	INT-DEBT TO ASSOC CO	4,617.03	4,185.53	59.44	-
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	-	-	-	-
431002	INT-CUST DEPOSITS	109,112.92	100,128.43	111,521.09	106,189.26
431004	INT-OTHER TAX DEFNCY	-	-	-	-
431008	INT-DSM COST RECOVER	1,077.03	1,234.22	(1,128.71)	1,629.58
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	-	-	-	-
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	42,538.42	41,552.12	46,035.81	11,819.60
500100	OPER SUPER/ENG	48,121.54	54,942.06	57,841.48	56,293.95
500900	OPER SUPER/ENG - INDIRECT	128,458.50	115,583.71	137,360.52	114,207.24
501001	FUEL-COAL - TON	30,107,056.25	25,542,870.76	26,097,252.15	23,548,600.45
501004	FUEL COAL - TO SOURCE UTILITY OSS	-	732.09	-	-
501005	FUEL COAL - OSS	1,236,794.57	900,407.75	835,215.51	283,086.34
501006	FUEL COAL - OFFSET	(11,665,937.05)	(7,957,808.96)	(8,598,055.96)	(7,703,623.42)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	10,429,142.49	7,056,669.14	7,762,840.47	7,420,537.06
501020	START-UP OIL -GAL	27,139.97	75,373.31	90,662.87	1,009.05
501022	STABILIZATION OIL - GAL	65,025.37	109,803.79	191,861.29	17,525.21
501026	COAL RESALE EXPENSES	(201.39)	528.14	36,992.24	57,157.56
501090	FUEL HANDLING	356,788.51	546,867.36	298,324.15	379,975.20
501091	FUEL SAMPLING AND TESTING	-	-	-	-
501100	START-UP GAS - MCF	271,382.51	200,150.57	173,159.85	384,684.11
501102	STABILIZATION GAS - MCF	253,751.82	283,086.68	286,582.47	425,330.98
501200	BOTTOM ASH DISPOSAL	91,893.87	110,239.37	101,207.99	88,081.73
501201	PLANT-ECR BOTTOM ASH DISPOSAL	-	-	-	-
501202	BOTTOM ASH PROCEEDS	-	-	-	-
501250	FLY ASH PROCEEDS	-	-	-	-
501251	FLY ASH DISPOSAL	-	-	-	-
501990	FUEL HANDLING - INDIRECT	75,384.68	68,830.02	86,573.10	54,503.50
502001	OTHER WASTE DISPOSAL	295,183.38	319,761.31	306,429.24	287,359.28
502002	BOILER SYSTEMS OPR	706,789.38	641,439.10	779,035.16	667,077.55
502003	SDRS OPERATION	-	-	-	-
502004	SDRS-H2O SYS OPR	262,908.06	230,023.50	244,568.19	220,576.26
502005	SLUDGE STAB SYS OPR	32,510.98	38,907.54	38,204.66	45,410.07
502006	SCRUBBER REACTANT EX	1,394,140.64	1,145,155.76	1,385,759.74	1,196,523.26
502022	OTHER WASTE DISPOSAL - OSS	1,980.04	2,066.24	2,098.32	661.29
502023	OTHER WASTE DISPOSAL - OFFSET	(1,980.04)	(2,066.24)	(2,098.32)	(661.29)
502025	SCRUBBER REACTANT - OSS	64,013.01	62,796.88	65,916.01	13,915.93
502026	SCRUBBER REACTANT - OFFSET	(64,013.01)	(62,796.88)	(65,916.01)	(13,915.93)
502056	ECR SCRUBBER REACTANT EX	45,766.16	67,781.10	58,026.26	35,899.41
502100	STM EXP(EX SDRS.SPP)	289,927.18	252,274.99	290,658.84	351,549.27
502900	STM EXP(EX SDRS.SPP) - INDIRECT	3,973.52	2,947.00	6,319.34	1,335.87
504001	STEAM XFERRED - CR - PROJECT USE	(47,229.33)	(8,679.00)	(10,561.13)	(7,829.60)
505100	ELECTRIC SYS OPR	36,522.49	44,831.42	49,248.90	59,554.80
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	-	-	-	-

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506100	MISC STM PWR EXP	1,095,054.44	1,047,750.00	1,163,762.56	1,553,083.65
506104	NOX REDUCTION REAGENT	256,891.44	216,317.19	254,834.86	198,779.89
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	6,601.50	7,687.30	11,593.51	29,067.28
506107	SCR/NOX - OSS	10,445.30	9,230.80	8,493.72	3,201.93
506108	SCR/NOX - OFFSET	(10,445.30)	(9,230.80)	(8,493.72)	(3,201.93)
506109	SORBENT INJECTION OPERATION	-	-	-	-
506150	ECR MERCURY MONITORS OPERATIONS	-	-	-	-
506151	ECR ACTIVATED CARBON	-	13,092.99	4,600.07	(1,003.46)
506152	ECR SORBENT REACTANT - REAGENT ONLY	38,590.38	37,726.33	48,156.00	47,014.18
506154	ECR NOX REDUCTION REAGENT	5,504.32	18,102.67	13,241.65	739.31
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	285.96	401.38	352.64	578.06
506159	ECR SORBENT INJECTION OPERATION	7,777.35	7,055.45	8,233.22	5,996.23
506900	MISC STM PWR EXP - INDIRECT	-	-	-	-
507100	RENTS-STEAM	6,875.00	6,875.00	2,840.40	11,200.00
509002	SO2 EMISSION ALLOWANCES	50.29	37.17	36.73	34.20
509003	NOX EMISSION ALLOWANCES	-	-	-	-
509007	EMISSION ALLOWANCES - OSS	0.84	0.61	0.83	0.23
509008	EMISSION ALLOWANCES - OFFSET	(0.84)	(0.61)	(0.83)	(0.23)
510100	MTCE SUPER/ENG - STEAM	207,780.72	231,625.82	479,710.28	272,808.81
511100	MTCE-STRUCTURES	157,921.15	191,434.27	165,207.69	130,866.03
512005	MAINTENANCE-SDRS	401,041.59	532,794.85	587,801.04	843,188.03
512011	INSTR/CNTRL-ENVRNL	-	-	-	-
512015	SDRS-COMMON H2O SYS	41,929.62	43,793.91	32,639.42	71,399.45
512017	MTCE-SLUDGE STAB SYS	103,070.28	81,240.89	228,038.15	65,753.71
512051	ECR INSTR/CNTRL-ENVRNL	284.55	1,093.49	1,659.34	1,573.87
512055	ECR MAINTENANCE-SDRS	2,263.03	5,170.82	4,369.19	6,449.12
512100	MTCE-BOILER PLANT	1,843,060.65	2,064,126.26	3,217,516.88	3,248,976.19
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	14,169.91	92,475.03	40,300.51	76,558.29
512102	SORBENT INJECTION MAINTENANCE	-	-	-	-
512103	MERCURY MONITORS MAINTENANCE	-	-	-	-
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	52.40	174.61	152.26	165.09
512152	ECR SORBENT INJECTION MAINTENANCE	94.26	443.43	-	4,609.57
512153	ECR MERCURY MONITORS MAINTENANCE	270.55	8,996.11	11,364.00	-
513100	MTCE-ELECTRIC PLANT	332,505.91	427,414.80	2,648,602.36	1,293,568.30
513900	MTCE-ELECTRIC PLANT - BOILER	12,202.71	11,742.69	5,829.26	(2,640.06)
514100	MTCE-MISC/STM PLANT	86,562.55	121,571.30	131,609.87	157,319.62
535100	OPER SUPER/ENG-HYDRO	7,148.00	9,015.58	9,670.50	8,838.74
536100	WATER FOR POWER	3,220.46	3,220.46	3,220.46	3,220.46
538100	ELECTRIC EXPENSES - HYDRO	27,127.05	18,700.45	21,621.41	21,449.94
539100	MISC HYD PWR GEN EXP	10,913.64	12,335.49	10,219.98	8,274.67
540100	RENTS-HYDRO	40,390.17	46,117.52	37,723.38	32,381.05
541100	MTCE-SUPER/ENG - HYDRO	-	-	-	-
542100	MAINT OF STRUCTURES - HYDRO	35,394.34	35,380.79	29,836.16	18,690.97
543100	MTCE-RES/DAMS/WATERW	1,323.78	806.81	8,277.72	5,494.81
544100	MTCE-ELECTRIC PLANT	17,243.98	18,790.73	18,073.86	15,577.67
546100	OPER SUPER/ENG - TURBINES	2,648.32	2,457.42	2,944.22	2,817.92
547030	FUEL-GAS - MCF	1,013,059.42	829,528.01	347,223.90	1,611,188.04
547040	FUEL-OIL - GAL	-	-	362,840.78	-

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547051	FUEL - TO SOURCE UTILITY OSS	-	-	-	40.86
547052	FUEL - OSS	27,003.43	11,085.37	15,658.91	2,962.50
547053	FUEL - OFFSET	(190,545.43)	(114,916.98)	(216,345.35)	(569,394.85)
547054	FUEL - TO SOURCE UTILITY RETAIL	163,542.00	103,831.61	200,686.44	566,391.49
547056	FUEL - GAS - INTRACOMPANY	56,231.13	56,299.75	56,051.21	33,696.20
548100	GENERATION EXP	13,371.41	12,983.38	24,682.81	14,481.66
549002	AIR QUALITY EXPENSES	861.13	861.13	861.13	3,113.53
549003	NOX EMISSION ALLOWANCES	-	-	-	-
549100	MISC OTH PWR GEN EXP	962.85	2,444.91	560.27	598.41
550100	RENTS-OTH PWR	1,319.28	1,319.28	2,114.10	1,328.29
551100	MTCE-SUPER/ENG - TURBINES	3,480.12	2,927.30	2,208.45	1,768.67
552100	MTCE-STRUCTURES - OTH PWR	7,882.66	4,544.43	4,128.91	5,483.92
553100	MTCE-GEN/ELECT EQ	40,654.03	213,172.99	461,457.25	67,478.49
554100	MTCE-MISC OTH PWR GEN	8,548.08	24,812.45	13,865.94	6,742.53
555006	MISO DAY 2 PURCHASED POWER - OSS	-	-	-	-
555007	MISO DAY 2 PURCHASED POWER - NL	-	-	-	-
555010	OSS POWER PURCHASES	13,299.77	18,092.78	20,360.36	14,171.09
555015	NL POWER PURCHASES - ENERGY	2,179,014.01	1,851,849.68	2,031,621.33	2,076,078.29
555016	NL POWER PURCHASES - DEMAND	1,606,272.11	682,779.18	1,529,694.65	1,891,305.47
555020	OSS I/C POWER PURCHASES	3,276,167.49	3,475,484.07	2,910,310.47	948,846.29
555025	NL I/C POWER PURCHASES	-	16,355.16	-	323.56
556100	SYS CTRL / DISPATCHING	-	-	-	-
556900	SYS CTRL / DISPATCHING - INDIRECT	163,600.95	162,692.89	166,798.94	113,113.60
557100	OTH POWER SUPPLY EXP	8,537.76	5,466.53	4,974.54	1,758.00
557110	MARKET FEES - NATIVE LOAD	-	15,377.73	-	-
557111	MARKET FEES - OFF SYSTEM SALES	-	5,592.60	-	-
557206	MISO DAY 2 OTHER - NATIVE LOAD	5.63	2.25	2.06	0.77
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	32.60	10,607.49	16,633.67	1,438.61
557208	RTO OTHER (NON-MISO) - NL	(6.48)	-	342.34	1.62
557209	RTO OTHER (NON-MISO) - OSS	(33.86)	(60.89)	(1,673.37)	(6,584.31)
557211	RTO OPERATING RESRV (NON-MISO) - NL	16.35	(5.07)	788.25	0.09
557212	RTO OPERATING RESRV (NON-MISO) - OSS	240,059.80	150,694.50	165,129.63	94,313.80
558001	ELEC DEPT USE-CR	-	-	-	-
558002	OTHER DEPT USE-CR	-	-	-	-
560100	OP SUPER/ENG-SSTOPER	1,759.69	2,251.44	5,315.33	4,511.73
560900	OP SUPER/ENG-SSTOPER - INDIRECT	62,588.19	56,044.98	71,344.31	74,770.63
561100	LOAD DISPATCH-WELOB	4,155.36	2,572.37	5,922.37	3,063.29
561190	LOAD DISPATCH - INDIRECT	44,810.39	38,900.75	74,678.59	54,991.78
561402	MISO DAY 1 SCH 10 - RESERVE	-	-	-	-
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	14.55	-	-	-
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	32,629.07	27,391.38	24,210.24	42,507.10
561601	TRANSMISSION SERVICE STUDIES	-	-	-	-
561802	MISO DAY 1 SCH 10 - RESERVE	-	-	-	-
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	1.05	-	-	-
561900	LOAD DISPATCH-WELOB - INDIRECT	36,632.22	37,040.44	85,058.91	51,422.46
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	21,188.25	(664.31)	-	-
562100	STA EXP-SUBST OPER	49,124.26	(22,535.55)	133,053.57	113,905.12
563100	OTHER INSP-ELEC TRAN	(15,956.80)	5,046.30	17,603.32	11,502.37

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565002	TRANSMISSION ELECTRIC OSS	2,716.34	4,588.88	5,477.25	26,621.08
565005	TRANSMISSION ELECTRIC NATIVE LOAD	(31.03)	-	-	2,275.30
565006	TRANSMISSION ELECTRIC OSS - MISO	-	-	(41.46)	86.04
565014	INTERCOMPANY TRANSMISSION EXPENSE	310,373.81	250,827.78	275,107.05	66,870.42
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	8.00	37.87	58.21	506.14
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	145,857.26	117,663.08	129,214.47	31,630.25
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	17.18	80.85	125.27	1,086.74
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	(8.00)	(37.87)	(58.21)	(506.14)
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	(145,857.25)	(117,663.08)	(129,214.47)	(31,630.25)
566100	MISC TRANS EXP-SSTMT	41,319.10	34,571.77	52,228.21	36,557.78
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	18,334.00	18,334.00	18,334.00	18,334.00
566140	INDEPENDENT OPERATOR	257,735.36	243,698.50	299,326.91	254,815.11
566150	EKPC DEPANCAKING SETTLEMENT	13,970.00	13,970.00	13,970.00	13,970.00
566151	KMPA MISO CHARGES	157,660.53	191,138.67	187,893.61	186,830.05
566900	MISC TRANS EXP-SSTMT - INDIRECT	58,155.14	39,762.99	120,354.83	34,632.60
567100	RENTS-ELEC/SUBSTATION OPERATIONS	16,171.05	-	250.00	1,387.50
569100	MTCE-STRUCT-SSTMTCE	0.34	18.74	5.69	175.34
569101	MAINTENANCE OF COMPUTER HARDWARE	-	-	-	-
570100	MTCE-ST EQ-SSTMTCE	94,237.14	77,476.34	140,527.02	79,428.59
571100	MTCE OF OVERHEAD LINES	183,683.08	94,312.23	80,973.67	124,095.05
573100	MTCE-MISC TR PLT-SSTMT	1,382.50	2,458.96	179.08	5,223.98
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	2,815.45	3,681.16	4,076.76	2,862.16
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	4,773.51	4,773.51	4,773.51	4,773.51
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	24,153.06	24,153.05	24,153.07	24,153.06
575704	MISO DAY 1 SCH 10 - RESERVE	-	-	-	-
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	30,745.95	30,745.45	30,745.45	30,745.45
580100	OP SUPER/ENG-SSTOPER	95,465.32	113,571.04	102,814.32	432,521.51
580900	OP SUPER/ENG-SSTOPER - INDIRECT	13,671.74	11,026.05	16,150.00	12,188.68
581900	SYS CTRL/SWITCH-DIST - INDIRECT	41,057.74	27,987.04	62,345.06	34,938.23
582100	STATION EXP-SSTOPER	76,688.50	49,940.25	101,463.62	73,100.13
583001	OPR-O/H LINES	113,170.29	150,846.00	180,485.71	113,768.41
583003	O/H LOAD/VOLT TEST	-	-	-	-
583005	CUST COMPL RESP-O/H	118,210.99	88,677.82	116,553.86	120,621.84
583008	INST/REMV TRANSF/REG	244.60	1,482.84	1,141.35	2,986.66
583009	INSPC O/H LINE FACIL	9,203.33	24,855.41	4,397.90	1,062.08
583010	LOC O/H ELEC FAC-BUD	78,776.02	37,341.38	59,029.28	54,786.19
583100	O/H LINE EXP-SSTOPER	21,795.29	22,695.63	30,270.03	11,687.18
584001	OPR-UNDERGRND LINES	(33,638.54)	20,404.22	20,702.07	12,038.25
584002	INSPC U/G LINE FACIL	1,357.10	632.41	910.18	-
584003	LOAD/VOLT TEST-U/G	-	-	-	-
584005	RESP-U/G CUST COMPL	2,057.78	1,874.02	2,052.51	1,526.53
584008	INST/RMV/REPL TRANSF	5,981.61	11,461.49	13,193.87	11,912.01
585100	STREET LIGHTING AND SIGNAL SYST EXP	(1,484.15)	938.00	0.04	-
586100	METER EXP	508,188.01	511,190.49	621,507.48	589,950.40
586900	METER EXP - INDIRECT	24.01	129.11	28.89	234.11
587100	CUST INSTALLATION EXP	(11,243.91)	(5,933.13)	(15,720.94)	(9,292.28)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	99,809.43	227,581.53	257,817.56	157,563.74
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	29,160.97	27,755.69	46,032.18	27,619.62

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589100	RENTS-DISTR / SUBSTAT OPER	152.00	-	1,572.63	628.75
590100	MTCE/SUPER/ENG-SSTMT	486.34	1,544.42	3,140.66	37,341.22
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	-	-	-	-
591003	MTCE-MISC STRUCT-DIS	51,791.59	61,511.73	67,659.81	63,846.18
592100	MTCE-ST EQ-SSTMTCE	40,418.30	(12,544.25)	82,804.54	49,157.82
593001	MTCE-POLE/FIXT-DISTR	127,324.67	(60,533.34)	119,950.04	75,809.14
593002	MTCE-COND/DEVICE-DIS	746,409.08	771,821.79	896,586.88	1,061,861.24
593003	MTCE-SERVICES	-	10,633.22	10,856.64	66,272.51
593004	TREE TRIMMING	275,652.13	343,251.51	786,675.88	667,628.83
593005	MINOR EXEMPT EXPENSE	(19,246.57)	-	-	6.55
594002	MTCE-U/G COND ETC	131,221.67	97,107.74	137,577.90	182,535.74
595100	MTCE-TRANSF/REG	21,795.80	20,906.68	31,000.52	21,004.70
596100	MTCE OF STREET LIGHTING AND SIGNALS	33,559.67	42,337.99	40,185.41	29,883.91
598100	MTCE OF MISC DISTRIBUTION PLANT	17,027.27	20,181.04	69,120.84	37,697.59
803001	GAS TRANS LINE PURCH	21,864,432.20	11,423,522.70	9,613,854.19	6,917,580.12
803002	PURCHASED GAS REFUND	(79,556.32)	(52,885.57)	(27,100.17)	(17,832.57)
803003	GAS COST ACTUAL ADJ	(1,801,170.15)	(1,610,716.64)	(3,002,977.10)	(1,463,548.40)
803004	GAS COST BALANCE ADJ	117,743.37	64,501.73	15,478.11	10,182.60
803006	PURCHASED GAS - WHOLESALE SALES	-	630,606.41	1,141,207.35	-
803007	WHOLESALE SALES MARGIN	-	(10,667.38)	(23,939.17)	-
803008	ACQ AND TRANS INCENTIVE	-	-	(563,000.00)	-
803009	PBR RECOVERY	411,796.03	337,422.54	253,706.73	166,917.81
806001	EXCHANGE GAS	1,767,449.23	2,379,610.45	1,163,373.20	(2,380,184.44)
807001	PURCH GAS CALC EXP	-	-	-	-
807002	OTHER PURCH GAS EXP	-	-	-	-
807003	GAS PROCUREMENT EXP	-	-	-	-
807401	PURCH GAS CALC EXP	2,858.64	3,109.08	3,038.64	2,781.58
807501	OTHER PURCH GAS EXP	-	-	-	-
807502	GAS PROCUREMENT EXP	56,608.29	48,169.31	60,313.33	51,786.99
808101	GAS W/D FROM STOR-DR	16,151,250.73	14,023,385.29	9,778,423.73	5,021,998.55
808201	GAS DELD TO STOR-CR	-	-	-	(71,256.30)
810001	GAS-COMP STA FUEL-CR	(159,255.20)	(173,233.73)	(114,278.98)	(21,464.73)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	-	-	-	-
812020	GAS-CITY GATE-CR	(9,623.86)	(8,865.31)	(8,344.79)	(5,614.63)
812030	GAS-OTH DEPT-CR	(15,099.49)	(10,516.41)	(12,284.77)	(6,584.80)
813001	OTH GAS SUPPLY EXP	-	-	-	460,281.64
814003	SUPV-STOR/COMPR STA	36,974.29	42,048.78	44,120.57	38,042.36
816100	WELLS EXPENSE	11,620.67	10,278.37	2,939.00	4,006.12
817100	LINES EXPENSE	61,197.20	54,094.58	53,891.83	37,919.21
818100	COMPR STATION EXP	132,463.99	141,343.66	142,614.62	117,015.48
819100	COMPR STA FUEL-U/G	155,682.74	173,305.40	114,734.10	21,771.22
821100	PURIFICATION EXP	228,849.83	274,183.94	245,078.77	(250,269.11)
823100	GAS LOSSES	204,487.08	173,373.34	150,030.06	131,879.45
824100	OPR-U/G STO/COMPR	1,210.61	1,210.61	(827.24)	1,471.12
825100	ROYALTIES	2,073.82	927.60	12,423.89	3,400.21
826100	RENTS-STORAGE FIELDS	3,938.39	2,529.58	8,460.07	788.06
830100	MTCE SUPRV AND ENGR - STOR COMPR	28,080.47	32,865.62	33,676.79	27,995.88
832100	MTC-RESERVOIRS/WELLS	9,564.14	12,880.55	4,371.91	18,179.31

**Louisville Gas & Electric Company**  
**Expense Account Detail**  
**2009-2011**

Account Number	Account Description	31-JAN-11	28-FEB-11	31-MAR-11	30-APR-11
833100	MTCE-LINES	9,820.00	11,755.62	9,084.98	9,429.10
834100	MTCE-COMP STA EQUIP	90,875.05	75,246.82	58,005.01	63,036.96
835100	MTCE-M/R EQ-COMPR	2,954.17	546.80	1,410.88	2,635.57
836100	MTCE-PURIFICATION EQUIP	80,324.96	28,553.00	28,143.06	45,334.10
837100	MTCE-OTHER EQUIP	6,111.57	5,202.61	3,049.10	2,857.93
850100	OPR SUPV AND ENGR	1,215.43	-	-	526.10
851100	SYS CTRL/DSPTCH-GAS	23,649.23	25,906.70	25,390.80	24,198.58
856100	MAINS EXPENSES	14,692.95	12,857.28	16,439.42	22,781.50
860100	RENTS-GAS TRANS	250.00	-	3,793.60	377.25
863100	MTCE-GAS MAINS-TRANS	(70,894.39)	72,354.86	68,302.10	48,538.02
871100	DISTR LOAD DISPATCH	33,725.43	36,750.60	37,552.15	36,490.40
874001	OTHER MAINS/SERV EXP	146,396.15	50,321.90	73,438.02	47,067.73
874002	LEAK SUR-DIST MN/SVC	5,976.11	6,054.19	1,725.26	25,345.45
874005	CHEK STOP BOX ACCESS	142,757.80	109,896.72	276,002.41	165,433.88
874006	PATROLLING MAINS	(9,700.00)	624.79	396.63	4,200.00
874007	CHEK/GREASE VALVES	973.06	10,422.99	26,209.14	12,625.67
874008	OPR-ODOR EQ	11,036.82	4,747.37	15,410.47	8,943.62
875100	MEAS/REG STA-GENERAL	24,568.22	27,720.64	28,191.48	37,838.70
876100	MEAS/REG STA-INDUSTRIAL	30,108.98	56,332.84	52,014.86	22,037.08
877100	MEAS/REG STA-CITY GATE	16,452.13	16,281.45	16,132.33	10,803.67
878100	METER/REG EXPENSE	2,068.02	3,130.22	433.04	543.29
879100	CUST INSTALL EXPENSE	24,763.82	37,831.87	36,943.53	48,322.98
880100	OTH GAS DISTR EXPENSE	237,049.36	270,283.74	245,005.02	221,925.03
880900	OTH GAS DISTR EXPENSE - INDIRECT	11,456.22	8,883.40	12,649.81	12,774.44
881100	RENTS-GAS DISTR	-	-	648.14	251.50
886100	MTCE-GAS DIST STRUCT	37,665.02	37,592.64	54,400.05	50,000.75
887100	MTCE-GAS MAINS-DISTR	420,609.35	820,702.14	890,316.33	863,519.57
889100	MTCE-M/R STA EQ-GENL	10,836.88	6,428.73	7,037.80	8,144.67
890100	MTCE-M/R STA EQ-INDL	22,382.25	31,755.13	43,585.71	17,598.54
891100	MTCE-M/R ST EQ-CITY GATE	14,902.10	24,021.20	23,645.84	18,446.06
892100	MTCE-OTH SERVICES	41,139.79	77,210.27	103,194.45	92,146.08
894100	MTCE-OTHER EQUIP	25,953.93	27,074.84	38,300.26	44,652.26
901001	SUPV-CUST ACCTS	121,972.03	121,773.30	135,001.76	107,637.28
901900	SUPV-CUST ACCTS - INDIRECT	27,095.16	26,643.23	25,557.52	30,641.34
902001	METER READ-SERV AREA	315,756.26	311,062.49	315,370.32	316,694.99
902002	METER READ-CLER/OTH	1,452.79	492.57	1,267.32	984.94
902003	METER READ-DIST 25	-	-	-	-
902900	METER READ-SERV AREA - INDIRECT	-	-	-	-
903001	AUDIT CUST ACCTS	72,483.14	70,043.84	83,110.69	77,284.13
903002	BILL SPECIAL ACCTS	-	-	-	-
903003	PROCESS METER ORDERS	5,266.91	11,778.59	12,907.35	15,595.75
903006	CUST BILL/ACCTG	8,189.35	7,375.67	7,131.40	7,372.11
903007	PROCESS PAYMENTS	56,788.81	42,431.58	47,643.87	42,159.30
903008	INVEST THEFT OF SVC	19,354.33	17,436.30	21,968.56	15,066.27
903012	PROC CUST CNTRT/ORDR	15,754.07	16,471.65	20,068.52	15,950.51
903013	HANDLE CREDIT PROBS	-	-	73.44	-
903022	COLL OFF-LINE BILLS	28,588.70	34,084.43	38,728.37	25,770.04
903023	PROC BANKRUPT CLAIMS	1,662.59	1,536.41	1,937.62	1,572.58

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>31-JAN-11</b>	<b>28-FEB-11</b>	<b>31-MAR-11</b>	<b>30-APR-11</b>
903025	MTCE-ASST PROGRAMS	8,826.83	8,493.10	9,619.34	8,369.35
903030	PROC CUST REQUESTS	10,337.76	58,454.86	47,924.96	5,352.37
903031	PROC CUST PAYMENTS	13,237.37	14,076.82	14,519.31	13,206.02
903032	DELIVER BILLS-REG	161,335.66	159,299.02	156,588.15	145,827.00
903035	COLLECTING-OTHER	18,317.76	17,913.45	17,473.88	16,323.82
903036	CUSTOMER COMPLAINTS	3,670.71	1,870.60	2,313.74	3,159.74
903038	MISC CASH OVERAGE/SHORTAGE	147.46	225.95	(56.09)	26.78
903902	BILL SPECIAL ACCTS - INDIRECT	6,518.07	5,202.89	7,289.50	6,102.25
903903	PROCESS METER ORDERS - INDIRECT	-	-	-	-
903906	CUST BILL/ACCTG - INDIRECT	6,207.75	5,908.06	6,451.67	5,839.04
903907	PROCESS PAYMENTS - INDIRECT	19,458.88	32,301.06	19,843.53	724.61
903909	PROC EXCEPTION PMTS - INDIRECT	642.83	1,055.82	43.20	900.00
903912	PROC CUST CNTRT/ORDR - INDIRECT	17,062.02	17,051.86	19,403.11	16,566.70
903930	PROC CUST REQUESTS - INDIRECT	249,685.38	282,653.79	287,541.76	301,670.71
903931	PROC CUST PAYMENTS - INDIRECT	18,512.26	8,351.20	8,491.12	8,799.79
903936	CUSTOMER COMPLAINTS - INDIRECT	18,070.19	11,404.85	23,856.12	21,764.09
904001	UNCOLLECTIBLE ACCTS	774,669.35	449,619.79	285,420.80	20,693.77
904002	UNCOLLECTABLE ACCTS - WHOLESALE	-	-	-	-
904003	UNCOLL ACCTS - A/R MISC	13,042.20	1,560.78	5,840.59	1,143.02
905001	MISC CUST SERV EXP	36,212.92	47,385.56	72,422.43	46,816.64
905002	MISC CUST BILL/ACCTG	958.99	2,311.24	2,443.98	3,450.78
905003	MISC COLLECTING EXP	8,773.62	6,990.44	7,492.39	4,760.82
907001	SUPV-CUST SER/INFO	4,469.43	3,813.30	6,676.50	3,952.35
907900	SUPV-CUST SER/INFO - INDIRECT	13,924.62	15,106.41	17,187.08	10,854.12
908001	CUST MKTG/ASSIST	-	-	-	-
908004	DSM - ENERGY AUDIT	-	-	-	-
908005	DSM CONSERVATION PROG	894,832.29	514,056.74	819,182.55	430,153.46
908006	DSM - HVAC	-	-	-	-
908007	DSM - CONSERVATION	-	-	-	-
908009	MISC MARKETING EXP	-	-	-	-
908010	DSM CONSERVATION PROG - OFFSET	-	-	-	-
908901	CUST MKTG/ASSIST - INDIRECT	14,767.73	26,256.96	33,652.09	18,791.45
908902	RES CONS/ENG ED PROG - INDIRECT	-	15,200.00	12,450.00	12,450.00
908909	MISC MARKETING EXP - INDIRECT	5,116.19	2,168.94	8,774.20	3,263.88
909004	MISC CUST COM-SER/IN	2,000.00	2,000.00	-	-
909005	MEDIA RELATIONS	-	-	-	-
909010	PRINT ADVER-SER/INFO	1,254.03	-	-	-
909013	SAFETY PROGRAMS	933.39	1,328.98	5,099.84	3,300.00
910001	MISC CUST SER/INFO	-	-	-	-
910900	MISC CUST SER/INFO - INDIRECT	-	15,361.51	20,213.21	33,782.66
912003	GEN MKTG AND MKTG PGMS	-	-	-	-
913012	OTH ADVER-SALES	250.00	250.00	9,770.40	1,623.45
920100	OTHER GENERAL AND ADMIN SALARIES	40,267.08	229,629.76	693,256.89	(198,250.02)
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	1,483,766.05	1,371,870.40	1,900,888.96	1,143,153.02
920901	OFFICERS SALARIES - INDIRECT	-	-	-	-
921001	EXP-OFFICERS/EXEC	-	-	-	-
921002	EXP-GEN OFFICE EMPL	11,044.86	26,406.92	7,123.96	43,984.20
921003	GEN OFFICE SUPPL/EXP	24,198.68	177,215.01	169,116.73	170,700.78

**Louisville Gas & Electric Company**  
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Account Number	Account Description	31-JAN-11	28-FEB-11	31-MAR-11	30-APR-11
921004	OPR-GEN OFFICE BLDG	60,265.20	52,525.51	96,030.76	44,883.33
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	65,289.90	61,445.56	101,721.07	41,399.03
921903	GEN OFFICE SUPPL/EXP - INDIRECT	236,339.31	163,862.83	333,579.02	222,621.06
922001	A/G SAL TRANSFER-CR	(93,444.56)	(95,997.50)	(155,691.98)	(56,687.93)
922002	OFF SUPP/EXP TRAN-CR	(21,130.26)	(27,922.82)	(39,195.17)	(29,661.16)
922003	TRIMBLE CTY TRAN-CR	(19,865.08)	(39,699.81)	(61,128.01)	(34,267.01)
923100	OUTSIDE SERVICES	133,190.67	279,740.76	(809,978.97)	236,600.86
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	22,638.48	60,507.22	44,384.77	46,000.00
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	-	-	-	-
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	-	-	-	-
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	-	-	5,041.85	-
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	700.00	700.00	700.00	-
923900	OUTSIDE SERVICES - INDIRECT	60,309.43	196,184.03	240,058.80	222,931.18
924100	PROPERTY INSURANCE	331,740.01	336,626.36	413,107.79	365,764.49
925001	PUBLIC LIABILITY	45,888.71	103,810.84	(64,069.16)	229,618.00
925002	WORKERS COMP EXPENSE - BURDENS	70,892.77	56,499.95	806,659.75	54,041.00
925003	AUTO LIABILITY	344.28	7,031.75	19,578.54	5,264.50
925004	SAFETY AND INDUSTRIAL HEALTH	4,683.71	7,292.09	7,522.42	7,207.79
925100	OTHER INJURIES AND DAMAGES	347.28	84.00	(381,732.07)	-
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	979.08	906.68	1,218.45	599.96
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	-	50.00	6.25	770.00
926001	TUITION REFUND PLAN	26,466.71	8,106.14	14,497.72	22,150.80
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	12,056.78	18,998.74	23,345.73	22,634.05
926003	MEDICAL INSURANCE EXPENSE - BURDENS	639,464.15	636,910.72	1,049,250.54	623,320.96
926004	DENTAL INSURANCE EXPENSE - BURDENS	37,435.64	36,240.73	45,038.50	37,049.53
926005	LONG TERM DISABILITY EXPENSE - BURDENS	39,531.34	38,766.24	48,328.45	38,161.11
926019	OTHER BENEFITS EXPENSE - BURDENS	96,370.57	93,104.19	117,604.45	75,942.76
926100	EMPLOYEE BENEFITS - NON-BURDEN	-	-	1,155.00	1,095.00
926101	PENSIONS EXPENSE - BURDENS	1,255,231.48	2,420,029.21	1,754,505.27	1,836,989.89
926102	401K EXPENSE - BURDENS	225,917.39	228,551.80	284,985.32	225,111.92
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	69,566.96	41,503.38	51,582.46	39,859.38
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	182,657.48	508,662.94	474,598.51	763,170.11
926110	EMPLOYEE WELFARE	9,439.61	8,654.50	5,953.09	7,281.75
926116	RETIREMENT INCOME EXPENSE - BURDENS	19,310.93	22,561.63	28,022.76	23,579.94
926117	PENSION INTEREST EXPENSE - BURDENS	54,687.62	(4,418.55)	(9,448.44)	(40,820.64)
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	254,617.15	19,910.76	(8,276.00)	(266,251.91)
926901	TUITION REFUND PLAN - INDIRECT	15,645.98	4,921.71	4,961.73	6,857.12
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	12,920.59	11,964.16	16,078.53	6,970.79
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	193,998.24	179,640.31	241,416.47	155,383.89
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	13,444.96	12,449.76	16,731.29	9,356.20
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	14,738.69	13,647.91	18,341.21	11,755.93
926911	PENSIONS EXPENSE - BURDENS INDIRECT	265,820.73	246,147.42	330,794.47	309,168.05
926912	401K EXPENSE - BURDENS INDIRECT	86,981.00	80,543.51	108,241.39	69,364.30
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	9,808.33	9,082.48	12,205.76	7,870.71
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	33,760.87	31,262.26	42,012.77	28,454.21
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	7,483.07	6,929.16	9,211.98	-
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	6,538.81	6,054.99	8,137.17	-
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	8,129.83	7,528.09	10,117.05	19,869.49



**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>31-JAN-11</b>	<b>28-FEB-11</b>	<b>31-MAR-11</b>	<b>30-APR-11</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	11,591.74	10,733.75	14,425.09	8,184.94
927001	ELEC SUPPL W/O CH-DR	-	-	10,367.02	-
927003	CITY OF LOU GAS FRAN	45,795.29	42,986.97	47,592.72	46,057.47
928002	REG UPKEEP ASSESSMTS	51,268.98	52,487.00	50,463.00	50,818.00
928003	AMORTIZATION OF RATE CASE EXPENSES	64,226.93	64,226.93	64,226.93	64,226.93
929001	FRANCHISE REQMTS-CR	-	-	(10,367.02)	-
929002	ELEC USED-ELEC DEPT	-	-	(198.53)	-
929003	GAS USED-GAS DEPT	(118,967.40)	(125,636.95)	(124,417.00)	(101,857.51)
929004	ELECTRICITY USED - OTHER DEPARTMENTS	-	-	-	-
930101	GEN PUBLIC INFO EXP	8,802.81	82,474.37	95,403.92	86,082.42
930191	GEN PUBLIC INFO EXP - INDIRECT	2,044.00	-	2,044.00	-
930201	MISC CORPORATE EXP	-	-	-	-
930202	ASSOCIATION DUES	-	-	-	-
930203	RESEARCH WORK	-	-	-	-
930207	OTHER MISC GEN EXP	7,010.96	1,680.73	9,121.61	3,118.72
930272	ASSOCIATION DUES - INDIRECT	22,639.03	22,639.03	21,236.04	85,061.68
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	61,200.00	237,075.52	1,600.00	242,463.85
930277	OTHER MISC GEN EXP - INDIRECT	-	(49.76)	-	50.00
930902	ASSOCIATION DUES - INDIRECT	-	-	-	-
930903	RESEARCH WORK - INDIRECT	-	-	781.60	-
930904	RESEARCH AND DEVELOPMENT EXPENSES	26,422.51	26,422.51	26,422.51	26,422.51
930907	OTHER MISC GEN EXP - INDIRECT	-	-	-	-
931004	RENTS-CORPORATE HQ	160,729.96	161,643.80	160,294.96	158,336.81
931100	RENTS-OTHER	-	6,000.00	3,000.00	3,000.00
935101	MTCE-GEN PLANT	24,583.33	29,564.81	36,856.16	31,058.54
935203	SOFTWARE MTCE AGREEMENTS	-	-	-	-
935391	MTCE-COMMUNICATION EQ - INDIRECT	195,983.64	144,087.04	178,753.73	184,954.62
935401	MTCE-OTH GEN EQ	2,717.97	5,307.37	(1,661.56)	1,294.20
935403	MNTC BONDABLE PROPERTY	-	-	-	-
935488	MTCE-OTH GEN EQ - INDIRECT	787,805.81	850,399.84	876,259.07	845,371.08
<b>Total</b>		<b>132,454,924.51</b>	<b>114,004,461.88</b>	<b>109,327,243.87</b>	<b>90,014,642.33</b>

Louisville Gas & Electric Company  
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Account Number	Account Description	31-MAY-11	30-JUN-11	31-JUL-11	31-AUG-11
403011	DEPREC EXP - STEAM POWER GEN	5,800,425.84	5,802,732.04	5,814,027.47	5,798,925.24
403012	DEPREC EXP - HYDRO POWER GEN	50,389.83	51,065.30	51,206.04	51,132.08
403013	DEPREC EXP - OTH POWER GEN	707,581.11	707,348.66	707,116.20	707,205.40
403014	DEPREC EXP - TRANSMISSION	462,236.33	463,085.01	463,080.45	463,580.92
403015	DEPREC EXP - DISTRIBUTION	1,906,421.31	1,911,596.44	1,915,324.09	1,919,145.12
403016	GENERAL DEPRECIATION EXPENSE	18,697.82	18,942.92	18,962.23	18,981.53
403020	FUEL, LOCOMOTIVES, RAILCARS	-	-	-	-
403021	DEPREC. EXP. - UNDERGROUND - GAS	102,856.60	102,659.64	102,080.39	102,236.85
403022	DEPREC. EXP. - TRANSMISSION - GAS	5,447.39	5,607.86	5,773.37	5,775.73
403023	DEPREC. EXP. - DISTRIBUTION - GAS	1,219,207.64	1,223,594.29	1,228,677.59	1,235,813.89
403024	DEPREC. EXP. - GENERAL - GAS	19,194.02	19,301.13	19,408.52	19,408.52
403025	DEPREC. EXP. - COMMON	1,093,459.01	1,110,862.63	1,111,963.86	1,110,869.07
403026	DEPREC. EXP. - STEAM - ECR	213,427.85	214,417.72	213,549.94	213,549.94
403111	DEPREC EXP ARO STEAM	719,195.94	100,331.36	126,897.07	100,281.75
403112	DEPREC EXP ARO TRANSMISSION	16.57	16.57	16.57	16.57
403113	DEPREC EXP ARO OTHER PRODUCTION	96.56	96.56	96.56	96.56
403114	DEPREC EXP ARO HYDRO	145.71	145.71	145.71	145.71
403115	DEPREC EXP ARO DISTRIBUTION	502.82	502.82	502.83	502.81
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	400,939.09	18,348.44	18,348.45	18,348.46
403212	DEPREC EXP ARO GAS DISTRIBUTION	24,732.49	24,732.44	24,732.42	24,732.41
403213	DEPREC EXP ARO GAS TRANSMISSION	-	-	-	-
403311	DEPREC EXP ARO COMMON	171.70	171.70	171.70	171.70
404301	AMORT-INTANG GAS PLT	194,058.42	198,465.00	200,009.03	200,012.26
404401	AMT-EL INTAN PLT-RTL	254,283.44	260,057.59	262,080.79	262,085.02
404402	AMT-EL INTAN PLT-WHS	220,825.10	225,839.48	227,596.46	227,600.15
407401	REGULATORY CREDITS - GENERATION ACCRETION	(136,795.09)	(134,120.52)	(134,674.05)	(134,741.85)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(64.82)	(65.12)	(65.42)	(65.72)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(2,266.88)	(2,277.27)	(2,287.70)	(2,298.19)
407406	REGULATORY CREDITS - GAS ACCRETION	(81,195.73)	(78,098.09)	(78,454.21)	(78,811.99)
407407	REGULATORY CREDITS - COMMON ACCRETION	(477.63)	(479.82)	(482.02)	(484.23)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(719,438.21)	(100,573.63)	(127,139.34)	(100,524.02)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(16.57)	(16.57)	(16.57)	(16.57)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(502.82)	(502.82)	(502.83)	(502.81)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(425,671.58)	(43,080.88)	(43,080.87)	(43,080.87)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(171.70)	(171.70)	(171.70)	(171.70)
408101	TAX-NON INC-UTIL OPR	(6,398.36)	3,281.57	3,246.57	3,246.57
408102	REAL AND PERSONAL PROP. TAX	1,441,239.00	1,441,239.00	1,444,533.00	1,440,392.00
408103	KY PUBLIC SERVICE COMMISSION TAX	161,096.90	161,096.94	162,886.60	162,886.60
408105	FEDERAL UNEMP TAX	(811.80)	(961.50)	(668.10)	(922.69)
408106	FICA TAX	497,054.91	449,628.92	437,575.16	493,495.79
408107	STATE UNEMP TAX	(871.44)	(1,123.80)	(678.36)	(968.12)
408108	REAL AND PERSONAL PROP TAX - ECR	9,299.00	9,299.00	6,005.00	10,146.00
408195	FEDERAL UNEMP TAX - INDIRECT	1,873.19	2,104.36	1,604.88	2,054.82
408196	FICA TAX - INDIRECT	220,549.88	247,772.13	152,314.22	195,010.96
408197	STATE UNEMP TAX - INDIRECT	3,768.64	4,233.94	3,190.69	4,085.21
408202	TAX-NON INC-OTHER	264.00	264.00	264.00	264.00
409101	FED INC TAX-UTIL OPR	(2,540,492.03)	(2,265,004.91)	-	-
409102	KY ST INCOME TAXES	608,422.94	1,635,614.70	-	-

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409104	FED INC TAXES - EST	2,629,382.01	(4,357,264.63)	10,655,071.01	5,664,531.39
409105	ST INC TAXES - EST	479,522.54	(794,637.93)	1,943,174.04	1,033,045.23
409203	FED INC TAX-OTHER	7,074.16	(319,936.70)	-	-
409206	ST INC TAX-OTHER	1,290.12	(58,347.12)	-	-
409209	FED IN TAXES-OTH EST	149,902.52	367,807.95	117,095.66	126,125.57
409210	ST INC TAXES-OTH EST	27,337.84	67,077.46	21,354.85	23,001.63
410101	DEF FED INC TAX-OPR	19,279,574.77	30,409,738.30	-	463,095,281.80
410102	DEF ST INC TAX-OPR	1,400,401.94	2,990,263.72	-	82,462,950.14
410203	DEF FEDERAL INC TX	15,331.05	205,208.85	-	-
410204	DEF STATE INC TAX	2,628.18	35,178.66	-	-
411101	FED INC TX DEF-CR-OP	(15,848,046.15)	(18,391,606.72)	-	(462,836,557.70)
411102	ST INC TAX DEF-CR-OP	(2,009,269.87)	(2,945,306.29)	-	(83,087,676.80)
411150	ACCRETION EXPENSE - GENERATION	136,795.09	134,120.52	134,674.05	134,741.85
411151	ACCRETION EXPENSE - TRANSMISSION	64.82	65.12	65.42	65.72
411155	ACCRETION EXPENSE - DISTRIBUTION	2,266.88	2,277.27	2,287.70	2,298.19
411156	ACCRETION EXPENSE - GAS	81,195.73	78,098.09	78,454.21	78,811.99
411157	ACCRETION EXPENSE - COMMON	477.63	479.82	482.02	484.23
411201	FD INC TX DEF-CR-OTH	(919.87)	(12,312.54)	-	-
411202	ST INC TX DEF-CR-OTH	-	-	-	-
411403	ITC DEFERRED	-	-	-	-
411404	AMORTIZATION OF ITC	(236,034.00)	(236,034.00)	(236,034.00)	(236,034.00)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	2,173.13	1,409.49	2,379.22	1,542.30
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	(19,869.52)	-	-	-
421201	LOSS-PROPERTY DISP	-	-	-	-
426101	DONATIONS	241,676.22	94,448.27	132,713.46	123,730.68
426191	DONATIONS - INDIRECT	4,540.64	275.00	137.50	1,471.25
426301	PENALTIES	-	-	-	-
426401	EXP-CIVIC/POL/REL	4,469.11	6,982.90	2,965.73	9,431.58
426491	EXP-CIVIC/POL/REL - INDIRECT	56,408.97	57,745.05	64,492.63	76,209.43
426501	OTHER DEDUCTIONS	35,298.94	40,751.37	80,124.15	51,039.69
426508	FOREIGN EXCHANGE LOSSES	-	-	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	408,013.35	(1,303,235.29)	(527,371.04)	(224,032.45)
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	-	-	-	-
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	-	-	-	-
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-	-
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	-	-	-	-
426557	AMORT OF OCI-PCB JC2003A \$128M	-	-	-	-
426558	AMORT OF REG ASSET - SWAP TERMINATION	21,539.66	21,539.66	21,539.66	21,539.66
426591	OTHER DEDUCTIONS - INDIRECT	6,404.61	11,467.79	5,736.20	2,000.29
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-	-
427020	INT EXP-FMB LGE2010 \$250M 11/15	338,541.67	338,541.67	338,541.66	338,541.67
427021	INT EXP-FMB LGE2010 \$285M 11/40	1,217,187.50	1,217,187.50	1,217,187.50	1,217,187.50
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	145,312.49	145,312.49	145,312.49	145,312.49
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	55,733.34	55,733.35	55,733.34	55,733.34
427127	INT EXP-PCB TC2007A \$60M 06/33	230,000.00	230,000.00	230,000.00	230,000.00
427128	INT EXP-PCB JC2000A \$25M 05/27	111,979.18	111,979.15	111,979.18	111,979.18
427129	INT EXP-PCB TC2000A \$83.3M 08/30	12,037.29	10,046.48	7,407.55	9,213.15
427130	INT EXP-PCB JC2001A \$10.1M 09/27	1,392.11	1,414.56	858.84	1,437.01

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427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	342,282.67	372,837.57	376,125.23	368,750.92
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	-	-	-	-
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	-	-	-	-
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	-	-	-	-
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	87,328.80	94,055.99	94,043.21	93,992.60
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	87,030.13	93,736.00	93,723.21	93,672.61
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	88,274.61	95,069.32	95,056.54	95,005.94
427180	INT EXP-PCB JC2001A \$22.5M 9/26	23,886.99	12,236.32	6,996.57	5,480.15
427181	INT EXP-PCB TC2001A \$27.5M 9/26	9,342.46	7,232.88	7,473.98	6,607.54
427182	INT EXP-PCB JC2001B \$35M 11/27	33,214.53	28,886.03	21,426.85	12,954.24
427183	INT EXP-PCB TC2001B \$35M 11/27	32,938.35	29,054.80	21,479.45	12,897.26
427189	INT EXP-PCB TC2002A \$41.665M 10/32	9,545.28	8,447.15	6,785.11	8,093.29
427190	INT EXP-PCB JC2003A \$128M	202,666.67	202,666.67	202,666.66	202,666.67
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	191,666.67	191,666.66	191,666.67	191,666.67
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-	-
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	85,147.85	85,147.85	85,147.85	85,147.85
428020	AM EXP-FMB LGE2010 \$250M 11/15	40,142.77	40,794.40	42,500.79	42,500.79
428021	AM EXP-FMB LGE2010 \$285M 11/40	9,434.69	9,534.11	9,790.31	9,790.31
428031	AM EXP \$35.2M 6/33	622.62	622.64	622.64	622.64
428035	AM EXP-PCB TC2007A \$60M 6/33	3,961.20	3,961.20	3,961.20	3,961.20
428059	AM EXP-PCB JC2001A \$10.1M 9/27	1,699.37	1,699.37	1,699.37	1,699.37
428076	AM EXP-PCB TC2000A \$83M 8/30	3,225.61	3,225.61	3,225.61	3,225.61
428080	AM EXP-PCB JC2001A \$22.5M 9/26	826.98	826.98	826.98	826.98
428081	AM EXP-PCB TC2001A \$27.5M 9/26	899.17	899.17	899.17	899.17
428082	AM EXP-PCB JC2001B \$35M 11/27	916.27	916.27	916.27	916.27
428083	AM EXP-PCB TC2001B \$35M 11/27	916.42	916.42	916.42	916.42
428089	AM EXP-PCB TC2002A \$41.665M 10/32	3,101.77	3,101.77	3,101.77	3,101.77
428091	AM EXP-PCB LM/JC2003A \$128M	1,633.92	1,633.92	1,633.92	1,633.92
428104	AM LOSS-1985J \$25M 07/95	2,625.01	2,625.01	2,625.01	2,625.01
428107	AM LOSS-FMB \$25M 10/09	-	-	-	-
428108	AM LOSS-1976B \$35.2M 09/06	1,826.00	1,826.00	1,826.00	1,826.00
428109	AM LOSS-1975A \$31M 09/00	956.00	956.00	956.00	956.00
428110	AM LOSS-1987A \$60M 08/97	8,582.00	8,582.00	8,582.00	8,582.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	6,752.00	6,752.00	6,752.00	6,752.00
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	11,975.01	11,975.01	11,975.01	11,975.01
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	2,057.77	2,057.77	2,057.77	2,057.77
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	3,059.59	3,059.59	3,059.59	3,059.59
428128	AM LOSS-PCB JC2000A \$25M 05/27	3,071.40	3,071.40	3,071.40	3,071.40
428130	AM LOSS-PCB JC1992A \$31M 09/17	416.87	416.87	416.87	416.87
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	236.09	236.09	236.09	236.09
428135	AM LOSS REACQ \$60M 6/33	551.25	551.25	551.25	551.25
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	6,452.00	6,452.00	6,452.00	6,452.00
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	5,450.00	5,450.00	5,450.00	5,450.00
428182	AM LOSS-PCB JC1997A \$35M 11/27	4,087.99	4,087.99	4,087.99	4,087.99
428183	AM LOSS-PCB TC1997A \$35M 11/27	4,071.99	4,071.99	4,071.99	4,071.99
428189	AM LOSS-TC1990B \$41.665M 10/20	4,651.00	4,651.00	4,651.00	4,651.00
428191	AM LOSS-JC1993B \$26M 11/03	15,915.25	15,915.25	15,915.25	15,915.25
428192	AM LOSS-LM/JC2003A \$128M 10/33	10,228.71	10,228.71	10,228.71	10,228.71

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428194	AM LOSS-JC1995A \$40M 11/05	3,904.00	3,904.00	3,904.00	3,904.00
428195	AM LOSS REACQ PRE STK 5.875	-	-	-	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	4,133.04	4,133.04	4,133.04	4,133.04
428220	AM DISC-FMB LGE2010 \$250M 11/15	14,708.33	14,708.33	14,708.33	14,708.33
428221	AM DISC-FMB LGE2010 \$285M 11/40	8,613.33	8,613.33	8,613.33	8,613.33
430002	INT-DEBT TO ASSOC CO	-	-	-	-
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	-	-	-	-
431002	INT-CUST DEPOSITS	111,089.41	159,648.67	116,591.68	115,137.50
431004	INT-OTHER TAX DEFNCY	-	-	-	-
431008	INT-DSM COST RECOVER	1,752.41	1,630.87	1,623.99	1,556.85
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	-	-	-	-
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	42,608.59	264,922.58	111,356.29	158,647.92
500100	OPER SUPER/ENG	51,126.51	49,827.52	38,695.83	53,177.86
500900	OPER SUPER/ENG - INDIRECT	138,166.61	156,523.78	130,552.31	136,076.34
501001	FUEL-COAL - TON	24,820,235.57	26,055,510.23	31,802,385.61	30,599,210.63
501004	FUEL COAL - TO SOURCE UTILITY OSS	7,899.23	3,357.02	217.51	-
501005	FUEL COAL - OSS	795,763.37	420,411.00	336,179.96	61,819.56
501006	FUEL COAL - OFFSET	(5,084,336.58)	(3,107,328.95)	(3,666,188.71)	(4,444,598.80)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	4,280,674.00	2,683,560.94	3,329,791.23	4,382,779.24
501020	START-UP OIL -GAL	150,244.28	40,205.40	106,476.38	156,897.49
501022	STABILIZATION OIL - GAL	95,842.20	45,254.69	74,430.30	61,683.85
501026	COAL RESALE EXPENSES	61,379.48	33,743.47	21,148.86	12,891.64
501090	FUEL HANDLING	411,950.39	380,701.42	442,228.63	442,799.63
501091	FUEL SAMPLING AND TESTING	-	-	-	-
501100	START-UP GAS - MCF	118,821.70	357,088.73	151,399.13	265,829.35
501102	STABILIZATION GAS - MCF	431,859.07	333,563.78	472,312.71	519,751.88
501200	BOTTOM ASH DISPOSAL	70,516.82	58,790.45	68,174.72	70,070.42
501201	PLANT-ECR BOTTOM ASH DISPOSAL	-	-	-	-
501202	BOTTOM ASH PROCEEDS	-	-	-	-
501250	FLY ASH PROCEEDS	-	-	-	-
501251	FLY ASH DISPOSAL	-	-	-	-
501990	FUEL HANDLING - INDIRECT	58,642.68	54,513.00	51,144.65	57,177.24
502001	OTHER WASTE DISPOSAL	301,573.93	337,947.15	281,167.44	336,343.88
502002	BOILER SYSTEMS OPR	645,919.36	744,480.39	708,430.55	736,280.73
502003	SDRS OPERATION	-	-	-	-
502004	SDRS-H2O SYS OPR	211,594.72	260,392.22	225,284.99	249,733.05
502005	SLUDGE STAB SYS OPR	39,945.86	53,632.64	50,348.50	54,381.04
502006	SCRUBBER REACTANT EX	1,035,885.09	1,440,135.41	1,416,611.48	1,415,778.43
502022	OTHER WASTE DISPOSAL - OSS	1,387.25	739.22	825.11	424.71
502023	OTHER WASTE DISPOSAL - OFFSET	(1,387.25)	(739.22)	(825.11)	(424.71)
502025	SCRUBBER REACTANT - OSS	63,282.55	28,822.07	28,224.23	8,351.94
502026	SCRUBBER REACTANT - OFFSET	(63,282.55)	(28,822.07)	(28,224.23)	(8,351.94)
502056	ECR SCRUBBER REACTANT EX	37,578.01	39,805.43	74,961.99	65,999.65
502100	STM EXP(EX SDRS.SPP)	359,223.59	401,498.75	464,980.48	426,118.68
502900	STM EXP(EX SDRS.SPP) - INDIRECT	2,530.02	804.85	1,060.24	2,052.91
504001	STEAM XFERRED - CR - PROJECT USE	45,432.49	-	-	-
505100	ELECTRIC SYS OPR	53,897.82	55,891.32	53,373.64	75,553.76
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	-	-	-	-

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506100	MISC STM PWR EXP	1,161,477.26	1,253,616.05	1,029,381.18	1,169,951.46
506104	NOX REDUCTION REAGENT	191,429.57	209,856.17	261,047.98	274,895.59
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	8,188.55	6,672.05	(11,207.60)	10,449.85
506107	SCR/NOX - OSS	7,315.41	4,625.83	2,617.86	370.59
506108	SCR/NOX - OFFSET	(7,315.41)	(4,625.83)	(2,617.86)	(370.59)
506109	SORBENT INJECTION OPERATION	-	-	-	-
506150	ECR MERCURY MONITORS OPERATIONS	-	-	-	-
506151	ECR ACTIVATED CARBON	21,845.25	(21,845.25)	-	104,635.06
506152	ECR SORBENT REACTANT - REAGENT ONLY	54,552.74	48,108.28	53,112.01	54,189.18
506154	ECR NOX REDUCTION REAGENT	16,124.53	22,290.31	23,586.70	19,151.11
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	603.42	507.78	772.87	1,542.80
506159	ECR SORBENT INJECTION OPERATION	8,928.25	8,342.96	10,718.43	12,834.85
506900	MISC STM PWR EXP - INDIRECT	-	-	1,458.21	-
507100	RENTS-STEAM	6,025.00	8,071.73	9,425.00	6,875.00
509002	SO2 EMISSION ALLOWANCES	43.13	50.81	60.49	65.75
509003	NOX EMISSION ALLOWANCES	3.35	3.71	4.29	4.29
509007	EMISSION ALLOWANCES - OSS	0.94	0.68	0.42	0.11
509008	EMISSION ALLOWANCES - OFFSET	(0.94)	(0.68)	(0.42)	(0.11)
510100	MTCE SUPER/ENG - STEAM	323,830.30	187,981.60	206,361.21	225,931.02
511100	MTCE-STRUCTURES	160,738.51	152,103.59	148,423.14	214,361.45
512005	MAINTENANCE-SDRS	818,944.46	588,887.92	305,789.38	356,279.80
512011	INSTR/CNTRL-ENVRNL	-	-	-	-
512015	SDRS-COMMON H2O SYS	60,670.23	69,755.88	79,901.83	57,923.91
512017	MTCE-SLUDGE STAB SYS	64,717.81	92,998.31	68,359.14	164,350.44
512051	ECR INSTR/CNTRL-ENVRNL	1,630.11	1,103.00	673.55	3,647.55
512055	ECR MAINTENANCE-SDRS	5,880.75	7,738.51	6,094.51	7,706.74
512100	MTCE-BOILER PLANT	3,016,199.63	2,195,114.85	1,599,781.78	2,224,797.85
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	29,596.64	41,705.83	47,151.73	53,171.62
512102	SORBENT INJECTION MAINTENANCE	-	-	-	-
512103	MERCURY MONITORS MAINTENANCE	-	-	-	-
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	223.91	(74.32)	587.43	99.29
512152	ECR SORBENT INJECTION MAINTENANCE	711.38	277.26	(218.37)	318.80
512153	ECR MERCURY MONITORS MAINTENANCE	0.69	-	-	-
513100	MTCE-ELECTRIC PLANT	92,118.64	881,231.44	644,562.24	454,837.15
513900	MTCE-ELECTRIC PLANT - BOILER	5,588.13	2,242.57	9,660.15	11,426.83
514100	MTCE-MISC/STM PLANT	152,947.02	213,440.29	157,901.44	113,340.46
535100	OPER SUPER/ENG-HYDRO	8,232.74	10,879.67	7,311.29	9,593.73
536100	WATER FOR POWER	3,220.46	3,221.52	3,221.52	3,221.52
538100	ELECTRIC EXPENSES - HYDRO	18,410.02	29,287.65	27,388.07	15,466.56
539100	MISC HYD PWR GEN EXP	9,031.41	13,678.32	12,689.03	10,073.80
540100	RENTS-HYDRO	24,288.97	27,580.84	25,250.26	16,902.78
541100	MTCE-SUPER/ENG - HYDRO	4,667.30	2,579.41	2,148.21	1,603.93
542100	MAINT OF STRUCTURES - HYDRO	16,212.37	15,391.59	18,441.80	21,286.80
543100	MTCE-RES/DAMS/WATERW	4,464.90	10,866.77	3,054.88	2,596.78
544100	MTCE-ELECTRIC PLANT	27,175.13	38,673.65	25,568.06	18,434.35
546100	OPER SUPER/ENG - TURBINES	3,099.72	3,568.60	3,464.14	5,414.14
547030	FUEL-GAS - MCF	1,661,055.20	2,141,954.87	3,361,242.16	2,454,971.34
547040	FUEL-OIL - GAL	747.12	-	-	-

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Account Number	Account Description	31-MAY-11	30-JUN-11	31-JUL-11	31-AUG-11
547051	FUEL - TO SOURCE UTILITY OSS	19,914.60	42,272.94	33,275.94	7,254.90
547052	FUEL - OSS	67,830.04	84,005.86	124,622.83	97,865.24
547053	FUEL - OFFSET	(420,031.31)	(226,193.41)	(603,441.93)	(580,469.88)
547054	FUEL - TO SOURCE UTILITY RETAIL	332,286.67	99,914.61	445,543.16	475,349.74
547056	FUEL - GAS - INTRACOMPANY	46,435.30	72,306.91	97,713.36	85,822.39
548100	GENERATION EXP	10,553.56	11,270.34	13,490.81	17,718.43
549002	AIR QUALITY EXPENSES	3,113.53	3,860.14	1,714.02	1,714.02
549003	NOX EMISSION ALLOWANCES	0.58	0.77	2.51	1.86
549100	MISC OTH PWR GEN EXP	629.79	1,158.39	556.51	1,188.06
550100	RENTS-OTH PWR	1,307.94	2,899.89	940.66	2,608.74
551100	MTCE-SUPER/ENG - TURBINES	4,264.05	1,992.48	1,434.41	1,683.12
552100	MTCE-STRUCTURES - OTH PWR	7,941.39	18,732.23	3,576.64	9,955.65
553100	MTCE-GEN/ELECT EQ	108,966.52	59,455.30	64,274.40	77,478.52
554100	MTCE-MISC OTH PWR GEN	(7,511.12)	(17,964.54)	(1,500.61)	10,503.28
555006	MISO DAY 2 PURCHASED POWER - OSS	-	-	-	-
555007	MISO DAY 2 PURCHASED POWER - NL	-	-	-	-
555010	OSS POWER PURCHASES	56,967.58	30,279.59	63,124.51	12,050.10
555015	NL POWER PURCHASES - ENERGY	1,981,185.01	2,327,326.55	2,920,240.83	2,524,411.00
555016	NL POWER PURCHASES - DEMAND	1,589,277.23	1,165,122.82	1,338,885.28	1,363,741.14
555020	OSS I/C POWER PURCHASES	2,538,869.63	2,119,561.90	2,269,395.98	1,338,177.71
555025	NL I/C POWER PURCHASES	230,565.47	850,816.04	326,076.52	166,228.28
556100	SYS CTRL / DISPATCHING	-	-	-	-
556900	SYS CTRL / DISPATCHING - INDIRECT	115,012.84	124,219.91	112,094.38	130,538.96
557100	OTH POWER SUPPLY EXP	3,036.78	7,746.18	5,812.92	5,544.84
557110	MARKET FEES - NATIVE LOAD	-	-	-	-
557111	MARKET FEES - OFF SYSTEM SALES	-	-	-	-
557206	MISO DAY 2 OTHER - NATIVE LOAD	-	-	246.40	-
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	3,105.91	5,848.42	24,158.00	878.20
557208	RTO OTHER (NON-MISO) - NL	(56.24)	(1,263.35)	(4,694.84)	(746.90)
557209	RTO OTHER (NON-MISO) - OSS	(130.03)	(3.01)	18.50	(25.53)
557211	RTO OPERATING RESRV (NON-MISO) - NL	141.68	14,664.21	65,985.68	14,749.99
557212	RTO OPERATING RESRV (NON-MISO) - OSS	35,204.60	163,860.03	251,182.69	162,172.88
558001	ELEC DEPT USE-CR	-	-	-	-
558002	OTHER DEPT USE-CR	-	-	-	-
560100	OP SUPER/ENG-SSTOPER	2,207.44	(28,000.14)	2,489.94	2,365.46
560900	OP SUPER/ENG-SSTOPER - INDIRECT	78,129.82	14,752.35	78,462.94	87,252.31
561100	LOAD DISPATCH-WELOB	3,298.78	4,123.49	4,403.06	10,328.16
561190	LOAD DISPATCH - INDIRECT	48,140.07	49,625.32	51,339.35	72,633.86
561402	MISO DAY 1 SCH 10 - RESERVE	-	-	-	-
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	-	-	-	-
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	48,230.27	34,262.59	27,822.65	44,074.92
561601	TRANSMISSION SERVICE STUDIES	-	-	-	-
561802	MISO DAY 1 SCH 10 - RESERVE	-	-	-	-
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	-	-	-	-
561900	LOAD DISPATCH-WELOB - INDIRECT	58,736.01	64,052.74	44,509.81	64,994.19
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	-	-	-	-
562100	STA EXP-SUBST OPER	169,830.80	83,574.19	106,827.37	105,223.50
563100	OTHER INSP-ELEC TRAN	1,801.11	23,436.52	4,391.58	20,754.23

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565002	TRANSMISSION ELECTRIC OSS	(18,584.07)	1,368.98	4,403.83	2,955.70
565005	TRANSMISSION ELECTRIC NATIVE LOAD	266.30	6,523.90	9,062.91	3,660.30
565006	TRANSMISSION ELECTRIC OSS - MISO	-	-	-	-
565014	INTERCOMPANY TRANSMISSION EXPENSE	247,986.12	230,610.21	262,122.78	136,584.74
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	637.45	4,994.05	1,020.05	11,692.77
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	115,595.33	107,950.74	123,080.82	64,200.76
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	1,380.43	10,829.97	2,179.67	25,311.71
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	(637.45)	(4,994.05)	(1,020.05)	(11,692.77)
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	(115,595.32)	(107,950.76)	(123,080.82)	(64,200.76)
566100	MISC TRANS EXP-SSTMT	39,163.34	53,428.14	47,033.30	45,801.06
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	18,334.00	18,334.00	18,334.00	18,334.00
566140	INDEPENDENT OPERATOR	277,434.16	268,425.69	115,958.40	362,031.88
566150	EKPC DEPANCAKING SETTLEMENT	13,970.00	13,970.00	13,970.00	13,970.00
566151	KMPA MISO CHARGES	157,289.05	300,649.43	303,957.90	9,753.04
566900	MISC TRANS EXP-SSTMT - INDIRECT	148,941.27	33,520.45	16,344.99	66,916.59
567100	RENTS-ELEC/SUBSTATION OPERATIONS	1,758.82	100.00	527.38	251.86
569100	MTCE-STRUCT-SSTMTCE	3.61	191.24	1.26	21.00
569101	MAINTENANCE OF COMPUTER HARDWARE	-	-	-	-
570100	MTCE-ST EQ-SSTMTCE	155,050.28	125,846.50	107,631.44	127,191.50
571100	MTCE OF OVERHEAD LINES	161,390.25	63,300.92	179,024.67	124,266.02
573100	MTCE-MISC TR PLT-SSTMT	981.25	-	1,211.30	982.72
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	3,096.62	3,214.64	3,141.89	2,843.64
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	4,773.51	4,773.51	4,773.51	4,773.51
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	24,153.06	24,153.06	24,189.27	24,153.06
575704	MISO DAY 1 SCH 10 - RESERVE	-	-	-	-
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	30,745.45	30,745.45	30,745.45	30,745.45
580100	OP SUPER/ENG-SSTOPER	1,126,580.49	(665,062.18)	593,981.23	912,417.60
580900	OP SUPER/ENG-SSTOPER - INDIRECT	12,712.53	9,799.83	6,814.89	12,150.39
581900	SYS CTRL/SWITCH-DIST - INDIRECT	41,210.18	46,205.20	34,794.51	51,693.39
582100	STATION EXP-SSTOPER	101,811.61	120,838.96	72,453.19	97,781.94
583001	OPR-O/H LINES	184,566.15	152,816.52	147,027.36	164,955.94
583003	O/H LOAD/VOLT TEST	-	304.69	1,605.61	465.23
583005	CUST COMPL RESP-O/H	99,327.43	92,700.63	115,018.87	107,910.17
583008	INST/REMV TRANSF/REG	1,106.22	2,489.23	865.25	3,602.53
583009	INSPC O/H LINE FACIL	19,001.45	25,843.63	17,592.35	15,242.62
583010	LOC O/H ELEC FAC-BUD	51,669.71	63,757.23	70,194.01	91,881.73
583100	O/H LINE EXP-SSTOPER	7,785.56	18,310.95	12,546.63	11,779.70
584001	OPR-UNDERGRND LINES	12,280.80	10,285.90	38,784.53	(9,018.67)
584002	INSPC U/G LINE FACIL	10,550.86	5,941.29	7,461.29	1,538.46
584003	LOAD/VOLT TEST-U/G	-	378.88	740.35	667.04
584005	RESP-U/G CUST COMPL	1,506.30	1,408.15	2,880.54	1,609.77
584008	INST/RMV/REPL TRANSF	6,030.48	4,187.89	4,618.98	6,392.71
585100	STREET LIGHTING AND SIGNAL SYST EXP	-	-	-	-
586100	METER EXP	595,940.39	571,375.59	300,379.47	576,259.20
586900	METER EXP - INDIRECT	128.29	128.30	163.30	23.90
587100	CUST INSTALLATION EXP	(28,832.31)	(23,260.84)	(15,179.72)	(16,595.35)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	200,642.37	209,500.26	264,713.16	117,725.34
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	26,391.68	34,409.90	27,814.31	21,861.72



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589100	RENTS-DISTR / SUBSTAT OPER	420.05	5,076.87	714.88	2,644.84
590100	MTCE/SUPER/ENG-SSTMT	47,534.68	47,961.76	16,359.79	85,932.35
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	-	-	-	-
591003	MTCE-MISC STRUCT-DIS	50,140.44	77,408.16	64,958.38	82,328.33
592100	MTCE-ST EQ-SSTMTCE	81,413.28	62,923.57	73,448.57	92,755.56
593001	MTCE-POLE/FIXT-DISTR	59,998.48	83,040.86	25,526.51	69,136.80
593002	MTCE-COND/DEVICE-DIS	1,351,193.81	1,651,916.51	1,114,464.19	6,917,857.70
593003	MTCE-SERVICES	66,164.66	138,584.16	76,352.88	123,250.72
593004	TREE TRIMMING	495,391.98	534,990.62	669,933.69	619,733.87
593005	MINOR EXEMPT EXPENSE	1,611.36	37,261.57	(39,203.13)	-
594002	MTCE-U/G COND ETC	126,746.82	167,432.57	123,767.90	196,515.45
595100	MTCE-TRANSF/REG	16,656.39	22,137.57	17,762.70	15,499.96
596100	MTCE OF STREET LIGHTING AND SIGNALS	11,533.84	35,540.10	24,866.29	(1,265.44)
598100	MTCE OF MISC DISTRIBUTION PLANT	23,383.38	45,330.29	39,411.19	208,725.42
803001	GAS TRANS LINE PURCH	8,335,089.02	13,441,565.46	18,251,249.82	18,481,576.19
803002	PURCHASED GAS REFUND	(12,818.41)	(11,050.97)	(8,234.74)	(9,150.36)
803003	GAS COST ACTUAL ADJ	370,203.15	(20,641.36)	325,253.57	(675,273.64)
803004	GAS COST BALANCE ADJ	41,591.36	57,038.23	42,429.41	2,553.38
803006	PURCHASED GAS - WHOLESALE SALES	-	-	-	-
803007	WHOLESALE SALES MARGIN	-	-	-	-
803008	ACQ AND TRANS INCENTIVE	-	(512,000.00)	-	-
803009	PBR RECOVERY	91,670.54	61,284.22	45,610.55	45,532.56
806001	EXCHANGE GAS	(2,528,920.55)	(2,205,629.70)	(1,203,400.58)	(619,469.22)
807001	PURCH GAS CALC EXP	-	-	-	-
807002	OTHER PURCH GAS EXP	-	-	-	-
807003	GAS PROCUREMENT EXP	-	-	-	-
807401	PURCH GAS CALC EXP	2,573.12	2,910.49	2,443.19	3,180.05
807501	OTHER PURCH GAS EXP	-	-	-	-
807502	GAS PROCUREMENT EXP	46,373.75	62,780.28	53,936.59	55,555.82
808101	GAS W/D FROM STOR-DR	1,875,568.91	1,869.02	2,139.24	2,224.37
808201	GAS DELD TO STOR-CR	-	(6,780,956.89)	(13,368,368.70)	(13,028,865.44)
810001	GAS-COMP STA FUEL-CR	(7,048.95)	(19,912.58)	(2.89)	(6.57)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	-	-	(3,216.57)	-
812020	GAS-CITY GATE-CR	(1,685.45)	(976.76)	(209.59)	(52.41)
812030	GAS-OTH DEPT-CR	(3,575.35)	(3,129.98)	(486.54)	(406.29)
813001	OTH GAS SUPPLY EXP	(460,275.58)	(33.10)	1.46	2.75
814003	SUPV-STOR/COMPR STA	47,271.34	45,128.42	42,578.40	43,415.45
816100	WELLS EXPENSE	27,092.32	24,511.17	37,869.68	26,078.75
817100	LINES EXPENSE	57,362.68	45,162.31	66,976.08	43,983.94
818100	COMPR STATION EXP	139,483.70	112,015.42	73,398.29	92,771.99
819100	COMPR STA FUEL-U/G	7,442.37	21,104.02	2.89	6.57
821100	PURIFICATION EXP	542,429.98	8,056.65	(182.70)	14,405.75
823100	GAS LOSSES	137,376.48	151,680.97	173,966.07	195,165.64
824100	OPR-U/G STO/COMPR	1,471.12	1,471.12	1,471.12	1,471.12
825100	ROYALTIES	4,874.00	1,373.43	4,835.00	11,218.72
826100	RENTS-STORAGE FIELDS	4,842.23	2,951.09	4,791.50	1,942.46
830100	MTCE SUPRV AND ENGR - STOR COMPR	32,707.16	30,415.35	33,264.59	33,179.89
832100	MTC-RESERVOIRS/WELLS	41,206.24	41,824.29	85,135.97	199,802.19

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833100	MTCE-LINES	19,621.84	34,049.63	7,514.44	4,731.04
834100	MTCE-COMP STA EQUIP	55,324.99	98,004.83	37,823.91	74,706.09
835100	MTCE-M/R EQ-COMPR	2,683.65	7,051.79	1,860.82	1,515.35
836100	MTCE-PURIFICATION EQUIP	35,437.34	142,777.52	53,417.86	45,769.19
837100	MTCE-OTHER EQUIP	3,403.68	4,643.13	3,067.79	6,473.10
850100	OPR SUPV AND ENGR	-	596.32	1,644.07	3,401.83
851100	SYS CTRL/DSPTCH-GAS	22,666.62	27,245.04	24,322.52	27,563.87
856100	MAINS EXPENSES	16,192.58	27,922.70	36,648.46	52,754.77
860100	RENTS-GAS TRANS	-	30.00	114.00	819.73
863100	MTCE-GAS MAINS-TRANS	67,493.78	109,576.38	51,641.08	307,418.86
871100	DISTR LOAD DISPATCH	31,256.67	49,100.08	29,807.21	50,496.02
874001	OTHER MAINS/SERV EXP	40,609.81	42,525.14	35,531.54	42,117.01
874002	LEAK SUR-DIST MN/SVC	45,396.36	108,605.62	84,020.55	92,843.81
874005	CHEK STOP BOX ACCESS	144,839.61	128,252.79	108,876.83	100,574.32
874006	PATROLLING MAINS	600.00	(700.00)	-	709.50
874007	CHEK/GREASE VALVES	29,934.48	13,145.20	15,086.71	9,433.93
874008	OPR-ODOR EQ	16,973.00	6,858.30	14,615.46	15,514.81
875100	MEAS/REG STA-GENERAL	88,969.83	76,001.74	66,320.73	78,214.02
876100	MEAS/REG STA-INDUSTRIAL	18,190.14	12,609.01	11,936.30	14,901.36
877100	MEAS/REG STA-CITY GATE	6,553.72	6,000.74	6,888.36	11,591.97
878100	METER/REG EXPENSE	1,232.51	708.45	258,924.17	16,731.24
879100	CUST INSTALL EXPENSE	34,773.69	28,914.09	35,632.61	40,596.33
880100	OTH GAS DISTR EXPENSE	338,585.17	232,632.28	252,385.72	252,415.09
880900	OTH GAS DISTR EXPENSE - INDIRECT	11,245.03	11,540.85	9,842.74	9,595.22
881100	RENTS-GAS DISTR	100.00	7,947.15	40.00	715.47
886100	MTCE-GAS DIST STRUCT	35,869.82	60,131.55	42,776.39	54,870.72
887100	MTCE-GAS MAINS-DISTR	700,278.72	730,809.63	668,703.45	800,654.52
889100	MTCE-M/R STA EQ-GENL	14,182.14	8,456.58	6,143.85	2,695.23
890100	MTCE-M/R STA EQ-INDL	13,692.45	7,847.34	8,547.83	10,524.19
891100	MTCE-M/R ST EQ-CITY GATE	27,754.90	22,549.74	27,926.91	39,048.57
892100	MTCE-OTH SERVICES	82,562.95	82,012.06	84,593.40	82,735.87
894100	MTCE-OTHER EQUIP	48,563.62	32,410.73	31,115.09	38,873.08
901001	SUPV-CUST ACCTS	118,469.72	130,794.24	105,237.32	132,494.44
901900	SUPV-CUST ACCTS - INDIRECT	26,946.34	36,622.95	23,621.68	26,915.24
902001	METER READ-SERV AREA	345,142.77	310,515.03	324,407.02	318,366.48
902002	METER READ-CLER/OTH	1,008.33	1,631.42	2,924.79	1,839.55
902003	METER READ-DIST 25	-	-	-	-
902900	METER READ-SERV AREA - INDIRECT	-	-	-	-
903001	AUDIT CUST ACCTS	75,732.37	77,609.88	73,241.00	86,919.14
903002	BILL SPECIAL ACCTS	-	-	-	-
903003	PROCESS METER ORDERS	12,435.42	12,265.01	13,721.81	7,707.83
903006	CUST BILL/ACCTG	1,812.33	17,594.43	3,643.10	3,447.31
903007	PROCESS PAYMENTS	50,190.55	41,389.42	40,287.65	40,037.79
903008	INVEST THEFT OF SVC	17,427.30	18,666.55	20,858.60	19,258.43
903012	PROC CUST CNTRT/ORDR	15,780.34	16,556.50	13,614.20	16,504.50
903013	HANDLE CREDIT PROBS	-	-	79.56	-
903022	COLL OFF-LINE BILLS	6,621.18	18,961.59	8,299.10	23,253.05
903023	PROC BANKRUPT CLAIMS	(18.75)	3.74	-	-

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903025	MTCE-ASST PROGRAMS	6,224.49	2,232.04	3,717.96	4,372.09
903030	PROC CUST REQUESTS	54,932.92	12,736.86	45,930.01	9,363.22
903031	PROC CUST PAYMENTS	14,590.99	13,106.31	12,712.30	15,448.00
903032	DELIVER BILLS-REG	181,082.80	95.00	289,541.45	148,377.41
903035	COLLECTING-OTHER	35,071.84	44,690.70	40,937.63	55,015.64
903036	CUSTOMER COMPLAINTS	2,835.45	1,922.45	1,472.66	2,973.29
903038	MISC CASH OVERAGE/SHORTAGE	(96.51)	311.00	(4.43)	40.53
903902	BILL SPECIAL ACCTS - INDIRECT	6,512.72	5,731.22	5,741.08	6,311.09
903903	PROCESS METER ORDERS - INDIRECT	-	-	-	-
903906	CUST BILL/ACCTG - INDIRECT	11,483.27	15,614.43	13,021.71	14,035.17
903907	PROCESS PAYMENTS - INDIRECT	19,340.66	20,457.09	18,813.77	(455.23)
903909	PROC EXCEPTION PMTS - INDIRECT	610.97	1,327.03	780.19	896.90
903912	PROC CUST CNTRT/ORDR - INDIRECT	17,020.26	18,389.93	14,328.59	20,715.93
903930	PROC CUST REQUESTS - INDIRECT	221,432.72	355,513.08	220,180.26	304,624.83
903931	PROC CUST PAYMENTS - INDIRECT	9,464.24	9,431.69	8,522.25	8,855.73
903936	CUSTOMER COMPLAINTS - INDIRECT	18,397.40	19,738.68	18,592.06	32,764.51
904001	UNCOLLECTIBLE ACCTS	27,606.59	683,985.19	777,717.90	291,999.75
904002	UNCOLLECTABLE ACCTS - WHOLESALE	-	-	-	-
904003	UNCOLL ACCTS - A/R MISC	3,977.13	(90,950.04)	52,400.16	5,160.84
905001	MISC CUST SERV EXP	44,446.58	56,003.96	55,203.86	48,457.07
905002	MISC CUST BILL/ACCTG	3,610.25	4,817.24	7,166.57	2,746.03
905003	MISC COLLECTING EXP	2,374.93	3.75	-	-
907001	SUPV-CUST SER/INFO	5,279.97	5,040.64	3,223.25	5,024.06
907900	SUPV-CUST SER/INFO - INDIRECT	15,576.65	16,060.55	11,769.89	16,784.92
908001	CUST MKTG/ASSIST	-	-	-	-
908004	DSM - ENERGY AUDIT	-	-	-	-
908005	DSM CONSERVATION PROG	871,155.53	1,270,911.96	1,158,842.78	1,575,616.22
908006	DSM - HVAC	-	-	-	-
908007	DSM - CONSERVATION	-	-	-	-
908009	MISC MARKETING EXP	-	-	-	-
908010	DSM CONSERVATION PROG - OFFSET	-	-	-	-
908901	CUST MKTG/ASSIST - INDIRECT	19,364.61	20,730.24	14,958.27	17,882.11
908902	RES CONS/ENG ED PROG - INDIRECT	12,450.00	12,450.00	12,450.00	12,450.00
908909	MISC MARKETING EXP - INDIRECT	5,473.08	7,782.09	7,082.76	5,991.64
909004	MISC CUST COM-SER/IN	246.93	-	-	2,250.00
909005	MEDIA RELATIONS	-	-	-	-
909010	PRINT ADVER-SER/INFO	2,598.75	-	-	2,382.96
909013	SAFETY PROGRAMS	2,853.33	2,346.67	5,500.00	1,501.00
910001	MISC CUST SER/INFO	2,552.51	-	-	-
910900	MISC CUST SER/INFO - INDIRECT	41,222.16	22,232.51	18,596.51	23,917.79
912003	GEN MKTG AND MKTG PGMS	-	-	-	-
913012	OTH ADVER-SALES	250.00	8,288.77	4,207.80	4,204.75
920100	OTHER GENERAL AND ADMIN SALARIES	251,663.73	593,998.73	(85,458.84)	248,268.65
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	1,461,796.07	1,719,808.51	1,206,004.55	1,608,183.65
920901	OFFICERS SALARIES - INDIRECT	-	-	-	-
921001	EXP-OFFICERS/EXEC	-	-	-	-
921002	EXP-GEN OFFICE EMPL	9,845.05	63,982.87	26,416.42	6,008.21
921003	GEN OFFICE SUPPL/EXP	145,330.82	(81,045.49)	167,996.67	74,966.43

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Account Number	Account Description	31-MAY-11	30-JUN-11	31-JUL-11	31-AUG-11
921004	OPR-GEN OFFICE BLDG	49,739.45	54,874.93	84,452.58	72,229.52
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	66,962.74	24,419.61	44,072.12	40,185.67
921903	GEN OFFICE SUPPL/EXP - INDIRECT	246,786.71	338,682.42	218,232.52	264,126.40
922001	A/G SAL TRANSFER-CR	(102,800.50)	(138,710.26)	(89,237.59)	(148,519.59)
922002	OFF SUPP/EXP TRAN-CR	(25,603.25)	(22,599.03)	(38,638.78)	(31,245.55)
922003	TRIMBLE CTY TRAN-CR	(42,395.56)	(50,414.11)	(42,081.89)	(49,930.81)
923100	OUTSIDE SERVICES	183,078.79	193,153.66	402,394.98	137,811.07
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	61,000.00	31,882.00	46,000.00	46,000.00
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	-	-	-	-
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	-	-	-	-
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	-	5,041.85	-	-
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	1,400.00	700.00	700.00	700.00
923900	OUTSIDE SERVICES - INDIRECT	199,719.05	224,111.35	217,818.62	326,633.03
924100	PROPERTY INSURANCE	401,009.77	376,421.81	332,855.36	334,005.36
925001	PUBLIC LIABILITY	100,903.73	97,769.21	100,566.14	102,851.40
925002	WORKERS COMP EXPENSE - BURDENS	53,924.33	246,219.50	49,008.88	65,033.17
925003	AUTO LIABILITY	6,357.40	3,380.84	97.50	3,085.52
925004	SAFETY AND INDUSTRIAL HEALTH	5,582.60	6,666.87	7,828.81	7,454.19
925100	OTHER INJURIES AND DAMAGES	-	80,212.05	-	282.00
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	767.76	852.49	635.42	817.27
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	232.50	-	-	419.76
926001	TUITION REFUND PLAN	13,293.61	17,912.41	10,063.50	18,260.31
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	24,527.38	26,042.52	22,120.07	28,890.43
926003	MEDICAL INSURANCE EXPENSE - BURDENS	653,771.01	587,204.74	548,807.67	867,610.31
926004	DENTAL INSURANCE EXPENSE - BURDENS	38,717.47	41,191.13	34,998.03	45,825.50
926005	LONG TERM DISABILITY EXPENSE - BURDENS	12,150.30	12,523.75	8,186.82	10,737.66
926019	OTHER BENEFITS EXPENSE - BURDENS	79,494.93	84,558.30	14,721.35	22,646.49
926100	EMPLOYEE BENEFITS - NON-BURDEN	1,329.00	-	1,224.00	-
926101	PENSIONS EXPENSE - BURDENS	1,587,233.76	1,512,262.50	1,668,648.64	1,544,287.41
926102	401K EXPENSE - BURDENS	216,907.25	252,465.71	214,613.66	280,194.23
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	38,966.51	41,622.21	65,257.30	84,285.29
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	485,546.74	478,868.68	494,218.55	484,081.77
926110	EMPLOYEE WELFARE	2,973.39	3,106.05	8,281.83	1,742.82
926116	RETIREMENT INCOME EXPENSE - BURDENS	25,327.25	26,831.69	22,808.74	29,723.96
926117	PENSION INTEREST EXPENSE - BURDENS	-	-	-	-
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	-	-	-	-
926901	TUITION REFUND PLAN - INDIRECT	12,313.10	13,361.83	8,218.40	9,649.95
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	8,770.05	9,738.27	7,378.63	9,490.18
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	195,227.00	216,782.36	195,669.91	251,664.25
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	11,755.94	13,053.89	9,891.02	12,721.60
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	5,084.69	5,645.88	4,331.83	5,571.49
926911	PENSIONS EXPENSE - BURDENS INDIRECT	463,600.28	514,786.85	389,462.52	500,914.22
926912	401K EXPENSE - BURDENS INDIRECT	87,188.55	96,815.12	73,309.40	94,288.16
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	9,896.13	10,988.80	9,573.44	12,313.07
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	37,639.44	41,795.32	31,651.35	40,709.12
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	-	-	-	-
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	-	-	-	-
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	25,030.46	27,794.04	7,422.04	9,545.80

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<b>Account Number</b>	<b>Account Description</b>	<b>31-MAY-11</b>	<b>30-JUN-11</b>	<b>31-JUL-11</b>	<b>31-AUG-11</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	10,271.43	11,405.65	8,634.89	11,105.88
927001	ELEC SUPPL W/O CH-DR	-	6,602.46	-	-
927003	CITY OF LOU GAS FRAN	47,592.72	46,057.47	47,592.72	47,592.72
928002	REG UPKEEP ASSESSMTS	49,082.00	132,023.59	37,706.59	35,682.41
928003	AMORTIZATION OF RATE CASE EXPENSES	64,226.93	64,226.93	64,226.93	64,226.93
929001	FRANCHISE REQMTS-CR	-	(6,602.46)	-	-
929002	ELEC USED-ELEC DEPT	-	(208.98)	-	-
929003	GAS USED-GAS DEPT	(45,912.22)	(174.13)	(468.17)	(866.06)
929004	ELECTRICITY USED - OTHER DEPARTMENTS	(67,354.23)	(2,707.00)	5,924.59	(3,938.74)
930101	GEN PUBLIC INFO EXP	44,925.25	89,186.78	12,108.42	39,495.91
930191	GEN PUBLIC INFO EXP - INDIRECT	1,372.00	2,044.00	672.00	1,372.00
930201	MISC CORPORATE EXP	-	-	-	-
930202	ASSOCIATION DUES	-	-	-	-
930203	RESEARCH WORK	-	-	-	-
930207	OTHER MISC GEN EXP	9,961.59	6,907.49	(21.55)	551.99
930272	ASSOCIATION DUES - INDIRECT	21,815.70	21,523.16	17,611.36	19,873.42
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	28,890.00	8,600.00	265,638.85	-
930277	OTHER MISC GEN EXP - INDIRECT	-	-	-	-
930902	ASSOCIATION DUES - INDIRECT	-	-	-	-
930903	RESEARCH WORK - INDIRECT	497.51	10,575.00	21,530.00	34,007.29
930904	RESEARCH AND DEVELOPMENT EXPENSES	26,422.51	26,422.51	26,422.51	26,422.51
930907	OTHER MISC GEN EXP - INDIRECT	-	-	-	-
931004	RENTS-CORPORATE HQ	160,737.14	159,507.74	162,668.39	172,014.54
931100	RENTS-OTHER	3,000.00	3,000.00	3,000.00	3,000.00
935101	MTCE-GEN PLANT	24,640.06	42,972.88	30,957.84	43,526.59
935203	SOFTWARE MTCE AGREEMENTS	974.45	-	-	-
935391	MTCE-COMMUNICATION EQ - INDIRECT	155,647.97	147,874.31	188,901.65	197,381.76
935401	MTCE-OTH GEN EQ	1,608.14	550.08	1,830.21	1,295.78
935403	MNTC BONDABLE PROPERTY	-	-	-	-
935488	MTCE-OTH GEN EQ - INDIRECT	859,612.66	859,065.56	824,688.90	888,437.43
<b>Total</b>		<b>94,899,823.69</b>	<b>94,338,281.78</b>	<b>106,634,186.10</b>	<b>106,051,909.60</b>

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Account Number	Account Description	30-SEP-11	31-OCT-11	30-NOV-11	31-DEC-11
403011	DEPREC EXP - STEAM POWER GEN	5,784,359.34	5,788,913.22	5,786,602.90	5,775,396.38
403012	DEPREC EXP - HYDRO POWER GEN	51,058.12	50,896.94	50,735.73	50,735.73
403013	DEPREC EXP - OTH POWER GEN	707,286.96	707,224.82	709,686.30	717,854.72
403014	DEPREC EXP - TRANSMISSION	464,549.28	464,908.72	466,356.24	468,569.14
403015	DEPREC EXP - DISTRIBUTION	1,924,313.44	1,931,682.86	1,939,153.22	1,948,885.93
403016	GENERAL DEPRECIATION EXPENSE	18,981.53	18,981.53	19,203.94	19,250.26
403020	FUEL, LOCOMOTIVES, RAILCARS	-	-	-	-
403021	DEPREC. EXP. - UNDERGROUND - GAS	102,703.00	103,050.06	102,743.06	103,163.91
403022	DEPREC. EXP. - TRANSMISSION - GAS	5,799.26	5,817.72	5,832.09	5,855.75
403023	DEPREC. EXP. - DISTRIBUTION - GAS	1,243,514.24	1,250,928.25	1,256,364.28	1,264,873.75
403024	DEPREC. EXP. - GENERAL - GAS	19,408.52	19,429.15	19,868.62	19,591.64
403025	DEPREC. EXP. - COMMON	1,121,163.44	1,134,749.16	1,137,760.33	1,079,498.28
403026	DEPREC. EXP. - STEAM - ECR	213,549.94	213,549.94	213,549.94	229,161.80
403111	DEPREC EXP ARO STEAM	111,764.71	185,189.80	129,736.70	149,411.96
403112	DEPREC EXP ARO TRANSMISSION	16.57	16.57	16.57	679.61
403113	DEPREC EXP ARO OTHER PRODUCTION	96.56	96.56	96.56	96.56
403114	DEPREC EXP ARO HYDRO	145.71	145.71	145.71	145.71
403115	DEPREC EXP ARO DISTRIBUTION	502.82	502.82	502.82	502.83
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	18,348.42	18,348.45	18,348.48	18,348.45
403212	DEPREC EXP ARO GAS DISTRIBUTION	24,732.41	24,732.43	24,732.46	27,233.98
403213	DEPREC EXP ARO GAS TRANSMISSION	8,817.73	8,817.71	8,817.71	8,817.71
403311	DEPREC EXP ARO COMMON	171.70	171.70	171.70	171.70
404301	AMORT-INTANG GAS PLT	200,498.88	204,493.55	208,050.57	202,823.59
404401	AMT-EL INTAN PLT-RTL	262,722.66	267,957.06	272,617.99	265,768.84
404402	AMT-EL INTAN PLT-WHS	228,153.90	232,699.56	236,747.20	230,799.25
407401	REGULATORY CREDITS - GENERATION ACCRETION	(120,731.27)	(132,292.80)	(131,771.82)	(132,315.14)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(66.02)	(66.32)	(66.63)	(66.93)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(2,308.72)	(2,319.30)	(2,329.94)	(2,340.62)
407406	REGULATORY CREDITS - GAS ACCRETION	(79,171.38)	(95,626.93)	(96,055.35)	(96,485.64)
407407	REGULATORY CREDITS - COMMON ACCRETION	(486.45)	(488.68)	(490.92)	(493.17)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(112,006.98)	(185,432.07)	(129,978.97)	(149,654.23)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(16.57)	(16.57)	(16.57)	(679.61)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(502.82)	(502.82)	(502.82)	(502.83)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(51,898.56)	(51,898.59)	(51,898.65)	(54,400.14)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(171.70)	(171.70)	(171.70)	(171.70)
408101	TAX-NON INC-UTIL OPR	3,246.57	3,246.57	3,246.57	3,246.57
408102	REAL AND PERSONAL PROP. TAX	1,990,058.00	1,502,242.00	1,502,242.00	1,491,580.64
408103	KY PUBLIC SERVICE COMMISSION TAX	162,886.60	162,886.60	162,886.60	162,886.60
408105	FEDERAL UNEMP TAX	(1,236.96)	(1,017.00)	(1,051.47)	26,807.90
408106	FICA TAX	427,897.04	399,335.73	419,613.96	576,271.41
408107	STATE UNEMP TAX	(1,456.61)	(1,206.11)	(1,180.29)	32,204.95
408108	REAL AND PERSONAL PROP TAX - ECR	8,899.00	8,899.00	8,899.00	8,899.00
408195	FEDERAL UNEMP TAX - INDIRECT	2,047.03	1,921.55	1,767.84	2,614.89
408196	FICA TAX - INDIRECT	194,289.39	182,366.86	167,766.54	125,276.66
408197	STATE UNEMP TAX - INDIRECT	4,070.03	3,820.53	3,514.38	8,247.93
408202	TAX-NON INC-OTHER	264.00	264.00	264.00	264.00
409101	FED INC TAX-UTIL OPR	12,643,025.59	374,041.86	(78,912.00)	(2,181,944.75)
409102	KY ST INCOME TAXES	2,808,790.81	45,790.84	-	12,642.76

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Account Number	Account Description	30-SEP-11	31-OCT-11	30-NOV-11	31-DEC-11
409104	FED INC TAXES - EST	(16,319,602.40)	1,754,345.66	3,624,895.02	(5,379,240.67)
409105	ST INC TAXES - EST	(2,976,219.27)	319,941.45	661,075.08	(981,016.53)
409203	FED INC TAX-OTHER	(1,163,460.77)	-	-	1,009,585.02
409206	ST INC TAX-OTHER	(212,181.30)	-	-	183,040.77
409209	FED IN TAXES-OTH EST	(243,221.24)	(3,203.35)	68,903.12	(65,699.77)
409210	ST INC TAXES-OTH EST	(44,356.47)	(584.20)	12,565.91	(11,981.71)
410101	DEF FED INC TAX-OPR	62,256,632.20	618,002.86	(450,644,145.27)	34,623,886.36
410102	DEF ST INC TAX-OPR	8,501,777.59	909,223.13	(66,346,718.42)	5,146,686.07
410203	DEF FEDERAL INC TX	1,671,706.13	-	-	90,185.49
410204	DEF STATE INC TAX	283,873.44	-	-	-
411101	FED INC TX DEF-CR-OP	(53,350,355.45)	(300,742.34)	450,625,283.70	(20,971,707.33)
411102	ST INC TAX DEF-CR-OP	(7,608,656.73)	(1,091,505.59)	66,626,114.36	(3,278,535.26)
411150	ACCRETION EXPENSE - GENERATION	120,731.27	132,292.80	131,771.82	132,315.14
411151	ACCRETION EXPENSE - TRANSMISSION	66.02	66.32	66.63	66.93
411155	ACCRETION EXPENSE - DISTRIBUTION	2,308.72	2,319.30	2,329.94	2,340.62
411156	ACCRETION EXPENSE - GAS	79,171.38	95,626.93	96,055.35	96,485.64
411157	ACCRETION EXPENSE - COMMON	486.45	488.68	490.92	493.17
411201	FD INC TX DEF-CR-OTH	(362,317.68)	-	-	(1,503,091.45)
411202	ST INC TX DEF-CR-OTH	(45,079.19)	-	-	(257,672.82)
411403	ITC DEFERRED	-	-	-	-
411404	AMORTIZATION OF ITC	(236,034.00)	(236,034.00)	(236,034.00)	(236,025.00)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	2,044.75	3,381.71	1,208.51	792.59
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	-	-	-	-
421201	LOSS-PROPERTY DISP	-	-	-	-
426101	DONATIONS	94,980.26	124,746.92	46,986.01	166,035.13
426191	DONATIONS - INDIRECT	624.05	2,750.00	-	3,050.00
426301	PENALTIES	-	-	221.14	-
426401	EXP-CIVIC/POL/REL	17,108.77	5,227.50	6,915.68	3,461.66
426491	EXP-CIVIC/POL/REL - INDIRECT	125,000.63	72,847.70	82,478.42	57,837.81
426501	OTHER DEDUCTIONS	174,240.40	103,606.83	52,542.15	36,233.93
426508	FOREIGN EXCHANGE LOSSES	-	-	-	-
426550	MTM LOSSES - ELECTRIC - NONHEDGING	(538,550.24)	(182,788.30)	(941,362.63)	-
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	-	-	-	-
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	-	-	-	-
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-	-
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	-	-	-	-
426557	AMORT OF OCI-PCB JC2003A \$128M	-	-	-	-
426558	AMORT OF REG ASSET - SWAP TERMINATION	21,539.66	(193,856.95)	0.01	-
426591	OTHER DEDUCTIONS - INDIRECT	2,136.51	5,811.76	33,918.02	16,855.53
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	-	-	-	-
427020	INT EXP-FMB LGE2010 \$250M 11/15	338,541.66	338,541.67	338,541.67	338,541.66
427021	INT EXP-FMB LGE2010 \$285M 11/40	1,217,187.50	1,217,187.50	1,217,187.50	1,217,187.50
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	145,312.49	145,312.49	145,312.49	145,312.49
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	55,733.34	55,733.34	55,733.34	55,733.34
427127	INT EXP-PCB TC2007A \$60M 06/33	230,000.00	230,000.00	230,000.00	230,000.00
427128	INT EXP-PCB JC2000A \$25M 05/27	111,979.15	111,979.18	111,979.18	17,895.82
427129	INT EXP-PCB TC2000A \$83.3M 08/30	12,500.26	12,916.93	12,639.15	17,222.57
427130	INT EXP-PCB JC2001A \$10.1M 09/27	1,178.80	892.52	920.59	920.59

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427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	395,035.45	346,757.88	372,335.50	398,553.06
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	-	-	-	-
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	-	-	-	-
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	-	-	-	-
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	99,737.03	86,821.55	93,062.28	98,631.34
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	99,395.71	86,522.88	92,742.27	98,290.01
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	100,817.93	87,767.32	94,075.60	99,712.23
427180	INT EXP-PCB JC2001A \$22.5M 9/26	7,027.41	6,780.82	5,997.94	5,868.50
427181	INT EXP-PCB TC2001A \$27.5M 9/26	6,615.07	7,481.50	7,458.90	7,707.53
427182	INT EXP-PCB JC2001B \$35M 11/27	15,953.43	16,485.20	13,139.17	13,376.72
427183	INT EXP-PCB TC2001B \$35M 11/27	15,821.92	16,349.32	14,479.45	13,568.50
427189	INT EXP-PCB TC2002A \$41.665M 10/32	8,492.82	5,228.10	6,072.81	3,538.67
427190	INT EXP-PCB JC2003A \$128M	202,666.67	411,307.71	(12,729.93)	202,666.67
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	191,666.66	191,666.67	191,666.67	191,666.66
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	-	-	-	-
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	85,147.85	100,547.85	64,977.41	65,240.04
428020	AM EXP-FMB LGE2010 \$250M 11/15	43,316.24	43,316.24	43,520.26	43,520.26
428021	AM EXP-FMB LGE2010 \$285M 11/40	9,908.79	9,908.79	9,937.44	9,937.44
428031	AM EXP \$35.2M 6/33	622.64	646.30	646.30	646.30
428035	AM EXP-PCB TC2007A \$60M 6/33	3,961.20	3,961.20	3,961.20	3,961.20
428059	AM EXP-PCB JC2001A \$10.1M 9/27	1,699.37	1,699.37	1,699.37	1,699.37
428076	AM EXP-PCB TC2000A \$83M 8/30	3,225.61	3,225.61	3,225.61	3,225.61
428080	AM EXP-PCB JC2001A \$22.5M 9/26	826.98	826.98	826.98	826.98
428081	AM EXP-PCB TC2001A \$27.5M 9/26	899.17	899.17	899.17	899.17
428082	AM EXP-PCB JC2001B \$35M 11/27	916.27	916.27	916.27	916.27
428083	AM EXP-PCB TC2001B \$35M 11/27	916.42	916.42	916.42	916.42
428089	AM EXP-PCB TC2002A \$41.665M 10/32	3,101.77	3,101.77	3,101.77	3,101.77
428091	AM EXP-PCB LM/JC2003A \$128M	1,633.92	1,657.21	1,657.21	1,657.21
428104	AM LOSS-1985J \$25M 07/95	2,625.01	2,625.01	2,625.01	2,625.01
428107	AM LOSS-FMB \$25M 10/09	-	-	-	-
428108	AM LOSS-1976B \$35.2M 09/06	1,826.00	1,826.00	1,826.00	1,826.00
428109	AM LOSS-1975A \$31M 09/00	956.00	956.00	956.00	956.00
428110	AM LOSS-1987A \$60M 08/97	8,582.00	8,582.00	8,582.00	8,582.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	6,752.00	6,752.00	6,752.00	6,752.00
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	11,975.01	11,975.01	11,975.01	11,975.01
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	2,057.77	2,057.77	2,057.77	2,057.77
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	3,059.59	3,059.59	3,059.59	3,059.59
428128	AM LOSS-PCB JC2000A \$25M 05/27	3,071.40	3,071.40	3,071.40	4,382.54
428130	AM LOSS-PCB JC1992A \$31M 09/17	416.87	416.87	416.87	416.87
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	236.09	236.09	236.09	236.09
428135	AM LOSS REACQ \$60M 6/33	551.25	551.25	551.25	551.25
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	6,452.00	6,452.00	6,452.00	6,452.00
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	5,450.00	5,450.00	5,450.00	5,450.00
428182	AM LOSS-PCB JC1997A \$35M 11/27	4,087.99	4,087.99	4,087.99	4,087.99
428183	AM LOSS-PCB TC1997A \$35M 11/27	4,071.99	4,071.99	4,071.99	4,071.99
428189	AM LOSS-TC1990B \$41.665M 10/20	4,651.00	4,651.00	4,651.00	4,651.00
428191	AM LOSS-JC1993B \$26M 11/03	15,915.25	15,915.25	15,915.25	15,915.25
428192	AM LOSS-LM/JC2003A \$128M 10/33	10,228.71	10,228.71	10,228.71	10,228.71



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428194	AM LOSS-JC1995A \$40M 11/05	3,904.00	3,904.00	3,904.00	3,904.00
428195	AM LOSS REACQ PRE STK 5.875	-	-	-	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	4,133.04	4,133.04	4,133.04	4,133.04
428220	AM DISC-FMB LGE2010 \$250M 11/15	14,708.34	14,708.33	14,708.33	14,708.33
428221	AM DISC-FMB LGE2010 \$285M 11/40	8,613.34	8,613.33	8,613.33	8,613.33
430002	INT-DEBT TO ASSOC CO	39.65	560.07	-	201.37
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	-	-	-	-
431002	INT-CUST DEPOSITS	113,846.07	114,750.01	109,893.51	115,726.44
431004	INT-OTHER TAX DEFNCY	14,000.00	-	-	-
431008	INT-DSM COST RECOVER	1,546.79	1,490.66	1,469.28	1,214.55
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	-	-	-	-
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	108,806.12	148,151.88	84,367.49	55,282.18
500100	OPER SUPER/ENG	48,577.11	50,377.07	48,265.65	41,067.99
500900	OPER SUPER/ENG - INDIRECT	135,293.94	162,814.99	137,038.66	105,991.85
501001	FUEL-COAL - TON	27,628,811.46	24,905,201.75	25,798,083.17	30,450,870.07
501004	FUEL COAL - TO SOURCE UTILITY OSS	-	739.66	-	-
501005	FUEL COAL - OSS	391,304.11	996,538.44	3,120,962.04	861,057.71
501006	FUEL COAL - OFFSET	(8,143,066.72)	(7,281,032.28)	(8,284,042.66)	(10,072,175.38)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	7,751,762.62	6,283,754.19	5,163,080.63	9,211,117.66
501020	START-UP OIL -GAL	70,424.93	666.05	331,913.84	196,602.75
501022	STABILIZATION OIL - GAL	43,163.74	35,433.99	54,147.10	154,736.36
501026	COAL RESALE EXPENSES	14,960.11	52,410.66	30,164.83	23,515.10
501090	FUEL HANDLING	378,536.97	358,176.15	493,506.06	412,345.00
501091	FUEL SAMPLING AND TESTING	-	-	-	-
501100	START-UP GAS - MCF	192,225.74	268,068.71	95,424.10	231,239.56
501102	STABILIZATION GAS - MCF	301,158.65	342,485.66	440,015.68	325,304.58
501200	BOTTOM ASH DISPOSAL	87,165.85	69,879.19	70,559.47	79,799.60
501201	PLANT-ECR BOTTOM ASH DISPOSAL	-	-	-	-
501202	BOTTOM ASH PROCEEDS	-	-	-	-
501250	FLY ASH PROCEEDS	-	-	-	-
501251	FLY ASH DISPOSAL	-	-	-	-
501990	FUEL HANDLING - INDIRECT	48,477.66	45,947.04	68,362.01	42,168.85
502001	OTHER WASTE DISPOSAL	329,952.17	496,213.80	272,609.17	500,858.70
502002	BOILER SYSTEMS OPR	726,768.09	705,682.39	701,591.38	682,685.38
502003	SDRS OPERATION	-	-	-	-
502004	SDRS-H2O SYS OPR	245,884.04	236,653.22	240,838.86	222,605.03
502005	SLUDGE STAB SYS OPR	42,404.38	46,789.94	49,625.72	45,715.09
502006	SCRUBBER REACTANT EX	1,040,693.38	1,306,598.07	1,364,652.26	1,242,671.14
502022	OTHER WASTE DISPOSAL - OSS	4,608.15	8,404.76	41.48	2,819.43
502023	OTHER WASTE DISPOSAL - OFFSET	(4,608.15)	(8,404.76)	(41.48)	(2,819.43)
502025	SCRUBBER REACTANT - OSS	48,381.46	156,887.56	47,082.38	28,805.45
502026	SCRUBBER REACTANT - OFFSET	(48,381.46)	(156,887.56)	(47,082.38)	(28,805.45)
502056	ECR SCRUBBER REACTANT EX	58,460.02	(14,133.71)	(17,674.74)	51,676.66
502100	STM EXP(EX SDRS.SPP)	323,649.26	346,131.52	298,892.28	329,065.21
502900	STM EXP(EX SDRS.SPP) - INDIRECT	246.77	1,407.92	1,329.49	844.75
504001	STEAM XFERRED - CR - PROJECT USE	-	-	-	-
505100	ELECTRIC SYS OPR	69,382.52	56,118.01	60,940.71	65,145.16
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	475.51	870.13	846.37	881.64

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506100	MISC STM PWR EXP	1,354,369.11	1,124,311.14	1,080,776.95	95,611.57
506104	NOX REDUCTION REAGENT	239,014.76	243,545.28	283,697.47	368,903.44
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	9,987.81	6,642.92	12,051.70	10,265.96
506107	SCR/NOX - OSS	2,127.72	5,346.68	54,824.12	15,544.17
506108	SCR/NOX - OFFSET	(2,127.72)	(5,346.68)	(54,824.12)	(15,544.17)
506109	SORBENT INJECTION OPERATION	-	-	-	-
506150	ECR MERCURY MONITORS OPERATIONS	-	1,701.31	2,297.38	4,305.81
506151	ECR ACTIVATED CARBON	16,511.48	26,392.00	40,309.69	25,944.69
506152	ECR SORBENT REACTANT - REAGENT ONLY	61,808.18	(3,269.33)	22,988.27	60,258.52
506154	ECR NOX REDUCTION REAGENT	9,734.31	22,612.17	26,186.95	21,328.60
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	762.93	571.56	645.25	939.28
506159	ECR SORBENT INJECTION OPERATION	12,206.01	16,765.31	10,765.16	4,666.65
506900	MISC STM PWR EXP - INDIRECT	-	-	-	-
507100	RENTS-STEAM	8,921.73	1,700.00	6,875.00	13,414.49
509002	SO2 EMISSION ALLOWANCES	53.66	50.80	88.18	109.07
509003	NOX EMISSION ALLOWANCES	3.58	14,347.97	32,919.16	28,982.86
509007	EMISSION ALLOWANCES - OSS	0.56	1.82	12.98	2.90
509008	EMISSION ALLOWANCES - OFFSET	(0.56)	(1.82)	(12.98)	(2.90)
510100	MTCE SUPER/ENG - STEAM	192,197.18	413,163.16	333,158.58	214,837.64
511100	MTCE-STRUCTURES	216,085.67	194,399.09	123,388.30	166,862.86
512005	MAINTENANCE-SDRS	369,069.33	675,240.17	745,287.97	517,272.84
512011	INSTR/CNTRL-ENVRNL	-	-	-	-
512015	SDRS-COMMON H2O SYS	46,447.33	164,157.89	162,444.54	23,953.55
512017	MTCE-SLUDGE STAB SYS	126,806.03	122,334.75	124,961.83	89,379.24
512051	ECR INSTR/CNTRL-ENVRNL	8,381.97	1,197.64	955.54	713.71
512055	ECR MAINTENANCE-SDRS	5,518.97	6,953.42	13,351.12	8,573.27
512100	MTCE-BOILER PLANT	2,143,995.10	3,876,973.76	3,627,980.20	2,540,818.33
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	52,236.84	47,239.46	91,952.46	63,546.20
512102	SORBENT INJECTION MAINTENANCE	-	-	-	-
512103	MERCURY MONITORS MAINTENANCE	-	-	-	-
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	903.17	480.33	1,017.42	2,886.27
512152	ECR SORBENT INJECTION MAINTENANCE	(217.55)	1,427.52	2,585.66	836.29
512153	ECR MERCURY MONITORS MAINTENANCE	-	-	-	-
513100	MTCE-ELECTRIC PLANT	626,776.60	568,779.69	611,906.20	733,162.76
513900	MTCE-ELECTRIC PLANT - BOILER	11,192.44	12,288.33	7,196.84	13,912.64
514100	MTCE-MISC/STM PLANT	123,015.16	236,421.05	180,912.19	135,397.16
535100	OPER SUPER/ENG-HYDRO	10,017.06	9,588.41	9,126.26	8,153.88
536100	WATER FOR POWER	3,221.52	3,221.52	3,221.52	3,221.58
538100	ELECTRIC EXPENSES - HYDRO	18,660.08	23,125.75	23,148.27	20,144.39
539100	MISC HYD PWR GEN EXP	6,860.15	10,633.15	8,748.14	12,763.04
540100	RENTS-HYDRO	32,898.14	33,983.76	32,997.21	29,303.70
541100	MTCE-SUPER/ENG - HYDRO	1,177.22	377.82	188.59	184.71
542100	MAINT OF STRUCTURES - HYDRO	36,041.57	53,888.65	48,277.24	42,006.35
543100	MTCE-RES/DAMS/WATERW	6,551.05	14,215.73	19,397.84	(2,964.85)
544100	MTCE-ELECTRIC PLANT	50,383.14	21,304.13	10,995.87	15,295.07
546100	OPER SUPER/ENG - TURBINES	4,628.05	4,545.35	3,816.60	3,846.20
547030	FUEL-GAS - MCF	1,254,096.18	457,509.20	698,711.23	400,458.66
547040	FUEL-OIL - GAL	-	-	203.29	-

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547051	FUEL - TO SOURCE UTILITY OSS	-	28.94	-	-
547052	FUEL - OSS	13,681.19	23,502.42	25,246.08	134.39
547053	FUEL - OFFSET	(331,741.17)	(40,930.49)	(73,767.31)	(11,211.59)
547054	FUEL - TO SOURCE UTILITY RETAIL	318,059.98	17,399.13	48,521.23	11,077.20
547056	FUEL - GAS - INTRACOMPANY	27,398.64	54,151.10	72,761.58	112,451.91
548100	GENERATION EXP	11,662.13	10,812.56	10,361.71	7,886.33
549002	AIR QUALITY EXPENSES	1,714.01	1,714.01	1,714.01	(144.59)
549003	NOX EMISSION ALLOWANCES	0.48	-	-	-
549100	MISC OTH PWR GEN EXP	2,171.17	1,697.07	1,127.65	990.54
550100	RENTS-OTH PWR	2,332.00	1,558.78	1,326.63	2,258.49
551100	MTCE-SUPER/ENG - TURBINES	2,022.16	1,978.04	2,447.03	2,113.56
552100	MTCE-STRUCTURES - OTH PWR	11,280.34	4,481.20	9,799.16	12,359.34
553100	MTCE-GEN/ELECT EQ	57,478.96	42,558.00	64,568.27	88,084.15
554100	MTCE-MISC OTH PWR GEN	12,084.12	14,614.91	8,499.74	15,590.09
555006	MISO DAY 2 PURCHASED POWER - OSS	-	-	-	-
555007	MISO DAY 2 PURCHASED POWER - NL	-	-	-	-
555010	OSS POWER PURCHASES	8,854.14	12,179.87	27,256.44	13,552.02
555015	NL POWER PURCHASES - ENERGY	1,669,736.22	1,400,213.74	1,296,264.92	1,640,566.49
555016	NL POWER PURCHASES - DEMAND	1,383,840.71	1,979,969.05	1,809,352.68	1,963,617.96
555020	OSS I/C POWER PURCHASES	2,444,658.82	4,180,667.44	1,931,873.74	3,322,557.64
555025	NL I/C POWER PURCHASES	-	55,056.31	-	-
556100	SYS CTRL / DISPATCHING	-	-	-	241.54
556900	SYS CTRL / DISPATCHING - INDIRECT	140,477.76	117,515.13	117,847.16	123,953.32
557100	OTH POWER SUPPLY EXP	3,039.74	1,947.00	3,376.02	1,874.00
557110	MARKET FEES - NATIVE LOAD	-	-	-	-
557111	MARKET FEES - OFF SYSTEM SALES	-	-	-	-
557206	MISO DAY 2 OTHER - NATIVE LOAD	-	-	-	-
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	1,162.31	4,921.37	3,382.12	7,414.94
557208	RTO OTHER (NON-MISO) - NL	12.11	-	(1.00)	(0.02)
557209	RTO OTHER (NON-MISO) - OSS	(2.77)	(0.06)	(0.30)	-
557211	RTO OPERATING RESRV (NON-MISO) - NL	108.63	720.58	(300.67)	593.34
557212	RTO OPERATING RESRV (NON-MISO) - OSS	142,898.90	182,061.24	183,645.12	157,158.53
558001	ELEC DEPT USE-CR	-	-	-	-
558002	OTHER DEPT USE-CR	-	-	-	-
560100	OP SUPER/ENG-SSTOPER	9,355.27	13,252.11	3,254.82	6,422.67
560900	OP SUPER/ENG-SSTOPER - INDIRECT	142,440.86	107,880.27	112,814.94	82,920.97
561100	LOAD DISPATCH-WELOB	8,519.28	4,372.93	1,665.89	3,652.80
561190	LOAD DISPATCH - INDIRECT	49,584.17	53,459.67	124,410.56	112,997.98
561402	MISO DAY 1 SCH 10 - RESERVE	-	-	-	-
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	-	-	-	-
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	42,070.74	31,459.64	28,262.48	29,682.17
561601	TRANSMISSION SERVICE STUDIES	-	-	717.71	(1,044.12)
561802	MISO DAY 1 SCH 10 - RESERVE	-	-	-	-
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	-	-	-	-
561900	LOAD DISPATCH-WELOB - INDIRECT	62,418.56	63,932.32	829.59	(818.45)
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	-	-	-	-
562100	STA EXP-SUBST OPER	135,001.77	96,901.95	99,724.40	163,831.09
563100	OTHER INSP-ELEC TRAN	14,205.17	9,560.25	14,527.15	10,394.32

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565002	TRANSMISSION ELECTRIC OSS	2,530.89	4,236.28	4,223.19	4,165.28
565005	TRANSMISSION ELECTRIC NATIVE LOAD	941.86	(0.11)	5.07	0.18
565006	TRANSMISSION ELECTRIC OSS - MISO	(3.30)	-	-	-
565014	INTERCOMPANY TRANSMISSION EXPENSE	252,659.33	454,725.26	423,436.19	306,175.97
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	98.43	(92.64)	69.54	-
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	118,274.69	213,733.99	198,417.95	142,804.51
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	209.11	(196.61)	150.04	-
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	(98.43)	92.64	(69.54)	-
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	(118,274.69)	(213,733.99)	(198,417.95)	(142,804.51)
566100	MISC TRANS EXP-SSTMT	45,934.01	39,930.82	46,416.63	50,487.06
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	18,334.00	18,334.00	18,334.00	18,334.00
566140	INDEPENDENT OPERATOR	251,968.10	133,718.00	377,565.97	251,968.10
566150	EKPC DEPANCAKING SETTLEMENT	13,970.00	13,970.00	13,970.00	13,970.00
566151	KMPA MISO CHARGES	151,914.34	186,879.12	19.94	13,787.40
566900	MISC TRANS EXP-SSTMT - INDIRECT	64,525.80	51,945.25	36,871.03	141,184.60
567100	RENTS-ELEC/SUBSTATION OPERATIONS	215.00	75.00	2,804.11	175.00
569100	MTCE-STRUCT-SSTMTCE	322.50	1.50	1.26	10.93
569101	MAINTENANCE OF COMPUTER HARDWARE	-	-	-	-
570100	MTCE-ST EQ-SSTMTCE	123,866.34	83,386.89	93,803.36	84,087.27
571100	MTCE OF OVERHEAD LINES	85,511.81	26,032.93	78,852.06	105,764.80
573100	MTCE-MISC TR PLT-SSTMT	976.61	1,770.07	1,885.50	566.24
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	2,937.36	3,277.34	3,120.73	3,877.73
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	4,773.51	4,773.51	4,773.51	4,773.51
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	24,153.05	24,153.07	24,153.06	24,153.06
575704	MISO DAY 1 SCH 10 - RESERVE	-	-	-	-
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	30,745.45	30,745.45	30,745.45	30,745.45
580100	OP SUPER/ENG-SSTOPER	(968,875.23)	108,505.24	96,669.61	272,362.00
580900	OP SUPER/ENG-SSTOPER - INDIRECT	10,298.78	10,384.31	8,915.57	6,852.89
581900	SYS CTRL/SWITCH-DIST - INDIRECT	46,861.04	55,110.52	55,080.11	47,048.95
582100	STATION EXP-SSTOPER	89,460.54	55,759.97	89,191.97	121,266.55
583001	OPR-O/H LINES	32,104.67	137,431.00	142,255.73	207,403.41
583003	O/H LOAD/VOLT TEST	-	-	-	-
583005	CUST COMPL RESP-O/H	144,301.21	123,287.40	119,594.95	118,691.93
583008	INST/REMV TRANSF/REG	1,772.70	1,276.24	2,145.23	9,695.53
583009	INSPC O/H LINE FACIL	26,833.41	6,688.13	28,549.85	35,208.81
583010	LOC O/H ELEC FAC-BUD	58,482.22	62,375.68	60,919.35	47,751.65
583100	O/H LINE EXP-SSTOPER	13,346.18	18,696.17	21,923.66	29,594.90
584001	OPR-UNDERGRND LINES	16,357.16	15,132.99	70,175.95	182,257.31
584002	INSPC U/G LINE FACIL	12,085.92	(0.07)	9,210.30	11,839.08
584003	LOAD/VOLT TEST-U/G	(14.86)	-	-	-
584005	RESP-U/G CUST COMPL	1,532.78	1,485.38	1,720.45	2,600.72
584008	INST/RMV/REPL TRANSF	18,885.00	8,360.84	12,954.33	7,235.65
585100	STREET LIGHTING AND SIGNAL SYST EXP	-	-	-	-
586100	METER EXP	555,032.56	485,015.92	425,857.42	580,987.60
586900	METER EXP - INDIRECT	43.78	939.38	93.32	296.90
587100	CUST INSTALLATION EXP	(20,892.57)	(13,649.66)	(21,376.41)	(9,098.97)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	225,531.47	206,248.62	303,156.19	363,869.03
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	40,737.60	23,879.56	22,019.52	37,134.06

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589100	RENTS-DISTR / SUBSTAT OPER	107.50	37.50	1,991.36	87.50
590100	MTCE/SUPER/ENG-SSTMT	(20,882.21)	47,757.94	8,344.36	15,312.33
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	-	-	-	-
591003	MTCE-MISC STRUCT-DIS	55,485.56	77,935.46	66,298.70	74,225.76
592100	MTCE-ST EQ-SSTMTCE	81,016.25	54,163.40	53,233.53	97,141.42
593001	MTCE-POLE/FIXT-DISTR	17,954.39	33,063.84	35,092.33	26,356.84
593002	MTCE-COND/DEVICE-DIS	(4,482,162.01)	799,519.59	763,502.14	444,983.36
593003	MTCE-SERVICES	2,476.27	1,454.88	1,550.60	34,672.17
593004	TREE TRIMMING	490,822.53	570,846.59	830,986.49	342,230.58
593005	MINOR EXEMPT EXPENSE	483.47	555.93	4,903.20	217.83
594002	MTCE-U/G COND ETC	159,849.35	132,792.38	162,869.88	168,343.30
595100	MTCE-TRANSF/REG	14,568.87	10,580.57	16,054.85	26,773.88
596100	MTCE OF STREET LIGHTING AND SIGNALS	44,152.42	24,665.59	15,527.29	155,202.24
598100	MTCE OF MISC DISTRIBUTION PLANT	(154,735.79)	26,124.14	30,960.21	65,867.99
803001	GAS TRANS LINE PURCH	16,316,079.51	18,186,637.80	9,899,943.10	10,567,361.09
803002	PURCHASED GAS REFUND	(10,274.78)	(13,894.44)	(28,800.99)	(53,578.85)
803003	GAS COST ACTUAL ADJ	784,547.50	1,903,640.78	(354,832.17)	620,687.60
803004	GAS COST BALANCE ADJ	(30,809.87)	(41,722.74)	(32,236.07)	23,749.16
803006	PURCHASED GAS - WHOLESALE SALES	-	-	-	-
803007	WHOLESALE SALES MARGIN	-	-	-	-
803008	ACQ AND TRANS INCENTIVE	(363,000.00)	-	-	(1,880,374.00)
803009	PBR RECOVERY	47,174.45	63,854.11	121,411.82	209,198.06
806001	EXCHANGE GAS	(399,119.50)	(950,131.93)	871,745.12	2,280,800.16
807001	PURCH GAS CALC EXP	-	-	-	-
807002	OTHER PURCH GAS EXP	-	-	-	-
807003	GAS PROCUREMENT EXP	-	-	-	-
807401	PURCH GAS CALC EXP	2,778.00	2,871.08	2,564.03	2,688.59
807501	OTHER PURCH GAS EXP	-	-	257.87	-
807502	GAS PROCUREMENT EXP	70,775.14	54,969.15	47,295.69	123,325.66
808101	GAS W/D FROM STOR-DR	2,021.49	5,820.94	3,791,669.60	9,181,770.58
808201	GAS DELD TO STOR-CR	(12,057,960.02)	(9,534,043.59)	(529,824.25)	(28,189.77)
810001	GAS-COMP STA FUEL-CR	(36.57)	(1,733.01)	(29,737.16)	(103,369.85)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	-	(595.62)	(915.26)	-
812020	GAS-CITY GATE-CR	(41.99)	(728.48)	(1,671.64)	(4,073.10)
812030	GAS-OTH DEPT-CR	(356.42)	(665.83)	(3,295.45)	(5,820.11)
813001	OTH GAS SUPPLY EXP	24.09	-	-	-
814003	SUPV-STOR/COMPR STA	48,986.45	39,780.18	36,379.89	40,822.35
816100	WELLS EXPENSE	32,062.41	51,683.73	42,514.27	22,648.06
817100	LINES EXPENSE	80,781.99	41,550.58	30,774.95	14,149.17
818100	COMPR STATION EXP	122,058.51	120,108.64	162,178.50	159,124.72
819100	COMPR STA FUEL-U/G	36.57	1,736.41	29,756.46	103,483.19
821100	PURIFICATION EXP	14,187.15	76,702.34	26,447.85	163,040.00
823100	GAS LOSSES	233,284.93	229,190.68	231,775.13	217,688.87
824100	OPR-U/G STO/COMPR	1,471.12	1,471.12	1,471.12	(146.35)
825100	ROYALTIES	-	2,417.42	2,758.35	1,415.00
826100	RENTS-STORAGE FIELDS	-	4,113.72	2,964.79	2,569.66
830100	MTCE SUPRV AND ENGR - STOR COMPR	34,949.45	29,435.32	24,736.32	29,212.35
832100	MTC-RESERVOIRS/WELLS	331,371.71	(480.99)	29,963.70	4,437.23

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833100	MTCE-LINES	19,637.85	11,973.41	4,525.45	17,443.12
834100	MTCE-COMP STA EQUIP	79,245.70	54,843.96	71,709.87	37,489.65
835100	MTCE-M/R EQ-COMPR	2,009.14	1,624.37	3,049.75	4,112.32
836100	MTCE-PURIFICATION EQUIP	97,984.94	83,724.67	153,934.71	77,820.09
837100	MTCE-OTHER EQUIP	8,106.78	3,928.20	4,511.01	3,821.75
850100	OPR SUPV AND ENGR	1,375.29	27.29	-	-
851100	SYS CTRL/DSPTCH-GAS	24,096.91	23,880.14	23,377.37	22,150.30
856100	MAINS EXPENSES	57,426.56	39,087.58	16,993.27	22,442.64
860100	RENTS-GAS TRANS	655.64	22.50	105.00	52.50
863100	MTCE-GAS MAINS-TRANS	121,422.85	202,175.85	153,155.14	95,577.08
871100	DISTR LOAD DISPATCH	39,685.67	34,821.67	43,448.66	34,049.24
874001	OTHER MAINS/SERV EXP	60,172.46	35,962.23	61,116.44	43,194.77
874002	LEAK SUR-DIST MN/SVC	37,044.97	17,405.75	10,603.26	6,743.63
874005	CHEK STOP BOX ACCESS	41,570.04	61,490.14	133,385.10	110,515.87
874006	PATROLLING MAINS	1,940.44	9,621.10	(3,758.04)	(9,217.94)
874007	CHEK/GREASE VALVES	9,217.06	10,776.72	7,021.76	6,577.09
874008	OPR-ODOR EQ	11,366.28	99,374.85	15,455.45	10,920.26
875100	MEAS/REG STA-GENERAL	77,116.49	65,302.18	63,382.00	96,292.27
876100	MEAS/REG STA-INDUSTRIAL	17,595.18	20,945.38	14,533.94	18,287.78
877100	MEAS/REG STA-CITY GATE	11,170.48	5,818.37	10,093.63	9,488.16
878100	METER/REG EXPENSE	38,546.63	67,939.42	159,902.92	48,055.98
879100	CUST INSTALL EXPENSE	43,938.03	52,010.41	41,012.12	74,498.40
880100	OTH GAS DISTR EXPENSE	246,590.56	256,827.69	252,344.07	318,861.58
880900	OTH GAS DISTR EXPENSE - INDIRECT	13,888.70	11,559.14	10,747.50	11,252.20
881100	RENTS-GAS DISTR	43.00	15.00	733.78	35.00
886100	MTCE-GAS DIST STRUCT	41,666.00	48,124.10	58,550.89	55,816.62
887100	MTCE-GAS MAINS-DISTR	1,047,034.75	804,659.15	766,058.41	1,056,421.11
889100	MTCE-M/R STA EQ-GENL	7,593.11	5,530.02	14,002.00	6,382.19
890100	MTCE-M/R STA EQ-INDL	10,013.28	10,270.01	9,615.20	16,356.42
891100	MTCE-M/R ST EQ-CITY GATE	23,577.84	34,701.96	27,581.60	49,428.85
892100	MTCE-OTH SERVICES	78,909.62	73,692.25	99,093.63	134,340.89
894100	MTCE-OTHER EQUIP	32,874.78	35,884.23	32,141.90	25,155.09
901001	SUPV-CUST ACCTS	124,944.71	114,264.12	139,952.73	102,698.94
901900	SUPV-CUST ACCTS - INDIRECT	29,431.99	29,963.57	25,240.25	47,399.21
902001	METER READ-SERV AREA	317,307.99	337,591.11	304,776.37	338,696.86
902002	METER READ-CLER/OTH	4,191.40	12,943.41	10,450.01	8,051.58
902003	METER READ-DIST 25	-	-	-	-
902900	METER READ-SERV AREA - INDIRECT	-	-	-	-
903001	AUDIT CUST ACCTS	76,412.48	75,581.92	93,995.86	93,189.06
903002	BILL SPECIAL ACCTS	-	-	-	-
903003	PROCESS METER ORDERS	10,002.63	14,832.82	19,780.97	17,907.73
903006	CUST BILL/ACCTG	3,638.35	3,765.04	5,316.68	658.95
903007	PROCESS PAYMENTS	33,398.96	36,156.68	27,326.11	34,718.74
903008	INVEST THEFT OF SVC	14,602.52	16,511.52	15,502.29	14,165.79
903012	PROC CUST CNTRT/ORDR	15,264.36	18,165.24	14,730.66	12,928.70
903013	HANDLE CREDIT PROBS	88.80	-	-	-
903022	COLL OFF-LINE BILLS	11,041.80	13,181.19	8,544.96	(2,040.77)
903023	PROC BANKRUPT CLAIMS	-	-	-	-

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903025	MTCE-ASST PROGRAMS	-	3,641.03	(229.35)	-
903030	PROC CUST REQUESTS	(91,613.59)	9,621.50	33,096.31	(17,612.07)
903031	PROC CUST PAYMENTS	14,059.23	13,877.18	12,993.01	11,606.09
903032	DELIVER BILLS-REG	171,360.24	156,929.60	157,289.46	108,306.63
903035	COLLECTING-OTHER	46,233.31	47,504.41	45,320.33	35,330.47
903036	CUSTOMER COMPLAINTS	2,602.30	1,945.46	3,612.91	717.19
903038	MISC CASH OVERAGE/SHORTAGE	13.24	83.60	54.48	97.71
903902	BILL SPECIAL ACCTS - INDIRECT	6,394.67	5,896.92	6,138.03	5,550.19
903903	PROCESS METER ORDERS - INDIRECT	-	-	-	-
903906	CUST BILL/ACCTG - INDIRECT	16,826.77	10,974.72	13,792.21	11,363.53
903907	PROCESS PAYMENTS - INDIRECT	41,159.38	19,851.49	20,239.15	14,198.38
903909	PROC EXCEPTION PMTS - INDIRECT	41.84	1,730.71	694.55	694.55
903912	PROC CUST CNTRT/ORDR - INDIRECT	21,347.17	22,795.96	22,267.40	21,283.75
903930	PROC CUST REQUESTS - INDIRECT	264,059.84	329,544.31	283,365.72	297,984.91
903931	PROC CUST PAYMENTS - INDIRECT	812.08	18,895.14	8,431.92	(422.30)
903936	CUSTOMER COMPLAINTS - INDIRECT	19,767.64	24,505.66	25,876.46	18,844.68
904001	UNCOLLECTIBLE ACCTS	601,474.65	245,394.61	53,226.57	143,330.26
904002	UNCOLLECTABLE ACCTS - WHOLESALE	-	-	-	166,354.87
904003	UNCOLL ACCTS - A/R MISC	(47,476.17)	8,593.44	2,486.53	126,309.21
905001	MISC CUST SERV EXP	72,995.72	52,300.07	78,837.33	63,021.12
905002	MISC CUST BILL/ACCTG	2,670.87	9,780.18	8,093.84	16,433.32
905003	MISC COLLECTING EXP	-	-	-	-
907001	SUPV-CUST SER/INFO	4,923.17	5,847.88	3,581.78	4,606.06
907900	SUPV-CUST SER/INFO - INDIRECT	15,937.88	13,992.93	15,215.26	10,506.99
908001	CUST MKTG/ASSIST	-	-	-	-
908004	DSM - ENERGY AUDIT	-	-	-	-
908005	DSM CONSERVATION PROG	1,029,609.06	958,395.78	946,153.80	1,575,404.65
908006	DSM - HVAC	-	-	-	-
908007	DSM - CONSERVATION	6.00	-	-	-
908009	MISC MARKETING EXP	-	-	-	-
908010	DSM CONSERVATION PROG - OFFSET	-	-	-	-
908901	CUST MKTG/ASSIST - INDIRECT	11,282.13	12,280.12	15,317.11	13,312.66
908902	RES CONS/ENG ED PROG - INDIRECT	12,450.00	12,450.00	12,450.00	24,900.00
908909	MISC MARKETING EXP - INDIRECT	6,820.17	4,623.46	5,492.92	3,704.93
909004	MISC CUST COM-SER/IN	2,800.00	-	-	-
909005	MEDIA RELATIONS	-	-	-	-
909010	PRINT ADVER-SER/INFO	-	-	9,432.00	-
909013	SAFETY PROGRAMS	3,360.00	8,754.16	2,754.16	1,268.27
910001	MISC CUST SER/INFO	-	-	-	-
910900	MISC CUST SER/INFO - INDIRECT	46,415.05	36,111.96	49,243.20	50,791.64
912003	GEN MKTG AND MKTG PGMS	-	-	-	-
913012	OTH ADVER-SALES	258.75	258.75	3,839.17	258.75
920100	OTHER GENERAL AND ADMIN SALARIES	267,954.88	231,239.35	224,715.15	382,506.27
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	1,586,456.37	1,497,154.64	1,361,775.44	1,248,454.35
920901	OFFICERS SALARIES - INDIRECT	-	-	-	-
921001	EXP-OFFICERS/EXEC	120.00	(120.00)	-	-
921002	EXP-GEN OFFICE EMPL	43,547.59	39,120.00	50,074.62	55,423.60
921003	GEN OFFICE SUPPL/EXP	94,901.26	87,264.90	131,972.73	284,145.29

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921004	OPR-GEN OFFICE BLDG	88,388.90	84,033.84	83,389.13	81,590.26
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	24,091.19	58,842.45	49,893.55	45,115.62
921903	GEN OFFICE SUPPL/EXP - INDIRECT	319,775.29	270,484.00	219,126.17	263,769.85
922001	A/G SAL TRANSFER-CR	(148,352.96)	(138,271.54)	(126,906.79)	(129,461.54)
922002	OFF SUPP/EXP TRAN-CR	(45,665.95)	(39,737.74)	(37,078.95)	(41,393.07)
922003	TRIMBLE CTY TRAN-CR	(49,632.14)	(45,275.15)	(41,596.14)	(35,764.09)
923100	OUTSIDE SERVICES	321,301.64	121,781.12	154,948.63	241,169.03
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	(34,842.00)	46,538.00	46,538.00	46,538.00
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	-	-	-	-
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	-	-	-	-
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	5,041.85	-	5,041.85	-
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	700.00	700.00	700.00	700.00
923900	OUTSIDE SERVICES - INDIRECT	293,775.22	173,947.28	453,071.43	615,230.47
924100	PROPERTY INSURANCE	322,176.06	346,604.70	304,344.95	495,691.70
925001	PUBLIC LIABILITY	94,136.48	95,007.21	118,377.01	188,269.65
925002	WORKERS COMP EXPENSE - BURDENS	478,417.50	54,820.69	52,713.88	70,842.31
925003	AUTO LIABILITY	40,665.61	15,843.65	3,473.99	3,670.50
925004	SAFETY AND INDUSTRIAL HEALTH	8,514.21	5,268.51	8,695.63	9,521.59
925100	OTHER INJURIES AND DAMAGES	94.83	80,226.28	13,340.00	180.15
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	833.22	759.20	703.16	2,237.11
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	418.51	91.25	106.25	55.00
926001	TUITION REFUND PLAN	8,893.03	12,595.11	5,367.43	19,797.59
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	26,605.57	24,513.41	23,679.31	18,425.57
926003	MEDICAL INSURANCE EXPENSE - BURDENS	501,081.17	608,662.19	588,150.26	815,283.60
926004	DENTAL INSURANCE EXPENSE - BURDENS	42,223.23	38,831.13	37,488.47	7,949.42
926005	LONG TERM DISABILITY EXPENSE - BURDENS	9,843.07	9,103.93	8,846.01	24,011.11
926019	OTHER BENEFITS EXPENSE - BURDENS	20,808.56	19,205.35	18,597.72	(155,098.95)
926100	EMPLOYEE BENEFITS - NON-BURDEN	507.00	-	-	-
926101	PENSIONS EXPENSE - BURDENS	1,451,733.79	1,528,101.92	1,566,721.54	1,421,398.72
926102	401K EXPENSE - BURDENS	266,640.96	237,765.75	229,702.27	40,261.82
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	77,912.76	71,400.13	68,741.05	(564,805.90)
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	467,714.77	474,309.46	477,793.88	463,686.69
926110	EMPLOYEE WELFARE	5,192.41	4,086.90	10,429.67	11,596.11
926116	RETIREMENT INCOME EXPENSE - BURDENS	27,357.01	25,245.32	24,403.44	148,621.13
926117	PENSION INTEREST EXPENSE - BURDENS	-	-	-	-
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	-	-	-	-
926901	TUITION REFUND PLAN - INDIRECT	10,539.25	3,573.31	553.09	22,712.54
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	9,675.88	8,816.84	8,166.05	1,640.38
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	256,588.47	233,806.47	216,551.26	90,569.29
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	12,970.39	11,818.97	10,946.51	3,847.71
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	5,680.49	5,176.21	4,794.15	8,918.31
926911	PENSIONS EXPENSE - BURDENS INDIRECT	510,715.34	465,370.01	431,025.06	516,705.81
926912	401K EXPENSE - BURDENS INDIRECT	96,133.10	87,597.74	81,132.85	(59,012.57)
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	12,553.98	11,439.20	10,595.22	4,846.87
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	41,505.66	37,820.46	35,029.17	41,951.56
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	-	-	-	-
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	-	-	-	-
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	9,732.78	8,868.46	8,213.95	(120,187.47)



**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>30-SEP-11</b>	<b>31-OCT-11</b>	<b>30-NOV-11</b>	<b>31-DEC-11</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	11,323.05	10,317.74	9,556.36	43,248.84
927001	ELEC SUPPL W/O CH-DR	6,082.00	-	-	8,368.74
927003	CITY OF LOU GAS FRAN	46,057.47	48,212.73	47,219.97	48,793.96
928002	REG UPKEEP ASSESSMTS	43,920.59	53,344.00	52,440.00	47,909.00
928003	AMORTIZATION OF RATE CASE EXPENSES	64,226.93	64,226.93	64,226.93	64,226.93
929001	FRANCHISE REQMTS-CR	(6,082.00)	-	-	(8,368.74)
929002	ELEC USED-ELEC DEPT	(202.16)	-	-	(226.05)
929003	GAS USED-GAS DEPT	(598.48)	(2,425.10)	(14,408.03)	(54,882.55)
929004	ELECTRICITY USED - OTHER DEPARTMENTS	(2,471.41)	(5,006.45)	(6,619.98)	(9,480.03)
930101	GEN PUBLIC INFO EXP	59,083.19	41,261.41	28,640.81	71,508.60
930191	GEN PUBLIC INFO EXP - INDIRECT	-	672.00	3,497.32	10,302.93
930201	MISC CORPORATE EXP	-	-	236,936.25	21,539.68
930202	ASSOCIATION DUES	-	-	-	2,450.01
930203	RESEARCH WORK	-	-	-	-
930207	OTHER MISC GEN EXP	(686.08)	4,243.17	25,209.51	29,431.16
930272	ASSOCIATION DUES - INDIRECT	19,817.00	20,289.24	20,199.83	19,054.47
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	2,020.00	244,602.67	34,169.13	93,285.65
930277	OTHER MISC GEN EXP - INDIRECT	50.00	50.00	800.00	(50.00)
930902	ASSOCIATION DUES - INDIRECT	-	-	-	-
930903	RESEARCH WORK - INDIRECT	32,138.98	3,496.64	14,275.00	12,972.38
930904	RESEARCH AND DEVELOPMENT EXPENSES	26,422.51	26,422.51	26,422.51	26,422.51
930907	OTHER MISC GEN EXP - INDIRECT	-	-	-	-
931004	RENTS-CORPORATE HQ	165,726.61	128,611.20	165,944.85	164,354.81
931100	RENTS-OTHER	-	6,000.00	3,000.00	3,000.00
935101	MTCE-GEN PLANT	31,700.03	40,304.98	45,668.58	53,875.77
935203	SOFTWARE MTCE AGREEMENTS	-	-	-	-
935391	MTCE-COMMUNICATION EQ - INDIRECT	158,736.35	151,482.16	137,678.85	191,602.92
935401	MTCE-OTH GEN EQ	1,056.39	1,831.81	3,339.05	1,766.99
935403	MNTC BONDABLE PROPERTY	-	-	-	-
935488	MTCE-OTH GEN EQ - INDIRECT	852,622.34	818,296.97	825,901.86	745,888.36
<b>Total</b>		<b>86,817,732.14</b>	<b>95,158,322.15</b>	<b>99,022,661.45</b>	<b>113,891,908.58</b>

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
403011	DEPREC EXP - STEAM POWER GEN	198,953,609.76
403012	DEPREC EXP - HYDRO POWER GEN	1,809,219.54
403013	DEPREC EXP - OTH POWER GEN	25,180,259.11
403014	DEPREC EXP - TRANSMISSION	15,395,924.65
403015	DEPREC EXP - DISTRIBUTION	65,988,796.32
403016	GENERAL DEPRECIATION EXPENSE	1,304,929.17
403020	FUEL, LOCOMOTIVES, RAILCARS	-
403021	DEPREC. EXP. - UNDERGROUND - GAS	3,473,369.45
403022	DEPREC. EXP. - TRANSMISSION - GAS	191,811.69
403023	DEPREC. EXP. - DISTRIBUTION - GAS	41,803,638.45
403024	DEPREC. EXP. - GENERAL - GAS	907,247.27
403025	DEPREC. EXP. - COMMON	40,022,386.33
403026	DEPREC. EXP. - STEAM - ECR	2,616,466.16
403111	DEPREC EXP ARO STEAM	3,001,039.33
403112	DEPREC EXP ARO TRANSMISSION	980.10
403113	DEPREC EXP ARO OTHER PRODUCTION	105,963.82
403114	DEPREC EXP ARO HYDRO	2,726.88
403115	DEPREC EXP ARO DISTRIBUTION	8,997.84
403211	DEPREC EXP ARO GAS UNDERGROUND STORAGE	664,608.59
403212	DEPREC EXP ARO GAS DISTRIBUTION	484,549.42
403213	DEPREC EXP ARO GAS TRANSMISSION	35,270.86
403311	DEPREC EXP ARO COMMON	2,757.71
404301	AMORT-INTANG GAS PLT	6,513,635.72
404401	AMT-EL INTAN PLT-RTL	9,129,938.45
404402	AMT-EL INTAN PLT-WHS	8,173,202.54
407401	REGULATORY CREDITS - GENERATION ACCRETION	(5,757,070.18)
407402	REGULATORY CREDITS - TRANSMISSION ACCRETION	(2,765.86)
407405	REGULATORY CREDITS - DISTRIBUTION ACCRETION	(63,972.38)
407406	REGULATORY CREDITS - GAS ACCRETION	(2,064,584.93)
407407	REGULATORY CREDITS - COMMON ACCRETION	(9,977.04)
407421	REGULATORY CREDITS - GENERATION DEPRECIATION	(3,109,730.03)
407422	REGULATORY CREDITS - TRANSMISSION DEPRECIATION	(980.10)
407425	REGULATORY CREDITS - DISTRIBUTION DEPRECIATION	(8,997.84)
407426	REGULATORY CREDITS - GAS DEPRECIATION	(1,184,428.87)
407427	REGULATORY CREDITS - COMMON DEPRECIATION	(2,757.71)
408101	TAX-NON INC-UTIL OPR	126,969.42
408102	REAL AND PERSONAL PROP. TAX	45,415,237.51
408103	KY PUBLIC SERVICE COMMISSION TAX	5,795,803.61
408105	FEDERAL UNEMP TAX	132,851.18
408106	FICA TAX	16,035,134.15
408107	STATE UNEMP TAX	151,475.87
408108	REAL AND PERSONAL PROP TAX - ECR	124,365.00
408195	FEDERAL UNEMP TAX - INDIRECT	60,979.18
408196	FICA TAX - INDIRECT	6,195,322.66
408197	STATE UNEMP TAX - INDIRECT	199,609.89
408202	TAX-NON INC-OTHER	8,097.00
409101	FED INC TAX-UTIL OPR	66,110,028.14
409102	KY ST INCOME TAXES	18,206,228.13

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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
409104	FED INC TAXES - EST	0.01
409105	ST INC TAXES - EST	(0.03)
409203	FED INC TAX-OTHER	(154,971.70)
409206	ST INC TAX-OTHER	(34,288.13)
409209	FED IN TAXES-OTH EST	(0.01)
409210	ST INC TAXES-OTH EST	0.01
410101	DEF FED INC TAX-OPR	496,576,988.75
410102	DEF ST INC TAX-OPR	84,408,733.62
410203	DEF FEDERAL INC TX	17,835,956.87
410204	DEF STATE INC TAX	3,074,610.85
411101	FED INC TX DEF-CR-OP	(408,360,680.07)
411102	ST INC TAX DEF-CR-OP	(78,576,184.81)
411150	ACCRETION EXPENSE - GENERATION	5,757,070.18
411151	ACCRETION EXPENSE - TRANSMISSION	2,765.86
411155	ACCRETION EXPENSE - DISTRIBUTION	63,972.38
411156	ACCRETION EXPENSE - GAS	2,064,584.93
411157	ACCRETION EXPENSE - COMMON	9,977.02
411201	FD INC TX DEF-CR-OTH	(6,502,355.58)
411202	ST INC TX DEF-CR-OTH	(1,007,622.47)
411403	ITC DEFERRED	3,649,346.00
411404	AMORTIZATION OF ITC	(8,351,613.00)
416001	EXPENSES FROM CUSTOMER SERVICE LINES	65,531.41
417124	PROPERTY INSURANCE - (TC ALLOC ONLY)	-
421201	LOSS-PROPERTY DISP	4,070.34
426101	DONATIONS	4,300,892.62
426191	DONATIONS - INDIRECT	65,219.78
426301	PENALTIES	320,404.17
426401	EXP-CIVIC/POL/REL	124,134.96
426491	EXP-CIVIC/POL/REL - INDIRECT	2,492,948.96
426501	OTHER DEDUCTIONS	2,578,870.99
426508	FOREIGN EXCHANGE LOSSES	841.67
426550	MTM LOSSES - ELECTRIC - NONHEDGING	(876,247.73)
426552	MTM LOSS - NON-HEDGING - INT RATE SWAPS	(41,606,997.64)
426553	MTM LOSS - NON-HEDGING - INT RATE SWAP - NETTING	20,979,515.00
426555	HEDGE INEFFECTIVENESS INT RATE SWAP	-
426556	MTM LOSSES - ELECTRIC - NONHEDGING - NETTING	1,342,962.47
426557	AMORT OF OCI-PCB JC2003A \$128M	(64,908.74)
426558	AMORT OF REG ASSET - SWAP TERMINATION	107,698.25
426591	OTHER DEDUCTIONS - INDIRECT	408,491.67
427019	INT EXP-LGE REVOLVING CREDIT \$400M 12/14	779,683.35
427020	INT EXP-FMB LGE2010 \$250M 11/15	4,570,312.50
427021	INT EXP-FMB LGE2010 \$285M 11/40	16,432,031.25
427125	INT EXP-PCB LM/JC2007A \$31M 06/33	5,231,249.83
427126	INT EXP-PCB LM/JC2007B \$35.2M 06/33	648,364.47
427127	INT EXP-PCB TC2007A \$60M 06/33	8,280,000.02
427128	INT EXP-PCB JC2000A \$25M 05/27	3,937,166.66
427129	INT EXP-PCB TC2000A \$83.3M 08/30	876,927.20
427130	INT EXP-PCB JC2001A \$10.1M 09/27	105,122.63

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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
427161	INT EXP-SWAP-JPM \$83.335M 11/20 5.495%	13,037,124.98
427164	INT EXP-SWAP-MS \$32M 10/32 3.657%	1,741,133.70
427165	INT EXP-SWAP-MS \$32M 10/32 3.645%	1,735,053.76
427166	INT EXP-SWAP-BOA \$32M 10/32 3.695%	1,760,386.94
427168	INT EXP-SWAP-MS \$32M 10/32 3.657%	1,585,132.41
427169	INT EXP-SWAP-MS \$32 M 10/32 3.645%	1,579,681.67
427170	INT EXP-SWAP-BOA \$32M 10/32 3.695%	1,602,392.89
427180	INT EXP-PCB JC2001A \$22.5M 9/26	594,355.90
427181	INT EXP-PCB TC2001A \$27.5M 9/26	560,877.42
427182	INT EXP-PCB JC2001B \$35M 11/27	998,556.19
427183	INT EXP-PCB TC2001B \$35M 11/27	997,178.59
427189	INT EXP-PCB TC2002A \$41.665M 10/32	584,229.30
427190	INT EXP-PCB JC2003A \$128M	2,350,933.23
427194	INT EXP-PCB LM/JC2005A \$40M 2/35	6,899,999.92
427401	HEDGE INEFFECTIVENESS INT RATE SWAP	(638,113.98)
428019	AM EXP-LGE REVOLVING CREDIT \$400M 12/14	1,166,181.26
428020	AM EXP-FMB LGE2010 \$250M 11/15	543,889.03
428021	AM EXP-FMB LGE2010 \$285M 11/40	127,364.15
428031	AM EXP \$35.2M 6/33	7,051.05
428035	AM EXP-PCB TC2007A \$60M 6/33	142,118.75
428059	AM EXP-PCB JC2001A \$10.1M 9/27	61,057.27
428076	AM EXP-PCB TC2000A \$83M 8/30	116,014.62
428080	AM EXP-PCB JC2001A \$22.5M 9/26	29,763.42
428081	AM EXP-PCB TC2001A \$27.5M 9/26	32,361.78
428082	AM EXP-PCB JC2001B \$35M 11/27	32,977.18
428083	AM EXP-PCB TC2001B \$35M 11/27	32,982.40
428089	AM EXP-PCB TC2002A \$41.665M 10/32	111,569.85
428091	AM EXP-PCB LM/JC2003A \$128M	19,192.53
428104	AM LOSS-1985J \$25M 07/95	94,500.24
428107	AM LOSS-FMB \$25M 10/09	71,507.36
428108	AM LOSS-1976B \$35.2M 09/06	65,735.88
428109	AM LOSS-1975A \$31M 09/00	34,416.00
428110	AM LOSS-1987A \$60M 08/97	308,952.00
428124	AM LOSS-PCB JC1990A \$25M 06/15	243,072.00
428125	AM LOSS-PCB TC1990A \$83.3M 11/20	431,100.36
428126	AM LOSS-PCB LM/JC2007B \$35.2M 06/33	73,738.64
428127	AM LOSS-PCB LM/JC2007A \$31M 06/33	109,426.54
428128	AM LOSS-PCB JC2000A \$25M 05/27	111,445.59
428130	AM LOSS-PCB JC1992A \$31M 09/17	14,956.32
428131	AM LOSS-PCB JC1993A \$35.2M 08/13	8,470.29
428135	AM LOSS REACQ \$60M 6/33	19,777.68
428180	AM LOSS-PCB JC1996A \$22.5M 09/26	232,271.88
428181	AM LOSS-PCB TC1996A \$27.5M 09/26	196,200.12
428182	AM LOSS-PCB JC1997A \$35M 11/27	147,167.88
428183	AM LOSS-PCB TC1997A \$35M 11/27	146,591.88
428189	AM LOSS-TC1990B \$41.665M 10/20	167,436.24
428191	AM LOSS-JC1993B \$26M 11/03	571,992.78
428192	AM LOSS-LM/JC2003A \$128M 10/33	366,305.94

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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
428194	AM LOSS-JC1995A \$40M 11/05	140,544.01
428195	AM LOSS REACQ PRE STK 5.875	-
428196	AM LOSS-PCB LM/JC2005A \$40M 02/35	148,483.81
428220	AM DISC-FMB LGE2010 \$250M 11/15	189,419.97
428221	AM DISC-FMB LGE2010 \$285M 11/40	125,422.48
430002	INT-DEBT TO ASSOC CO	946,383.17
430003	INT EXP ON NOTES TO FIDELIA/PPL (EFF 11/10)	49,962,375.17
431002	INT-CUST DEPOSITS	4,132,064.33
431004	INT-OTHER TAX DEFNCY	(18,380.00)
431008	INT-DSM COST RECOVER	169,578.34
431013	OTHER INT EXP FROM NON-FINANCIAL LIABILITIES	(48,715.20)
431104	INTEREST EXPENSE FROM FINANCIAL LIABILITIES	2,731,084.75
500100	OPER SUPER/ENG	2,229,502.26
500900	OPER SUPER/ENG - INDIRECT	4,901,278.71
501001	FUEL-COAL - TON	961,012,070.47
501004	FUEL COAL - TO SOURCE UTILITY OSS	48,741.14
501005	FUEL COAL - OSS	13,958,071.81
501006	FUEL COAL - OFFSET	(269,998,271.15)
501007	FUEL COAL - TO SOURCE UTILITY RETAIL	255,991,458.36
501020	START-UP OIL -GAL	2,434,177.67
501022	STABILIZATION OIL - GAL	3,616,303.42
501026	COAL RESALE EXPENSES	1,434,682.78
501090	FUEL HANDLING	14,480,556.33
501091	FUEL SAMPLING AND TESTING	2,895.43
501100	START-UP GAS - MCF	8,303,250.12
501102	STABILIZATION GAS - MCF	10,613,027.28
501200	BOTTOM ASH DISPOSAL	3,368,834.84
501201	PLANT-ECR BOTTOM ASH DISPOSAL	2,743,538.56
501202	BOTTOM ASH PROCEEDS	(13,067.16)
501250	FLY ASH PROCEEDS	(410,362.35)
501251	FLY ASH DISPOSAL	78,413.97
501990	FUEL HANDLING - INDIRECT	1,950,080.81
502001	OTHER WASTE DISPOSAL	9,740,073.43
502002	BOILER SYSTEMS OPR	24,719,036.86
502003	SDRS OPERATION	54,768.75
502004	SDRS-H2O SYS OPR	8,697,837.61
502005	SLUDGE STAB SYS OPR	1,862,307.76
502006	SCRUBBER REACTANT EX	47,452,303.54
502022	OTHER WASTE DISPOSAL - OSS	37,909.27
502023	OTHER WASTE DISPOSAL - OFFSET	(37,909.27)
502025	SCRUBBER REACTANT - OSS	1,008,529.80
502026	SCRUBBER REACTANT - OFFSET	(1,008,529.80)
502056	ECR SCRUBBER REACTANT EX	614,744.64
502100	STM EXP(EX SDRS.SPP)	13,311,313.94
502900	STM EXP(EX SDRS.SPP) - INDIRECT	126,228.81
504001	STEAM XFERRERD - CR - PROJECT USE	(1,613,872.12)
505100	ELECTRIC SYS OPR	2,345,714.99
506051	ECR STEAM OPERATION-AIR QUALITY MONITORING AND CONTROL EQUIPMENT	3,073.65

**Louisville Gas & Electric Company**  
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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
506100	MISC STM PWR EXP	44,149,767.45
506104	NOX REDUCTION REAGENT	8,074,867.45
506105	OPERATION OF SCR/NOX REDUCTION EQUIP	353,395.31
506107	SCR/NOX - OSS	141,046.39
506108	SCR/NOX - OFFSET	(141,046.39)
506109	SORBENT INJECTION OPERATION	1,360,713.65
506150	ECR MERCURY MONITORS OPERATIONS	8,304.50
506151	ECR ACTIVATED CARBON	230,482.52
506152	ECR SORBENT REACTANT - REAGENT ONLY	523,234.74
506154	ECR NOX REDUCTION REAGENT	198,602.63
506155	ECR OPERATION OF SCR/NOX REDUCTION EQUIP	7,963.93
506159	ECR SORBENT INJECTION OPERATION	295,143.69
506900	MISC STM PWR EXP - INDIRECT	2,965.59
507100	RENTS-STEAM	178,160.21
509002	SO2 EMISSION ALLOWANCES	2,677.31
509003	NOX EMISSION ALLOWANCES	76,999.70
509007	EMISSION ALLOWANCES - OSS	28.51
509008	EMISSION ALLOWANCES - OFFSET	(28.51)
510100	MTCE SUPER/ENG - STEAM	9,819,243.55
511100	MTCE-STRUCTURES	7,341,383.81
512005	MAINTENANCE-SDRS	22,019,778.44
512011	INSTR/CNTRL-ENVRNL	1,186.62
512015	SDRS-COMMON H2O SYS	2,427,981.54
512017	MTCE-SLUDGE STAB SYS	4,438,890.28
512051	ECR INSTR/CNTRL-ENVRNL	22,914.32
512055	ECR MAINTENANCE-SDRS	80,069.45
512100	MTCE-BOILER PLANT	93,258,693.08
512101	MAINTENANCE OF SCR/NOX REDUCTION EQUIP	1,620,087.71
512102	SORBENT INJECTION MAINTENANCE	22,526.50
512103	MERCURY MONITORS MAINTENANCE	77,366.27
512151	ECR MAINTENANCE OF SCR/NOX REDUCTION EQUIP	6,667.86
512152	ECR SORBENT INJECTION MAINTENANCE	13,200.51
512153	ECR MERCURY MONITORS MAINTENANCE	24,008.70
513100	MTCE-ELECTRIC PLANT	27,384,979.19
513900	MTCE-ELECTRIC PLANT - BOILER	334,058.50
514100	MTCE-MISC/STM PLANT	5,321,534.83
535100	OPER SUPER/ENG-HYDRO	324,066.24
536100	WATER FOR POWER	116,411.39
538100	ELECTRIC EXPENSES - HYDRO	604,312.30
539100	MISC HYD PWR GEN EXP	326,045.87
540100	RENTS-HYDRO	1,169,027.45
541100	MTCE-SUPER/ENG - HYDRO	13,632.65
542100	MAINT OF STRUCTURES - HYDRO	874,571.03
543100	MTCE-RES/DAMS/WATERW	220,199.82
544100	MTCE-ELECTRIC PLANT	830,416.42
546100	OPER SUPER/ENG - TURBINES	106,286.24
547030	FUEL-GAS - MCF	44,943,421.58
547040	FUEL-OIL - GAL	511,242.88

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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
547051	FUEL - TO SOURCE UTILITY OSS	105,723.77
547052	FUEL - OSS	846,637.54
547053	FUEL - OFFSET	(16,512,075.67)
547054	FUEL - TO SOURCE UTILITY RETAIL	15,559,714.36
547056	FUEL - GAS - INTRACOMPANY	2,688,649.43
548100	GENERATION EXP	423,965.20
549002	AIR QUALITY EXPENSES	40,187.27
549003	NOX EMISSION ALLOWANCES	49.78
549100	MISC OTH PWR GEN EXP	67,580.69
550100	RENTS-OTH PWR	40,899.61
551100	MTCE-SUPER/ENG - TURBINES	107,593.20
552100	MTCE-STRUCTURES - OTH PWR	220,864.21
553100	MTCE-GEN/ELECT EQ	5,274,472.36
554100	MTCE-MISC OTH PWR GEN	542,070.15
555006	MISO DAY 2 PURCHASED POWER - OSS	35,704.57
555007	MISO DAY 2 PURCHASED POWER - NL	162,986.47
555010	OSS POWER PURCHASES	1,479,116.76
555015	NL POWER PURCHASES - ENERGY	65,771,183.58
555016	NL POWER PURCHASES - DEMAND	52,966,660.79
555020	OSS I/C POWER PURCHASES	65,265,908.39
555025	NL I/C POWER PURCHASES	2,022,975.08
556100	SYS CTRL / DISPATCHING	4,788.30
556900	SYS CTRL / DISPATCHING - INDIRECT	4,709,708.78
557100	OTH POWER SUPPLY EXP	139,838.88
557110	MARKET FEES - NATIVE LOAD	16,067.04
557111	MARKET FEES - OFF SYSTEM SALES	131,244.50
557206	MISO DAY 2 OTHER - NATIVE LOAD	501,105.41
557207	MISO DAY 2 OTHER - OFF SYSTEM SALES	(851,886.73)
557208	RTO OTHER (NON-MISO) - NL	(27,915.16)
557209	RTO OTHER (NON-MISO) - OSS	(15,011.18)
557211	RTO OPERATING RESRV (NON-MISO) - NL	127,532.17
557212	RTO OPERATING RESRV (NON-MISO) - OSS	2,685,334.04
558001	ELEC DEPT USE-CR	(4,024,956.00)
558002	OTHER DEPT USE-CR	(262,652.82)
560100	OP SUPER/ENG-SSTOPER	132,349.83
560900	OP SUPER/ENG-SSTOPER - INDIRECT	2,272,881.62
561100	LOAD DISPATCH-WELOB	131,053.21
561190	LOAD DISPATCH - INDIRECT	1,350,523.46
561402	MISO DAY 1 SCH 10 - RESERVE	118.03
561403	NL MISO D1 SCHEDULE 10 - SCHEDULING, SYSTEM CONTROLS	672.89
561590	RELIABILITY, PLANNING AND STANDARDS DEVELOPMENT - INDIRECT	965,120.66
561601	TRANSMISSION SERVICE STUDIES	(21,672.82)
561802	MISO DAY 1 SCH 10 - RESERVE	8.47
561803	NL MISO D1 SCHEDULE 10 - RELIABILITY PLANNING	48.39
561900	LOAD DISPATCH-WELOB - INDIRECT	1,179,452.31
561901	BALANCING AUTHORITY EXPENSE (LABOR ONLY)	571,195.53
562100	STA EXP-SUBST OPER	3,788,869.62
563100	OTHER INSP-ELEC TRAN	360,847.40

**Louisville Gas & Electric Company**  
**Expense Account Detail**  
**2009-2011**

<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
565002	TRANSMISSION ELECTRIC OSS	121,132.87
565005	TRANSMISSION ELECTRIC NATIVE LOAD	145,636.47
565006	TRANSMISSION ELECTRIC OSS - MISO	(504,309.57)
565014	INTERCOMPANY TRANSMISSION EXPENSE	6,949,187.40
565018	INTRACOMPANY TRANSMISSION EXPENSE - NATIVE LOAD	35,526.15
565019	INTRACOMPANY TRANSMISSION EXPENSE - OSS	2,064,192.35
565024	I/C TRANSMISSION RETAIL EXPENSE - NATIVE LOAD	144,874.09
565198	INTRACOMPANY TRANSMISSION EXPENSE OFFSET - NATIVE LOAD	(35,526.16)
565199	INTRACOMPANY TRANSMISSION EXPENSE ELIMINATION - RETAIL SOURCING OSS	(2,064,192.33)
566100	MISC TRANS EXP-SSTMT	1,560,783.17
566122	REACTIVE SUPPLY & VOLTAGE CONTROL - NL	660,024.00
566140	INDEPENDENT OPERATOR	7,977,687.04
566150	EKPC DEPANCAKING SETTLEMENT	(363,220.00)
566151	KMPA MISO CHARGES	3,734,482.88
566900	MISC TRANS EXP-SSTMT - INDIRECT	2,369,469.64
567100	RENTS-ELEC/SUBSTATION OPERATIONS	69,883.47
569100	MTCE-STRUCT-SSTMTCE	16,396.06
569101	MAINTENANCE OF COMPUTER HARDWARE	1,589.84
570100	MTCE-ST EQ-SSTMTCE	3,930,504.46
571100	MTCE OF OVERHEAD LINES	3,050,339.00
573100	MTCE-MISC TR PLT-SSTMT	23,020.74
575701	MISO DAY 2 SCH 17-MARKET ADMIN FEE-OSS	135,918.49
575702	MISO DAY 2 SCH 16-FTR ADMIN FEE-NL	228,380.04
575703	MISO DAY 2 SCH 17-MARKET ADMIN FEE-NL	1,155,861.82
575704	MISO DAY 1 SCH 10 - RESERVE	4.01
575708	NL MISO D1 SCHEDULE 10 - MKT ADMIN	1,470,983.79
580100	OP SUPER/ENG-SSTOPER	5,248,044.91
580900	OP SUPER/ENG-SSTOPER - INDIRECT	517,643.38
581900	SYS CTRL/SWITCH-DIST - INDIRECT	1,413,765.06
582100	STATION EXP-SSTOPER	3,047,419.68
583001	OPR-O/H LINES	4,162,119.99
583003	O/H LOAD/VOLT TEST	12,203.30
583005	CUST COMPL RESP-O/H	4,187,598.15
583008	INST/REMV TRANSF/REG	72,070.56
583009	INSPC O/H LINE FACIL	636,533.42
583010	LOC O/H ELEC FAC-BUD	2,038,854.73
583100	O/H LINE EXP-SSTOPER	735,997.41
584001	OPR-UNDERGRND LINES	599,167.95
584002	INSPC U/G LINE FACIL	451,317.63
584003	LOAD/VOLT TEST-U/G	12,532.87
584005	RESP-U/G CUST COMPL	84,530.85
584008	INST/RMV/REPL TRANSF	344,103.21
585100	STREET LIGHTING AND SIGNAL SYST EXP	38,756.28
586100	METER EXP	19,013,904.20
586900	METER EXP - INDIRECT	4,956.42
587100	CUST INSTALLATION EXP	(560,466.77)
588100	MISC DIST EXP-SUBSTATION OPERATIONS	7,606,541.11
588900	MISC DIST EXP-SUBSTATION OPERATIONS - INDIRECT	1,066,334.75



**Louisville Gas & Electric Company**  
**Expense Account Detail**  
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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
589100	RENTS-DISTR / SUBSTAT OPER	40,576.95
590100	MTCE/SUPER/ENG-SSTMT	326,213.88
590900	MTCE/SUPER/ENG-SSTMT - INDIRECT	81.48
591003	MTCE-MISC STRUCT-DIS	2,263,491.55
592100	MTCE-ST EQ-SSTMTCE	2,699,351.70
593001	MTCE-POLE/FIXT-DISTR	3,453,863.05
593002	MTCE-COND/DEVICE-DIS	22,042,890.41
593003	MTCE-SERVICES	739,053.73
593004	TREE TRIMMING	16,288,978.87
593005	MINOR EXEMPT EXPENSE	52,873.08
594002	MTCE-U/G COND ETC	5,290,506.69
595100	MTCE-TRANSF/REG	668,740.26
596100	MTCE OF STREET LIGHTING AND SIGNALS	1,312,727.80
598100	MTCE OF MISC DISTRIBUTION PLANT	1,029,091.37
803001	GAS TRANS LINE PURCH	534,632,619.75
803002	PURCHASED GAS REFUND	(498,467.25)
803003	GAS COST ACTUAL ADJ	(2,676,013.11)
803004	GAS COST BALANCE ADJ	(638,970.74)
803006	PURCHASED GAS - WHOLESALE SALES	3,725,693.24
803007	WHOLESALE SALES MARGIN	(112,525.96)
803008	ACQ AND TRANS INCENTIVE	(6,899,425.00)
803009	PBR RECOVERY	6,642,102.12
806001	EXCHANGE GAS	(4,724,900.14)
807001	PURCH GAS CALC EXP	(1,678.04)
807002	OTHER PURCH GAS EXP	(954.79)
807003	GAS PROCUREMENT EXP	(29,113.16)
807401	PURCH GAS CALC EXP	99,405.31
807501	OTHER PURCH GAS EXP	9,968.59
807502	GAS PROCUREMENT EXP	2,072,118.85
808101	GAS W/D FROM STOR-DR	219,341,715.09
808201	GAS DELD TO STOR-CR	(168,260,129.37)
810001	GAS-COMP STA FUEL-CR	(2,179,591.74)
812010	GAS-FUEL-ELEC GEN-CR - MCF - (STAT ONLY)	(51,322.07)
812020	GAS-CITY GATE-CR	(198,777.35)
812030	GAS-OTH DEPT-CR	(220,365.19)
813001	OTH GAS SUPPLY EXP	13,113.67
814003	SUPV-STOR/COMPR STA	1,484,176.13
816100	WELLS EXPENSE	435,803.28
817100	LINES EXPENSE	1,789,999.26
818100	COMPR STATION EXP	4,482,250.21
819100	COMPR STA FUEL-U/G	2,131,451.82
821100	PURIFICATION EXP	4,379,719.10
823100	GAS LOSSES	7,783,212.20
824100	OPR-U/G STO/COMPR	34,626.05
825100	ROYALTIES	133,356.33
826100	RENTS-STORAGE FIELDS	128,345.48
830100	MTCE SUPRV AND ENGR - STOR COMPR	1,064,461.23
832100	MTC-RESERVOIRS/WELLS	1,859,672.00

**Louisville Gas & Electric Company**  
**Expense Account Detail**  
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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
833100	MTCE-LINES	484,753.39
834100	MTCE-COMP STA EQUIP	2,702,427.61
835100	MTCE-M/R EQ-COMPR	104,117.08
836100	MTCE-PURIFICATION EQUIP	1,739,524.69
837100	MTCE-OTHER EQUIP	142,571.75
850100	OPR SUPV AND ENGR	13,280.77
851100	SYS CTRL/DSPTCH-GAS	849,752.49
856100	MAINS EXPENSES	1,149,340.01
860100	RENTS-GAS TRANS	18,214.09
863100	MTCE-GAS MAINS-TRANS	2,926,137.18
871100	DISTR LOAD DISPATCH	1,245,937.89
874001	OTHER MAINS/SERV EXP	1,810,961.83
874002	LEAK SUR-DIST MN/SVC	1,445,493.82
874005	CHEK STOP BOX ACCESS	4,807,650.26
874006	PATROLLING MAINS	185,964.03
874007	CHEK/GREASE VALVES	349,527.46
874008	OPR-ODOR EQ	520,729.91
875100	MEAS/REG STA-GENERAL	1,999,931.70
876100	MEAS/REG STA-INDUSTRIAL	921,355.80
877100	MEAS/REG STA-CITY GATE	431,243.39
878100	METER/REG EXPENSE	751,515.65
879100	CUST INSTALL EXPENSE	1,342,315.78
880100	OTH GAS DISTR EXPENSE	9,403,419.82
880900	OTH GAS DISTR EXPENSE - INDIRECT	363,193.39
881100	RENTS-GAS DISTR	30,640.11
886100	MTCE-GAS DIST STRUCT	1,733,391.34
887100	MTCE-GAS MAINS-DISTR	25,887,958.81
889100	MTCE-M/R STA EQ-GENL	241,563.25
890100	MTCE-M/R STA EQ-INDL	594,187.44
891100	MTCE-M/R ST EQ-CITY GATE	895,925.19
892100	MTCE-OTH SERVICES	3,279,806.86
894100	MTCE-OTHER EQUIP	1,139,278.73
901001	SUPV-CUST ACCTS	3,967,381.52
901900	SUPV-CUST ACCTS - INDIRECT	1,060,831.92
902001	METER READ-SERV AREA	11,385,687.90
902002	METER READ-CLER/OTH	117,724.29
902003	METER READ-DIST 25	25.00
902900	METER READ-SERV AREA - INDIRECT	278.65
903001	AUDIT CUST ACCTS	2,654,259.08
903002	BILL SPECIAL ACCTS	2,424.22
903003	PROCESS METER ORDERS	625,821.46
903006	CUST BILL/ACCTG	383,776.53
903007	PROCESS PAYMENTS	1,497,625.60
903008	INVEST THEFT OF SVC	639,217.66
903012	PROC CUST CNTRT/ORDR	542,582.38
903013	HANDLE CREDIT PROBS	1,033.34
903022	COLL OFF-LINE BILLS	995,349.64
903023	PROC BANKRUPT CLAIMS	45,930.95

**Louisville Gas & Electric Company**  
**Expense Account Detail**  
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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
903025	MTCE-ASST PROGRAMS	248,420.82
903030	PROC CUST REQUESTS	2,787,879.71
903031	PROC CUST PAYMENTS	470,515.12
903032	DELIVER BILLS-REG	5,856,419.65
903035	COLLECTING-OTHER	661,264.40
903036	CUSTOMER COMPLAINTS	55,809.48
903038	MISC CASH OVERAGE/SHORTAGE	2,348.92
903902	BILL SPECIAL ACCTS - INDIRECT	144,044.14
903903	PROCESS METER ORDERS - INDIRECT	122.46
903906	CUST BILL/ACCTG - INDIRECT	273,660.36
903907	PROCESS PAYMENTS - INDIRECT	849,918.66
903909	PROC EXCEPTION PMTS - INDIRECT	32,897.93
903912	PROC CUST CNTRT/ORDR - INDIRECT	674,200.31
903930	PROC CUST REQUESTS - INDIRECT	8,358,111.01
903931	PROC CUST PAYMENTS - INDIRECT	350,473.05
903936	CUSTOMER COMPLAINTS - INDIRECT	670,660.09
904001	UNCOLLECTIBLE ACCTS	14,584,982.68
904002	UNCOLLECTABLE ACCTS - WHOLESALE	157,238.76
904003	UNCOLL ACCTS - A/R MISC	126,439.00
905001	MISC CUST SERV EXP	1,704,439.14
905002	MISC CUST BILL/ACCTG	156,519.44
905003	MISC COLLECTING EXP	185,406.19
907001	SUPV-CUST SER/INFO	172,597.52
907900	SUPV-CUST SER/INFO - INDIRECT	472,957.69
908001	CUST MKTG/ASSIST	4,487.49
908004	DSM - ENERGY AUDIT	-
908005	DSM CONSERVATION PROG	36,313,164.14
908006	DSM - HVAC	-
908007	DSM - CONSERVATION	6.00
908009	MISC MARKETING EXP	666.20
908010	DSM CONSERVATION PROG - OFFSET	(344,655.66)
908901	CUST MKTG/ASSIST - INDIRECT	654,210.15
908902	RES CONS/ENG ED PROG - INDIRECT	500,223.77
908909	MISC MARKETING EXP - INDIRECT	195,934.74
909004	MISC CUST COM-SER/IN	112,456.32
909005	MEDIA RELATIONS	-
909010	PRINT ADVER-SER/INFO	60,096.31
909013	SAFETY PROGRAMS	150,998.59
910001	MISC CUST SER/INFO	2,783,206.80
910900	MISC CUST SER/INFO - INDIRECT	947,815.92
912003	GEN MKTG AND MKTG PGMS	7,959.90
913012	OTH ADVER-SALES	128,715.17
920100	OTHER GENERAL AND ADMIN SALARIES	8,667,470.84
920900	OTHER GENERAL AND ADMIN SALARIES - INDIRECT	49,360,316.83
920901	OFFICERS SALARIES- INDIRECT	(40.63)
921001	EXP-OFFICERS/EXEC	75.34
921002	EXP-GEN OFFICE EMPL	855,760.84
921003	GEN OFFICE SUPPL/EXP	4,260,679.76

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**Expense Account Detail**  
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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
921004	OPR-GEN OFFICE BLDG	2,416,650.62
921902	INDIRECT EMPLOYEE OFFICE EXPENSE ALLOCATION	2,039,211.24
921903	GEN OFFICE SUPPL/EXP - INDIRECT	8,787,663.39
922001	A/G SAL TRANSFER-CR	(4,215,067.09)
922002	OFF SUPP/EXP TRAN-CR	(1,193,523.43)
922003	TRIMBLE CTY TRAN-CR	(1,929,010.58)
923100	OUTSIDE SERVICES	8,083,317.70
923101	OUTSIDE SERVICES - AUDIT FEES - PWC	2,081,555.82
923102	OUTSIDE SERVICES - TAX SERVICES - PWC	4,000.00
923103	OUTSIDE SERVICES - NON-AUDIT SERVICES - PWC	2,085.61
923301	OUTSIDE SERVICES - AUDIT FEES - OTHER	72,769.41
923302	OUTSIDE SERVICES - TAX SERVICES - OTHER	24,900.00
923900	OUTSIDE SERVICES - INDIRECT	7,877,853.70
924100	PROPERTY INSURANCE	12,780,193.28
925001	PUBLIC LIABILITY	4,081,450.67
925002	WORKERS COMP EXPENSE - BURDENS	2,365,133.76
925003	AUTO LIABILITY	242,209.59
925004	SAFETY AND INDUSTRIAL HEALTH	254,997.60
925100	OTHER INJURIES AND DAMAGES	314,051.60
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT	31,648.66
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	5,774.94
926001	TUITION REFUND PLAN	554,107.03
926002	GROUP LIFE INSURANCE EXPENSE - BURDENS	696,529.27
926003	MEDICAL INSURANCE EXPENSE - BURDENS	21,943,560.99
926004	DENTAL INSURANCE EXPENSE - BURDENS	1,163,137.05
926005	LONG TERM DISABILITY EXPENSE - BURDENS	612,182.81
926019	OTHER BENEFITS EXPENSE - BURDENS	1,744,360.60
926100	EMPLOYEE BENEFITS - NON-BURDEN	15,329.14
926101	PENSIONS EXPENSE - BURDENS	57,338,187.04
926102	401K EXPENSE - BURDENS	7,668,730.22
926105	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS	(6,745.95)
926106	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS	10,739,683.20
926110	EMPLOYEE WELFARE	239,707.76
926116	RETIREMENT INCOME EXPENSE - BURDENS	997,596.86
926117	PENSION INTEREST EXPENSE - BURDENS	5,516,776.25
926118	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS	7,111,541.78
926901	TUITION REFUND PLAN - INDIRECT	414,155.05
926902	GROUP LIFE INSURANCE EXPENSE - BURDENS INDIRECT	379,998.57
926903	MEDICAL INSURANCE EXPENSE - BURDENS INDIRECT	6,457,107.47
926904	DENTAL INSURANCE EXPENSE - BURDENS INDIRECT	418,272.05
926905	LONG TERM DISABILITY EXPENSE - BURDENS INDIRECT	409,846.03
926911	PENSIONS EXPENSE - BURDENS INDIRECT	10,466,249.36
926912	401K EXPENSE - BURDENS INDIRECT	2,709,387.15
926915	FASB 112 (OPEB) POST EMPLOYMENT EXPENSE - BURDENS INDIRECT	324,917.39
926916	FASB 106 (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	1,144,887.30
926917	PENSION INTEREST EXPENSE - BURDENS INDIRECT	179,164.75
926918	FASB 106 INTEREST (OPEB) POST RETIREMENT EXPENSE - BURDENS INDIRECT	156,559.97
926919	OTHER BENEFITS EXPENSE - BURDENS INDIRECT	190,942.75

**Louisville Gas & Electric Company**  
**Expense Account Detail**  
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<b>Account Number</b>	<b>Account Description</b>	<b>Total</b>
926990	RETIREMENT INCOME EXPENSE - BURDENS INDIRECT	401,586.64
927001	ELEC SUPPL W/O CH-DR	98,390.23
927003	CITY OF LOU GAS FRAN	1,660,687.79
928002	REG UPKEEP ASSESSMTS	2,083,494.39
928003	AMORTIZATION OF RATE CASE EXPENSES	1,560,420.26
929001	FRANCHISE REQMTS-CR	(98,390.23)
929002	ELEC USED-ELEC DEPT	(2,679.61)
929003	GAS USED-GAS DEPT	(2,213,103.89)
929004	ELECTRICITY USED - OTHER DEPARTMENTS	(91,653.25)
930101	GEN PUBLIC INFO EXP	1,544,304.76
930191	GEN PUBLIC INFO EXP - INDIRECT	56,611.70
930201	MISC CORPORATE EXP	258,475.93
930202	ASSOCIATION DUES	430,405.19
930203	RESEARCH WORK	12,750.00
930207	OTHER MISC GEN EXP	288,019.88
930272	ASSOCIATION DUES - INDIRECT	1,053,980.34
930274	RESEARCH AND DEVELOPMENT EXPENSES - INDIRECT	2,961,966.28
930277	OTHER MISC GEN EXP - INDIRECT	7,460.24
930902	ASSOCIATION DUES - INDIRECT	(0.00)
930903	RESEARCH WORK - INDIRECT	219,447.77
930904	RESEARCH AND DEVELOPMENT EXPENSES	898,260.93
930907	OTHER MISC GEN EXP - INDIRECT	426.60
931004	RENTS-CORPORATE HQ	5,625,837.19
931100	RENTS-OTHER	69,000.00
935101	MTCE-GEN PLANT	1,367,058.42
935203	SOFTWARE MTCE AGREEMENTS	974.45
935391	MTCE-COMMUNICATION EQ - INDIRECT	5,274,928.39
935401	MTCE-OTH GEN EQ	504,630.54
935403	MNTC BONDABLE PROPERTY	88,436.06
935488	MTCE-OTH GEN EQ - INDIRECT	26,745,223.03
Total		<u><u>3,645,327,748.48</u></u>

Louisville Gas and Electric Company

Explanations 2008 vs. 2009

**Expenses**

Fuel for electric generation and natural gas supply expenses comprise a large component of total operating expenses. Increases or decreases in the cost of fuel and natural gas supply are reflected in electric and natural gas retail rates, through the FAC and GSC, subject to the approval of the Kentucky Commission.

Fuel for electric generation decreased a net \$18 million in 2009 primarily due to:

- Decreased volumes of fuel usage (\$20 million) due to decreased native load and wholesale sales

Partially offset by:

- Increased commodity and transportation costs for coal (\$2 million)

Power purchased expense decreased \$61 million in 2009 primarily due to:

- Decreased purchase volumes from KU (\$60 million). This was a result of LG&E and KU's scheduled coal-fired generation unit outages during 2009, and as a result of KU's units held in reserve as a result of low spot market pricing for the majority of 2009. Via a mutual agreement LG&E purchases KU's excess economic capacity for wholesale sales, and LG&E sells its lower cost electricity to KU to serve KU's native load.
- Decreased prices (\$2 million) and volumes (\$1 million) for third-party purchases due to lower spot market pricing and lower native load requirements, respectively

Partially offset by:

- Increased demand payments for third-party energy purchases (\$2 million) on long-term contracts

Gas supply expenses decreased \$104 million in 2009 due to:

- Decreased cost of net gas supply billed to customers (\$99 million) resulting from lower cost per Mcf (\$73 million) and lower purchased volumes (\$26 million)
- Decreased wholesale expense (\$5 million) due to a decline in volume of wholesale sales of purchased gas

Other operation and maintenance expenses increased \$30 million in 2009 primarily due to increased other operation expenses (\$28 million) and increased other maintenance expenses (\$2 million).

Other operation expenses increased \$28 million in 2009 primarily due to:

- Increased pension expense (\$24 million) due to lower 2008 pension asset investment performance

**Louisville Gas and Electric Company**

- Increased administrative and general expense (\$12 million) due to increased DSM program spending as well as consulting fees for software training and increased labor and benefit costs

Partially offset by:

- Decreased other power supply expense (\$4 million) due to a FERC Order resulting in decreased MISO RSG costs (\$3 million) and decreased operating reserve charges in the PJM Interconnection market due to lower rates and sales volumes (\$1 million)
- Decreased transmission expense (\$3 million) due to the establishment of regulatory assets approved by the Kentucky Commission for the East Kentucky Power Cooperative settlement and MISO refund and lower off-system transmission purchases from KU resulting from units held in reserve as a result of low spot market pricing which reduced excess generation
- Decreased distribution expense (\$1 million) due to higher storm and outage related expense in 2008

Other maintenance expenses increased \$2 million in 2009 primarily due to:

- Increased steam maintenance expense (\$3 million) due to timing of scheduled unit outages and routine maintenance
- Increased administrative and general expense (\$1 million) due to increased labor and system maintenance contracts resulting from completion of a significant in-house customer information system project

Partially offset by:

- Decreased distribution expense (\$2 million) due to lower storm and outage related expense and gas main maintenance in 2009

Mark-to-market income – net increased \$55 million in 2009 due to a gain from the change in the value of ineffective swaps (\$57 million), partially offset by related interest expense (\$2 million).

Other income – net decreased \$6 million in 2009 primarily due to decreased gains on the sale of company property.

Interest expense decreased \$14 million in 2009 primarily due to:

- Decreased net gain (\$8 million) on the ineffective portion of the effective interest rate swap
- Decreased interest expense to affiliated companies (\$6 million) as a result of lower interest rates on short-term borrowings
- Decreased interest rates on bonds and lower interest expense due to bonds repurchased during 2008 (\$4 million)

Partially offset by:

- Increased interest expense to affiliated companies (\$4 million) as a result of additional debt issued during 2008

## Louisville Gas and Electric Company

**Investing Activities**

The primary use of funds for investing activities continues to be for capital expenditures. Net cash used for investing activities decreased \$56 million in 2009 compared to 2008, primarily due to decreased capital expenditures of \$57 million and increased changes in non-hedging derivatives of \$15 million. This decrease was partially offset by assets sold to KU of \$10 million in 2008 and decreased proceeds from the sale of company property of \$6 million.

**Explanations 2010 vs. 2011**

The following table summarizes the significant components of net income for 2011 vs. 2010:

	<b>Year Ended December 31, 2011</b>	<b>Year Ended December 31, 2010</b>
Operating Revenues	\$ 1,364	\$ 1,311
Fuel	350	366
Energy purchases	245	218
Other operation and maintenance	363	348
Depreciation	147	138
Taxes, other than income	18	13
Total Operating Expenses	<u>1,123</u>	<u>1,083</u>
Other Income (Expense) - net	(2)	14
Interest Expense	44	46
Income Taxes	71	68
Net Income	<u>\$ 124</u>	<u>\$ 128</u>



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The changes in the components of Net Income between these periods were due to the following factors. The results are adjusted for certain items that management considers special. See additional detail of this special item below.

	<u>2011 vs. 2010</u>
Margin	\$ 39
Other operation and maintenance	(10)
Depreciation	(13)
Taxes, other than income	(5)
Other Income (Expense) – net	(16)
Interest Expense	2
Income Taxes	(3)
Special Items	2
	<u>\$ (4)</u>

The net unrealized gains (losses) on contracts that economically hedge anticipated cash flows are considered special items by management. The after-tax amounts for 2011 and for 2010 were insignificant.

**Margin**

Margins were higher by \$39 million for 2011 compared with 2010. New KPSC rates went into effect on August 1, 2010, contributing an additional \$48 million in operating revenue over the prior year. Partially offsetting the rate increase were lower retail volumes resulting from weather and economic conditions.

**Other Operation and Maintenance**

Changes in other operation and maintenance expense were due to the following:

	<u>2011 vs. 2010</u>
Fuel for generation	\$ 5
Distribution maintenance (a)	8
Steam maintenance (b)	(5)
Transmission operation	1
Administrative and general	4
Other generation maintenance	(2)
Other	4
Total	<u>\$ 15</u>

- (a) Distribution maintenance costs increased in 2011 compared with 2010, primarily due to amortization of storm restoration-related costs along with a

**Louisville Gas and Electric Company**

hazardous tree removal project initiated in August 2010 and an increase in pipeline integrity work.

- (b) Steam maintenance costs decreased in 2011 compared with 2010, primarily due to the timing of scheduled maintenance outages and non-outage boiler maintenance.

**Depreciation**

Changes in depreciation were due to the following:

	<u>2011 vs. 2010</u>
TC2 (dispatch began in January 2011)	\$ 7
Other	<u>2</u>
Total	<u>\$ 9</u>

**Taxes, Other Than Income**

Taxes, other than income increased by \$5 million in 2011 compared with 2010 primarily due to a \$4 million state coal tax credit that was applied to 2010 property taxes. The remaining increase was due to higher assessments, primarily from significant property additions.

**Other Income (Expense) - net**

Changes in other income (expense) - net were due to the following:

	<u>2011 vs. 2010</u>
Losses on interest rate swaps (a)	\$ (19)
Other	<u>3</u>
Total	<u>\$ (16)</u>

- (a) Other income in 2010 resulted from the establishment of a regulatory asset for previously recorded losses on interest rate swaps.

## Louisville Gas and Electric Company

### Interest Expense

The changes in interest expense were due to:

	<b>2011 vs. 2010</b>
Interest rates (a)	\$ (7)
Long-term debt balances (b)	2
Other	3
Total	\$ (2)

- (a) Interest rates on the first mortgage bonds issued in November 2010 were lower than the rates on the loans from Fidelia Corporation in place through October 2010.
- (b) LG&E's higher interest expense in 2011 was the result of lower long-term debt balances for the first ten months of 2010.

### Investing Activities

The primary use of cash in investing activities in 2011 was capital expenditures.

Net cash used in investing activities decreased by 78%, or \$132 million, in 2011 compared with 2010, as a result of:

- proceeds from the sale of other investments of \$163 million in 2011 and
- a decrease in capital expenditures of \$28 million due primarily to TC2 being dispatched in 2011, partially offset by
- proceeds from the sale of assets of \$48 million in 2010 and
- a decrease in restricted cash of \$11 million.

LGE 107001 Activity January 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 49,766.19
112491	METERS-LGE	2,288.09
112767	MC ASH POND EXPANSION STUDY	520.34
113270	DISTRIBUTION LINE TRANSFORMER	303,516.50
114268	RESID. GAS REGULATOR REPL.	218,074.99
117136	CR LANDFILL VERTICAL	9,352.22
117149	TC2 PROJECT	2,856,445.32
117320	SUBSTATION PROTECTION MODIFICATIONS	164,727.34
117361	ACCRUED LABOR - LGE	(5,757.15)
117882	TRANSFORMER REWIND (SMYRNA TR1)	21,839.13
118006	TC HONEYWELL MFC SYSTEM UPGRADE DESIGN	(12,553.78)
118008	TC STATOR LEAK MANAGEMENT SYSTEM	12,553.79
118123	CR5 LP 1&2 FEEDWATER HEATER REPLACEMENT	723.74
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	395,294.57
118239	LG&E SUBSTATION SPILL PREVENTION	1,169.72
118349	OHIO FALLS REDEVELOPMENT	53,916.16
119902	CLEAR A&G LGE	306,653.79
120162	PAY AS YOU GO MACHINE REMOVAL	4,824.97
120319	PURCHASE & INSTALL TAP CHGR AUXILLARY OIL FILTER SYSTEMS FOR	23,555.68
120517	AUXILLARY CONTROL SWITCHES FOR GE AM13.8-500 BREAKERS	886.80
120522	MC FGD QUENCH DIESEL GENERATOR	207.93
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	39.50
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	141.31
120575	ENHANCE DOE RUN SHALE GAS RECOVERY SYSTEM	(18.48)
120592	REGULATOR RELIEF UPGRADE AT CANNONS LANE STATION #1 & #2	31.82
120594	HIGH PRESSURE GAS REGULAR ASSEMBLY REPLACEMENT PROGRAM	241.53
120595	PURCHASE REGULATORS - RESID. & COMMER.	35,435.44
120596	FARM TAP REGULATOR UPGRADE	5,053.82
120597	PURCHASE ANODES/RECTIFIERS	469.75
120599	P J TECHNICAL EQUIPEMENT	11,114.61
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	(97,741.61)
120768	LG&E WORST CIRCUITS CIRCUIT HARDENING	648.80
120798	INTERACTIVE VOICE REPOSE IVR ENCHANCEMENTS	38.07
120803	SECURE E-MAIL	94.00
121298	CONTROL CENTER CONSTRUCTION	79,556.30
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	76,475.70
121467	BLUEGRASS CAPACITY ADDITION	65,186.39
121528	REHL ROAD PUMP STATION	4.50
121587	TC FGD UPGRADE 2007	(55,607.10)
121600	FIRE PROTECTION SYSTEM EQUIPMENT	(300.00)
121611	CARPET AND TILE REPLACEMENT	(20,793.13)
121612	OFFICE FURNITURE AND EQUIPMENT	(23,038.60)
121620	CANE RUN NEW LANDFILL	1,556.59
121669	MC1 FGD MULTIFUNCTION CONTROLLER	(49.90)
121676	MILL CREEK UNIT 2 SH OUTLET DMW'S (2007)	(1,476.93)
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	83,606.85
121684	TC2 AQCS LGE	1,894,355.70
121699	MC 2 FGD MULTIFUNCTION CONTROLLERS	381.46

LGE 107001 Activity January 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
121716	MC ASH SYSTEM OUTSIDE PIPING - 2007	187.65
121718	MC2 RECYCLE PUMP UPGRADE - 2007	3.54
121723	MC 2 STATOR LEAK MONITORING SYSTEM	120.57
121724	MILL CREEK ASH POND PIPING	709.01
121725	MILL CREEK 2A HEATER BASKETS	229.24
121726	MC LIMESTONE ENGINEERING STUDY	417.06
121727	MILL CREEK 3 COOLING TOWER FILL REPLACEMENT	154.87
121733	MC COAL HANDLING RAILROAD TRACK	1,944.70
121752	PTS FOR CANE RUN PLANT	894.37
121777	PC INFRASTRUCTURE - LGE	(22,772.90)
121781	SURVEY & INSPECTION SYSTEM ENCHANCEMENT PROJECT	21,714.32
121782	MOBILE COMPUTING INFRASTRUCTURE	(3,545.50)
121784	IMPLEMENT GIS REDLINING	(25.08)
121786	LGE DOIT MOB COMP FOR GIS	85.96
121788	OMS UPGRADE	6,080.12
121814	2007 PC PURCHASES	(3.53)
121895	MULDRAUGH MOTOR/PUMP REPLACEMENT-ENGINE 6	312.32
121897	MULDRAUGH FACILITY IMPROVEMENTS	12,182.49
121898	MULDRAUGH ENGINE COOLING IMPROVEMENT	(3,089.64)
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	12,675.29
121901	MULDRAUGH STORGE PIPELINE REPLACEMENT	1,980.13
121904	MULDRAUGH BOILER SAFETY-PURIFICATION UNIT AND DEHYDRATOR	259.72
121906	BALLARDSVILLE TRANSMISSION PIPELINE BLOCK VALVE	100.38
121907	2007 GAS REGULATOR CAPACITY PROJECT	(17,865.29)
121908	2007 FT RATE CONVERSION PROJECTS	2,572.62
121910	2007 GAS REGULATOR/RELIEF CAPACITY PROJECT	27,874.97
121911	COMMERCIAL HP GAS SERVICE REPLACEMENT PROGRAM	(3,999.92)
121926	MAGNOLIA-REPLACE 2 INCH STEEL MAIN WITH 4 INCH PLASTIC MAIN	(8,922.09)
121928	RELINE GAS STORAGE WELLS	1,774.69
121942	OLD HENRY ROAD MAIN EXTENSION	8,551.00
121955	CEMS STACK VISION/EDR UPGRADE - LGE	(120.12)
121965	BLUEGRASS CIRCUIT WORK	7,734.80
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	117,903.26
122055	CR6 SLUDGE PROCESSING PLANT UPGRADE	(61,028.60)
122122	TC1 LOWER SLOPE TUBE REPLACEMENT	23,481.05
122126	TC SPCC COMPLIANCE CAPITAL 2007	(34,360.85)
122128	TC IFD VFD CONTROL MODULE UPGRADE	(9,493.66)
122130	TC1 EXPANSION JOINT REPLACEMENTS	367.20
122131	TC1 SCR BYPASS EROSION CONTROL	1,107.00
122132	TC1 ASH PIT SEAL TROUGH SKIRTING REPL	1,695.14
122133	TC PURCHASE ACID DAY TANK	(7,815.77)
122136	TC REPLACE G1 COAL CONVEYOR BELT	(4,769.97)
122138	REVISED TC FUEL PIPE REPLACEMENT 2007	(344.49)
122139	TC MISC PLANT ENGINEERING 2007	(18,239.46)
122140	INSTALL COAL CONVEYOR BELT B	(10,195.72)
122144	TC 1B AIR HEATER BASKET REPLACEMENT	(33,231.93)
122148	CR6 LOWER WATER WALL SLOPE REPLACEMENT	4,410.24
122161	CR SPCC COMPLIANCE 2007	1,916.69

LGE 107001 Activity January 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
122164	CANE RUN RAIL UPGRADE	41.13
122165	CR MISCELLANEOUS PROJECTS	1,847.70
122169	CR ASBESTOS ABATEMENT 2007	117.50
122170	OF SPCC RISK MITIGATION	562.95
122172	PR SUMP PUMP & MOTOR REPLACEMENT	304.99
122180	HARRODS CREEK PIPELINE	(70,565.65)
122189	CT6 A/B CONVERSION 07	44,971.46
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	642,968.29
122230	RECONSTRUCT WATERSIDE GAS FACILITIES	17,436.81
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	464,590.61
122247	MC TURBINE TURNING GEAR DIESEL GENERATOR	2,149.02
122275	SECOND DATA CENTER	75,349.15
122280	SO3 SORBENT INJECTION	(357,542.85)
122308	HARDWARE / SOFTWARE DEVELOPMENT TOOLS (026530)	1,482.24
122310	HARDWARE ENERGY MARKETING	792.68
122326	MONITOR REPLACEMENT LGE	514.10
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	14,315.61
122372	OUTSIDE CABLE PLANT - LGE	174.32
122380	WESTERN KENTUCKY SONET RING UPGRADE TO OC-48	(97.89)
122385	SERVER REPLACEMENT 2007 - LGE	(2,793.82)
122387	SAN REPORTING TOOL	0.04
122389	BACKUP STRATEGY EXPANSION PROJECT	75.93
122391	RED HOT SATELLITE & TEST	1,177.20
122426	IT SECURITY INFRASTRUCTURE PKI	238.79
122452	UPGRADE BUILDING AT PRESTON CITY GATE STATION	(4,823.82)
122466	CR5 SUPERHEATER PLATEN AND PENDANT REPLACEMENT	32,794.08
122501	ORACLE FINANCIAL/MATERIAL APPLICATIONS 11.5.10.2 UPGRADE	2,966.19
122503	POWERPLANT SOFTWARE IMPLEMENTATION	5,846.81
122512	MT 138KV COLLINS TERMINATION	8,607.12
122513	MIDDLETOWN - COLLINS 138 KV LINE	499.10
122514	COLLINS 138/69KV 150MVA TRNSFRMR	1,261.43
122534	2007 DIST CAPACITORS LGE	8,487.11
122539	SAP FOR CCS - LGE	963,303.48
122606	RTU REPL. CANAL & CANE RUN SW. STA.	689.80
122610	BARCODE SCANNER REPLACEMENT	26,760.38
122650	LGE GAS METERS	121,773.33
122693	LGE SONET COMMUNICATION	3,047.17
122695	UPS GRADE LANE	63,384.12
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	40,382.07
122702	BARDSTOWN, KY HP REGULATOR STATION	1,169.79
122717	MAIS II SERVER	(28.17)
122730	SECOND FIBER TO BOC DATA CENTER	7.65
122759	NORTH KY BACKBONE RENOVATION (FORMERLY WEST KY SONET MICI	(4,195.43)
122789	WESTPORT RD. GAS RELOCATION	19,364.38
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	40,674.35
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & €	(896,272.92)
122811	ORACLE ISUPPLIER PORTAL	2,168.12
122816	BRANDENBURG GAS DISTR MAIN REPLACEMENT	6,531.62

LGE 107001 Activity January 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
122817	MULDRAUGH ENGINE & BLOWER	325.47
122819	CCS - BUSINESS INTELLIGENCE	30,416.30
122820	CCS - CHANGE MGMT.	26,414.25
122821	CCS - CUSTOMER SERVICE	186,493.60
122822	CCS - DEVELOPMENT	75,119.84
122823	CCS - TECHNOLOGY	(138,953.17)
122847	MC4 COOLING TOWER FAN VARIABLE FREQUENCY DRIVERS	0.85
122861	MC2 SEAL TROUGH REAR WATERWALL TUBING	(1,701.73)
122862	UPS/SEMINOLE SUBSTATION ADDITION	7,563.17
122889	MILL CREEK UNIT 1 WATERWALL WELD OVERLAY 2008	1,611.36
122894	MC 4D COAL MILL GEARBOX	925.16
122895	MC 4B COAL MILL GEARBOX	925.16
122901	MC3 STACK LIGHTING	1,223.84
122917	SUSE LINUX IMPLEMENTATION	281.80
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	(12,241.80)
123041	PI ACT COMPLIANCE 2008	363.26
123070	SERENA DIMENSIONS CM SOFTWARE IMPLEMENTATION	20.21
123129	LGE STORM JULY 4	(22,417.61)
123139	MILL CREEK UNIT REHEATER REPLACEMENT	2,631.76
123148	LGE STORM JULY 17	(6,906.20)
123221	SERVICE RENEWALS FOR CP DEFICIENCIES	(3,060.26)
123260	GDS IMPLEMENTATION	867.40
123273	MULDRAUGH ELECTRICAL UPGRADES	(190.95)
123278	HUMANA DATA CENTER	155,050.14
123292	MC COAL SCALE CEFTIFICATION SLAB	1.84
123317	TC CT LUBE OIL VARNISH SYSTEM	4,794.75
123340	CR PLANT REACTANT SUPPLY CONTROL UPGRADE	1,696.50
123341	CR5 REHEAT SAFETY VALVE UPGRADE	50,786.80
123348	CR B REACTANT SCREEN DECK REPLACEMENT	523.65
123384	BLADELOGIC IMPLEMENTATION	(0.01)
123388	NMARKET - PJM IMPLEMENATION	224.91
123391	MC "D" CONVEYOR TUNNEL FAN	(1,540.90)
123401	MILL CREEK BARGE UNLOADING RUNWAY	4.07
123438	2008 LOUISVILLE ELECTRICAL UPGRADE	1,769.85
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	236.27
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	1,327.92
123450	NETWORK TOOLS & TEST EQUIPMENT	189.34
123555	SOUTH SERVICE CENTER CONSTRUCT NEW ENTRANCE	450.00
123565	RESIDENTIAL LEAK SURVEY AND STOPBOX INSPECTION MOBILE APPLI	(540.56)
123570	OF AQUATIC HABITAT ENCHANCEMENT	1,279.18
123579	JT1128 RECONDUCTOR	16,532.58
123594	MC E1 COAL CRUSHER MOTOR	265.55
123620	TC VEHICLE PURCHASES 2007	43,228.05
123621	MC LIMESTONE MILL SPARE GEARBOX REBUILD	171.39
123635	ORACLE IPROCUREMENT PUNCHOUT XML PRO CARD	909.22
123659	SCADA FOR ELECTRIC TROUBLE	26,274.22
123687	MC UTILITY TRUCKS 2007	597.00
123699	TRUCK FOR SERVICE SHOP 2007	(858.86)

LGE 107001 Activity January 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
123702	CR4B HOTWELL PUMP MOTOR REWIND	179.53
123708	WIND STORM 12-22-07	26.65
123731	BOC LL TRAINING ROOM G & F	3,062.38
123756	STORM 1/29/08	292,792.81
ASBLY419	REGULATOR ASSEMBLIES RC419	3,059.09
CLR419	LEAK REPAIR 419	51,073.92
COMP419	GAS DISTRIBUTION COMPLIANCE	10,619.96
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	61,353.21
L6	TRANS. LINES NEW FACILITIES	948.00
L7	LINE PARAMETER UPGRADES	7,880.32
LSMR414	LARGE SCALE MAIN REPL.	801,084.77
LT8	LT8	2,310.26
LT9	LT9 TRANSMISSION	79,069.13
MCAPRR340	CAP/REG/RECL 340	56,376.77
NBCD340OH	NEW BUS COMM OH 340	78,057.56
NBCD340UG	NEW BUS COMM UG 340	256,965.50
NBGCS419	NEW BUS CONNECT SERV 419	71,739.33
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	45,121.04
NBGS419	NEW BUS GAS SERV 419	(52,369.76)
NBGS421	NEW BUS. GAS SERV. 421	4,148.60
NBGS422	NEW BUSINESS GAS SERVICE 422	5,232.25
NBID341UG	NEW BUS INDUS UG 341	556.64
NBRD340OH	NEW BUS RES OH 340	63,925.25
NBRD341UG	NEW BUS RES UG 341	31,305.86
NBSB340OH	NEW BUS SUB OH 340	13,213.93
NBSB341UG	NEW BUS SUB UG 341	459,401.03
NBSV340OH	NEW ELECTRIC SERVICES	45,689.87
NBSV340UG	NEW EL SERV UG	72,589.70
NBVL343	NETWORK VAULTS 343	10,396.36
NETVLT343	NETWORK VAULTS	40,133.54
PBWK340OH	PUB WORKS RELOC OH	26,021.21
PBWK344UG	PUBLIC RELOCATIONS U/G	6,396.81
PBWK406G	PUBLIC WORKS GAS 406	2,946.01
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	(2,762.84)
RCST340	CUST REQ 340	32,029.97
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	(11,551.21)
RDCBL340	REPL DEFECTIVE CABLE 340	61,990.41
RDDD340OH	REP DEF EQ OH 340	218,132.43
RDDD340UG	REP DEF EQ UG 340	38,732.83
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	144,951.67
RDPOLE340	POLE REP/REPL 340	83,352.10
RDSTLT332	REPAIR STREET LIGHTING 332	44,569.42
RDSTLT340	REP DEF ST LIGHTS 340	563.21
RELD01015	LGE GENERAL RELIABILITY 01015	5,197.78
RELD340	CIR HARD RELIABILITY	(48,230.70)
RELD340OH	DIST. O/H RELIABILITY 340	61,070.76
RNTPD340	REP THR PARTY DAM 340	61,623.25
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	18,195.73



LGE 107001 Activity January 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RRCS419G	REP CO GAS SERV 419	202,061.54
RRCS421G	DIST MAINS 421 MULDRAUGH	465.97
STLT332	STREET LIGHTING 332	5,127.69
STLT332OH	STREET LIGHTS OVERHEAD 333	29,131.68
STLT332UG	STREET LIGHT UG 332	30,845.43
STRM323	STORM 003230	1,938.37
SYSENH340	SYS ENH EXIST CUST 340	9,117.12
TBRD340OH	TROUBLE OVERHEAD 340	111,400.77
TBRD340UG	TROUBLE UNDERGROUND 340	32,032.08
TLEQ340	TOOLS AND EQ 340	9,280.63
TLEQ419	PURCH. TOOLS 419	6,111.89
XFRM340	TRANSFORMER 340	10,740.51
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	14,167.69
		<u><u>\$ 11,940,215.00</u></u>

LGE 107001 Activity February 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 33,698.00
113270	DISTRIBUTION LINE TRANSFORMER	594,602.17
114268	RESID. GAS REGULATOR REPL.	124,642.16
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUSTRIAL CUSTOME	30,375.44
117136	CR LANDFILL VERTICAL	22,785.78
117149	TC2 PROJECT	1,313,805.83
117320	SUBSTATION PROTECTION MODIFICATIONS	2,189.06
117882	TRANSFORMER REWIND (SMYRNA TR1)	3,670.27
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	389,634.88
118239	LG&E SUBSTATION SPILL PREVENTION	33,744.62
118349	OHIO FALLS REDEVELOPMENT	343,387.32
119542	FUEL SUPPLY MANAGEMENT SYSTEM	15,742.65
120319	PURCHASE & INSTALL TAP CHGR AUXILLARY OIL FILTER SYSTEMS FOR	3,060.99
120515	MAINTENANCE FREE BREATHERS FOR SUBSTA TRANSFORMER TAP CHC	7,773.26
120517	AUXILLARY CONTROL SWITCHES FOR GE AM13.8-500 BREAKERS	92.61
120525	MC2 FGD DUCTWORK (ENGINEERING)	(13,384.98)
120595	PURCHASE REGULATORS - RESID. & COMMER.	10,353.44
120596	FARM TAP REGULATOR UPGRADE	207,361.33
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	88,260.31
121298	CONTROL CENTER CONSTRUCTION	456,630.26
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	39,798.40
121467	BLUEGRASS CAPACITY ADDITION	29,691.21
121530	MILL CREEK UNIT 4 INTERMEDIATE SUPERHEATER UPGRADE - 2006	92.45
121587	TC FGD UPGRADE 2007 (ECR RECOVABLE)	(3,706.21)
121612	OFFICE FURNITURE AND EQUIPMENT	21,962.70
121620	CANE RUN NEW LANDFILL	2,009.46
121664	HAZARDOUS SPILL PREVENTION	4,906.00
121669	MC1 FGD MULTIFUNCTION CONTROLLER	0.33
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	39,149.86
121684	TC2 AQCS LGE	1,754,615.17
121699	MC 2 FGD MULTIFUNCTION CONTROLLERS	1.69
121718	MC2 RECYCLE PUMP UPGRADE - 2007	0.86
121726	MC LIMESTONE ENGINEERING STUDY	6,306.79
121777	PC INFRASTRUCTURE - LGE	1,948.09
121781	SURVEY & INSPECTION SYSTEM ENCHANCEMENT PROJECT	9,323.35
121782	MOBILE COMPUTING INFRASTRUCTURE	(492.21)
121788	OMS UPGRADE	4,953.83
121814	2007 PC PURCHASES	788.99
121821	E WORKSTATIONS MODULE UPGRADE	737.50
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	445.05
121907	2007 GAS REGULATOR CAPACITY PROJECT	12,163.25
121908	2007 FT CONVERSION PROJECTS	(19,859.95)
121910	2007 GAS REGULATOR/RELIEF CAPACITY PROJECT	(27,844.43)
121911	COMMERCIAL HP GAS SERVICE REPLACEMENT PROGRAM	498.00
121926	MAGNOLIA-REPLACE 2 INCH STEEL MAIN WITH 4 INCH PLASTIC MAIN	2,449.42
121928	RELINE GAS STORAGE WELLS	3,395.30
121942	OLD HENRY ROAD MAIN EXTENSION	3,597.83
121950	MOISTURE IN OIL ANALYZER	34,344.58

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<u>Project</u>	<u>Description</u>	<u>Amount</u>
121955	CEMS STACK VISION/EDR UPGRADE - LGE	(2,002.00)
121965	BLUEGRASS CIRCUIT WORK	25,361.28
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	155,761.56
122055	CR6 SLUDGE PROCESSING PLANT UPGRADE	(72,818.48)
122122	TC1 LOWER SLOPE TUBE REPLACEMENT	(106.13)
122126	TC SPCC COMPLIANCE CAPITAL 2007	1,049.02
122130	TC1 EXPANSION JOINT REPLACEMENTS	(73.44)
122131	TC1 SCR BYPASS EROSION CONTROL	17.02
122132	TC1 ASH PIT SEAL TROUGH SKIRTING REPL	(339.03)
122133	TC PURCHASE ACID DAY TANK	(109.96)
122136	TC REPLACE G1 COAL CONVEYOR BELT	2,065.77
122138	REVISED TC FUEL PIPE REPLACEMENT 2007	(886.32)
122139	TC MISC PLANT ENGINEERING 2007	(281.05)
122161	CR SPCC COMPLIANCE 2007	0.04
122170	OF SPCC RISK MITIGATION	85.14
122180	HARRODS CREEK PIPELINE	4,244.24
122203	STORM 8-10	(53,309.72)
122218	PORTLAND STATION DEMOLITION	(22,143.00)
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	5,640,003.41
122230	RECONSTRUCT WATERSIDE GAS FACILITIES	(15,376.09)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	2,840,651.56
122247	MC TURBINE TURNING GEAR DIESEL GENERATOR	5,745.35
122275	SECOND DATA CENTER	302,861.69
122280	SO3 SORBENT INJECTION	2,958.84
122308	HARDWARE / SOFTWARE DEVELOPMENT TOOLS (026530)	838.53
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	17,914.84
122385	SERVER REPLACEMENT 2007 - LGE	(1,642.30)
122389	BACKUP STRATEGY EXPANSION PROJECT	1,640.61
122400	CORE NETWORK INFRASTRUCTURE	18.14
122426	IT SECURITY INFRASTRUCTURE PKI	61,681.77
122466	CR5 SUPERHEATER PLATEN AND PENDANT REPLACEMENT	159,917.30
122501	ORACLE FINANCIAL/MATERIAL APPLICATIONS 11.5.10.2 UPGRADE	1,508.05
122503	POWERPLANT SOFTWARE IMPLEMENATION	41,270.86
122513	MIDDLETOWN - COLLINS 138 KV LINE	476.31
122514	COLLINS 138/69KV 150MVA TRNSFRMR	19,837.50
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	5,942.48
122534	2007 DIST CAPACITORS LGE	874.54
122539	SAP FOR CCS - LGE	1,358,318.65
122603	SHARE POINT LGE	541.26
122606	RTU REPL. CANAL & CANE RUN SW. STA.	1,100.79
122650	LGE GAS METERS	140,874.17
122695	UPS GRADE LANE	489,773.96
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	9,926.92
122702	BARDSTOWN, KY HP REGULATOR STATION	638.55
122717	MAIS II SERVER	28.17
122783	UMS GROUP INVESTMENT EVALUATION MODEL	4,819.51
122789	WESTPORT RD. GAS RELOCATION	(30,159.03)
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	40,870.08

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<u>Project</u>	<u>Description</u>	<u>Amount</u>
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & €	237,765.77
122811	ORACLE ISUPPLIER PORTAL	32,045.48
122819	CCS - BUSINESS INTELLIGENCE	44,505.07
122820	CCS - CHANGE MGMT.	30,449.17
122821	CCS - CUSTOMER SERVICE	253,843.48
122822	CCS - DEVELOPMENT	107,283.04
122823	CCS - TECHNOLOGY	123,248.01
122861	MC2 SEAL TROUGH REAR WATERWALL TUBING	1.74
122862	UPS/SEMINOLE SUBSTATION ADDITION	5,913.67
122863	UPS/SEMINOLE 12KV CIRCUIT WORK	62,325.44
122885	TMIS REPLACEMENT PROJECT	3,071.17
122894	MC 4D COAL MILL GEARBOX	7,720.37
122895	MC 4B COAL MILL GEARBOX	31,811.12
122945	08 OFFICE FURNITURE & EQUIPMENT	2,305.35
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	520.25
122982	NEW BECKWITH TAP CHANGER CONTROLLER FOR COLLINS TR 1	996.63
123041	PI ACT COMPLIANCE 2008	5,903.59
123047	REGULATOR CAPACITY	9,516.94
123082	LGE PC AND PRINTER	14,374.20
123172	LGE STORM JULY 19, 2007	11,880.65
123260	GDS IMPLEMENTATION	1,269.87
123264	BOC DATA CENTER COOLING REDUNDANCY	1,347.02
123273	MULDRAUGH ELECTRICAL UPGRADES	1,642.84
123278	HUMANA DATA CENTER	43,529.27
123317	TC CT LUBE OIL VARNISH SYSTEM	(16,275.38)
123348	CR B REACTANT SCREEN DECK REPLACEMENT	21,891.57
123413	HWSW DEVELOPMENT TOOLS	223.36
123415	IT TOOLS ENERGY SERVICES MRMD	612.65
123419	HARDWARE & SOFTWARE TOOLS IT SERVCO	375.23
123421	HW/SW DEV TOOLS 2008	67.81
123423	HW/SW DEV TOOLS 2008	32.70
123425	HW/SW DEV TOOLS LGE	181.02
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	3,345.46
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	7,531.92
123450	NETWORK TOOLS & TEST EQUIPMENT	5,475.60
123456	OUTSIDE CABLE PLANT	889.76
123460	TELEPHONE SYSTEMS CAPACITY EXPANSION	529.07
123464	CABLING FOR SERVER CONNECTIVITY	2,333.83
123475	2008 SERVER HARDWARE REFRESH	1,508.13
123481	CORE NETWORK INFRASTRUCTURE	2,206.00
123565	RESIDENTIAL LEAK SURVEY AND STOPBOX INSPECTION MOBILE APPLIK	6,444.62
123579	JT1128 RECONDUCTOR	33,819.59
123585	STORM 10/18/2007	(23,900.00)
123594	MC E1 COAL CRUSHER MOTOR	0.30
123595	HR GEN 16TH FLOOR REMODEL	28.55
123614	MUD LANE HUMANA DATA CENTER	199.20
123620	TC VEHICLE PURCHASES 2007	(12,888.70)
123635	ORACLE IPROUREMENT PUNCHOUT XML PRO CARD	2,322.39

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<u>Project</u>	<u>Description</u>	<u>Amount</u>
123696	DIST CONESTOGA TAP	2,200.84
123699	TRUCK FOR SERVICE SHOP 2007	127.54
123708	WIND STORM 12-22-07	412.33
123731	BOC LL TRAINING ROOM G & F	3,606.63
123744	MC D1 COAL CONVEYOR BELT 2008	5,083.75
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	1,081.44
123756	STORM 1/29/08	189,205.78
123765	THUNDERSTORM 2-5-08	275,711.51
123775	SNOW & ICE STORM 2-12-08	58,294.34
123783	WIND STORM 2-17	23,589.03
123786	PEOPLESOFT SELF SERVICE EMPLOYEE GIVING	1,116.36
123793	ICE STORM 2-21-08	60,138.99
ASBLY419	REGULATOR ASSEMBLIES RC419	15,935.98
CABLE341	BLANKET CABLE FOR JOINT TRENCH	60,354.70
CLR419	LEAK REPAIR 419	104,255.58
COMP419	GAS DISTRIBUTION COMPLIANCE	235.65
G95021408	PURCHASE AND INSTALLATION OF E	39,658.08
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	106,119.06
L5	TRANSMISSION LINE RELOCATION	2,442.20
L7	LINE PARAMETER UPGRADES	1,055.64
LSMR414	LARGE SCALE MAIN REPL.	969,303.75
LT8	LT8	25,068.63
LT9	LT9 TRANSMISSION	74,753.24
MCAPRR340	CAP/REG/RECL 340	20,064.73
NBCD340OH	NEW BUS COMM OH 340	107,315.54
NBCD340UG	NEW BUS COMM UG 340	137,033.49
NBGCS419	NEW BUS CONNECT SERV 419	50,121.10
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	44,359.31
NBGS419	NEW BUS GAS SERV 419	117,991.38
NBGS422	NEW BUSINESS GAS SERVICE 422	763.40
NBRD340OH	NEW BUS RES OH 340	35,839.04
NBRD340UG	NEW BUS RES UG	202.41
NBRD341UG	NEW BUS RES UG 341	28,714.42
NBSB340OH	NEW BUS SUB OH 340	35,028.65
NBSB341UG	NEW BUS SUB UG 341	210,709.49
NBSV340OH	NEW ELECTRIC SERVICES	29,129.53
NBSV340UG	NEW EL SERV UG	58,837.15
NBVL343	NETWORK VAULTS 343	1,941.04
NETVLT343	NETWORK VAULTS	25,249.85
PBWK340OH	PUB WORKS RELOC OH	(1,652.16)
PBWK344UG	PUBLIC RELOCATIONS U/G	755.69
PBWK406G	PUBLIC WORKS GAS 406	73,958.92
RCST340	CUST REQ 340	8,895.06
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	26,677.05
RDCBL340	REPL DEFECTIVE CABLE 340	71,683.13
RDDD340OH	REP DEF EQ OH 340	115,877.71
RDDD340UG	REP DEF EQ UG 340	11,086.25
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	92,945.86

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<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
RDPOLE340	POLE REP/REPL 340	80,382.92
RDSTLT332	REPAIR STREET LIGHTING 332	(34,529.02)
RDSTLT340	REP DEF ST LIGHTS 340	116.49
RELD340OH	DIST. O/H RELIABILITY 340	23,759.18
RNTPD340	REP THR PARTY DAM 340	65,839.16
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	(6,341.44)
RRCS419G	REP CO GAS SERV 419	177,836.58
STLT332	STREET LIGHTING 332	(98,785.77)
STLT332OH	STREET LIGHTS OVERHEAD 333	311,275.21
STLT332UG	STREET LIGHT UG 332	178,727.72
STRM323	STORM 003230	257,871.27
SYSENH340	SYS ENH EXIST CUST 340	6,363.99
TBRD340OH	TROUBLE OVERHEAD 340	88,126.49
TBRD340UG	TROUBLE UNDERGROUND 340	12,475.23
TLEQ340	TOOLS AND EQ 340	16,370.23
TLEQ447	TOOLS AND EQUIPMENT 447	35.29
XFRM340	TRANSFORMER 340	20,585.07
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	13,756.26
		<b><u>\$ 22,237,442.84</u></b>

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<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 23,101.11
112491	METERS-LGE	(2,719.47)
113270	DISTRIBUTION LINE TRANSFORMER	560,754.08
114268	RESID. GAS REGULATOR REPL.	142,215.23
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUSTRIAL CUSTOME	28,365.11
117136	CR LANDFILL VERTICAL	42,200.87
117149	TC2 PROJECT	3,905,307.94
117320	SUBSTATION PROTECTION MODIFICATIONS	17,515.90
117361	ACCRUED LABOR - LGE	30,141.11
117846	PC INFRASTRUCTURE	2,736.51
117882	TRANSFORMER REWIND (SMYRNA TR1)	4,927.21
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	486,013.81
118239	LG&E SUBSTATION SPILL PREVENTION	88.75
118349	OHIO FALLS REDEVELOPMENT	112,627.20
120319	PURCHASE & INSTALL TAP CHGR AUXILLARY OIL FILTER SYSTEMS FOR	434.63
120515	MAINTENANCE FREE BREATHERS FOR SUBSTA TRANSFORMER TAP CHC	2,795.50
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	8,857.88
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	12,262.57
120592	REGULATOR RELIEF UPGRADE AT CANNONS LANE STATION #1 & #2	(792.35)
120594	HIGH PRESSURE GAS REGULAR ASSEMBLY REPLACEMENT PROGRAM	2,490.14
120595	PURCHASE REGULATORS - RESID. & COMMER.	1,665.22
120596	FARM TAP REGULATOR UPGRADE	52,713.29
120597	PURCHASE ANODES/RECTIFIERS	843.02
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	31,435.04
120754	MISC. A/R UNCOLLECTIBLE - LGE CAPITAL	15,328.00
120803	SECURE E-MAIL	209.47
120953	CR MISCELLANOUS PROJECT	3,173.91
121298	CONTROL CENTER CONSTRUCTION	337,743.79
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	71,936.09
121467	BLUEGRASS CAPACITY ADDITION	61,826.99
121530	MILL CREEK UNIT 4 INTERMEDIATE SUPERHEATER UPGRADE	613,201.34
121577	TC 847 LINE TIE DISCONNECTS	144.23
121587	TC FGD UPGRADE 2007	78.49
121612	OFFICE FURNITURE AND EQUIPMENT	1,317.76
121620	CANE RUN NEW LANDFILL	5,840.88
121676	MILL CREEK UNIT 2 SH OUTLET DMW'S (2007)	4,168.72
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	5,151.42
121684	TC2 AQCS LGE	1,743,983.74
121751	INSTALL WILDLIFE PROTECTION OF CANAL SUBSTATION	821.76
121754	CANE RUN GEN BREAKERS	9,086.57
121782	MOBILE COMPUTING INFRASTRUCTURE	(8,472.58)
121788	OMS UPGRADE	18,206.04
121814	2007 PC PURCHASES	143.58
121895	MULDRAUGH MOTOR/PUMP REPLACEMENT-ENGINE 6	1,613.64
121898	MULDRAUGH ENGINE COOLING IMPROVEMENT	1,613.64
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	35,017.93
121904	MULDRAUGH BOILER SAFETY-PURIFICATION UNIT AND DEHYDRATOR	868.15
121910	2007 GAS REGULATOR/RELIEF CAPACITY PROJECT	28,680.76

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<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
121942	OLD HENRY ROAD MAIN EXTENSION	7,234.20
121950	MOISTURE IN OIL ANALYZER	2,573.28
121965	BLUEGRASS CIRCUIT WORK	13,047.80
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	135,440.99
122055	CR6 SLUDGE PROCESSING PLANT UPGRADE	155.63
122126	TC SPCC COMPLIANCE CAPITAL 2007	8,364.85
122136	TC REPLACE G1 COAL CONVEYOR BELT	12,322.70
122139	TC MISC PLANT ENGINEERING 2007	(743.16)
122161	CR SPCC COMPLIANCE 2007	0.33
122164	CANE RUN RAIL UPGRADE	(4,267.68)
122180	HARRODS CREEK PIPELINE	847.04
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	(5,521,606.96)
122230	RECONSTRUCT WATERSIDE GAS FACILITIES	60,556.06
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	1,261,304.86
122247	MC TURBINE TURNING GEAR DIESEL GENERATOR	5,506.58
122275	SECOND DATA CENTER	207,829.24
122280	SO3 SORBENT INJECTION	731,282.48
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	396,323.01
122426	IT SECURITY INFRASTRUCTURE PKI	(66,840.66)
122466	CR5 SUPERHEATER PLATEN AND PENDANT REPLACEMENT	1,301,845.85
122501	ORACLE FINANCIAL/MATERIAL APPLICATIONS 11.5.10.2 UPGRADE	462.16
122503	POWERPLANT SOFTWARE IMPLEMENTATION	63,698.48
122512	MT 138KV COLLINS TERMINATION	627.44
122513	MIDDLETOWN - COLLINS 138 KV LINE	15.58
122514	COLLINS 138/69KV 150MVA TRNSFRMR	(19,503.18)
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	19,712.48
122519	LGE RTU PURCHASE 2007	2,669.43
122534	2007 DIST CAPACITORS LGE	143.48
122539	SAP FOR CCS - LGE	1,584,091.58
122650	LGE GAS METERS	107,965.48
122693	LGE SONET COMMUNICATION	824.96
122695	UPS GRADE LANE	(470,872.37)
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	3,387.97
122717	MAIS II SERVER	(497.67)
122783	UMS GROUP INVESTMENT EVALUATION MODEL	2,250.00
122789	WESTPORT RD. GAS RELOCATION	(3,527.09)
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	43,925.71
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & €	(2,185,533.89)
122811	ORACLE ISUPPLIER PORTAL	6,541.67
122819	CCS - BUSINESS INTELLIGENCE	35,431.67
122820	CCS - CHANGE MGMT.	15,722.39
122821	CCS - CUSTOMER SERVICE	248,993.26
122822	CCS - DEVELOPMENT	134,375.79
122823	CCS - TECHNOLOGY	88,662.95
122847	MC4 COOLING TOWER FAN VARIABLE FREQUENCY DRIVERS	(13,370.36)
122862	UPS/SEMINOLE SUBSTATION ADDITION	2,277.31
122863	UPS/SEMINOLE 12KV CIRCUIT WORK	512,192.66
122885	TMIS REPLACEMENT PROJECT	127.40



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<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
122893	MC 4-1 MAIN AUXILLARY HIGH VOLTAGE BUSHING	6,822.08
122894	MC 4D COAL MILL GEARBOX	3,493.25
122895	MC 4B COAL MILL GEARBOX	5,424.88
122902	MILL CREEK UNIT 4 COOLING TOWER FAN VARIABLE FREQUENCY DRIV	14,953.95
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	1,968.70
122944	2008 CHAIR REPLACEMENT	19,043.83
122945	08 OFFICE FURNITURE & EQUIPMENT	610.50
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	58,835.16
122981	REPLACE GE SFC PROTECTIVE RELAYS	72.36
122982	NEW BECKWITH TAP CHANGER CONTROLLER FOR COLLINS TR 1	59.80
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	978.34
123040	MULDRAUGH STORAGE PIPELINE REPLACEMENT	2,906.25
123041	PI ACT COMPLIANCE 2008	(5,903.59)
123047	REGULATOR CAPACITY	2,552.68
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	1,418.91
123082	LGE PC AND PRINTER	15,264.82
123260	GDS IMPLEMENTATION	1,755.24
123264	BOC DATA CENTER COOLING REDUNDANCY	1,410.62
123273	MULDRAUGH ELECTRICAL UPGRADES	1,712.13
123278	HUMANA DATA CENTER	37,472.40
123341	CR5 REHEAT SAFETY VALVE UPGRADE	4,500.93
123348	CR B REACTANT SCREEN DECK REPLACEMENT	1,420.66
123365	CR ASBESTOS ABATEMENT 2008	1,330.54
123415	IT TOOLS ENERGY SERVICES MRMD	47.73
123419	HARDWARE & SOFTWARE TOOLS IT SERVCO	866.00
123423	HW/SW DEV TOOLS 2008	844.87
123425	HW/SW DEV TOOLS LGE	1,206.30
123429	MONITOR REPLACEMENT LGE	990.76
123434	TIER C REPLACEMENT LGE	5,200.00
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	4.60
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	(38.60)
123450	NETWORK TOOLS & TEST EQUIPMENT	1,388.87
123460	TELEPHONE SYSTEMS CAPACITY EXPANSION	2,242.88
123464	CABLING FOR SERVER CONNECTIVITY	3,180.11
123475	2008 SERVER HARDWARE REFRESH	8,851.33
123479	ACCESS SWITCH ROTATION 2008	1,746.78
123502	IT SECURITY INFRASTRUCTURE PKI	1,419.30
123579	JT1128 RECONDUCTOR	(13,389.59)
123595	HR GEN 16TH FLOOR REMODEL	664.82
123614	MUD LANE HUMANA DATA CENTER	(8.00)
123618	AQUIRE ADDITIONAL PROPERTY ADJACENT TO MADISON SUBSTATION	4,553.34
123635	ORACLE IPROCUREMENT PUNCHOUT XML PRO CARD	10,849.77
123658	SULFUR CHN ANALYZER REPLACEMENTS	34,342.73
123696	DIST CONESTOGA TAP	10,113.08
123708	WIND STORM 12-22-07	3,787.95
123744	MC D1 COAL CONVEYOR BELT 2008	26,493.05
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	2,461.66
123756	STORM 1/29/08	(72,878.20)

LGE 107001 Activity March 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
123765	THUNDERSTORM 2-5-08	62,637.08
123775	SNOW & ICE STORM 2-12-08	16,399.94
123783	WIND STORM 2-17-08	4,734.96
123784	CR5 TURBINE GENERATOR COLLECTOR RING REPLACEMENT	66,164.61
123785	CR5 TURBINE STEAM SEALS AND PACKING REPLACEMENT	162,594.05
123786	PEOPLESFT SELF SERVICE EMPLOYEE GIVING	18,017.08
123789	CR5 52 BOILER FEED PUMP MOTOR REWIND	72,832.51
123793	ICE STORM 2-21-08	18,587.30
123794	CR5 HIGH VOLTAGE BUSHING REPLACEMENT	236,331.27
123854	MOTOR REPLACE. LGE - CORPORATE	16,544.59
ASBLY419	REGULATOR ASSEMBLIES RC419	32,437.58
CABLE341	BLANKET CABLE FOR JOINT TRENCH	(14,459.52)
CLR419	LEAK REPAIR 419	(143,290.28)
COMP419	GAS DISTRIBUTION COMPLIANCE	7,627.88
G95021408	PURCHASE AND INSTALLATION OF E	(37,485.68)
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	333,364.60
L5	TRANSMISSION LINE RELOCATION	81,153.15
L6	TRANS. LINES NEW FACILITIES	2,494.87
L7	LINE PARAMETER UPGRADES	12,968.78
LSMR414	LARGE SCALE MAIN REPL.	900,028.10
LT8	LT8	47,966.21
LT9	LT9 TRANSMISSION	46,559.43
MCAPRR340	CAP/REG/RECL 340	6,063.90
NBCD340OH	NEW BUS COMM OH 340	122,662.17
NBCD340UG	NEW BUS COMM UG 340	229,733.46
NBGCS419	NEW BUS CONNECT SERV 419	39,140.05
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	37,318.25
NBGS419	NEW BUS GAS SERV 419	101,576.64
NBRD340OH	NEW BUS RES OH 340	79,134.61
NBRD341UG	NEW BUS RES UG 341	37,178.25
NBSB340OH	NEW BUS SUB OH 340	13,419.77
NBSB341UG	NEW BUS SUB UG 341	291,995.64
NBSV340OH	NEW ELECTRIC SERVICES	77,153.16
NBSV340UG	NEW EL SERV UG	266,756.45
NBVL343	NETWORK VAULTS 343	11,251.36
NETVLT343	NETWORK VAULTS	141,795.47
PBWK340OH	PUB WORKS RELOC OH	26,556.18
PBWK344UG	PUBLIC RELOCATIONS U/G	(12,474.90)
PBWK406G	PUBLIC WORKS GAS 406	10,998.86
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	72,713.00
RCST340	CUST REQ 340	148,552.41
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	6,620.11
RDCBL340	REPL DEFECTIVE CABLE 340	110,084.92
RDDD340OH	REP DEF EQ OH 340	176,902.79
RDDD340UG	REP DEF EQ UG 340	54,371.74
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	170,757.70
RDPOLE340	POLE REP/REPL 340	127,451.72
RDSTLT332	REPAIR STREET LIGHTING 332	223,110.36

LGE 107001 Activity March 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RDSTLT340	REP DEF ST LIGHTS 340	844.28
RELD01015	LGE GENERAL RELIABILITY 01015	1,805.70
RELD340OH	DIST. O/H RELIABILITY 340	18,097.37
RELD340UG	DIST U/G RELIABILITY 340	7,470.00
RNTPD340	REP THR PARTY DAM 340	61,427.47
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	(7,189.29)
RRCS419G	REP CO GAS SERV 419	114,277.50
STLT332	STREET LIGHTING 332	(5,410.77)
STLT332OH	STREET LIGHTS OVERHEAD 333	(59,555.68)
STLT332UG	STREET LIGHT UG 332	37,477.75
STRM323	STORM 003230	(245,668.00)
SYSENH340	SYS ENH EXIST CUST 340	5,048.08
TBRD340OH	TROUBLE OVERHEAD 340	147,479.17
TBRD340UG	TROUBLE UNDERGROUND 340	29,209.08
TLEQ340	TOOLS AND EQ 340	19,863.18
TLEQ419	PURCH. TOOLS 419	530.37
XFRM340	TRANSFORMER 340	26,714.54
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	6,955.70
		<u><u>\$ 12,037,091.36</u></u>

LGE 107001 Activity April 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 8,857.45
112491	METERS-LGE	33.00
113270	DISTRIBUTION LINE TRANSFORMER	314,740.04
114268	RESID. GAS REGULATOR REPL.	138,017.43
115473	TC CT SUB LGE	(0.07)
117136	CR LANDFILL VERTICAL	24,174.07
117149	TC2 PROJECT	142,794.09
117320	SUBSTATION PROTECTION MODIFICATIONS	18,673.02
117361	ACCRUED LABOR - LGE	(30,141.11)
117882	TRANSFORMER REWIND (SMYRNA TR1)	(85,734.48)
118006	TC HONEYWELL MFC SYSTEM UPGRADE DESIGN	12,553.78
118008	TC STATOR LEAK MANAGEMENT SYSTEM	(12,553.78)
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	308,059.37
118239	LG&E SUBSTATION SPILL PREVENTION	12,027.93
118349	OHIO FALLS REDEVELOPMENT	357,567.90
120319	PURCHASE & INSTALL TAP CHGR AUXILLARY OIL FILTER SYSTEMS FOR	1,670.98
120515	MAINTENANCE FREE BREATHERS FOR SUBSTA TRANSFORMER TAP CHC	398.09
120517	2006 AUXILLARY CONTROL SWITCHES FOR GE AM13.8-500 BREAKERS	56.50
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	41,995.34
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	14,825.49
120595	PURCHASE REGULATORS - RESID. & COMMER.	3,161.30
120596	FARM TAP REGULATOR UPGRADE	47,292.48
120597	PURCHASE ANODES/RECTIFIERS	338.91
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	40,951.12
120803	SECURE E-MAIL	142.53
121298	CONTROL CENTER CONSTRUCTION	388,541.68
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	(300,779.77)
121467	BLUEGRASS CAPACITY ADDITION	67,437.48
121528	REHL ROAD PUMP STATION	(112.05)
121530	MILL CREEK UNIT 4 INTERMEDIATE SUPERHEATER UPGRADE	259,281.62
121577	TC 847 LINE TIE DISCONNECTS	0.07
121620	CANE RUN NEW LANDFILL	15,548.43
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	27,296.49
121684	TC2 AQCS LGE	2,224,470.77
121726	MC LIMESTONE ENGINEERING STUDY	15,854.04
121751	INSTALL WILDLIFE PROTECTION OF CANAL SUBSTATION	22,505.45
121754	CANE RUN GEN BREAKERS	1,884.03
121777	PC INFRASTRUCTURE - LGE	8.59
121788	OMS UPGRADE	9,244.01
121816	RESPONSIVE PRICE METERS	18,320.42
121821	E WORKSTATIONS MODULE UPGRADE	8,268.00
121897	MULDRAUGH FACILITY IMPROVEMENTS	857.81
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	(36,303.35)
121901	MULDRAUGH STORGE PIPELINE REPLACEMENT	(127.82)
121907	2007 GAS REGULATOR CAPACITY PROJECT	6,278.46
121950	MOISTURE IN OIL ANALYZER	13,198.72
121959	AWARE BOILER TUBE SOFTWARE	394.82
121964	FAIRMONT CIRCUIT WORK	49,681.93

LGE 107001 Activity April 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
121965	BLUEGRASS CIRCUIT WORK	39,836.10
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	104,203.31
122139	TC MISC PLANT ENGINEERING 2007	0.17
122171	PR SPCC COMPLIANCE 2007	4,253.75
122180	HARRODS CREEK PIPELINE	873.69
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	123,948.71
122230	RECONSTRUCT WATERSIDE GAS FACILITIES	(68,395.01)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(412,853.28)
122247	MC TURBINE TURNING GEAR DIESEL GENERATOR	3,956.31
122275	SECOND DATA CENTER	219,751.33
122280	SO3 SORBENT INJECTION	64,048.47
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	16,257.62
122418	IT STRATEGY & PLANNING 07 RESEARCH TECH INVESTMENT	1,230.21
122466	CR5 SUPERHEATER PLATEN AND PENDANT REPLACEMENT	282,317.02
122503	POWERPLANT SOFTWARE IMPLEMENTATION	42,712.54
122512	MT 138KV COLLINS TERMINATION	4,865.64
122514	COLLINS 138/69KV 150MVA TRNSFRMR	2,217.33
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	13,743.81
122519	LGE RTU PURCHASE 2007	1,843.26
122539	SAP FOR CCS - LGE	1,138,056.74
122603	SHARE POINT LGE	651.92
122650	LGE GAS METERS	208,941.19
122656	MERCURY MONITORING	6,868.35
122695	UPS GRADE LANE	36,974.03
122702	BARDSTOWN, KY HP REGULATOR STATION	1,241.00
122789	WESTPORT RD. GAS RELOCATION	(194.68)
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	39,671.86
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & 6	2,042,924.71
122811	ORACLE ISUPPLIER PORTAL	1,603.60
122816	BRANDENBURG GAS DISTR MAIN REPLACEMENT	672.30
122819	CCS - BUSINESS INTELLIGENCE	47,706.08
122820	CCS - CHANGE MGMT.	16,958.72
122821	CCS - CUSTOMER SERVICE	292,838.44
122822	CCS - DEVELOPMENT	147,429.81
122823	CCS - TECHNOLOGY	97,011.11
122847	MC4 COOLING TOWER FAN VARIABLE FREQUENCY DRIVERS	1,465.46
122862	UPS/SEMINOLE SUBSTATION ADDITION	20,557.78
122863	UPS/SEMINOLE 12KV CIRCUIT WORK	(536,442.60)
122885	TMIS REPLACEMENT PROJECT	3,448.23
122889	MILL CREEK UNIT 1 WATERWALL WELD OVERLAY 2008	376,161.81
122893	MC 4-1 MAIN AUXILLARY HIGH VOLTAGE BUSHING	13,591.06
122894	MC 4D COAL MILL GEARBOX	12,302.81
122895	MC 4B COAL MILL GEARBOX	6,596.40
122902	MILL CREEK UNIT 4 COOLING TOWER FAN VARIABLE FREQUENCY DRIV	109,285.46
122903	MC1 AIR HEATER BASKETS	66,138.53
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	451.27
122945	08 OFFICE FURNITURE & EQUIPMENT	5,271.33
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	74,569.89

LGE 107001 Activity April 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	171,898.08
122981	REPLACE GE SFC PROTECTIVE RELAYS	144.72
123020	MULDRAUGH MISCELLANEOUS FACILITY IMPROV	36,483.11
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	7,153.52
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	3,133.49
123040	MULDRAUGH STORAGE PIPELINE REPLACEMENT	5,579.41
123043	MULDRAUGH TRANS. REPLACE.	11,825.52
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	8,454.89
123082	LGE PC AND PRINTER	20,096.71
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	3,102.57
123163	LGE ERT'S	1,093.11
123260	GDS IMPLEMENTATION	834.16
123264	BOC DATA CENTER COOLING REDUNDANCY	3,595.74
123273	MULDRAUGH ELECTRICAL UPGRADES	1,420.59
123278	HUMANA DATA CENTER	199,296.32
123365	CR ASBESTOS ABATEMENT 2008	12,491.16
123384	BLADELOGIC IMPLEMENTATION	1,793.43
123415	IT TOOLS ENERGY SERVICES MRMD	32.87
123419	HARDWARE & SOFTWARE TOOLS IT SERVCO	475.66
123423	HW/SW DEV TOOLS 2008	1,266.85
123425	HW/SW DEV TOOLS LGE	(933.24)
123434	TIER C REPLACEMENT LGE	9,600.00
123438	2008 LOUISVILLE ELECTRICAL UPGRADE	1,517.83
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	119.21
123446	MOBILE RADIO	5,280.82
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	4,641.99
123450	NETWORK TOOLS & TEST EQUIPMENT	363.56
123460	TELEPHONE SYSTEMS CAPACITY EXPANSION	134.57
123475	2008 SERVER HARDWARE REFRESH	12,811.34
123479	ACCESS SWITCH ROTATION 2008	120,818.20
123481	CORE NETWORK INFRASTRUCTURE	2,344.14
123490	NETWORK MANAGEMENT	6,242.99
123492	SECURITY INFRASTRUCTURE ENHANCEMENTS	1,572.33
123502	IT SECURITY INFRASTRUCTURE PKI	185.87
123579	JT1128 RECONDUCTOR	1,929.45
123595	HR GEN 16TH FLOOR REMODEL	3,751.39
123614	MUD LANE HUMANA DATA CENTER	3,529.47
123618	AQUIRE ADDITIONAL PROPERTY ADJACENT TO MADISON SUBSTATION	6,098.26
123630	BLUECOAT APPLIANCES	144.40
123635	ORACLE IPROCUREMENT PUNCHOUT XML PRO CARD	4,009.49
123696	DIST CONESTOGA TAP	(1,005.23)
123709	TC1 CATALYST LAYER PURCHASE & INSTALLATION 2008-2011	140,597.54
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	411.09
123756	STORM 1/29/08	49,508.52
123765	THUNDERSTORM 2-5-08	34,331.76
123775	SNOW & ICE STORM 2-12-08	(772.78)
123783	WIND STORM 2-17-08	(8,687.11)
123785	CR5 TURBINE STEAM SEALS AND PACKING REPLACEMENT	18,675.00

**LGE 107001 Activity April 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
123786	PEOPLESOFT SELF SERVICE EMPLOYEE GIVING	9,393.42
123789	CR5 52 BOILER FEED PUMP MOTOR REWIND	1,106.36
123793	ICE STORM 2-21-08	8,420.61
123794	CR5 HIGH VOLTAGE BUSHING REPLACEMENT	5,065.52
123798	OSI ENERGY MGMT SYSTEM EMS FEP DB POINT EXP.	6,007.98
123807	MOBILE SUPPLY CHAIN EXPANSION	8,959.28
123833	TC CAP SALVAGE EQUIP	1,914.97
123838	MC GYPSUM OVERLAND CONVEYOR BELT 2008	26,743.97
123854	MOTOR REPLACE. LGE - CORPORATE	(4,136.14)
123862	MC 3A COOLING TOWER FAN MOTOR REWIND	10,433.81
ASBLY419	REGULATOR ASSEMBLIES RC419	79.18
CLR419	LEAK REPAIR 419	(85,697.15)
COMP419	GAS DISTRIBUTION COMPLIANCE	571.46
ECAPRR340	CAP, REG, RECLOSERS 340	535.27
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	355,868.39
L5	TRANSMISSION LINE RELOCATION	6,051.46
L6	TRANS. LINES NEW FACILITIES	656.72
L7	LINE PARAMETER UPGRADES	16,829.84
LSMR414	LARGE SCALE MAIN REPL.	1,016,996.44
LT8	LT8	28,120.81
LT9	LT9 TRANSMISSION	116,717.59
MCAPRR340	CAP/REG/RECL 340	27,583.60
NBCD340OH	NEW BUS COMM OH 340	75,476.66
NBCD340UG	NEW BUS COMM UG 340	586,452.73
NBCD341UG	NEW BUS COMM UG 341	(3,920.40)
NBGCS419	NEW BUS CONNECT SERV 419	41,164.16
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	45,947.47
NBGS419	NEW BUS GAS SERV 419	89,584.29
NBGS421	NEW BUS. GAS SERV. 421	181.72
NBGS422	NEW BUSINESS GAS SERVICE 422	785.35
NBRD340OH	NEW BUS RES OH 340	71,413.55
NBRD341UG	NEW BUS RES UG 341	74,150.25
NBSB340OH	NEW BUS SUB OH 340	4,736.38
NBSB341UG	NEW BUS SUB UG 341	390,152.90
NBSV340OH	NEW ELECTRIC SERVICES	68,393.56
NBSV340UG	NEW EL SERV UG	99,481.81
NBSV341UG	NEW BUS. SERV. 341 UG	101.42
NBVL343	NETWORK VAULTS 343	7,188.99
NETVLT343	NETWORK VAULTS	6,023.80
PBWK340OH	PUB WORKS RELOC OH	55,585.78
PBWK344UG	PUBLIC RELOCATIONS U/G	28,644.31
PBWK406G	PUBLIC WORKS GAS 406	16,642.44
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	71,691.10
RCST340	CUST REQ 340	11,004.15
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	1,661.14
RDCBL340	REPL DEFECTIVE CABLE 340	9,394.03
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	1,004.42
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	1,004.42

LGE 107001 Activity April 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RDDD340OH	REP DEF EQ OH 340	275,056.09
RDDD340UG	REP DEF EQ UG 340	68,581.07
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	190,527.25
RDPOLE340	POLE REP/REPL 340	122,622.96
RDSTLT332	REPAIR STREET LIGHTING 332	139,255.29
RDSTLT340	REP DEF ST LIGHTS 340	678.04
RELD01015	LGE GENERAL RELIABILITY 01015	14,272.74
RELD340OH	DIST. O/H RELIABILITY 340	9,903.14
RELD340UG	DIST U/G RELIABILITY 340	(7,470.00)
RNTPD340	REP THR PARTY DAM 340	104,617.44
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	29,725.09
RRCS419G	REP CO GAS SERV 419	171,980.70
RRCS421G	DIST MAINS 421 MULDRAUGH	(190.01)
STLT332OH	STREET LIGHTS OVERHEAD 333	320,389.43
STLT332UG	STREET LIGHT UG 332	128,459.63
STRM323	STORM 003230	2,394.25
SYSENH340	SYS ENH EXIST CUST 340	17,674.07
TBRD340OH	TROUBLE OVERHEAD 340	137,650.76
TBRD340UG	TROUBLE UNDERGROUND 340	55,682.54
TLEQ340	TOOLS AND EQ 340	14,821.17
TLEQ419	PURCH. TOOLS 419	9,518.65
TLEQ451	TOOLS & EQUIPMENT 004510	2,476.59
WEATH340	WEATHER 003400	2,834.42
XFRM340	TRANSFORMER 340	16,215.05
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	34,465.37
		<u><u>\$ 14,910,919.12</u></u>



LGE 107001 Activity May 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ 41,919.65
111398	MISC. SUBSTATION PROJECTS	28,709.74
112491	METERS-LGE	5,298.52
113270	DISTRIBUTION LINE TRANSFORMER	293,230.79
114268	RESID. GAS REGULATOR REPL.	167,461.90
117136	CR LANDFILL VERTICAL	6,354.69
117149	TC2 PROJECT	1,888,011.91
117320	SUBSTATION PROTECTION MODIFICATIONS	90,829.28
117882	TRANSFORMER REWIND (SMYRNA TR1)	47,273.87
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	460,496.79
118239	LG&E SUBSTATION SPILL PREVENTION	2,374.32
118349	OHIO FALLS REDEVELOPMENT	207,226.68
119539	FORD - MIDDLETOWN 69KV DC	(29,220.15)
120319	PURCHASE & INSTALL TAP CHGR AUXILLARY OIL FILTER SYSTEMS FOR	3,043.11
120515	MAINTENANCE FREE BREATHERS FOR SUBSTA TRANSFORMER TAP CHC	390.28
120517	AUXILLARY CONTROL SWITCHES FOR GE AM13.8-500 BREAKERS	483.01
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	22,064.90
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	16,700.90
120595	PURCHASE REGULATORS - RESID. & COMMER.	3,864.15
120596	FARM TAP REGULATOR UPGRADE	211,608.51
120599	P J TECHNICAL EQUIPEMENT	2,941.77
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	13,942.09
120754	MISC. A/R UNCOLLECTIBLE - LGE CAPITAL	158,117.00
120803	SECURE E-MAIL	168.32
120953	CR MISCELLANOUS PROJECT	(438.65)
121102	REPLACE/INSTALL CROSS ARMS & INSULATORS	10,694.37
121298	CONTROL CENTER CONSTRUCTION	483,305.36
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	564,773.57
121467	BLUEGRASS CAPACITY ADDITION	137,642.32
121528	REHL ROAD PUMP STATION	351.46
121530	MILL CREEK UNIT 4 INTERMEDIATE SUPERHEATER UPGRADE	843,568.43
121577	TC 847 LINE TIE DISCONNECTS	144.37
121620	CANE RUN NEW LANDFILL	2,578.50
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	41,524.88
121684	TC2 AQCS LGE	3,564,549.39
121726	MC LIMESTONE ENGINEERING STUDY	2,618.80
121750	NESC COMPLIANCE DAHLIA SUB FENCE	278.45
121751	INSTALL WILDLIFE PROTECTION OF CANAL SUBSTATION	4,918.37
121754	CANE RUN GEN BREAKERS	1,709.72
121777	PC INFRASTRUCTURE - LGE	381.43
121781	SURVEY & INSPECTION SYSTEM ENCHANCEMENT PROJECT	17,500.00
121788	OMS UPGRADE	12,586.83
121821	E WORKSTATIONS MODULE UPGRADE	4,500.00
121897	MULDRAUGH FACILITY IMPROVEMENTS	(396.37)
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	(176.50)
121901	MULDRAUGH STORGE PIPELINE REPLACEMENT	16.25
121907	2007 GAS REGULATOR CAPACITY PROJECT	1,753.49
121910	2007 GAS REGULATOR/RELIEF CAPACITY PROJECT	1,104.51

**LGE 107001 Activity May 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
121911	COMMERCIAL HP GAS SERVICE REPLACEMENT PROGRAM	8,693.78
121959	AWARE BOILER TUBE SOFTWARE	577.49
121964	FAIRMONT CIRCUIT WORK	142,703.81
121965	BLUEGRASS CIRCUIT WORK	54,714.07
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	35,819.80
122161	CR SPCC COMPLIANCE 2007	(5,089.98)
122170	OF SPCC RISK MITIGATION	(1,369.50)
122180	HARRODS CREEK PIPELINE	311.25
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	(137,435.64)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(832,099.74)
122247	MC TURBINE TURNING GEAR DIESEL GENERATOR	3,998.71
122275	SECOND DATA CENTER	285,052.91
122280	SO3 SORBENT INJECTION	118,354.28
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	140,422.50
122452	UPGRADE BUILDING AT PRESTON CITY GATE STATION	(24.27)
122466	CR5 SUPERHEATER PLATEN AND PENDANT REPLACEMENT	7,086.80
122503	POWERPLANT SOFTWARE IMPLEMENTATION	109,940.06
122514	COLLINS 138/69KV 150MVA TRNSFRMR	1,227.83
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	32,217.90
122519	LGE RTU PURCHASE 2007	324.48
122539	SAP FOR CCS - LGE	1,498,166.63
122547	NEW BASE GENERATING UNIT - LGE	(6.23)
122603	SHARE POINT LGE	4,710.34
122650	LGE GAS METERS	181,681.14
122656	MERCURY MONITORING	27,473.38
122695	UPS GRADE LANE	(20,732.57)
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	5,974.72
122702	BARDSTOWN, KY HP REGULATOR STATION	(27.50)
122783	UMS GROUP INVESTMENT EVALUATION MODEL	(2,431.39)
122789	WESTPORT RD. GAS RELOCATION	539.41
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	29,749.14
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & 6	(86,078.36)
122811	ORACLE ISUPPLIER PORTAL	8,348.51
122817	MULDRAUGH ENGINE & BLOWER	(325.47)
122819	CCS - BUSINESS INTELLIGENCE	55,502.52
122820	CCS - CHANGE MGMT.	20,186.12
122821	CCS - CUSTOMER SERVICE	292,457.31
122822	CCS - DEVELOPMENT	171,542.56
122823	CCS - TECHNOLOGY	225,611.08
122847	MC4 COOLING TOWER FAN VARIABLE FREQUENCY DRIVERS	13,338.10
122862	UPS/SEMINOLE SUBSTATION ADDITION	17,687.36
122863	UPS/SEMINOLE 12KV CIRCUIT WORK	44,153.32
122885	TMIS REPLACEMENT PROJECT	389.21
122889	MILL CREEK UNIT 1 WATERWALL WELD OVERLAY 2008	156,729.10
122894	MC 4D COAL MILL GEARBOX	35,931.42
122895	MC 4B COAL MILL GEARBOX	28,777.33
122902	MILL CREEK UNIT 4 COOLING TOWER FAN VARIABLE FREQUENCY DRIV	64,478.60
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	1,755.60

**LGE 107001 Activity May 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
122941	2008 CARPET & TILE REPLACEMENT	10,990.02
122945	08 OFFICE FURNITURE & EQUIPMENT	411.75
122947	EMERGENCY POWER	57,422.02
122951	LGE FAILED EQUIPMENT	15,553.47
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	9,754.87
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	66,336.62
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	5,261.92
122981	REPLACE GE SFC PROTECTIVE RELAYS	50,022.70
123020	MULDRAUGH MISCELLANEOUS FACILITY IMPROV	5,576.00
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	13,069.12
123023	CP IMPRESSED CURRENT SYSTEM	5,081.44
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	380,344.74
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	14,584.90
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	21,680.89
123040	MULDRAUGH STORAGE PIPELINE REPLACEMENT	11,049.13
123043	MULDRAUGH TRANS. REPLACE.	1,385.34
123047	REGULATOR CAPACITY	12,140.51
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	10,624.99
123070	SERENA DIMENSIONS CM SOFTWARE IMPLEMENTATION	29,298.55
123082	LGE PC AND PRINTER	3,026.76
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	110,487.76
123163	LGE ERT'S	66,422.63
123260	GDS IMPLEMENTATION	2,062.89
123273	MULDRAUGH ELECTRICAL UPGRADES	(63.76)
123278	HUMANA DATA CENTER	17,344.01
123365	CR ASBESTOS ABATEMENT 2008	11,340.60
123383	NORTHSIDE CLIFTY CREEK 138KV UPGRADE	387,524.41
123413	HWSW DEVELOPMENT TOOLS	590.29
123415	IT TOOLS ENERGY SERVICES MRMD	608.91
123417	IT TOOLS ENERGY SERVICES POWER CEN	462.82
123419	HARDWARE & SOFTWARE TOOLS IT SERVCO	(136.71)
123421	HW/SW DEV TOOLS 2008	53.09
123425	HW/SW DEV TOOLS LGE	5.36
123434	TIER C REPLACEMENT LGE	18,447.76
123438	2008 LOUISVILLE ELECTRICAL UPGRADE	795.35
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	954.19
123446	MOBILE RADIO	94.65
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	(22.04)
123450	NETWORK TOOLS & TEST EQUIPMENT	149.52
123460	TELEPHONE SYSTEMS CAPACITY EXPANSION	303.83
123464	CABLING FOR SERVER CONNECTIVITY	396.34
123475	2008 SERVER HARDWARE REFRESH	5,789.19
123479	ACCESS SWITCH ROTATION 2008	10,762.46
123481	CORE NETWORK INFRASTRUCTURE	44,290.03
123492	SECURITY INFRASTRUCTURE ENHANCEMENTS	5,064.74
123502	IT SECURITY INFRASTRUCTURE PKI	1,443.94
123579	JT1128 RECONDUCTOR	998.11
123595	HR GEN 16TH FLOOR REMODEL	442.42

**LGE 107001 Activity May 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
123614	MUD LANE HUMANA DATA CENTER	(0.20)
123618	AQUIRE ADDITIONAL PROPERTY ADJACENT TO MADISON SUBSTATION	1,639.40
123635	ORACLE IPROUREMENT PUNCHOUT XML PRO CARD	8,532.78
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	975.28
123765	THUNDERSTORM 2-5-08	19,037.13
123774	CR4 RIGHT SIDE LOWER WATERWALL REPLACEMENT	714,028.25
123775	SNOW & ICE STORM 2-12-08	17,592.93
123783	WIND STORM 2-17-08	8,796.44
123785	CR5 TURBINE STEAM SEALS AND PACKING REPLACEMENT	(9,233.75)
123786	PEOPLESOFTE SELF SERVICE EMPLOYEE GIVING	349.20
123795	DIST EASTWOOD WEST TOP	1,003.84
123800	UNDER FREQUENCY LOAD SHEDDING - LGE	216.54
123807	MOBILE SUPPLY CHAIN EXPANSION	11,323.92
123816	COMPLIANCE DOCUMENTATION SOFTWARE PURCHASE	34,661.82
123833	TC CAP SALVAGE EQUIP	(3,829.94)
123838	MC GYPSUM OVERLAND CONVEYOR BELT 2008	(2,199.50)
123839	CR CONTROL SYSTEM SERVERS	10,442.92
123854	MOTOR REPLACE. LGE - CORPORATE	(16,544.59)
123862	MC 3A COOLING TOWER FAN MOTOR REWIND	563.39
123864	MC4 HOT AIR DUCT INSULATION	95,207.29
123887	SQL SERVER LICENSE UPGRADES	13,659.46
124154	TC 08 INSTALL OFFICE AUDIO VISUAL EQUIPMENT	7,813.42
124155	TC 08 MISC R1 SUMP PUMP REPLACEMENT	14,165.23
124156	TC 08 MISC E COAL MILL MOTOR REBUILD	4,595.02
124296	PR13 TURBINE INLET VANE REPLACEMENT	24,976.83
124310	LGE STORM MAY 11	11,350.70
ASBLY419	REGULATOR ASSEMBLIES RC419	2,425.97
CABLE341	BLANKET CABLE FOR JOINT TRENCH	381,195.90
CLR419	LEAK REPAIR 419	72,295.54
ECAPRR340	CAP, REG, RECLOSERS 340	452.20
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	4,014.35
L5	TRANSMISSION LINE RELOCATION	604.80
L6	TRANS. LINES NEW FACILITIES	2,078.91
L7	LINE PARAMETER UPGRADES	20,580.15
LSMR414	LARGE SCALE MAIN REPL.	1,195,865.79
LT9	LT9 TRANSMISSION	59,904.41
MCAPRR340	CAP/REG/RECL 340	72,267.38
NBCD340OH	NEW BUS COMM OH 340	107,849.07
NBCD340UG	NEW BUS COMM UG 340	296,779.92
NBCD341UG	NEW BUS COMM UG 341	13,398.75
NBGCS419	NEW BUS CONNECT SERV 419	73,333.27
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	24,144.75
NBGS419	NEW BUS GAS SERV 419	39,738.03
NBGS422	NEW BUSINESS GAS SERVICE 422	1,757.51
NBRD340OH	NEW BUS RES OH 340	69,121.39
NBRD340UG	NEW BUS RES UG	604.58
NBRD341UG	NEW BUS RES UG 341	30,245.13
NBSB340OH	NEW BUS SUB OH 340	6,434.64

LGE 107001 Activity May 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
NBSB341UG	NEW BUS SUB UG 341	482,872.08
NBSV340OH	NEW ELECTRIC SERVICES	61,309.28
NBSV340UG	NEW EL SERV UG	73,609.14
NBVL343	NETWORK VAULTS 343	4,515.62
NETVLT343	NETWORK VAULTS	2,382.80
PBWK340OH	PUB WORKS RELOC OH	4,051.02
PBWK344UG	PUBLIC RELOCATIONS U/G	10,338.16
PBWK406G	PUBLIC WORKS GAS 406	183,688.61
PLTRT340	POLE TREAT 340	49,363.97
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	11,853.27
RCST340	CUST REQ 340	14,097.79
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	(93,057.78)
RDCBL340	REPL DEFECTIVE CABLE 340	77,327.28
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	6,869.16
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	8,957.25
RDDD340OH	REP DEF EQ OH 340	297,076.52
RDDD340UG	REP DEF EQ UG 340	110,978.25
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	279,340.11
RDPOLE340	POLE REP/REPL 340	99,627.92
RDSTLT332	REPAIR STREET LIGHTING 332	147,335.21
RDSTLT340	REP DEF ST LIGHTS 340	215.13
RELD01015	LGE GENERAL RELIABILITY 01015	1,005.45
RELD340OH	DIST. O/H RELIABILITY 340	15,534.74
RELD340UG	DIST U/G RELIABILITY 340	4,991.97
RNTPD340	REP THR PARTY DAM 340	55,918.24
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	18,571.85
RRCS419G	REP CO GAS SERV 419	133,967.73
RRCS421G	DIST MAINS 421 MULDRAUGH	793.43
RRCS422G	RETAIL GAS SERVICE RC 422	416.61
STLT332	STREET LIGHTING 332	1,653.67
STLT332OH	STREET LIGHTS OVERHEAD 333	62,085.49
STLT332UG	STREET LIGHT UG 332	243,716.73
STRM323	STORM 003230	17,809.30
SYSEN406G	SYSTEM ENHANCE. GAS	12,872.57
SYSENH340	SYS ENH EXIST CUST 340	8,178.40
TBRD340OH	TROUBLE OVERHEAD 340	151,112.27
TBRD340UG	TROUBLE UNDERGROUND 340	47,329.51
TLEQ340	TOOLS AND EQ 340	(44,761.15)
TLEQ419	PURCH. TOOLS 419	(8.93)
TLEQ447	TOOLS AND EQUIPMENT 447	5,145.04
WEATH340	WEATHER 003400	646.85
XFRM340	TRANSFORMER 340	30,638.09
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	15,524.44
		<b><u>\$ 19,550,126.80</u></b>

**LGE 107001 Activity June 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ 102,503.39
111398	MISC. SUBSTATION PROJECTS	312,025.18
112491	METERS-LGE	3,362.01
112644	CAPITAL TOOLS	22,389.23
112767	MC ASH POND EXPANSION STUDY	1,647.37
113270	DISTRIBUTION LINE TRANSFORMER	415,912.26
114268	RESID. GAS REGULATOR REPL.	186,411.46
117136	CR LANDFILL VERTICAL	62,914.67
117149	TC2 PROJECT	4,607,553.79
117320	SUBSTATION PROTECTION MODIFICATIONS	159,879.23
117361	ACCRUED LABOR - LGE	9,664.60
117882	TRANSFORMER REWIND (SMYRNA TR1)	22,367.51
118123	CR5 LP 1&2 FEEDWATER HEATER REPLACEMENT	(542.81)
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	715,349.50
118239	LG&E SUBSTATION SPILL PREVENTION	(15,392.81)
118349	OHIO FALLS REDEVELOPMENT	250,099.22
119902	CLEAR A&G LGE	(83,046.94)
120317	PURCHASE NEW BECKWITH TAP CHANGER CONTROLLER FOR STEWART	1,995.06
120318	KNOB CREEK TR 1-115KB BUSHING REPLACEMENT	4,026.41
120319	PURCHASE & INSTALL TAP CHGR AUXILLARY OIL FILTER SYSTEMS FOR	13.29
120515	MAINTENANCE FREE BREATHERS FOR SUBSTA TRANSFORMER TAP CHC	964.11
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	14,147.19
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	4,944.01
120595	PURCHASE REGULATORS - RESID. & COMMER.	16,851.17
120596	FARM TAP REGULATOR UPGRADE	223,619.13
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	178,065.11
120754	MISC. A/R UNCOLLECTIBLE - LGE CAPITAL	(1,193.00)
120803	SECURE E-MAIL	202.96
121298	CONTROL CENTER CONSTRUCTION	448,521.84
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	33,867.89
121467	BLUEGRASS CAPACITY ADDITION	96,246.62
121528	REHL ROAD PUMP STATION	104.71
121577	TC 847 LINE TIE DISCONNECTS	144.37
121620	CANE RUN NEW LANDFILL	2,386.17
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	29,499.98
121684	TC2 AQCS LGE	3,377,924.98
121726	MC LIMESTONE ENGINEERING STUDY	35,191.83
121750	NESC COMPLIANCE DAHLIA SUB FENCE	38,070.44
121751	INSTALL WILDLIFE PROTECTION OF CANAL SUBSTATION	2,214.72
121754	CANE RUN GEN BREAKERS	69,225.01
121788	OMS UPGRADE	15,381.48
121809	POWERMATRIX EQUIPMENT	19,801.88
121901	MULDRAUGH STORGE PIPELINE REPLACEMENT	0.01
121910	2007 GAS REGULATOR/RELIEF CAPACITY PROJECT	552.75
121928	RELINE GAS STORAGE WELLS	14,522.31
121959	AWARE BOILER TUBE SOFTWARE	429.13
121964	FAIRMONT CIRCUIT WORK	35,481.39
121965	BLUEGRASS CIRCUIT WORK	95,350.26

**LGE 107001 Activity June 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	37,323.50
122074	CAPITAL SALES TAX ENTRY	481,091.93
122161	CR SPCC COMPLIANCE	17,457.98
122171	PR SPCC COMPLIANCE	4,323.78
122180	HARRODS CREEK PIPELINE	998.40
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	(277,855.00)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(2,134,822.96)
122247	MC TURBINE TURNING GEAR DIESEL GENERATOR	3,645.90
122275	SECOND DATA CENTER	417,122.33
122280	SO3 SORBENT INJECTION	3,529.93
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	49,470.10
122466	CR5 SUPERHEATER PLATEN AND PENDANT REPLACEMENT	(469,625.94)
122503	POWERPLANT SOFTWARE IMPLEMENTATION	12,737.06
122513	MIDDLETOWN - COLLINS 138 KV LINE	3,527.06
122514	COLLINS 138/69KV 150MVA TRNSFRMR	651.99
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	23,453.94
122519	LGE RTU PURCHASE 2007	322.46
122534	2007 DIST CAPACITORS LGE	97.71
122539	SAP FOR CCS - LGE	1,617,347.08
122547	NEW BASE GENERATING UNIT - LGE	215.14
122603	SHARE POINT LGE	3,270.27
122650	LGE GAS METERS	176,296.16
122656	MERCURY MONITORING	109,893.52
122695	UPS GRADE LANE	128,097.40
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	10,696.70
122702	BARDSTOWN, KY HP REGULATOR STATION	443.80
122717	MAIS II SERVER	497.67
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	63,046.93
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & 6	1,003,738.63
122811	ORACLE ISUPPLIER PORTAL	7,987.06
122819	CCS - BUSINESS INTELLIGENCE	50,925.25
122820	CCS - CHANGE MGMT.	22,555.11
122821	CCS - CUSTOMER SERVICE	291,743.59
122822	CCS - DEVELOPMENT	134,088.12
122823	CCS - TECHNOLOGY	764,985.57
122847	MC4 COOLING TOWER FAN VARIABLE FREQUENCY DRIVERS	5,836.38
122862	UPS/SEMINOLE SUBSTATION ADDITION	179,522.53
122863	UPS/SEMINOLE 12KV CIRCUIT WORK	14,618.64
122885	TMIS REPLACEMENT PROJECT	581.65
122891	MC1 345KV DISCONNECT SWITCH	3,809.31
122894	MC 4D COAL MILL GEARBOX	81,084.72
122895	MC 4B COAL MILL GEARBOX	(95.07)
122902	MILL CREEK UNIT 4 COOLING TOWER FAN VARIABLE FREQUENCY DRIV	7,268.03
122903	MC1 AIR HEATER BASKETS	267,317.77
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	2,425.82
122941	2008 CARPET & TILE REPLACEMENT	4,895.25
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	29,976.89
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	73,051.91

**LGE 107001 Activity June 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
122974	CONESTOGA SUBSTATION	192,708.08
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	260,344.14
122981	REPLACE GE SFC PROTECTIVE RELAYS	7,610.82
123020	MULDRAUGH MISCELLANEOUS FACILITY IMPROV	5,015.33
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	22,712.05
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	139,668.45
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	7,064.69
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	336,017.05
123040	MULDRAUGH STORAGE PIPELINE REPLACEMENT	10,083.92
123043	MULDRAUGH TRANS. REPLACE.	26,787.13
123045	REPLACE MULDRAUGH ODORANT SYSTEM	13,748.57
123047	REGULATOR CAPACITY	7,550.31
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	5,509.65
123050	OTTER CREEK EXPOSURE PROJECT	58,300.79
123075	LGE SOFTWARE LICENSES	1,504.43
123078	MOBILE GIS MODULES	2,670.10
123082	LGE PC AND PRINTER	26,796.64
123139	MILL CREEK UNIT REHEATER REPLACEMENT	67,787.96
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	48,765.61
123163	LGE ERT'S	59,092.73
123221	SERVICE RENEWALS FOR CP DEFICIENCIES	10,933.03
123260	GDS IMPLEMENTATION	1,492.63
123278	HUMANA DATA CENTER	(452,937.15)
123315	TC LAB MONITOR PURCHASE	13,975.71
123348	CR B REACTANT SCREEN DECK REPLACEMENT	(151.64)
123365	CR ASBESTOS ABATEMENT 2008	7,254.95
123383	NORTHSIDE CLIFTY CREEK 138KV UPGRADE	2,545.99
123413	HWSW DEVELOPMENT TOOLS	442.47
123415	IT TOOLS ENERGY SERVICES MRMD	18.47
123417	IT TOOLS ENERGY SERVICES POWER CEN	1,217.81
123421	HW/SW DEV TOOLS 2008	5,279.55
123423	HW/SW DEV TOOLS 2008	312.88
123425	HW/SW DEV TOOLS LGE	173.27
123434	TIER C REPLACEMENT LGE	28,207.52
123440	2008 LOUISVILLE RACKS & FURNITURE	2,724.79
123446	MOBILE RADIO	1,389.80
123450	NETWORK TOOLS & TEST EQUIPMENT	646.68
123456	OUTSIDE CABLE PLANT	513.21
123460	TELEPHONE SYSTEMS CAPACITY EXPANSION	244.34
123464	CABLING FOR SERVER CONNECTIVITY	191.77
123475	2008 SERVER HARDWARE REFRESH	13,306.54
123479	ACCESS SWITCH ROTATION 2008	2,027.60
123488	NETWORK ACCESS DEVICES AND GATEWAYS	131.59
123502	IT SECURITY INFRASTRUCTURE PKI	1,438.43
123579	JT1128 RECONDUCTOR	600.00
123614	MUD LANE HUMANA DATA CENTER	2,744.24
123696	DIST CONESTOGA TAP	824.44
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	14,301.49



**LGE 107001 Activity June 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
123774	CR4 RIGHT SIDE LOWER WATERWALL REPLACEMENT	(106,262.59)
123775	SNOW & ICE STORM 2-12-08	75,959.64
123785	CR5 TURBINE STEAM SEALS AND PACKING REPLACEMENT	(25,522.50)
123793	ICE STORM 2-21-08	2,902.92
123794	CR5 HIGH VOLTAGE BUSHING REPLACEMENT	(566.25)
123800	UNDER FREQUENCY LOAD SHEDDING - LGE	3,858.99
123807	MOBILE SUPPLY CHAIN EXPANSION	13,141.02
123816	COMPLIANCE DOCUMENTATION SOFTWARE PURCHASE	523.91
123833	TC CAP SALVAGE EQUIP	1,914.97
123839	CR CONTROL SYSTEM SERVERS	882.98
123854	MOTOR REPLACE. LGE - CORPORATE	4,136.14
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	44,476.20
123864	MC4 HOT AIR DUCT INSULATION	(10,728.79)
123889	UPS AIRPORT EXPANSION PROJ ASHBOTTOM ROAD	19,068.78
124015	MC4A COOLING TOWER PUMP 2008	69,426.00
124296	PR13 TURBINE INLET VANE REPLACEMENT	3,682,196.35
124297	MULDRAUGH PURIFIER REDUNDANT PLC	2,765.62
124310	LGE STORM MAY 11	11,874.58
124313	MC4C OXIDATION AIR COMPRESSOR GEARBOX	66,816.44
124414	ENERSYS WATERING SYSTEMS FOR BATTERY OPERATED EQUIPMENT	5,191.00
124634	STORM 6/19/2008	13,594.73
124641	STORM 6/26/2008	47,486.33
CLR419	LEAK REPAIR 419	6,205.67
ECAPRR340	CAP, REG, RECLOSERS 340	24,414.13
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	(3,826.56)
L7	LINE PARAMETER UPGRADES	11,215.50
LSMR414	LARGE SCALE MAIN REPL.	(84,730.39)
LT8	LT8	3,744.87
LT9	LT9 TRANSMISSION	65,508.72
MCAPRR340	CAP/REG/RECL 340	10,653.09
NBCD340OH	NEW BUS COMM OH 340	69,478.22
NBCD340UG	NEW BUS COMM UG 340	173,495.09
NBCD341UG	NEW BUS COMM UG 341	10,216.12
NBGCS419	NEW BUS CONNECT SERV 419	57,898.75
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	19,601.36
NBGS419	NEW BUS GAS SERV 419	43,757.54
NBGS421	NEW BUS. GAS SERV. 421	5,505.08
NBGS422	NEW BUSINESS GAS SERVICE 422	1,601.84
NBRD340OH	NEW BUS RES OH 340	61,878.97
NBRD341UG	NEW BUS RES UG 341	42,588.95
NBSB340OH	NEW BUS SUB OH 340	11,419.69
NBSB341UG	NEW BUS SUB UG 341	253,691.78
NBSV340OH	NEW ELECTRIC SERVICES	71,146.92
NBSV340UG	NEW EL SERV UG	61,623.96
NBVL343	NETWORK VAULTS 343	(74,237.86)
NETVLT343	NETWORK VAULTS	2,280.79
PBWK340OH	PUB WORKS RELOC OH	17,082.43
PBWK406G	PUBLIC WORKS GAS 406	23,377.88

**LGE 107001 Activity June 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	10,524.10
RCST340	CUST REQ 340	(26,571.63)
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	8,445.64
RDCBL340	REPL DEFECTIVE CABLE 340	26,112.56
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	763.82
RDDD340OH	REP DEF EQ OH 340	197,925.22
RDDD340UG	REP DEF EQ UG 340	70,074.42
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	120,360.65
RDPOLD340	REP DEF POL'S	1,087.19
RDPOLE340	POLE REP/REPL 340	72,874.27
RDSTLT332	REPAIR STREET LIGHTING 332	599,036.66
RDSTLT340	REP DEF ST LIGHTS 340	145.62
RELD01015	LGE GENERAL RELIABILITY 01015	1,207.62
RELD340OH	DIST. O/H RELIABILITY 340	70,451.06
RELD340UG	DIST U/G RELIABILITY 340	7,170.00
RNTPD340	REP THR PARTY DAM 340	49,788.05
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	4,244.04
RRCS419G	REP CO GAS SERV 419	124,947.35
RRCS421G	DIST MAINS 421 MULDRAUGH	1,924.58
STLT332OH	STREET LIGHTS OVERHEAD 333	(310,463.18)
STLT332UG	STREET LIGHT UG 332	(151,079.69)
STRM323	STORM 003230	4,821.34
SYSEN406G	SYSTEM ENHANCE. GAS	(9,546.81)
SYSENH340	SYS ENH EXIST CUST 340	15,760.19
TBRD340OH	TROUBLE OVERHEAD 340	151,852.94
TBRD340UG	TROUBLE UNDERGROUND 340	40,750.62
TBRD419G	MISC. GAS MAIN LEAK REPAIR/REPL	17,847.26
TLEQ340	TOOLS AND EQ 340	48,656.59
TLEQ447	TOOLS AND EQUIPMENT 447	3,195.92
TLEQ448	TOOLS AND EQUIPMENT 448	5,320.01
WEATH340	WEATHER 003400	1,848.10
XFRM340	TRANSFORMER 340	25,681.05
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	5,682.02

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**\$ 21,720,377.52**

LGE 107001 Activity July 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ (65,219.87)
108835	Repl MT Tr 1 & Tr 2	(36.37)
111398	MISC. SUBSTATION PROJECTS	66,224.76
112491	METERS-LGE	2,102.61
112644	CAPITAL TOOLS	(347.09)
113270	DISTRIBUTION LINE TRANSFORMER	263,817.46
114268	RESID. GAS REGULATOR REPL.	163,675.76
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUSTRIAL CUSTOME	10,795.42
117136	CR LANDFILL VERTICAL	45,529.43
117149	TC2 PROJECT	2,852,010.61
117207	CANAL - DEL PARK 69 KV LINE (CIRC.6616) SURVEY FOR RECONDUCTOR	702.85
117320	SUBSTATION PROTECTION MODIFICATIONS	23,543.29
117361	ACCRUED LABOR - LGE	(9,664.60)
117882	TRANSFORMER REWIND (SMYRNA TR1)	38,348.39
118123	CR5 LP 1&2 FEEDWATER HEATER REPLACEMENT	(1,772.62)
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	2,064,712.95
118239	LG&E SUBSTATION SPILL PREVENTION	9,285.28
118349	OHIO FALLS REDEVELOPMENT 2004	359,431.88
119542	FUEL SUPPLY MANAGEMENT SYSTEM	26.22
119902	CLEAR A&G LGE	83,046.94
120317	PURCHASE NEW BECKWITH TAP CHANGER CONTROLLER FOR STEWART	584.67
120319	PURCHASE & INSTALL TAP CHGR AUXILLARY OIL FILTER SYSTEMS FOR	239.22
120515	MAINTENANCE FREE BREATHERS FOR SUBSTA TRANSFORMER TAP CHC	171.70
120517	AUXILLARY CONTROL SWITCHES FOR GE AM13.8-500 BREAKERS	184.90
120522	MC FGD QUENCH DIESEL GENERATOR	10,874.54
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	11,567.33
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	3,598.11
120595	PURCHASE REGULATORS - RESID. & COMMER.	2,743.97
120596	FARM TAP REGULATOR UPGRADE	233,852.36
120597	PURCHASE ANODES/RECTIFIERS	410.57
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	32,925.21
120803	SECURE E-MAIL	5,000.00
121298	CONTROL CENTER CONSTRUCTION	338,918.17
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	16,357.30
121467	BLUEGRASS CAPACITY ADDITION	75,783.37
121620	CANE RUN NEW LANDFILL	2,349.20
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	79,616.83
121684	TC2 AQCS LGE	1,839,605.85
121726	MC LIMESTONE ENGINEERING STUDY	1,581.41
121750	NESC COMPLIANCE DAHLIA SUB FENCE	2,846.64
121751	INSTALL WILDLIFE PROTECTION OF CANAL SUBSTATION	12,209.21
121754	CANE RUN GEN BREAKERS	6,237.64
121781	SURVEY & INSPECTION SYSTEM ENCHANCEMENT PROJECT	25,000.00
121788	OMS UPGRADE	10,222.25
121897	MULDRAUGH FACILITY IMPROVEMENTS	(237.82)
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	(105.89)
121925	MAGNOLIA - REPLACE BARE STEEL GATHERING LINES	5,444.71
121964	FAIRMONT CIRCUIT WORK	95,592.19

LGE 107001 Activity July 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
121965	BLUEGRASS CIRCUIT WORK	41,776.59
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	23,036.18
122055	CR6 SLUDGE PROCESSING PLANT UPGRADE	311.25
122126	TC SPCC COMPLIANCE CAPITAL	5,167.06
122171	PR SPCC COMPLIANCE	892.44
122180	HARRODS CREEK PIPELINE	979.24
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	264,971.51
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	593,036.01
122247	MC TURBINE TURNING GEAR DIESEL GENERATOR	13,596.92
122275	SECOND DATA CENTER	428,687.71
122280	SO3 SORBENT INJECTION	447,537.25
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	209,852.52
122418	IT STRATEGY & PLANNING 07 RESEARCH TECH INVESTMENT	(1,274.96)
122426	IT SECURITY INFRASTRUCTURE PKI	10.24
122452	UPGRADE BUILDING AT PRESTON CITY GATE STATION	(14.56)
122503	POWERPLANT SOFTWARE IMPLEMENTATION	102,713.27
122512	MT 138KV COLLINS TERMINATION	123,976.47
122514	COLLINS 138/69KV 150MVA TRNSFRMR	44,671.16
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	222,868.30
122519	LGE RTU PURCHASE 2007	647.11
122539	SAP FOR CCS - LGE	1,627,713.57
122603	SHARE POINT LGE	1,751.34
122650	LGE GAS METERS	223,747.37
122656	MERCURY MONITORING	53,410.88
122695	UPS GRADE LANE	56,482.22
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	8,669.18
122702	BARDSTOWN, KY HP REGULATOR STATION	2,254.56
122717	MAIS II SERVER	(497.67)
122780	WITNESS UNCOUPLING	8,877.62
122783	UMS GROUP INVESTMENT EVALUATION MODEL	(4,250.00)
122789	WESTPORT RD. GAS RELOCATION	993.00
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	40,648.76
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & 6	1,005,286.76
122811	ORACLE ISUPPLIER PORTAL	3,615.11
122817	MULDRAUGH ENGINE & BLOWER	(195.29)
122819	CCS - BUSINESS INTELLIGENCE	44,876.79
122820	CCS - CHANGE MGMT.	18,971.09
122821	CCS - CUSTOMER SERVICE	341,126.29
122822	CCS - DEVELOPMENT	58,955.29
122823	CCS - TECHNOLOGY	139,801.44
122842	MC 1 RECYCLE PUMP PIPING	8,240.00
122862	UPS/SEMINOLE SUBSTATION ADDITION	1,885,693.91
122863	UPS/SEMINOLE 12KV CIRCUIT WORK	81,454.71
122885	TMIS REPLACEMENT PROJECT	5,414.55
122889	MILL CREEK UNIT 1 WATERWALL WELD OVERLAY 2008	459,789.28
122891	MC1 345KV DISCONNECT SWITCH	10,943.00
122894	MC 4D COAL MILL GEARBOX	8,268.20
122895	MC 4B COAL MILL GEARBOX	(22,534.32)

**LGE 107001 Activity July 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
122898	REVISED MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSI	4,150.62
122902	MILL CREEK UNIT 4 COOLING TOWER FAN VARIABLE FREQUENCY DRIV	383.16
122903	MC1 AIR HEATER BASKETS	253,750.58
122934	2008 CALL CENTER TECH UPGRADES	11,890.37
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	27.78
122940	2008 LGE INTERNAL REQUESTS	4,790.14
122945	08 OFFICE FURNITURE & EQUIPMENT	15,570.24
122947	EMERGENCY POWER	5,224.28
122950	2008 SECURITY SYSTEMS	22,052.64
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	1,264.56
122969	PORTABLE TRANSFORMER REGULATOR PURCHASE	425.46
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	57,124.25
122974	CONESTOGA SUBSTATION	4,771.64
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	403,413.28
122981	REPLACE GE SFC PROTECTIVE RELAYS	2,672.10
123012	MULDRAUGH PURIFIER 2 BOILER BUILDING RETROFIT	38,222.65
123014	MAGNOLIA - GROUND WATER PROTECTION PROJECTS (GWPP)	2,679.16
123015	MILLCREEK CUTOFF EXPOSURE REHAB	65,472.28
123016	MULDRAUGH COMPRESSOR BUILDING GAS DETECTION	954.14
123020	MULDRAUGH MISCELLANEOUS FACILITY IMPROV	2,214.87
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	175,909.44
123023	CP IMPRESSED CURRENT SYSTEM	6,577.34
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	6,819.82
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	16,662.44
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	83,692.44
123040	MULDRAUGH STORAGE PIPELINE REPLACEMENT	2,943.08
123045	REPLACE MULDRUGH ODORANT SYSTEM	48,786.92
123047	REGULATOR CAPACITY	42,622.54
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	12,043.41
123050	OTTER CREEK EXPOSURE PROJECT	4,816.59
123078	MOBILE GIS MODULES	267.87
123081	LG&E MOBILE INFRASTRUCTURE	287.78
123082	LGE PC AND PRINTER	3,890.04
123123	BARDSTOWN STATION AUTOMATIC GATE	32,126.45
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	21,376.96
123221	SERVICE RENEWALS FOR CP DEFICIENCIES	558.75
123260	GDS IMPLEMENTATION	440.91
123264	BOC DATA CENTER COOLING REDUNDANCY	635.70
123278	HUMANA DATA CENTER	8,234.71
123312	TC TRAVELING WATER SCREEN BASKET REPLACEMENTS	52,825.63
123315	TC LAB MONITOR PURCHASE	4,574.49
123348	CR B REACTANT SCREEN DECK REPLACEMENT	231.24
123365	CR ASBESTOS ABATEMENT 2008	31,226.52
123383	NORTHSIDE CLIFTY CREEK 138KV UPGRADE	274,471.23
123413	HWSW DEVELOPMENT TOOLS	1,127.61
123415	IT TOOLS ENERGY SERVICES MRMD	66.60
123417	IT TOOLS ENERGY SERVICES POWER CEN	362.79
123419	HARDWARE & SOFTWARE TOOLS IT SERVCO	296.81

LGE 107001 Activity July 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
123421	HW/SW DEV TOOLS 2008 - 026560	187.26
123423	HW/SW DEV TOOLS 2008	5,198.21
123425	HW/SW DEV TOOLS LGE	33.33
123429	MONITOR REPLACEMENT LGE	7,644.01
123434	TIER C REPLACEMENT LGE	9,418.17
123440	2008 LOUISVILLE RACKS & FURNITURE	7,638.32
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	1,367.91
123446	MOBILE RADIO	2,591.26
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	711.76
123450	NETWORK TOOLS & TEST EQUIPMENT	6,624.31
123456	OUTSIDE CABLE PLANT	3,254.80
123460	TELEPHONE SYSTEMS CAPACITY EXPANSION	2,423.33
123464	CABLING FOR SERVER CONNECTIVITY	2,813.65
123475	2008 SERVER HARDWARE REFRESH	44,500.08
123481	CORE NETWORK INFRASTRUCTURE	25,611.59
123488	NETWORK ACCESS DEVICES AND GATEWAYS	22,512.21
123502	IT SECURITY INFRASTRUCTURE PKI	1,741.21
123579	JT1128 RECONDUCTOR	40.96
123614	MUD LANE HUMANA DATA CENTER	711.09
123696	DIST CONESTOGA TAP	5,858.11
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	10,233.55
123765	THUNDERSTORM 2-5-08	515.02
123774	CR4 RIGHT SIDE LOWER WATERWALL REPLACEMENT	(311,335.36)
123775	SNOW & ICE STORM 2-12-08	5,755.59
123793	ICE STORM 2-21-08	116.82
123800	UNDER FREQUENCY LOAD SHEDDING - LGE	12,307.10
123807	MOBILE SUPPLY CHAIN EXPANSION	2,103.84
123826	CR GT11 FIRE PROTECTION SYS.	55,331.12
123831	CORRODED SERVICE LINE REPLACEMENT	2,280.26
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	82,582.97
123861	MC COAL CRUSHER HOUSE AIR CHAIN HOISTS	15,610.43
123886	CR5A ASH WATER PUMP REPLACEMENTS	5,637.47
123889	UPS AIRPORT EXPANSION PROJ ASHBOTTOM ROAD	61,573.13
124155	TC 08 MISC R1 SUMP PUMP REPLACEMENT	968.28
124296	PR13 TURBINE INLET VANE REPLACEMENT	(80,567.23)
124297	MULDRAUGH PURIFIER REDUNDANT PLC	18,426.88
124312	MC4 LOW PRESSURE DRAIN PUMP MOTOR REWIND	18,946.16
124313	MC4C OXIDATION AIR COMPRESSOR GEARBOX	3,086.54
124414	ENERSYS WATERING SYSTEMS FOR BATTERY OPERATED EQUIPMENT	184.86
124420	BLADELOGIC COMPLIANCE - LGE	57,369.74
124606	TEST METERS FOR POWER CARRIERS	9,015.30
124634	STORM 6/19/2008	6,341.50
124641	STORM 6/26/2008	22,585.78
124744	STORM 7-8-08	12,650.62
124777	MC2 TURBINE TURNING GEAR REBUILD	50,742.12
124781	MULDRAUGH GAS COMPRESSOR STATION	18,601.48
ASBLY419	REGULATOR ASSEMBLIES RC419	16,292.25
CABLE341	BLANKET CABLE FOR JOINT TRENCH	(157,300.72)

LGE 107001 Activity July 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
CLR419	LEAK REPAIR 419	(3,717.86)
ECAPRR340	CAP, REG, RECLOSERS 340	2,245.91
G95021408	PURCHASE AND INSTALLATION OF E	(1,851.36)
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	(3,372.16)
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	12,811.44
LSMR414	LARGE SCALE MAIN REPL.	2,550,843.82
LT8	LT8	(1,841.30)
LT9	LT9 TRANSMISSION	60,882.31
LT9-2008	LT9 EXPAN. 2008	121,951.51
MCAPRR340	CAP/REG/RECL 340	24,108.93
NBCD340OH	NEW BUS COMM OH 340	100,963.22
NBCD340UG	NEW BUS COMM UG 340	225,673.67
NBCD341UG	NEW BUS COMM UG 341	2,368.39
NBGCS419	NEW BUS CONNECT SERV 419	50,715.49
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	43,202.24
NBGS419	NEW BUS GAS SERV 419	221,756.40
NBGS421	NEW BUS. GAS SERV. 421	2,510.37
NBGS422	NEW BUSINESS GAS SERVICE 422	2,282.37
NBRD340OH	NEW BUS RES OH 340	55,069.14
NBRD340UG	NEW BUS RES UG	331.22
NBRD341UG	NEW BUS RES UG 341	22,040.92
NBSB340OH	NEW BUS SUB OH 340	254.37
NBSB341UG	NEW BUS SUB UG 341	283,684.58
NBSV340OH	NEW ELECTRIC SERVICES	61,704.39
NBSV340UG	NEW EL SERV UG	90,896.37
NBVL343	NETWORK VAULTS 343	21,926.62
NETVLT343	NETWORK VAULTS	8,047.64
PBWK340OH	PUB WORKS RELOC OH	822.89
PBWK344UG	PUBLIC RELOCATIONS U/G	3,743.37
PBWK406G	PUBLIC WORKS GAS 406	72,803.70
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	123,617.50
RCST340	CUST REQ 340	75,517.84
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	125,264.69
RDCBL340	REPL DEFECTIVE CABLE 340	30,071.92
RDDD340OH	REP DEF EQ OH 340	181,627.43
RDDD340UG	REP DEF EQ UG 340	32,259.79
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	169,424.38
RDPOLD340	REP DEF POL'S	(1,073.66)
RDPOLE340	POLE REP/REPL 340	137,877.66
RDSTLT332	REPAIR STREET LIGHTING 332	302,246.78
RDSTLT340	REP DEF ST LIGHTS 340	78.13
RELD01015	LGE GENERAL RELIABILITY 01015	316.57
RELD340OH	DIST. O/H RELIABILITY 340	31,749.85
RELD340UG	DIST U/G RELIABILITY 340	(180.00)
RNTPD340	REP THR PARTY DAM 340	60,461.28
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	39,313.27
RRCS419G	REP CO GAS SERV 419	178,489.87
STLT332OH	STREET LIGHTS OVERHEAD 333	9,070.15

**LGE 107001 Activity July 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
STLT332UG	STREET LIGHT UG 332	150,860.96
STRM323	STORM 003230	19,416.46
SYSEN406G	SYSTEM ENHANCE. GAS	118,942.11
SYSENH340	SYS ENH EXIST CUST 340	23,794.04
TBRD340OH	TROUBLE OVERHEAD 340	127,063.47
TBRD340UG	TROUBLE UNDERGROUND 340	38,246.66
TLEQ340	TOOLS AND EQ 340	31,075.83
TLEQ419	PURCH. TOOLS 419	59,458.75
XFRM340	TRANSFORMER 340	18,214.64
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	10,955.43
		<b><u><u>\$ 25,261,624.07</u></u></b>



LGE 107001 Activity August 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
111398	MISC. SUBSTATION PROJECTS	\$ 2,875.27
112491	METERS-LGE	1,490.29
113270	DISTRIBUTION LINE TRANSFORMER	475,703.44
114268	RESID. GAS REGULATOR REPL.	85,512.70
117136	CR LANDFILL VERTICAL	109,060.65
117149	TC2 PROJECT	3,520,033.72
117207	CANAL - DEL PARK 69 KV LINE (CIRC.6616) SURVEY FOR RECONDUCTOR	26.06
117320	SUBSTATION PROTECTION MODIFICATIONS	18,453.00
117882	TRANSFORMER REWIND (SMYRNA TR1)	21,420.70
118123	CR5 LP 1&2 FEEDWATER HEATER REPLACEMENT	(0.01)
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	374,307.82
118239	LG&E SUBSTATION SPILL PREVENTION	9,161.35
118349	OHIO FALLS REDEVELOPMENT 2004	443,782.04
119542	FUEL SUPPLY MANAGEMENT SYSTEM	3,999.34
120218	LYNDON SOUTH BREAKER 6693 REPLACEMENT	(0.12)
120317	PURCHASE NEW BECKWITH TAP CHANGER CONTROLLER FOR STEWART	5,819.55
120318	KNOB CREEK TR 1-115KB BUSHING REPLACEMENT	13,795.38
120319	PURCHASE & INSTALL TAP CHGR AUXILLARY OIL FILTER SYSTEMS FOR	119.61
120321	REPLACE STATION BATTERIES & CHARGERS	14,207.93
120515	MAINTENANCE FREE BREATHERS FOR SUBSTA TRANSFORMER TAP CHC	(9.72)
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	14,788.70
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	7,811.21
120575	ENHANCE DOE RUN SHALE GAS RECOVERY SYSTEM	(706.72)
120595	PURCHASE REGULATORS - RESID. & COMMER.	2,376.89
120596	FARM TAP REGULATOR UPGRADE	188,472.90
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	162,901.95
120768	LG&E WORST CIRCUITS CIRCUIT HARDENING	(3.19)
120803	SECURE E-MAIL	5,000.00
121089	OXMOOR 6653 RELAY PANEL REPL	(0.28)
121090	BRECKINRIDGE 6653 RELAY PANEL REPLACE	(0.24)
121298	CONTROL CENTER CONSTRUCTION	(4,500.67)
121456	MILL CREEK 4531 CCVT REPLACEMENT	(0.36)
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	4,590.11
121467	BLUEGRASS CAPACITY ADDITION	36,589.36
121530	MILL CREEK UNIT 4 INTERMEDIATE SUPERHEATER UPGRADE - 2006	(532.00)
121620	CANE RUN NEW LANDFILL	8,355.53
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	62,743.67
121684	TC2 AQCS LGE	2,451,976.40
121726	MC LIMESTONE ENGINEERING STUDY	23,127.96
121751	INSTALL WILDLIFE PROTECTION OF CANAL SUBSTATION	(56.22)
121754	CANE RUN GEN BREAKERS	3,316.76
121782	MOBILE COMPUTING INFRASTRUCTURE	56.79
121788	OMS UPGRADE	515.74
121822	BLUE LICK / BULLITT CO. 161KV DOUBLE CIRCUIT	12,957.05
121910	2007 GAS REGULATOR/RELIEF CAPACITY PROJECT	6,420.97
121911	COMMERCIAL HP GAS SERVICE REPLACEMENT PROGRAM	2,505.61
121920	MAGNOLIA - EMERGENCY PIPELINE AND EQUIPMENT REPAIR	(1,666.47)
121938	MULDRAUGH ESS SYSTEM REPLACEMENT	(856.78)

LGE 107001 Activity August 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
121950	MOISTURE IN OIL ANALYZER	2,357.45
121964	FAIRMONT CIRCUIT WORK	36,668.13
121965	BLUEGRASS CIRCUIT WORK	297,916.40
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	88,060.42
122092	HANCOCK RTU REPLACEMENT	(0.19)
122126	TC SPCC COMPLIANCE CAPITAL 2007	6,859.75
122139	TC MISC PLANT ENGINEERING 2007	13,270.92
122180	HARRODS CREEK PIPELINE	359.85
122215	PADDY'S RUN PLC EQUIPMENT REPLACEMENT	(0.17)
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	(298,878.82)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(113,806.47)
122247	MC TURBINE TURNING GEAR DIESEL GENERATOR	23,113.22
122275	SECOND DATA CENTER	41,032.73
122280	SO3 SORBENT INJECTION	428,101.61
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	12,664.64
122418	IT STRATEGY & PLANNING 07 RESEARCH TECH INVESTMENT	23,246.23
122503	POWERPLANT SOFTWARE IMPLEMENTATION	79,509.28
122513	MIDDLETOWN - COLLINS 138 KV LINE	149,500.00
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	4,788.10
122539	SAP FOR CCS - LGE	1,699,286.75
122603	SHARE POINT LGE	3,242.39
122650	LGE GAS METERS	139,074.57
122656	MERCURY MONITORING	94,528.79
122695	UPS GRADE LANE	434,958.71
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	55,097.44
122783	UMS GROUP INVESTMENT EVALUATION MODEL	32,716.79
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	15,820.57
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & c	769,644.03
122811	ORACLE ISUPPLIER PORTAL	13,232.93
122817	MULDRAUGH ENGINE & BLOWER	0.01
122819	CCS - BUSINESS INTELLIGENCE	51,613.45
122820	CCS - CHANGE MGMT.	178.48
122821	CCS - CUSTOMER SERVICE	216,454.37
122822	CCS - DEVELOPMENT	58,935.48
122823	CCS - TECHNOLOGY	247,348.53
122842	MC 1 RECYCLE PUMP PIPING	38,649.01
122862	UPS/SEMINOLE SUBSTATION ADDITION	(1,347,049.89)
122863	UPS/SEMINOLE 12KV CIRCUIT WORK	(24,882.93)
122885	TMIS REPLACEMENT PROJECT	434.48
122891	MC1 345KV DISCONNECT SWITCH	1,305.96
122895	MC 4B COAL MILL GEARBOX	99,352.67
122898	REVISED MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSI	44,828.34
122903	MC1 AIR HEATER BASKETS	54,417.40
122934	2008 CALL CENTER TECH UPGRADES	5,422.57
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	1,328.86
122940	2008 LGE INTERNAL REQUESTS	17,812.80
122944	2008 CHAIR REPLACEMENT	2,089.38
122945	08 OFFICE FURNITURE & EQUIPMENT	7,464.63

**LGE 107001 Activity August 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
122947	EMERGENCY POWER	12,307.16
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	8,228.05
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	54,703.03
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	214,130.10
122974	CONESTOGA SUBSTATION	292,097.17
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	5,719.89
122981	REPLACE GE SFC PROTECTIVE RELAYS	1,701.93
123012	MULDRAUGH PURIFIER 2 BOILER BUILDING RETROFIT	7,608.26
123014	MAGNOLIA - GROUND WATER PROTECTION PROJECTS (GWPP)	2,400.40
123015	MILLCREEK CUTOFF EXPOSURE REHAB	9,263.66
123016	MULDRAUGH COMPRESSOR BUILDING GAS DETECTION	76.95
123019	MULDRAUGH HANDRAIL IMPROVEMENTS	1,619.97
123020	MULDRAUGH MISCELLANEOUS FACILITY IMPROV	786.95
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	1,968.48
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	31,311.42
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	3,785.23
123027	REFINE WELLS WITH CORRODED CASING	6,943.81
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACEMENT/ PU	10,850.62
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	24,306.98
123040	MULDRAUGH STORAGE PIPELINE REPLACEMENT	4,666.04
123045	REPLACE MULDRUGH ODORANT SYSTEM	20,009.19
123047	REGULATOR CAPACITY	174.06
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	7,699.78
123078	MOBILE GIS MODULES	7,614.52
123081	LG&E MOBILE INFRASTRUCTURE	14,344.30
123082	LGE PC AND PRINTER	6,269.92
123123	BARDSTOWN STATION AUTOMATIC GATE	17,318.05
123139	MILL CREEK UNIT REHEATER REPLACEMENT	1,192,912.11
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	7,951.55
123260	GDS IMPLEMENTATION	2,154.63
123312	TC TRAVELING WATER SCREEN BASKET REPLACEMENTS	4,248.75
123315	TC LAB MONITOR PURCHASE	19,224.93
123348	CR B REACTANT SCREEN DECK REPLACEMENT	449.83
123383	NORTHSIDE CLIFTY CREEK 138KV UPGRADE	202,815.40
123413	HWSW DEVELOPMENT TOOLS	816.90
123415	IT TOOLS ENERGY SERVICES MRMD	1,009.35
123419	HARDWARE & SOFTWARE TOOLS IT SERVCO	167.95
123423	HW/SW DEV TOOLS 2008	3.54
123434	TIER C REPLACEMENT LGE	45,095.62
123438	2008 LOUISVILLE ELECTRICAL UPGRADE	13,667.52
123440	2008 LOUISVILLE RACKS & FURNITURE	136.30
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	3,343.32
123446	MOBILE RADIO	1,500.00
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	5,775.18
123450	NETWORK TOOLS & TEST EQUIPMENT	201.93
123456	OUTSIDE CABLE PLANT	338.99
123460	TELEPHONE SYSTEMS CAPACITY EXPANSION	580.57
123464	CABLING FOR SERVER CONNECTIVITY	1,792.67

LGE 107001 Activity August 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
123475	2008 SERVER HARDWARE REFRESH	25,456.66
123479	ACCESS SWITCH ROTATION 2008	1,154.06
123488	NETWORK ACCESS DEVICES AND GATEWAYS	(30.21)
123492	SECURITY INFRASTRUCTURE ENHANCEMENTS	384.67
123502	IT SECURITY INFRASTRUCTURE PKI	4,332.45
123696	DIST CONESTOGA TAP	4,898.45
123709	TC1 CATALYST LAYER PURCHASE & INSTALLATION 2008-2011	663,195.94
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	19,488.55
123774	CR4 RIGHT SIDE LOWER WATERWALL REPLACEMENT	(25,750.00)
123795	DIST EASTWOOD WEST TOP	3,412.14
123800	UNDER FREQUENCY LOAD SHEDDING - LGE	16,857.81
123807	MOBILE SUPPLY CHAIN EXPANSION	(453.60)
123816	COMPLIANCE DOCUMENTATION SOFTWARE PURCHASE	381.60
123826	CR GT11 FIRE PROTECTION SYS.	1,012.09
123831	CORRODED SERVICE LINE REPLACEMENT	2,338.62
123832	LGE SOFTWARE LICENSES	25,000.00
123839	CR CONTROL SYSTEM SERVERS	1,526.40
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	40,695.44
123886	CR5A ASH WATER PUMP REPLACEMENTS	40,803.18
123889	UPS AIRPORT EXPANSION PROJ ASHBOTTOM ROAD	277,346.26
124153	MULDRAUGH STATION REDUNDANT AMINE PUMP	4,479.43
124296	PR13 TURBINE INLET VANE REPLACEMENT	138.47
124297	MULDRAUGH PURIFIER REDUNDANT PLC	51,385.49
124581	FILL CASING UNDER 1-65	3,839.76
124641	STORM 6/26/2008	23,947.70
124649	MILL CREEK 4A4 RECYCLE PUMP MOTOR	84.05
124716	REPLACE OLD LEAKING METERS AT FOUR SCHOOLS	9,507.71
124744	STORM 7-8-08	12,913.10
124777	MC2 TURBINE TURNING GEAR REBUILD	2,365.27
124781	MULDRAUGH GAS COMPRESSOR STATION	51,660.68
124863	CSS REDESIGN PROJECT	4,961.23
124864	SSC TRANSFORMER SERVICES RENOVATION	1,261.40
125104	SMART CAR	20,757.36
ASBLY419	REGULATOR ASSEMBLIES RC419	23,332.15
CABLE341	BLANKET CABLE FOR JOINT TRENCH	58,561.56
CLR419	LEAK REPAIR 419	679.59
ECAPRR340	CAP, REG, RECLOSERS 340	910.10
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	129,256.85
L7	LINE PARAMETER UPGRADES	(12,957.05)
LSMR414	LARGE SCALE MAIN REPL.	610,612.36
LT9	LT9 TRANSMISSION	29,980.00
LT9-2008	LT9 EXPAN. 2008	80,198.55
MCAPRR340	CAP/REG/RECL 340	26,158.48
NBCD340OH	NEW BUS COMM OH 340	166,863.62
NBCD340UG	NEW BUS COMM UG 340	265,095.78
NBCD341UG	NEW BUS COMM UG 341	3,381.85
NBGCS419	NEW BUS CONNECT SERV 419	33,731.97
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	26,497.89

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<u>Project</u>	<u>Description</u>	<u>Amount</u>
NBGS419	NEW BUS GAS SERV 419	114,957.06
NBGS421	NEW BUS. GAS SERV. 421	1,306.21
NBGS422	NEW BUSINESS GAS SERVICE 422	916.38
NBRD340OH	NEW BUS RES OH 340	69,965.45
NBRD340UG	NEW BUS RES UG	624.42
NBRD341UG	NEW BUS RES UG 341	20,495.20
NBSB340OH	NEW BUS SUB OH 340	12,364.94
NBSB341UG	NEW BUS SUB UG 341	326,846.01
NBSV340OH	NEW ELECTRIC SERVICES	79,830.89
NBSV340UG	NEW EL SERV UG	98,932.66
NBVL343	NETWORK VAULTS 343	33,327.25
NETVLT343	NETWORK VAULTS	1,779.57
PBWK340OH	PUB WORKS RELOC OH	62,196.44
PBWK344UG	PUBLIC RELOCATIONS U/G	8,247.95
PBWK406G	PUBLIC WORKS GAS 406	(5,477.91)
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	53,210.46
RCST340	CUST REQ 340	100,946.64
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	(76,057.21)
RDCBL340	REPL DEFECTIVE CABLE 340	25,174.12
RDDD340OH	REP DEF EQ OH 340	219,189.35
RDDD340UG	REP DEF EQ UG 340	105,627.10
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	93,627.43
RDMV332	MERCURY BULB REPL. PROJECT	53,587.12
RDPOLE340	POLE REP/REPL 340	273,654.24
RDSTLT332	REPAIR STREET LIGHTING 332	157,334.12
RDSTLT340	REP DEF ST LIGHTS 340	645.71
RELD01015	LGE GENERAL RELIABILITY 01015	28,182.31
RELD340OH	DIST. O/H RELIABILITY 340	24,654.81
RELD340UG	DIST U/G RELIABILITY 340	4,048.68
RNTPD340	REP THR PARTY DAM 340	57,612.71
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	21,688.36
RRCS419G	REP CO GAS SERV 419	122,568.83
RRCS421G	DIST MAINS 421 MULDRAUGH	1,532.10
RRCS422G	RETAIL GAS SERVICE RC 422	324.98
STLT332OH	STREET LIGHTS OVERHEAD 333	8,250.49
STLT332UG	STREET LIGHT UG 332	117,619.91
STRM323	STORM 003230	37,770.71
SYSEN406G	SYSTEM ENHANCE. GAS	25,048.00
SYSENH340	SYS ENH EXIST CUST 340	24,015.97
TBRD340OH	TROUBLE OVERHEAD 340	139,965.97
TBRD340UG	TROUBLE UNDERGROUND 340	35,544.54
TLEQ340	TOOLS AND EQ 340	66,618.13
TLEQ419	PURCH. TOOLS 419	(0.01)
TLEQ447	TOOLS AND EQUIPMENT 447	997.17
TLEQ448	TOOLS AND EQUIPMENT 448	3,464.82
XFRM340	TRANSFORMER 340	41,996.00
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	9,719.02

LGE 107001 Activity August 2008

Project

Description

Amount  
\$ 19,222,637.24

**LGE 107001 Activity September 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
111398	MISC. SUBSTATION PROJECTS	\$ 58,570.61
112491	METERS-LGE	166.72
113270	DISTRIBUTION LINE TRANSFORMER	625,943.22
114268	RESID. GAS REGULATOR REPL.	325,617.86
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUSTRIAL CUSTOME	6,076.63
117136	CR LANDFILL VERTICAL	26,647.27
117149	TC2 PROJECT	1,596,572.20
117207	CANAL - DEL PARK 69 KV LINE (CIRC.6616) SURVEY FOR RECONDUCTOR	285.52
117320	SUBSTATION PROTECTION MODIFICATIONS	6,341.83
117361	ACCRUED LABOR - LGE	30,918.96
117882	TRANSFORMER REWIND (SMYRNA TR1)	38,520.93
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	1,707,796.02
118239	LG&E SUBSTATION SPILL PREVENTION	1,521.32
118349	OHIO FALLS REDEVELOPMENT	848,555.04
119542	FUEL SUPPLY MANAGEMENT SYSTEM	35,174.59
119902	CLEAR A&G LGE	29,138.97
120318	KNOB CREEK TR 1-115KB BUSHING REPLACEMENT	595.09
120321	REPLACE STATION BATTERIES & CHARGERS	2,450.97
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	213,963.74
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	121,683.90
120595	PURCHASE REGULATORS - RESID. & COMMER.	37,423.75
120596	FARM TAP REGULATOR UPGRADE	438,146.75
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	47,798.73
120754	MISC. A/R UNCOLLECTIBLE - LGE CAPITAL	(223,660.00)
120803	SECURE E-MAIL	5,000.00
121298	CONTROL CENTER CONSTRUCTION	76,846.16
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	12.51
121467	BLUEGRASS CAPACITY ADDITION	7,897.52
121620	CANE RUN NEW LANDFILL	12,210.37
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	44,154.86
121684	TC2 AQCS LGE	859,318.09
121751	INSTALL WILDLIFE PROTECTION OF CANAL SUBSTATION	4,374.08
121754	CANE RUN GEN BREAKERS	17,608.87
121788	OMS UPGRADE	734.93
121904	MULDRAUGH BOILER SAFETY-PURIFICATION UNIT AND DEHYDRATOR	12,963.55
121907	2007 GAS REGULATOR CAPACITY PROJECT	44,930.12
121908	2007 FT CONVERSION PROJECTS	13,812.37
121910	2007 GAS REGULATOR/RELIEF CAPACITY PROJECT	9,016.01
121911	COMMERCIAL HP GAS SERVICE REPLACEMENT PROGRAM	2,330.00
121926	MAGNOLIA-REPLACE 2 INCH STEEL MAIN WITH 4 INCH PLASTIC MAIN	11,135.69
121950	MOISTURE IN OIL ANALYZER	273.31
121964	FAIRMONT CIRCUIT WORK	10,774.79
121965	BLUEGRASS CIRCUIT WORK	80,567.32
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	83,607.65
122126	TC SPCC COMPLIANCE CAPITAL 2007	17,858.22
122139	TC MISC PLANT ENGINEERING 2007	(13,270.92)
122161	CR SPCC COMPLIANCE	6,180.00
122173	ZN SPCC COMPLIANCE	5,896.76

LGE 107001 Activity September 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
122180	HARRODS CREEK PIPELINE	1,819.99
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	(74,060.67)
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(1,127,645.14)
122275	SECOND DATA CENTER	142,014.83
122280	SO3 SORBENT INJECTION	108,366.73
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	194,728.47
122503	POWERPLANT SOFTWARE IMPLEMENTATION	1,421.27
122512	MT 138KV COLLINS TERMINATION	12,717.42
122514	COLLINS 138/69KV 150MVA TRNSFRMR	5,588.14
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	39,886.32
122539	SAP FOR CCS - LGE	1,884,988.43
122603	SHARE POINT LGE	112.79
122650	LGE GAS METERS	243,224.16
122656	MERCURY MONITORING	592,696.84
122695	UPS GRADE LANE	76,954.04
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	3,364.88
122702	BARDSTOWN, KY HP REGULATOR STATION	116.33
122783	UMS GROUP INVESTMENT EVALUATION MODEL	(28,466.78)
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	63.59
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & €	(2,044,007.97)
122811	ORACLE ISUPPLIER PORTAL	4,776.73
122819	CCS - BUSINESS INTELLIGENCE	53,262.67
122820	CCS - CHANGE MGMT.	369.10
122821	CCS - CUSTOMER SERVICE	263,657.82
122822	CCS - DEVELOPMENT	41,317.01
122823	CCS - TECHNOLOGY	239,857.67
122843	MC2 RECYCLE PUMP PIPING	4,530.50
122862	UPS/SEMINOLE SUBSTATION ADDITION	225,243.69
122863	UPS/SEMINOLE 12KV CIRCUIT WORK	44,693.35
122889	MILL CREEK UNIT 1 WATERWALL WELD OVERLAY 2008	452,783.68
122891	MC1 345KV DISCONNECT SWITCH	264.69
122895	MC 4B COAL MILL GEARBOX	(98,546.34)
122898	REVISED MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSI	75,088.90
122900	MILL CREEK UNIT 1 STATOR LEAK MONITORING SYSTEM	146,962.14
122902	MILL CREEK UNIT 4 COOLING TOWER FAN VARIABLE FREQUENCY DRIV	8,943.14
122907	MC BACKHOE	63,870.30
122934	2008 CALL CENTER TECH UPGRADES	1,605.06
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	4,325.23
122937	POWERMATRIX EQUIPMENT	3,112.00
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	1,272.12
122940	2008 LGE INTERNAL REQUESTS	4,121.18
122941	2008 CARPET & TILE REPLACEMENT	8,312.54
122944	2008 CHAIR REPLACEMENT	35,606.82
122945	08 OFFICE FURNITURE & EQUIPMENT	1,147.30
122950	2008 SECURITY SYSTEMS	5,348.35
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	19,165.24
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	7,344.47
122974	CONESTOGA SUBSTATION	5,415.06



**LGE 107001 Activity September 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	12,025.45
122981	REPLACE GE SFC PROTECTIVE RELAYS	593.54
123011	2008 FT RATE CONVERSION PROJECTS	10,214.14
123012	MULDRAUGH PURIFIER 2 BOILER BUILDING RETROFIT	5,345.42
123013	#4 ENGINE FOUNDATION	177.36
123014	MAGNOLIA - GROUND WATER PROTECTION PROJECTS (GWPP)	14,335.08
123015	MILLCREEK CUTOFF EXPOSURE REHAB	290,999.01
123016	MULDRAUGH COMPRESSOR BUILDING GAS DETECTION	50,236.57
123018	MULDRAUGH ENGINE COOLING REPLACEMENTS	6,966.36
123020	MULDRAUGH MISCELLANEOUS FACILITY IMPROV	10,129.47
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	2,681.68
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	59,961.25
123027	REFINE WELLS WITH CORRODED CASING	84,241.34
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACEMENT/ PU	8,848.07
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	353,583.47
123040	MULDRAUGH STORAGE PIPELINE REPLACEMENT	17,224.39
123041	PI ACT COMPLIANCE 2008	79,779.85
123043	MULDRAUGH TRANS. REPLACE.	1,227.78
123045	REPLACE MULDRAUGH ODORANT SYSTEM	27,706.47
123047	REGULATOR CAPACITY	2,170.34
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	22,104.41
123050	OTTER CREEK EXPOSURE PROJECT	44,752.78
123078	MOBILE GIS MODULES	475.35
123081	LG&E MOBILE INFRASTRUCTURE	1,183.98
123082	LGE PC AND PRINTER	7,929.65
123123	BARDSTOWN STATION AUTOMATIC GATE	5,466.35
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	3,844.78
123220	CT7 A/B CONVERSION - LGE	14,074.73
123260	GDS IMPLEMENTATION	1,261.38
123310	TC CBU BUCKET REPLACEMENT	(1,361.45)
123312	TC TRAVELING WATER SCREEN BASKET REPLACEMENTS	(1,416.25)
123315	TC LAB MONITOR PURCHASE	553.22
123348	CR B REACTANT SCREEN DECK REPLACEMENT	4,025.33
123383	NORTHSIDE CLIFTY CREEK 138KV UPGRADE	(56,989.78)
123413	HWSW DEVELOPMENT TOOLS	97.56
123419	HARDWARE & SOFTWARE TOOLS IT SERVCO	265.60
123423	HW/SW DEV TOOLS 2008	1,268.46
123429	MONITOR REPLACEMENT LGE	8,423.08
123434	TIER C REPLACEMENT LGE	99,116.68
123438	2008 LOUISVILLE ELECTRICAL UPGRADE	95.66
123440	2008 LOUISVILLE RACKS & FURNITURE	156.42
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	6,876.99
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	1,080.84
123450	NETWORK TOOLS & TEST EQUIPMENT	8,554.80
123456	OUTSIDE CABLE PLANT	3,534.47
123464	CABLING FOR SERVER CONNECTIVITY	3,786.10
123475	2008 SERVER HARDWARE REFRESH	6,924.47
123479	ACCESS SWITCH ROTATION 2008	588.00

**LGE 107001 Activity September 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
123488	NETWORK ACCESS DEVICES AND GATEWAYS	687.10
123490	NETWORK MANAGEMENT	1,938.78
123492	SECURITY INFRASTRUCTURE ENHANCEMENTS	1,163.25
123502	IT SECURITY INFRASTRUCTURE PKI	6,531.50
123618	AQUIRE ADDITIONAL PROPERTY ADJACENT TO MADISON SUBSTATION	161.94
123622	3 PHASE PROTECTIVE RELAYING TESTING EQUIPMENT	24,799.48
123696	DIST CONESTOGA TAP	3,035.72
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	59,823.45
123794	CR5 HIGH VOLTAGE BUSHING REPLACEMENT	2,886.06
123800	UNDER FREQUENCY LOAD SHEDDING - LGE	4,528.82
123826	CR GT11 FIRE PROTECTION SYS.	16,617.25
123831	CORRODED SERVICE LINE REPLACEMENT	39,548.42
123835	CHAMBERLAIN LANE HWY RELOCATION	1,041.90
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	27,491.98
123889	UPS AIRPORT EXPANSION PROJ ASHBOTTOM ROAD	11,649.44
123898	MC2 RECYCLE PUMP UPGRADE 2008	334.64
124015	MC4A COOLING TOWER PUMP 2008	73,261.56
124156	TC 08 MISC E COAL MILL MOTOR REBUILD	24,989.97
124296	PR13 TURBINE INLET VANE REPLACEMENT	207,587.13
124297	MULDRAUGH PURIFIER REDUNDANT PLC	6,568.81
124313	MC4C OXIDATION AIR COMPRESSOR GEARBOX	36,338.79
124581	FILL CASING UNDER 1-65	35,676.44
124649	MILL CREEK 4A4 RECYCLE PUMP MOTOR	72,636.99
124656	DETS 2008 NEW FUNCTIONALITY - LGE	9,895.81
124716	REPLACE OLD LEAKING METERS AT FOUR SCHOOLS	1,094.88
124777	MC2 TURBINE TURNING GEAR REBUILD	(460.05)
124781	MULDRAUGH GAS COMPRESSOR STATION	295,667.86
124863	CSS REDESIGN PROJECT	4,980.00
124864	SSC TRANSFORMER SERVICES RENOVATION	5,651.59
125144	MC HIGH SPEED RECORDER	22,888.01
125171	PURIFIER #1 REPAIR	13,167.25
125682	BACKUP STRATEGY EXPANSION PROJECT	131,406.73
125686	MC4 PYRITE PIPING	70,152.49
125692	CR5 EXCITER STUB SHAFT	438,172.46
125701	MC 4B COOLING TOWER PUMP MOTOR REWIND	106,486.46
125722	WINDSTORM 9-14	4,785,516.89
ASBLY419	REGULATOR ASSEMBLIES RC419	7,570.37
CABLE341	BLANKET CABLE FOR JOINT TRENCH	126,922.87
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	(6,795.29)
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	424.24
LSMR414	LARGE SCALE MAIN REPL.	1,511,790.51
LT8-2008	LGE 2008 BLANKET	133,471.25
LT9	LT9 TRANSMISSION	7,660.04
LT9-2008	LT9 EXPAN. 2008	142,672.58
MCAPRR340	CAP/REG/RECL 340	7,631.29
NBCD340OH	NEW BUS COMM OH 340	28,924.81
NBCD340UG	NEW BUS COMM UG 340	(96,917.93)
NBCD341UG	NEW BUS COMM UG 341	572.98

LGE 107001 Activity September 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
NBGCS419	NEW BUS CONNECT SERV 419	41,776.30
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	15,955.33
NBGS419	NEW BUS GAS SERV 419	104,767.96
NBGS422	NEW BUSINESS GAS SERVICE 422	2,391.01
NBRD340OH	NEW BUS RES OH 340	16,887.11
NBRD340UG	NEW BUS RES UG	256.64
NBRD341UG	NEW BUS RES UG 341	10,144.91
NBSB340OH	NEW BUS SUB OH 340	(1,482.41)
NBSB341UG	NEW BUS SUB UG 341	232,893.69
NBSV340OH	NEW ELECTRIC SERVICES	37,655.26
NBSV340UG	NEW EL SERV UG	27,752.60
NETVLT343	NETWORK VAULTS	46,396.92
PBWK340OH	PUB WORKS RELOC OH	8,178.18
PBWK344UG	PUBLIC RELOCATIONS U/G	14,152.07
PBWK406G	PUBLIC WORKS GAS 406	(18,900.96)
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	99,939.10
RCST340	CUST REQ 340	(48,105.32)
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	3,115.20
RDCBL340	REPL DEFECTIVE CABLE 340	10,706.81
RDDD340OH	REP DEF EQ OH 340	87,618.47
RDDD340UG	REP DEF EQ UG 340	34,273.44
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	95,610.34
RDMV332	MERCURY BULB REPL. PROJECT	4,490.53
RDPOLE340	POLE REP/REPL 340	117,382.01
RDSTLT332	REPAIR STREET LIGHTING 332	(67,137.83)
RDSTLT340	REP DEF ST LIGHTS 340	63.69
RELD01015	LGE GENERAL RELIABILITY 01015	708.77
RELD340OH	DIST. O/H RELIABILITY 340	1,420.22
RELD340UG	DIST U/G RELIABILITY 340	(1,165.00)
RNTPD340	REP THR PARTY DAM 340	11,198.14
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	34,271.99
RRCS419G	REP CO GAS SERV 419	73,981.44
RRCS421G	DIST MAINS 421 MULDRAUGH	1,191.83
RRCS422G	RETAIL GAS SERVICE RC 422	409.47
STLT332OH	STREET LIGHTS OVERHEAD 333	4,409.06
STLT332UG	STREET LIGHT UG 332	54,763.74
STRM323	STORM 003230	1,751.87
SYSENH340	SYS ENH EXIST CUST 340	36,083.19
TBRD340OH	TROUBLE OVERHEAD 340	73,700.74
TBRD340UG	TROUBLE UNDERGROUND 340	14,649.82
TLEQ340	TOOLS AND EQ 340	15,486.20
TLEQ448	TOOLS AND EQUIPMENT 448	261.55
XFRM340	TRANSFORMER 340	8,940.45
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	5,802.87
		<b>\$ 19,795,832.54</b>

LGE 107001 Activity October 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
100650	RELOC. DIST. HWY. FACILITIES	\$ (36,610.03)
104671	CAPITAL PIPE TRANSFERS - MULD	(34,462.38)
111398	MISC. SUBSTATION PROJECTS	24,532.33
113270	DISTRIBUTION LINE TRANSFORMER	138,067.76
114268	RESID. GAS REGULATOR REPL.	156,840.84
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUSTRIAL CUSTOME	11,072.34
117136	CR LANDFILL VERTICAL	48,126.67
117149	TC2 PROJECT	2,090,674.57
117320	SUBSTATION PROTECTION MODIFICATIONS	9,570.69
117361	ACCRUED LABOR - LGE	(30,918.96)
117882	TRANSFORMER REWIND (SMYRNA TR1)	18,410.64
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	661,425.29
118239	LG&E SUBSTATION SPILL PREVENTION	39,505.78
118349	OHIO FALLS REDEVELOPMENT	111,157.39
119542	FUEL SUPPLY MANAGEMENT SYSTEM	6,830.75
119902	CLEAR A&G LGE	(29,138.97)
120317	PURCHASE NEW BECKWITH TAP CHANGER CONTROLLER FOR STEWART	292.26
120318	KNOB CREEK TR 1-115KB BUSHING REPLACEMENT	455.65
120517	AUXILLARY CONTROL SWITCHES FOR GE AM13.8-500 BREAKERS	216.58
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	44,713.08
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	3,252.56
120595	PURCHASE REGULATORS - RESID. & COMMER.	48,670.89
120596	FARM TAP REGULATOR UPGRADE	187,185.74
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	33,782.25
120803	SECURE E-MAIL	5,000.00
121298	CONTROL CENTER CONSTRUCTION	(257,539.63)
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	13,050.41
121467	BLUEGRASS CAPACITY ADDITION	4,514.78
121620	CANE RUN NEW LANDFILL	71,772.94
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	66,015.09
121684	TC2 AQCS LGE	767,067.56
121726	MC LIMESTONE ENGINEERING STUDY	1,404.46
121750	NESC COMPLIANCE DAHLIA SUB FENCE	272.29
121751	INSTALL WILDLIFE PROTECTION OF CANAL SUBSTATION	1,056.00
121754	CANE RUN GEN BREAKERS	7,863.57
121781	SURVEY & INSPECTION SYSTEM ENCHANCEMENT PROJECT	20,000.00
121788	OMS UPGRADE	16,687.50
121897	MULDRAUGH FACILITY IMPROVEMENTS	(792.74)
121899	MULDRAUGH SPCC COMPLIANCE - PHASE I	(352.99)
121909	INSTALL REMOTE VALVE EQUIPMENT AT PADDYS RUN	886.28
121910	GAS REGULATOR/RELIEF CAPACITY PROJECT	151.00
121965	BLUEGRASS CIRCUIT WORK	23,991.08
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	92,090.77
122126	TC SPCC COMPLIANCE CAPITAL	7,937.05
122161	CR SPCC COMPLIANCE	783.99
122173	ZN SPCC COMPLIANCE	6,331.88
122180	HARRODS CREEK PIPELINE	212,275.82
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	(176,108.81)

LGE 107001 Activity October 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(106,907.12)
122247	MC TURBINE TURNING GEAR DIESEL GENERATOR	0.41
122275	SECOND DATA CENTER	18,432.07
122280	SO3 SORBENT INJECTION	55,821.80
122329	TIER C ROTATION DESKTOPS AND LAPTOPS-LGE	19,532.50
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	643,101.64
122452	UPGRADE BUILDING AT PRESTON CITY GATE STATION	(48.54)
122503	POWERPLANT SOFTWARE IMPLEMENTATION	4,911.76
122505	ORACLE IEXPENSE/FILENET IMAGING	1,173.36
122512	MT 138KV COLLINS TERMINATION	12,804.33
122514	COLLINS 138/69KV 150MVA TRNSFRMR	989.40
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	(482.77)
122519	LGE RTU PURCHASE	395.01
122539	SAP FOR CCS - LGE	1,592,302.08
122650	LGE GAS METERS	206,065.67
122656	MERCURY MONITORING	125,881.18
122695	UPS GRADE LANE	19,320.85
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	3,431.67
122702	BARDSTOWN, KY HP REGULATOR STATION	843.18
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & 6	1,367,514.11
122811	ORACLE ISUPPLIER PORTAL	4,453.30
122817	MULDRAUGH ENGINE & BLOWER	(650.95)
122819	CCS - BUSINESS INTELLIGENCE	60,680.84
122820	CCS - CHANGE MGMT.	2,865.11
122821	CCS - CUSTOMER SERVICE	224,456.16
122822	CCS - DEVELOPMENT	37,068.34
122823	CCS - TECHNOLOGY	263,239.83
122842	MC 1 RECYCLE PUMP PIPING	318,240.18
122862	UPS/SEMINOLE SUBSTATION ADDITION	503,999.24
122863	UPS/SEMINOLE 12KV CIRCUIT WORK	26,319.21
122889	MILL CREEK UNIT 1 WATERWALL WELD OVERLAY 2008	663,336.76
122891	MC1 345KV DISCONNECT SWITCH	1,894.29
122894	MC 4D COAL MILL GEARBOX	1.64
122895	MC 4B COAL MILL GEARBOX	108,126.05
122898	REVISED MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSIS	245,609.38
122899	MC1 PRECIPITATOR HOPPER LEVEL INDICATORS	1,322.55
122900	MILL CREEK UNIT 1 STATOR LEAK MONITORING SYSTEM	1,587.82
122902	MILL CREEK UNIT 4 COOLING TOWER FAN VARIABLE FREQUENCY DRIV.	4,962.79
122903	MC1 AIR HEATER BASKETS	112,413.26
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	184,263.65
122937	POWERMATRIX EQUIPMENT	8.94
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	1,131.27
122939	REAL TIME PRICING PILOT	1,899.08
122940	2008 LGE INTERNAL REQUESTS	27,342.47
122941	2008 CARPET & TILE REPLACEMENT	6,789.02
122944	2008 CHAIR REPLACEMENT	16,896.27
122945	08 OFFICE FURNITURE & EQUIPMENT	5,788.51
122948	PSRT AIR HANDLER SYSTEM	9,851.99

LGE 107001 Activity October 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
122949	BOC LL HVAC UPGRADE	9,851.99
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	(70.37)
122971	CONESTOGA SUBSTATION - CIRCUIT WORK	23,157.63
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	119,102.87
122974	CONESTOGA SUBSTATION	305,254.45
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	399,005.65
123011	2008 FT RATE CONVERSION PROJECTS	3,375.72
123012	MULDRAUGH PURIFIER 2 BOILER BUILDING RETROFIT	52,537.25
123013	#4 ENGINE FOUNDATION	38,237.49
123014	MAGNOLIA - GROUND WATER PROTECTION PROJECTS (GWPP)	13,177.26
123015	MILLCREEK CUTOFF EXPOSURE REHAB	(19,664.72)
123016	MULDRAUGH COMPRESSOR BUILDING GAS DETECTION	2,423.82
123018	MULDRAUGH ENGINE COOLING REPLACEMENTS	2,942.65
123019	MULDRAUGH HANDRAIL IMPROVEMENTS	14,271.17
123020	MULDRAUGH MISCELLANEOUS FACILITY IMPROV	2,068.87
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	98,474.54
123023	CP IMPRESSED CURRENT SYSTEM	(216.00)
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	46,858.44
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	47,704.19
123027	REFINE WELLS WITH CORRODED CASING	201,293.52
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACEMENT/ PUI	50,149.72
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	348,266.10
123040	MULDRAUGH STORAGE PIPELINE REPLACEMENT	4,797.54
123041	PI ACT COMPLIANCE 2008	6,083.45
123043	MULDRAUGH TRANS. REPLACE.	2,517.78
123045	REPLACE MULDRUGH ODORANT SYSTEM	1,934.84
123047	REGULATOR CAPACITY	1,250.98
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	35,078.47
123050	OTTER CREEK EXPOSURE PROJECT	18,838.17
123075	LGE SOFTWARE LICENSES	9,437.98
123077	MOBILE STOPBOX INSPECTION	4,514.75
123078	MOBILE GIS MODULES	18,057.23
123081	LG&E MOBILE INFRASTRUCTURE	2,633.34
123082	LGE PC AND PRINTER	6,176.22
123139	MILL CREEK UNIT REHEATER REPLACEMENT	860,725.05
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	2,952.56
123220	CT7 A/B CONVERSION - LGE	352,663.91
123260	GDS IMPLEMENTATION	1,874.97
123310	TC CBU BUCKET REPLACEMENT	151,994.22
123311	TC CBU COUNTERWEIGHT CABLE REPLACEMENT	29,153.93
123315	TC LAB MONITOR PURCHASE	(77.45)
123340	CR PLANT REACTANT SUPPLY CONTROL UPGRADE	10,300.00
123348	CR B REACTANT SCREEN DECK REPLACEMENT	0.44
123365	CR ASBESTOS ABATEMENT 2008	39,230.22
123383	NORTHSIDE CLIFTY CREEK 138KV UPGRADE	(100,976.17)
123413	HWSW DEVELOPMENT TOOLS	45.04
123417	IT TOOLS ENERGY SERVICES POWER CEN	33.49
123419	HARDWARE & SOFTWARE TOOLS IT SERVCO	161.62

LGE 107001 Activity October 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
123421	HW/SW DEV TOOLS 2008- 026560	33.49
123423	HW/SW DEV TOOLS 2008	32.81
123425	HW/SW DEV TOOLS LGE	1,247.27
123434	TIER C REPLACEMENT LGE	102,615.98
123438	2008 LOUISVILLE ELECTRICAL UPGRADE	7,501.73
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	416.10
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	3,718.10
123456	OUTSIDE CABLE PLANT	13,068.90
123460	TELEPHONE SYSTEMS CAPACITY EXPANSION	4,387.63
123464	CABLING FOR SERVER CONNECTIVITY	66.29
123466	REVISED CONTENT SWITCH REPLACEMENT	85,176.98
123475	2008 SERVER HARDWARE REFRESH	69,095.90
123479	ACCESS SWITCH ROTATION 2008	1,175.86
123485	EBUSINESS FIREWALL REPLACEMENT	37,879.42
123488	NETWORK ACCESS DEVICES AND GATEWAYS	64.01
123490	NETWORK MANAGEMENT	5,963.09
123502	IT SECURITY INFRASTRUCTURE PKI	9,381.55
123532	SL DILUTION PROBE REPLACEMENT	33,217.87
123595	HR GEN 16TH FLOOR REMODEL	396.58
123614	MUD LANE HUMANA DATA CENTER	6,700.56
123618	AQUIRE ADDITIONAL PROPERTY ADJACENT TO MADISON SUBSTATION	148.04
123676	BR CT6 QUENCH NOZZLE REPLACEMENT	104,330.38
123696	DIST CONESTOGA TAP	27,102.82
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	8,890.11
123794	CR5 HIGH VOLTAGE BUSHING REPLACEMENT	(0.22)
123800	UNDER FREQUENCY LOAD SHEDDING - LGE	8,654.57
123831	CORRODED SERVICE LINE REPLACEMENT	99,015.84
123835	CHAMBERLAIN LANE HWY RELOCATION	26,316.02
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	19,388.47
123889	UPS AIRPORT EXPANSION PROJ ASHBOTTOM ROAD	(57.00)
123898	MC2 RECYCLE PUMP UPGRADE 2008	62,476.34
123947	MILL CREEK 3 WATERWALL WELD OVERLAY 2009	37,055.48
124015	MC4A COOLING TOWER PUMP 2008	15,542.35
124051	MC DIAGNOSTIC EQUIPMENT	21,696.06
124153	MULDRAUGH STATION REDUNDANT AMINE PUMP	14,199.01
124296	PR13 TURBINE INLET VANE REPLACEMENT	(205.42)
124297	MULDRAUGH PURIFIER REDUNDANT PLC	80,299.45
124361	CR5 4KV SWITCHGEAR UPGRADE	30,900.00
124458	REPLACE UNDERRATED 69KV BREAKERS AT MIDDLETOWN	700.06
124581	FILL CASING UNDER 1-65	13,905.75
124595	MC FGD CONTROL ROOM/OFFICE CONVERSION	33,837.22
124656	DETS 2008 NEW FUNCTIONALITY - LGE	8,079.85
124716	REPLACE OLD LEAKING METERS AT FOUR SCHOOLS	6,619.01
124781	MULDRAUGH GAS COMPRESSOR STATION	339,702.37
124863	CSS REDESIGN PROJECT	3,367.20
124864	SSC TRANSFORMER SERVICES RENOVATION	81,950.76
124865	ELECTRIC EHANCE OH DISTR	63,862.21
125168	PIPELINE WASHOUT REPAIR	6,750.38

LGE 107001 Activity October 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125171	PURIFIER #1 REPAIR	6,786.59
125610	CR UPS BATTERY REPLACEMENT	35,870.00
125682	BACKUP STRATEGY EXPANSION PROJECT	462.30
125686	MC4 PYRITE PIPING	6,520.97
125692	CR5 EXCITER STUB SHAFT	10,443.36
125701	MC 4B COOLING TOWER PUMP MOTOR REWIND	(91.24)
125703	GENERATION ENGINEERING BORESCOPE/VIDEOPROBE	21,342.15
125709	MC 4A FLYASH BLOWER	30,760.97
125710	MC EMERGENCY RESPONSE TEAM ERT EQUIPMENT	45,683.46
125715	CR5-2 BFP MOTOR	306,478.27
125717	TC TELEHANDLER/ALL TERRAIN FORKLIFT & SKID LOADER	83,820.80
125722	WINDSTORM 9-14	1,265,779.72
125724	MULDRAUGH RELIABILITY EMPROVEMENTS	12,357.64
125733	OMS 1.8 UPGRADE SERVER	12,788.17
125738	MAXIMO LICENSES	186,733.58
125742	PRIMATE TECHNOLOGIES BLACKBOARD	4,105.13
111398-08	2008 LT MISC CAPITAL	16,886.79
ASBLY419	REGULATOR ASSEMBLIES RC419	7,670.24
CABLE341	BLANKET CABLE FOR JOINT TRENCH	(21,577.08)
CLR419	LEAK REPAIR 419	(14.39)
ECAPRR340	CAP, REG, RECLOSERS 340	293.35
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	221,810.43
LSMR414	LARGE SCALE MAIN REPL.	1,300,614.49
LT8-2008	LGE 2008 BLANKET	(6,562.29)
LT9	LT9 TRANSMISSION	12,306.17
LT9-2008	LT9 EXPAN. 2008	141,301.80
MCAPRR340	CAP/REG/RECL 340	691.62
NBCD340OH	NEW BUS COMM OH 340	149,559.73
NBCD340UG	NEW BUS COMM UG 340	217,121.12
NBCD341UG	NEW BUS COMM UG 341	7,509.59
NBGCS419	NEW BUS CONNECT SERV 419	57,009.55
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	76,761.62
NBGS419	NEW BUS GAS SERV 419	102,393.03
NBGS422	NEW BUSINESS GAS SERVICE 422	1,340.77
NBRD340OH	NEW BUS RES OH 340	56,105.96
NBRD340UG	NEW BUS RES UG	854.04
NBRD341UG	NEW BUS RES UG 341	13,113.51
NBSB340OH	NEW BUS SUB OH 340	5,677.19
NBSB341UG	NEW BUS SUB UG 341	133,472.08
NBSV340OH	NEW ELECTRIC SERVICES	66,562.77
NBSV340UG	NEW EL SERV UG	75,682.08
NBVL343	NETWORK VAULTS 343	19,512.92
NETVLT343	NETWORK VAULTS	348,270.30
PBWK340OH	PUB WORKS RELOC OH	6,856.13
PBWK406G	PUBLIC WORKS GAS 406	110,045.04
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	(2,155.99)
RCST340	CUST REQ 340	43,249.94
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	25,061.61



LGE 107001 Activity October 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RDCBL340	REPL DEFECTIVE CABLE 340	14,577.16
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	58.08
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	14.40
RDDD340OH	REP DEF EQ OH 340	167,604.38
RDDD340UG	REP DEF EQ UG 340	38,651.31
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	2,097.06
RDMV332	MERCURY BULB REPL. PROJECT	5,627.41
RDPOLE340	POLE REP/REPL 340	143,146.66
RDSTLT332	REPAIR STREET LIGHTING 332	8,386.21
RDSTLT340	REP DEF ST LIGHTS 340	66.51
RELD01015	LGE GENERAL RELIABILITY 01015	14,364.68
RELD340OH	DIST. O/H RELIABILITY 340	7,420.49
RELD340UG	DIST U/G RELIABILITY 340	1,330.00
RNTPD340	REP THR PARTY DAM 340	63,437.61
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	11,644.06
RRCS419G	REP CO GAS SERV 419	95,977.02
RRCS421G	DIST MAINS 421 MULDRAUGH	947.97
RRCS422G	RETAIL GAS SERVICE RC 422	813.66
STLT332OH	STREET LIGHTS OVERHEAD 333	63,611.44
STLT332UG	STREET LIGHT UG 332	72,363.82
SYSEN406G	SYSTEM ENHANCE. GAS	191.69
SYSENH340	SYS ENH EXIST CUST 340	51,723.79
TBRD340OH	TROUBLE OVERHEAD 340	177,270.57
TBRD340UG	TROUBLE UNDERGROUND 340	44,054.21
TLEQ340	TOOLS AND EQ 340	6,638.09
TLEQ419	PURCH. TOOLS 419	4,076.15
TLEQ447	TOOLS AND EQUIPMENT 447	14,637.63
TLEQ448	TOOLS AND EQUIPMENT 448	1,317.79
WEATH340	WEATHER 003400	446.49
XFRM340	TRANSFORMER 340	72,742.02
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	12,748.48

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**\$ 22,216,516.49**

LGE 107001 Activity November 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
104671	CAPITAL PIPE TRANSFERS - MULD	\$ 197,133.10
111398	MISC. SUBSTATION PROJECTS	25,824.04
112644	CAPITAL TOOLS	136.97
113270	DISTRIBUTION LINE TRANSFORMER	367,176.22
114268	RESID. GAS REGULATOR REPL.	292,485.02
115030	REVISED PURCHASE SERVICE REGULATORS FOR INDUSTRIAL CUSTOME	756.84
117136	CR LANDFILL VERTICAL	194,221.70
117149	TC2 PROJECT	1,758,540.52
117320	SUBSTATION PROTECTION MODIFICATIONS	84,296.68
117882	TRANSFORMER REWIND (SMYRNA TR1)	322,465.54
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	122,713.68
118239	LG&E SUBSTATION SPILL PREVENTION	41,020.66
118349	OHIO FALLS REDEVELOPMENT	67,074.78
119542	FUEL SUPPLY MANAGEMENT SYSTEM	2,865.67
120317	PURCHASE NEW BECKWITH TAP CHANGER CONTROLLER FOR STEWART	1,705.07
120318	KNOB CREEK TR 1-115KB BUSHING REPLACEMENT	949.58
120517	2006 AUXILLARY CONTROL SWITCHES FOR GE AM13.8-500 BREAKERS	17,777.64
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	8,224.46
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	10,350.71
120572	MULDRAUGH STORAGE MISCELLANEOUS FACILTY IMPROVEMENTS	(121.51)
120595	PURCHASE REGULATORS - RESID. & COMMER.	70,566.88
120596	FARM TAP REGULATOR UPGRADE	82,386.14
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	38,258.04
120803	SECURE E-MAIL	5,000.00
120865	HW/SW DEV TOOLS 026560	30.33
121298	CONTROL CENTER CONSTRUCTION	236,988.63
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	120,071.75
121467	BLUEGRASS CAPACITY ADDITION	9,753.80
121620	CANE RUN NEW LANDFILL	64,011.60
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	51,817.85
121684	TC2 AQCS LGE	(243,176.56)
121700	MILL CREEK UNIT 3 SUPERHEATER FINAL PENDANT REPLACEMENT	30,063.45
121750	NESC COMPLIANCE DAHLIA SUB FENCE	38,870.61
121751	INSTALL WILDLIFE PROTECTION OF CANAL SUBSTATION	(1,985.26)
121754	CANE RUN GEN BREAKERS	22.32
121822	BLUE LICK / BULLITT CO. 161KV DOUBLE CIRCUIT	(15,207.19)
121897	MULDRAUGH FACILITY IMPROVEMENTS	(8,442.68)
121909	INSTALL REMOTE VALVE EQUIPMENT AT PADDYS RUN	851.85
121910	GAS REGULATOR/RELIEF CAPACITY PROJECT	729.17
121942	OLD HENRY ROAD MAIN EXTENSION	0.57
121964	FAIRMONT CIRCUIT WORK	(2,383.75)
121965	BLUEGRASS CIRCUIT WORK	38,822.57
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	491.65
122126	TC SPCC COMPLIANCE CAPITAL	4,070.97
122161	CR SPCC COMPLIANCE	122,135.40
122173	ZN SPCC COMPLIANCE	1,119.90
122180	HARRODS CREEK PIPELINE	(102,240.00)
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	(404,967.83)

**LGE 107001 Activity November 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
122230	RECONSTRUCT WATERSIDE GAS FACILITIES	351.71
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	(510,885.40)
122275	SECOND DATA CENTER	357,629.10
122280	SO3 SORBENT INJECTION	48,076.68
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	25,170.53
122370	MILL CREEK - HARDIN COUNTY OPGW	45,908.12
122418	IT STRATEGY & PLANNING RESEARCH TECH INVESTMENT	1,286.23
122424	IT SECURITY MONITORING AND AUDIT MGMT TOOLS	606.32
122503	POWERPLANT SOFTWARE IMPLEMENTATION	601.90
122505	ORACLE IEXPENSE/FILENET IMAGING	21,623.33
122512	MT 138KV COLLINS TERMINATION	20,960.64
122514	COLLINS 138/69KV 150MVA TRNSFRMR	418,055.20
122539	SAP FOR CCS - LGE	925,608.78
122650	LGE GAS METERS	118,116.94
122656	MERCURY MONITORING	207,517.01
122695	UPS GRADE LANE	27,434.46
122789	WESTPORT RD. GAS RELOCATION	0.71
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	115.77
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & €	(1,074,074.43)
122817	MULDRAUGH ENGINE & BLOWER	(6,932.60)
122819	CCS - BUSINESS INTELLIGENCE	47,189.62
122820	CCS - CHANGE MGMT.	492.09
122821	CCS - CUSTOMER SERVICE	155,464.40
122822	CCS - DEVELOPMENT	26,613.79
122823	CCS - TECHNOLOGY	82,216.65
122842	MC 1 RECYCLE PUMP PIPING	27,110.18
122862	UPS/SEMINOLE SUBSTATION ADDITION	86,628.50
122889	MILL CREEK UNIT 1 WATERWALL WELD OVERLAY 2008	(30,507.40)
122891	MC1 345KV DISCONNECT SWITCH	31,679.66
122898	REVISED MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSI	620,699.27
122899	MC1 PRECIPITATOR HOPPER LEVEL INDICATORS	23,927.22
122900	MILL CREEK UNIT 1 STATOR LEAK MONITORING SYSTEM	15,121.81
122902	MILL CREEK UNIT 4 COOLING TOWER FAN VARIABLE FREQUENCY DRIV	137.99
122903	MC1 AIR HEATER BASKETS	58,919.90
122904	MC1 RECYCLE PUMP UPGRADE	744.03
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	64,735.33
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	8,416.64
122939	REAL TIME PRICING PILOT	7,382.46
122940	2008 LGE INTERNAL REQUESTS	400.00
122941	2008 CARPET & TILE REPLACEMENT	2,119.51
122944	2008 CHAIR REPLACEMENT	2,350.99
122945	08 OFFICE FURNITURE & EQUIPMENT	53,073.36
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	(715.59)
122971	CONESTOGA SUBSTATION	8,556.66
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	40,910.59
122974	CONESTOGA SUBSTATION	23,034.12
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	18,358.14
122982	NEW BECKWITH TAP CHANGER CONTROLLER FOR COLLINS TR 1	1,705.07

**LGE 107001 Activity November 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
123011	2008 FT RATE CONVERSION PROJECTS	5,143.11
123012	MULDRAUGH PURIFIER 2 BOILER BUILDING RETROFIT	74,628.23
123014	MAGNOLIA - GROUND WATER PROTECTION PROJECTS (GWPP)	1,276.85
123016	MULDRAUGH COMPRESSOR BUILDING GAS DETECTION	13,996.89
123018	MULDRAUGH ENGINE COOLING REPLACEMENTS	36,908.63
123019	MULDRAUGH HANDRAIL IMPROVEMENTS	(6,957.64)
123020	MULDRAUGH MISCELLANEOUS FACILITY IMPROV	13,815.84
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	(76,680.00)
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	12,483.78
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	173,522.44
123027	REFINE WELLS WITH CORRODED CASING	116,999.27
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACEMENT/ PU	10,904.93
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	333,032.85
123041	PI ACT COMPLIANCE 2008	1,088.91
123042	DOE RUN INDIANA 8-INCH PIPELINE PROJECT	145,372.50
123043	MULDRAUGH TRANS. REPLACE.	993.69
123045	REPLACE MULDRAUGH ODORANT SYSTEM	2,662.70
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	1,491.03
123050	OTTER CREEK EXPOSURE PROJECT	253,411.21
123077	MOBILE STOPBOX INSPECTION	20,813.92
123078	MOBILE GIS MODULES	22,722.01
123081	LG&E MOBILE INFRASTRUCTURE	115,736.75
123082	LGE PC AND PRINTER	52,742.64
123139	MILL CREEK UNIT REHEATER REPLACEMENT	8,855.33
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	41,953.07
123220	CT7 A/B CONVERSION - LGE	286,499.12
123260	GDS IMPLEMENTATION	1,184.64
123309	TC SPCC COMPLAINCE CAPITAL	3,515.59
123310	TC CBU BUCKET REPLACEMENT	45,398.56
123312	TC TRAVELING WATER SCREEN BASKET REPLACEMENTS	(1,416.25)
123318	TC CT PURCHASE/INSTALL UCVG CONTROLLER	12,541.13
123340	CR PLANT REACTANT SUPPLY CONTROL UPGRADE	50,586.01
123415	IT TOOLS ENERGY SERVICES MRMD	1,017.25
123417	IT TOOLS ENERGY SERVICES POWER CEN	132.62
123419	HARDWARE & SOFTWARE TOOLS IT SERVCO	2,945.49
123423	HW/SW DEV TOOLS 2008	244.62
123425	HW/SW DEV TOOLS LGE	6,967.70
123429	MONITOR REPLACEMENT LGE	8,183.25
123434	TIER C REPLACEMENT LGE	25,523.00
123438	2008 LOUISVILLE ELECTRICAL UPGRADE	1,597.70
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	7,874.40
123446	MOBILE RADIO	610.37
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	2,878.93
123450	NETWORK TOOLS & TEST EQUIPMENT	978.68
123456	OUTSIDE CABLE PLANT	31,191.18
123460	TELEPHONE SYSTEMS CAPACITY EXPANSION	266.55
123464	CABLING FOR SERVER CONNECTIVITY	(7.54)
123466	REVISED CONTENT SWITCH REPLACEMENT	(84,126.13)

LGE 107001 Activity November 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
123475	2008 SERVER HARDWARE REFRESH	(36,936.70)
123479	ACCESS SWITCH ROTATION 2008	8,845.16
123485	EBUSINESS FIREWALL REPLACEMENT	633.09
123488	NETWORK ACCESS DEVICES AND GATEWAYS	662.39
123490	NETWORK MANAGEMENT	10,579.46
123502	IT SECURITY INFRASTRUCTURE PKI	4,799.54
123508	VULNERABILITY SCANNING	16,522.55
123517	PLANT LAB EQUIPMENT UPGRADES	746.13
123532	SL DILUTION PROBE REPLACEMENT	88,563.53
123579	JT1128 RECONDUCTOR	76.89
123614	MUD LANE HUMANA DATA CENTER	1,718.83
123676	BR CT6 QUENCH NOZZLE REPLACEMENT	(9,639.10)
123696	DIST CONESTOGA TAP	251.32
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	34,576.41
123795	DIST EASTWOOD WEST TOP	1,067.44
123800	UNDER FREQUENCY LOAD SHEDDING - LGE	8,029.55
123831	CORRODED SERVICE LINE REPLACEMENT	39,532.00
123835	CHAMBERLAIN LANE HWY RELOCATION	354.93
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	14,432.88
123898	MC2 RECYCLE PUMP UPGRADE 2008	10,566.14
123969	GENERATION ENGINEERING ALLOY IDENTITY EQUIPMENT	15,306.34
123970	PORTABLE OIL PARTICLE COUNTER	7,967.18
124051	MC DIAGNOSTIC EQUIPMENT	30,212.69
124080	MC RAILROAD TRACK REPLACEMENT	57,132.36
124091	MC MATERIAL HANDLING CHUTES	45,268.50
124153	MULDRAUGH STATION REDUNDANT AMINE PUMP	181,966.82
124157	TC 08 MISC CDES BLDG BATTERY REPL	34,223.01
124296	PR13 TURBINE INLET VANE REPLACEMENT	86,195.54
124297	MULDRAUGH PURIFIER REDUNDANT PLC	(26,438.01)
124311	MC COAL HANDLING CONVEYOR BELTS	28,344.24
124361	CR5 4KV SWITCHGEAR UPGRADE	438,347.45
124373	CR SKID STEER LOADER	25,450.94
124443	PDM IO TECH EXPANSION UPGRADE	7,328.04
124458	REPLACE UNDERRATED 69KV BREAKERS AT MIDDLETOWN	179,183.99
124459	MIDDLETOWN 6601 CIRCUIT BREAKER CHANGE OUTS	176,987.91
124549	ASPEN ONELINER SOFTWARE PURCHASE & IMPLEMENTATION	21,193.38
124595	MC FGD CONTROL ROOM/OFFICE CONVERSION	(8,064.22)
124656	DETS 2008 NEW FUNCTIONALITY - LGE	3,112.64
124744	STORM 7-8-08	0.21
124781	MULDRAUGH GAS COMPRESSOR STATION	(197,613.58)
124865	ELECTRIC EHANCE OH DISTR	(38,140.96)
124891	HIGHLAND SUBSTATION GATE	3,813.44
125168	PIPELINE WASHOUT REPAIR	248,229.63
125171	PURIFIER #1 REPAIR	6,870.06
125678	EVA REPLACEMENT PROJECT	442,278.30
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	15,527.99
125686	MC4 PYRITE PIPING	22,726.13
125692	CR5 EXCITER STUB SHAFT	76.58

**LGE 107001 Activity November 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
125710	MC EMERGENCY RESPONSE TEAM ERT EQUIPMENT	2,138.28
125715	CR5-2 BFP MOTOR	(11,741.67)
125717	TC TELEHANDLER/ALL TERRAIN FORKLIFT & SKID LOADER	3,925.84
125719	CR5A HORIZONTAL SERVICES WATER PUMP REPLACEMENT	51,500.00
125722	WINDSTORM 9-14	381,654.74
125724	MULDRAUGH RELIABILITY EMPROVEMENTS	1,809.75
125742	PRIMATE TECHNOLOGIES BLACKBOARD	370.02
125745	DIX DAM NETWORK UPGRADE	19,974.56
125753	NETVAL FOR OMS ANALYSIS TOOL	2,729.57
125769	PROCARD RECEIPTS IMAGING	261.25
125780	MC COAL STACKER/RECLAIMER BOOM BELT REPLACEMENT	11,756.74
125785	CR GT11 SPCC	93,733.10
125792	MILL CREEK 1C TRANSFER H0 BUSHING REPL	2,183.36
125793	MC1 FGD EXPANSION JOINTS REPL FALL 2008	39,996.66
111398-08	2008 LT MISC CAPITAL	11,949.94
ASBLY419	REGULATOR ASSEMBLIES RC419	14,638.53
CLR419	LEAK REPAIR 419	(1,628.04)
COMP419	GAS DISTRIBUTION COMPLIANCE	0.80
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	374,236.77
L5	TRANSMISSION LINE RELOCATION	541.00
L6	TRANS. LINES NEW FACILITIES	2,805.00
LSMR414	LARGE SCALE MAIN REPL.	1,039,302.74
LT8-2008	LGE 2008 BLANKET	22,706.06
LT9	LT9 TRANSMISSION	27,606.00
LT9-2008	LT9 EXPAN. 2008	11,882.07
MCAPRR340	CAP/REG/RECL 340	1,531.44
NBCD340OH	NEW BUS COMM OH 340	108,812.72
NBCD340UG	NEW BUS COMM UG 340	278,629.03
NBGCS419	NEW BUS CONNECT SERV 419	58,520.90
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	(21,020.73)
NBGS419	NEW BUS GAS SERV 419	90,253.46
NBGS422	NEW BUSINESS GAS SERVICE 422	809.39
NBID341UG	NEW BUS INDUS UG 341	0.65
NBRD340OH	NEW BUS RES OH 340	55,907.00
NBRD340UG	NEW BUS RES UG	546.50
NBRD341UG	NEW BUS RES UG 341	1,798.08
NBSB340OH	NEW BUS SUB OH 340	10,728.60
NBSB341UG	NEW BUS SUB UG 341	(365,847.67)
NBSV340OH	NEW ELECTRIC SERVICES	60,327.13
NBSV340UG	NEW EL SERV UG	58,539.48
NBVL343	NETWORK VAULTS 343	40,890.69
NETVLT343	NETWORK VAULTS	3,302.56
PBWK340OH	PUB WORKS RELOC OH	23,145.75
PBWK340UG	PUB WORKS RELOC UG 340	64.74
PBWK344UG	PUBLIC RELOCATIONS U/G	11,853.84
PBWK406G	PUBLIC WORKS GAS 406	3,495.05
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	(2,445.71)
RCST340	CUST REQ 340	42,389.61

LGE 107001 Activity November 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	48,917.85
RDCBL340	REPL DEFECTIVE CABLE 340	42,133.35
RDD003065	REPAIR REP. DEFECT. EQUIP. 003065	13,153.17
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	4,694.02
RDDD3400H	REP DEF EQ OH 340	215,054.55
RDDD340UG	REP DEF EQ UG 340	50,757.44
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	52.68
RDMV332	MERCURY BULB REPL. PROJECT	5,433.90
RDPOLE340	POLE REP/REPL 340	142,661.30
RDSTLT332	REPAIR STREET LIGHTING 332	65,137.51
RDSTLT340	REP DEF ST LIGHTS 340	923.97
RELD01015	LGE GENERAL RELIABILITY 01015	37,137.56
RELD340OH	DIST. 0/H RELIABILITY 340	4,489.74
RELD340UG	DIST U/G RELIABILITY 340	44,990.30
RNTPD340	REP THR PARTY DAM 340	43,563.02
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	13,323.51
RRCS419G	REP CO GAS SERV 419	64,944.95
RRCS421G	DIST MAINS 421 MULDRAUGH	10,400.96
RRCS422G	RETAIL GAS SERVICE RC 422	904.75
STLT332OH	STREET LIGHTS OVERHEAD 333	17,310.55
STLT332UG	STREET LIGHT UG 332	41,725.98
STLT347	STREET LIGHTING 347	239.99
SYSEN406G	SYSTEM ENHANCE. GAS	705.25
SYSENH340	SYS ENH EXIST CUST 340	6,138.14
TBRD340OH	TROUBLE OVERHEAD 340	138,080.46
TBRD340UG	TROUBLE UNDERGROUND 340	48,145.00
TLEQ340	TOOLS AND EQ 340	3,126.78
TLEQ419	PURCH. TOOLS 419	1,465.34
TLEQ448	TOOLS AND EQUIPMENT 448	205.75
XFRM340	TRANSFORMER 340	(2,418.55)
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	4,651.95

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**\$ 13,076,185.17**

LGE 107001 Activity December 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
100650	RELOC. DIST. HWY. FACILITIES	\$ (192,853.67)
104671	CAPITAL PIPE TRANSFERS - MULD	89,338.45
111398	MISC. SUBSTATION PROJECTS	134,968.24
112750	FORD - MIDDLETOWN 138 KV LINE	(180,624.76)
112767	MC ASH POND EXPANSION STUDY	3,269.96
113270	DISTRIBUTION LINE TRANSFORMER	71,823.67
114268	RESID. GAS REGULATOR REPL.	286,789.66
117136	CR LANDFILL VERTICAL	303,182.98
117149	TC2 PROJECT	5,105,488.85
117320	SUBSTATION PROTECTION MODIFICATIONS	77,960.04
117361	ACCRUED LABOR - LGE	6,301.80
117882	TRANSFORMER REWIND (SMYRNA TR1)	11,903.59
118209	DEVELOPMENT FOR TRIMBLE COUNTY UNIT # 2	167,379.00
118239	LG&E SUBSTATION SPILL PREVENTION	60,582.15
118349	OHIO FALLS REDEVELOPMENT	845,191.25
118401	MUD LANE SMYRNA 69 KV SURVEY	216,876.40
119542	FUEL SUPPLY MANAGEMENT SYSTEM	19,469.67
119902	CLEAR A&G LGE	451,432.39
120317	PURCHASE NEW BECKWITH TAP CHANGER CONTROLLER FOR STEWART	37,265.17
120517	AUXILLARY CONTROL SWITCHES FOR GE AM13.8-500 BREAKERS	6,856.78
120563	MAGNOLIA GAS STORAGE REPLACE #6 ENGINE PANEL	53,933.21
120567	MULDRAUGH ENGINE PANEL UPGRADE PHASE 1,2,&3	12,351.62
120595	PURCHASE REGULATORS - RESID. & COMMER.	9,021.31
120596	FARM TAP REGULATOR UPGRADE	279,075.97
120730	TC CONTROL SYSTEM UPGRADE ENGINEERING SCOPE	267,411.23
120754	MISC. A/R UNCOLLECTIBLE - LGE CAPITAL	(33,252.00)
120803	SECURE E-MAIL	5,000.00
121298	CONTROL CENTER CONSTRUCTION	(10,175.98)
121466	FAIRMOUNT TR2 UPGRADE TO 44.8 MVA	13,446.99
121467	BLUEGRASS CAPACITY ADDITION	3,526.29
121620	CANE RUN NEW LANDFILL	160,709.24
121683	TRIMBLE COUNTY ASH/GYPSUM PONDS	39,185.46
121684	TC2 AQCS LGE	1,390,324.33
121750	NESC COMPLIANCE DAHLIA SUB FENCE	(2,783.35)
121754	CANE RUN GEN BREAKERS	27.85
121788	OMS UPGRADE	84,263.87
121904	MULDRAUGH BOILER SAFETY-PURIFICATION UNIT AND DEHYDRATOR	886.00
121907	GAS REGULATOR CAPACITY PROJECT	304.50
121908	FT RATE CONVERSION PROJECTS	(13,812.37)
121909	INSTALL REMOTE VALVE EQUIPMENT AT PADDYS RUN	762.95
121910	GAS REGULATOR/RELIEF CAPACITY PROJECT	15,900.39
121965	BLUEGRASS CIRCUIT WORK	50,389.01
121974	LGE ELECTRIC METER PURCHASE & INSTALLS	93,810.54
122126	TC SPCC COMPLIANCE CAPITAL	25,346.11
122161	CR SPCC COMPLIANCE	(2,558.12)
122180	HARRODS CREEK PIPELINE	1,294.61
122188	BR CT UNDERGROUND PIPE SPCC	89,334.98
122229	CONSTRUCT NEW WATERSIDE DISTRIBUTION SUBSTATION, REMOVE EX	247,549.26



**LGE 107001 Activity December 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
122230	RECONSTRUCT WATERSIDE GAS FACILITIES	16,090.72
122231	WATERSIDE SITE RELOCATION RECONFIGURE TRANSMISSION LINES	79,473.39
122275	SECOND DATA CENTER	35,578.24
122280	SO3 SORBENT INJECTION	60,882.43
122362	LAND MOBILE RADIO SYSTEM BUILDOUT	186,853.17
122503	POWERPLANT SOFTWARE IMPLEMENTATION	101,590.51
122505	ORACLE IEXPENSE/FILENET IMAGING	9,146.07
122512	MT 138KV COLLINS TERMINATION	137,435.82
122513	MIDDLETOWN - COLLINS 138 KV LINE	189,811.79
122514	COLLINS 138/69KV 150MVA TRNSFRMR	70,801.71
122516	WORTHINGTON CAPACITOR BANK INSTALLATION	148.46
122539	SAP FOR CCS - LGE	2,173,552.84
122650	LGE GAS METERS	234,565.19
122656	MERCURY MONITORING	507,506.70
122695	UPS GRADE LANE	188,119.09
122696	UPS/GRADE LANE 12KV CIRCUIT WORK	5,016.97
122790	ELECTRIC-WESTPORT ROAD, OVHD HUBBARDS LN TO AMBRIDGE CIR PI	192.33
122805	MUSEUM PLAZA UNDERGROUND RELOCATION (CIRCUITS 3861, 3809, & 6	162,064.95
122819	CCS - BUSINESS INTELLIGENCE	51,025.89
122820	CCS - CHANGE MGMT.	43.16
122821	CCS - CUSTOMER SERVICE	182,261.98
122822	CCS - DEVELOPMENT	36,316.82
122823	CCS - TECHNOLOGY	408,335.93
122842	MC 1 RECYCLE PUMP PIPING	273,663.37
122843	MC2 RECYCLE PUMP PIPING	20,317.24
122862	UPS/SEMINOLE SUBSTATION ADDITION	(1,541,227.09)
122863	UPS/SEMINOLE 12KV CIRCUIT WORK	(224,431.90)
122889	MILL CREEK UNIT 1 WATERWALL WELD OVERLAY 2008	12,632.83
122891	MC1 345KV DISCONNECT SWITCH	1,586.03
122898	REVISED MC BOILER WATER MAKE-UP SYSTEM ENGINEERING ANALYSI	1,055,044.51
122899	MC1 PRECIPITATOR HOPPER LEVEL INDICATORS	38,604.53
122900	MILL CREEK UNIT 1 STATOR LEAK MONITORING SYSTEM	11,937.87
122904	MC1 RECYCLE PUMP UPGRADE	155,280.71
122910	MC VEHICLES 2008	16,396.58
122935	COMPUTER TELEPHONY INTEGRATION REPL. LGE	13,994.66
122938	2008 PC PURCHASES RETAIL OPERATIONS SERVICES	10,542.28
122939	REAL TIME PRICING PILOT	(9,365.99)
122940	2008 LGE INTERNAL REQUESTS	124,743.50
122941	2008 CARPET & TILE REPLACEMENT	43,232.40
122943	FIRE PROTECTION SYSTEMS	36,795.97
122944	2008 CHAIR REPLACEMENT	42,072.16
122945	08 OFFICE FURNITURE & EQUIPMENT	23,023.57
122946	REPLACEMENT OF EOC HVAC SYSTEMS	71,917.28
122948	PSRT AIR HANDLER SYSTEM	92,992.19
122949	BOC LL HVAC UPGRADE	97,722.20
122950	2008 SECURITY SYSTEMS	69,770.00
122951	LGE FAILED EQUIPMENT	71,560.91
122959	MILL CREEK INSTALL MEASUREMENT & REG EQUIPMENT	32,260.98

**LGE 107001 Activity December 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
122969	PORTABLE TRANSFORMER REGULATOR PURCHASE	341,307.62
122971	CONESTOGA SUBSTATION	81,170.53
122972	EASTWOOD SUBSTATION DISTR CIRCUIT WORK	127,214.46
122974	CONESTOGA SUBSTATION	739,031.03
122975	EASTWOOD WEST SUBSTATION CONSTRUCT NEW SUBSTATION	778,350.39
122982	NEW BECKWITH TAP CHANGER CONTROLLER FOR COLLINS TR 1	749.00
123011	2008 FT RATE CONVERSION PROJECTS	13,812.37
123012	MULDRAUGH PURIFIER 2 BOILER BUILDING RETROFIT	2,016.68
123014	MAGNOLIA - GROUND WATER PROTECTION PROJECTS (GWPP)	81,397.66
123016	MULDRAUGH COMPRESSOR BUILDING GAS DETECTION	77,746.72
123018	MULDRAUGH ENGINE COOLING REPLACEMENTS	9,127.80
123019	MULDRAUGH HANDRAIL IMPROVEMENTS	10,920.26
123020	MULDRAUGH MISCELLANEOUS FACILITY IMPROV	65,507.79
123021	MULDRAUGH SPCC COMPLIANCE PHASE II	56,910.86
123023	CP IMPRESSED CURRENT SYSTEM	2,811.89
123025	INSTALL GATE VALVES ON GAS STORAGE WELLS	11,040.40
123026	PLUG AND REPAIR WELLS WITH CORRODED CASING	12,382.05
123027	REFINE WELLS WITH CORRODED CASING	73,989.83
123028	MAGNOLIA EMERGENCY PIPELINE & EQUIP REPAIR/ REPLACEMENT/ PU	24,372.24
123038	MULDRAUGH ACID RIG IMPROVEMENTS	1,180.75
123039	DOE RUN SHALE GAS RECOVERY SYSTEM EXPANSION	817,332.35
123040	MULDRAUGH STORAGE PIPELINE REPLACEMENT	1,798.78
123041	PI ACT COMPLIANCE 2008	296.54
123042	DOE RUN INDIANA 8-INCH PIPELINE PROJECT	290,161.02
123043	MULDRAUGH TRANS. REPLACE.	6,672.60
123046	2008 REGULATOR RELIEF VALVE CAPACITY	24,185.89
123047	REGULATOR CAPACITY	(754.15)
123048	COMMERICAL HP GAS SERVICE REPLACEMENT PROG	72,791.44
123050	OTTER CREEK EXPOSURE PROJECT	362,597.84
123075	LGE SOFTWARE LICENSES	8,205.00
123077	MOBILE STOPBOX INSPECTION	244,557.19
123078	MOBILE GIS MODULES	46,354.69
123081	LG&E MOBILE INFRASTRUCTURE	74,295.24
123082	LGE PC AND PRINTER	7,449.07
123139	MILL CREEK UNIT REHEATER REPLACEMENT	32,595.68
123140	MC UNITS 1,2, AND 4 FGD ENGINEERING ASSESSMENT	210,185.62
123220	CT7 A/B CONVERSION - LGE	3,218,237.39
123260	GDS IMPLEMENTATION	4,686.63
123264	BOC DATA CENTER COOLING REDUNDANCY	1,477.36
123306	TC SAFETY & ERT EQUIPMENT 2008	39,061.90
123308	TC 480V SWITCHGEAR BREAKER UPGRADE 2008 PHASE 3	331,907.53
123309	TC SPCC COMPLAINECE CAPITAL	119,805.92
123311	TC CBU COUNTERWEIGHT CABLE REPLACEMENT	271,232.51
123318	TC CT PURCHASE/INSTALL UCVG CONTROLLER	2,671.37
123340	CR PLANT REACTANT SUPPLY CONTROL UPGRADE	131,871.91
123365	CR ASBESTOS ABATEMENT 2008	30,911.22
123413	HWSW DEVELOPMENT TOOLS	8,065.65
123417	IT TOOLS ENERGY SERVICES POWER CEN	2,138.11

**LGE 107001 Activity December 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
123419	HARDWARE & SOFTWARE TOOLS IT SERVCO	170.36
123421	HW/SW DEV TOOLS 2008 - 026560	1,073.14
123423	HW/SW DEV TOOLS 2008	(51.83)
123425	HW/SW DEV TOOLS LGE	310.03
123429	MONITOR REPLACEMENT LGE	5,603.25
123434	TIER C REPLACEMENT LGE	(117.31)
123436	APPLICATION SECURITY DB PROTECT DATABASE MONITORING	29,358.98
123438	2008 LOUISVILLE ELECTRICAL UPGRADE	6,692.28
123440	2008 LOUISVILLE RACKS & FURNITURE	12,878.11
123443	BULK POWER & ENVIRONMENTAL SYSTEMS	15,051.51
123446	MOBILE RADIO	36.62
123448	NETWORK ACCESS DEVICES & INFRASTRUCTURE	372.89
123456	OUTSIDE CABLE PLANT	38,513.55
123460	TELEPHONE SYSTEMS CAPACITY EXPANSION	37,110.34
123464	CABLING FOR SERVER CONNECTIVITY	4,856.87
123466	REVISED CONTENT SWITCH REPLACEMENT	99,344.74
123475	2008 SERVER HARDWARE REFRESH	(1,834.57)
123479	ACCESS SWITCH ROTATION 2008	112.32
123485	EBUSINESS FIREWALL REPLACEMENT	2,053.86
123488	NETWORK ACCESS DEVICES AND GATEWAYS	946.55
123490	NETWORK MANAGEMENT	2,122.00
123500	INTRUSTION PREVENTION	18,109.26
123502	IT SECURITY INFRASTRUCTURE PKI	3,805.93
123506	LOG CONSOLIDATION CORRELATION ALERTING EXP	46,981.20
123508	VULNERABILITY SCANNING	(13,749.42)
123517	PLANT LAB EQUIPMENT UPGRADES	9,000.00
123532	SL DILUTION PROBE REPLACEMENT	13,087.12
123579	JT1128 RECONDUCTOR	38.54
123614	MUD LANE HUMANA DATA CENTER	93,677.84
123635	ORACLE IPROUREMENT PUNCHOUT XML PRO CARD	829.60
123649	EMS OSI WORKSTATIONS	11,148.50
123676	BR CT6 QUENCH NOZZLE REPLACEMENT	205.76
123696	DIST CONESTOGA TAP	335.66
123754	MULD, STORAGE AREA, DOE RUN INDIANA BRINE TANKS	15,767.17
123795	DIST EASTWOOD WEST TOP	1,680.98
123800	UNDER FREQUENCY LOAD SHEDDING - LGE	2,117.84
123807	MOBILE SUPPLY CHAIN EXPANSION	5,610.60
123831	CORRODED SERVICE LINE REPLACEMENT	16,012.00
123857	ELECTRIC RELIABILITY ENHANCEMENTS OH	14,123.60
123889	UPS AIRPORT EXPANSION PROJ ASHBOTTOM ROAD	(374,602.62)
123947	MILL CREEK 3 WATERWALL WELD OVERLAY 2009	17,510.00
124016	CR6 FRONT REHEAT PENDANT REPLACEMENT	471,657.60
124039	MC 3C COAL MILL GEARBOX	101,007.88
124041	MC 4E COAL MILL GEARBOX	101,007.88
124051	MC DIAGNOSTIC EQUIPMENT	7,160.24
124055	MC3 SCR NOX PROBES	133,565.43
124056	MC4 SCR NOX PROBES	131,351.98
124080	MC RAILROAD TRACK REPLACEMENT	77,797.64

**LGE 107001 Activity December 2008**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
124153	MULDRAUGH STATION REDUNDANT AMINE PUMP	173,559.57
124296	PR13 TURBINE INLET VANE REPLACEMENT	1,806.21
124297	MULDRAUGH PURIFIER REDUNDANT PLC	(60,300.94)
124298	MC2 LOW PRESSURE HEATER DRAIN PUMP	63,849.70
124311	MC COAL HANDLING CONVEYOR BELTS	106,833.59
124361	CR5 4KV SWITCHGEAR UPGRADE	591,181.56
124395	CR MISC ROOF REPLACEMENT	34,935.54
124414	ENERSYS WATERING SYSTEMS FOR BATTERY OPERATED EQUIPMENT	189.00
124458	REPLACE UNDERRATED 69KV BREAKERS AT MIDDLETOWN	16,466.74
124459	MIDDLETOWN 6601 CIRCUIT BREAKER CHANGE OUTS	3,380.19
124463	TC 1 1D FAN VFD UPGRADE 2009	993,793.12
124464	TC DOZER PURCHASES 2008	1,411,388.40
124468	TC 480V SW'GEAR BREAKER UPGRADE	295,244.43
124529	TC CBU CHAIN & SPROCKET REPLACEMENT	222,389.15
124549	ASPEN ONELINER SOFTWARE PURCHASE & IMPLEMENTATION	4,735.55
124567	TC CT LUBE OIL VARNISH	39,680.84
124595	MC FGD CONTROL ROOM/OFFICE CONVERSION	40,071.66
124656	DETS 2008 NEW FUNCTIONALITY - LGE	9,574.85
124670	OLD HENRY SUBSTATION	1,265,557.55
124777	MC2 TURBINE TURNING GEAR REBUILD	3,456.43
124781	MULDRAUGH GAS COMPRESSOR STATION	392,164.27
124864	SSC TRANSFORMER SERVICES RENOVATION	1,127.80
124865	ELECTRIC EHANCE OH DISTR	179,050.29
125171	PURIFIER #1 REPAIR	4,853.31
125610	CR UPS BATTERY REPLACEMENT	10,161.38
125611	OPEN SYSTEM INTERNATIONAL ENERGY MGMT SYSTEM	55,845.76
125678	EVA REPLACEMENT PROJECT	61,489.01
125684	IN-LINE INSPECTION CAPITAL IMPROVEMENTS CALVARY LINE	286,988.96
125686	MC4 PYRITE PIPING	15,581.62
125715	CR5-2 BFP MOTOR	49,703.70
125717	TC TELEHANDLER/ALL TERRAIN FORKLIFT & SKID LOADER	7,328.72
125719	CR5A HORIZONTAL SERVICES WATER PUMP REPLACEMENT	8,083.37
125721	OHIO FALLS AUTOMATED SECURITY GATE SYSTEM PROJECT	43,782.91
125722	WINDSTORM 9-14	118,951.24
125723	MC F1 COAL CONVEYOR BELT REPLACEMENT	77,633.16
125724	MULDRAUGH RELIABILITY EMPROVEMENTS	8,144.60
125745	DIX DAM NETWORK UPGRADE	19.73
125753	NETVAL FOR OMS ANALYSIS TOOL	70,499.16
125768	MC STORAGE BUILDING 2008	56,759.10
125769	PROCARD RECEIPTS IMAGING	6,515.00
125771	PC POWER MANAGEMENT	30,595.16
125773	WISM EXPANSION & HIGH AVAILABILITY	76,938.45
125785	CR GT11 SPCC	102,777.49
125792	MILL CREEK 1C TRANSFER H0 BUSHING REPL	2,483.68
125793	MC1 FGD EXPANSION JOINTS REPL FALL 2008	57,152.70
125797	SYNERGEE ELECTRIC CUSTOMER MGMT MODULE	11,660.00
125801	TC1 DIAPHRAGM PUMP	6,700.80
125803	TC MISC ENG CAPITAL IDLER SPROCKET FOR CBU	36,307.50

LGE 107001 Activity December 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
125808	MC 1A ASH WATER PUMP MOTOR REWIND	27,347.40
125809	MC LASER ALIGNMENT SYSTEM	26,188.53
125810	MC BOILER TUBE BENDER	38,419.36
125811	EDISCOVERY	86,315.47
125813	LEGAL DEPT OFFICE RENOVATION	41,253.75
125828	LGE - SULFUR IN OIL ANALYZER	21,385.53
125829	TC CT BOROSCOPE	16,663.61
125835	TC HIGH PRESSURE ASH WATER PUMP	29,059.99
125840	MC GPP AIR COMPRESSOR AIR DRYER	9,333.18
125844	TC VEHICLES 2008 PURCHASE	14,806.02
125845	CR VEHICLES 2008	11,419.54
111398-08	2008 LT MISC CAPITAL	177,059.03
ASBLY419	REGULATOR ASSEMBLIES RC419	19,484.71
CABLE341	BLANKET CABLE FOR JOINT TRENCH	137,404.39
GME406	GAS MAIN EXT. 406 ELEC. DIST WORK	(220,277.15)
L7-2008	TRANS. LINE PARAMETER UPGR. 2008	721.35
LSMR414	LARGE SCALE MAIN REPL.	827,399.60
LT8-2008	LGE 2008 BLANKET	103,031.65
LT9	LT9 TRANSMISSION	(221,913.22)
LT9-2008	LT9 EXPAN. 2008	108,984.87
MCAPRR340	CAP/REG/RECL 340	(10,000.00)
NBCD340OH	NEW BUS COMM OH 340	75,356.21
NBCD340UG	NEW BUS COMM UG 340	320,420.69
NBCD341UG	NEW BUS COMM UG 341	(2,430.96)
NBGCS419	NEW BUS CONNECT SERV 419	3,815.39
NBGS341	NEW BUSINESS GAS SERVICE 341 - ELEC. DIST. RELOC.	1,123.78
NBGS419	NEW BUS GAS SERV 419	56,226.26
NBGS421	NEW BUS. GAS SERV. 421	1,093.34
NBGS422	NEW BUSINESS GAS SERVICE 422	653.41
NBRD340OH	NEW BUS RES OH 340	57,688.16
NBRD340UG	NEW BUS RES UG	480.28
NBRD341UG	NEW BUS RES UG 341	21,558.11
NBSB340OH	NEW BUS SUB OH 340	33,181.49
NBSB340UG	NEW BUS SUB UG	136.89
NBSB341UG	NEW BUS SUB UG 341	55,133.08
NBSV340OH	NEW ELECTRIC SERVICES	43,410.23
NBSV340UG	NEW EL SERV UG	45,177.21
NBVL343	NETWORK VAULTS 343	253,958.42
NETVLT343	NETWORK VAULTS	(100,124.52)
PBWK340OH	PUB WORKS RELOC OH	3,707.71
PBWK340UG	PUB WORKS RELOC UG 340	996.06
PBWK406G	PUBLIC WORKS GAS 406	(265,787.46)
PMR414	PRIORITY MAIN REPL. - TRANS. LINE WORK	27,405.79
RCST340	CUST REQ 340	87,419.76
RCST406G	CUSTOMER REQUESTED GAS 406 - ELEC. DIST.	(26,816.74)
RDCBL340	REPL DEFECTIVE CABLE 340	48,487.82
RDD003190	REP./REPL. DEFECTIVE EQUIP RC319	1,213.15
RDDD340OH	REP DEF EQ OH 340	164,726.77

LGE 107001 Activity December 2008

<u>Project</u>	<u>Description</u>	<u>Amount</u>
RDDD340UG	REP DEF EQ UG 340	32,263.42
RDDD345OH	REPL. DEFECT. EQUIP. OH 345	(58,044.55)
RDMV332	MERCURY BULB REPL. PROJECT	4,700.80
RDPOLE340	POLE REP/REPL 340	(8,014.72)
RDSTLT332	REPAIR STREET LIGHTING 332	326,946.93
RELD01015	LGE GENERAL RELIABILITY 01015	49,674.81
RELD340OH	DIST. O/H RELIABILITY 340	(1,536.82)
RELD340UG	DIST U/G RELIABILITY 340	63,058.99
RNTPD340	REP THR PARTY DAM 340	28,911.39
RNTPD419	REPAIR THIRD PARTY DAMAGES-419	7,313.71
RRCS419G	REP CO GAS SERV 419	78,447.95
RRCS422G	RETAIL GAS SERVICE RC 422	628.69
STLT332OH	STREET LIGHTS OVERHEAD 333	97,745.03
STLT332UG	STREET LIGHT UG 332	107,359.24
SYSEN406G	SYSTEM ENHANCE. GAS	(3,658.30)
SYSENH340	SYS ENH EXIST CUST 340	195,587.70
TBRD340OH	TROUBLE OVERHEAD 340	125,297.94
TBRD340UG	TROUBLE UNDERGROUND 340	10,549.82
TLEQ340	TOOLS AND EQ 340	25,456.21
TLEQ419	PURCH. TOOLS 419	30,287.03
TLEQ447	TOOLS AND EQUIPMENT 447	149,618.00
TLEQ450	TOOLS & EQUIPMENT 450	10,259.05
WEATH340	WEATHER 003400	8,399.71
XFRM340	TRANSFORMER 340	11,405.73
XFRM341	TRANSFORMER INSTALL - JOINT TRENCH	5,524.96
		<u><u>\$ 36,161,003.67</u></u>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 194**

**Responding Witness: Valerie L. Scott**

Q-194. Please provide a detailed analysis of all charges booked during the test period for advertising expenditures. Include a complete breakdown, including but not limited to these categories: (1) sales or promotional, (2) institutional, (3) conservation related, (4) rate case, and (5) other. The analysis should specify the account charged, the purpose of the expenditure and the expected benefit to be derived.

A-194. See attached. In the process of providing this response, LG&E identified \$187,306 of costs that were incorrectly included in Blake Exhibit 1, Reference Schedule 1.17.

**Louisville Gas and Electric Company  
Total Advertising  
12 Months Ended March 31, 2012**

Category	Account	AP Vendor Name	Purpose	Benefit	Net Amount	Over \$10,000	Component
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	250.00	No	Advertising - Other
Sales/Promotional	913012	MEDIA LIBRARY INC	Media Tracking	(1)	1,373.45	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	250.00	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	250.00	No	Advertising - Other
Sales/Promotional	913012	MEDIA LIBRARY INC	Media Tracking	(1)	3,709.20	No	Advertising - Other
Sales/Promotional	913012	MEDIA LIBRARY INC	Media Tracking	(1)	4,329.57	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	258.75	No	Advertising - Other
Sales/Promotional	913012	MEDIA LIBRARY INC	Media Tracking	(1)	3,949.05	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	258.75	No	Advertising - Other
Sales/Promotional	913012	MEDIA LIBRARY INC	Media Tracking	(1)	3,946.00	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	258.75	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	258.75	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	258.75	No	Advertising - Other
Sales/Promotional	913012	MEDIA LIBRARY INC	Media Tracking	(1)	1,624.17	No	Advertising - Other
Sales/Promotional	913012	MEDIA LIBRARY INC	Media Tracking	(1)	1,956.25	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	258.75	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	52.50	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	206.25	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	258.75	No	Advertising - Other
Sales/Promotional	913012	FACTIVA	Media Tracking	(1)	258.75	No	Advertising - Other
Sales/Promotional	913012	HULSE-SHULAR, MELODY	Giveaways for Parade After Light Up Louisville	(1)	1,515.00	No	Miscellaneous
			Removal of Advertising Charges related to			No	
Institutional	930101		Summer Storm	(1)	(42,434.41)		Advertising - Other
Institutional	930101	CREATIVE ALLIANCE	Radio	(1)	(106.25)	No	Advertising - Radio
Institutional	930101	KENTUCKY STATE TREASURER	Sales Tax	(3)	92.67	No	Outside Services - 3rd Party Labor
Institutional	930101	KENTUCKY STATE TREASURER	Sales Tax	(3)	112.76	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Magazine	(1)	271.66	No	Advertising - Print
Institutional	930101	CREATIVE ALLIANCE	Billboard	(1)	275.48	No	Advertising - Other
Institutional	930101	CREATIVE ALLIANCE	Newspaper	(1)	502.53	No	Advertising - Newspaper
Institutional	930101	WORKFLOWONE	Natural Gas Tags	(3)	1,879.40	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	7,036.63	No	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	15,023.61	Yes	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	22,913.97	Yes	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	(9,583.61)	No	Advertising - Television
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	(47.75)	No	Outside Services - 3rd Party Labor
Institutional	930101	KENTUCKY STATE TREASURER	Sales Tax	(3)	29.67	No	Outside Services - 3rd Party Labor
Institutional	930101	ADHAWKS ADVERTISING AND PR INC	Customer Newsletter	(3)	68.75	No	Outside Services - 3rd Party Labor
Institutional	930101	ADHAWKS ADVERTISING AND PR INC	Customer Newsletter	(3)	68.75	No	Outside Services - 3rd Party Labor
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	323.29	No	Outside Services - 3rd Party Labor
Institutional	930101	US BANK NATIONAL ASSOCIATION ND	Tree Trimming pictures and Arborists on ground	(3)	347.10	No	Advertising - Magazine
Institutional	930101	CREATIVE ALLIANCE	Design Work for Paperless Billing Web Banner	(3)	432.50	No	Outside Services - 3rd Party Labor
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	494.46	No	Advertising -Print
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	843.64	No	Outside Services - 3rd Party Labor
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	918.39	No	Outside Services - 3rd Party Labor
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	1,159.29	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Magazine	(1)	1,503.34	No	Advertising - Print
Institutional	930101	CREATIVE ALLIANCE	Magazine	(1)	1,775.00	No	Advertising - Print
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	2,462.18	No	Outside Services - 3rd Party Labor
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	2,519.94	No	Outside Services - 3rd Party Labor



Louisville Gas and Electric Company  
Total Advertising  
12 Months Ended March 31, 2012

Category	Account	AP Vendor Name	Purpose	Benefit	Net Amount	Over \$10,000	Component
Institutional	930101	CREATIVE ALLIANCE	Billboard	(1)	3,324.52	No	Advertising - Other
Institutional	930101	CREATIVE ALLIANCE	Billboard	(1)	3,600.00	No	Advertising - Other
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	3,608.02	No	Outside Services - 3rd Party Labor
Institutional	930101	ADHAWKS ADVERTISING AND PR INC	Customer Newsletter	(3)	3,622.42	No	Outside Services - 3rd Party Labor
Institutional	930101	ADHAWKS ADVERTISING AND PR INC	Customer Newsletter	(3)	3,622.42	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	5,236.00	No	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Newspaper	(1)	6,064.59	No	Advertising - Newspaper
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	6,596.33	No	Outside Services - 3rd Party Labor
Institutional	930101	ADHAWKS ADVERTISING AND PR INC	Customer Newsletter	(3)	7,244.84	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	15,488.37	Yes	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	19,738.18	Yes	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	(507.45)	No	Advertising - Television
Institutional	930101	KENTUCKY STATE TREASURER	Sales Tax	(3)	5.28	No	Outside Services - 3rd Party Labor
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Printing and Mailing Services	(3)	88.03	No	Advertising -Print
Institutional	930101	KENTUCKY STATE TREASURER	Sales Tax	(3)	216.48	No	Advertising
Institutional	930101	WORKFLOWONE	LGE Bag	(3)	262.55	No	Outside Services - 3rd Party Labor
Institutional	930101	ADHAWKS ADVERTISING AND PR INC	Customer Newsletter	(3)	582.18	No	Outside Services - 3rd Party Labor
Institutional	930101	WORKFLOWONE	Gas Leak Tag	(3)	1,544.58	No	Purchase Materials - Office Supplies
Institutional	930101	CREATIVE ALLIANCE	Magazine	(1)	1,775.00	No	Advertising - Print
Institutional	930101	WORKFLOWONE	LG Danger Tag	(3)	2,111.85	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Billboard	(1)	3,600.00	No	Advertising - Other
Institutional	930101	CREATIVE ALLIANCE	Magazine	(1)	3,925.00	No	Advertising - Print
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	5,440.00	No	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	5,440.00	No	Advertising - Television
Institutional	930101	ADHAWKS ADVERTISING AND PR INC	Customer Newsletter	(3)	6,662.66	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Billboard	(1)	7,200.00	No	Advertising - Other
Institutional	930101	CREATIVE ALLIANCE	Newspaper	(1)	13,134.24	Yes	Advertising - Newspaper
Institutional	930101	THE PARADIGM ALLIANCE INC	Web hosting, web setup, public awareness program	(3)	39,250.96	Yes	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Royalty Free Stock Image	(1)	288.32	No	Advertising - Print
Institutional	930101	PUSH DESIGN LLC	Collateral Development	(3)	337.50	No	Outside Services - 3rd Party Labor
			Formal engagement campaign with 3980 SMB customers			No	
Institutional	930101	TECH RESOURCES INC	customers	(3)	750.00	No	Outside Services - 3rd Party Labor
Institutional	930101	RED7E INC	Newsletter	(3)	10,732.60	Yes	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	(20.40)	No	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Newspaper	(1)	998.20	No	Advertising - Newspaper
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	1,615.00	No	Advertising - Television
Institutional	930101	THE CATS PAUSE INC	Media Sponsorship	(1)	1,675.00	No	Advertising - Print
Institutional	930101	WORKFLOWONE	LG Danger Tag	(3)	3,175.88	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Billboard	(1)	3,600.00	No	Advertising - Other
Institutional	930101	CREATIVE ALLIANCE	Billboard	(1)	3,600.00	No	Advertising - Other
Institutional	930101	CREATIVE ALLIANCE	Newspaper	(1)	6,567.12	No	Advertising - Newspaper
Institutional	930101	CREATIVE ALLIANCE	Radio	(1)	7,552.50	No	Advertising - Radio
Institutional	930101	RED7E INC	Newsletter	(3)	10,732.60	Yes	Outside Services - 3rd Party Labor
Institutional	930101	US BANK NATIONAL ASSOCIATION ND	Supplies	(3)	19.50	No	Purchase Materials - Office Supplies
Institutional	930101	KENTUCKY STATE TREASURER	Sales Tax	(3)	138.73	No	Advertising
Institutional	930101	KEENE, LOURIE J	Fair Booth Rental and Electric	(1)	242.50	No	Advertising - Other
Institutional	930101	KEENE, LOURIE J	Fair Booth Internet and Electric	(1)	333.99	No	Advertising - Other
Institutional	930101	THE CUBERO GROUP INC	Booth Maintenance (Cleaning and Organization)	(1)	750.00	No	Outside Services -3rd Party Labor
Institutional	930101	US BANK NATIONAL ASSOCIATION ND	Envelopes	(3)	784.53	No	Purchase Materials - Office Supplies

**Louisville Gas and Electric Company**  
**Total Advertising**  
**12 Months Ended March 31, 2012**

Category	Account	AP Vendor Name	Purpose	Benefit	Net Amount	Over \$10,000	Component
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Meter Reading Hang Tags	(3)	2,312.22	No	Advertising - Print
Institutional	930101	THE CUBERO GROUP INC	Fair Booth Redevelopment	(1)	2,350.00	No	Outside Services -3rd Party Labor
Institutional	930101	US BANK NATIONAL ASSOCIATION ND	Custom Tote -Lime Green - Looking to save energy and Money? Our energies go to serving	(1)	5,604.65	No	Advertising -Other
Institutional	930101	THE CUBERO GROUP INC	State Fair Booth Setup	(1)	6,500.00	No	Outside Services -3rd Party Labor
Institutional	930101	RED7E INC	Newsletter	(3)	10,732.60	Yes	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	11,962.32	Yes	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	17,352.15	Yes	Advertising - Television
Institutional	930101	BLUE GRASS MAILING DATA AND FULFILLMENT SERVICES	Printing and Mailing Services	(3)	53.11	No	Outside Services - 3rd Party Labor
Institutional	930101	ADHAWKS ADVERTISING AND PR INC	Customer Newsletter	(3)	238.50	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	850.00	No	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Full Page Ad	(1)	1,975.00	No	Advertising - Magazine/other
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	4,280.05	No	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Radio	(1)	5,593.00	No	Advertising - Radio
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	10,200.00	Yes	Advertising - Television
Institutional	930101	RED7E INC	Newsletter	(3)	10,732.60	Yes	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	23,982.15	Yes	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Radio	(1)	25,791.41	Yes	Advertising - Radio
Institutional	930101	BLUE GRASS MAILING DATA AND FULFILLMENT SERVICES	Printing and Mailing Services	(3)	27.00	No	Outside Services - 3rd Party Labor
Institutional	930101	US BANK NATIONAL ASSOCIATION ND	Envelopes	(3)	40.40	No	Purchase Materials - Office Supplies
Institutional	930101	KEENE, LOURIE J	Transport EVO Bike to and From Fairgrounds	(1)	68.40	No	Advertising - Other
Institutional	930101	KENTUCKY STATE TREASURER	Sales Tax	(1)	75.60	No	Advertising
Institutional	930101	KENTUCKY STATE TREASURER	Sales Tax	(1)	141.96	No	Advertising
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Meter Reading Hang Tags	(3)	293.48	No	Advertising - Print
Institutional	930101	KENTUCKY STATE TREASURER	Sales Tax	(1)	357.60	No	Advertising
Institutional	930101	SERVICES UNLIMITED	Educational	(1)	650.06	No	Outside Services
Institutional	930101	JOURNAL COMMUNICATIONS INC	Magazine and Online	(1)	1,260.00	No	Advertising - Magazine/other
Institutional	930101	ALISON AND ASSOCIATES	T- Shirts for Light up Louisville	(1)	2,366.00	No	Advertising - Other
Institutional	930101	ALISON AND ASSOCIATES	Giveaways	(1)	5,960.00	No	Advertising - Other
Institutional	930101	UNITED GRAPHICS OF LOUISVILLE	Natural Gas and Pipeline Safety Insert	(3)	6,667.71	No	Advertising - Print
Institutional	930101	RED7E INC	Newsletter	(3)	10,732.60	Yes	Outside Services - 3rd Party Labor
Institutional	930101	US BANK NATIONAL ASSOCIATION ND	Supplies	(3)	5.77	No	Purchase Materials - Office Supplies
Institutional	930101	WILLIAMS, CHERYL A	ED meeting	(3)	17.76	No	Miscellaneous
Institutional	930101	BLUE GRASS MAILING DATA AND FULFILLMENT SERVICES	Printing and Mailing Services	(3)	27.00	No	Outside Services - 3rd Party Labor
Institutional	930101	WILLIAMS, CHERYL A	Directional Microphone	(3)	189.74	No	Miscellaneous
Institutional	930101	HULSE-SHULAR, MELODY	Banner	(1)	496.08	No	Advertising -Other
Institutional	930101	CREATIVE ALLIANCE	Magazine	(1)	3,750.00	No	Advertising - Magazine/other
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	5,879.17	No	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	7,478.28	No	Advertising - Television
Institutional	930101	RED7E INC	Newsletter	(3)	10,220.50	Yes	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	18,372.15	Yes	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	23,557.15	Yes	Advertising - Television
Institutional	930101	BLUE GRASS MAILING DATA AND FULFILLMENT SERVICES	Printing and Mailing Services	(3)	150.18	No	Outside Services - 3rd Party Labor
Institutional	930101	PUSH DESIGN LLC	Collateral Development	(3)	262.50	No	Outside Services - 3rd Party Labor
Institutional	930101	PUSH DESIGN LLC	Collateral Development	(3)	1,425.00	No	Outside Services - 3rd Party Labor

**Louisville Gas and Electric Company  
Total Advertising  
12 Months Ended March 31, 2012**

Category	Account	AP Vendor Name	Purpose	Benefit	Net Amount	Over \$10,000	Component
Institutional	930101	IMG COLLEGE LLC	Billboard	(1)	7,875.00	No	Advertising
Institutional	930101	BLUE GRASS MAILING DATA AND FULFILLMENT SERVICES	Printing and Mailing Services	(3)	13.50	No	Outside Services - 3rd Party Labor
Institutional	930101	BLUE GRASS MAILING DATA AND FULFILLMENT SERVICES	Printing and Mailing Services	(3)	13.50	No	Outside Services - 3rd Party Labor
Institutional	930101	BLUE GRASS MAILING DATA AND FULFILLMENT SERVICES	Printing and Mailing Services	(3)	64.07	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Outage Map	(1)	900.00	No	Advertising - Magazine/other
Institutional	930101	ADHAWKS ADVERTISING AND PR INC	Customer Newsletter	(3)	1,150.00	No	Outside Services - 3rd Party Labor
Institutional	930101	THE CUBERO GROUP INC	Louie the Lightning Bug Van Wrap	(1)	4,211.00	No	Outside Services -3rd Party Labor
Institutional	930101	THE CUBERO GROUP INC	Louie the Lightning Bug Van Wrap	(1)	4,348.00	No	Outside Services -3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	5,879.17	No	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Magazine and Kybiz	(1)	9,875.00	No	Advertising - Magazine/other
Institutional	930101	RED7E INC	Newsletter	(3)	10,220.50	Yes	Outside Services - 3rd Party Labor
Institutional	930101	RED7E INC	Newsletter	(3)	10,732.60	Yes	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	28,402.15	Yes	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	29,252.15	Yes	Advertising - Television
Institutional	930101	C & S H INC	Printing and Mailing Services	(3)	130.00	No	Advertising - Other
Institutional	930101	CREATIVE ALLIANCE	Online Ad revisions	(1)	172.50	No	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	2,975.00	No	Advertising - Television
Institutional	930101	CREATIVE ALLIANCE	Magazine	(1)	3,550.00	No	Advertising - Magazine/other
Institutional	930101	CREATIVE ALLIANCE	Radio	(1)	4,700.50	No	Advertising - Radio
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	5,879.18	No	Advertising - Television
Institutional	930101	RED7E INC	Newsletter	(3)	10,220.50	Yes	Outside Services - 3rd Party Labor
Institutional	930101	CREATIVE ALLIANCE	Television	(1)	25,427.15	Yes	Advertising - Television
Institutional	930101	LOUISVILLE BASEBALL CLUB INC	Sponsorship	(1)	60,000.00	Yes	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,372.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	672.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,372.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	672.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,372.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	672.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	672.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,372.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,453.33	No	Advertising - Other
Institutional	930191	MEDIA LIBRARY INC	Media Analysis	(1)	548.36	No	Outside Services - 3rd Party Labor
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,372.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,576.10	No	Advertising - Other
Institutional	930191	MEDIA LIBRARY INC	Media Analysis	(1)	5,219.00	No	Outside Services - 3rd Party Labor
Institutional	930191	MEDIA LIBRARY INC	Media Analysis	(1)	575.99	No	Outside Services - 3rd Party Labor
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	672.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,587.46	No	Advertising - Other
Institutional	930191	MEDIA LIBRARY INC	Media Analysis	(1)	600.00	No	Outside Services - 3rd Party Labor
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,372.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,596.76	No	Advertising - Other
Institutional	930191	US BANK NATIONAL ASSOCIATION ND	Newspaper	(1)	131.24	No	Advertising - Newspaper
Institutional	930191	MEDIA LIBRARY INC	Media Analysis	(1)	588.00	No	Outside Services - 3rd Party Labor
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	672.00	No	Advertising - Other
Institutional	930191	CARMA INTERNATIONAL INC	Media Analysis	(1)	1,970.06	No	Advertising - Other

Louisville Gas and Electric Company  
**Total Advertising**  
**12 Months Ended March 31, 2012**

Category	Account	AP Vendor Name	Purpose	Benefit	Net Amount	Over \$10,000	Component
Conservation	909004	KEENE, LOURIE J	Lease/Rental - Other	Energy Conservation	2,250.00	No	Advertising - Other
Conservation	909004	THE CUBERO GROUP INC	Labor	Energy Conservation	285.00	No	Advertising - Other/Print
Conservation	909004	THE CUBERO GROUP INC	Labor	Energy Conservation	2,515.00	No	Advertising - Other/Print
Conservation	909004	TRUMAN, RHONDA	Parking	Energy Conservation	8.00	No	Advertising - Other
Conservation	909004	US BANK NATIONAL ASSOCIATION ND	PFG - Proforma	Energy Conservation	9,849.47	No	Advertising - Other
Conservation	909010	KETCHUM DIRECTORY ADVERTISING INC	Telephone Book Listings	Telephone Book Listings	2,598.75	No	Advertising - Magazine/Other
Conservation	909010	KETCHUM DIRECTORY ADVERTISING INC	Telephone Book Listings	Telephone Book Listings	2,382.96	No	Advertising - Magazine/Other
Conservation	909010	KETCHUM DIRECTORY ADVERTISING INC	Telephone Book Listings	Telephone Book Listings	9,432.00	No	Advertising - Magazine/Other
Conservation	909010	KETCHUM DIRECTORY ADVERTISING INC	Telephone Book Listings	Telephone Book Listings	1,271.95	No	Advertising - Magazine/Other
Conservation	909010	KETCHUM DIRECTORY ADVERTISING INC	Telephone Book Listings	Telephone Book Listings	359.42	No	Advertising - Magazine/Other
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	3,300.00	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	833.33	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	2,020.00	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	833.33	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	1,513.33	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	1,000.00	No	Outside Services - 3rd Party Labor
Conservation	909013	US BANK NATIONAL ASSOCIATION ND	MOORE SYNDICATION, INC #425896	Safety Education	4,500.00	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	1,420.00	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	3,360.00	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	833.33	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	2,920.83	No	Outside Services - 3rd Party Labor
Conservation	909013	MOORE SYNDICATION INC	Licensing Fee for Louie the Lightning Bug	Safety Education	5,000.00	No	Outside Services - 3rd Party Labor
Conservation	909013	MIMAN INDUSTRIES LLC	Parts for Mini City Displays	Safety Education	160.00	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	2,594.16	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	1,268.26	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	800.67	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	749.42	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	800.67	No	Outside Services - 3rd Party Labor
Conservation	909013	WE CAN DO THAT LLC	Safety Program Administration	Safety Education	2,229.06	No	Outside Services - 3rd Party Labor
Other	921003	US BANK NATIONAL ASSOCIATION ND	State Requirement for Filing	Informational	11,282.04	Yes	Advertising - Print
Other	921003	US BANK NATIONAL ASSOCIATION ND	State Requirement for Filing	Informational	905.10	No	Advertising - Print
Other	921003	US BANK NATIONAL ASSOCIATION ND	State Requirement for Filing	Informational	913.85	No	Advertising - Print
Other	921003	MAXIMUM RESULTS AGENCY	Advertising - salute to black history	Customer service	2,000.00	No	Advertising - Magazine/Other
Other	921003	US BANK NATIONAL ASSOCIATION ND	State Requirement for Filing	Informational	3,526.14	No	Advertising - Print
Other	921902	WESTERFIELD BONTE COMPANY INC	Magazine	Customer service	330.00	No	Advertising - Magazine/Other
Other	910900	SYSTEMS AND SOLUTIONS	Giveaways - Domes	Energy Conservation	1,099.45	No	Advertising - Other
Other	910900	SYSTEMS AND SOLUTIONS	Giveaways - Domes	Energy Conservation	1,099.45	No	Advertising - Other
Other	910900	DEHART, DOREEN	Marketing Folder	Informational	257.00	No	Advertising - Other
Other	910900	TECH RESOURCES INC	Newsletter	Informational	6,448.13	No	Advertising - Print
Other	910900	TECH RESOURCES INC	Newsletter	Informational	9,832.50	No	Advertising - Print
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	2,803.13	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	3,463.75	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	6,243.75	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	2,012.50	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	6,897.75	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	7,949.20	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	1,350.00	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	2,443.75	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	4,051.42	No	Advertising - Other

**Louisville Gas and Electric Company  
 Total Advertising  
 12 Months Ended March 31, 2012**

Category	Account	AP Vendor Name	Purpose	Benefit	Net Amount	Over \$10,000	Component
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	4,802.50	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	7,949.20	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	8,449.43	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	7,949.20	No	Advertising - Other
Other	910900	CREATIVE ALLIANCE	Paperless Billing	Customer service	8,389.93	No	Advertising - Other
Other	910900	TECH RESOURCES INC	Newsletter	Customer service	8,597.50	No	Advertising - Print
Other	910900	TECH RESOURCES INC	Newsletter	Customer service	13,110.00	Yes	Advertising - Print
Other	910900	PUSH DESIGN LLC	Tree Trimming Brochure	Customer service	8,557.00	No	Advertising - Other
Other	921003	KENTUCKY STATE TREASURER	Sales Tax	Other	18.81	No	Advertising
Other	921003	KENTUCKY STATE TREASURER	Sales Tax	Other	51.28	No	Advertising
Other	921003	UNITED GRAPHICS OF LOUISVILLE	Envelopes	Informational	313.52	No	Advertising
Other	921003	UNITED GRAPHICS OF LOUISVILLE	Letterhead	Informational	854.68	No	Advertising
Other	921003	MOGUL MAGAZINE	Advertising - salute to black history	Customer service	1,800.00	No	Advertising - Magazine/Other
Other	921902	OHIO RIVER VALLEY WOMENS	Grayscale Advertisement	Informational	137.50	No	Advertising - Print
Other	426591	THE CUBERO GROUP INC	Smart Car Graphics	(2)	4,178.75	No	Advertising - Other
Other	456008	US BANK NATIONAL ASSOCIATION ND	Advertising for Green Energy	Informational	750.00	No	Advertising - Magazine/other
Other	456008	CREATIVE ALLIANCE	Advertising for Green Energy	Informational	1,145.00	No	Advertising - Magazine/other
Other	456008	CREATIVE ALLIANCE	Advertising for Green Energy	Informational	750.00	No	Advertising - Magazine/other
Other	921003	WHOS WHO LOUISVILLE LLC	Advertising in Who's Who Louisville	Customer service	12,500.00	Yes	Advertising - Magazine/Other
					<u>984,500.82</u>		

(1) This advertising cost was not initiated for the sole benefit of the ratepayers; therefore, these costs were included in the pro forma adjustment 1.17.  
 (2) This advertising cost was not initiated for the sole benefit of the ratepayers; therefore, this cost is not included in recoverable expenses.  
 (3) This advertising cost was initiated for the sole benefit of the ratepayers, and was incorrectly included in pro forma adjustment 1.17. These costs total \$187,306.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 195**

**Responding Witness: Valerie L. Scott**

Q-195. For each advertising expense over \$10,000 recorded by the Company during the test period, state the payee, amount, date and purpose. Also provide a copy of the associated invoice and a copy of (or if a non-print ad, the text of) each advertisement.

A-195. See the response to AG 1-194 for detail of charges over \$10,000. See attached.

The attachment is being  
provided in a separate  
file in Media format.

5 files

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 196**

**Responding Witness: Valerie L. Scott**

Q-196. Are there any advertising costs being incurred by the Company which cannot be identified with a specific advertisement? If so, please itemize and describe each such cost, and list the associated amounts for each year 2008, 2009 and 2010.

A-196. See attached.



**Louisville Gas and Electric Company**  
**Advertising Costs Which Cannot be Identified with a Specific Advertisement**  
**2008 -2010**

<b>Year</b>	<b>Vendor</b>	<b>Description</b>	<b>Amount</b>
2008	ADVENTURE PROMOTIONS	JPMORGAN CHASE BANK	375.01
2008	WM SUPERCENTER	JPMORGAN CHASE BANK	5.67
2008	UNITED MAIL LLC	CHARGE-Corbett's Invitation	497.11
2009	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	510.00
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	712.50
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	772.50
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	840.00
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	896.72
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	1,062.50
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	1,062.50
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	1,076.25
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	1,166.25
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	1,328.26
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	1,686.67
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	1,890.00
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	2,587.50
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	2,650.00
2008	DIVERSITY ADVENTURES INC	CHARGE-Safety Program	3,042.50
2008	AMERICAN EXPRESS CORP	CHARGE-EMPLOYEE EXPENSE REPORT DATED 19-DEC-08	21.36
2008	AMERICAN EXPRESS CORP	CHARGE-EMPLOYEE EXPENSE REPORT DATED 19-DEC-08	40.93
2008	AMERICAN EXPRESS CORP	CHARGE-EMPLOYEE EXPENSE REPORT DATED 26-AUG-08	100.00
2008	FACTIVA	CHARGE-Change Accounting	250.00
2008	FACTIVA	CHARGE-Change Accounting	250.00
2008	FACTIVA	CHARGE-Change Accounting	250.00
2008	FACTIVA	CHARGE-Change Accounting	250.00
2008	FACTIVA	CHARGE-Change Accounting	250.00
2008	FACTIVA	CHARGE-Change Accounting	250.00
2008	FACTIVA	CHARGE-Change Accounting	250.00
2008	FACTIVA	CHARGE-Change Accounting	250.00
2008	FACTIVA	CHARGE-Monthly Service Fee for Newservice	250.00
2008	FACTIVA	CHARGE-Change Accounting	250.00
2008	FACTIVA	CHARGE-Monthly Service Fee for Newservice	250.00
2008	THE CUBERO GROUP INC	CHARGE-Labor	657.00
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	840.00
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	840.00
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	840.00
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	840.00
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	840.00
2008	THE CUBERO GROUP INC	CHARGE-Labor	871.90
2008	AMERICAN EXPRESS CORP	CHARGE-EMPLOYEE EXPENSE REPORT DATED 26-AUG-08	1,000.00
2008	PFG*PROFORMA	JPMORGAN CHASE BANK	1,060.67
2008	MEDIA LIBRARY INC	CHARGE-Monthly tape/Monitoring	1,563.82
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	1,590.00
2008	MEDIA LIBRARY INC	CHARGE-MONTHLY TAPE/MONITORING	1,668.70
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	1,715.00
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	1,715.00
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	1,715.00
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	1,715.00
2008	CARMA INTERNATIONAL INC	CHARGE-CHANGE ACCOUNTING NUMBERS	1,715.00
2008	MEDIA LIBRARY INC	CHARGE-MONTHLY TAPE MONITORING	1,894.77
2008	MEDIA LIBRARY	JPMORGAN CHASE BANK	2,187.05
2008	PFG*PROFORMA	JPMORGAN CHASE BANK	2,404.29
2008	MEDIA LIBRARY INC	CHARGE-Monthly tape/monitoring	2,595.77
2008	MEDIA LIBRARY INC	CHARGE-MONTHLY TAPE/MONITORING	2,988.10
2008	MEDIA LIBRARY INC	CHARGE-news/media coverage	5,284.85
2008	MEDIA LIBRARY INC	CHARGE-Monthly tape/monitoring	6,075.30
2008	MEDIA LIBRARY INC	CHARGE-Monthly tape/monitoring	6,230.72
2008	FORREST KEELING NURSER	JPMORGAN CHASE BANK	9,026.13
2008	MEDIA LIBRARY	JPMORGAN CHASE BANK	11,344.95
2009	INTERNAL LABOR	INTERNAL LABOR	3,063.67
2009	DIVERSITY ADVENTURES I	Louie the Lightning Bug & Mini City Charges	1,354.76
2009	DIVERSITY ADVENTURES I	Louie the Lightning Bug & Mini City Charges	571.34
2009	DIVERSITY ADVENTURES I	Louie the Lightning Bug & Mini City Charges	216.00
2009	DIVERSITY ADVENTURES I	Louie the Lightning Bug & Mini City Charges	1,267.04
2009	DIVERSITY ADVENTURES I	Louie the Lightning Bug & Mini City Charges	2,286.23
2009	DIVERSITY ADVENTURES I	Louie the Lightning Bug & Mini City Charges	904.72
2009	DIVERSITY ADVENTURES I	Louie the Lightning Bug & Mini City Charges	2,384.50
2009	PFG*PROFORMA	Louie the Lightning Bug & Mini City Charges	3,292.74
2009	MOORE SYNDICATION INC	Louie the Lightning Bug & Mini City Charges	361.01

**Louisville Gas and Electric Company**  
**Advertising Costs Which Cannot be Identified with a Specific Advertisement**  
**2008 -2010**

<b>Year</b>	<b>Vendor</b>	<b>Description</b>	<b>Amount</b>
2009	MOORE SYNDICATION INC	Louie the Lightning Bug & Mini City Charges	4,138.99
2009	PFG*PROFORMA	Louie the Lightning Bug & Mini City Charges	279.36
2009	DIVERSITY ADVENTURES I	Louie the Lightning Bug & Mini City Charges	1,034.50
2009	WE CAN DO THAT LLC	Safety Program	1,666.67
2009	PFG*PROFORMA	Louie the Lightning Bug & Mini City Charges	1,853.46
2009	PFG*PROFORMA	Louie the Lightning Bug & Mini City Charges	5,021.30
2009	AMERICAN EXPRESS CORP	Giveaways for the Parade After Light Up Louisville	3.52
2009	AMERICAN EXPRESS CORP	Giveaways for the Parade After Light Up Louisville	15.40
2009	AMERICAN EXPRESS CORP	Giveaways for the Parade After Light Up Louisville	17.10
2009	AMERICAN EXPRESS CORP	Giveaways for the Parade After Light Up Louisville	33.58
2009	AMERICAN EXPRESS CORP	Giveaways for the Parade After Light Up Louisville	63.49
2009	AMERICAN EXPRESS CORP	Giveaways for the Parade After Light Up Louisville	528.00
2009	AMERICAN EXPRESS CORP	Giveaways for the Parade After Light Up Louisville	795.06
2009	GUY BROWN PD	Louie the Lightning Bug & Mini City Charges	53.67
2009	DIVERSITY ADVENTURES I	Louie the Lightning Bug & Mini City Charges	1,208.06
2009	MOORE SYNDICATION INC	Louie the Lightning Bug & Mini City Charges	465.00
2009	JEANEEN BARNHART STUDI	Economic Dev Network Event Materials	275.00
2009	MPI PRINTING	Economic Dev Network Event Materials	506.36
2009	PFG*PROFORMA	Environmental Champions Program	10,054.22
2009	CLARK & RIGGS PRINTING	Safety Conference	488.13
2009	HULSE, MELODY	Mileage	5.50
2009	MOORE SYNDICATION INC	Louie the Lightning Bug & Mini City Charges	45.30
2009	TARGET	Louie the Lightning Bug & Mini City Charges	6.88
2009	SAMSLUB	Louie the Lightning Bug & Mini City Charges	19.90
2009	ALISON AND ASSOCIATES	Giveaways for the Parade After Light Up Louisville	606.84
2009	KY STATE FAIR EXPO SAL	Fair Booth Rental	1,325.00
2009	WE CAN DO THAT LLC	CHARGE-Safety Program Administration	560.00
2009	MIMAN INDUSTRIES LLC	CHARGE-Two High Voltage Demonstration Units	3,360.00
2009	WE CAN DO THAT LLC	CHARGE-Safety Program Administration	4,260.00
2009	CREATIVE ALLIANCE	CHARGE-LABOR	460.00
2009	MEDIA LIBRARY INC	CHARGE-Media	1,597.50
2009	FACTIVA	CHARGE-Monthly Service Fee for Newservice	250.00
2009	MEDIA LIBRARY INC	CHARGE-Media	2,312.37
2009	MEDIA LIBRARY INC	CHARGE-Media	2,181.25
2009	FACTIVA	CHARGE-Monthly Service Fee for Newservice	250.00
2009	MASS PRODUCTION, INC. #160721	JPMORGAN CHASE BANK	4,682.50
2009	INTERNAL LABOR	INTERNAL LABOR	2,808.04
2010	WE CAN DO THAT LLC	Safety Program Administration	100.00
2010	CARMA INTERNATIONAL INC	Research and data processing	1,372.00
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	PUSH DESIGN LLC	Labor	587.50
2010	MEDIA LIBRARY INC	Media	3,732.75
2010	EAGLE PRESS	JPMORGAN CHASE BANK	12.46
2010	EAGLE PRESS	JPMORGAN CHASE BANK	7.68
2010	WE CAN DO THAT LLC	Safety Program Administration	1,040.00
2010	WE CAN DO THAT LLC	Safety Program Administration	833.33
2010	CARMA INTERNATIONAL INC	Research and data processing	672.00
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	WORKFLOW SOLUTIONS LLC	JPMORGAN CHASE BANK	499.85
2010	MEDIA LIBRARY INC	Media	3,639.12
2010	WE CAN DO THAT LLC	Safety Program Administration	640.00
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	CARMA INTERNATIONAL INC	Research and data processing	1,372.00
2010	PUSH DESIGN LLC	Labor	262.50
2010	MEDIA LIBRARY INC	Media	1,717.45
2010	WORKFLOW SOLUTIONS LLC	JPMORGAN CHASE BANK	1,242.00
2010	VZWRLSS*APOCC	JPMORGAN CHASE BANK	69.54
2010	WORKFLOW SOLUTIONS LLC	JPMORGAN CHASE BANK	6,042.75
2010	CARMA INTERNATIONAL INC	Research and data processing	672.00
2010	WE CAN DO THAT LLC	Safety Program Administration	1,980.00
2010	MEDIA LIBRARY INC	Media	4,117.60
2010	PUSH DESIGN LLC	Labor	125.00
2010	PUSH DESIGN LLC	Labor	5,165.00
2010	CHURCHILL SABO	JPMORGAN CHASE BANK	34.56
2010	CTS EVENT TICKETS	JPMORGAN CHASE BANK	41.95
2010	VZWRLSS*APOCC	JPMORGAN CHASE BANK	32.74
2010	WORKFLOW SOLUTIONS LLC	JPMORGAN CHASE BANK	2,170.00
2010	FACTIVA	Monthly Service Fee for Newservice	250.00

**Louisville Gas and Electric Company**  
**Advertising Costs Which Cannot be Identified with a Specific Advertisement**  
**2008 -2010**

<b>Year</b>	<b>Vendor</b>	<b>Description</b>	<b>Amount</b>
2010	UNITED MAIL LLC	Labor	600.00
2010	UNITED MAIL LLC	Labor	37.50
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	CARMA INTERNATIONAL INC	Research and data processing	1,372.00
2010	PUSH DESIGN LLC	Labor	262.50
2010	ARVEY PAPER & OFFICE P	JPMORGAN CHASE BANK	33.96
2010	FAMILY & CHILDRENS PLACE	JPMORGAN CHASE BANK	160.00
2010	WE CAN DO THAT LLC	Safety Program Administration	2,326.67
2010	BETTER BUSINESS BUREAU	JPMORGAN CHASE BANK	40.00
2010	KENTUCKY CHAMBER OF CO	JPMORGAN CHASE BANK	416.00
2010	VZWRLSS*APOCC	JPMORGAN CHASE BANK	24.53
2010	WE CAN DO THAT LLC	Safety Program Administration	1,320.00
2010	WE CAN DO THAT LLC	Safety Program Administration	833.33
2010	MEDIA LIBRARY INC	Professional broadcast news monitoring and news clipping service	3,283.26
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	PUSH DESIGN LLC	Labor	75.00
2010	PUSH DESIGN LLC	Labor	162.50
2010	CARMA INTERNATIONAL INC	Research and data processing	672.00
2010	WE CAN DO THAT LLC	Safety Program Administration	3,340.00
2010	MEDIA LIBRARY INC	Professional broadcast news monitoring and news clipping service	2,109.25
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	CARMA INTERNATIONAL INC	Research and data processing	1,372.00
2010	MEDIA LIBRARY INC	Professional broadcast news monitoring and news clipping service	4,321.95
2010	AGENT FEE	US BANK NATIONAL ASSOCIATION ND	5.60
2010	WE CAN DO THAT LLC	Safety Program Administration	1,320.00
2010	PUSH DESIGN LLC	Labor	100.00
2010	PUSH DESIGN LLC	Labor	100.00
2010	KEENE, LOURIE J	Lease / Rental - Other	1,275.00
2010	PUSH DESIGN LLC	Labor	100.00
2010	MEDIA LIBRARY INC	Professional broadcast news monitoring and news clipping service	3,830.25
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	CARMA INTERNATIONAL INC	Research and data processing	1,372.00
2010	PFG*PROFORMA #426456	US BANK NATIONAL ASSOCIATION ND	6,095.00
2010	WE CAN DO THAT LLC	Safety Program Administration	3,780.00
2010	KEENE, LOURIE J	Miscellaneous	251.50
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	MEDIA LIBRARY INC	Professional broadcast news monitoring and news clipping service	3,628.30
2010	CARMA INTERNATIONAL INC	Research and data processing	672.00
2010	PFG*PROFORMA #426456	US BANK NATIONAL ASSOCIATION ND	493.28
2010	CARMA INTERNATIONAL INC	Research and data processing	672.00
2010	WE CAN DO THAT LLC	Safety Program Administration	833.33
2010	WE CAN DO THAT LLC	Safety Program Administration	1,760.00
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	MEDIA LIBRARY INC	Professional broadcast news monitoring and news clipping service	1,991.25
2010	CARMA INTERNATIONAL INC	Research and data processing	1,372.00
2010	PUSH DESIGN LLC	Labor	262.50
2010	WE CAN DO THAT LLC	Safety Program Administration	3,460.00
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	MEDIA LIBRARY INC	Professional broadcast news monitoring and news clipping service	3,491.00
2010	CARMA INTERNATIONAL INC	Research and data processing	672.00
2010	FACTIVA	Monthly Service Fee for Newservice	250.00
2010	WE CAN DO THAT LLC	Safety Program Administration	640.00
2010	MEDIA LIBRARY INC	Professional broadcast news monitoring and news clipping service	3,018.15
2010	WE CAN DO THAT LLC	Safety Program Administration	460.00
2010	WE CAN DO THAT LLC	Safety Program Administration	833.33
2010	FACTIVA	Monthly Service Fee for Newservice	250.00

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 197**

**Responding Witness: Valerie L. Scott**

Q-197. Break down the Company's advertising expense for the test period into its components, i.e., labor, overhead, materials and fees to agencies, etc.

A-197. See the response to Question No. 194.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 198**

**Responding Witness: Lonnie E. Bellar**

Q-198. Does the Company have any studies as to the effectiveness of its advertising and marketing programs? If so, describe by name, date and contents each study the Company has. Provide a copy of all such studies in the last three years.

A-198. LG&E has proposed an adjustment to eliminate advertising expenses that are primarily institutional and promotional in nature; see Reference Schedule 1.17 of Blake Exhibit 1 in LG&E's application. Also, advertising expenses related to Energy Efficiency initiatives are eliminated as part of an adjustment to remove DSM revenue and expense; see Reference Schedule 1.06 of Blake Exhibit 1 in LG&E's application. LG&E does not have any studies as to the effectiveness of the remaining LG&E advertising, which is conducted primarily to inform customers about electrical safety.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 199**

**Responding Witness: Valerie L. Scott**

Q-199. Please list the trend in advertising expense per dollar of revenue for the five year period ending with 2011. If the Company has not made this calculation, please supply the information necessary to make it.

A-199. See table below.

	<u>Advertising Expense</u>	<u>Revenue</u>	<u>Expense per Dollar of Revenue</u>
2007	\$ 1,097,356	\$ 1,285,137,296	\$ 0.0009
2008	874,839	1,473,319,433	0.0006
2009	855,831	1,280,992,548	0.0007
2010	726,028	1,318,558,923	0.0006
2011	927,266	1,364,324,725	0.0007

Note: Excludes advertising dollars recovered through the Demand Side Management revenue mechanism.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 200**

**Responding Witness: Lonnie E. Bellar**

Q-200. Please provide a listing of and a copy of any and all Commission Orders the Company has reviewed or relied upon in preparation of its filing in this case concerning the ratemaking treatment of costs for each distinct type of advertising expense it incurs, including but not limited to these categories: (1) sales or promotional, (2) institutional, (3) conservation related, (4) rate case, and (5) other.

A-200. In preparing its rate case filing, the Company did not review any Commission Orders concerning the ratemaking treatment of costs for each distinct type of advertising expense it incurs. However, the Company is aware of, and complies with, the Commission's regulation on advertising which can be found at 807 KAR 5:016.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 201**

**Responding Witness: Lonnie E. Bellar**

Q-201. List any antitrust expense included in the test period.

A-201. No antitrust expense is included in the test period.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 202**

**Responding Witness: Lonnie E. Bellar**

Q-202. Does the Company's proposed rate increase include any claim for attrition or suppression of sales?

- a. If so, please reference where this is presented.
- b. Provide a complete copy of any and all attrition studies or analyses prepared by or for the Company during the period 2009 through 2010.

A-202. No.

- a. Not applicable.
- b. No studies were prepared during the period 2009 through 2010.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 203**

**Responding Witness: Valerie L. Scott**

Q-203. Explain the method used by the Company to project uncollectibles for the test period. Include an explanation of all assumptions used and a detailed explanation, including examples, of whether and how historical data was used in making this projection.

A-203. The allowance for doubtful accounts included in retail customer accounts receivable is based on the ratio of the amounts charged-off during the last twelve months to the retail revenues billed over the same period multiplied by the retail revenues billed over the last four months. Accounts with no payment activity are charged-off after four months, although collection efforts continue thereafter.

The Company reviews wholesale accounts receivable to identify potential uncollectible accounts using specific customer identification. Amounts are reserved as necessary.

The allowance for doubtful accounts included in other accounts receivable is composed of accounts aged more than four months. Adjustments are made to this balance quarterly. Increases to the balance are the result of new items that reach the four months aged criteria. Decreases are the result of items for which payment has been received and items deemed uncollectible and written off.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 204**

**Responding Witness: Valerie L. Scott**

Q-204. Provide for each year 2009, 2010, 2011 and 2012 the total dollar write-offs to uncollectibles reserve with and without subsequent recoveries.

A-204.

Retail Receivables:

Year	Write-Offs to Uncollectible Reserve	Write-Offs net of Subsequent Recoveries
2009	\$5,670,864	\$4,248,439
2010	6,530,018	5,301,179
2011	5,823,738	4,680,794
2012	1,186,153	809,192

Wholesale Receivables:

Year	Write-Offs to Uncollectible Reserve	Write-Offs net of Subsequent Recoveries
2009	\$9,527	\$4,998
2010	0	0
2011	166,355	166,355
2012	0	0

Other Receivables:

Year	Write-Offs to Uncollectible Reserve	Write-Offs net of Subsequent Recoveries
2009	\$395,689	\$394,985
2010	416,728	405,761
2011	653,230	615,057
2012	53,999	44,096

Note: 2012 is for the period of January 1, 2012 through March 31, 2012

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 205**

**Responding Witness: Sidney L. "Butch" Cockerill**

Q-205. Please list by customer and amount and by year for the period 2008 through 2011 any uncollectible accounts which have been written off and which exceeded \$1,000.00.

A-205. See attached. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

Revenue Class	Year	Account	Customer Name	Amount
Non-Residential	2008			\$ 104,946.49
Non-Residential	2008			68,119.86
Non-Residential	2008			1,536.38
Non-Residential	2008			14,501.49
Non-Residential	2008			1,260.00
Non-Residential	2008			14,694.29
Non-Residential	2008			3,903.80
Non-Residential	2008			2,425.66
Non-Residential	2008			6,717.64
Non-Residential	2008			2,321.51
Non-Residential	2008			2,893.72
Non-Residential	2008			1,651.59
Non-Residential	2008			4,294.94
Non-Residential	2008			13,699.62
Non-Residential	2008			3,759.98
Non-Residential	2008			10,602.40
Non-Residential	2008			6,626.32
Non-Residential	2008			1,950.55
Non-Residential	2008			10,384.93
Non-Residential	2008			5,536.20
Non-Residential	2008			5,535.59
Non-Residential	2008			1,138.23
Non-Residential	2008			5,022.34
Non-Residential	2008			2,295.40
Non-Residential	2008			9,129.48
Non-Residential	2008			1,535.08
Non-Residential	2008			4,460.00
Non-Residential	2008			1,732.06
Non-Residential	2008			23,836.80
Non-Residential	2008			1,230.11
Non-Residential	2008			8,129.61
Non-Residential	2008			2,794.59
Non-Residential	2008			1,182.80
Non-Residential	2008			1,034.83
Non-Residential	2008			1,955.40
Non-Residential	2008			1,110.86
Non-Residential	2008			3,752.60
Non-Residential	2008			3,337.69
Non-Residential	2008			1,923.63
Non-Residential	2008			3,187.60
Non-Residential	2008			9,341.63
Non-Residential	2008			1,685.60
Non-Residential	2008			1,107.73
Non-Residential	2008			1,581.01
Non-Residential	2008			1,365.20
Non-Residential	2008			5,130.19
Non-Residential	2008			1,255.12
Non-Residential	2008			1,009.30
Non-Residential	2008			1,575.08
Non-Residential	2008			1,319.34
Non-Residential	2008			1,232.06
Non-Residential	2008			1,500.99
Non-Residential	2008			1,127.25
Non-Residential	2008			1,733.59
Non-Residential	2008			1,601.78
Non-Residential	2008			3,424.94
Non-Residential	2008			1,518.78
Non-Residential	2008			1,903.48
Non-Residential	2008			1,396.01
Non-Residential	2008			1,671.39
Non-Residential	2008			2,720.28
Non-Residential	2008			1,152.85
Non-Residential	2008			2,113.09
Non-Residential	2008			1,441.07
Non-Residential	2008			2,889.03
Non-Residential	2008			1,867.73
Non-Residential	2008			1,267.85
Non-Residential	2008			1,259.94
Non-Residential	2008			1,968.35
Non-Residential	2008			2,670.54

Revenue Class	Year	Account	Customer Name	Amount
Non-Residential	2008			1,246.88
Non-Residential	2008			1,083.82
Non-Residential	2008			1,018.04
Non-Residential	2008			2,453.20
Non-Residential	2008			1,053.44
Non-Residential	2008			3,265.26
Non-Residential	2008			2,799.42
Non-Residential	2008			1,931.68
Non-Residential	2008			1,344.16
Non-Residential	2008			1,568.49
Non-Residential	2008			1,252.85
Non-Residential	2008			2,000.00
Non-Residential	2008			6,656.32
Non-Residential	2008			1,926.80
Non-Residential	2008			3,476.44
Non-Residential	2008			1,232.38
Non-Residential	2008			1,583.73
Non-Residential	2008			1,365.39
Non-Residential	2008			2,571.49
Non-Residential	2008			1,364.83
Non-Residential	2008			1,650.74
Non-Residential	2008			2,898.53
Non-Residential	2008			2,676.62
Non-Residential	2008			1,053.38
Non-Residential	2008			1,034.60
Non-Residential	2008			1,475.97
Non-Residential	2008			1,103.34
Non-Residential	2008			1,205.62
Non-Residential	2008			3,029.75
Non-Residential	2008			2,475.98
Non-Residential	2008			1,569.51
Non-Residential	2008			1,209.04
Non-Residential	2008			1,372.45
Non-Residential	2008			1,363.06
Non-Residential	2008			1,357.61
Non-Residential	2008			1,218.62
Non-Residential	2008			2,433.86
Non-Residential	2008			1,739.18
Non-Residential	2008			1,039.82
Non-Residential	2008			1,005.50
Non-Residential	2008			1,179.84
Non-Residential	2008			2,503.18
Non-Residential	2008			3,467.19
Non-Residential	2008			1,772.68
Non-Residential	2008			1,515.49
Non-Residential	2008			1,340.37
Non-Residential	2008			2,016.14
Residential	2008			2,747.27
Residential	2008			1,183.51
Residential	2008			4,954.32
Residential	2008			6,266.97
Residential	2008			1,011.07
Residential	2008			1,962.65
Residential	2008			1,240.59
Residential	2008			1,459.50
Residential	2008			1,005.54
Residential	2008			1,614.23
Residential	2008			1,063.62
Residential	2008			1,070.01
Residential	2008			1,070.01
Residential	2008			1,037.84
Residential	2008			1,427.20
Residential	2008			1,065.93
Residential	2008			1,102.11
Residential	2008			1,914.06
Residential	2008			1,653.25
Residential	2008			1,889.73
Residential	2008			1,789.03
Residential	2008			1,236.73
Residential	2008			1,436.02

Revenue Class	Year	Account	Customer Name	Amount
Residential	2008			1,049.71
Residential	2008			1,307.05
Residential	2008			1,277.12
Residential	2008			1,390.10
Residential	2008			1,300.45
Residential	2008			1,439.94
Residential	2008			1,207.66
Residential	2008			1,927.18
Residential	2008			1,989.35
Residential	2008			1,182.63
Residential	2008			1,157.78
Residential	2008			1,412.88
Residential	2008			1,412.88
Residential	2008			1,159.67
Residential	2008			2,129.93
Residential	2008			2,009.90
Residential	2008			1,327.97
Residential	2008			1,328.99
Residential	2008			1,563.61
Residential	2008			1,257.39
Residential	2008			1,260.17
Residential	2008			1,710.01
Residential	2008			2,244.78
Residential	2008			1,301.20
Residential	2008			1,041.73
Residential	2008			1,412.36
Residential	2008			1,669.07
Residential	2008			3,662.66
Residential	2008			1,179.40
Residential	2008			1,668.92
Residential	2008			2,108.39
Residential	2008			1,061.45
Residential	2008			1,469.89
Residential	2008			1,181.86
Residential	2008			1,292.90
Residential	2008			1,614.08
Residential	2008			1,187.42
Residential	2008			1,017.56
Residential	2008			1,608.14
Residential	2008			1,007.83
Residential	2008			1,302.60
Residential	2008			1,996.67
Residential	2008			1,209.70
Residential	2008			1,790.10
Residential	2008			1,041.96
Residential	2008			1,292.22
Residential	2008			3,923.23
Residential	2008			1,232.37
Residential	2008			1,418.68
Residential	2008			2,256.65
Residential	2008			1,148.09
Residential	2008			1,264.64
Residential	2008			1,183.71
Residential	2008			1,021.68
Residential	2008			1,239.21
Residential	2008			1,131.36
Residential	2008			1,070.86
Residential	2008			1,726.58
Residential	2008			1,363.76
Residential	2008			1,112.86
Residential	2008			1,035.67
Residential	2008			4,385.24
Residential	2008			1,896.40
Residential	2008			1,290.13
Residential	2008			1,181.50
Residential	2008			2,885.55
Residential	2008			2,722.15
Residential	2008			1,108.91
Residential	2008			1,250.35
Residential	2008			1,068.76

Revenue Class	Year	Account	Customer Name	Amount
Residential	2008			1,257.97
Residential	2008			2,908.40
Residential	2008			1,494.28
Residential	2008			1,028.96
Residential	2008			1,747.59
Residential	2008			1,789.58
Residential	2008			1,422.86
Residential	2008			1,553.64
Residential	2008			1,001.51
Residential	2008			1,107.16
Residential	2008			1,563.53
Residential	2008			1,205.48
Residential	2008			1,293.91
Residential	2008			1,104.91
Residential	2008			1,298.85
Residential	2008			1,185.13
Residential	2008			2,748.90
Residential	2008			1,242.04
Residential	2008			1,061.61
Residential	2008			1,270.72
Residential	2008			1,132.65
Residential	2008			1,113.24
Residential	2008			1,195.58
Residential	2008			1,008.15
Residential	2008			1,761.28
Residential	2008			1,073.41
Residential	2008			1,061.42
Residential	2008			1,098.07
Residential	2008			1,549.03
Residential	2008			1,437.32
Residential	2008			2,104.51
Residential	2008			1,051.34
Residential	2008			1,080.95
Residential	2008			2,355.90
Residential	2008			2,355.90
Residential	2008			1,193.80
Residential	2008			1,415.99
Residential	2008			1,226.50
Residential	2008			1,048.56
Residential	2008			1,080.40
Residential	2008			1,056.44
Residential	2008			1,017.63
Residential	2008			1,190.59
Residential	2008			1,096.36
Residential	2008			1,620.45
Residential	2008			1,097.40
Residential	2008			1,118.35
Residential	2008			1,106.35
Residential	2008			1,165.39
Residential	2008			1,068.33
Residential	2008			1,485.67
Residential	2008			1,035.70
Residential	2008			1,261.60
Residential	2008			1,155.43
Residential	2008			1,044.34
Residential	2008			1,171.97
Residential	2008			1,025.44
Residential	2008			1,342.74
Residential	2008			1,312.02
Residential	2008			1,360.00
Residential	2008			1,703.82
Residential	2008			1,306.86
Residential	2008			2,214.83
Residential	2008			1,064.73
Residential	2008			2,893.85
Residential	2008			1,424.07
Residential	2008			1,913.60
Residential	2008			1,014.89
Residential	2008			1,227.20
Residential	2008			1,268.30



Revenue Class	Year	Account	Customer Name	Amount
Residential	2008			1,041.38
Residential	2008			1,272.76
Residential	2008			1,666.39
Residential	2008			1,438.47
Residential	2008			1,480.83
Residential	2008			1,668.79
Residential	2008			1,420.98
Residential	2008			1,705.90
Residential	2008			1,244.92
Residential	2008			1,261.42
Residential	2008			2,174.67
Residential	2008			1,326.29
Residential	2008			1,423.66
Residential	2008			1,705.05
Residential	2008			1,274.70
Residential	2008			1,157.75
Residential	2008			1,250.85
Residential	2008			1,325.38
Residential	2008			1,912.21
Residential	2008			1,038.55
Residential	2008			1,000.82
Residential	2008			1,693.12
Residential	2008			1,165.02
Residential	2008			1,121.24
Residential	2008			1,533.28
Residential	2008			1,405.16
Residential	2008			1,101.80
Residential	2008			1,235.07
Residential	2008			1,066.45
Residential	2008			1,040.46
Residential	2008			1,378.94
Residential	2008			1,378.94
Residential	2008			2,748.87
Residential	2008			1,043.39
Residential	2008			1,000.11
Residential	2008			1,072.78
Residential	2008			5,063.80
Residential	2008			1,143.24
Residential	2008			1,258.01
Residential	2008			2,067.08
Residential	2008			1,569.56
Residential	2008			1,118.05
Residential	2008			2,097.65
Residential	2008			1,085.44
Residential	2008			1,241.86
Residential	2008			2,685.06
Residential	2008			1,019.22
Residential	2008			1,022.74
Residential	2008			1,080.27
Residential	2008			1,627.49
Residential	2008			1,332.32
Residential	2008			1,166.61
Residential	2008			1,074.98
Residential	2008			1,126.11
Residential	2008			1,412.05
Residential	2008			1,583.68
Residential	2008			1,213.09
Residential	2008			1,446.04
Residential	2008			1,149.58
Residential	2008			1,869.57
Residential	2008			1,203.74
Residential	2008			2,366.23
Residential	2008			1,512.43
Residential	2008			1,028.91
Residential	2008			1,114.84
Residential	2008			1,597.12
Residential	2008			1,215.59
Residential	2008			1,000.14
Residential	2008			1,050.98
Residential	2008			2,307.13

Revenue Class	Year	Account	Customer Name	Amount
Residential	2008			1,166.44
Residential	2008			1,001.20
Residential	2008			2,798.72
Residential	2008			3,296.57
Residential	2008			1,012.95
Residential	2008			1,119.11
Residential	2008			1,113.09
Residential	2008			1,750.81
Residential	2008			1,027.62
Residential	2008			1,563.18
Residential	2008			2,371.51
Residential	2008			1,519.89
Residential	2008			1,086.44
Residential	2008			1,516.11
Residential	2008			1,116.89
Residential	2008			1,385.93
Residential	2008			1,240.01
Residential	2008			1,338.89
Residential	2008			2,673.25
Residential	2008			1,754.78
Residential	2008			1,359.74
Residential	2008			1,062.61
Residential	2008			1,600.52
Residential	2008			1,561.78
Residential	2008			1,359.00
Residential	2008			2,038.57
Residential	2008			2,442.86
Residential	2008			1,146.64
Residential	2008			1,030.11
Residential	2008			1,135.09
Residential	2008			1,099.29
Residential	2008			1,501.59
Residential	2008			1,335.12
Residential	2008			2,312.26
Residential	2008			1,291.90
Residential	2008			1,388.05
Residential	2008			1,033.28
Residential	2008			1,308.79
Residential	2008			2,041.79
Residential	2008			1,526.35
Residential	2008			1,429.65
Residential	2008			1,077.93
Residential	2008			1,404.03
Residential	2008			1,306.58
Residential	2008			1,551.01
Residential	2008			2,797.08
Residential	2008			1,603.24
Residential	2008			1,169.83
Residential	2008			1,244.82
Residential	2008			1,166.68
Residential	2008			1,021.59
Residential	2008			2,020.43
Residential	2008			1,148.15
Residential	2008			2,002.50
Residential	2008			1,371.52
Residential	2008			1,172.81
Residential	2008			1,246.59
Residential	2008			2,423.62
Residential	2008			3,012.10
Residential	2008			1,346.48
Residential	2008			1,106.98
Residential	2008			2,812.05
Residential	2008			1,789.70
Residential	2008			1,251.23
Residential	2008			2,939.63
Residential	2008			2,802.63
Residential	2008			1,273.48
Residential	2008			1,218.74
Residential	2008			1,506.01
Residential	2008			1,257.51

Revenue Class	Year	Account	Customer Name	Amount
Residential	2008			1,187.77
Residential	2008			1,143.41
Residential	2008			1,135.19
Residential	2008			1,537.36
Residential	2008			1,287.41
Residential	2008			1,011.81
Residential	2008			1,691.71
Residential	2008			1,124.82
Residential	2008			1,040.97
Residential	2008			1,158.35
Residential	2008			1,145.17
Residential	2008			1,145.17
Residential	2008			2,834.02
Residential	2008			1,631.92
Residential	2008			1,238.91
Residential	2008			1,024.85
Residential	2008			1,340.88
Residential	2008			1,112.72
Residential	2008			1,395.54
Residential	2008			1,327.27
Residential	2008			1,428.11
Residential	2008			1,650.23
Residential	2008			1,077.38
Residential	2008			1,257.15
Residential	2008			1,013.19
Residential	2008			1,289.53
Residential	2008			1,140.87
Residential	2008			2,858.96
Residential	2008			2,001.86
Residential	2008			1,066.89
Residential	2008			1,370.17
Residential	2008			1,176.80
Residential	2008			1,526.89
Residential	2008			1,052.14
Residential	2008			1,051.53
Residential	2008			1,209.63
Residential	2008			1,025.21
Residential	2008			1,597.18
Residential	2008			1,029.37
Residential	2008			1,485.44
Residential	2008			1,596.55
Residential	2008			1,265.64
Residential	2008			1,205.51
Residential	2008			1,513.39
Residential	2008			1,180.21
Residential	2008			1,146.63
Residential	2008			1,123.15
Residential	2008			1,104.29
Residential	2008			2,205.99
Residential	2008			1,511.06
Residential	2008			4,458.90
Residential	2008			1,053.01
Residential	2008			1,131.51
Residential	2008			1,532.26
Residential	2008			1,293.02
Residential	2008			1,238.37
Residential	2008			1,025.59
Residential	2008			1,427.14
Residential	2008			1,356.10
Residential	2008			1,046.52
Residential	2008			1,596.57
Residential	2008			1,097.52
Residential	2008			1,004.56
Residential	2008			3,539.12
Residential	2008			1,134.74
Residential	2008			1,266.03
Residential	2008			1,163.18
Residential	2008			1,233.26
Residential	2008			1,070.01
Residential	2008			2,022.84

Revenue Class	Year	Account	Customer Name	Amount
Residential	2008			1,203.84
Residential	2008			2,435.42
Residential	2008			2,597.48
Residential	2008			2,345.19
Residential	2008			1,148.09
Residential	2008			3,442.43
Residential	2008			1,477.09
Residential	2008			1,688.68
Residential	2008			1,641.31
Residential	2008			2,171.85
Residential	2008			1,607.67
Residential	2008			1,082.64
Residential	2008			1,155.62
Residential	2008			2,228.95
Residential	2008			2,051.22
Residential	2008			1,302.88
Residential	2008			1,203.21
Residential	2008			1,624.51
Residential	2008			1,070.09
Residential	2008			1,051.20
Residential	2008			2,713.06
Residential	2008			3,632.49
Residential	2008			1,175.27
Residential	2008			1,398.87
Residential	2008			1,122.00
Residential	2008			1,766.67
Residential	2008			1,194.20
Residential	2008			1,293.72
Residential	2008			1,673.10
Residential	2008			1,059.33
Residential	2008			1,345.27
Residential	2008			1,043.17
Residential	2008			1,204.04
Residential	2008			1,038.39
Residential	2008			1,743.94
Residential	2008			1,776.36
Residential	2008			1,156.85
Residential	2008			1,854.63
Residential	2008			1,658.66
Residential	2008			2,336.95
Residential	2008			1,030.65
Residential	2008			1,688.28
Residential	2008			1,631.26
Residential	2008			1,192.56
Residential	2008			1,538.32
Residential	2008			1,201.65
Residential	2008			1,157.52
Residential	2008			1,215.61
Residential	2008			1,708.15
Residential	2008			1,398.59
Residential	2008			1,415.01
Residential	2008			1,292.59
Residential	2008			1,224.48
Residential	2008			1,008.22
Residential	2008			1,907.22
Residential	2008			1,144.62
Residential	2008			2,083.49
Residential	2008			2,159.94
Residential	2008			1,478.81
Residential	2008			1,805.62
Residential	2008			1,081.97
Residential	2008			1,236.10
Residential	2008			1,354.28
Residential	2008			3,732.78
Residential	2008			2,260.28
Residential	2008			2,935.22
Residential	2008			1,341.40
Residential	2008			1,216.56
Residential	2008			1,449.17
Residential	2008			1,007.29

Revenue Class	Year	Account	Customer Name	Amount
Residential	2008			1,813.11
Residential	2008			1,349.62
Residential	2008			1,019.02
Residential	2008			1,066.92
Residential	2008			1,579.44
Residential	2008			1,070.14
Residential	2008			1,442.59
Residential	2008			1,454.61
Residential	2008			1,480.84
Residential	2008			1,068.14
Residential	2008			1,245.46
Residential	2008			1,252.99
Residential	2008			1,335.45
Residential	2008			1,338.99
Residential	2008			1,042.45
Residential	2008			1,010.71
Residential	2008			1,315.22
Residential	2008			2,652.53
Residential	2008			1,333.54
Residential	2008			1,221.66
Residential	2008			1,393.59
Residential	2008			1,243.47
Residential	2008			1,112.13
Residential	2008			1,229.16
Residential	2008			1,403.45
Residential	2008			1,698.79
Residential	2008			2,480.76
Residential	2008			1,308.80
Residential	2008			1,259.58
Residential	2008			1,063.80
Residential	2008			1,005.03
Residential	2008			1,314.25
Residential	2008			1,563.14
Residential	2008			1,529.81
Residential	2008			1,178.41
Residential	2008			1,783.11
Residential	2008			1,086.32
Residential	2008			1,025.39
Residential	2008			1,447.77
Residential	2008			3,431.86
Residential	2008			2,029.19
Residential	2008			3,347.04
Residential	2008			1,226.75
Residential	2008			2,098.40
Residential	2008			1,484.36
Residential	2008			1,988.72
Residential	2008			1,035.21
Residential	2008			1,706.83
Residential	2008			1,122.78
Residential	2008			1,236.59
Residential	2008			1,201.33
Residential	2008			2,828.87
Residential	2008			1,290.99
Residential	2008			1,106.65
Residential	2008			1,159.81
Residential	2008			1,007.52
Residential	2008			1,226.15
Residential	2008			1,249.27
Residential	2008			1,616.70
Residential	2008			1,800.81
Residential	2008			1,315.02
Residential	2008			1,037.55
Residential	2008			2,357.93
Residential	2008			1,157.06
Residential	2008			1,665.56
Residential	2008			1,378.41
Residential	2008			2,790.55
Residential	2008			1,010.62
Residential	2008			2,239.00
Residential	2008			2,155.03

Revenue Class	Year	Account	Customer Name	Amount
Residential	2008			2,359.02
Residential	2008			1,589.49
Residential	2008			3,251.84
Residential	2008			1,239.46
Residential	2008			1,360.24
Residential	2008			1,235.26
Residential	2008			1,015.79
Residential	2008			1,438.98
Residential	2008			1,625.94
Residential	2008			1,105.74
Residential	2008			2,771.45
Residential	2008			2,051.98
Residential	2008			1,827.72
Residential	2008			1,037.93
Residential	2008			1,490.47
Residential	2008			1,097.52
Residential	2008			1,501.87
Residential	2008			2,974.81
Residential	2008			1,615.05
Residential	2008			1,143.74
Residential	2008			1,122.07
Residential	2008			1,001.78
Residential	2008			1,104.24
Residential	2008			1,563.08
Residential	2008			1,246.95
Residential	2008			1,036.61
Residential	2008			1,324.23
Residential	2008			2,108.55
Residential	2008			1,618.91
Residential	2008			1,681.74
Residential	2008			1,048.45
Residential	2008			1,246.77
Residential	2008			1,286.23
Residential	2008			1,133.50
Residential	2008			1,315.95
Residential	2008			1,665.29
Residential	2008			1,962.99
Residential	2008			1,128.37
Residential	2008			1,103.88
Residential	2008			1,154.05
Residential	2008			1,326.55
Residential	2008			1,118.26
Residential	2008			1,122.78
Residential	2008			1,073.07
Residential	2008			1,213.58
Residential	2008			1,690.32
Residential	2008			1,337.04
Residential	2008			1,152.68
Residential	2008			1,010.78
Residential	2008			1,009.96
Residential	2008			1,098.31
Residential	2008			2,028.07
Residential	2008			1,073.60
Residential	2008			2,184.10
Residential	2008			1,043.06
Residential	2008			1,013.65
Residential	2008			1,129.94
Residential	2008			1,099.27
Residential	2008			1,230.06
Residential	2008			1,184.07
Residential	2008			1,447.25
Residential	2008			1,055.09
Residential	2008			1,045.67
Residential	2008			1,230.82
Residential	2008			2,008.34
Residential	2008			1,638.80
Residential	2008			1,247.52
Residential	2008			1,208.44
Residential	2008			1,238.82
Residential	2008			1,669.77

Revenue Class	Year	Account	Customer Name	Amount
Residential	2008			1,682.19
Residential	2008			1,426.00
Residential	2008			2,334.98
Residential	2008			1,010.43
Residential	2008			1,328.48
Residential	2008			1,242.07
Residential	2008			1,041.15
Residential	2008			1,594.59
Residential	2008			1,087.59
Residential	2008			2,048.66
Non-Residential	2009			10,172.83
Non-Residential	2009			2,773.44
Non-Residential	2009			6,217.69
Non-Residential	2009			6,333.46
Non-Residential	2009			4,460.00
Non-Residential	2009			2,985.00
Non-Residential	2009			25,838.15
Non-Residential	2009			1,623.69
Non-Residential	2009			7,013.45
Non-Residential	2009			2,204.74
Non-Residential	2009			7,221.90
Non-Residential	2009			3,104.98
Residential	2009			1,355.18
Residential	2009			2,015.42
Residential	2009			1,188.20
Residential	2009			1,388.33
Residential	2009			1,601.66
Residential	2009			1,362.72
Residential	2009			1,050.69
Residential	2009			1,187.55
Residential	2009			1,120.02
Residential	2009			1,038.99
Residential	2009			1,259.27
Residential	2009			1,552.86
Residential	2009			1,100.07
Residential	2009			6,277.40
Residential	2009			1,147.61
Residential	2009			1,468.03
Residential	2009			1,287.05
Residential	2009			1,347.81
Residential	2009			2,275.79
Residential	2009			1,317.38
Residential	2009			1,229.40
Residential	2009			1,032.37
Residential	2009			1,114.78
Residential	2009			1,853.01
Residential	2009			2,487.40
Residential	2009			1,632.50
Residential	2009			1,012.55
Residential	2009			1,097.55
Residential	2009			1,014.88
Residential	2009			1,632.79
Residential	2009			1,308.73
Residential	2009			1,166.62
Residential	2009			1,114.46
Residential	2009			2,952.69
Residential	2009			1,163.03
Residential	2009			1,026.62
Residential	2009			1,185.47
Residential	2009			4,530.84
Residential	2009			1,088.54
Residential	2009			1,089.04
Residential	2009			2,569.13
Residential	2009			1,027.82
Residential	2009			1,349.16
Residential	2009			1,878.15
Residential	2009			1,099.49
Residential	2009			1,221.00
Residential	2009			1,335.76
Residential	2009			3,897.83

Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			1,409.47
Residential	2009			2,040.85
Residential	2009			1,795.25
Residential	2009			1,800.75
Residential	2009			2,933.65
Residential	2009			1,070.37
Residential	2009			1,101.36
Residential	2009			1,337.99
Residential	2009			1,185.81
Residential	2009			1,265.57
Residential	2009			2,767.41
Residential	2009			1,150.89
Residential	2009			1,003.15
Residential	2009			3,228.35
Residential	2009			1,132.61
Residential	2009			1,085.19
Residential	2009			1,838.59
Residential	2009			1,255.64
Residential	2009			1,311.74
Residential	2009			2,600.00
Residential	2009			1,231.30
Residential	2009			1,003.25
Residential	2009			1,488.84
Residential	2009			1,970.18
Residential	2009			1,347.94
Residential	2009			1,237.58
Residential	2009			1,192.75
Residential	2009			1,713.03
Residential	2009			1,176.29
Residential	2009			1,546.07
Residential	2009			1,633.65
Non-Residential	2009			3,452.60
Non-Residential	2009			1,832.93
Non-Residential	2009			1,265.41
Non-Residential	2009			2,415.42
Non-Residential	2009			1,433.36
Non-Residential	2009			2,108.17
Non-Residential	2009			2,226.50
Non-Residential	2009			1,183.34
Non-Residential	2009			1,956.48
Non-Residential	2009			1,255.55
Non-Residential	2009			2,408.83
Non-Residential	2009			1,098.39
Non-Residential	2009			26,695.11
Non-Residential	2009			3,166.70
Non-Residential	2009			1,673.52
Non-Residential	2009			1,743.82
Non-Residential	2009			1,491.64
Non-Residential	2009			1,345.71
Non-Residential	2009			3,574.20
Non-Residential	2009			2,877.13
Non-Residential	2009			1,294.42
Non-Residential	2009			1,438.12
Non-Residential	2009			2,369.03
Non-Residential	2009			2,193.57
Non-Residential	2009			1,295.88
Non-Residential	2009			1,631.96
Residential	2009			1,484.74
Residential	2009			1,740.84
Residential	2009			1,038.32
Residential	2009			1,080.46
Residential	2009			1,267.06
Residential	2009			1,161.19
Residential	2009			1,210.28
Residential	2009			1,662.44
Residential	2009			1,258.31
Residential	2009			1,028.89
Residential	2009			1,279.68
Residential	2009			1,152.91
Residential	2009			1,187.00



Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			1,101.50
Residential	2009			1,346.51
Residential	2009			1,475.55
Residential	2009			1,640.79
Residential	2009			1,126.77
Residential	2009			1,505.44
Residential	2009			1,008.89
Residential	2009			1,023.90
Residential	2009			1,573.12
Residential	2009			1,118.47
Residential	2009			1,188.33
Residential	2009			1,202.36
Residential	2009			1,199.06
Residential	2009			1,807.23
Residential	2009			1,360.81
Residential	2009			1,761.03
Residential	2009			1,111.63
Residential	2009			1,569.61
Residential	2009			1,427.86
Residential	2009			1,094.77
Residential	2009			1,379.39
Residential	2009			1,031.96
Residential	2009			1,255.11
Residential	2009			1,594.94
Residential	2009			1,056.60
Residential	2009			1,327.90
Residential	2009			2,120.40
Residential	2009			1,011.46
Residential	2009			1,048.74
Residential	2009			1,532.51
Residential	2009			1,012.27
Residential	2009			1,101.51
Residential	2009			1,113.17
Residential	2009			2,075.78
Residential	2009			2,162.90
Residential	2009			1,116.19
Residential	2009			1,487.89
Residential	2009			1,131.20
Residential	2009			1,237.22
Residential	2009			1,327.87
Residential	2009			1,476.74
Residential	2009			1,034.88
Residential	2009			1,486.71
Residential	2009			1,780.09
Residential	2009			1,959.27
Residential	2009			1,011.58
Residential	2009			1,400.97
Residential	2009			1,015.55
Residential	2009			1,101.50
Residential	2009			1,587.72
Residential	2009			2,043.20
Residential	2009			1,107.49
Residential	2009			1,000.52
Residential	2009			2,030.44
Residential	2009			1,734.77
Residential	2009			1,944.76
Residential	2009			1,257.62
Residential	2009			1,330.13
Residential	2009			1,060.61
Residential	2009			1,398.45
Residential	2009			1,688.60
Residential	2009			1,262.07
Residential	2009			1,167.33
Residential	2009			1,326.81
Residential	2009			1,043.86
Residential	2009			1,400.46
Residential	2009			1,324.29
Residential	2009			1,131.31
Residential	2009			1,000.78
Residential	2009			1,050.07

Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			1,244.61
Residential	2009			1,067.41
Residential	2009			1,228.24
Residential	2009			1,231.58
Residential	2009			1,001.74
Residential	2009			1,179.90
Residential	2009			1,466.39
Residential	2009			1,458.35
Residential	2009			1,076.97
Residential	2009			1,620.33
Residential	2009			2,887.56
Residential	2009			1,125.40
Residential	2009			2,073.94
Residential	2009			1,341.88
Residential	2009			1,040.95
Residential	2009			1,105.95
Residential	2009			1,219.82
Residential	2009			1,421.86
Residential	2009			1,053.38
Residential	2009			1,057.71
Residential	2009			1,144.80
Residential	2009			1,766.55
Residential	2009			1,058.89
Residential	2009			1,045.35
Residential	2009			1,687.01
Residential	2009			1,093.29
Residential	2009			1,435.19
Residential	2009			1,125.87
Residential	2009			1,121.76
Residential	2009			2,023.65
Residential	2009			1,639.37
Residential	2009			1,443.41
Residential	2009			1,854.51
Residential	2009			1,898.75
Residential	2009			1,033.54
Residential	2009			1,592.04
Residential	2009			1,687.92
Residential	2009			1,097.06
Residential	2009			1,503.16
Residential	2009			1,030.75
Residential	2009			1,045.79
Residential	2009			1,004.45
Residential	2009			1,272.44
Residential	2009			1,418.11
Residential	2009			1,594.02
Residential	2009			1,298.35
Residential	2009			2,189.44
Residential	2009			1,143.19
Residential	2009			1,576.54
Residential	2009			2,581.34
Residential	2009			1,232.46
Residential	2009			1,745.95
Residential	2009			2,003.56
Residential	2009			1,129.15
Residential	2009			1,646.31
Residential	2009			1,042.84
Residential	2009			1,008.72
Residential	2009			1,581.17
Residential	2009			1,162.99
Residential	2009			1,052.24
Residential	2009			1,320.19
Residential	2009			1,146.64
Residential	2009			1,177.37
Residential	2009			1,827.19
Residential	2009			1,448.79
Residential	2009			1,063.43
Residential	2009			1,806.95
Residential	2009			1,276.06
Residential	2009			1,607.84
Residential	2009			2,205.44

Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			1,082.13
Residential	2009			3,125.06
Residential	2009			1,143.62
Residential	2009			1,136.68
Residential	2009			1,434.09
Residential	2009			1,687.83
Residential	2009			1,115.80
Residential	2009			2,028.77
Residential	2009			1,410.17
Residential	2009			1,734.47
Residential	2009			1,310.50
Residential	2009			1,078.53
Residential	2009			1,015.23
Residential	2009			1,027.28
Residential	2009			1,153.25
Residential	2009			2,989.27
Residential	2009			1,088.71
Residential	2009			1,009.09
Residential	2009			1,157.04
Residential	2009			1,710.94
Residential	2009			2,301.91
Residential	2009			1,116.09
Residential	2009			2,927.01
Residential	2009			1,122.26
Residential	2009			1,134.96
Residential	2009			3,389.89
Residential	2009			1,042.35
Residential	2009			1,809.68
Residential	2009			1,030.29
Residential	2009			2,122.60
Residential	2009			1,628.20
Residential	2009			1,094.67
Residential	2009			1,108.55
Residential	2009			1,454.50
Residential	2009			1,146.37
Residential	2009			1,231.94
Residential	2009			1,592.06
Residential	2009			1,660.20
Residential	2009			3,797.32
Residential	2009			1,104.63
Residential	2009			1,461.13
Residential	2009			1,092.57
Residential	2009			1,384.47
Residential	2009			2,284.54
Residential	2009			1,531.46
Residential	2009			1,122.45
Residential	2009			1,222.09
Residential	2009			1,196.14
Residential	2009			1,532.11
Residential	2009			1,525.29
Residential	2009			1,125.38
Residential	2009			1,532.63
Residential	2009			1,071.68
Residential	2009			1,849.69
Residential	2009			1,752.70
Residential	2009			1,082.95
Residential	2009			1,334.80
Residential	2009			1,777.22
Residential	2009			1,293.72
Residential	2009			2,225.39
Residential	2009			1,265.71
Residential	2009			1,130.24
Residential	2009			1,026.40
Residential	2009			1,599.96
Residential	2009			1,308.19
Residential	2009			1,358.19
Residential	2009			1,383.37
Residential	2009			1,227.04
Residential	2009			1,117.37
Residential	2009			1,024.82

Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			1,094.61
Residential	2009			1,332.12
Residential	2009			1,407.58
Residential	2009			2,046.29
Residential	2009			1,179.53
Residential	2009			1,093.77
Residential	2009			1,234.55
Residential	2009			1,173.21
Residential	2009			1,173.17
Residential	2009			1,378.86
Residential	2009			1,309.83
Residential	2009			1,054.77
Residential	2009			1,628.30
Residential	2009			1,934.54
Residential	2009			1,276.27
Residential	2009			1,854.64
Residential	2009			2,773.06
Residential	2009			1,234.65
Residential	2009			1,287.68
Residential	2009			1,711.20
Residential	2009			1,008.96
Residential	2009			2,436.89
Residential	2009			1,367.13
Residential	2009			1,237.59
Residential	2009			1,004.84
Residential	2009			1,087.33
Residential	2009			1,219.63
Residential	2009			1,502.61
Residential	2009			1,361.38
Residential	2009			1,684.88
Residential	2009			1,219.38
Residential	2009			1,050.02
Residential	2009			1,022.81
Residential	2009			1,359.56
Residential	2009			1,334.54
Residential	2009			2,236.26
Residential	2009			1,624.91
Residential	2009			1,234.33
Residential	2009			1,427.31
Residential	2009			1,051.59
Residential	2009			1,176.16
Residential	2009			1,627.67
Residential	2009			1,000.64
Residential	2009			1,180.25
Residential	2009			2,085.96
Residential	2009			1,003.60
Residential	2009			1,007.06
Residential	2009			1,855.04
Residential	2009			1,525.70
Residential	2009			1,040.66
Residential	2009			1,182.79
Residential	2009			1,007.99
Residential	2009			1,990.43
Residential	2009			1,110.81
Residential	2009			1,958.28
Residential	2009			1,032.86
Residential	2009			1,090.09
Residential	2009			1,300.83
Residential	2009			1,151.48
Residential	2009			1,307.45
Residential	2009			1,216.43
Residential	2009			1,141.62
Residential	2009			3,377.31
Residential	2009			1,203.98
Residential	2009			1,321.22
Residential	2009			1,556.19
Residential	2009			1,127.74
Residential	2009			1,188.32
Residential	2009			1,039.09
Residential	2009			1,094.58

Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			2,120.87
Residential	2009			1,556.99
Residential	2009			1,575.04
Residential	2009			1,467.16
Residential	2009			1,748.44
Residential	2009			2,238.39
Residential	2009			1,303.67
Residential	2009			1,122.29
Residential	2009			2,569.96
Residential	2009			3,174.97
Residential	2009			1,141.54
Residential	2009			1,000.34
Residential	2009			1,354.93
Residential	2009			1,110.12
Residential	2009			1,354.60
Residential	2009			1,036.20
Residential	2009			1,126.33
Residential	2009			1,051.33
Residential	2009			1,864.03
Residential	2009			1,857.74
Residential	2009			1,480.74
Residential	2009			1,338.48
Residential	2009			1,100.00
Residential	2009			1,226.87
Residential	2009			1,136.29
Residential	2009			1,453.91
Residential	2009			1,294.28
Residential	2009			1,006.37
Residential	2009			1,088.64
Residential	2009			2,000.33
Residential	2009			1,199.49
Residential	2009			1,066.58
Residential	2009			1,505.27
Residential	2009			1,070.76
Residential	2009			1,179.22
Residential	2009			1,027.51
Residential	2009			1,142.44
Residential	2009			1,024.61
Residential	2009			1,039.81
Residential	2009			1,077.10
Residential	2009			1,341.37
Residential	2009			2,448.25
Residential	2009			1,830.31
Residential	2009			1,052.59
Residential	2009			1,248.35
Residential	2009			1,143.75
Residential	2009			1,363.01
Residential	2009			2,177.57
Residential	2009			2,154.74
Residential	2009			1,133.25
Residential	2009			1,316.68
Residential	2009			1,586.74
Residential	2009			1,078.89
Residential	2009			1,739.50
Residential	2009			1,211.06
Residential	2009			1,614.90
Residential	2009			1,095.04
Residential	2009			1,686.08
Residential	2009			1,417.45
Residential	2009			1,102.06
Residential	2009			1,452.45
Residential	2009			1,095.88
Residential	2009			1,083.31
Residential	2009			1,024.59
Residential	2009			1,776.31
Residential	2009			1,643.60
Residential	2009			1,166.18
Residential	2009			1,042.80
Residential	2009			1,037.87
Residential	2009			1,171.72

Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			1,066.81
Residential	2009			1,077.42
Residential	2009			1,084.82
Residential	2009			1,070.39
Residential	2009			1,122.77
Residential	2009			1,439.95
Residential	2009			1,023.80
Residential	2009			1,042.73
Residential	2009			1,735.72
Residential	2009			1,058.72
Residential	2009			1,190.72
Residential	2009			1,006.85
Residential	2009			1,064.55
Residential	2009			1,732.65
Residential	2009			1,312.28
Residential	2009			1,124.99
Residential	2009			1,445.56
Residential	2009			1,375.93
Residential	2009			1,292.14
Residential	2009			1,275.97
Residential	2009			1,107.76
Residential	2009			1,212.75
Residential	2009			1,124.65
Residential	2009			1,390.02
Residential	2009			2,281.42
Residential	2009			1,112.90
Residential	2009			1,363.96
Residential	2009			1,321.69
Residential	2009			1,322.59
Residential	2009			1,169.71
Residential	2009			1,240.65
Residential	2009			1,696.67
Residential	2009			1,014.43
Residential	2009			1,535.84
Residential	2009			1,503.85
Residential	2009			1,111.07
Residential	2009			1,338.26
Residential	2009			1,381.08
Residential	2009			1,324.12
Residential	2009			1,141.67
Residential	2009			1,974.49
Residential	2009			1,621.23
Residential	2009			1,707.58
Residential	2009			1,040.30
Residential	2009			1,230.52
Residential	2009			1,218.71
Residential	2009			1,050.96
Residential	2009			2,202.14
Residential	2009			1,016.70
Residential	2009			1,326.06
Residential	2009			1,128.04
Residential	2009			1,270.45
Residential	2009			1,047.27
Residential	2009			1,025.36
Residential	2009			1,622.55
Residential	2009			1,128.43
Residential	2009			1,119.56
Residential	2009			1,265.88
Residential	2009			2,114.60
Residential	2009			1,191.49
Residential	2009			1,278.66
Residential	2009			1,323.21
Residential	2009			1,090.86
Residential	2009			1,166.64
Residential	2009			2,340.26
Residential	2009			1,046.23
Residential	2009			1,210.73
Residential	2009			1,083.53
Residential	2009			1,338.47
Residential	2009			1,445.25

Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			1,147.39
Residential	2009			1,242.69
Residential	2009			2,253.51
Residential	2009			1,378.97
Residential	2009			1,614.88
Residential	2009			1,474.96
Residential	2009			1,347.45
Residential	2009			1,011.75
Residential	2009			1,640.81
Residential	2009			1,846.94
Residential	2009			1,115.84
Residential	2009			1,718.69
Residential	2009			1,348.27
Residential	2009			1,031.93
Residential	2009			1,204.71
Residential	2009			1,391.56
Residential	2009			1,161.18
Residential	2009			1,537.97
Residential	2009			1,237.73
Residential	2009			1,201.14
Residential	2009			1,267.03
Residential	2009			1,004.59
Residential	2009			1,286.44
Residential	2009			1,647.31
Residential	2009			1,098.86
Residential	2009			1,347.32
Residential	2009			1,145.45
Residential	2009			1,013.56
Residential	2009			1,804.84
Residential	2009			1,020.76
Residential	2009			1,009.32
Residential	2009			1,498.85
Residential	2009			1,106.81
Residential	2009			1,523.41
Residential	2009			1,851.26
Residential	2009			1,061.22
Residential	2009			1,181.24
Residential	2009			1,564.75
Residential	2009			1,109.61
Residential	2009			1,733.44
Residential	2009			1,298.85
Residential	2009			2,414.05
Residential	2009			1,535.10
Residential	2009			1,895.94
Residential	2009			1,256.52
Residential	2009			2,098.22
Residential	2009			2,319.95
Residential	2009			1,908.02
Residential	2009			1,137.17
Residential	2009			1,103.63
Residential	2009			1,810.09
Residential	2009			1,398.93
Residential	2009			1,414.69
Residential	2009			1,211.72
Residential	2009			1,000.00
Residential	2009			1,062.70
Residential	2009			1,243.51
Residential	2009			1,397.77
Residential	2009			1,494.81
Residential	2009			1,271.38
Residential	2009			1,308.26
Residential	2009			1,138.21
Residential	2009			1,854.03
Residential	2009			1,553.30
Residential	2009			1,777.93
Residential	2009			1,230.52
Residential	2009			1,182.70
Residential	2009			1,454.02
Residential	2009			1,381.41
Residential	2009			1,240.55

Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			3,219.33
Residential	2009			1,143.48
Residential	2009			1,092.50
Residential	2009			1,926.58
Residential	2009			1,632.61
Residential	2009			1,073.64
Residential	2009			1,027.08
Residential	2009			1,066.72
Residential	2009			1,087.05
Residential	2009			1,478.84
Residential	2009			1,019.70
Residential	2009			1,605.78
Residential	2009			1,422.02
Residential	2009			1,116.34
Residential	2009			1,052.71
Residential	2009			1,446.80
Residential	2009			1,345.96
Residential	2009			2,293.85
Residential	2009			1,431.22
Residential	2009			1,282.23
Residential	2009			1,596.46
Residential	2009			1,075.38
Residential	2009			1,207.18
Residential	2009			1,020.27
Residential	2009			1,112.98
Residential	2009			1,288.32
Residential	2009			1,258.85
Residential	2009			1,117.60
Residential	2009			1,068.14
Residential	2009			1,173.64
Residential	2009			1,528.73
Residential	2009			1,255.16
Residential	2009			5,194.10
Residential	2009			1,028.10
Residential	2009			1,275.37
Residential	2009			1,071.33
Residential	2009			1,912.95
Residential	2009			1,125.35
Residential	2009			2,035.68
Residential	2009			1,917.23
Residential	2009			1,500.81
Residential	2009			1,684.07
Residential	2009			1,059.68
Residential	2009			1,310.12
Residential	2009			1,172.61
Residential	2009			1,272.09
Residential	2009			1,030.85
Residential	2009			1,408.47
Residential	2009			4,145.68
Residential	2009			1,183.19
Residential	2009			1,032.16
Residential	2009			1,524.17
Residential	2009			1,298.26
Residential	2009			1,665.57
Residential	2009			1,312.93
Residential	2009			1,164.41
Residential	2009			2,318.36
Residential	2009			1,069.12
Residential	2009			1,952.27
Residential	2009			1,086.21
Residential	2009			1,372.98
Residential	2009			1,724.78
Residential	2009			1,339.14
Residential	2009			1,212.47
Residential	2009			1,154.66
Residential	2009			1,289.83
Residential	2009			1,438.29
Residential	2009			1,085.35
Residential	2009			1,017.74
Residential	2009			1,094.05



Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			2,648.20
Residential	2009			1,492.55
Residential	2009			1,257.44
Residential	2009			1,901.38
Residential	2009			2,224.19
Residential	2009			1,389.56
Residential	2009			2,160.59
Residential	2009			1,159.98
Residential	2009			1,132.13
Residential	2009			1,041.30
Residential	2009			1,081.00
Residential	2009			1,052.34
Residential	2009			1,057.14
Residential	2009			1,251.07
Residential	2009			1,120.52
Residential	2009			1,165.92
Residential	2009			1,403.03
Residential	2009			1,549.25
Residential	2009			2,010.10
Residential	2009			1,357.01
Residential	2009			1,440.87
Residential	2009			1,396.27
Residential	2009			1,133.35
Residential	2009			1,298.64
Residential	2009			1,647.89
Residential	2009			2,025.52
Residential	2009			1,901.16
Residential	2009			1,071.61
Residential	2009			1,244.51
Residential	2009			1,374.34
Residential	2009			1,071.03
Residential	2009			1,184.40
Residential	2009			1,054.45
Residential	2009			2,002.50
Residential	2009			1,406.02
Residential	2009			1,448.28
Residential	2009			1,160.49
Residential	2009			1,807.45
Residential	2009			1,126.92
Residential	2009			1,194.19
Residential	2009			1,268.55
Residential	2009			1,864.46
Residential	2009			1,297.10
Residential	2009			1,544.17
Residential	2009			1,245.69
Residential	2009			2,247.90
Residential	2009			1,489.27
Residential	2009			1,256.10
Residential	2009			2,465.21
Residential	2009			1,410.89
Residential	2009			1,233.08
Residential	2009			1,254.90
Residential	2009			1,094.63
Residential	2009			1,080.03
Residential	2009			1,677.96
Residential	2009			1,587.57
Residential	2009			1,306.38
Residential	2009			1,343.42
Residential	2009			1,611.36
Residential	2009			1,358.43
Residential	2009			1,813.52
Residential	2009			1,681.62
Residential	2009			1,206.44
Residential	2009			1,028.81
Residential	2009			1,424.72
Residential	2009			1,908.06
Residential	2009			1,105.71
Residential	2009			1,125.19
Residential	2009			1,426.32
Residential	2009			1,561.94

Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			1,844.62
Residential	2009			1,150.38
Residential	2009			1,008.92
Residential	2009			1,260.54
Residential	2009			1,323.11
Residential	2009			1,091.02
Residential	2009			1,476.13
Residential	2009			1,248.04
Residential	2009			1,730.74
Residential	2009			1,272.75
Residential	2009			1,045.30
Residential	2009			1,012.75
Residential	2009			1,058.11
Residential	2009			1,135.80
Residential	2009			1,255.11
Residential	2009			1,254.58
Residential	2009			1,209.13
Residential	2009			1,535.05
Residential	2009			2,116.49
Residential	2009			1,182.97
Residential	2009			1,250.58
Residential	2009			1,216.47
Residential	2009			1,220.64
Residential	2009			1,793.34
Residential	2009			1,181.99
Residential	2009			1,019.17
Residential	2009			1,094.38
Residential	2009			2,099.75
Residential	2009			1,743.13
Residential	2009			2,011.72
Residential	2009			1,110.67
Residential	2009			1,031.55
Residential	2009			1,096.12
Residential	2009			1,258.26
Residential	2009			1,566.35
Residential	2009			1,037.52
Residential	2009			4,371.16
Residential	2009			1,463.58
Residential	2009			1,006.67
Residential	2009			1,063.63
Residential	2009			2,468.27
Residential	2009			1,134.73
Residential	2009			2,358.50
Residential	2009			1,157.05
Residential	2009			1,831.94
Residential	2009			1,303.98
Residential	2009			1,132.69
Residential	2009			1,775.81
Residential	2009			1,053.13
Residential	2009			1,540.97
Residential	2009			1,593.33
Residential	2009			1,114.22
Residential	2009			1,402.13
Residential	2009			1,174.78
Residential	2009			2,116.92
Residential	2009			2,316.32
Residential	2009			1,481.91
Residential	2009			1,589.03
Residential	2009			1,239.58
Residential	2009			1,157.62
Residential	2009			1,438.95
Residential	2009			1,625.46
Residential	2009			1,768.61
Residential	2009			1,392.71
Residential	2009			1,076.51
Residential	2009			1,022.78
Residential	2009			1,091.01
Residential	2009			1,316.06
Residential	2009			1,472.27
Residential	2009			1,059.96

Revenue Class	Year	Account	Customer Name	Amount
Residential	2009			1,015.61
Residential	2009			1,455.21
Non-Residential	2009			8,196.62
Non-Residential	2009			85,177.62
Non-Residential	2009			1,851.09
Non-Residential	2009			3,694.49
Non-Residential	2009			15,171.86
Non-Residential	2009			2,208.18
Non-Residential	2009			1,017.91
Non-Residential	2009			1,002.88
Non-Residential	2009			1,908.88
Non-Residential	2009			1,388.60
Non-Residential	2009			1,930.84
Non-Residential	2009			1,286.83
Non-Residential	2009			2,357.95
Non-Residential	2009			1,270.85
Non-Residential	2009			1,109.43
Non-Residential	2009			1,353.27
Non-Residential	2009			4,107.72
Non-Residential	2009			2,420.95
Non-Residential	2009			4,936.86
Non-Residential	2009			1,550.26
Non-Residential	2009			2,011.72
Non-Residential	2009			5,170.40
Non-Residential	2009			2,212.22
Non-Residential	2009			4,027.77
Non-Residential	2009			1,207.81
Non-Residential	2009			2,548.31
Non-Residential	2009			1,609.60
Non-Residential	2009			8,211.34
Non-Residential	2009			1,360.26
Non-Residential	2009			1,034.65
Non-Residential	2009			1,617.66
Non-Residential	2009			1,356.58
Non-Residential	2009			2,003.90
Non-Residential	2009			1,733.46
Non-Residential	2009			1,997.26
Non-Residential	2009			6,549.16
Non-Residential	2009			3,894.64
Non-Residential	2009			10,708.55
Non-Residential	2009			3,577.22
Non-Residential	2009			3,364.83
Non-Residential	2009			8,039.81
Non-Residential	2009			1,479.33
Non-Residential	2009			1,856.39
Non-Residential	2009			1,050.33
Non-Residential	2009			2,431.50
Non-Residential	2009			1,106.08
Non-Residential	2009			2,315.37
Non-Residential	2009			1,504.80
Non-Residential	2009			1,012.73
Non-Residential	2009			10,013.87
Non-Residential	2009			2,949.62
Non-Residential	2009			2,323.55
Non-Residential	2009			4,405.92
Non-Residential	2009			5,177.86
Non-Residential	2009			1,136.41
Non-Residential	2009			1,278.66
Non-Residential	2009			1,361.09
Non-Residential	2009			3,788.41
Non-Residential	2009			1,083.49
Non-Residential	2009			1,024.12
Non-Residential	2009			2,528.69
Non-Residential	2009			1,077.80
Non-Residential	2009			1,150.11
Non-Residential	2009			3,134.33
Non-Residential	2009			3,729.16
Non-Residential	2009			1,270.14
Non-Residential	2009			1,902.11
Non-Residential	2009			2,559.24

Revenue Class	Year	Account	Customer Name	Amount
Non-Residential	2009			1,323.67
Non-Residential	2009			2,554.93
Non-Residential	2009			11,326.32
Non-Residential	2009			8,456.08
Non-Residential	2009			3,844.44
Non-Residential	2009			2,640.86
Non-Residential	2009			1,935.89
Non-Residential	2009			7,345.14
Non-Residential	2009			4,343.56
Non-Residential	2009			1,371.48
Non-Residential	2009			3,144.46
Non-Residential	2009			2,168.47
Non-Residential	2009			4,031.35
Non-Residential	2009			1,628.77
Non-Residential	2009			3,282.93
Non-Residential	2009			3,858.49
Non-Residential	2009			1,124.70
Non-Residential	2009			1,058.57
Non-Residential	2009			1,753.20
Non-Residential	2009			2,437.27
Non-Residential	2009			1,981.55
Non-Residential	2009			2,640.05
Non-Residential	2009			1,861.43
Non-Residential	2009			1,374.61
Non-Residential	2009			1,485.16
Non-Residential	2009			9,519.20
Non-Residential	2009			6,955.37
Non-Residential	2009			1,077.49
Non-Residential	2009			2,537.57
Non-Residential	2009			3,261.33
Non-Residential	2009			1,756.09
Non-Residential	2009			1,474.75
Non-Residential	2009			1,331.20
Non-Residential	2009			3,181.14
Non-Residential	2009			2,697.87
Non-Residential	2009			1,156.53
Non-Residential	2009			1,404.91
Non-Residential	2009			8,258.08
Residential	2010			1,485.38
Residential	2010			1,999.06
Residential	2010			1,210.37
Residential	2010			1,702.23
Residential	2010			1,376.58
Residential	2010			1,153.54
Residential	2010			3,367.92
Residential	2010			1,013.26
Residential	2010			1,056.52
Residential	2010			1,308.53
Residential	2010			1,354.95
Residential	2010			2,203.55
Residential	2010			1,686.12
Residential	2010			1,042.83
Residential	2010			1,157.47
Residential	2010			1,125.01
Residential	2010			2,376.19
Residential	2010			1,161.47
Residential	2010			1,169.44
Residential	2010			1,238.13
Residential	2010			1,406.78
Residential	2010			1,840.62
Residential	2010			1,171.34
Residential	2010			1,014.67
Residential	2010			1,791.15
Residential	2010			2,438.12
Residential	2010			1,048.11
Residential	2010			1,197.82
Residential	2010			1,992.83
Residential	2010			1,794.90
Residential	2010			2,360.06
Residential	2010			1,401.00

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,426.01
Residential	2010			1,154.83
Residential	2010			1,088.92
Residential	2010			2,045.26
Residential	2010			1,414.28
Residential	2010			1,150.37
Residential	2010			1,323.65
Residential	2010			1,320.94
Residential	2010			1,146.68
Residential	2010			1,556.99
Residential	2010			2,292.31
Residential	2010			1,365.65
Residential	2010			1,360.71
Residential	2010			2,131.35
Residential	2010			1,032.40
Residential	2010			1,322.64
Residential	2010			1,960.58
Residential	2010			1,279.44
Residential	2010			1,535.92
Residential	2010			1,035.78
Residential	2010			1,163.23
Residential	2010			1,024.26
Residential	2010			1,247.22
Residential	2010			3,081.26
Residential	2010			1,312.64
Residential	2010			1,045.95
Residential	2010			1,008.94
Residential	2010			1,169.65
Residential	2010			1,187.36
Residential	2010			1,353.19
Residential	2010			1,010.28
Residential	2010			1,137.64
Residential	2010			2,067.54
Residential	2010			1,749.22
Residential	2010			1,004.88
Residential	2010			1,089.04
Residential	2010			1,920.17
Residential	2010			1,453.98
Residential	2010			1,553.76
Residential	2010			1,159.27
Residential	2010			1,040.46
Residential	2010			1,098.03
Residential	2010			1,248.98
Residential	2010			1,014.44
Residential	2010			1,216.28
Residential	2010			1,607.69
Residential	2010			1,482.05
Residential	2010			1,673.14
Residential	2010			2,076.61
Residential	2010			1,100.08
Residential	2010			1,282.52
Residential	2010			1,802.78
Residential	2010			1,784.54
Residential	2010			1,018.05
Residential	2010			1,525.65
Residential	2010			1,103.34
Residential	2010			2,059.25
Residential	2010			1,940.59
Residential	2010			2,672.97
Residential	2010			1,172.58
Residential	2010			1,425.96
Residential	2010			2,262.69
Residential	2010			1,560.51
Residential	2010			1,367.28
Residential	2010			1,062.49
Residential	2010			2,021.62
Residential	2010			1,455.17
Residential	2010			1,987.36
Residential	2010			1,667.80
Residential	2010			1,275.46

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			3,738.31
Residential	2010			1,082.09
Residential	2010			1,850.08
Residential	2010			1,451.63
Residential	2010			2,272.56
Residential	2010			1,290.43
Residential	2010			1,933.32
Residential	2010			1,442.80
Residential	2010			1,024.21
Residential	2010			1,850.62
Residential	2010			1,132.78
Residential	2010			1,114.20
Residential	2010			1,428.81
Residential	2010			1,835.12
Residential	2010			1,378.62
Residential	2010			1,533.80
Residential	2010			1,587.68
Residential	2010			1,240.09
Residential	2010			1,321.88
Residential	2010			1,625.79
Residential	2010			1,845.44
Residential	2010			1,210.76
Residential	2010			1,339.01
Residential	2010			1,731.19
Residential	2010			1,956.30
Residential	2010			2,477.22
Residential	2010			2,265.71
Residential	2010			1,587.37
Residential	2010			1,506.64
Residential	2010			1,894.29
Residential	2010			2,271.63
Residential	2010			2,310.78
Residential	2010			1,333.26
Residential	2010			1,155.05
Residential	2010			1,173.33
Residential	2010			1,012.91
Residential	2010			1,286.14
Residential	2010			1,433.38
Residential	2010			1,331.00
Residential	2010			2,079.53
Residential	2010			1,113.14
Residential	2010			1,203.41
Residential	2010			1,385.99
Residential	2010			1,287.80
Residential	2010			1,066.78
Residential	2010			1,429.64
Residential	2010			1,019.95
Residential	2010			1,032.12
Residential	2010			1,498.64
Residential	2010			1,061.26
Residential	2010			2,574.30
Residential	2010			1,232.52
Residential	2010			1,300.86
Residential	2010			1,056.50
Residential	2010			1,595.42
Residential	2010			1,073.87
Residential	2010			1,173.48
Residential	2010			1,052.11
Residential	2010			1,962.00
Residential	2010			1,110.87
Residential	2010			1,989.82
Residential	2010			1,280.27
Residential	2010			1,141.73
Residential	2010			1,240.46
Residential	2010			1,131.88
Residential	2010			1,604.28
Residential	2010			1,315.73
Residential	2010			1,526.19
Residential	2010			1,400.34
Residential	2010			1,570.60

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,434.49
Residential	2010			1,610.64
Residential	2010			1,701.19
Residential	2010			1,730.44
Residential	2010			1,991.70
Residential	2010			1,145.43
Residential	2010			1,338.40
Residential	2010			1,418.99
Residential	2010			1,678.35
Residential	2010			1,994.82
Residential	2010			2,148.26
Residential	2010			1,447.94
Residential	2010			1,016.65
Residential	2010			1,149.38
Residential	2010			1,864.87
Residential	2010			1,082.52
Residential	2010			1,052.67
Residential	2010			1,518.26
Residential	2010			1,166.99
Residential	2010			1,852.49
Residential	2010			1,282.39
Residential	2010			1,703.01
Residential	2010			1,310.31
Residential	2010			1,790.19
Residential	2010			2,119.15
Residential	2010			1,122.35
Residential	2010			1,753.13
Residential	2010			1,372.75
Residential	2010			1,762.61
Residential	2010			3,571.79
Residential	2010			1,286.54
Residential	2010			2,922.12
Residential	2010			1,187.85
Residential	2010			1,186.20
Residential	2010			1,467.79
Residential	2010			1,386.66
Residential	2010			1,390.44
Residential	2010			1,139.92
Residential	2010			2,374.63
Residential	2010			3,002.42
Residential	2010			1,132.69
Residential	2010			2,054.08
Residential	2010			1,520.71
Residential	2010			1,028.63
Residential	2010			1,716.71
Residential	2010			1,826.53
Residential	2010			3,477.42
Residential	2010			1,265.80
Residential	2010			1,073.25
Residential	2010			1,648.35
Residential	2010			1,488.91
Residential	2010			1,004.29
Residential	2010			1,503.69
Residential	2010			1,108.92
Residential	2010			1,262.77
Residential	2010			1,306.01
Residential	2010			1,190.52
Residential	2010			1,285.23
Residential	2010			1,159.70
Residential	2010			1,217.51
Residential	2010			1,202.92
Residential	2010			1,690.09
Residential	2010			1,896.39
Residential	2010			2,351.68
Residential	2010			1,473.73
Residential	2010			1,088.01
Residential	2010			1,855.66
Residential	2010			1,100.37
Residential	2010			1,010.14
Residential	2010			1,060.92

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,420.93
Residential	2010			1,815.60
Residential	2010			1,256.31
Residential	2010			1,066.01
Residential	2010			1,331.89
Residential	2010			1,291.00
Residential	2010			1,628.33
Residential	2010			1,138.97
Residential	2010			1,479.26
Residential	2010			3,467.32
Residential	2010			1,464.69
Residential	2010			1,500.62
Residential	2010			1,188.18
Residential	2010			1,573.20
Residential	2010			1,109.31
Residential	2010			1,903.00
Residential	2010			1,423.97
Residential	2010			1,301.16
Residential	2010			2,630.57
Residential	2010			1,204.07
Residential	2010			1,009.97
Residential	2010			1,906.51
Residential	2010			1,074.70
Residential	2010			1,172.78
Residential	2010			1,703.04
Residential	2010			1,623.03
Residential	2010			1,264.93
Residential	2010			1,263.17
Residential	2010			2,132.81
Residential	2010			1,428.86
Residential	2010			1,124.49
Residential	2010			1,711.34
Residential	2010			1,996.75
Residential	2010			1,094.46
Residential	2010			1,070.57
Residential	2010			1,242.91
Residential	2010			1,026.13
Residential	2010			1,243.75
Residential	2010			1,212.98
Residential	2010			1,472.29
Residential	2010			1,472.61
Residential	2010			1,813.67
Residential	2010			3,361.40
Residential	2010			1,127.63
Residential	2010			1,886.15
Residential	2010			2,495.66
Residential	2010			1,052.41
Residential	2010			1,388.20
Residential	2010			1,558.90
Residential	2010			2,150.85
Residential	2010			1,173.91
Residential	2010			1,181.87
Residential	2010			1,087.45
Residential	2010			1,063.53
Residential	2010			1,511.86
Residential	2010			1,489.02
Residential	2010			1,025.05
Residential	2010			1,311.03
Residential	2010			1,022.17
Residential	2010			1,062.48
Residential	2010			1,169.75
Residential	2010			1,084.62
Residential	2010			2,743.35
Residential	2010			1,057.06
Residential	2010			1,046.73
Residential	2010			1,361.75
Residential	2010			1,172.23
Residential	2010			1,193.35
Residential	2010			1,389.82
Residential	2010			1,066.14



Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,149.90
Residential	2010			1,106.02
Residential	2010			1,107.57
Residential	2010			1,719.90
Residential	2010			1,654.00
Residential	2010			1,453.49
Residential	2010			1,026.70
Residential	2010			1,299.94
Residential	2010			1,902.82
Residential	2010			2,219.32
Residential	2010			1,178.42
Residential	2010			1,059.53
Residential	2010			1,186.97
Residential	2010			1,208.19
Residential	2010			1,381.07
Residential	2010			1,037.07
Residential	2010			1,380.37
Residential	2010			2,135.82
Residential	2010			1,090.01
Residential	2010			1,164.25
Residential	2010			1,135.52
Residential	2010			1,464.61
Residential	2010			1,150.14
Residential	2010			1,351.69
Residential	2010			1,319.99
Residential	2010			1,321.23
Residential	2010			1,289.16
Residential	2010			1,528.85
Residential	2010			1,092.82
Residential	2010			1,075.84
Residential	2010			1,202.65
Residential	2010			1,919.05
Residential	2010			1,008.17
Residential	2010			1,410.51
Residential	2010			1,678.22
Residential	2010			1,474.82
Residential	2010			1,134.61
Residential	2010			1,289.53
Residential	2010			1,085.31
Residential	2010			1,508.21
Residential	2010			3,014.38
Residential	2010			1,016.09
Residential	2010			1,261.56
Residential	2010			2,388.76
Residential	2010			1,353.12
Residential	2010			1,061.13
Residential	2010			2,299.52
Residential	2010			1,750.94
Residential	2010			2,596.10
Residential	2010			1,046.77
Residential	2010			1,362.39
Residential	2010			1,341.19
Residential	2010			1,301.65
Residential	2010			1,466.21
Residential	2010			1,054.80
Residential	2010			1,791.91
Residential	2010			1,193.52
Residential	2010			1,123.27
Residential	2010			1,483.47
Residential	2010			1,064.13
Residential	2010			1,454.40
Residential	2010			2,064.62
Residential	2010			1,185.15
Residential	2010			2,399.81
Residential	2010			1,764.09
Residential	2010			2,072.57
Residential	2010			1,283.35
Residential	2010			1,290.68
Residential	2010			1,263.48
Residential	2010			2,678.05

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,028.62
Residential	2010			1,079.89
Residential	2010			1,842.85
Residential	2010			1,193.17
Residential	2010			1,217.74
Residential	2010			1,317.35
Residential	2010			1,087.37
Residential	2010			1,666.01
Residential	2010			1,047.10
Residential	2010			1,013.09
Residential	2010			1,005.27
Residential	2010			2,247.72
Residential	2010			1,047.62
Residential	2010			2,104.92
Residential	2010			1,521.67
Residential	2010			1,280.87
Residential	2010			1,311.37
Residential	2010			1,818.53
Residential	2010			1,513.76
Residential	2010			1,555.83
Residential	2010			2,532.79
Residential	2010			1,543.53
Residential	2010			1,164.53
Residential	2010			1,336.41
Residential	2010			1,630.88
Residential	2010			1,935.61
Residential	2010			1,777.34
Residential	2010			1,737.09
Residential	2010			1,484.89
Residential	2010			1,211.95
Residential	2010			2,715.47
Residential	2010			1,497.08
Residential	2010			1,217.25
Residential	2010			1,855.93
Residential	2010			2,587.38
Residential	2010			1,218.03
Residential	2010			1,030.83
Residential	2010			1,098.03
Residential	2010			1,012.41
Residential	2010			1,040.39
Residential	2010			1,399.21
Residential	2010			1,360.71
Residential	2010			1,140.04
Residential	2010			1,295.37
Residential	2010			2,300.41
Residential	2010			1,269.34
Residential	2010			1,082.29
Residential	2010			1,497.23
Residential	2010			1,344.29
Residential	2010			1,173.15
Residential	2010			1,421.26
Residential	2010			1,410.95
Residential	2010			1,080.37
Residential	2010			2,404.41
Residential	2010			2,061.46
Residential	2010			1,449.27
Residential	2010			1,899.70
Residential	2010			1,017.42
Residential	2010			1,086.45
Residential	2010			1,042.61
Residential	2010			1,173.60
Residential	2010			1,585.87
Residential	2010			1,174.27
Residential	2010			1,288.63
Residential	2010			1,347.50
Residential	2010			1,050.70
Residential	2010			2,021.33
Residential	2010			1,086.51
Residential	2010			1,415.83
Residential	2010			1,018.38

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			2,012.94
Residential	2010			1,169.39
Residential	2010			1,160.66
Residential	2010			1,736.25
Residential	2010			1,136.44
Residential	2010			1,032.86
Residential	2010			1,110.02
Residential	2010			1,197.08
Residential	2010			1,041.47
Residential	2010			1,110.29
Residential	2010			1,085.28
Residential	2010			1,063.64
Residential	2010			1,677.79
Residential	2010			1,008.18
Residential	2010			1,218.75
Residential	2010			1,463.44
Residential	2010			1,781.65
Residential	2010			1,100.60
Residential	2010			1,965.40
Residential	2010			2,696.55
Residential	2010			1,638.57
Residential	2010			1,643.43
Residential	2010			1,254.05
Residential	2010			3,198.08
Residential	2010			1,090.45
Residential	2010			2,467.84
Residential	2010			2,670.58
Residential	2010			1,470.72
Residential	2010			4,232.94
Residential	2010			2,190.91
Residential	2010			1,351.79
Residential	2010			2,079.88
Residential	2010			1,054.01
Residential	2010			1,029.60
Residential	2010			1,049.85
Residential	2010			1,219.80
Residential	2010			1,075.87
Residential	2010			1,011.07
Residential	2010			1,233.05
Residential	2010			2,023.57
Residential	2010			1,756.75
Residential	2010			1,423.09
Residential	2010			1,209.58
Residential	2010			3,244.84
Residential	2010			1,618.81
Residential	2010			1,904.60
Residential	2010			1,221.30
Residential	2010			2,355.68
Residential	2010			1,407.27
Residential	2010			1,328.36
Residential	2010			1,519.24
Residential	2010			1,197.23
Residential	2010			1,654.79
Residential	2010			2,789.79
Residential	2010			1,266.62
Residential	2010			1,631.36
Residential	2010			1,125.76
Residential	2010			1,029.38
Residential	2010			1,959.57
Residential	2010			1,285.67
Residential	2010			1,529.10
Residential	2010			1,221.52
Residential	2010			1,535.82
Residential	2010			1,527.98
Residential	2010			1,458.48
Residential	2010			1,330.62
Residential	2010			1,350.09
Residential	2010			1,164.50
Residential	2010			2,543.35
Residential	2010			1,479.16

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,798.47
Residential	2010			1,754.62
Residential	2010			1,560.93
Residential	2010			1,000.80
Residential	2010			1,087.12
Residential	2010			2,310.85
Residential	2010			1,792.38
Residential	2010			1,297.34
Residential	2010			1,024.21
Residential	2010			1,760.36
Residential	2010			1,525.50
Residential	2010			1,587.09
Residential	2010			2,968.21
Residential	2010			1,082.29
Residential	2010			1,228.33
Residential	2010			1,037.03
Residential	2010			1,195.97
Residential	2010			1,453.45
Residential	2010			1,152.24
Residential	2010			1,159.48
Residential	2010			1,557.92
Residential	2010			1,942.81
Residential	2010			1,162.64
Residential	2010			1,473.82
Residential	2010			2,353.63
Residential	2010			1,326.49
Residential	2010			1,634.60
Residential	2010			1,067.73
Residential	2010			1,496.33
Residential	2010			2,249.93
Residential	2010			1,713.08
Residential	2010			1,233.71
Residential	2010			1,295.56
Residential	2010			2,547.27
Residential	2010			1,694.20
Residential	2010			1,015.09
Residential	2010			1,234.53
Residential	2010			1,154.71
Residential	2010			1,162.89
Residential	2010			1,422.14
Residential	2010			2,255.59
Residential	2010			2,281.69
Residential	2010			2,112.59
Residential	2010			1,135.89
Residential	2010			1,171.30
Residential	2010			1,290.38
Residential	2010			1,054.87
Residential	2010			1,075.27
Residential	2010			2,521.12
Residential	2010			1,318.96
Residential	2010			1,260.30
Residential	2010			1,177.88
Residential	2010			2,264.32
Residential	2010			2,542.75
Residential	2010			1,477.51
Residential	2010			1,132.59
Residential	2010			1,108.17
Residential	2010			1,673.65
Residential	2010			1,304.93
Residential	2010			2,322.77
Residential	2010			1,079.96
Residential	2010			2,379.50
Residential	2010			2,479.94
Residential	2010			1,365.85
Residential	2010			1,693.64
Residential	2010			1,086.26
Residential	2010			1,144.57
Residential	2010			1,128.41
Residential	2010			1,664.74
Residential	2010			2,045.39

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,351.27
Residential	2010			1,163.62
Residential	2010			1,173.66
Residential	2010			1,879.61
Residential	2010			1,174.12
Residential	2010			1,197.73
Residential	2010			1,378.40
Residential	2010			1,628.17
Residential	2010			1,099.27
Residential	2010			1,056.82
Residential	2010			1,398.86
Residential	2010			1,237.42
Residential	2010			1,145.51
Residential	2010			4,518.57
Residential	2010			1,439.38
Residential	2010			1,166.67
Residential	2010			1,530.09
Residential	2010			1,531.38
Residential	2010			1,179.37
Residential	2010			1,016.27
Residential	2010			1,355.91
Residential	2010			1,439.15
Residential	2010			1,601.93
Residential	2010			1,208.13
Residential	2010			1,028.37
Residential	2010			1,994.52
Residential	2010			1,144.17
Residential	2010			1,393.71
Residential	2010			1,665.41
Residential	2010			1,125.29
Residential	2010			1,082.09
Residential	2010			1,318.63
Residential	2010			1,018.13
Residential	2010			1,571.02
Residential	2010			1,136.35
Residential	2010			1,768.01
Residential	2010			2,521.21
Residential	2010			1,413.44
Residential	2010			1,424.66
Residential	2010			1,096.14
Residential	2010			1,085.38
Residential	2010			1,068.34
Residential	2010			1,472.59
Residential	2010			1,070.89
Residential	2010			1,357.56
Residential	2010			1,795.51
Residential	2010			1,173.07
Residential	2010			1,319.25
Residential	2010			1,546.22
Residential	2010			2,279.53
Residential	2010			2,985.32
Residential	2010			1,196.41
Residential	2010			1,160.17
Residential	2010			1,220.77
Residential	2010			1,733.44
Residential	2010			1,101.31
Residential	2010			1,393.56
Residential	2010			1,580.64
Residential	2010			1,144.09
Residential	2010			1,930.58
Residential	2010			1,246.51
Residential	2010			1,249.44
Residential	2010			1,149.33
Residential	2010			1,229.70
Residential	2010			3,012.23
Residential	2010			2,004.27
Residential	2010			1,355.41
Residential	2010			1,009.57
Residential	2010			1,662.02
Residential	2010			1,265.30

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,079.70
Residential	2010			1,405.16
Residential	2010			1,448.98
Residential	2010			1,526.25
Residential	2010			1,929.53
Residential	2010			1,179.85
Residential	2010			1,211.80
Residential	2010			1,446.20
Residential	2010			1,867.19
Residential	2010			1,072.33
Residential	2010			1,310.57
Residential	2010			1,346.73
Residential	2010			1,886.72
Residential	2010			1,502.42
Residential	2010			1,491.22
Residential	2010			1,455.33
Residential	2010			1,629.86
Residential	2010			1,379.01
Residential	2010			1,310.44
Residential	2010			3,274.27
Residential	2010			2,083.11
Residential	2010			1,119.40
Residential	2010			1,258.22
Residential	2010			1,038.75
Residential	2010			1,084.45
Residential	2010			1,751.47
Residential	2010			1,854.17
Residential	2010			1,024.42
Residential	2010			1,186.04
Residential	2010			1,010.64
Residential	2010			1,024.39
Residential	2010			1,975.05
Residential	2010			3,621.76
Residential	2010			1,818.37
Residential	2010			2,308.66
Residential	2010			1,430.37
Residential	2010			1,023.42
Residential	2010			1,108.91
Residential	2010			1,039.26
Residential	2010			1,340.63
Residential	2010			1,648.87
Residential	2010			1,725.21
Residential	2010			2,141.11
Residential	2010			1,504.12
Residential	2010			1,282.32
Residential	2010			1,468.37
Residential	2010			1,100.81
Residential	2010			1,019.30
Residential	2010			1,361.09
Residential	2010			1,389.49
Residential	2010			1,472.97
Residential	2010			1,364.98
Residential	2010			1,773.28
Residential	2010			1,560.54
Residential	2010			1,045.41
Residential	2010			2,640.99
Residential	2010			2,618.71
Residential	2010			1,027.34
Residential	2010			2,029.84
Residential	2010			1,143.53
Residential	2010			1,016.78
Residential	2010			1,117.76
Residential	2010			1,322.90
Residential	2010			2,419.75
Residential	2010			1,062.69
Residential	2010			1,691.94
Residential	2010			2,008.67
Residential	2010			3,118.42
Residential	2010			1,206.15
Residential	2010			1,232.92

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			2,627.62
Residential	2010			1,718.95
Residential	2010			1,610.90
Residential	2010			1,013.86
Residential	2010			1,201.79
Residential	2010			1,467.29
Residential	2010			1,113.88
Residential	2010			4,598.64
Residential	2010			1,144.85
Residential	2010			2,109.09
Residential	2010			1,667.95
Residential	2010			1,030.09
Residential	2010			1,058.30
Residential	2010			1,119.26
Residential	2010			2,371.25
Residential	2010			1,256.45
Residential	2010			1,021.48
Residential	2010			1,032.65
Residential	2010			1,008.24
Residential	2010			1,173.90
Residential	2010			1,985.71
Residential	2010			2,913.22
Residential	2010			1,037.80
Residential	2010			1,505.07
Residential	2010			1,107.10
Residential	2010			1,075.53
Residential	2010			1,060.76
Residential	2010			1,773.81
Residential	2010			1,308.98
Residential	2010			1,031.48
Residential	2010			1,082.20
Residential	2010			1,306.08
Residential	2010			1,259.64
Residential	2010			1,066.87
Residential	2010			2,532.36
Residential	2010			1,074.55
Residential	2010			2,019.56
Residential	2010			1,010.00
Residential	2010			1,025.36
Residential	2010			1,811.88
Residential	2010			1,063.36
Residential	2010			1,515.32
Residential	2010			1,108.12
Residential	2010			1,200.16
Residential	2010			1,868.61
Residential	2010			1,781.70
Residential	2010			1,421.25
Residential	2010			1,184.02
Residential	2010			1,814.59
Residential	2010			1,848.46
Residential	2010			1,095.21
Residential	2010			1,332.93
Residential	2010			1,250.83
Residential	2010			1,096.66
Residential	2010			1,346.88
Residential	2010			3,966.03
Residential	2010			1,015.77
Residential	2010			1,457.86
Residential	2010			1,142.72
Residential	2010			2,171.00
Residential	2010			1,010.07
Residential	2010			1,132.76
Residential	2010			1,936.81
Residential	2010			1,064.58
Residential	2010			1,138.86
Residential	2010			1,000.68
Residential	2010			1,283.21
Residential	2010			1,437.25
Residential	2010			1,106.24
Residential	2010			1,208.31

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,670.30
Residential	2010			1,898.58
Residential	2010			1,240.41
Residential	2010			1,742.91
Residential	2010			1,215.02
Residential	2010			1,726.45
Residential	2010			1,050.17
Residential	2010			1,282.98
Residential	2010			1,186.08
Residential	2010			1,072.80
Residential	2010			1,792.49
Residential	2010			1,086.58
Residential	2010			1,704.23
Residential	2010			1,070.38
Residential	2010			1,043.84
Residential	2010			1,209.96
Residential	2010			1,031.52
Residential	2010			1,370.91
Residential	2010			5,318.01
Residential	2010			1,034.48
Residential	2010			4,246.53
Residential	2010			1,274.23
Residential	2010			1,951.15
Residential	2010			2,273.43
Residential	2010			1,187.45
Residential	2010			1,071.36
Residential	2010			2,946.61
Residential	2010			1,316.10
Residential	2010			1,826.66
Residential	2010			1,133.32
Residential	2010			1,213.37
Residential	2010			1,360.30
Residential	2010			1,134.59
Residential	2010			1,007.89
Residential	2010			1,237.20
Residential	2010			1,063.28
Residential	2010			2,212.65
Residential	2010			1,267.63
Residential	2010			1,452.32
Residential	2010			1,027.54
Residential	2010			2,135.13
Residential	2010			1,154.55
Residential	2010			1,485.87
Residential	2010			1,218.61
Residential	2010			1,770.35
Residential	2010			1,239.29
Residential	2010			4,067.08
Residential	2010			1,101.08
Residential	2010			1,120.68
Residential	2010			1,145.67
Residential	2010			1,012.56
Residential	2010			1,699.00
Residential	2010			1,206.36
Residential	2010			1,090.43
Residential	2010			5,493.92
Residential	2010			2,066.74
Residential	2010			1,019.23
Residential	2010			1,448.15
Residential	2010			1,278.52
Residential	2010			1,494.83
Residential	2010			1,003.31
Residential	2010			2,127.02
Residential	2010			2,276.80
Residential	2010			1,929.15
Residential	2010			1,548.72
Residential	2010			1,611.08
Residential	2010			1,382.55
Residential	2010			2,187.30
Residential	2010			1,163.56
Residential	2010			1,274.72



Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,047.70
Residential	2010			1,005.26
Residential	2010			1,429.49
Residential	2010			1,020.90
Residential	2010			1,188.87
Residential	2010			1,122.22
Residential	2010			1,806.94
Residential	2010			1,065.93
Residential	2010			1,014.81
Residential	2010			1,048.45
Residential	2010			1,011.68
Residential	2010			1,153.11
Residential	2010			1,084.58
Residential	2010			1,227.51
Residential	2010			1,286.60
Residential	2010			1,255.83
Residential	2010			1,986.75
Residential	2010			1,007.08
Residential	2010			1,432.59
Residential	2010			1,131.12
Residential	2010			1,786.82
Residential	2010			1,498.27
Residential	2010			1,386.78
Residential	2010			1,009.12
Residential	2010			1,012.69
Residential	2010			1,265.33
Residential	2010			1,099.05
Residential	2010			1,439.30
Residential	2010			1,493.32
Residential	2010			1,020.84
Residential	2010			1,494.84
Residential	2010			1,494.57
Residential	2010			1,173.60
Residential	2010			1,046.97
Residential	2010			1,220.00
Residential	2010			1,144.25
Residential	2010			1,740.11
Residential	2010			1,744.19
Residential	2010			1,008.99
Residential	2010			1,389.19
Residential	2010			1,074.61
Residential	2010			1,082.94
Residential	2010			1,095.40
Residential	2010			1,005.19
Residential	2010			1,147.65
Residential	2010			1,100.73
Residential	2010			1,510.64
Residential	2010			1,000.00
Residential	2010			4,917.50
Residential	2010			1,015.58
Residential	2010			1,021.27
Residential	2010			1,295.03
Residential	2010			1,148.01
Residential	2010			1,070.78
Residential	2010			2,195.25
Residential	2010			1,152.15
Residential	2010			1,761.96
Residential	2010			1,099.54
Residential	2010			1,231.56
Residential	2010			1,528.19
Residential	2010			1,068.25
Residential	2010			1,248.02
Residential	2010			1,255.47
Residential	2010			1,006.62
Residential	2010			1,044.14
Residential	2010			1,328.18
Residential	2010			1,205.18
Residential	2010			2,481.18
Residential	2010			1,780.84
Residential	2010			3,811.04

Revenue Class	Year	Account	Customer Name	Amount
Residential	2010			1,289.67
Residential	2010			1,412.60
Residential	2010			1,851.96
Residential	2010			1,254.09
Residential	2010			1,349.47
Residential	2010			1,141.75
Non-Residential	2010			15,066.95
Non-Residential	2010			1,730.40
Non-Residential	2010			1,711.58
Non-Residential	2010			3,754.14
Non-Residential	2010			3,658.40
Non-Residential	2010			6,253.17
Non-Residential	2010			1,405.57
Non-Residential	2010			5,303.67
Non-Residential	2010			3,355.56
Non-Residential	2010			2,487.69
Non-Residential	2010			2,801.17
Non-Residential	2010			1,642.43
Non-Residential	2010			1,064.40
Non-Residential	2010			2,280.37
Non-Residential	2010			1,876.03
Non-Residential	2010			1,432.93
Non-Residential	2010			13,376.56
Non-Residential	2010			1,019.19
Non-Residential	2010			3,807.05
Non-Residential	2010			2,061.90
Non-Residential	2010			3,842.56
Non-Residential	2010			1,546.38
Non-Residential	2010			1,409.31
Non-Residential	2010			1,715.98
Non-Residential	2010			1,511.88
Non-Residential	2010			9,225.78
Non-Residential	2010			4,072.46
Non-Residential	2010			1,102.35
Non-Residential	2010			1,056.77
Non-Residential	2010			1,345.79
Non-Residential	2010			1,619.89
Non-Residential	2010			2,647.77
Non-Residential	2010			1,019.11
Non-Residential	2010			3,867.31
Non-Residential	2010			3,681.87
Non-Residential	2010			3,258.64
Non-Residential	2010			1,671.14
Non-Residential	2010			2,824.54
Non-Residential	2010			1,350.83
Non-Residential	2010			1,038.07
Non-Residential	2010			1,548.57
Non-Residential	2010			1,015.22
Non-Residential	2010			2,044.45
Non-Residential	2010			5,009.02
Non-Residential	2010			1,402.94
Non-Residential	2010			2,989.67
Non-Residential	2010			2,652.31
Non-Residential	2010			11,005.06
Non-Residential	2010			17,165.32
Non-Residential	2010			1,218.57
Non-Residential	2010			1,085.94
Non-Residential	2010			1,100.69
Non-Residential	2010			1,376.53
Non-Residential	2010			5,304.89
Non-Residential	2010			1,496.66
Non-Residential	2010			1,568.47
Non-Residential	2010			1,253.86
Non-Residential	2010			9,036.98
Non-Residential	2010			1,296.93
Non-Residential	2010			8,293.75
Non-Residential	2010			1,022.84
Non-Residential	2010			4,300.14
Non-Residential	2010			5,265.47
Non-Residential	2010			1,071.81

Revenue Class	Year	Account	Customer Name	Amount
Non-Residential	2010			1,997.65
Non-Residential	2010			1,748.45
Non-Residential	2010			1,135.35
Non-Residential	2010			5,079.29
Non-Residential	2010			4,559.52
Non-Residential	2010			2,915.59
Non-Residential	2010			8,218.76
Non-Residential	2010			1,435.39
Non-Residential	2010			10,679.25
Non-Residential	2010			1,026.93
Non-Residential	2010			1,230.27
Non-Residential	2010			2,151.34
Non-Residential	2010			2,184.94
Non-Residential	2010			1,828.05
Non-Residential	2010			1,990.19
Non-Residential	2010			1,539.36
Non-Residential	2010			5,910.63
Non-Residential	2010			1,832.44
Non-Residential	2010			1,261.80
Non-Residential	2010			1,618.55
Non-Residential	2010			2,509.13
Non-Residential	2010			4,396.47
Non-Residential	2010			2,853.84
Non-Residential	2010			3,292.80
Non-Residential	2010			1,027.65
Non-Residential	2010			7,518.58
Non-Residential	2010			3,396.00
Non-Residential	2010			10,838.73
Non-Residential	2010			3,788.91
Non-Residential	2010			3,509.51
Non-Residential	2010			2,464.95
Non-Residential	2010			1,392.47
Non-Residential	2010			3,446.70
Non-Residential	2010			1,014.91
Non-Residential	2010			1,788.41
Non-Residential	2010			2,016.26
Non-Residential	2010			10,061.37
Non-Residential	2010			1,348.34
Non-Residential	2010			1,955.73
Non-Residential	2010			1,875.37
Non-Residential	2010			1,906.87
Non-Residential	2010			1,694.97
Non-Residential	2010			4,913.88
Non-Residential	2010			1,507.82
Non-Residential	2010			3,621.31
Non-Residential	2010			3,677.56
Non-Residential	2010			6,583.92
Non-Residential	2010			1,012.37
Non-Residential	2010			1,424.76
Non-Residential	2010			1,280.29
Non-Residential	2010			7,012.84
Non-Residential	2010			1,231.52
Non-Residential	2010			1,956.27
Non-Residential	2010			2,681.08
Non-Residential	2010			1,490.04
Non-Residential	2010			1,233.36
Non-Residential	2010			1,276.45
Non-Residential	2010			3,187.51
Non-Residential	2010			1,114.45
Non-Residential	2010			4,384.65
Non-Residential	2010			1,224.31
Non-Residential	2010			1,172.40
Non-Residential	2010			1,164.57
Non-Residential	2010			2,140.53
Non-Residential	2010			4,018.26
Non-Residential	2010			1,284.04
Non-Residential	2010			1,598.61
Non-Residential	2010			1,909.40
Non-Residential	2010			7,559.60
Non-Residential	2010			3,204.18

Revenue Class	Year	Account	Customer Name	Amount
Non-Residential	2010			1,047.56
Residential	2011			2,035.89
Residential	2011			1,212.83
Residential	2011			1,111.42
Residential	2011			5,299.34
Residential	2011			1,266.75
Residential	2011			1,150.40
Residential	2011			1,167.89
Residential	2011			1,072.26
Residential	2011			1,099.42
Residential	2011			1,043.16
Residential	2011			1,041.14
Residential	2011			1,285.03
Residential	2011			1,304.10
Residential	2011			1,538.98
Residential	2011			2,214.63
Residential	2011			1,714.51
Residential	2011			1,141.32
Residential	2011			3,414.26
Residential	2011			1,154.64
Residential	2011			1,322.53
Residential	2011			2,301.97
Residential	2011			1,011.83
Residential	2011			1,635.59
Residential	2011			1,775.41
Residential	2011			2,389.34
Residential	2011			1,123.45
Residential	2011			2,282.49
Residential	2011			1,632.25
Residential	2011			1,296.05
Residential	2011			1,731.39
Residential	2011			2,034.69
Residential	2011			2,266.03
Residential	2011			1,991.93
Residential	2011			1,530.41
Residential	2011			1,076.05
Residential	2011			3,036.68
Residential	2011			1,221.74
Residential	2011			1,268.27
Residential	2011			1,797.49
Residential	2011			1,298.09
Residential	2011			1,757.80
Residential	2011			1,006.62
Residential	2011			1,071.31
Residential	2011			2,636.64
Residential	2011			2,824.70
Residential	2011			2,279.08
Residential	2011			1,150.05
Residential	2011			1,243.62
Residential	2011			1,360.47
Residential	2011			2,161.40
Residential	2011			1,064.88
Residential	2011			1,181.01
Residential	2011			1,055.16
Residential	2011			3,508.47
Residential	2011			1,194.50
Residential	2011			1,661.99
Residential	2011			1,302.38
Residential	2011			1,807.33
Residential	2011			1,112.11
Residential	2011			2,220.34
Residential	2011			1,479.28
Residential	2011			1,554.84
Residential	2011			1,190.70
Residential	2011			1,216.69
Residential	2011			1,074.31
Residential	2011			1,235.48
Residential	2011			1,514.54
Residential	2011			2,785.77
Residential	2011			1,152.10

Revenue Class	Year	Account	Customer Name	Amount
Residential	2011			2,759.05
Residential	2011			1,064.96
Residential	2011			1,534.77
Residential	2011			2,053.59
Residential	2011			1,415.29
Residential	2011			1,332.08
Residential	2011			5,894.24
Residential	2011			2,395.55
Non-Residential	2011			2,403.14
Non-Residential	2011			1,128.46
Non-Residential	2011			10,442.06
Non-Residential	2011			4,689.99
Non-Residential	2011			2,700.02
Non-Residential	2011			16,017.65
Non-Residential	2011			1,100.39
Non-Residential	2011			1,342.73
Non-Residential	2011			1,157.76
Non-Residential	2011			6,646.23
Non-Residential	2011			1,634.15
Non-Residential	2011			8,131.07
Non-Residential	2011			6,637.01
Non-Residential	2011			5,835.38
Non-Residential	2011			4,870.56
Non-Residential	2011			2,574.39
Non-Residential	2011			1,744.74
Non-Residential	2011			2,210.90

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 206**

**Responding Witness: Lonnie E. Bellar**

- Q-206. List and describe in detail any cost-saving programs implemented 2008 through the present.
- a. For each program listed in response to this request, show the anticipated and achieved savings. Include calculations of savings amounts and explain any assumptions used in such calculations.
  - b. Provide the cost-benefit analyses for each such program.
  - c. Show the impact of any such cost-saving programs on the test period.
- A-206. a-c. See the response to Question No. 130, PSC 1-23(c), and the direct testimony of Paul W. Thompson and Chris Hermann in this case, 2009 rate case (Case No. 2009-00549) and 2008 rate case (Case No. 2008-00251) for descriptions of business processes or initiatives for operating the Company's systems cost-effectively to provide service and a discussion of their costs and benefits. The cost-reduction impacts of these programs are embedded in the test year in this case. The Company does not track savings.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 207**

**Responding Witness: Counsel**

Q-207. Provide a complete explanation of any and all expense reduction goals (cost savings programs) the Company had concerning the development of the 2009, 2010 and 2011 budgets.

A-207. Consistent with its historical practice, the Company does not disclose information relating to budgets. Such projections are only estimates; there is no guarantee that such projections will be realized; and the estimates are based on a number of assumptions that may change over time. The Company has used an historic test year in this proceeding; not a forecasted test year. The Commission determined in its September 6, 1990 Ruling and in its September 21 and October 18, 1990 Orders in Case No. 90-158 that such information is not discoverable in historical test year rate cases. The budgetary information requested in this data request is not relevant to the analysis of known and measurable pro forma adjustments in this case.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 208**

**Responding Witness: Valerie L. Scott**

Q-208. List for the test period, the amount of country club initiation fees, stock purchase payments, if applicable, annual dues and expenses which were paid and to what account these fees were charged.

- a. For each payment list the individual whose name the membership is in or who uses the club, his (her) title, and name of the country club.

A-208. LG&E did not pay any country club initiation fees or stock purchase payments.

- a. None.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 209**

**Responding Witness: Lonnie E. Bellar**

Q-209. Provide a copy of the Annual Report of EEI, AGA and every other organization of which Company was/is a dues-paying member during 2010, 2011 and 2012. For the purpose of this question through Question No. 190, the term "organization" refers to EEI and / or any other organization of which the Company is a dues-paying member.

A-209. LG&E does not collect and retain the requested information for its corporate files. The requested information is thus not readily available.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 210**

**Responding Witness: Valerie L. Scott**

- Q-210. Provide a copy of the formula used to compute, and the actual calculation of the Company's dues paid to any organization for the years 2009, 2010, 2011 and 2012. Also, provide a complete copy of invoices regarding dues paid for these years.
- A-210. See attached. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 211**

**Responding Witness: Lonnie E. Bellar**

Q-211. Please provide any documents in LG&E's possession that show how these organizations spend the dues they collect, including the percentage that goes to legislative advocacy, legislative policy research, regulatory advocacy, regulatory policy research, advertising, marketing, utility operations and engineering, finance legal, planning and customer service, and public relations.

A-211. See the response to Question No. 209.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 212**

**Responding Witness: Valerie L. Scott**

- Q-212. Has the Company included in the test period operating expense any amount for any organizations' media communications? If so, state the amount, indicate in which account this has been recorded, and provide a citation to any and all Commission Orders or other authority upon which the Company is relying for the inclusion of such expense in the test period.
- A-212. See response Question No. 194. The Company does not record advertising expenses related to media communications for any other organization.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 213**

**Responding Witness: Valerie L. Scott**

Q-213. Is the Company relying upon any NARUC reports or other studies for the exclusion from or inclusion in rates of a portion of its organization dues? If so, please provide a copy of such report and indicate how the report's recommendations have been included in its filing.

A-213. LG&E does not rely upon any NARUC reports or other studies for the exclusion from or inclusion in rates of a portion of any organizations dues. LG&E relies on information provided on the invoices received from any organization in order to determine the lobbying portion of dues that should be excluded from rates.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 214**

**Responding Witness: Lonnie E. Bellar**

- Q-214. List all travel and entertainment expenses incurred in the test period by Company employees in relation to these organizations and other industry association activities. Show accounts, amounts, descriptions, person, job title and reason for the expense. Provide a copy of employee time and expense reports and invoices documenting such expenses.
- A-214. The Company does not track the requested information specifically related these organizations and other industry association activities. Company employees participate in various industry associations and organizations to gain knowledge and experience throughout the industry to allow for the Company to provide service to its customers in the most economical, cost-effective and reliable manner. The gaining of industry knowledge through these associations benefits customers through the use of best practices in providing services.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 215**

**Responding Witness: Lonnie E. Bellar**

Q-215. Do any of the Company's personnel actively participate on Committees and/or any other work for any industry organization to which the Company belongs?

- a. If so, state specifically which employees participate, how they are compensated for their time (amount and source of compensation), and the purpose and accomplishments of any such association related work.
- b. List any and all reimbursements received from industry associations, for work performed for such organizations by Company employees.

A-215. Company employees participate in various industry associations and organizations to gain knowledge and experience throughout the industry to allow for the Company to provide service to its customers in the most economical, cost effective and reliable manner. The gaining of industry knowledge through these associations benefits customers through the use of best practices in providing services.

- a. The Company does not track employee participation in industry organizations. Employees are not compensated by industry organizations for participation on committees.
- b. See the response to (a.) above.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 216**

**Responding Witness: Lonnie E. Bellar**

Q-216. Please provide copies of all expense reports (or similar documents) which exceed \$1,000 submitted by Company officers during 2010, 2011 and 2012 to date for reimbursement of business or personal expenses.

A-216. See the attached which details LG&E monthly expense report charges which exceeded \$1,000 during 2010, 2011, and 2012 to date by officer and charge type.

The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 217**

**Responding Witness: Daniel K. Arbough**

Q-217. For each injury and damage claim, where the settlement exceeded \$10,000 for the years 2010, 2011 and 2012, list by year each such claim, the basis for the claim, the dollar amount of the claim paid and the associated legal fees.

A-217. The attachment shows the requested information through July 31, 2012.

The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 218**

**Responding Witness: Valerie L. Scott**

Q-218. State the amount of injuries and damages expense for each of the last three years.

A-218. See Blake Exhibit 1, Reference Schedule 1.16.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 219**

**Responding Witness: Paula H. Pottinger, Ph.D. / Daniel K. Arbough**

Q-219. Itemize each component of insurance expense included in the test period, and provide comparative information for 2009, 2010 and 2011. Indicate the accounts and amounts in which each item of insurance expense is recorded.

- a. For any component of the Company's insurance expense which has fluctuated by more than 10% or \$10,000 from one year to the next, provide an explanation as to the cause of such fluctuation.

A-219. The insurance expense is itemized in the attachment for the test period and each of 2009, 2010, and 2011.

Property insurance expense increased from 2009 to 2010 due to the lead insurance carrier not offering a credit in 2010 associated with the length of the relationship with Louisville Gas and Electric Company (a membership credit), whereas a membership credit was realized in 2009. An increase in the value of the property covered by the insurance, due to completed construction projects, also contributed to the increase in insurance expense in 2010. Property insurance expense decreased in 2011 from 2010 due to Louisville Gas and Electric Company qualifying for a membership credit issued by the lead insurance carrier.

Public liability expenses increased from 2009 to 2010 due to an increase in insurance premium due to market conditions and fluctuations in the magnitude of claim payments during the year. 2011 expense decreased due to a decrease in insurance premiums due to changes in the premium allocation provided by the insurer between KU and LG&E and due to fluctuations in the magnitude of claim payments during the year.

The Company is self-insured for workers' compensation. This expense decreased in 2010 and increased in 2011 due to an update in reserves for open claims used in the calculation of the worker's compensation liability. The test year expense is impacted by the update in reserves used in the calculation of the liability.

Auto liability expense increased in 2010 due to fluctuations in the volume and magnitude of claim payments. The minor increase in 2011 expense is due to the fluctuation in the value of claim payments. The test year expense is impacted by the timing of claims.

Injuries and damages increased from 2009 to 2010 as brokerage fees were incurred, but were charged to account 923 in 2009 but to account 925 in 2010, and brokerage fees increased due to new insurance coverage being purchased.

Group life insurance costs are based on a negotiated insured premium times the amount of life insurance for each covered employee. The amount of coverage is based on the employee's salary. The company negotiated life insurance premium with the current carrier for the same rate for 2009 – 2012. The fluctuation in cost is due to changes in salaries and in the number of employees. It is also impacted by the timing of payment of premiums. The fluctuation between 2011 and the test period is due to the timing of the true up of the clearing accounts.

The medical plan is self-insured, paying medical claims incurred that year plus insured fees for administration, vision, stop-loss insurance and health care management program fees. Fluctuations from year to year are primarily based on an increase or decrease of medical claims.

The dental plan is on a self-insured basis, paying dental claims incurred that year plus an administrative fee. Fluctuations from year to year are primarily based on an increase or decrease of dental claims.

Long-term disability insurance costs are based on a negotiated insured premium times the amount of base salary for covered employees. The company negotiated Long-term disability insurance premium with the current carrier for the same rate for 2009 – 2012. The fluctuation in cost is due to changes in salaries and in the number of employees. It is also impacted by the timing of payment of premiums. The fluctuation between 2011 and the test period is due to the timing of the true up of the clearing accounts.

Insurance Type	Account	Test Period	2011	2010	2009
Property Insurance	924	\$ 4,579,289	\$ 4,360,348	\$ 4,805,412	\$ 3,614,433
Public Liability	925	1,457,376	1,213,129	1,613,243	1,255,079
Auto Liability	925	189,033	108,794	98,017	35,399
Safety and Industrial Health	925	92,571	88,388	87,810	84,574
Injuries and Damages	925	339,420	(206,965)	504,096	16,921
Workers Compensation	see below	1,277,316	2,633,173	(638,401)	1,100,109
Group Life Insurance	see below	567,947	487,165	500,362	384,431
Medical Insurance	see below	13,772,993	13,374,232	12,294,329	10,551,848
Dental Insurance	see below	762,310	737,672	663,871	613,050
Long Term Disability	see below	384,740	457,584	460,844	374,986
<b>Total Insurance Expense</b>		<b>\$ 23,422,994</b>	<b>\$ 23,253,519</b>	<b>\$ 20,389,583</b>	<b>\$ 18,030,830</b>

Workers Compensation	Account	Test Period	2011	2010	2009
	107	188,457	468,671	(152,882)	203,593
	108	12,744	12,719	5,102	7,980
	143	22,234	20,249	4,879	18,346
	146	67	67	-	-
	163	6,962	6,878	3,166	3,364
	183	3	3	5	3
	184	53,301	52,231	13,435	27,029
	426	1,600	1,597	456	289
	506	-	-	-	30
	514	-	-	(3)	(1)
	588	1	1	1	68
	591	10	12	11	106
	598	-	-	(7)	(1)
	880	1	1	-	35
	886	6	7	6	108
	905	1	1	(3)	35
	908	362	353	154	(83)
	920	2	2	1	100
	922	-	-	-	(1)
	925	991,568	2,070,383	(512,711)	839,110
	935	0	0	(11)	(2)
		<u>1,277,316</u>	<u>2,633,173</u>	<u>(638,401)</u>	<u>1,100,109</u>

Group Life Insurance	Account	Test Period	2011	2010	2009
	107	58,978	51,006	53,344	43,402
	108	4,909	4,931	4,825	3,035
	143	7,244	5,986	9,862	6,513
	146	59	59	-	-
	163	3,163	2,899	3,281	2,320
	183	31	30	57	94
	184	40,456	33,546	34,670	24,459
	426	2,442	2,096	2,086	1,505
	506	-	-	1	6
	514	-	-	2	(1)
	588	-	-	1	13
	591	3	4	1	43
	598	-	-	4	(2)
	880	-	-	1	7
	886	2	2	3	43
	905	-	-	3	6
	908	3,888	3,156	2,712	(607)
	920	1	1	2	20
	926	446,772	383,450	389,502	303,576
	935	0	0	6	(3)
		<u>567,947</u>	<u>487,165</u>	<u>500,362</u>	<u>384,431</u>



Medical Insurance

Account	Test Period	2011	2010	2009
107	1,460,654	1,411,249	1,321,078	1,210,744
108	129,589	133,312	130,512	99,871
143	221,613	200,560	278,162	235,756
146	1,507	1,507	-	-
163	80,203	80,247	89,397	69,623
183	734	716	1,336	1,877
184	961,328	898,693	840,101	649,805
426	56,084	53,181	52,691	37,483
506	3	3	15	287
514	1	1	3	(4)
588	9	9	35	652
591	98	112	116	970
598	2	2	7	(9)
880	5	5	18	339
886	62	67	110	986
905	6	6	22	335
908	84,648	78,132	68,466	(9,207)
920	13	13	52	965
922	(33,647)	(30,396)	(39,394)	(32,211)
926	10,810,076	10,546,808	9,551,593	8,283,598
935	4	4	10	(13)
	<u>13,772,993</u>	<u>13,374,232</u>	<u>12,294,329</u>	<u>10,551,848</u>

Dental Insurance

Account	Test Period	2011	2010	2009
107	80,861	77,967	70,260	70,414
108	7,053	7,288	7,027	5,522
143	12,221	11,043	15,423	13,856
146	86	86	-	-
163	4,429	4,436	4,854	3,957
183	41	40	79	114
184	53,009	49,307	45,034	37,533
426	3,126	2,957	2,864	2,161
506	-	-	1	11
588	1	1	2	26
591	6	7	7	64
598	-	-	-	1
880	-	-	1	14
886	4	4	6	66
905	-	-	1	14
908	4,682	4,289	3,737	(638)
920	1	1	3	39
922	(1,861)	(1,731)	(2,730)	(2,232)
926	598,653	581,977	517,304	482,128
935	-	-	-	1
	<u>762,310</u>	<u>737,672</u>	<u>663,871</u>	<u>613,050</u>

Long Term Disability

Account	Test Period	2011	2010	2009
107	39,308	45,938	46,985	42,540
108	2,930	3,849	4,337	2,573
143	5,593	5,882	10,873	8,655
146	28	28	-	-
163	2,038	2,602	3,170	2,161
183	18	17	59	95
184	27,873	31,370	32,211	23,334
426	1,747	1,934	2,220	1,423
506	-	-	1	(2)
514	-	-	-	(1)
588	-	-	1	(3)
591	6	7	4	54
598	-	-	-	(2)
880	-	-	1	(2)
886	3	4	4	54
905	-	-	1	(3)
908	3,030	3,357	3,074	(695)
920	-	-	2	(5)
922	(1,192)	(1,281)	(2,993)	(2,446)
926	303,357	363,876	360,895	297,258
935	-	-	-	(2)
	<u>384,740</u>	<u>457,584</u>	<u>460,844</u>	<u>374,986</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 220**

**Responding Witness: Valerie L. Scott**

Q-220. Itemize the legal services expenses included in 2010, 2011 and 2012 for rate case related work. For each distinct item state: payee; amount; account; purpose; docket, case, or proceeding reference; and describe briefly the nature of the case or legal service received.

A-220. See attached.

Louisville Gas and Electric Company  
 Legal Expenses Included for Rate Case Related Work  
 2010 - 2012

Payee	Amount	Account	GL Period	Purpose	Case	Legal Service Received
Stoll Keenon Ogden PLLC	\$ 901.76	182335	Apr-12	Legal Consultation for Rate Case	2012-00222	2012 KPSC Rate Case
Stoll Keenon Ogden PLLC	8,075.10	182335	Apr-12	Legal Consultation for Rate Case	2012-00222	2012 KPSC Rate Case
Stoll Keenon Ogden PLLC	13,759.24	182335	May-12	Legal Consultation for Rate Case	2012-00222	2012 KPSC Rate Case
Stoll Keenon Ogden PLLC	29,686.63	182335	Jun-12	Legal Consultation for Rate Case	2012-00222	2012 KPSC Rate Case
Stoll Keenon Ogden PLLC	42,510.83	182335	Jul-12	Legal Consultation for Rate Case	2012-00222	2012 KPSC Rate Case
Stoll Keenon Ogden PLLC	293.66	182336	Apr-12	Legal Consultation for Rate Case	2012-00222	2012 KPSC Rate Case
Stoll Keenon Ogden PLLC	2,629.65	182336	Apr-12	Legal Consultation for Rate Case	2012-00222	2012 KPSC Rate Case
Stoll Keenon Ogden PLLC	4,480.68	182336	May-12	Legal Consultation for Rate Case	2012-00222	2012 KPSC Rate Case
Stoll Keenon Ogden PLLC	9,667.40	182336	Jun-12	Legal Consultation for Rate Case	2012-00222	2012 KPSC Rate Case
Stoll Keenon Ogden PLLC	13,843.58	182336	Jul-12	Legal Consultation for Rate Case	2012-00222	2012 KPSC Rate Case
	<u>\$ 125,848.53</u>					
J Bruce Miller Law Group	\$ 1,518.45	182335	Aug-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	36,089.60	182335	Aug-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
J Bruce Miller Law Group	869.05	182336	Aug-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	20,655.05	182336	Aug-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	137.09	186021	Jan-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	702.91	186021	Jan-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	1,091.28	186021	Jan-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	1,617.32	186021	Jan-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	16,194.10	186021	Mar-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	20,535.78	186021	Mar-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
J Bruce Miller Law Group	3,339.00	186021	Apr-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	8,307.62	186021	Apr-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
J Bruce Miller Law Group	4,253.25	186021	May-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	38,545.47	186021	May-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
J Bruce Miller Law Group	6,789.30	186021	Jun-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	21,183.76	186021	Jun-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Winston and Strawn	651.50	186021	Jul-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	26,618.33	186021	Jul-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	78.46	186022	Jan-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	402.29	186022	Jan-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	624.57	186022	Jan-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	925.63	186022	Jan-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	9,268.32	186022	Mar-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	11,753.18	186022	Mar-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
J Bruce Miller Law Group	1,911.00	186022	Apr-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	4,754.67	186022	Apr-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
J Bruce Miller Law Group	2,434.25	186022	May-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	22,060.62	186022	May-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
J Bruce Miller Law Group	3,885.70	186022	Jun-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	12,124.04	186022	Jun-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Winston and Strawn	372.87	186022	Jul-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
Stoll Keenon Ogden PLLC	15,234.39	186022	Jul-10	Legal Consultation for Rate Case	2009-00549	2009 KPSC Rate Case
	<u>\$ 294,928.85</u>					

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 221**

**Responding Witness: Valerie L. Scott**

Q-221. Please itemize the amount of non-rate case legal expense for 2008, 2009, 2010, 2011 and 2012 to date. For each distinct item over \$5,000 show payee, amount, account and indicate what services were performed and what the subject matter of the services was.

- a. Provide copies of all invoices which exceed \$10,000. This should be the complete document including a detailed description of work performed.

A-221. See attached.

- a. The information requested herein is voluminous and would require a significant amount of time to compile. If the AG has specific invoices that it would like to review, please advise and the Company will agree to provide copies of those invoices, subject to the attorney-client privilege and work product doctrine.

	Vendor	Account	Invoice Number	Period	Total	Services Provided	Subject Matter
2008	BAKER BOTTS LLP	923100	1026801	APR-2008	6,450.23	Legal Services	Facilities Response Plan-Trimble, Mill Creek
2008	BARNES AND THORNBURG LLP	923100	1180716	OCT-2008	17,931.91	Legal Services	Doe Run Storage Field-Leakage Concerns
2008	BARNES AND THORNBURG LLP	923100	1199788	DEC-2008	12,685.81	Legal Services	Cedar Farm v. LG&E
2008	BARNES AND THORNBURG LLP	923100	1203055	DEC-2008	12,791.05	Legal Services	Cedar Farm v. LG&E
2009	BARNES AND THORNBURG LLP	923100	1224744	APR-2009	17,453.17	Legal Services	Cedar Farm v. LG&E
2009	BARNES AND THORNBURG LLP	923100	1240743	JUL-2009	5,303.00	Legal Services	Cedar Farm v. LG&E
2009	BARNES AND THORNBURG LLP	923100	1249882	SEP-2009	5,115.00	Legal Services	Cedar Farm v. LG&E
2009	BARNES AND THORNBURG LLP	923100	1262843	SEP-2009	9,264.34	Legal Services	Cedar Farm v. LG&E
2011	BARNES AND THORNBURG LLP	923100	1398510	MAY-2011	5,304.76	Legal Services	Cedar Farm v. LG&E
2011	BARNES AND THORNBURG LLP	923100	1408467	JUN-2011	8,356.43	Legal Services	Cedar Farm v. LG&E
2011	BARNES AND THORNBURG LLP	923100	1390083	APR-2011	15,663.64	Legal Services	Cedar Farm v. LG&E
2012	BINGHAM GREENBAUM DOLL PLLC	923900	4234376	JUL-2012	9,607.57	Legal Services	Trimble Co. Landfill Permit-2011
2012	BINGHAM GREENBAUM DOLL PLLC	923100	4231643	APR-2012	12,950.00	Legal Services	Byrd, David & Joanna v. LG&E
2008	BOEHL STOPHER AND GRAVES LLP	923100	1150350	MAY-2008	12,325.08	Legal Services	Roberson, Jonathan et al. v. LG&E
2008	BOEHL STOPHER AND GRAVES LLP	923900	1155406	NOV-2008	5,542.16	Legal Services	Peyton, Anthony Wayne v. E.ON U.S. LLC, LG&E & KU
2008	BOEHL STOPHER AND GRAVES LLP	923900	1157098	DEC-2008	7,072.18	Legal Services	Peyton, Anthony Wayne v. E.ON U.S. LLC, LG&E & KU
2009	BOEHL STOPHER AND GRAVES LLP	923900	1160730	MAY-2009	9,667.72	Legal Services	Peyton, Anthony Wayne v. E.ON U.S. LLC, LG&E & KU
2009	BOEHL STOPHER AND GRAVES LLP	923900	1163083	JUN-2009	7,678.24	Legal Services	Peyton, Anthony Wayne v. E.ON U.S. LLC, LG&E & KU
2009	BOEHL STOPHER AND GRAVES LLP	923900	1161804	JUN-2009	13,491.80	Legal Services	Peyton, Anthony Wayne v. E.ON U.S. LLC, LG&E & KU
2012	BRACEWELL AND GIULIANI LLP	923900	21508053	APR-2012	24,338.06	Legal Services	FERC Service Co Audit 2010-2011
2008	BWS Spreadsheet 15872905: A 10937	925100	AUG-08	AUG-2008	5,639.22	Legal Services	J092-0100-0808 Other USD 01-
2009	CENTER FOR TOXICOLOGY AND	923100	114540	OCT-2009	7,289.04	Legal Services	Edlin, Richard v. LG&E and Energy Corp.
2008	DEWEY AND LEOEUF LLP	923100	260022	MAR-2008	5,884.65	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al
2008	DEWEY AND LEOEUF LLP	923100	261683	MAY-2008	7,860.95	Legal Services	FERC Natural Gas Misc.
2008	DEWEY AND LEOEUF LLP	923900	258987	MAY-2008	9,726.51	Legal Services	FERC Natural Gas Misc.
2008	DEWEY AND LEOEUF LLP	923100	254496	JUN-2008	5,301.86	Legal Services	FERC Natural Gas Misc.
2008	DEWEY AND LEOEUF LLP	923100	264133	AUG-2008	5,375.00	Legal Services	Texas Gas Pipeline Rates/Regulatory Matters (Billing)
2008	DEWEY AND LEOEUF LLP	923100	538876	NOV-2008	9,146.45	Legal Services	Texas Gas Pipeline Rates/Regulatory Matters (Billing)
2008	DEWEY AND LEOEUF LLP	923100	545320	DEC-2008	19,802.93	Legal Services	Texas Gas Pipeline Rates/Regulatory Matters (Billing)
2009	DEWEY AND LEOEUF LLP	923100	549751	FEB-2009	7,292.50	Legal Services	Texas Gas Pipeline Rates/Regulatory Matters (Billing)
2009	DEWEY AND LEOEUF LLP	923100	549749	FEB-2009	8,771.40	Legal Services	FERC Natural Gas Misc.
2009	DEWEY AND LEOEUF LLP	923100	553900	MAR-2009	10,200.55	Legal Services	Texas Gas Pipeline Rates/Regulatory Matters (Billing)
2009	DEWEY AND LEOEUF LLP	923100	553902	MAR-2009	13,809.58	Legal Services	Tennessee Gas Pipeline Rates/Regulatory Matters (Billing)
2009	DEWEY AND LEOEUF LLP	923100	556902	APR-2009	7,498.35	Legal Services	Texas Gas Pipeline Rates/Regulatory Matters (Billing)
2009	DEWEY AND LEOEUF LLP	923100	556901	APR-2009	8,953.90	Legal Services	Tennessee Gas Pipeline Rates/Regulatory Matters (Billing)
2009	DEWEY AND LEOEUF LLP	923100	559032	MAY-2009	6,676.25	Legal Services	Tennessee Gas Pipeline Rates/Regulatory Matters (Billing)

	Vendor	Account	Invoice Number	Period	Total	Services Provided	Subject Matter
2009	DEWEY AND LEBOEUF LLP	923100	561418	JUL-2009	6,599.55	Legal Services	Texas Gas Pipeline Rates/Regulatory Matters (Billing)
2009	DEWEY AND LEBOEUF LLP	923100	562958	JUL-2009	12,022.80	Legal Services	Texas Gas Pipeline Rates/Regulatory Matters (Billing)
2009	DEWEY AND LEBOEUF LLP	923100	561442	JUL-2009	20,413.00	Legal Services	Tennessee Gas Pipeline Rates/Regulatory Matters (Billing)
2009	DEWEY AND LEBOEUF LLP	923100	574861	DEC-2009	8,781.55	Legal Services	Texas Gas Pipeline Rates/Regulatory Matters (Billing)
2010	DEWEY AND LEBOEUF LLP	923100	608254	DEC-2010	5,315.45	Legal Services	FERC Natural Gas Misc.
2010	DEWEY AND LEBOEUF LLP	923100	577648	FEB-2010	6,063.56	Legal Services	Texas Gas Pipeline Rates/Regulatory
2011	DEWEY AND LEBOEUF LLP	923100	634893	OCT-2011	5,550.00	Legal Services	Gas Supply Matters - KPSC Billing
2011	DEWEY AND LEBOEUF LLP	923100	622218	MAY-2011	5,699.67	Legal Services	Tennessee Gas FERC Rate Case
2011	DEWEY AND LEBOEUF LLP	923100	622220	MAY-2011	6,563.05	Legal Services	Tennessee Gas Pipeline Rates/Regula
2011	DEWEY AND LEBOEUF LLP	923100	624624	JUL-2011	6,712.05	Legal Services	Tennessee Gas FERC Rate Case
2011	DEWEY AND LEBOEUF LLP	923100	629383	AUG-2011	7,057.20	Legal Services	Tennessee Gas FERC Rate Case
2011	DEWEY AND LEBOEUF LLP	923900	626911R	JUL-2011	7,154.76	Legal Services	TGP Fuel Quality #RP11-1942
2011	DEWEY AND LEBOEUF LLP	923900	641216	DEC-2011	8,110.19	Legal Services	Dividend Restrictions-FERC305/State
2011	DEWEY AND LEBOEUF LLP	923100	626913	JUL-2011	8,816.20	Legal Services	Tennessee Gas FERC Rate Case
2011	DEWEY AND LEBOEUF LLP	923100	611370	FEB-2011	9,198.80	Legal Services	Tennessee Gas Pipeline Rates/Regula
2011	DEWEY AND LEBOEUF LLP	923900	640966	DEC-2011	9,401.51	Legal Services	Comm Paper-LGE/KU-2011-Bank of Amer
2011	DEWEY AND LEBOEUF LLP	923100	615592	MAR-2011	10,374.80	Legal Services	Tennessee Gas FERC Rate Case
2011	DEWEY AND LEBOEUF LLP	923100	619157	APR-2011	10,809.60	Legal Services	Tennessee Gas FERC Rate Case
2011	DEWEY AND LEBOEUF LLP	923100	611365	FEB-2011	11,601.15	Legal Services	Tennessee Gas FERC Rate Case
2011	DEWEY AND LEBOEUF LLP	923100	634926	OCT-2011	11,743.23	Legal Services	Tennessee Gas FERC Rate Case
2011	DEWEY AND LEBOEUF LLP	923100	632281	OCT-2011	14,492.50	Legal Services	Tennessee Gas FERC Rate Case
2011	DEWEY AND LEBOEUF LLP	923100	615648	MAR-2011	16,829.05	Legal Services	Gas Pipeline MAOP & Reg Compliance
2011	DEWEY AND LEBOEUF LLP	923100	622222	MAY-2011	19,226.81	Legal Services	Texas Gas Pipeline Rates/Regulatory
2011	DEWEY AND LEBOEUF LLP	923100	619159	APR-2011	21,945.60	Legal Services	Gas Pipeline MAOP & Reg Compliance
2012	DEWEY AND LEBOEUF LLP	923100	650980	APR-2012	5,820.70	Legal Services	FERC Natural Gas Misc.
2012	DEWEY AND LEBOEUF LLP	923100	649675	APR-2012	13,335.00	Legal Services	Gas Pipeline MAOP & Reg Compliance
2009	DINSMORE AND SHOHL LLP	923100	2299037	NOV-2009	6,017.90	Legal Services	Federal Insurance Company v. LG&E
2010	DINSMORE AND SHOHL LLP	923100	2384643	MAR-2010	5,219.00	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2010	DINSMORE AND SHOHL LLP	923900	2492118	JUL-2010	5,232.24	Legal Services	Resource Sales v LGE and KU
2010	DINSMORE AND SHOHL LLP	923900	2520039	SEP-2010	5,641.39	Legal Services	Resource Sales v LGE and KU
2010	DINSMORE AND SHOHL LLP	923100	2527133	OCT-2010	5,743.00	Legal Services	Federal Insurance Company v. LG&E
2010	DINSMORE AND SHOHL LLP	923100	2359873	FEB-2010	5,951.50	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2010	DINSMORE AND SHOHL LLP	923100	2527199	OCT-2010	6,479.26	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2010	DINSMORE AND SHOHL LLP	923100	2588466	NOV-2010	8,199.70	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2010	DINSMORE AND SHOHL LLP	923900	2497089	AUG-2010	9,718.17	Legal Services	Resource Sales v LGE and KU
2010	DINSMORE AND SHOHL LLP	923100	2443234	MAY-2010	13,669.05	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2010	DINSMORE AND SHOHL LLP	923100	2561443	NOV-2010	13,894.86	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2010	DINSMORE AND SHOHL LLP	923900	2586155	DEC-2010	16,509.93	Legal Services	Resource Sales v LGE and KU
2010	DINSMORE AND SHOHL LLP	923100	2502123	AUG-2010	18,804.44	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2010	DINSMORE AND SHOHL LLP	923100	2552108	OCT-2010	20,716.01	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2010	DINSMORE AND SHOHL LLP	923100	2607603	DEC-2010	20,917.32	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2010	DINSMORE AND SHOHL LLP	923900	2539444	OCT-2010	23,042.87	Legal Services	Resource Sales v LGE and KU
2010	DINSMORE AND SHOHL LLP	923900	2560654	NOV-2010	35,048.25	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923100	2734129	JUL-2011	5,327.88	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2011	DINSMORE AND SHOHL LLP	923900	2685719	MAY-2011	6,149.03	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923100	2793973	OCT-2011	6,970.76	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2011	DINSMORE AND SHOHL LLP	923100	2624080	FEB-2011	7,224.60	Legal Services	Ball Homes adv. LG&E (Transmission)
2011	DINSMORE AND SHOHL LLP	923100	2753769	AUG-2011	7,578.52	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2011	DINSMORE AND SHOHL LLP	923100	2629091	FEB-2011	7,670.95	Legal Services	Cato, Walter (Crow) v. LGE-Citgo

	Vendor	Account	Invoice Number	Period	Total	Services Provided	Subject Matter
2011	DINSMORE AND SHOHL LLP	923100	2703285	MAY-2011	8,492.16	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2011	DINSMORE AND SHOHL LLP	923900	2715510	JUN-2011	9,278.94	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923900	2794886	OCT-2011	9,628.78	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923900	2605293	JAN-2011	10,378.58	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923900	2641314	FEB-2011	11,430.08	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923900	2725056	JUL-2011	11,784.91	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923900	2624074	FEB-2011	12,548.27	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923900	2756367	JUL-2011	12,715.91	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923900	2808653	NOV-2011	17,117.90	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923900	2771994	AUG-2011	17,222.62	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923100	2646419	MAR-2011	18,345.07	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2011	DINSMORE AND SHOHL LLP	923900	2782736	OCT-2011	18,349.85	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923900	2703293	MAY-2011	19,974.19	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923900	2820293	DEC-2011	20,194.52	Legal Services	Resource Sales v LGE and KU
2011	DINSMORE AND SHOHL LLP	923100	2779539	SEP-2011	52,999.99	Legal Services	7-5-11 Employee Fatalities
2012	DINSMORE AND SHOHL LLP	923100	2901623	JUL-2012	7,780.80	Legal Services	7-5-11 Employee Fatalities
2012	DINSMORE AND SHOHL LLP	923900	2831037	FEB-2012	15,763.32	Legal Services	Resource Sales v LGE and KU
2012	DINSMORE AND SHOHL LLP	923900	2864084	APR-2012	28,922.00	Legal Services	Resource Sales v LGE and KU
2012	DINSMORE AND SHOHL LLP	923900	2855147	APR-2012	29,382.68	Legal Services	Resource Sales v LGE and KU
2012	DINSMORE AND SHOHL LLP	923900	2866563	APR-2012	35,742.24	Legal Services	Resource Sales v LGE and KU
2012	DINSMORE AND SHOHL LLP	923900	2879152	JUN-2012	36,757.83	Legal Services	Resource Sales v LGE and KU
2012	DINSMORE AND SHOHL LLP	923100	2877048	MAY-2012	52,351.41	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2012	DINSMORE AND SHOHL LLP	923100	2854031	MAR-2012	92,138.56	Legal Services	Cato, Walter (Crow) v. LGE-Citgo CR-Denying Promotion to Station Operator Classification
2009	FISHER AND PHILLIPS LLP	923100	553066	MAY-2009	6,353.80	Legal Services	Classification
2010	FISHER AND PHILLIPS LLP	923100	598493	AUG-2010	5,100.74	Legal Services	Jones, James v. LG&E
2010	FISHER AND PHILLIPS LLP	923100	598498	AUG-2010	5,299.63	Legal Services	Peavler, Ronald Keith v. E.ON U.S.
2010	FISHER AND PHILLIPS LLP	923100	595436	MAR-2010	5,445.28	Legal Services	Peavler, Ronald Keith v. E.ON U.S.
2010	FISHER AND PHILLIPS LLP	923100	558745	FEB-2010	7,476.27	Legal Services	Jones, James v. LG&E
2010	FISHER AND PHILLIPS LLP	923100	604486	AUG-2010	10,612.05	Legal Services	Peavler, Ronald Keith v. E.ON U.S.
2012	FISHER AND PHILLIPS LLP	923100	693387	MAR-2012	6,118.90	Legal Services	Jones, James v. LG&E
2010	FOLEY AND LARDNER LLP	923900	32006496	MAR-2010	5,275.09	Legal Services	NITSA-OMU 2009
2010	FOLEY AND LARDNER LLP	923900	32051516	JUL-2010	5,844.90	Legal Services	OMU Interconnection Agmt. 2010
2010	FOLEY AND LARDNER LLP	923900	32089159	NOV-2010	5,887.80	Legal Services	General Adv-Transmission (LGE/KU)
2010	FOLEY AND LARDNER LLP	923900	31123653	JAN-2010	6,134.40	Legal Services	NITSA-OMU 2009
2010	FOLEY AND LARDNER LLP	923900	32045901	JUL-2010	6,362.10	Legal Services	OMU Losses Dispute 2010
2010	FOLEY AND LARDNER LLP	923900	32026708	JUN-2010	6,743.40	Legal Services	Cash Creek-Order 2003 Compliance
2010	FOLEY AND LARDNER LLP	923900	32019276	JUN-2010	6,777.75	Legal Services	Cash Creek-Order 2003 Compliance
2010	FOLEY AND LARDNER LLP	923900	32045910	JUL-2010	6,844.20	Legal Services	OMU Losses Dispute 2010
2010	FOLEY AND LARDNER LLP	923900	32081114	OCT-2010	8,176.65	Legal Services	TVA NITSA/NOA 2010
2010	FOLEY AND LARDNER LLP	923900	32074091	OCT-2010	10,401.15	Legal Services	OMU Losses Dispute 2010
2010	FOLEY AND LARDNER LLP	923900	31130505	JAN-2010	11,948.55	Legal Services	NITSA-OMU 2009
2010	FOLEY AND LARDNER LLP	923900	32051515	JUL-2010	12,590.25	Legal Services	OMU Losses Dispute 2010
2010	FOLEY AND LARDNER LLP	923900	32062141	SEP-2010	12,631.65	Legal Services	OMU Losses Dispute 2010
2011	FOLEY AND LARDNER LLP	923900	33105594	DEC-2011	5,305.35	Legal Services	Cash Creek-Order 2003 Compliance
2011	FOLEY AND LARDNER LLP	923900	32121483	FEB-2011	8,035.65	Legal Services	Revised Pro Forma Network Ag
2011	FOLEY AND LARDNER LLP	923900	32121481	FEB-2011	8,874.90	Legal Services	Order 676 and Order 729 -FERC Middendorp, Matthew J. (440 Aberdeen Ct.) #06-320
2008	FROST BROWN TODD LLC	923100	10454420	MAR-2008	6,778.51	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v.
2008	FROST BROWN TODD LLC	923100	10460997	APR-2008	7,886.40	Legal Services	E.ON, et al.
2008	FROST BROWN TODD LLC	923100	10466611	JUN-2008	9,221.70	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.

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2008	FROST BROWN TODD LLC	923100	10458705	JUN-2008	9,409.82	Legal Services	Middendorp, Matthew J. (440 Aberdeen Ct.) #06-320
2008	FROST BROWN TODD LLC	923100	10475370	JUN-2008	9,834.27	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2008	FROST BROWN TODD LLC	923100	10504744	DEC-2008	6,370.65	Legal Services	O'Bannon, Edward, Jr.-Discrimination Charge
2008	FROST BROWN TODD LLC	923100	10499998	DEC-2008	8,690.00	Legal Services	Waterside Station-Potential Arena Site
2009	FROST BROWN TODD LLC	923100	10533048	MAY-2009	7,044.28	Legal Services	3112 Woodland Ave., Louisville (2/1/09 Fatal House Fire)
2009	FROST BROWN TODD LLC	923100	10526034	MAY-2009	8,341.42	Legal Services	Otte-Frank-Substation Site Option/Purchase
2009	FROST BROWN TODD LLC	923100	10524447	MAY-2009	19,795.04	Legal Services	3112 Woodland Ave., Louisville (2/1/09 Fatal House Fire)
2009	FROST BROWN TODD LLC	923100	10531498	JUN-2009	7,727.05	Legal Services	McCauley, Eddie et al. v. LG&E et al, (E.ON U.S. Services)
2009	FROST BROWN TODD LLC	923100	10546497	JUL-2009	10,483.90	Legal Services	McCauley, Eddie et al. v. LG&E et al, (E.ON U.S. Services)
2009	FROST BROWN TODD LLC	923100	10541680	JUL-2009	15,842.80	Legal Services	McCauley, Eddie et al. v. LG&E et al, (E.ON U.S. Services)
2009	FROST BROWN TODD LLC	923100	10548149	AUG-2009	11,906.00	Legal Services	Otte-Frank-Substation Site Option/Purchase
2009	FROST BROWN TODD LLC	923100	10548970	SEP-2009	5,327.03	Legal Services	McCauley, Eddie et al. v. LG&E et al, (E.ON U.S. Services)
2009	FROST BROWN TODD LLC	923100	10540090	SEP-2009	17,567.77	Legal Services	3112 Woodland Ave., Louisville (2/1/09 Fatal House Fire)
2009	FROST BROWN TODD LLC	923100	10556679	SEP-2009	45,508.20	Legal Services	McCauley, Eddie et al. v. LG&E et al, (E.ON U.S. Services)
2009	FROST BROWN TODD LLC	923100	10565989	NOV-2009	34,293.27	Legal Services	McCauley, Eddie et al. v. LG&E et al, (E.ON U.S. Services)
2009	FROST BROWN TODD LLC	923100	10569087	NOV-2009	41,206.93	Legal Services	McCauley, Eddie et al. v. LG&E et al, (E.ON U.S. Services)
2009	FROST BROWN TODD LLC	923100	10577313	DEC-2009	32,003.49	Legal Services	McCauley, Eddie et al. v. LG&E et al, (E.ON U.S. Services)
2009	FROST BROWN TODD LLC	923100	10579955	DEC-2009	97,109.38	Legal Services	McCauley, Eddie et al. v. LG&E et al, (E.ON U.S. Services)
2010	FROST BROWN TODD LLC	923100	10623832	AUG-2010	5,249.20	Legal Services	Colvin, Karen v. GE et al
2010	FROST BROWN TODD LLC	923100	10638143	OCT-2010	5,255.40	Legal Services	Wales, Wallace v. LG&E, et al.
2010	FROST BROWN TODD LLC	923100	10589386	MAR-2010	6,401.40	Legal Services	O'Bannon, Edward, Jr.-Discriminatio
2010	FROST BROWN TODD LLC	923100	10644406	NOV-2010	7,229.34	Legal Services	Converge, Inc. adv. LG&E and KU
2010	FROST BROWN TODD LLC	923100	10651559	DEC-2010	7,236.00	Legal Services	4 Coins, Inc.
2010	FROST BROWN TODD LLC	923100	10636567	OCT-2010	8,493.00	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	FROST BROWN TODD LLC	923100	10644097	NOV-2010	9,960.25	Legal Services	Lindsay/Maddox (Woodland) v LGE
2010	FROST BROWN TODD LLC	923900	10589867	FEB-2010	11,664.26	Legal Services	Thermostat Voltage Issue
2010	FROST BROWN TODD LLC	923900	10605902	JUN-2010	13,044.80	Legal Services	Thermostat Voltage Issue
2010	FROST BROWN TODD LLC	923100	10629301	NOV-2010	16,107.98	Legal Services	Colvin, Karen v. GE et al
2010	FROST BROWN TODD LLC	923900	10600781	APR-2010	21,213.38	Legal Services	Thermostat Voltage Issue
2010	FROST BROWN TODD LLC	923100	10652929	DEC-2010	22,350.26	Legal Services	Ball Homes adv. LG&E (Transmission)
2010	FROST BROWN TODD LLC	923900	10593778	APR-2010	34,602.53	Legal Services	Thermostat Voltage Issue
2011	FROST BROWN TODD LLC	923900	10704967	OCT-2011	(7,219.29)	Legal Services	Bluegrass/LS Power CT Transaction
2011	FROST BROWN TODD LLC	923100	10711925	NOV-2011	6,037.31	Legal Services	Martin-Pennington v LG&E
2011	FROST BROWN TODD LLC	923100	10720783	DEC-2011	6,080.89	Legal Services	Charah Structural Fill Claims-CR
2011	FROST BROWN TODD LLC	923100	10716070	NOV-2011	6,299.30	Legal Services	Porter, Samuel v. LG&E
2011	FROST BROWN TODD LLC	923100	10721467	DEC-2011	6,490.54	Legal Services	Porter, Samuel v. LG&E
2011	FROST BROWN TODD LLC	923100	10716069	NOV-2011	6,759.76	Legal Services	Wales, Wallace v. LG&E, et al.
2011	FROST BROWN TODD LLC	923100	10678785	MAY-2011	6,791.38	Legal Services	Wales, Wallace v. LG&E, et al.
2011	FROST BROWN TODD LLC	923100	10675299	APR-2011	7,043.68	Legal Services	4 Coins, Inc.



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2011	FROST BROWN TODD LLC	923900	10704967	OCT-2011	7,219.29	Legal Services	Bluegrass/LS Power CT Transaction
2011	FROST BROWN TODD LLC	923100	10663477	MAR-2011	7,225.97	Legal Services	4 Coins, Inc.
2011	FROST BROWN TODD LLC	923900	10707148	NOV-2011	7,607.83	Legal Services	McGuire, Wm & Wanda v. LGE/KU
2011	FROST BROWN TODD LLC	923100	10704971	OCT-2011	8,114.65	Legal Services	Armory Place Gas Structure 2011
2011	FROST BROWN TODD LLC	923100	10684229	JUN-2011	8,173.29	Legal Services	Wales, Wallace v. LG&E, et al.
2011	FROST BROWN TODD LLC	923900	10678045	JUN-2011	8,183.43	Legal Services	McGuire, Wm & Wanda v. LGE/KU
2011	FROST BROWN TODD LLC	923900	10690432	JUL-2011	9,110.08	Legal Services	McGuire, Wm & Wanda v. LGE/KU
2011	FROST BROWN TODD LLC	923100	10665691	FEB-2011	9,648.97	Legal Services	Martin-Pennington v LG&E
2011	FROST BROWN TODD LLC	923900	10695011	SEP-2011	9,764.62	Legal Services	Gridley, Edwin & Betty v. LG&E/KU
2011	FROST BROWN TODD LLC	923100	10660702	FEB-2011	9,794.30	Legal Services	Comverge, Inc. adv. LG&E and KU
2011	FROST BROWN TODD LLC	923900	10712190	NOV-2011	9,837.34	Legal Services	McGuire, Wm & Wanda v. LGE/KU
2011	FROST BROWN TODD LLC	923100	10657574	JAN-2011	9,869.50	Legal Services	Tucker Station Substation Site Acqu
2011	FROST BROWN TODD LLC	923100	10673249	APR-2011	11,403.57	Legal Services	Martin-Pennington v LG&E
2011	FROST BROWN TODD LLC	923100	10694934	AUG-2011	11,433.55	Legal Services	Porter, Samuel v. LG&E
2011	FROST BROWN TODD LLC	923100	10694931	AUG-2011	12,136.70	Legal Services	Wales, Wallace v. LG&E, et al.
2011	FROST BROWN TODD LLC	923100	10690417	JUL-2011	12,582.75	Legal Services	Wales, Wallace v. LG&E, et al.
2011	FROST BROWN TODD LLC	923100	10665693	FEB-2011	12,874.40	Legal Services	Comverge, Inc. adv. LG&E and KU
2011	FROST BROWN TODD LLC	923900	10684029	JUL-2011	12,933.48	Legal Services	McGuire, Wm & Wanda v. LGE/KU
2011	FROST BROWN TODD LLC	923900	10701179	SEP-2011	13,183.84	Legal Services	McGuire, Wm & Wanda v. LGE/KU
2011	FROST BROWN TODD LLC	923100	10686936	JUL-2011	13,644.52	Legal Services	4 Coins, Inc.
2011	FROST BROWN TODD LLC	923900	10719474	DEC-2011	14,106.75	Legal Services	McGuire, Wm & Wanda v. LGE/KU
2011	FROST BROWN TODD LLC	923900	10721604	DEC-2011	14,574.15	Legal Services	McGuire, Wm & Wanda v. LGE/KU
2011	FROST BROWN TODD LLC	923900	10695012	SEP-2011	15,806.74	Legal Services	McGuire, Wm & Wanda v. LGE/KU
2011	FROST BROWN TODD LLC	923100	10714712	NOV-2011	17,020.00	Legal Services	Charah Structural Fill Claims-CR
2011	FROST BROWN TODD LLC	923100	10673244	APR-2011	20,526.90	Legal Services	Comverge, Inc. adv. LG&E and KU
2011	FROST BROWN TODD LLC	923100	10684228	JUN-2011	21,271.90	Legal Services	Martin-Pennington v LG&E
2011	FROST BROWN TODD LLC	923100	10701777	SEP-2011	21,592.64	Legal Services	Martin-Pennington v LG&E
2011	FROST BROWN TODD LLC	923100	10678788	MAY-2011	28,056.72	Legal Services	Martin-Pennington v LG&E
2011	FROST BROWN TODD LLC	923100	10694930	AUG-2011	29,777.49	Legal Services	Martin-Pennington v LG&E
2011	FROST BROWN TODD LLC	923100	10706781	OCT-2011	36,030.14	Legal Services	Martin-Pennington v LG&E
2011	FROST BROWN TODD LLC	923100	10690422	JUL-2011	37,554.14	Legal Services	Martin-Pennington v LG&E
2012	FROST BROWN TODD LLC	923100	10733277	APR-2012	5,059.78	Legal Services	5206 River Trail Place (12/06/11)
2012	FROST BROWN TODD LLC	923100	10735928	MAR-2012	5,766.40	Legal Services	Mindel, Oscar
2012	FROST BROWN TODD LLC	923100	10742850	APR-2012	5,930.81	Legal Services	Mindel, Oscar
2012	FROST BROWN TODD LLC	923100	10741240	APR-2012	6,581.88	Legal Services	Porter, Samuel v. LG&E
2012	FROST BROWN TODD LLC	923100	10733276	MAR-2012	8,245.40	Legal Services	Porter, Samuel v. LG&E
2012	FROST BROWN TODD LLC	923100	10760874	JUL-2012	15,986.94	Legal Services	Stokes, Terry/Diane v. GE et al.
2012	FROST BROWN TODD LLC	923900	10730721	MAR-2012	18,870.07	Legal Services	McGuire, Wm & Wanda v. LGE/KU
2009	GALLOWAY APPRAISAL	923100	090080	JUL-2009	10,100.00	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	GALLOWAY APPRAISAL	923100	090229	SEP-2009	25,513.00	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	GALLOWAY APPRAISAL	923100	090256	OCT-2009	30,563.50	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2010	GCM Spreadsheet 22475968: A 26457	923100	Journal Import Spreadsheet 22475968:	SEP-2010	36,150.00	Legal Services	McCauley v. LG&E Settlement
2010	GCM Spreadsheet 22520474: A 26457	923100	Journal Import Spreadsheet 22520474:	SEP-2010	1,198,326.19	Legal Services	McCauley v. LG&E Settlement
2010	GCM Spreadsheet 22703203: A 26457	923100	Journal Import Spreadsheet 22703203:	OCT-2010	(1,337,500.00)	Legal Services	McCauley v. LG&E Settlement
2008	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4147817	MAY-2008	5,872.00	Legal Services	Museum Plaza Relocation Agreement
2008	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4144845	MAY-2008	9,665.00	Legal Services	Bridges, Deborah
2008	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4149916	JUL-2008	8,237.00	Legal Services	Bridges, Deborah

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2008	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4165133	DEC-2008	5,175.00	Legal Services	
2009	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4190623	DEC-2009	7,157.92	Legal Services	Byrd, David & Joanna v. LG&E
2010	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4200913	MAY-2010	9,149.91	Legal Services	Byrd, David & Joanna v. LG&E
2010	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4208041	OCT-2010	10,073.17	Legal Services	Byrd, David & Joanna v. LG&E
2010	GREENEBAUM DOLL AND MCDONALD PLLC	923900	4209279	NOV-2010	12,352.00	Legal Services	Trimble Co.-Water/Waste Permitting
2010	GREENEBAUM DOLL AND MCDONALD PLLC	923900	4204826	OCT-2010	13,675.17	Legal Services	Trimble Co.-Water/Waste Permitting
2010	GREENEBAUM DOLL AND MCDONALD PLLC	923900	4208109	OCT-2010	32,849.30	Legal Services	Trimble Co.-Water/Waste Permitting
2010	GREENEBAUM DOLL AND MCDONALD PLLC	923900	4206414	OCT-2010	45,954.37	Legal Services	Trimble Co.-Water/Waste Permitting
2011	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4223928	OCT-2011	5,259.50	Legal Services	Byrd, David & Joanna v. LG&E
2011	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4227109	DEC-2011	8,190.45	Legal Services	Charah Structural Fill Claims-CR
2011	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4218600a	JUN-2011	8,993.16	Legal Services	Byrd, David & Joanna v. LG&E
2011	GREENEBAUM DOLL AND MCDONALD PLLC	923100	4217363	MAY-2011	18,144.39	Legal Services	Byrd, David & Joanna v. LG&E
2010	HOGAN AND HARTSON	923900	1848752	APR-2010	12,662.85	Legal Services	Thermostat Voltage Issue
2010	HOWREY LLP	923100	9010044846	NOV-2010	7,026.50	Legal Services	McCauley, Eddie v LGE-Ins (Billing)
2010	HOWREY LLP	923100	9010044847	OCT-2010	11,072.45	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	HOWREY LLP	923100	9010042873	OCT-2010	27,365.00	Legal Services	McCauley, Eddie v LGE-Ins (Billing)
2010	HOWREY LLP	923100	9010042875	OCT-2010	56,183.70	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2008	HUNTON AND WILLIAMS LLP	923900	HW120707	FEB-2008	11,700.00	Legal Services	New Source Review (NSR)- Legal Resources Group
2008	HUNTON AND WILLIAMS LLP	923900	G478402	MAR-2008	7,879.79	Legal Services	Standards of Conduct/Code of Conduct FERC Misc. 2007-2009
2008	HUNTON AND WILLIAMS LLP	923900	G491348	JUL-2008	8,799.90	Legal Services	Standards of Conduct/Affiliate Rest. NOPRs Comments 2008-09
2008	HUNTON AND WILLIAMS LLP	923900	G537474	JUL-2008	11,115.74	Legal Services	Standards of Conduct/Code of Conduct FERC Misc. 2007-2009
2008	HUNTON AND WILLIAMS LLP	923900	G523042	JUL-2008	11,289.17	Legal Services	Standards of Conduct/Code of Conduct FERC Misc. 2007-2009
2008	HUNTON AND WILLIAMS LLP	923900	G551970	SEP-2008	7,721.24	Legal Services	Standards of Conduct/Code of Conduct FERC Misc. 2007-2009
2008	HUNTON AND WILLIAMS LLP	923900	G592695	DEC-2008	8,429.73	Legal Services	Standards of Conduct/Code of Conduct FERC Misc. 2007-2009
2008	HUNTON AND WILLIAMS LLP	923900	G628534	DEC-2008	10,530.94	Legal Services	Standards of Conduct/Code of Conduct FERC Misc. 2007-2009
2009	HUNTON AND WILLIAMS LLP	923900	G684021	MAR-2009	5,487.04	Legal Services	Standards of Conduct/Code of Conduct FERC Misc. 2007-2009
2009	HUNTON AND WILLIAMS LLP	923900	G694740	MAR-2009	8,883.54	Legal Services	Standards of Conduct/Code of Conduct FERC Misc. 2007-2009
2009	HUNTON AND WILLIAMS LLP	923900	G642087	MAR-2009	18,790.39	Legal Services	Standards of Conduct/Code of Conduct FERC Misc. 2007-2009
2009	HUNTON AND WILLIAMS LLP	923100	G747774	JUL-2009	8,823.13	Legal Services	Federal Legislative Advice Compliance-2009-2012
2009	HUNTON AND WILLIAMS LLP	923100	GR757128	SEP-2009	5,875.02	Legal Services	Standards of Conduct/Code of Conduct FERC Misc. 2007-2009
2010	HUNTON AND WILLIAMS LLP	923900	G839044	MAR-2010	7,161.95	Legal Services	Stds of Conduct-Ord 717-A Rehearing
2010	HUNTON AND WILLIAMS LLP	923900	102003046	DEC-2010	8,076.64	Legal Services	Environmental-General Advice
2010	HUNTON AND WILLIAMS LLP	921903	HWNSR2010	FEB-2010	12,600.00	Legal Services	New Source Review Legal Resources Group
2011	HUNTON AND WILLIAMS LLP	923900	102025154	DEC-2011	5,439.83	Legal Services	Comer v Nationwide Mutual, et al
2011	HUNTON AND WILLIAMS LLP	923900	102022237	NOV-2011	5,675.96	Legal Services	Comer v Nationwide Mutual, et al
2011	HUNTON AND WILLIAMS LLP	923900	102023440	DEC-2011	11,835.88	Legal Services	Comer v Nationwide Mutual, et al
2011	HUNTON AND WILLIAMS LLP	923900	102023885	DEC-2011	15,159.65	Legal Services	Comer v Nationwide Mutual, et al
2012	HUNTON AND WILLIAMS LLP	923900	102027008	FEB-2012	7,402.77	Legal Services	Comer v Nationwide Mutual, et al
2012	HUNTON AND WILLIAMS LLP	923900	102028292	MAR-2012	7,848.19	Legal Services	Comer v Nationwide Mutual, et al

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2011	J BRUCE MILLER LAW GRP	923100	JBM031511	APR-2011	14,401.50	Legal Services	City of Louisville Gas Fran. 2011
2012	J BRUCE MILLER LAW GRP	921903	HWNEPA2011A	FEB-2012	5,400.00	Legal Services	National Energy Policy Allia.-NEPA
2012	J BRUCE MILLER LAW GRP	921903	HWNSR2012	JAN-2012	12,600.00	Legal Services	NSR-Legal Resources Group
2008	JACKSON KELLY PLLC	923900	JK110207	FEB-2008	23,265.00	Legal Services	Midwest Ozone Group Membership
2010	JONES DAY	923900	32257555	SEP-2010	10,588.75	Legal Services	Platts/McGraw-Hill
2010	JONES DAY	923900	32245812	SEP-2010	14,632.44	Legal Services	Qtr LGE/KU Fin Stnts-2010 All Qtrs; Platts/McGraw-Hill
2011	JONES DAY	923900	32421198	DEC-2011	5,824.36	Legal Services	Bluegrass/LS Power CT Trans-HSR
2009	JWB Spreadsheet 20290431: A 10216	923100	J187-0100-1209 Accrual USD 01-DEC-09 Journal Import Spreadsheet	DEC-2009	701,502.01	Legal Services	McCauley, Eddie et al. v. LG&E et al, (E.ON U.S. Services)
2010	JWB Spreadsheet 20956215: A 26465	923100	20956215:	MAR-2010	(287,500.00)	Legal Services	McCauley v. LG&E litigation accrual adjustment
2010	KASOWITZ BENSON TORRES AND FRIEDMAN	923100	107876	NOV-2010	7,290.00	Legal Services	McCauley, Eddie v LGE-Ins (Billing)
2010	KASOWITZ BENSON TORRES AND FRIEDMAN	923100	109932	DEC-2010	8,100.00	Legal Services	McCauley, Eddie v LGE-Ins (Billing)
2010	KASOWITZ BENSON TORRES AND FRIEDMAN	923100	108996	DEC-2010	16,203.83	Legal Services	McCauley, Eddie v LGE-Ins (Billing)
2010	KASOWITZ BENSON TORRES AND FRIEDMAN	923100	109933	DEC-2010	19,163.29	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	KASOWITZ BENSON TORRES AND FRIEDMAN	923100	108997	NOV-2010	21,207.50	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2011	KASOWITZ BENSON TORRES AND FRIEDMAN	923100	1100202	FEB-2011	11,867.50	Legal Services	Burkhead, Monika-AEGIS Claim
2011	KASOWITZ BENSON TORRES AND FRIEDMAN	923100	1101518	MAR-2011	17,968.66	Legal Services	Burkhead, Monika-AEGIS Claim
2011	KASOWITZ BENSON TORRES AND FRIEDMAN	923100	1101055	MAR-2011	63,715.27	Legal Services	Burkhead, Monika-AEGIS Claim
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923100	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	5,027.20	Legal Services	River Trail Place- PSC Show Cause
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923900	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	5,186.84	Legal Services	Order No. 1000 Compliance
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923900	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	5,386.49	Legal Services	EKPC PJM Membership 2012
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923100	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	6,089.10	Legal Services	Coelho, Everton & Luciana v. LG&E
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923100	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	8,416.95	Legal Services	Coelho, Everton & Luciana v. LG&E
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	426501	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	8,538.70	Legal Services	TW Telecom, Inc.-Pole Attachment
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923900	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	8,743.99	Legal Services	Order No. 1000 Compliance
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923900	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	9,054.70	Legal Services	Trimble Co. Landfill Permit-2011
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	426501	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	11,624.50	Legal Services	General Advice – Telecom-LGE
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923100	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	29,085.27	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923900	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	35,255.08	Legal Services	Resource Sales v LGE and KU
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923900	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	39,903.36	Legal Services	Resource Sales v LGE and KU
2012	Legal Accrual - ADD Spreadsheet 27012195: A 262	923100	J705-0020-0712 Adjustment USD 31-JUL-12 AUG-2012	JUL-2012	56,644.25	Legal Services	Cato, Walter (Crow) v. LGE-Citgo
2010	MGW Spreadsheet 23143993: A 26708	923100	23143993: J017-0020-1211 Adjustment	DEC-2010	(12,336.47)	Legal Services	McCauley v. LG&E litigation
2011	MRB Spreadsheet 25603238: A 98712	923100	USD 31-DEC-11	DEC-2011	(21,712.03)	Legal Services	SERVCO Credit Voucher
2011	NIXON PEABODY LLP	923900	9283155	APR-2011	10,416.62	Legal Services	Bluegrass/LS Power CT Transaction Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2008	RJ LEE GROUP	923100	291899	DEC-2008	30,270.33	Legal Services	

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2009	RJ LEE GROUP INC	923100	295498	APR-2009	40,035.36	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	RJ LEE GROUP INC	923100	298006	JUL-2009	7,365.00	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	RJ LEE GROUP INC	923100	298134	JUL-2009	16,613.75	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	RJ LEE GROUP INC	923100	703503	SEP-2009	18,613.75	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	RJ LEE GROUP INC	923100	703539	OCT-2009	13,093.75	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2012	RJ LEE GROUP INC	923100	717845	MAR-2012	6,623.75	Legal Services	Cane Run Particulate Emissions
2012	RJ LEE GROUP INC	923100	717771	MAR-2012	6,722.50	Legal Services	Cane Run Particulate Emissions
2012	RJ LEE GROUP INC	923100	722323	JUN-2012	7,344.90	Legal Services	Cane Run Particulate Emissions
2012	RJ LEE GROUP INC	923100	717705	JAN-2012	12,602.32	Legal Services	Cane Run Particulate Emissions
2008	SKS Spreadsheet 14497811: A 8920	923100	J017-0020-0408 Adjustment USD 01-APR-08	APR-2008	(23,423.09)	Legal Services	Murphy, Pamela (Michael Murphy) v. LG&E, et al. Insurance Reimbursement to defray legal expenses -
2011	SKS Spreadsheet 23765562: A 8920	923100	J216-0100-0311 Adjustment USD 01-MAR-11	MAR-2011	(739,590.00)	Legal Services	Burkhead Litigation
2008	STOLL KEENON OGDEN PLLC	923900	580148	APR-2008	5,003.13	Legal Services	DSM Collaborative-2007 Application #07-319
2008	STOLL KEENON OGDEN PLLC	923100	580151	APR-2008	7,653.82	Legal Services	LG&E Collection Cycle Application #07-00410
2008	STOLL KEENON OGDEN PLLC	923100	583203	MAY-2008	5,014.35	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2008	STOLL KEENON OGDEN PLLC	923900	583215	MAY-2008	6,728.90	Legal Services	LG&E/KU Depreciation Studies-#06-283
2008	STOLL KEENON OGDEN PLLC	923100	588364	AUG-2008	5,130.45	Legal Services	Buehler Foods, Inc.-Bankruptcy
2008	STOLL KEENON OGDEN PLLC	923100	591783	AUG-2008	7,978.43	Legal Services	Buehler Foods, Inc.-Bankruptcy
2008	STOLL KEENON OGDEN PLLC	923100	591760	AUG-2008	10,838.22	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2008	STOLL KEENON OGDEN PLLC	923900	588370	AUG-2008	13,676.55	Legal Services	Merger Surcredit Extension #2007-562/563
2008	STOLL KEENON OGDEN PLLC	923100	588382	AUG-2008	13,720.13	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2008	STOLL KEENON OGDEN PLLC	923100	593816	SEP-2008	23,892.57	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2008	STOLL KEENON OGDEN PLLC	923100	596742	NOV-2008	11,473.34	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2008	STOLL KEENON OGDEN PLLC	923100	603184	DEC-2008	29,972.36	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2008	STOLL KEENON OGDEN PLLC	923100	601466	DEC-2008	51,468.92	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923900	611073	MAY-2009	5,303.12	Legal Services	Knoll, Kay v. E.ON U.S. LLC
2009	STOLL KEENON OGDEN PLLC	923100	613543	MAY-2009	5,311.43	Legal Services	Electric Power-Regulatory Matters (LG&E)
2009	STOLL KEENON OGDEN PLLC	923100	611088	MAY-2009	22,526.84	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923100	613722	MAY-2009	24,471.80	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923100	607985	MAY-2009	25,186.66	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923100	616908	JUN-2009	38,919.11	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923100	618539	JUN-2009	51,436.90	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923900	623837	JUL-2009	9,360.14	Legal Services	Env. Cost Recovery (ECR)-LG&E #09-198/KU #09-197

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2009	STOLL KEENON OGDEN PLLC	923100	621748	JUL-2009	55,453.31	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923100	623856	JUL-2009	57,623.21	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923100	627650	SEP-2009	112,199.52	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923900	629595	OCT-2009	21,106.60	Legal Services	Renewables Project Application-2009
2009	STOLL KEENON OGDEN PLLC	923100	629662	OCT-2009	79,568.39	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923100	631262	NOV-2009	5,293.33	Legal Services	Env. Surcharge Two Year Review
2009	STOLL KEENON OGDEN PLLC	923100	631244	NOV-2009	89,204.02	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923900	634139	DEC-2009	5,988.93	Legal Services	Response Franklin Circuit Court Opinion (FAC)
2009	STOLL KEENON OGDEN PLLC	923900	634755	DEC-2009	10,827.37	Legal Services	Env. Cost Recovery (ECR)-LG&E #09-198/KU #09-197
2009	STOLL KEENON OGDEN PLLC	923100	636794	DEC-2009	56,307.81	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2009	STOLL KEENON OGDEN PLLC	923100	634765	DEC-2009	116,573.10	Legal Services	Burkhead, Monika, et al. (Riverside Gardens) v. E.ON, et al.
2010	STOLL KEENON OGDEN PLLC	923100	666098	DEC-2010	5,061.60	Legal Services	Revolving Credit Facility \$400M-LGE
2010	STOLL KEENON OGDEN PLLC	923100	646193	APR-2010	5,397.32	Legal Services	Renewables Project App. #0-353
2010	STOLL KEENON OGDEN PLLC	923900	661896	DEC-2010	6,580.66	Legal Services	Corp Gov Issues-Misc 2008-2012
2010	STOLL KEENON OGDEN PLLC	923100	667756	DEC-2010	6,595.43	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923100	661783	NOV-2010	7,973.81	Legal Services	McGehee, Eugene-Gas Storage Lease
2010	STOLL KEENON OGDEN PLLC	923100	640049	FEB-2010	10,124.54	Legal Services	Renewables Project App. #0-353
2010	STOLL KEENON OGDEN PLLC	923100	658617	SEP-2010	10,921.80	Legal Services	McGehee, Eugene-Gas Storage Lease
2010	STOLL KEENON OGDEN PLLC	923100	667759	DEC-2010	10,962.51	Legal Services	RAA-Airport Expansion Easement Issu
2010	STOLL KEENON OGDEN PLLC	923100	641987	MAR-2010	28,126.50	Legal Services	Renewables Project App. #0-353
2010	STOLL KEENON OGDEN PLLC	923100	646198	APR-2010	36,693.99	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923100	658836	SEP-2010	39,467.70	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923100	640052	FEB-2010	51,600.54	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923900	647307	MAY-2010	54,440.43	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923100	661786	OCT-2010	55,407.24	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923100	656813	SEP-2010	59,498.15	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923100	643964	APR-2010	60,146.72	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923100	666160	DEC-2010	64,068.39	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923100	662382	NOV-2010	70,640.87	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923100	650998	JUL-2010	78,785.21	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2010	STOLL KEENON OGDEN PLLC	923100	655055	SEP-2010	120,323.72	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2011	STOLL KEENON OGDEN PLLC	923900	673857	APR-2011	5,307.85	Legal Services	DSM Related Application
2011	STOLL KEENON OGDEN PLLC	923900	703964	DEC-2011	5,493.11	Legal Services	Legislation-General (all years)
2011	STOLL KEENON OGDEN PLLC	923100	684690	JUN-2011	5,527.93	Legal Services	McGehee, Eugene-Gas Storage Lease
2011	STOLL KEENON OGDEN PLLC	923100	686528	JUL-2011	5,706.89	Legal Services	Electric Power-Regulatory (LG&E)
2011	STOLL KEENON OGDEN PLLC	923100	696310	NOV-2011	5,764.31	Legal Services	Electric Power-Regulatory (LG&E)
2011	STOLL KEENON OGDEN PLLC	923900	689058	SEP-2011	6,185.45	Legal Services	Legislation-General (all years)
2011	STOLL KEENON OGDEN PLLC	923900	703968	DEC-2011	6,220.17	Legal Services	New Gen. Resource 2011 Cane Run
2011	STOLL KEENON OGDEN PLLC	923900	679206	APR-2011	7,791.22	Legal Services	Franchise-General
2011	STOLL KEENON OGDEN PLLC	923900	686550	JUL-2011	7,895.49	Legal Services	PCB Bonds-Envir & Tax Analysis
2011	STOLL KEENON OGDEN PLLC	923100	679212	APR-2011	7,955.13	Legal Services	McGehee, Eugene-Gas Storage Lease
2011	STOLL KEENON OGDEN PLLC	923100	679207	APR-2011	8,009.67	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2011	STOLL KEENON OGDEN PLLC	923900	694832	OCT-2011	11,479.76	Legal Services	New Gen. Resource 2011 Cane Run
2011	STOLL KEENON OGDEN PLLC	923900	701093	DEC-2011	11,872.64	Legal Services	Legislation-General (all years)
2011	STOLL KEENON OGDEN PLLC	923900	689041	SEP-2011	12,531.25	Legal Services	ECR Compliance Plan-2011

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2011	STOLL KEENON OGDEN PLLC	923900	701093	DEC-2011	14,247.17	Legal Services	Legislation-General (all years)
2011	STOLL KEENON OGDEN PLLC	923100	680708	MAY-2011	15,479.81	Legal Services	Burkhead, M (Riv Gardens) v LG&E
2011	STOLL KEENON OGDEN PLLC	923100	688037	JUL-2011	16,076.61	Legal Services	Benham Electric Systems adv KU
2011	STOLL KEENON OGDEN PLLC	923100	680735	MAY-2011	16,361.85	Legal Services	Electric Power-Regulatory (LG&E)
2011	STOLL KEENON OGDEN PLLC	923900	696228	OCT-2011	16,952.91	Legal Services	New Gen. Resource 2011 Cane Run
2011	STOLL KEENON OGDEN PLLC	923900	686582	AUG-2011	17,627.47	Legal Services	Franchise-General
2011	STOLL KEENON OGDEN PLLC	923900	691504	SEP-2011	20,301.88	Legal Services	ECR Compliance Plan-2011
2011	STOLL KEENON OGDEN PLLC	923900	696253	NOV-2011	20,793.16	Legal Services	ECR Compliance Plan-2011
2011	STOLL KEENON OGDEN PLLC	923900	684707	JUL-2011	20,916.71	Legal Services	ECR Compliance Plan-2011
2011	STOLL KEENON OGDEN PLLC	923900	701093	DEC-2011	22,558.02	Legal Services	Legislation-General (all years)
2011	STOLL KEENON OGDEN PLLC	923900	686531	JUL-2011	24,368.68	Legal Services	ECR Compliance Plan-2011
2011	STOLL KEENON OGDEN PLLC	923900	703967	DEC-2011	32,607.17	Legal Services	ECR Compliance Plan-2011
2011	STOLL KEENON OGDEN PLLC	923900	694840	OCT-2011	33,940.08	Legal Services	ECR Compliance Plan-2011
2011	STOLL KEENON OGDEN PLLC	923900	701076	DEC-2011	41,854.00	Legal Services	ECR Compliance Plan-2011
2011	STOLL KEENON OGDEN PLLC	923900	691472	SEP-2011	56,088.62	Legal Services	ECR Compliance Plan-2011
2012	STOLL KEENON OGDEN PLLC	923900	706737	MAR-2012	(8,238.56)	Legal Services	New Gen. Resource 2011 Cane Run
2012	STOLL KEENON OGDEN PLLC	923900	706737	FEB-2012	8,238.56	Legal Services	New Gen. Resource 2011 Cane Run
2012	STOLL KEENON OGDEN PLLC	923100	720501	JUL-2012	5,300.70	Legal Services	Annual Financing Apps-2012-LG&E
2012	STOLL KEENON OGDEN PLLC	923900	708588	FEB-2012	7,743.35	Legal Services	Legislation-General (all years)
2008	TROUTMAN SANDERS LLP	923900	882766	FEB-2008	5,107.14	Legal Services	Joint Planning-Attachment K
2008	TROUTMAN SANDERS LLP	923900	882782	FEB-2008	5,351.22	Legal Services	TVA Request 2007
2008	TROUTMAN SANDERS LLP	923100	882768	FEB-2008	6,788.41	Legal Services	General Advice - Gas
2008	TROUTMAN SANDERS LLP	923100	882760	FEB-2008	9,345.33	Legal Services	Doe Run Storage Field-Leakage Concerns
2008	TROUTMAN SANDERS LLP	923100	891320	FEB-2008	12,276.87	Legal Services	General Advice - Gas
2008	TROUTMAN SANDERS LLP	923900	882809	MAR-2008	6,577.78	Legal Services	Routine Federal Government Affairs Advice
2008	TROUTMAN SANDERS LLP	923900	897623	MAR-2008	7,796.99	Legal Services	Market-Based Rate Authority
2008	TROUTMAN SANDERS LLP	923900	897595	MAR-2008	12,148.86	Legal Services	Compliance w/NERC and SERC Reliability
2008	TROUTMAN SANDERS LLP	923100	897616	MAR-2008	13,329.45	Legal Services	Standards
2008	TROUTMAN SANDERS LLP	923100	903142	APR-2008	37,519.63	Legal Services	General Advice - Gas
2008	TROUTMAN SANDERS LLP	923900	897628	MAY-2008	5,257.83	Legal Services	FERC Gas Capacity Release Inquiry
2008	TROUTMAN SANDERS LLP	923100	909149	MAY-2008	5,763.66	Legal Services	Order 890-Compliance
2008	TROUTMAN SANDERS LLP	923900	909147	MAY-2008	6,015.80	Legal Services	FERC Gas Capacity Release Inquiry
2008	TROUTMAN SANDERS LLP	923900	909135	MAY-2008	8,273.66	Legal Services	Order 890-Compliance
2008	TROUTMAN SANDERS LLP	923900	909133	MAY-2008	8,564.25	Legal Services	Compliance w/NERC and SERC Reliability
2008	TROUTMAN SANDERS LLP	923900	903139	MAY-2008	9,685.14	Legal Services	Standards
2008	TROUTMAN SANDERS LLP	923900	903146	MAY-2008	10,036.74	Legal Services	MISO-RSG #EL07-100/#04-691/#EL07-86
2008	TROUTMAN SANDERS LLP	923900	903120	MAY-2008	10,253.57	Legal Services	Order 890-Compliance
2008	TROUTMAN SANDERS LLP	923900	909156	MAY-2008	10,363.27	Legal Services	Order 890-Compliance - LSE
2008	TROUTMAN SANDERS LLP	923900	897627	MAY-2008	11,831.24	Legal Services	Compliance w/NERC and SERC Reliability
2008	TROUTMAN SANDERS LLP	923100	915437	JUN-2008	5,242.05	Legal Services	Standards
2008	TROUTMAN SANDERS LLP	923100	915432	JUN-2008	5,644.80	Legal Services	Transmission Strategy 2008
2008	TROUTMAN SANDERS LLP	923900	915421	JUN-2008	5,778.86	Legal Services	Order 890-Rehearing
2008	TROUTMAN SANDERS LLP	923900	915424	JUN-2008	6,601.21	Legal Services	FERC Natural Gas Misc.
2008	TROUTMAN SANDERS LLP	923900	915442	JUN-2008	11,550.30	Legal Services	Natural Gas Regulatory Matters-LG&E
2008	TROUTMAN SANDERS LLP	923900	909154	JUN-2008	15,694.92	Legal Services	MISO-RSG #EL07-100/#04-691/#EL07-86
2008	TROUTMAN SANDERS LLP	923900	915786	JUN-2008	21,116.39	Legal Services	Direct Assignment Tariff Amendments
2008	TROUTMAN SANDERS LLP	923900	920994	AUG-2008	5,307.23	Legal Services	Order 890-Compliance
2008	TROUTMAN SANDERS LLP	923900	921011	AUG-2008	5,475.68	Legal Services	Reliability Standards Compliance-General
							Transmission
							Transmission Strategy 2008
							Bluegrass Gen. Co.-Reactive Power Filing #05-522
							Transmission Strategy 2008

	Vendor	Account	Invoice Number	Period	Total	Services Provided	Subject Matter
2008	TROUTMAN SANDERS LLP	923100	920992	AUG-2008	6,665.19	Legal Services	General Advice - Gas
2008	TROUTMAN SANDERS LLP	923100	928776	AUG-2008	27,786.60	Legal Services	FERC Gas Capacity Release Inquiry
2008	TROUTMAN SANDERS LLP	923100	928779	SEP-2008	5,043.60	Legal Services	Order 890-Compliance - LSE
2008	TROUTMAN SANDERS LLP	923900	928771	SEP-2008	7,745.87	Legal Services	Market-Based Rate Authority
2008	TROUTMAN SANDERS LLP	923900	928781	SEP-2008	12,575.21	Legal Services	MISO-Contingency Reserve Sharing Group Agmt.
2008	TROUTMAN SANDERS LLP	923900	897603	OCT-2008	5,803.27	Legal Services	IMEA/IMPA Power Sales Issues
2008	TROUTMAN SANDERS LLP	923900	915449	OCT-2008	11,988.20	Legal Services	MISO-Contingency Reserve Sharing Group Agmt.;
2008	TROUTMAN SANDERS LLP	923900	956840	DEC-2008	5,169.00	Legal Services	MISO-RSG #EL07-100/#04-691/#EL07-86
2008	TROUTMAN SANDERS LLP	923900	928790	DEC-2008	5,579.98	Legal Services	Bi-Lateral Trading Agmts.
2008	TROUTMAN SANDERS LLP	923900	957359	DEC-2008	5,901.81	Legal Services	Transmission Strategy 2008
2008	TROUTMAN SANDERS LLP	923900	954384	DEC-2008	6,074.25	Legal Services	NITSA-KMPA 2007
2008	TROUTMAN SANDERS LLP	923900	949918	DEC-2008	7,047.26	Legal Services	Emergency Assistance Agreements (EOP-001)
2008	TROUTMAN SANDERS LLP	923900	954375	DEC-2008	7,236.81	Legal Services	Transmission Strategy 2008
2008	TROUTMAN SANDERS LLP	923900	954370	DEC-2008	7,300.70	Legal Services	Market-Based Rate Authority
2008	TROUTMAN SANDERS LLP	923900	949938	DEC-2008	7,875.97	Legal Services	Transmission Strategy 2008
2008	TROUTMAN SANDERS LLP	923900	941856	DEC-2008	12,248.38	Legal Services	MISO-Contingency Reserve Sharing Group Agmt.
2008	TROUTMAN SANDERS LLP	923100	949936	DEC-2008	30,022.08	Legal Services	FERC Gas Capacity Release Inquiry
2009	TROUTMAN SANDERS LLP	923900	963194	FEB-2009	8,128.66	Legal Services	NITSA-KMPA 2007
2009	TROUTMAN SANDERS LLP	923900	963175	FEB-2009	45,089.28	Legal Services	MISO-RSG #EL07-100/#04-691/#EL07-86
2009	TROUTMAN SANDERS LLP	923100	1185851	APR-2009	11,999.73	Legal Services	FERC Gas Capacity Release Inquiry
2009	TROUTMAN SANDERS LLP	923100	1177646	APR-2009	16,699.05	Legal Services	FERC Gas Capacity Release Inquiry
2009	TROUTMAN SANDERS LLP	923900	1177651	APR-2009	18,178.75	Legal Services	NITSA-KMPA 2007
2009	TROUTMAN SANDERS LLP	923100	1193456	MAY-2009	5,043.15	Legal Services	FERC Gas Capacity Release Inquiry
2009	TROUTMAN SANDERS LLP	923900	1193028	MAY-2009	6,452.15	Legal Services	NITSA-OMU 2009
2009	TROUTMAN SANDERS LLP	923900	1185839	MAY-2009	6,913.45	Legal Services	MISO-RSG #EL07-100/#04-691/#EL07-86
2009	TROUTMAN SANDERS LLP	923900	1185855	MAY-2009	19,543.87	Legal Services	NITSA-KMPA 2007
2009	TROUTMAN SANDERS LLP	923900	1193025	JUN-2009	5,333.86	Legal Services	NITSA-KMPA 2007
2009	TROUTMAN SANDERS LLP	923900	1193009	JUN-2009	25,051.03	Legal Services	MISO-RSG #EL07-100/#04-691/#EL07-86
2009	TROUTMAN SANDERS LLP	923900	1223555	SEP-2009	6,474.84	Legal Services	ITO Fee Dispute
2009	TROUTMAN SANDERS LLP	923900	1231335	OCT-2009	5,703.28	Legal Services	Transmission Strategy 2009-ITO Termination
2009	TROUTMAN SANDERS LLP	923100	1198862	DEC-2009	5,494.23	Legal Services	Renewable Power Supply
2009	TROUTMAN SANDERS LLP	923900	1231313	DEC-2009	6,699.69	Legal Services	Order 890-Compliance
2009	TROUTMAN SANDERS LLP	923100	1185860	DEC-2009	7,628.12	Legal Services	Renewable Power Supply
2009	TROUTMAN SANDERS LLP	923100	1193027	DEC-2009	8,637.46	Legal Services	Renewable Power Supply
2009	TROUTMAN SANDERS LLP	923900	1242144	DEC-2009	9,233.28	Legal Services	MISO-Contingency Reserve Sharing Group Agmt.
2009	TROUTMAN SANDERS LLP	923900	1236431	DEC-2009	9,636.50	Legal Services	Transmission Strategy 2009-ITO Termination
2009	TROUTMAN SANDERS LLP	923900	1247425	DEC-2009	10,738.58	Legal Services	LSE SPP/TO Tariff Issues
2009	TROUTMAN SANDERS LLP	923900	1247438	DEC-2009	15,124.51	Legal Services	Transmission Strategy 2009-ITO Termination
2009	TROUTMAN SANDERS LLP	923900	1242154	DEC-2009	24,929.55	Legal Services	Transmission Strategy 2009-ITO Termination
2010	TROUTMAN SANDERS LLP	923900	1275819	JUN-2010	5,135.02	Legal Services	NITSA-KMPA 2007
2010	TROUTMAN SANDERS LLP	923900	1280897	JUN-2010	5,177.06	Legal Services	Transmission Strategy 2009-ITO Term
2010	TROUTMAN SANDERS LLP	923900	1308225	NOV-2010	5,344.99	Legal Services	Interim IA 2010
2010	TROUTMAN SANDERS LLP	923900	1267734	MAY-2010	6,142.01	Legal Services	NITSA-KMPA 2007
2010	TROUTMAN SANDERS LLP	923900	1253249	MAR-2010	6,163.14	Legal Services	Order No. 2003 Compliance Issue
2010	TROUTMAN SANDERS LLP	923900	1253251	FEB-2010	6,173.61	Legal Services	Emergency Assistance Agreements; General Adv- Transmission (LGE/KU); NITSA-OMU 2009
2010	TROUTMAN SANDERS LLP	923900	1261634	MAR-2010	6,846.84	Legal Services	E.ON Group Affiliate Issues-General
2010	TROUTMAN SANDERS LLP	923900	1273151	JUN-2010	7,112.05	Legal Services	Transmission Strategy 2009-ITO Term
2010	TROUTMAN SANDERS LLP	923900	1253235	FEB-2010	9,000.00	Legal Services	General Advice-Generation LGE/KU

	<b>Vendor</b>	<b>Account</b>	<b>Invoice Number</b>	<b>Period</b>	<b>Total</b>	<b>Services Provided</b>	<b>Subject Matter</b>
2010	TROUTMAN SANDERS LLP	923900	1267739	APR-2010	10,393.31	Legal Services	E.ON Group Affiliate Issues-General
2010	TROUTMAN SANDERS LLP	923900	1308223	OCT-2010	14,381.23	Legal Services	Simpsonville EMS
2010	TROUTMAN SANDERS LLP	923900	1289436	AUG-2010	14,577.72	Legal Services	FERC eTariff and Doc Ret Guidelines
2010	TROUTMAN SANDERS LLP	923100	1253246	FEB-2010	14,735.33	Legal Services	Renewable Power Supply (Invenergy) OMU/KMPA Depancaking Issues; NITSA-OMU 2009
2010	TROUTMAN SANDERS LLP	923900	1280899	JUL-2010	15,765.88	Legal Services	FERC Natural Gas Misc.
2010	TROUTMAN SANDERS LLP	923100	1296897	SEP-2010	16,304.97	Legal Services	Middletown Compliance-2010
2010	TROUTMAN SANDERS LLP	923100	1304841	OCT-2010	38,508.05	Legal Services	Bluegrass/LS Power CT Trans-Fed Reg
2011	TROUTMAN SANDERS LLP	923900	1378595	OCT-2011	(5,777.52)	Legal Services	Bluegrass/LS Power CT Trans-Fed Reg
2011	TROUTMAN SANDERS LLP	923900	1378595	OCT-2011	(5,777.52)	Legal Services	Bluegrass/LS Power CT Trans-Fed Reg
2011	TROUTMAN SANDERS LLP	923900	1326078	FEB-2011	5,120.03	Legal Services	RFP for Power Purchase-2010
2011	TROUTMAN SANDERS LLP	923900	1378590	OCT-2011	5,193.99	Legal Services	Transmission Strategy 2009-ITO Term
2011	TROUTMAN SANDERS LLP	923900	1339265	MAR-2011	5,295.59	Legal Services	Seven Factor Test
2011	TROUTMAN SANDERS LLP	923900	1326077	FEB-2011	5,315.63	Legal Services	OVEC 2010 Power Purchase Ext.
2011	TROUTMAN SANDERS LLP	923900	1360435	JUL-2011	5,377.05	Legal Services	Market-Based Rate Authority
2011	TROUTMAN SANDERS LLP	923900	1385945	DEC-2011	5,392.73	Legal Services	OMU Energy Deficiency 2011
2011	TROUTMAN SANDERS LLP	923900	1366401	AUG-2011	5,579.43	Legal Services	LSE SPP/TO Tariff Issues
2011	TROUTMAN SANDERS LLP	923900	1378595	OCT-2011	5,777.52	Legal Services	Bluegrass/LS Power CT Trans-Fed Reg
2011	TROUTMAN SANDERS LLP	923900	1378595	OCT-2011	5,777.52	Legal Services	Bluegrass/LS Power CT Trans-Fed Reg
2011	TROUTMAN SANDERS LLP	923900	1395992	DEC-2011	6,500.85	Legal Services	General Advice-Hydro (Billing)
2011	TROUTMAN SANDERS LLP	923900	1366413	AUG-2011	7,955.03	Legal Services	Transmission Strategy 2009-ITO Term
2011	TROUTMAN SANDERS LLP	923900	1332132	FEB-2011	8,741.38	Legal Services	RFP for Power Purchase-2010
2011	TROUTMAN SANDERS LLP	923900	1360437	JUL-2011	8,805.44	Legal Services	Cost-Base Wholesale Tariff-LGE/KU
2011	TROUTMAN SANDERS LLP	923100	1395989	DEC-2011	9,533.60	Legal Services	MF Global Bankruptcy
2011	TROUTMAN SANDERS LLP	923900	1370063	OCT-2011	9,973.00	Legal Services	Transmission Strategy 2009-ITO Term
2011	TROUTMAN SANDERS LLP	923900	1391766	DEC-2011	10,131.66	Legal Services	General Advice-Hydro (Billing)
2011	TROUTMAN SANDERS LLP	923900	1378308	NOV-2011	11,639.54	Legal Services	Environmental-General Advice
2011	TROUTMAN SANDERS LLP	923900	1343954	APR-2011	16,549.39	Legal Services	RFP for Power Purchase-2010
2012	TROUTMAN SANDERS LLP	923100	1436908	JUL-2012	5,164.23	Legal Services	MF Global Bankruptcy
2012	TROUTMAN SANDERS LLP	923900	1404208A	MAR-2012	5,368.10	Legal Services	Order No. 1000 Compliance
2012	TROUTMAN SANDERS LLP	923900	1410645	APR-2012	5,812.85	Legal Services	Cost-Base Wholesale Tariff-LGE/KU
2012	TROUTMAN SANDERS LLP	923100	1428027	JUL-2012	6,290.20	Legal Services	MF Global Bankruptcy
2012	TROUTMAN SANDERS LLP	923900	1410652	APR-2012	7,326.49	Legal Services	Order No. 1000 Compliance
2012	TROUTMAN SANDERS LLP	923100	1404213	FEB-2012	7,531.43	Legal Services	MF Global Bankruptcy
2012	TROUTMAN SANDERS LLP	923100	1413373	JUN-2012	8,657.23	Legal Services	MF Global Bankruptcy
2012	TROUTMAN SANDERS LLP	923900	1422606	JUN-2012	9,204.96	Legal Services	OMU Energy Deficiency 2011
2012	TROUTMAN SANDERS LLP	923900	1431892	JUL-2012	9,703.41	Legal Services	Order No. 1000 Compliance
2012	TROUTMAN SANDERS LLP	923900	1415208	APR-2012	10,359.22	Legal Services	Order No. 1000 Compliance
2012	TROUTMAN SANDERS LLP	923100	1415211	JUN-2012	10,544.59	Legal Services	MF Global Bankruptcy
2012	TROUTMAN SANDERS LLP	923900	1422604	JUL-2012	13,754.37	Legal Services	Order No. 1000 Compliance
2012	TROUTMAN SANDERS LLP	930201	1431891	JUL-2012	22,857.29	Legal Services	Bluegrass/LS Power CT Trans-Fed Reg
Various	Distinct Items Less than \$5,000	Various	Various	Various	3,695,011.32		
					<u>10,633,567.66</u>		



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 222**

**Responding Witness: Daniel K. Arbough**

Q-222. List all fees during the test period, the previous two years and 2012 to date for maintaining lines of credit. List such fees for each line of credit which the Company maintains. Indicate in which account such fees are recorded.

A-222. See attached.

The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

## CONFIDENTIAL INFORMATION REDACTED

## Line of Credit Fees

	2010	2011	2012 1/1-6/30	Test Period 4/1/2011 - 3/31/2012
\$50 million bilateral line of credit	\$ 29,151			
\$50 million bilateral line of credit	29,151			
\$25 million bilateral line of credit	14,623			
\$400 million revolving line of credit:				
Amortization of upfront fees				
Commitment fees	102,146	796,549	252,278	568,056
Total line of credit fees	\$ 344,156	\$ 1,793,645	\$ 644,218	\$ 1,505,429

Fees for the three bilateral lines of credit were recorded in account #921003 - General office expense/supplies. Fees for the \$400 million revolving line of credit are recorded in account #431104 - Interest expense from financial liabilities or in amortization expense account #428019. These two accounts both are consolidated into interest expense. Note that the \$400 million revolving line of credit was in place for only 2 months in 2010.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 223**

**Responding Witness: Valerie L. Scott**

Q-223. Does the Company employ a fringe-benefit or overhead factor to assign overhead costs to specific projects? If so, state what these factors were in 2009 and 2010 and show in detail how they were calculated.

A-223. Yes. See attached.

**2009 Burden Rates\***

<b>Organization</b>	<b>Burden Component</b>	<b>01-Jan-09</b>	<b>01-Feb-09</b>	<b>01-Mar-09</b>	<b>01-May-09</b>	<b>01-Jun-09</b>	<b>01-Aug-09</b>	<b>01-Oct-09</b>	<b>01-Nov-09</b>	<b>01-Dec-09</b>
GLOBAL	WAREHOUSE OH - GENERATION KU	0.23780	0.23000	0.23000	0.23000	0.23000	0.23000	0.23000	0.23000	0.23000
GLOBAL	WAREHOUSE OH - GENERATION LGE	0.17600	0.16750	0.16750	0.16750	0.16750	0.16750	0.16750	0.16750	0.16750
GLOBAL	WAREHOUSE OH - T AND D KU	0.23780	0.23000	0.23000	0.23000	0.23000	0.23000	0.23000	0.23000	0.23000
GLOBAL	WAREHOUSE OH - T AND D LGE	0.17600	0.16750	0.16750	0.16750	0.16750	0.16750	0.16750	0.16750	0.16750
KUTL	401K	0.05052	0.05052	0.05052	0.05052	0.05052	0.05095	0.05095	0.05095	0.10693
KUTL	ADMINISTRATIVE AND GENERAL	0.01120	0.01120	0.01120	0.02000	0.02000	0.02000	0.02000	0.02000	0.02000
KUTL	DENTAL INSURANCE	0.01118	0.01118	0.01118	0.01118	0.01118	0.00599	0.00599	0.00599	0.00880
KUTL	FASB 106	0.05474	0.05474	0.05750	0.05750	0.05750	0.05869	0.05869	0.05869	0.09042
KUTL	FASB 106 INTEREST	0.06195	0.06195	0.06502	0.06502	0.06502	0.06639	0.06639	0.06639	0.10228
KUTL	FASB 112	0.00163	0.00163	0.00163	0.00163	0.00163	0.00156	0.00156	0.00156	(0.07482)
KUTL	FEDERAL UNEMPLOYMENT TAXES	0.00088	0.00088	0.00088	0.00088	0.00088	0.00090	0.00090	0.00090	0.00138
KUTL	FICA	0.08629	0.08629	0.08629	0.08629	0.08629	0.09167	0.09167	0.09167	0.11147
KUTL	GROUP LIFE INSURANCE	0.00751	0.00751	0.00751	0.00751	0.00751	0.00373	0.00373	0.00373	(0.00267)
KUTL	HOLIDAY	0.05056	0.05056	0.05056	0.05056	0.05056	0.04980	0.04980	0.04980	0.06062
KUTL	LONG TERM DISABILITY	0.00856	0.00856	0.00856	0.00856	0.00856	0.00041	0.00041	0.00041	(0.00367)
KUTL	MEDICAL INSURANCE	0.16274	0.16274	0.16274	0.16274	0.16274	0.15911	0.15911	0.15911	0.11438
KUTL	OTHER BENEFITS	0.00642	0.00642	0.01884	0.01884	0.01884	0.01904	0.01904	0.01904	(0.09377)
KUTL	OTHER OFF-DUTY	0.01379	0.01379	0.01379	0.01379	0.01379	0.01359	0.01359	0.01359	(0.00598)
KUTL	PENSION INTEREST	(0.05603)	(0.05603)	0.10252	0.10252	0.10252	0.06687	0.06687	0.06687	0.10759
KUTL	PENSIONS	0.13491	0.13491	0.33012	0.33012	0.33012	0.33384	0.33384	0.33384	0.51478
KUTL	RETIREMENT INCOME	0.00712	0.00712	0.00712	0.00712	0.00712	0.00685	0.00685	0.00685	(0.02665)
KUTL	SICK	0.04367	0.04367	0.04367	0.04367	0.04367	0.04303	0.04303	0.04303	0.06379
KUTL	STATE UNEMPLOYMENT TAXES	0.00073	0.00073	0.00073	0.00073	0.00073	0.00198	0.00198	0.00198	0.00535
KUTL	TEAM INCENTIVE AWARD	0.07789	0.07789	0.07789	0.07789	0.07789	0.07462	0.07462	0.07462	(0.01599)
KUTL	VACATION	0.09165	0.09165	0.09165	0.09165	0.09165	0.09023	0.09023	0.09023	0.20683
KUTL	WORKERS COMP	0.01624	0.01624	0.01624	0.01624	0.01624	0.01602	0.01602	0.01602	0.09532
KUTL	ENGINEERING OH - GEN	0.01000	0.01000	0.01000	0.01000	0.01300	0.01300	0.02500	0.02500	0.02500
KUTL	ENGINEERING OH - TRANS	0.07000	0.07000	0.07000	0.07000	0.07000	0.07000	0.07000	0.07000	0.07000
KUTL	ENGINEERING OH - DIST	0.17000	0.14000	0.14000	0.11000	0.11000	0.11000	0.02000	0.02000	0.02000
KUTL	ENGINEERING OH - DIST	0.17000	0.14000	0.14000	0.11000	0.11000	0.11000	0.02000	0.02000	0.02000
LUTL	401K	0.04995	0.04995	0.04995	0.04995	0.04995	0.03750	0.03750	0.03750	0.10176

**2009 Burden Rates\***

Organization	Burden Component	01-Jan-09	01-Feb-09	01-Mar-09	01-May-09	01-Jun-09	01-Aug-09	01-Oct-09	01-Nov-09	01-Dec-09
LUTL	ADMINISTRATIVE AND GENERAL	0.01790	0.01790	0.01790	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000
LUTL	DENTAL INSURANCE	0.00993	0.00993	0.00993	0.00993	0.00993	0.00548	0.00548	0.00548	0.00099
LUTL	FASB 106	0.05982	0.05982	0.05755	0.05755	0.05755	0.05818	0.05818	0.05818	0.07025
LUTL	FASB 106 INTEREST	0.09449	0.09449	0.08825	0.08825	0.08825	0.08922	0.08922	0.08922	0.10778
LUTL	FASB 112	0.00825	0.00825	0.00825	0.00825	0.00825	0.00766	0.00766	0.00766	(0.03440)
LUTL	FEDERAL UNEMPLOYMENT TAXES	0.00082	0.00082	0.00082	0.00082	0.00082	0.00106	0.00106	0.00106	(0.00352)
LUTL	FICA	0.08338	0.08338	0.08338	0.08338	0.08338	0.10189	0.10189	0.10189	0.07529
LUTL	GROUP LIFE INSURANCE	0.00624	0.00624	0.00624	0.00624	0.00624	0.00293	0.00293	0.00293	(0.00475)
LUTL	HOLIDAY	0.04948	0.04948	0.04948	0.04948	0.04948	0.04621	0.04621	0.04621	0.08664
LUTL	LONG TERM DISABILITY	0.00847	0.00847	0.00847	0.00847	0.00847	(0.00083)	(0.00083)	(0.00083)	(0.00641)
LUTL	MEDICAL INSURANCE	0.14490	0.14490	0.14490	0.14490	0.14490	0.13525	0.13525	0.13525	0.05015
LUTL	OTHER BENEFITS	0.00626	0.00626	0.01800	0.01800	0.01800	0.01818	0.01818	0.01818	(0.04142)
LUTL	OTHER OFF-DUTY	0.00900	0.00900	0.00900	0.00900	0.00900	0.00839	0.00839	0.00839	(0.01174)
LUTL	PENSION INTEREST	(0.12450)	(0.12450)	0.09829	0.09829	0.09829	0.07928	0.07928	0.07928	0.09650
LUTL	PENSIONS	0.20740	0.20740	0.43419	0.43419	0.43419	0.43866	0.43866	0.43866	0.52939
LUTL	RETIREMENT INCOME	0.00651	0.00651	0.00651	0.00651	0.00651	0.00647	0.00647	0.00647	(0.01608)
LUTL	SICK	0.02474	0.02474	0.02474	0.02474	0.02474	0.03241	0.03241	0.03241	0.03566
LUTL	STATE UNEMPLOYMENT TAXES	0.00058	0.00058	0.00058	0.00058	0.00058	0.00250	0.00250	0.00250	(0.00031)
LUTL	TEAM INCENTIVE AWARD	0.07785	0.07785	0.07785	0.07785	0.07785	0.08621	0.08621	0.08621	(0.03076)
LUTL	WORKERS COMP	0.01838	0.01838	0.01838	0.01838	0.01838	0.01716	0.01716	0.01716	(0.08520)
LUTL	ENGINEERING OH - DIST	0.12000	0.13000	0.13000	0.13000	0.13000	0.13000	0.09000	0.09000	0.09000
LUTL	ENGINEERING OH - GEN	0.01000	0.01000	0.01000	0.01000	0.00000	0.00000	0.00000	0.00000	0.00000
LUTL	ENGINEERING OH - TRANS	0.07000	0.07000	0.07000	0.07000	0.07000	0.12000	0.12000	0.12000	0.12000
LUTL	ENGINEERING OH - DIST	0.12000	0.13000	0.13000	0.13000	0.13000	0.13000	0.09000	0.09000	0.09000
LUTL	ENGINEERING OH - DIST	0.12000	0.13000	0.13000	0.13000	0.13000	0.13000	0.09000	0.09000	0.09000
SERV	401K	0.04975	0.04975	0.04975	0.04975	0.04975	0.04980	0.04980	0.04980	(0.02733)
SERV	DENTAL INSURANCE	0.00769	0.00769	0.00769	0.00769	0.00769	0.00393	0.00393	0.00393	0.00038
SERV	FASB 106	0.01931	0.01931	0.02191	0.02191	0.02191	0.02056	0.02056	0.02056	0.01989
SERV	FASB 106 INTEREST	0.00374	0.00374	0.00751	0.00751	0.00751	0.00714	0.00714	0.00714	0.00691
SERV	FASB 112	0.00561	0.00561	0.00561	0.00561	0.00561	0.00561	0.00561	0.00561	(0.04531)
SERV	FEDERAL UNEMPLOYMENT TAXES	0.00078	0.00078	0.00078	0.00078	0.00078	0.00105	0.00105	0.00105	(0.00231)
SERV	FICA	0.08134	0.08134	0.08134	0.08134	0.08134	0.08000	0.08000	0.08000	0.15127

**2009 Burden Rates\***

<b>Organization</b>	<b>Burden Component</b>	<b>01-Jan-09</b>	<b>01-Feb-09</b>	<b>01-Mar-09</b>	<b>01-May-09</b>	<b>01-Jun-09</b>	<b>01-Aug-09</b>	<b>01-Oct-09</b>	<b>01-Nov-09</b>	<b>01-Dec-09</b>
SERV	GROUP LIFE INSURANCE	0.00739	0.00739	0.00739	0.00739	0.00739	0.00150	0.00150	0.00150	(0.00314)
SERV	HOLIDAY	0.04901	0.04901	0.04901	0.04901	0.04901	0.04906	0.04906	0.04906	0.04204
SERV	LONG TERM DISABILITY	0.00843	0.00843	0.00843	0.00843	0.00843	(0.00023)	(0.00023)	(0.00023)	(0.00571)
SERV	MEDICAL INSURANCE	0.11096	0.11096	0.11096	0.11096	0.11096	0.10534	0.10534	0.10534	(0.01430)
SERV	OTHER BENEFITS	0.00465	0.00465	0.01241	0.01241	0.01241	0.01723	0.01723	0.01723	(0.05637)
SERV	OTHER OFF-DUTY	0.01337	0.01337	0.01337	0.01337	0.01337	0.01338	0.01338	0.01338	(0.00184)
SERV	PENSION INTEREST	0.00428	0.00428	0.05117	0.05117	0.05117	0.08207	0.08207	0.08207	0.08048
SERV	PENSIONS	0.15204	0.15204	0.23617	0.23617	0.23617	0.22355	0.22355	0.22355	0.21628
SERV	RETIREMENT INCOME	0.00663	0.00663	0.00663	0.00663	0.00663	0.00711	0.00711	0.00711	(0.01321)
SERV	SICK	0.02228	0.02228	0.02228	0.02228	0.02228	0.02230	0.02230	0.02230	0.02977
SERV	STATE UNEMPLOYMENT TAXES	0.00290	0.00290	0.00290	0.00290	0.00290	0.00212	0.00212	0.00212	(0.01264)
SERV	TEAM INCENTIVE AWARD	0.13575	0.13575	0.13575	0.13575	0.13575	0.13351	0.13351	0.13351	(0.20915)
SERV	VACATION	0.07828	0.07828	0.07828	0.07828	0.07828	0.07834	0.07834	0.07834	0.23380
SERV	WORKERS COMP	0.00056	0.00056	0.00056	0.00056	0.00056	0.00057	0.00057	0.00057	(0.00579)

\*Data is provided for months in which a rate changed.

**2010 Burden Rates\***

<b>Organization</b>	<b>Burden Component</b>	<b>01-Jan-10</b>	<b>01-Feb-10</b>	<b>01-Apr-10</b>	<b>01-May-10</b>	<b>01-Jul-10</b>	<b>01-Dec-10</b>
GLOBAL	WAREHOUSE OH - GENERATION KU	0.23000	0.23000	0.23000	0.23000	0.23000	0.23000
GLOBAL	WAREHOUSE OH - GENERATION LGE	0.14500	0.14500	0.14500	0.14500	0.14500	0.14500
GLOBAL	WAREHOUSE OH - T AND D KU	0.23000	0.23000	0.23000	0.23000	0.23000	0.23000
GLOBAL	WAREHOUSE OH - T AND D LGE	0.14500	0.14500	0.14500	0.14500	0.14500	0.14500
KUTL	401K	0.04994	0.04994	0.04862	0.04952	0.04952	0.11422
KUTL	ADMINISTRATIVE AND GENERAL	0.02400	0.02400	0.02400	0.02400	0.02400	0.02400
KUTL	DENTAL INSURANCE	0.00993	0.00993	0.00966	0.00984	0.00984	(0.00787)
KUTL	FASB 106	0.05680	0.05680	0.05687	0.05791	0.05791	0.09759
KUTL	FASB 106 INTEREST	0.06283	0.06283	0.05332	0.05430	0.05430	0.06607
KUTL	FASB 112	0.00202	0.00202	0.00196	0.00199	0.00199	(0.07896)
KUTL	FEDERAL UNEMPLOYMENT TAXES	0.00082	0.00082	0.00091	0.00093	0.00093	0.00097
KUTL	FICA	0.08981	0.08981	0.09939	0.10090	0.10090	0.04525
KUTL	GROUP LIFE INSURANCE	0.00502	0.00502	0.00489	0.00498	0.00498	0.01100
KUTL	HOLIDAY	0.05057	0.05057	0.04923	0.05014	0.05014	0.11616
KUTL	LONG TERM DISABILITY	0.00517	0.00517	0.00504	0.00513	0.00513	0.01293
KUTL	MEDICAL INSURANCE	0.16816	0.16816	0.16369	0.16670	0.16670	0.14081
KUTL	OTHER BENEFITS	0.01732	0.01732	0.01686	0.01717	0.01717	(0.05174)
KUTL	OTHER OFF-DUTY	0.01379	0.01379	0.01343	0.01367	0.01367	(0.00842)
KUTL	PENSION INTEREST	0.04933	0.04933	0.02672	0.02723	0.02723	0.05921
KUTL	PENSIONS	0.29474	0.29474	0.24155	0.24601	0.24601	0.52067
KUTL	RETIREMENT INCOME	0.00366	0.00366	0.00356	0.00409	0.00409	0.03135
KUTL	SICK	0.04368	0.04368	0.04252	0.04749	0.04749	0.05247
KUTL	STATE UNEMPLOYMENT TAXES	0.00114	0.00114	0.00126	0.00128	0.00128	0.00127
KUTL	TEAM INCENTIVE AWARD	0.07794	0.07794	0.09575	0.09723	0.09723	0.12368

**2010 Burden Rates\***

<b>Organization</b>	<b>Burden Component</b>	<b>01-Jan-10</b>	<b>01-Feb-10</b>	<b>01-Apr-10</b>	<b>01-May-10</b>	<b>01-Jul-10</b>	<b>01-Dec-10</b>
KUTL	VACATION	0.09194	0.09194	0.08950	0.09114	0.09114	0.29622
KUTL	WORKERS COMP	0.01560	0.01560	0.01520	(0.01718)	(0.01718)	(0.11125)
KUTL	ENGINEERING OH - GEN	0.01300	0.01300	0.01300	0.01300	0.04000	0.00000
KUTL	ENGINEERING OH - TRANS	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000
KUTL	ENGINEERING OH - DIST	0.14000	0.14000	0.14000	0.14000	0.14000	0.14000
KUTL	ENGINEERING OH - DIST	0.14000	0.14000	0.14000	0.14000	0.14000	0.14000
LUTL	401K	0.04926	0.04926	0.04947	0.04977	0.04977	0.06341
LUTL	ADMINISTRATIVE AND GENERAL	0.01700	0.01700	0.01700	0.01700	0.01700	0.01700
LUTL	DENTAL INSURANCE	0.00878	0.00878	0.00878	0.00883	0.00883	(0.00438)
LUTL	FASB 106	0.04884	0.04884	0.04448	0.04473	0.04473	0.07540
LUTL	FASB 106 INTEREST	0.08566	0.08566	0.07431	0.07471	0.07471	0.06229
LUTL	FASB 112	0.00993	0.00993	0.00984	0.00990	0.00990	(0.21985)
LUTL	FEDERAL UNEMPLOYMENT TAXES	0.00079	0.00079	0.00100	0.00098	0.00098	0.00080
LUTL	FICA	0.08892	0.08892	0.11320	0.11142	0.11142	(0.06940)
LUTL	GROUP LIFE INSURANCE	0.00179	0.00179	0.00178	0.00179	0.00179	0.05785
LUTL	HOLIDAY	0.04937	0.04937	0.04955	0.04984	0.04984	0.12641
LUTL	LONG TERM DISABILITY	0.00510	0.00510	0.00508	0.00512	0.00512	0.00160
LUTL	MEDICAL INSURANCE	0.15014	0.15014	0.15015	0.15105	0.15105	0.10023
LUTL	OTHER BENEFITS	0.01627	0.01627	0.01616	0.01625	0.01625	(0.01338)
LUTL	OTHER OFF-DUTY	0.00898	0.00898	0.00894	0.00899	0.00899	(0.02063)
LUTL	PENSION INTEREST	0.03283	0.03283	0.00238	0.00229	0.00229	0.00290
LUTL	PENSIONS	0.36811	0.36811	0.31772	0.31944	0.31944	0.52819
LUTL	RETIREMENT INCOME	0.00393	0.00393	0.00389	0.00471	0.00471	0.03205
LUTL	SICK	0.02469	0.02469	0.02475	0.02490	0.02490	0.05014



**2010 Burden Rates\***

<b>Organization</b>	<b>Burden Component</b>	<b>01-Jan-10</b>	<b>01-Feb-10</b>	<b>01-Apr-10</b>	<b>01-May-10</b>	<b>01-Jul-10</b>	<b>01-Dec-10</b>
LUTL	STATE UNEMPLOYMENT TAXES	0.00113	0.00113	0.00144	0.00141	0.00141	0.00099
LUTL	TEAM INCENTIVE AWARD	0.07879	0.07879	0.09749	0.09800	0.09800	0.17835
LUTL	VACATION	0.08844	0.08844	0.08882	0.08935	0.08935	0.27677
LUTL	WORKERS COMP	0.01714	0.01714	0.01693	0.01263	0.01263	(0.11223)
LUTL	ENGINEERING OH - DIST	0.12000	0.12000	0.12000	0.12000	0.12000	0.12000
LUTL	ENGINEERING OH - GEN	0.01300	0.01300	0.01300	0.01300	0.00000	0.00000
LUTL	ENGINEERING OH - TRANS	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000
LUTL	ENGINEERING OH - DIST	0.12000	0.12000	0.12000	0.12000	0.12000	0.12000
LUTL	ENGINEERING OH - DIST	0.12000	0.12000	0.12000	0.12000	0.12000	0.12000
SERV	401K	0.04933	0.04933	0.04841	0.04839	0.04839	0.01971
SERV	DENTAL INSURANCE	0.00681	0.00681	0.00668	0.00667	0.00667	0.00304
SERV	FASB 106	0.02089	0.02089	0.02210	0.02210	0.02210	0.04502
SERV	FASB 106 INTEREST	0.00436	0.00436	0.00242	0.00240	0.00240	0.00479
SERV	FASB 112	0.00567	0.00567	0.00556	0.00556	0.00556	0.01618
SERV	FEDERAL UNEMPLOYMENT TAXES	0.00077	0.00077	0.00076	0.00076	0.00076	0.00297
SERV	FICA	0.09084	0.09084	0.08942	0.08923	0.08923	0.17337
SERV	GROUP LIFE INSURANCE	0.00496	0.00496	0.00487	0.00487	0.00487	0.00198
SERV	HOLIDAY	0.04903	0.04903	0.04812	0.04810	0.04810	0.12130
SERV	LONG TERM DISABILITY	0.00511	0.00511	0.00501	0.00501	0.00501	0.00921
SERV	MEDICAL INSURANCE	0.11541	0.11541	0.11325	0.11321	0.11321	0.18114
SERV	OTHER BENEFITS	0.01307	0.01307	0.01282	0.01281	0.01281	(0.08140)
SERV	OTHER OFF-DUTY	0.01337	0.01337	0.01312	0.01312	0.01312	(0.00547)
SERV	PENSION INTEREST	0.05155	0.05155	0.04355	0.04349	0.04349	0.09729
SERV	PENSIONS	0.20613	0.20613	0.18930	0.18914	0.18914	0.40026

**2010 Burden Rates\***

<b>Organization</b>	<b>Burden Component</b>	<b>01-Jan-10</b>	<b>01-Feb-10</b>	<b>01-Apr-10</b>	<b>01-May-10</b>	<b>01-Jul-10</b>	<b>01-Dec-10</b>
SERV	RETIREMENT INCOME	0.00561	0.00561	0.00550	0.00628	0.00628	0.01836
SERV	SICK	0.02229	0.02229	0.02187	0.02186	0.02186	0.06677
SERV	STATE UNEMPLOYMENT TAXES	0.00200	0.00200	0.00197	0.00196	0.00196	0.00403
SERV	TEAM INCENTIVE AWARD	0.12983	0.12983	0.13301	0.13278	0.13278	0.49623
SERV	VACATION	0.07875	0.07875	0.07730	0.07726	0.07726	0.29271
SERV	WORKERS COMP	0.00047	0.00047	0.00047	0.00047	0.00047	(0.00312)

\*Data is provided for months in which a rate changed.

LGE, KU, SERVCO

Labor Burden Calculation and Benefit Dollars  
January 2009

Labor Base Calculation:

	Rates			Dollars			
	LGE	KU	Servco	LGE	KU	Servco	Total
Group Life Insurance <sup>1</sup>	0.00624	0.00751	0.00739	336,260	385,964	585,069	1,307,294
Dental Insurance <sup>1</sup>	0.00993	0.01118	0.00769	534,887	574,733	608,765	1,718,385
Medical Insurance <sup>1</sup>	0.14490	0.16274	0.11096	7,804,168	8,369,077	8,783,042	24,956,288
Other Benefits <sup>1</sup>	0.00626	0.00642	0.00465	337,000	330,120	368,326	1,035,446
Pension <sup>1</sup>	0.20740	0.13491	0.15204	11,170,507	6,937,858	12,035,344	30,143,709
Pension Interest <sup>1</sup>	(0.12450)	(0.05603)	0.00428	(6,705,795)	(2,881,599)	338,740	(9,248,654)
FASB 106 <sup>1</sup>	0.05982	0.05474	0.01931	3,221,832	2,815,251	1,528,335	7,565,418
Fasb 106 interest <sup>1</sup>	0.09449	0.06195	0.00374	5,089,190	3,185,610	296,086	8,570,886
Thrift (401K) <sup>1</sup>	0.04995	0.05052	0.04975	2,690,499	2,597,838	3,937,965	9,226,302
Worker's Comp <sup>1</sup>	0.01838	0.01624	0.00056	990,000	835,000	44,500	1,869,500
LT Disability <sup>1</sup>	0.00847	0.00856	0.00843	456,104	440,395	667,579	1,564,078
FASB 112 <sup>1</sup>	0.00825	0.00163	0.00561	444,463	83,975	444,026	972,464
Retirement Inc. acct <sup>1</sup>	0.00651	0.00712	0.00663	350,704	366,039	524,928	1,241,672
	0.49610	0.46748	0.38105	26,719,819	24,040,262	30,162,705	80,922,787
Team Incentive Award <sup>2</sup>	0.07785	0.07789	0.13575	5,177,381	4,870,676	10,832,785	20,880,842
Vacation <sup>1</sup>	0.09081	0.09165	0.07828	4,891,188	4,713,212	6,196,455	15,800,855
Holiday <sup>1</sup>	0.04948	0.05056	0.04901	2,665,011	2,600,096	3,879,740	9,144,847
Sick <sup>1</sup>	0.02474	0.04367	0.02228	1,332,505	2,245,538	1,763,518	5,341,561
Other Off-Duty <sup>1</sup>	0.00900	0.01379	0.01337	484,547	709,117	1,058,111	2,251,775
	0.17403	0.19967	0.16294	9,373,251	10,267,964	12,897,824	32,539,039
FICA <sup>2</sup>	0.08338	0.08629	0.08134	5,545,558	5,395,478	6,491,452	17,432,487
FUTA <sup>2</sup>	0.00082	0.00088	0.00078	54,264	54,824	62,216	171,304
SUTA <sup>2</sup>	0.00058	0.00073	0.00290	38,760	45,625	231,678	316,064
	0.08478	0.08789	0.08503	5,638,582	5,495,927	6,785,346	17,919,855
Total Dollars	0.83275	0.83293	0.76476	46,909,033	44,674,829	60,678,661	152,262,522
Straight time Rate	83.275%	83.293%	76.476%				
Overtime Rate	16.263%	16.579%	22.077%				

<sup>1</sup>Benefit Dollars divided Straight-Time Labor

<sup>2</sup>Benefit Dollars divided by Total Labor

Hours	Exempt	Non Exempt	Bargaining Unit	Hrly-non union	Vacancies	Total
<b>LGE UTILITY</b>						
Staffing level	211	86	665	0	7	969
Vacation Hours	36,600	13,440	104,680		560	155,280
Avg Rate after increase	42.25	21.35	29.04		31.25	
Total Labor	2,088	18,615,813	3,833,358	40,327,468	456,795	63,233,434
Vacation dollars	1,546,501	286,913	3,040,273	0	17,502	4,891,188
Holiday dollars	88	784,575	161,559	1,699,625	0	19,252
Sick dollars	44	392,287	80,780	849,813	0	9,626
Other off-duty	16	142,650	29,374	309,023	0	3,500
<b>Total off-duty</b>		2,866,012	558,626	5,898,733	0	49,880
Straight-Time Net Available Dollars		15,749,801	3,274,732	34,428,735	0	406,915
OT based on hist.avg					0	12,646,687
		<b>Total Straight-Time Net Available \$ and OT Based on Hist. Avg.</b>				<b>66,506,870</b>
<b>KU</b>						
Staffing level	135	227	153	445	19	979
Vacation Hours	23,560	38,360	23,680	68,800	1,520	155,920
Avg Rate after increase	39.36	24.92	29.52	30.30	30.18	
Total Labor	2,088	11,094,104	11,813,277	9,430,442	28,158,060	1,197,314
Vacation dollars		927,264	956,076	699,024	2,084,974	45,874
Holiday dollars	88	467,568	497,878	397,452	1,186,738	50,462
Sick dollars	76	403,808	429,985	343,254	1,024,910	43,580
Other off-duty	24	127,518	135,785	108,396	323,656	13,762
<b>Total off-duty</b>		1,926,158	2,019,724	1,548,125	4,620,278	153,678
Straight-Time Net Available Dollars		9,167,946	9,793,553	7,882,317	23,537,782	1,043,636
OT based on hist.avg						11,104,776
		<b>Total Straight-Time Net Available \$ and OT Based on Hist. Avg.</b>				<b>62,530,010</b>
<b>LG&amp;E and KU Services Company</b>						
Staffing level	807	241	0	0	63	1,111
Vacation Hours	118,240	30,480	0	0	5,040	153,760
Avg Rate after increase	45.54	20.06			39.68	
Total Labor	2,088	76,739,347	10,096,220	0	5,220,077	92,055,644
Vacation dollars		5,384,911	611,542	0	200,003	6,196,455
Holiday dollars	88	3,234,225	425,511	0	220,003	3,879,740
Sick dollars	40	1,470,102	193,414	0	100,001	1,763,518
Other off-duty	24	882,061	116,049	0	60,001	1,058,111
<b>Total off-duty</b>		10,971,300	1,346,516	0	580,009	12,897,824
Straight-Time Net Available Dollars		65,768,047	8,749,704	0	4,640,068	79,157,820
OT based on hist.avg						644,390
		<b>Total Straight-Time Net Available \$ and OT Based on Hist. Avg.</b>				<b>79,802,210</b>

**Labor Burden Calculation and Benefit Dollars**

March 2009

	(1) Percents in Oracle Feb	(2) Full Year Estimate	(3) YTD Jan Burdens from Disc	(4) Feb Burden Estimate	(5) YTD Feb Est burdens (3) + (4)	(6) Remaining Burdens Mar - Dec (2) - (5)	(7) Labor Base Mar - Dec	Burden % Mar - Dec (6) / (7)	Difference	Feb Labor
<b>Servco</b>										
Life	0.00739	585,069	47,959	41,812	89,772	495,298	64,874,447	<b>0.00763</b>	-0.02%	5,657,924
Dental	0.00769	608,765	49,896	43,509	93,405	515,360		<b>0.00794</b>	-0.03%	
Medical	0.11096	8,783,042	720,042	627,803	1,347,845	7,435,197		<b>0.11461</b>	-0.36%	
Other Benefits	0.00465	861,874	30,171	26,309	56,480	805,394		<b>0.01241</b>	-0.78%	
401(k)	0.04975	3,937,965	322,765	281,482	604,247	3,333,718		<b>0.05139</b>	-0.16%	
LT Disability	0.00843	667,579	54,712	47,696	102,409	565,170		<b>0.00871</b>	-0.03%	
Retirement Income	0.00663	524,928	43,039	37,512	80,551	444,377		<b>0.00685</b>	-0.02%	
Pension	0.15204	17,168,455	986,715	860,231	1,846,946	15,321,509		<b>0.23617</b>	-8.41%	
Pension Interest	0.00428	3,371,823	27,781	24,216	51,997	3,319,826		<b>0.05117</b>	-4.69%	
Fasb 106	0.01931	1,656,049	125,320	109,255	234,575	1,421,474		<b>0.02191</b>	-0.26%	
Fasb 106 interest	0.00374	532,425	24,274	21,161	45,434	486,991		<b>0.00751</b>	-0.38%	
Fasb 112	0.00561	444,026	36,386	31,741	68,127	375,899		<b>0.00579</b>	-0.02%	
Team Incentive Awarc	0.13575	10,832,785	898,152	800,931	1,699,083	9,133,702		<b>0.13994</b>	-0.42%	
Workers Comp	0.00056	44,500	3,631	3,168	6,800	37,700		<b>0.00058</b>	0.00%	
<b>Total benefits</b>	<b>0.51679</b>	<b>50,019,285</b>	<b>3,370,843</b>	<b>2,956,826</b>	<b>6,327,670</b>	<b>43,691,615</b>		<b>0.67263</b>	<b>-15.58%</b>	
<b>Off-duty</b>										
Vacation	0.07828	6,196,455	508,136	442,902	951,039	5,245,417		<b>0.08085</b>	-0.26%	
Holiday	0.04901	3,879,740	318,061	277,295	595,356	3,284,384		<b>0.05063</b>	-0.16%	
Sick	0.02228	1,763,518	144,563	126,059	270,621	1,492,897		<b>0.02301</b>	-0.07%	
Other	0.01337	1,058,111	86,746	75,646	162,392	895,719		<b>0.01381</b>	-0.04%	
	<b>0.16294</b>	<b>12,897,824</b>	<b>1,057,506</b>	<b>921,902</b>	<b>1,979,408</b>	<b>10,918,416</b>		<b>0.16830</b>	<b>-0.54%</b>	
<b>Payroll taxes</b>										
FICA	0.08134	6,491,452	755,424	479,909	1,235,334	5,256,118	65,268,551	<b>0.08053</b>	0.08%	5,900,043
FUTA	0.00078	62,216	(11,933)	4,602	(7,331)	69,547		<b>0.00107</b>	-0.03%	
SUTA	0.00290	231,678	(27,059)	17,110	(9,949)	241,627		<b>0.00370</b>	-0.08%	
	<b>0.08502</b>	<b>6,785,346</b>	<b>716,432</b>	<b>501,622</b>	<b>1,218,054</b>	<b>5,567,292</b>		<b>0.08530</b>	<b>-0.03%</b>	
<b>Total</b>	<b>76.475%</b>	<b>69,702,455</b>	<b>5,144,782</b>	<b>4,380,350</b>	<b>9,525,132</b>	<b>60,177,323</b>		<b>92.623%</b>	<b>-16.15%</b>	

**Labor Burden Calculation and Benefit Dollars**

March 2009

	(1) Percents in Oracle Feb	(2) Full Year Estimate	(3) YTD Jan Burdens from Disc	(4) Feb Burden Estimate	(5) YTD Feb Est burdens (3) + (4)	(6) Remaining Burdens Mar - Dec (2) - (5)	(7) Labor Base Mar - Dec	Burden % Mar - Dec (6) / (7)	Difference	Feb Labor
<b>LGE</b>										
Life	0.00624	336,260	27,933	27,010	54,943	281,317	46,846,931	<b>0.00601</b>	0.02%	4,328,464
Dental	0.00993	534,887	44,647	42,982	87,628	447,259		<b>0.00955</b>	0.04%	
Medical	0.14490	7,804,168	650,435	627,194	1,277,629	6,526,539		<b>0.13932</b>	0.56%	
Other Benefits	0.00626	898,463	28,073	27,096	55,169	843,294		<b>0.01800</b>	-1.17%	
401(k)	0.04995	2,690,499	223,913	216,207	440,120	2,250,380		<b>0.04804</b>	0.19%	
LT Disability	0.00847	456,104	37,965	36,662	74,627	381,476		<b>0.00814</b>	0.03%	
Retirement Income	0.00651	350,704	29,152	28,178	57,331	293,373		<b>0.00626</b>	0.02%	
Pension	0.20740	22,167,163	929,062	897,723	1,826,786	20,340,377		<b>0.43419</b>	-22.68%	
Pension Interest	(0.12450)	3,507,611	(557,876)	(538,894)	(1,096,770)	4,604,381		<b>0.09829</b>	-22.28%	
Fasb 106	0.05982	3,222,892	267,983	258,929	526,912	2,695,980		<b>0.05755</b>	0.23%	
Fasb 106 Interest	0.09449	4,966,581	423,222	408,997	832,219	4,134,362		<b>0.08825</b>	0.62%	
Fasb 112	0.00825	444,463	38,077	35,710	73,787	370,676		<b>0.00791</b>	0.03%	
Team Incentive Awarc	0.07785	5,177,381	456,298	398,029	854,327	4,323,054		<b>0.07932</b>	-0.15%	
Workers Comp	0.01838	990,000	82,519	79,557	162,076	827,924		<b>0.01767</b>	0.07%	
Total benefits	<u>0.57395</u>	<u>53,547,176</u>	<u>2,681,404</u>	<u>2,545,379</u>	<u>5,226,783</u>	<u>48,320,392</u>		<u><b>1.01849</b></u>	<u>-44.45%</u>	
<b>Off-duty</b>										
Vacation	0.09081	4,891,188	406,611	393,068	799,679	4,091,509		<b>0.08734</b>	0.35%	
Holiday	0.04948	2,665,011	221,507	214,172	435,680	2,229,331		<b>0.04759</b>	0.19%	
Sick	0.02474	1,332,505	110,916	107,086	218,002	1,114,503		<b>0.02379</b>	0.09%	
Other	0.00900	484,547	40,373	38,956	79,329	405,219		<b>0.00865</b>	0.04%	
	<u>0.17403</u>	<u>9,373,251</u>	<u>779,407</u>	<u>753,283</u>	<u>1,532,690</u>	<u>7,840,561</u>		<u><b>0.16737</b></u>	<u>0.67%</u>	
<b>Payroll taxes</b>										
FICA	0.08338	5,545,558	520,857	426,302	947,159	4,598,398	54,500,997	<b>0.09816</b>	-1.48%	5,112,762
FUTA	0.00082	54,264	(9,715)	4,192	(5,523)	59,787		<b>0.00128</b>	-0.05%	
SUTA	0.00058	38,760	(2,384)	2,965	582	38,178		<b>0.00081</b>	-0.02%	
	<u>0.08478</u>	<u>5,638,582</u>	<u>508,758</u>	<u>433,460</u>	<u>942,218</u>	<u>4,696,363</u>		<u><b>0.10025</b></u>	<u>-1.55%</u>	
Total	<u><b>83.276%</b></u>	<u>68,559,009</u>	<u>3,969,570</u>	<u>3,732,122</u>	<u>7,701,691</u>	<u>60,857,317</u>		<u><b>128.611%</b></u>	<u>-45.33%</u>	

**Labor Burden Calculation and Benefit Dollars**

March 2009

	(1) Percents in Oracle Feb	(2) Full Year Estimate	(3) YTD Jan Burdens from Disc	(4) Feb Burden Estimate	(5) YTD Feb burdens (3) + (4)	(6) Remaining Burdens Mar - Dec (2) - (5)	(7) Labor Base Mar - Dec	Burden % Mar - Dec (6) / (7)	Difference	Feb Labor
<b>KU</b>										
Life	0.00751	385,964	31,711	30,550	62,261	323,704	43,957,529	<b>0.00736</b>	0.01%	4,067,914
Dental	0.01118	574,733	46,828	45,479	92,307	482,426		<b>0.01097</b>	0.02%	
Medical	0.16274	8,369,077	683,938	662,012	1,345,950	7,023,127		<b>0.15977</b>	0.30%	
Other Benefits	0.00642	881,324	26,888	26,116	53,004	828,319		<b>0.01884</b>	-1.24%	
401(k)	0.05052	2,597,838	212,752	205,511	418,263	2,179,575		<b>0.04958</b>	0.09%	
LT Disability	0.00856	440,395	36,100	34,821	70,922	369,474		<b>0.00841</b>	0.02%	
Retirement Income	0.00712	366,039	29,842	28,964	58,806	307,233		<b>0.00699</b>	0.01%	
Pension	0.13491	15,628,900	568,646	548,802	1,117,448	14,511,452		<b>0.33012</b>	-19.52%	
Pension Interest	(0.05603)	4,042,435	(236,117)	(227,925)	(464,042)	4,506,477		<b>0.10252</b>	-15.85%	
Fasb 106	0.05474	2,980,814	230,778	222,678	453,456	2,527,358		<b>0.05750</b>	-0.28%	
Fasb 106 Interest	0.06195	3,371,626	261,282	252,007	513,289	2,858,337		<b>0.06502</b>	-0.31%	
Fasb 112	0.00163	83,975	8,104	6,631	14,735	69,240		<b>0.00158</b>	0.01%	
Team Incentive Award	0.07789	4,870,676	487,053	363,548	850,601	4,020,075		<b>0.08049</b>	-0.26%	
Workers Comp	0.01624	835,000	67,466	66,063	133,529	701,471		<b>0.01596</b>	0.03%	
<b>Total benefits</b>	<b>0.54538</b>	<b>45,428,797</b>	<b>2,455,272</b>	<b>2,265,257</b>	<b>4,720,529</b>	<b>40,708,268</b>		<b>0.91512</b>	<b>-36.97%</b>	
<b>Off-duty</b>										
Vacation	0.09165	4,713,212	387,252	372,824	760,076	3,953,136		<b>0.08993</b>	0.17%	
Holiday	0.05056	2,600,096	212,994	205,674	418,668	2,181,429		<b>0.04963</b>	0.09%	
Sick	0.04367	2,245,538	183,419	177,646	361,065	1,884,473		<b>0.04287</b>	0.08%	
Other	0.01379	709,117	57,773	56,097	113,870	595,248		<b>0.01354</b>	0.02%	
	<b>0.19967</b>	<b>10,267,964</b>	<b>841,438</b>	<b>812,240</b>	<b>1,653,678</b>	<b>8,614,285</b>		<b>0.19597</b>	<b>0.37%</b>	
<b>Payroll taxes</b>										
FICA	0.08629	5,395,478	539,762	402,755	942,517	4,452,961	49,944,746	<b>0.08916</b>	-0.29%	4,667,454
FUTA	0.00088	54,824	24,480	4,107	28,587	26,237		<b>0.00053</b>	0.04%	
SUTA	0.00073	45,625	21,568	3,407	24,975	20,650		<b>0.00041</b>	0.03%	
	<b>0.08790</b>	<b>5,495,927</b>	<b>585,810</b>	<b>410,269</b>	<b>996,079</b>	<b>4,499,848</b>		<b>0.09010</b>	<b>-0.22%</b>	
<b>Total</b>	<b>83.295%</b>	<b>61,192,687</b>	<b>3,882,520</b>	<b>3,487,766</b>	<b>7,370,286</b>	<b>53,822,401</b>		<b>120.118%</b>	<b>-36.82%</b>	

**Labor Burden Calculation and Benefit Dollars**

August 2009

	(1) Percents in Oracle July	(2) Full Year Estimate	(3) YTD Jun Burdens from Disc	(4) Jul Burden Estimate	(5) YTD Jul Est burdens (3) + (4)	(6) Remaining Burdens Aug - Dec (2) - (5)	(7) Labor Base Aug - Dec	Burden % Aug - Dec (6) / (7)	Difference	Jul Labor
<b>Servco</b>										
Life	0.00739	396,000	298,711	49,152	347,862	48,138	32,057,473	0.00150	0.0059	6,651,106
Dental	0.00769	487,982	310,812	51,147	361,959	126,023		0.00393	0.38%	
Medical	0.11096	8,600,000	4,485,011	738,007	5,223,017	3,376,983		0.10534	0.56%	
Other Benefits	0.01241	1,033,774	398,758	82,540	481,298	552,475		0.01723	-0.48%	
401(k)	0.04975	3,937,965	2,010,717	330,893	2,341,610	1,596,355		0.04980	0.00%	
LT Disability	0.00843	389,481	340,763	56,069	396,832	(7,351)		(0.00023)	0.87%	
Retirement Income	0.00663	540,005	268,024	44,097	312,121	227,884		0.00711	-0.05%	
Pension	0.23617	17,168,455	8,431,263	1,570,792	10,002,055	7,166,400		0.22355	1.26%	
Pension Interest	0.05117	4,418,198	1,446,885	340,337	1,787,222	2,630,976		0.08207	-3.09%	
Fasb 106	0.02191	1,656,049	851,175	145,726	996,901	659,148		0.02056	0.13%	
Fasb 106 interest	0.00751	532,425	253,597	49,950	303,546	228,879		0.00714	0.04%	
Fasb 112	0.00561	444,026	226,713	37,313	264,025	180,001		0.00561	0.00%	
Team Incentive Award	0.13575	10,832,785	5,617,198	907,878	6,525,076	4,307,709		0.13351	0.22%	
Workers Comp	0.00056	44,500	22,627	3,725	26,352	18,148		0.00057	0.00%	
Total benefits	0.66194	50,481,644	24,962,252	4,407,624	29,369,876	21,111,768		0.65769	0.42%	
<hr/>										
Off-duty										
<b>Vacation</b>	<b>0.07828</b>	6,196,455	3,164,438	520,649	3,685,087	2,511,368		0.07834	-0.01%	
Holiday	0.04901	3,879,740	1,981,037	325,971	2,307,008	1,572,732		0.04906	0.00%	
Sick	0.02228	1,763,518	900,525	148,187	1,048,712	714,806		0.02230	0.00%	
Other	0.01337	1,058,111	540,370	88,925	629,295	428,816		0.01338	0.00%	
	0.16294	12,897,824	6,586,370	1,083,731	7,670,102	5,227,723		0.16307	-0.01%	
<hr/>										
Payroll taxes										
FICA	0.08134	6,491,452	3,366,122	543,991	3,910,113	2,581,339	32,265,439	0.08000	0.13%	6,687,867
FUTA	0.00078	71,313	32,270	5,217	37,487	33,826		0.00105	-0.03%	
SUTA	0.00290	207,729	119,991	19,395	139,386	68,343		0.00212	0.08%	
	0.08502	6,770,494	3,518,383	568,602	4,086,985	2,683,509		0.08317	0.19%	
<hr/>										
<b>Total</b>	<b>0.90990</b>	<b>70,149,963</b>	<b>35,067,006</b>	<b>6,059,957</b>	<b>41,126,963</b>	<b>29,023,000</b>		<b>0.90394</b>	<b>0.60%</b>	

Labor Burden Calculation and Benefit Dollars

August 2009

	(1) Percents in Oracle July	(2) Full Year Estimate	(3) YTD Jun Burdens from Disc	(4) Jul Burden Estimate	(5) YTD Jul Est burdens (3) + (4)	(6) Remaining Burdens Aug - Dec (2) - (5)	(7) Labor Base Aug - Dec	Burden % Aug - Dec (6) / (7)	Difference	Jul Labor
<b>LGE</b>										
Life	0.00624	268,720	170,420	29,954	200,375	68,346	23,289,278	0.00293	0.0033	4,800,334
Dental	0.00993	446,704	271,375	47,667	319,043	127,661		0.00548	0.44%	
Medical	0.14490	7,804,168	3,958,835	695,568	4,654,404	3,149,765		0.13525	0.97%	
Other Benefits	0.01800	898,463	388,543	86,406	474,949	423,514		0.01818	-0.02%	
401(k)	0.04995	2,477,529	1,364,378	239,777	1,604,154	873,374		0.03750	1.24%	
LT Disability	0.00847	252,634	231,357	40,659	272,016	(19,383)		(0.00083)	0.93%	
Retirement Income	0.00651	359,764	177,792	31,250	209,042	150,722		0.00647	0.00%	
Pension	0.43419	22,167,163	9,866,890	2,084,257	11,951,147	10,216,016		0.43866	-0.45%	
Pension Interest	0.09829	3,045,955	727,788	471,825	1,199,613	1,846,342		0.07928	1.90%	
Fasb 106	0.05755	3,222,892	1,591,752	276,259	1,868,011	1,354,881		0.05818	-0.06%	
Fasb 106 Interest	0.08825	4,966,581	2,465,035	423,629	2,888,665	2,077,916		0.08922	-0.10%	
Fasb 112	0.00825	444,463	226,454	39,603	266,057	178,406		0.00766	0.06%	
Team Incentive Award	0.07785	5,442,266	2,665,382	436,707	3,102,090	2,340,176		0.08621	-0.84%	
Workers Comp	0.01838	990,000	502,175	88,230	590,405	399,595		0.01716	0.12%	
Total benefits	1.02676	52,787,301	24,608,177	4,991,792	29,599,970	23,187,332		0.98135	4.54%	
Off-duty										
Vacation	0.09081	4,891,188	2,480,018	435,918	2,915,936	1,975,252		0.08481	0.60%	
Holiday	0.04948	2,665,011	1,351,255	237,521	1,588,775	1,076,235		0.04621	0.33%	
Sick	0.02474	1,549,252	675,793	118,760	794,553	754,699		0.03241	-0.77%	
Other	0.00900	484,547	245,862	43,203	289,065	195,482		0.00839	0.06%	
	0.17403	9,589,998	4,752,927	835,402	5,588,329	4,001,669		0.17182	0.22%	
Payroll taxes										
FICA	0.08338	5,694,497	2,853,856	467,728	3,321,584	2,372,913	27,145,367	0.10189	-1.85%	5,609,597
FUTA	0.00082	57,353	28,058	4,600	32,658	24,695		0.00106	-0.02%	
SUTA	0.00058	81,267	19,841	3,254	23,094	58,173		0.00250	-0.19%	
	0.08478	5,833,117	2,901,754	475,582	3,377,336	2,455,781		0.10545	-2.07%	
Total	1.28557	68,210,416	32,262,859	6,302,776	38,565,635	29,644,781		1.25862	0.0269	



Labor Burden Calculation and Benefit Dollars

August 2009

	(1) Percents in Oracle July	(2) Full Year Estimate	(3) YTD Jun Burdens from Disc	(4) Jul Burden Estimate	(5) YTD Jul Est burdens (3) + (4)	(6) Remaining Burdens Aug - Dec (2) - (5)	(7) Labor Base Aug - Dec	Burden % Aug - Dec (6) / (7)	Difference	Jul Labor
<b>KU</b>										
Life	0.00751	305,006	187,712	34,660	222,372	82,634	22,156,253	0.00373	0.0038	4,615,177
Dental	0.01118	463,534	279,134	51,598	330,732	132,802		0.00599	0.52%	
Medical	0.16274	8,341,460	4,065,004	751,074	4,816,078	3,525,382		0.15911	0.36%	
Other Benefits	0.01884	881,324	372,606	86,950	459,556	421,767		0.01904	-0.02%	
401(k)	0.05052	2,624,286	1,262,299	233,159	1,495,458	1,128,828		0.05095	-0.04%	
LT Disability	0.00856	262,403	213,915	39,506	253,421	8,982		0.00041	0.82%	
Retirement Income	0.00712	362,413	177,796	32,860	210,656	151,757		0.00685	0.03%	
Pension	0.33012	15,628,900	6,708,652	1,523,562	8,232,214	7,396,686		0.33384	-0.37%	
Pension Interest	0.10252	3,265,216	1,310,505	473,148	1,783,653	1,481,563		0.06687	3.57%	
Fasb 106	0.05750	2,980,814	1,415,154	265,373	1,680,527	1,300,287		0.05869	-0.12%	
Fasb 106 Interest	0.06502	3,371,626	1,600,692	300,079	1,900,771	1,470,855		0.06639	-0.14%	
Fasb 112	0.00163	83,975	41,793	7,523	49,315	34,660		0.00156	0.01%	
Team Incentive Award	0.07789	4,952,681	2,678,597	403,452	3,082,049	1,870,632		0.07462	0.33%	
Workers Comp	0.01624	835,000	404,996	74,950	479,946	355,054		0.01602	0.02%	
Total benefits	0.91739	44,358,637	20,718,855	4,277,893	24,996,748	19,361,889		0.86407	5.33%	
Off-duty										
<b>Vacation</b>	<b>0.09165</b>	4,713,212	2,291,075	422,981	2,714,056	1,999,156		0.09023	0.14%	
Holiday	0.05056	2,600,096	1,263,336	233,343	1,496,679	1,103,417		0.04980	0.08%	
Sick	0.04367	2,245,538	1,090,707	201,545	1,292,252	953,286		0.04303	0.06%	
Other	0.01379	709,117	344,299	63,643	407,942	301,175		0.01359	0.02%	
	0.19967	10,267,964	4,989,418	921,512	5,910,930	4,357,033		0.19665	0.30%	
Payroll taxes										
FICA	0.08629	5,712,688	2,967,641	446,962	3,414,603	2,298,085	25,068,688	0.09167	-0.54%	5,179,767
FUTA	0.00088	57,561	30,419	4,558	34,977	22,584		0.00090	0.00%	
SUTA	0.00073	78,661	25,196	3,781	28,977	49,684		0.00198	-0.13%	
	0.08790	5,848,911	3,023,255	455,302	3,478,557	2,370,354		0.09455	-0.67%	
Total	1.20496	60,475,512	28,731,528	5,654,707	34,386,235	26,089,276		1.15528	0.0497	

Annualized Burden Rates for 2009

Accounts	(1) 12/31/09 Balance	(2) Dec Burden to be reversed	(3) Revised Oracle Balance (1) - (2)	(4) Targeted Balance	(5) Revised to be burdened in Dec. (6) + (7)	(6) from prior period labor	(7) Remaining to be burdened at the new rate	Dec Labor Base	Percentage	previous rates	Difference	
<b>Servco</b>												
Life	184101	(27,390)	(9,002)	(18,387)	-	(18,387)	151	(18,538)	5,903,339	(0.00314)	0.001500	0.00
Dental	184104	(20,974)	(23,592)	2,619	-	2,619	395	2,224	5,903,339	0.00038	0.003930	0.00
Medical	184103, 184105, 184107, 184140	(974,245)	(632,431)	(341,813)	(267,959)	(73,854)	10,577	(84,431)	5,903,339	(0.01430)	0.105340	0.12
Other Benefits	184121	(434,508)	(103,442)	(331,066)	-	(331,066)	1,730	(332,796)	5,903,339	(0.05637)	0.017230	0.07
401(k)	184108	(549,596)	(298,987)	(250,609)	(94,265)	(156,344)	5,000	(161,344)	5,903,339	(0.02733)	0.049800	0.08
LT Disability	184093	(32,326)	1,385	(33,711)	-	(33,711)	(23)	(33,688)	5,903,339	(0.00571)	(0.000230)	0.01
Retirement Income	184109 184110	(526,185)	(42,686)	(483,499)	(406,223)	(77,276)	714	(77,989)	5,903,339	(0.01321)	0.007110	0.02
Pension	184091, 184092	(17,211,332)	(1,342,082)	(15,869,250)	(17,168,455)	1,299,205	22,445	1,276,760	5,903,339	0.21628	0.223550	0.01
Pension Interest	184117 184119	(4,427,589)	(492,716)	(3,934,873)	(4,418,198)	483,325	8,240	475,085	5,903,339	0.08048	0.082070	0.00
Fasb 106	184094 184097	(1,659,988)	(123,435)	(1,536,552)	(1,656,049)	119,497	2,064	117,432	5,903,339	0.01989	0.020560	0.00
Fasb 106 interest	184118 184120	(533,795)	(42,865)	(490,931)	(532,425)	41,494	717	40,777	5,903,339	0.00691	0.007140	0.00
Fasb 112	184095 184098 232109	(444,891)	(33,681)	(411,210)	(144,269)	(266,941)	563	(267,504)	5,903,339	(0.04531)	0.005610	0.05
Team Incentive Award	184040	(11,359,197)	(822,718)	(10,536,478)	(9,282,675)	(1,253,804)	13,660	(1,267,463)	6,059,923	(0.20915)	0.133510	0.34
Workers Comp	184075, 184073, 184074,232105	(37,526)	(3,422)	(34,104)	-	(34,104)	57	(34,162)	5,903,339	(0.00579)	0.000570	0.01
<b>Total benefits</b>		<u>(38,239,541)</u>	<u>(3,969,675)</u>	<u>(34,269,866)</u>	<u>(33,970,518)</u>	<u>(299,348)</u>	<u>66,289</u>	<u>(365,637)</u>		<u>(0.05639)</u>		
<b>Off-duty</b>												
Vacation	184001, 184002, 242002	(6,997,889)	(470,332)	(6,527,557)	(7,915,640)	1,388,083	7,866	1,380,217	5,903,339	0.23380	0.078340	(0.16)
Holiday	184010, 184011	(41,415)	(294,543)	253,129	-	253,129	4,926	248,203	5,903,339	0.04204	0.049060	0.01
Sick	184020, 184021	44,092	(133,883)	177,975	-	177,975	2,239	175,736	5,903,339	0.02977	0.022300	(0.01)
Other	184030, 184031	(89,858)	(80,330)	(9,528)	-	(9,529)	1,343	(10,872)	5,903,339	(0.00184)	0.013380	0.02
		<u>(7,085,070)</u>	<u>(979,088)</u>	<u>(6,105,981)</u>	<u>(7,915,640)</u>	<u>1,809,658</u>	<u>16,374</u>	<u>1,793,284</u>		<u>0.30377</u>		
<b>Payroll taxes</b>												
SUTA	236005	(160,754)	(13,064)	(147,691)	(71,301)	(76,389)	217	(76,606)	6,059,923	(0.01264)	0.002120	0.01
FUTA	236006	(49,178)	(6,470)	(42,708)	(28,823)	(13,885)	107	(13,992)	6,059,923	(0.00231)	0.001050	0.00
FICA	236007	(429,429)	(492,979)	63,549	(861,313)	924,862	8,185	916,677	6,059,923	0.15127	0.080000	(0.07)
		<u>(639,361)</u>	<u>(512,513)</u>	<u>(126,849)</u>	<u>(961,437)</u>	<u>834,588</u>	<u>8,509</u>	<u>826,079</u>		<u>0.13632</u>		
<b>Total</b>		<u>(45,963,972)</u>	<u>(5,461,277)</u>	<u>(40,502,696)</u>	<u>(42,847,595)</u>	<u>2,344,899</u>	<u>91,172</u>	<u>2,253,726</u>		<u>0.38370</u>	<u>0.903940</u>	

Annualized Burden Rates for 2009

Accounts	(1) 12/31/09 Balance	(2) Dec Burdens to be reversed	(3) Revised Oracle Balance (1) - (2)	(4) Targeted Balance	(5) Revised to be burdened in Dec. (6) + (7)	(6) from prior period labor	(7) Remaining to be burdened at the new rate	Dec Labor Base	Percentage	previous rates	Difference	
<b>LGE</b>												
Life	184101	(32,990)	(12,669)	(20,321)	-	(20,321)	84	(20,405)	4,296,248	(0.00475)	0.002930	0.01
Dental	184104	(19,299)	(23,699)	4,400	-	4,400	156	4,244	4,296,248	0.00099	0.005480	0.00
Medical	184103, 184105, 184107, 184140	(597,161)	(584,924)	(12,237)	(231,556)	219,319	3,860	215,459	4,296,248	0.05015	0.135250	0.09
Other Benefits	184121	(256,058)	(78,622)	(177,436)	-	(177,436)	519	(177,955)	4,296,248	(0.04142)	0.018180	0.06
401(k)	184108	235,819	(162,177)	397,996	(40,254)	438,250	1,070	437,180	4,296,248	0.10176	0.037500	(0.06)
Retirement Income	184093	(344,869)	(27,980)	(316,888)	(247,973)	(68,915)	185	(69,100)	4,296,248	(0.01608)	0.006470	0.02
LT Disability	184109 184110	(23,983)	3,591	(27,574)	-	(27,574)	(24)	(27,550)	4,296,248	(0.00641)	(0.000830)	0.01
Pension	184091, 184092	(21,777,293)	(1,897,060)	(19,880,233)	(22,167,163)	2,286,930	12,518	2,274,412	4,296,248	0.52939	0.438660	(0.09)
Pension Interest	184117 184119	(2,971,921)	(342,810)	(2,629,111)	(3,045,955)	416,844	2,262	414,582	4,296,248	0.09650	0.079280	(0.02)
Fasb 106	184094 184097	(3,171,031)	(251,615)	(2,919,416)	(3,222,892)	303,476	1,660	301,816	4,296,248	0.07025	0.058180	(0.01)
Fasb 106 interest	184118 184120	(4,886,863)	(385,860)	(4,501,003)	(4,966,581)	465,578	2,546	463,032	4,296,248	0.10778	0.089220	(0.02)
Fasb 112	184095 184098 232109	(437,512)	(33,129)	(404,383)	(256,817)	(147,566)	219	(147,785)	4,296,248	(0.03440)	0.007660	0.04
Team Incentive Award	184040	(5,550,286)	(485,777)	(5,064,509)	(4,895,998)	(168,511)	3,568	(172,079)	5,593,405	(0.03076)	0.086210	0.12
Workers Comp	184075, 184073, 184074,232105	(65,165)	(74,211)	9,045	374,576	(365,531)	490	(366,021)	4,296,248	(0.08520)	0.017160	0.10
Total benefits		<u>(39,898,613)</u>	<u>(4,356,943)</u>	<u>(35,541,670)</u>	<u>(38,700,612)</u>	<u>3,158,942</u>	<u>29,112</u>	<u>3,129,830</u>		<u>0.73779</u>		
<b>Off-duty</b>												
Vacation	184001, 184002, 242002	(4,831,810)	(366,785)	(4,465,026)	(5,259,885)	794,859	2,420	792,439	4,296,248	0.18445	0.084810	(0.10)
Holiday	184010, 184011	173,702	(199,847)	373,549	-	373,549	1,319	372,230	4,296,248	0.08664	0.046210	(0.04)
Sick	184020, 184021	13,970	(140,169)	154,139	-	154,139	925	153,214	4,296,248	0.03566	0.032410	(0.00)
Other	184030, 184031	(86,487)	(36,286)	(50,201)	-	(50,201)	239	(50,440)	4,296,248	(0.01174)	0.008390	0.02
		<u>(4,730,626)</u>	<u>(743,087)</u>	<u>(3,987,539)</u>	<u>(5,259,885)</u>	<u>1,272,346</u>	<u>4,903</u>	<u>1,267,443</u>		<u>0.29501</u>		
<b>Payroll taxes</b>												
SUTA	236005	(39,186)	(14,086)	(25,100)	(23,459)	(1,642)	103	(1,745)	5,593,405	(0.00031)	0.002500	0.00
FUTA	236006	(44,332)	(5,967)	(38,365)	(18,706)	(19,659)	44	(19,703)	5,593,405	(0.00352)	0.001060	0.00
FICA	236007	(604,551)	(574,125)	(30,427)	(455,753)	425,327	4,216	421,110	5,593,405	0.07529	0.101890	0.03
		<u>(688,070)</u>	<u>(594,177)</u>	<u>(93,892)</u>	<u>(497,918)</u>	<u>404,026</u>	<u>4,364</u>	<u>399,662</u>		<u>0.07145</u>		
Total		<u>(45,317,309)</u>	<u>(5,694,207)</u>	<u>(39,623,101)</u>	<u>(44,458,415)</u>	<u>4,835,314</u>	<u>38,379</u>	<u>4,796,935</u>		<u>1.10426</u>	1.258620	

Annualized Burden Rates for 2009

Accounts	(1) 12/31/09 Balance	(2) Dec Burdens to be reversed	(3) Revised Oracle Balance (1) - (2)	(4) Targeted Balance	(5) Revised to be burdened in Dec. (6) + (7)	(6) from prior period labor	(7) Remaining to be burdened at the new rate	Dec Labor Base	Percentage	previous rates	Difference	
<b>KU</b>												
Life	184101	(23,932)	(14,229)	(9,703)	-	(9,703)	290	(9,993)	3,735,875	(0.00267)	0.003730	0.01
Dental	184104	10,514	(22,846)	33,360	-	33,360	466	32,894	3,735,875	0.00880	0.005990	(0.00)
Medical	184103, 184105, 184107, 184140	(389,202)	(606,788)	217,586	(222,109)	439,695	12,372	427,323	3,735,875	0.11438	0.159110	0.04
Other Benefits	184121	(422,918)	(72,611)	(350,307)	-	(350,307)	-	(350,307)	3,735,875	(0.09377)	0.019040	0.11
401(k)	184108	170,993	(194,304)	365,298	(38,135)	403,433	3,962	399,471	3,735,875	0.10693	0.050950	(0.06)
LT Disability	184093	(15,239)	(1,567)	(13,672)	-	(13,672)	32	(13,703)	3,735,875	(0.00367)	0.000410	0.00
Retirement Income	184109 184110	(352,037)	(26,127)	(325,911)	(226,890)	(99,021)	533	(99,553)	3,735,875	(0.02665)	0.006850	0.03
Pension	184091, 184092	(14,952,926)	(1,273,141)	(13,679,786)	(15,628,900)	1,949,114	25,959	1,923,155	3,735,875	0.51478	0.333840	(0.18)
Pension Interest	184117 184119	(3,113,096)	(255,040)	(2,858,056)	(3,265,216)	407,160	5,200	401,960	3,735,875	0.10759	0.066870	(0.04)
Fasb 106	184094 184097	(2,862,295)	(223,824)	(2,638,471)	(2,980,814)	342,343	4,564	337,780	3,735,875	0.09042	0.058690	(0.03)
Fasb 106 interest	184118 184120	(3,237,556)	(253,183)	(2,984,373)	(3,371,626)	387,253	5,162	382,091	3,735,875	0.10228	0.066390	(0.04)
Fasb 112	184095 184098 232109	(80,671)	(5,949)	(74,722)	204,688	(279,410)	121	(279,531)	3,735,875	(0.07482)	0.001560	0.08
Team Incentive Award	184040	(5,071,175)	(419,898)	(4,651,277)	(4,570,934)	(80,343)	7,949	(88,293)	5,520,614	(0.01599)	0.074620	0.09
Workers Comp	184075, 184073, 184074,232105	(47,481)	(61,093)	13,612	(343,730)	357,342	1,246	356,097	3,735,875	0.09532	0.016020	(0.08)
Total benefits		<u>(30,387,020)</u>	<u>(3,430,600)</u>	<u>(26,956,421)</u>	<u>(30,443,666)</u>	<u>3,487,245</u>	<u>67,855</u>	<u>3,419,391</u>		<u>0.92293</u>		
<b>Off-duty</b>												
Vacation	184001, 184002, 242002	(4,936,336)	(344,104)	(4,592,232)	(5,371,951)	779,719	7,016	772,703	3,735,875	0.20683	0.090230	(0.12)
Holiday	184010, 184011	40,414	(189,917)	230,331	-	230,331	3,872	226,459	3,735,875	0.06062	0.049800	(0.01)
Sick	184020, 184021	77,551	(164,099)	241,651	-	241,651	3,346	238,305	3,735,875	0.06379	0.043030	(0.02)
Other	184030, 184031	(73,103)	(51,827)	(21,276)	-	(21,276)	1,057	(22,333)	3,735,875	(0.00598)	0.013590	0.02
		<u>(4,891,474)</u>	<u>(749,947)</u>	<u>(4,141,527)</u>	<u>(5,371,951)</u>	<u>1,230,424</u>	<u>15,291</u>	<u>1,215,133</u>		<u>0.32526</u>		
<b>Payroll taxes</b>												
SUTA	236005	(23,537)	(11,139)	(12,398)	(42,118)	29,719	211	29,509	5,520,614	0.00535	0.001980	(0.00)
FUTA	236006	(29,770)	(5,066)	(24,704)	(32,392)	7,688	96	7,592	5,520,614	0.00138	0.000900	(0.00)
FICA	236007	(460,867)	(515,839)	54,972	(570,170)	625,142	9,766	615,377	5,520,614	0.11147	0.091670	(0.02)
		<u>(514,174)</u>	<u>(532,044)</u>	<u>17,870</u>	<u>(644,679)</u>	<u>662,550</u>	<u>10,072</u>	<u>652,477</u>		<u>0.11819</u>		
Total		<u>(35,792,669)</u>	<u>(4,712,591)</u>	<u>(31,080,077)</u>	<u>(36,460,297)</u>	<u>5,380,219</u>	<u>93,218</u>	<u>5,287,001</u>		<u>1.36638</u>	1.155270	

LGE, KU, SERVCO  
Labor Burden Calculation and Benefit Dollars  
January 2010

Labor Base

	Rates			Dollars			
	LGE	KU	Servco	LGE	KU	Servco	Total
Group Life Insurance <sup>1</sup>	0.00179	0.00502	0.00496	103,104	267,181	412,664	782,949
Dental Insurance <sup>1</sup>	0.00878	0.00993	0.00681	504,654	528,047	566,084	1,598,785
Medical Insurance <sup>1</sup>	0.15014	0.16816	0.11541	8,625,858	8,944,845	9,598,864	27,169,567
Other Benefits <sup>1</sup>	0.01627	0.01732	0.01307	934,622	921,471	1,086,791	2,942,884
Pension <sup>1</sup>	0.36811	0.29474	0.20613	21,148,737	15,677,811	17,143,953	53,970,501
Pension Interest <sup>1</sup>	0.03283	0.04933	0.05155	1,886,401	2,623,817	4,287,470	8,797,688
FASB 106 <sup>1</sup>	0.04884	0.05680	0.02089	2,805,970	3,021,265	1,737,571	7,564,806
Fasb 106 interest <sup>1</sup>	0.08566	0.06283	0.00436	4,921,529	3,342,200	362,342	8,626,071
Thrift (401K) <sup>1</sup>	0.04926	0.04994	0.04933	2,830,337	2,656,631	4,103,189	9,590,157
Worker's Comp <sup>1</sup>	0.01714	0.01560	0.00047	985,000	830,000	39,500	1,854,500
LT Disability <sup>1</sup>	0.00510	0.00517	0.00511	293,142	275,151	424,973	993,266
FASB 112 <sup>1</sup>	0.00993	0.00202	0.00567	570,585	107,269	471,478	1,149,332
Retirement Inc. acct <sup>1</sup>	0.00393	0.00366	0.00561	225,859	194,478	466,422	886,759
	0.79781	0.74054	0.48937	45,835,798	39,390,166	40,701,301	125,927,265
							-
Team Incentive Award <sup>2</sup>	0.07879	0.07794	0.12983	5,640,418	5,190,580	10,923,618	21,754,615
							-
Vacation <sup>1</sup>	0.08844	0.09194	0.07875	5,081,248	4,890,142	6,550,013	16,521,402
Holiday <sup>1</sup>	0.04937	0.05057	0.04903	2,836,556	2,690,086	4,078,248	9,604,889
Sick <sup>1</sup>	0.02469	0.04368	0.02229	1,418,278	2,323,256	1,853,749	5,595,282
Other Off-Duty <sup>1</sup>	0.00898	0.01379	0.01337	515,737	733,660	1,112,249	2,361,646
	0.17148	0.19998	0.16345	9,851,818	10,637,143	13,594,259	34,083,220
							-
FICA <sup>2</sup>	0.08892	0.08981	0.09084	6,365,458	5,980,691	7,643,200	19,989,349
FUTA <sup>2</sup>	0.00079	0.00082	0.00077	56,625	54,936	65,072	176,633
SUTA <sup>2</sup>	0.00113	0.00114	0.00200	80,893	75,962	168,042	324,897
	0.09084	0.09177	0.09361	6,502,976	6,111,588	7,876,315	20,490,879
							-
Total Dollars	1.13893	1.11023	0.87625	67,831,011	61,329,477	73,095,492	202,255,979
Straight time Rate	113.893%	111.023%	87.625%				
Overtime Rate	16.963%	16.971%	22.344%				

<sup>1</sup>Benefit Dollars divided Straight-Time Labor

<sup>2</sup>Benefit Dollars divided by Total Labor

	Hours	Exempt	Non Exempt	Bargaining Unit	Hrly-non union	Vacancies	Total
<b>LG&amp;E</b>							
Staffing level		221	88	676	0	10	995
Vacation Hours		36,520	13,640	105,160		800	156,120
Avg Rate after increase		43.20	21.72	30.25			32.40
Total Labor	2,088	19,933,347	3,990,980	42,702,980	0	676,419	67,303,726
Vacation dollars		1,577,568	296,265	3,181,497	0	25,916	5,081,248
Holiday dollars	88	840,103	168,202	1,799,742	0	28,508	2,836,556
Sick dollars	44	420,051	84,101	899,871	0	14,254	1,418,278
Other off-duty	16	152,746	30,582	327,226	0	5,183	515,737
<b>Total off-duty</b>		2,990,469	579,151	6,208,337	0	73,862	9,851,818
Net Available Dollars		16,942,878	3,411,829	36,494,643	0	602,557	57,451,908
OT based on historical avg					0		14,133,782
<b>Total Straight-Time Available \$ and OT Based on Hist. Avg.</b>							71,585,690
<b>KU</b>							
Staffing level		138	230	151	452	10	981
Vacation Hours		24,040	38,680	23,320	69,840	800	156,680
Avg Rate after increase		40.74	25.36	30.56	31.39		31.16
Total Labor	2,088	11,739,161	12,177,859	9,635,362	29,625,367	650,646	63,828,396
Vacation dollars		979,404	980,842	712,671	2,192,295	24,929	4,890,142
Holiday dollars	88	494,754	513,243	406,088	1,248,579	27,422	2,690,086
Sick dollars	76	427,287	443,255	350,712	1,078,318	23,683	2,323,256
Other off-duty	24	134,933	139,975	110,751	340,521	7,479	733,660
<b>Total off-duty</b>		2,036,378	2,077,316	1,580,223	4,859,713	83,512	10,637,143
Net Available Dollars		9,702,783	10,100,543	8,055,139	24,765,654	567,134	53,191,253
OT based on historical avg							13,403,963
<b>Total Straight-Time Available \$ and OT Based on Hist. Avg.</b>							66,595,216
<b>LG&amp;E and KU Services Company</b>							
Staffing level		847	279	0	0	31	1,157
Vacation Hours		123,680	33,960	0	0	2,480	160,120
Avg Rate after increase		46.68	19.94				40.06
Total Labor	2,088	82,558,245	11,614,761	0	0	2,592,685	96,765,692
Vacation dollars		5,773,591	677,085	0	0	99,337	6,550,013
Holiday dollars	88	3,479,466	489,511	0	0	109,270	4,078,248
Sick dollars	40	1,581,576	222,505	0	0	49,668	1,853,749
Other off-duty	24	948,945	133,503	0	0	28,801	1,112,249
<b>Total off-duty</b>		11,783,578	1,522,604	0	0	288,076	13,594,259
Net Available Dollars		70,774,667	10,092,157	0	0	2,304,609	83,171,433
OT based on historical avg							967,657
<b>Total Straight-Time Available \$ and OT Based on Hist. Avg.</b>							84,139,090

**Labor Burden Calculation and Benefit Dollars**

Apr 2010

	(1) Percents in Oracle Mar	(2) Full Year Estimate	(3) YTD Feb Burdens from Disc	(4) Mar Burden Estimate	(5) YTD Mar Est burdens (3) + (4)	(6) Remaining Burdens Apr - Dec (2) - (5)	(7) Labor Base Apr - Dec	Burden % Apr - Dec	Difference	Mar Labor
<b>Servco</b>										
Life	0.00496	412,664	63,627	38,550	102,177	310,487	63,765,120	<b>0.00487</b>	0.01%	7,772,113
Dental	0.00681	566,084	87,337	52,928	140,266	425,818		<b>0.00668</b>	0.01%	
Medical	0.11541	9,598,864	1,480,172	896,980	2,377,152	7,221,712		<b>0.11325</b>	0.22%	
Other Benefits	0.01307	1,086,791	167,842	101,582	269,423	817,368		<b>0.01282</b>	0.03%	
401(k)	0.04933	4,103,189	632,756	383,398	1,016,155	3,087,034		<b>0.04841</b>	0.09%	
LT Disability	0.00511	424,973	65,562	39,715	105,277	319,696		<b>0.00501</b>	0.01%	
Retirement Income	0.00561	466,422	71,998	43,602	115,600	350,823		<b>0.00550</b>	0.01%	
Pension	0.20613	16,315,461	2,642,699	1,602,066	4,244,764	12,070,697		<b>0.18930</b>	1.68%	
Pension Interest	0.05155	3,838,250	660,778	400,652	1,061,431	2,776,819		<b>0.04355</b>	0.80%	
Fasb 106	0.02089	1,839,598	267,831	162,359	430,190	1,409,408		<b>0.02210</b>	-0.12%	
Fasb 106 interest	0.00436	243,858	55,887	33,886	89,773	154,085		<b>0.00242</b>	0.19%	
Fasb 112	0.00567	471,478	72,896	44,068	116,964	354,514		<b>0.00556</b>	0.01%	
Team Incentive Award	0.12983	11,258,947	1,694,092	1,016,171	2,710,264	8,548,684		<b>0.13301</b>	-0.32%	
Workers Comp	0.00047	39,500	6,050	3,653	9,703	29,797		<b>0.00047</b>	0.00%	
Total benefits	0.61920	50,666,079	7,969,528	4,819,611	12,789,139	37,876,940		<b>0.59296</b>	2.62%	
<b>Off-duty</b>										
Vacation	0.07875	6,550,013	1,009,019	612,054	1,621,073	4,928,940		<b>0.07730</b>	0.15%	
Holiday	0.04903	4,078,248	628,631	381,067	1,009,698	3,068,550		<b>0.04812</b>	0.09%	
Sick	0.02229	1,853,749	285,745	173,240	458,985	1,394,764		<b>0.02187</b>	0.04%	
Other	0.01337	1,112,249	171,475	103,913	275,388	836,862		<b>0.01312</b>	0.02%	
	0.16344	13,594,259	2,094,869	1,270,274	3,365,143	10,229,115		<b>0.16042</b>	0.30%	
<b>Payroll taxes</b>										
FICA	0.09084	7,643,200	1,185,315	710,999	1,896,314	5,746,886	64,268,715	<b>0.08942</b>	0.14%	7,826,939
FUTA	0.00077	65,072	10,047	6,027	16,073	48,999		<b>0.00076</b>	0.00%	
SUTA	0.00200	168,042	26,097	15,654	41,751	126,291		<b>0.00197</b>	0.00%	
	0.09361	7,876,315	1,221,459	732,680	1,954,138	5,922,176		<b>0.09215</b>	0.15%	
<b>Total</b>	<b>0.87625%</b>	<b>72,136,652</b>	<b>11,285,856</b>	<b>6,822,564</b>	<b>18,108,421</b>	<b>54,028,231</b>		<b>0.84552%</b>	<b>3.07%</b>	

**Labor Burden Calculation and Benefit Dollars**

Apr 2010

	(1) Percents in Oracle Mar	(2) Full Year Estimate	(3) YTD Feb Burdens from Disc	(4) Mar Burden Estimate	(5) YTD Mar Est burdens (3) + (4)	(6) Remaining Burdens Apr - Dec (2) - (5)	(7) Labor Base Apr - Dec	Burden % Apr - Dec	Difference	Mar Labor
<b>LGE</b>										
Life	0.00179	103,104	17,157	9,567	26,724	76,380	42,825,532	<b>0.00178</b>	0.00%	5,344,867
Dental	0.00878	504,654	81,654	46,928	128,581	376,073		<b>0.00878</b>	0.00%	
Medical	0.15014	8,625,858	1,392,924	802,478	2,195,403	6,430,456		<b>0.15015</b>	0.00%	
Other Benefits	0.01627	934,622	155,724	86,961	242,685	691,937		<b>0.01616</b>	0.01%	
401(k)	0.04926	2,830,337	448,315	263,288	711,604	2,118,734		<b>0.04947</b>	-0.02%	
LT Disability	0.00510	293,142	48,134	27,259	75,393	217,749		<b>0.00508</b>	0.00%	
Retirement Income	0.00393	225,859	38,236	21,005	59,242	166,617		<b>0.00389</b>	0.00%	
Pension	0.36811	18,947,679	3,373,753	1,967,499	5,341,252	13,606,427		<b>0.31772</b>	5.04%	
Pension Interest	0.03283	573,342	295,893	175,472	471,365	101,977		<b>0.00238</b>	3.04%	
Fasb 106	0.04884	2,613,585	447,628	261,043	708,672	1,904,913		<b>0.04448</b>	0.44%	
Fasb 106 Interest	0.08566	4,426,636	786,643	457,841	1,244,484	3,182,152		<b>0.07431</b>	1.14%	
Fasb 112	0.00993	570,585	95,967	53,075	149,041	421,544		<b>0.00984</b>	0.01%	
Team Incentive Award	0.07879	6,224,436	866,612	486,489	1,353,101	4,871,334		<b>0.09749</b>	-1.87%	
Workers Comp	0.01714	985,000	168,284	91,611	259,895	725,105		<b>0.01693</b>	0.02%	
Total benefits	<u>0.87657</u>	<u>47,858,839</u>	<u>8,216,925</u>	<u>4,750,517</u>	<u>12,967,442</u>	<u>34,891,397</u>		<u><b>0.79847</b></u>	<u>7.81%</u>	
<b>Off-duty</b>										
Vacation	0.08844	5,081,248	804,712	472,700	1,277,412	3,803,835		<b>0.08882</b>	-0.04%	
Holiday	0.04937	2,836,556	450,880	263,876	714,756	2,121,799		<b>0.04955</b>	-0.02%	
Sick	0.02469	1,418,278	226,274	131,965	358,238	1,060,039		<b>0.02475</b>	-0.01%	
Other	0.00898	515,737	84,812	47,997	132,809	382,929		<b>0.00894</b>	0.00%	
	<u>0.17148</u>	<u>9,851,818</u>	<u>1,566,678</u>	<u>916,538</u>	<u>2,483,216</u>	<u>7,368,603</u>		<u><b>0.17206</b></u>	<u>-0.06%</u>	
<b>Payroll taxes</b>										
FICA	0.08892	6,365,458	968,690	549,037	1,517,727	4,847,731	49,969,629	<b>0.11320</b>	-2.43%	6,174,507
FUTA	0.00079	56,625	8,960	4,878	13,838	42,787		<b>0.00100</b>	-0.02%	
SUTA	0.00113	80,893	12,412	6,977	19,389	61,504		<b>0.00144</b>	-0.03%	
	<u>0.09084</u>	<u>6,502,976</u>	<u>990,062</u>	<u>560,892</u>	<u>1,550,954</u>	<u>4,952,022</u>		<u><b>0.11563</b></u>	<u>-2.48%</u>	
Total	<u><b>113.889%</b></u>	<u>64,213,634</u>	<u>10,773,665</u>	<u>6,227,947</u>	<u>17,001,612</u>	<u>47,212,022</u>		<u><b>108.616%</b></u>	<u><b>5.27%</b></u>	

**Labor Burden Calculation and Benefit Dollars**

Apr 2010

	(1) Percents in Oracle Mar	(2) Full Year Estimate	(3) YTD Feb Burdens from Disc	(4) Mar Burden Estimate	(5) YTD Mar Est burdens (3) + (4)	(6) Remaining Burdens Apr - Dec (2) - (5)	(7) Labor Base Apr - Dec	Burden % Apr - Dec	Difference	Mar Labor
<b>KU</b>										
Life	0.00502	267,181	42,457	24,493	66,949	200,232	40,945,633	<b>0.00489</b>	0.01%	4,878,991
Dental	0.00993	528,047	83,958	48,448	132,406	395,641		<b>0.00966</b>	0.03%	
Medical	0.16816	8,944,845	1,421,864	820,451	2,242,315	6,702,530		<b>0.16369</b>	0.45%	
Other Benefits	0.01732	921,471	146,722	84,504	231,226	690,245		<b>0.01686</b>	0.05%	
401(k)	0.04994	2,656,631	422,075	243,657	665,732	1,990,899		<b>0.04862</b>	0.13%	
LT Disability	0.00517	275,151	43,735	25,224	68,960	206,191		<b>0.00504</b>	0.01%	
Retirement Income	0.00366	194,478	31,026	17,857	48,883	145,595		<b>0.00356</b>	0.01%	
Pension	0.29474	13,819,681	2,491,333	1,438,034	3,929,367	9,890,314		<b>0.24155</b>	5.32%	
Pension Interest	0.04933	1,751,756	416,914	240,681	657,594	1,094,162		<b>0.02672</b>	2.26%	
Fasb 106	0.05680	3,085,841	480,128	277,127	757,255	2,328,586		<b>0.05687</b>	-0.01%	
Fasb 106 Interest	0.06283	3,020,756	531,093	306,547	837,640	2,183,116		<b>0.05332</b>	0.95%	
Fasb 112	0.00202	107,269	17,276	9,856	27,131	80,138		<b>0.00196</b>	0.01%	
Team Incentive Award	0.07794	5,627,148	788,792	431,119	1,219,911	4,407,236		<b>0.09575</b>	-1.78%	
Workers Comp	0.01560	830,000	131,690	76,112	207,802	622,198		<b>0.01520</b>	0.04%	
Total benefits	<u>0.81846</u>	<u>42,030,255</u>	<u>7,049,062</u>	<u>4,044,110</u>	<u>11,093,172</u>	<u>30,937,082</u>		<u><b>0.74368</b></u>	<u>7.48%</u>	
<b>Off-duty</b>										
Vacation	0.09194	4,890,142	777,010	448,574	1,225,585	3,664,557		<b>0.08950</b>	0.24%	
Holiday	0.05057	2,690,086	427,526	246,731	674,256	2,015,829		<b>0.04923</b>	0.13%	
Sick	0.04368	2,323,256	369,244	213,114	582,359	1,740,897		<b>0.04252</b>	0.12%	
Other	0.01379	733,660	116,631	67,281	183,913	549,747		<b>0.01343</b>	0.04%	
	<u>0.19998</u>	<u>10,637,143</u>	<u>1,690,412</u>	<u>975,701</u>	<u>2,666,112</u>	<u>7,971,031</u>		<u><b>0.19467</b></u>	<u>0.53%</u>	
<b>Payroll taxes</b>										
FICA	0.08981	5,980,691	909,061	496,777	1,405,838	4,574,853	46,027,170	<b>0.09939</b>	-0.96%	5,531,426
FUTA	0.00082	54,936	8,297	4,536	12,832	42,104		<b>0.00091</b>	-0.01%	
SUTA	0.00114	75,962	11,543	6,306	17,849	58,113		<b>0.00126</b>	-0.01%	
	<u>0.09177</u>	<u>6,111,588</u>	<u>928,900</u>	<u>507,619</u>	<u>1,436,519</u>	<u>4,675,069</u>		<u><b>0.10157</b></u>	<u>-0.98%</u>	
<b>Total</b>	<u><b>111.021%</b></u>	<u>58,778,986</u>	<u>9,668,374</u>	<u>5,527,430</u>	<u>15,195,803</u>	<u>43,583,182</u>		<u><b>103.993%</b></u>	<u><b>7.03%</b></u>	



**Labor Burden Calculation and Benefit Dollars**

May 2010

	(1) Percents in Oracle Apr	(2) Full Year Estimate	(3) YTD Mar Burdens from Disc	(4) Apr Burden Estimate	(5) YTD Apr Est burdens (3) + (4)	(6) Remaining Burdens May - Dec (2) - (5)	(7) Labor Base May - Dec	Burden % May - Dec	Difference	Apr Labor
<b>Servco</b>										
Life	0.00487	412,664	103,769	34,214	137,983	274,680	56,437,408	<b>0.00487</b>	0.00%	7,025,437
Dental	0.00668	566,084	142,457	46,930	189,387	376,697		<b>0.00667</b>	0.00%	
Medical	0.11325	9,598,864	2,414,235	795,631	3,209,866	6,388,998		<b>0.11321</b>	0.00%	
Other Benefits	0.01282	1,086,791	273,594	90,066	363,661	723,131		<b>0.01281</b>	0.00%	
401(k)	0.04841	4,103,189	1,031,985	340,101	1,372,086	2,731,102		<b>0.04839</b>	0.00%	
LT Disability	0.00501	424,973	106,920	35,197	142,117	282,856		<b>0.00501</b>	0.00%	
Retirement Income	0.00550	510,447	117,392	38,640	156,032	354,415		<b>0.00628</b>	-0.08%	
Pension	0.18930	16,315,461	4,310,939	1,329,915	5,640,854	10,674,607		<b>0.18914</b>	0.02%	
Pension Interest	0.04355	3,838,250	1,077,958	305,958	1,383,916	2,454,334		<b>0.04349</b>	0.01%	
Fasb 106	0.02210	1,839,598	436,904	155,262	592,167	1,247,431		<b>0.02210</b>	0.00%	
Fasb 106 interest	0.00242	243,858	91,163	17,002	108,165	135,693		<b>0.00240</b>	0.00%	
Fasb 112	0.00556	471,478	118,769	39,061	157,830	313,648		<b>0.00556</b>	0.00%	
Team Incentive Award	0.13301	11,258,947	2,764,290	941,619	3,705,909	7,553,038		<b>0.13278</b>	0.02%	
Workers Comp	0.00047	39,500	9,851	3,302	13,153	26,347		<b>0.00047</b>	0.00%	
Total benefits	<u>0.59295</u>	<u>50,710,104</u>	<u>13,000,226</u>	<u>4,172,899</u>	<u>17,173,125</u>	<u>33,536,979</u>		<u><b>0.59318</b></u>	<u>-0.02%</u>	
<b>Off-duty</b>										
Vacation	0.07730	6,550,013	1,646,444	543,066	2,189,511	4,360,502		<b>0.07726</b>	0.00%	
Holiday	0.04812	4,078,248	1,025,458	338,064	1,363,522	2,714,725		<b>0.04810</b>	0.00%	
Sick	0.02187	1,853,749	466,153	153,646	619,799	1,233,950		<b>0.02186</b>	0.00%	
Other	0.01312	1,112,249	279,680	92,174	371,854	740,395		<b>0.01312</b>	0.00%	
	<u>0.16041</u>	<u>13,594,259</u>	<u>3,417,736</u>	<u>1,126,950</u>	<u>4,544,686</u>	<u>9,049,573</u>		<u><b>0.16035</b></u>	<u>0.01%</u>	
<b>Payroll taxes</b>										
FICA	0.08942	7,643,200	1,934,272	633,032	2,567,304	5,075,897	56,884,765	<b>0.08923</b>	0.02%	7,079,312
FUTA	0.00076	65,072	16,391	5,380	21,772	43,300		<b>0.00076</b>	0.00%	
SUTA	0.00197	168,042	42,579	13,946	56,526	111,517		<b>0.00196</b>	0.00%	
	<u>0.09215</u>	<u>7,876,315</u>	<u>1,993,242</u>	<u>652,359</u>	<u>2,645,601</u>	<u>5,230,714</u>		<u><b>0.09195</b></u>	<u>0.02%</u>	
Total	<u><b>84.551%</b></u>	<u>72,180,677</u>	<u>18,411,204</u>	<u>5,952,207</u>	<u>24,363,412</u>	<u>47,817,265</u>		<u><b>84.548%</b></u>	<u><b>0.00%</b></u>	

**Labor Burden Calculation and Benefit Dollars**

May 2010

	(1) Percents in Oracle Apr	(2) Full Year Estimate	(3) YTD Mar Burdens from Disc	(4) Apr Burden Estimate	(5) YTD Apr Est burdens (3) + (4)	(6) Remaining Burdens May - Dec (2) - (5)	(7) Labor Base May - Dec	Burden % May - Dec	Difference	Apr Labor
<b>LGE</b>										
Life	0.00178	103,104	26,952	8,736	35,689	67,416	37,567,079	<b>0.00179</b>	0.00%	4,907,983
Dental	0.00878	504,654	129,694	43,092	172,786	331,868		<b>0.00883</b>	-0.01%	
Medical	0.15015	8,625,858	2,214,458	736,934	2,951,391	5,674,467		<b>0.15105</b>	-0.09%	
Other Benefits	0.01616	934,622	244,758	79,313	324,071	610,551		<b>0.01625</b>	-0.01%	
401(k)	0.04947	2,830,337	717,844	242,798	960,642	1,869,695		<b>0.04977</b>	-0.03%	
LT Disability	0.00508	293,142	76,037	24,933	100,970	192,172		<b>0.00512</b>	0.00%	
Retirement Income	0.00389	255,693	59,745	19,092	78,837	176,857		<b>0.00471</b>	-0.08%	
Pension	0.31772	18,947,679	5,387,906	1,559,365	6,947,270	12,000,409		<b>0.31944</b>	-0.17%	
Pension Interest	0.00238	573,342	475,520	11,681	487,201	86,141		<b>0.00229</b>	0.01%	
Fasb 106	0.04448	2,613,585	714,866	218,307	933,173	1,680,412		<b>0.04473</b>	-0.03%	
Fasb 106 Interest	0.07431	4,426,636	1,255,343	364,712	1,620,055	2,806,581		<b>0.07471</b>	-0.04%	
Fasb 112	0.00984	570,585	150,307	48,295	198,601	371,984		<b>0.00990</b>	-0.01%	
Team Incentive Award	0.09749	6,224,436	1,370,303	553,400	1,923,703	4,300,732		<b>0.09800</b>	-0.05%	
Workers Comp	0.01693	819,500	262,083	83,092	345,175	474,325		<b>0.01263</b>	0.43%	
Total benefits	<u>0.79846</u>	<u>47,723,174</u>	<u>13,085,816</u>	<u>3,993,749</u>	<u>17,079,565</u>	<u>30,643,609</u>		<u><b>0.79922</b></u>	<u>-0.08%</u>	
<b>Off-duty</b>										
Vacation	0.08882	5,081,248	1,288,611	435,927	1,724,539	3,356,709		<b>0.08935</b>	-0.05%	
Holiday	0.04955	2,836,556	721,010	243,191	964,201	1,872,355		<b>0.04984</b>	-0.03%	
Sick	0.02475	1,418,278	361,368	121,473	482,841	935,437		<b>0.02490</b>	-0.02%	
Other	0.00894	515,737	133,949	43,877	177,826	337,911		<b>0.00899</b>	-0.01%	
	<u>0.17206</u>	<u>9,851,818</u>	<u>2,504,939</u>	<u>844,468</u>	<u>3,349,406</u>	<u>6,502,412</u>		<u><b>0.17309</b></u>	<u>-0.10%</u>	
<b>Payroll taxes</b>										
FICA	0.11320	6,365,458	1,537,128	642,578	2,179,706	4,185,752	43,884,392	<b>0.11142</b>	0.18%	5,676,481
FUTA	0.00100	56,625	14,011	5,676	19,687	36,938		<b>0.00098</b>	0.00%	
SUTA	0.00144	80,893	19,632	8,174	27,806	53,087		<b>0.00141</b>	0.00%	
	<u>0.11564</u>	<u>6,502,976</u>	<u>1,570,771</u>	<u>656,428</u>	<u>2,227,199</u>	<u>4,275,777</u>		<u><b>0.11382</b></u>	<u>0.18%</u>	
<b>Total</b>	<u><b>108.616%</b></u>	<u>64,077,968</u>	<u>17,161,525</u>	<u>5,494,645</u>	<u>22,656,171</u>	<u>41,421,798</u>		<u><b>108.613%</b></u>	<u><b>0.00%</b></u>	

**Labor Burden Calculation and Benefit Dollars**

May 2010

	(1) Percents in Oracle Apr	(2) Full Year Estimate	(3) YTD Mar Burdens from Disc	(4) Apr Burden Estimate	(5) YTD Apr Est burdens (3) + (4)	(6) Remaining Burdens May - Dec (2) - (5)	(7) Labor Base May - Dec	Burden % May - Dec	Difference	Apr Labor
<b>KU</b>										
Life	0.00489	267,181	66,802	22,276	89,078	178,103	35,763,417	<b>0.00498</b>	-0.01%	4,555,497
Dental	0.00966	528,047	132,122	44,006	176,128	351,918		<b>0.00984</b>	-0.02%	
Medical	0.16369	8,944,845	2,237,510	745,689	2,983,199	5,961,646		<b>0.16670</b>	-0.30%	
Other Benefits	0.01686	921,471	230,716	76,806	307,522	613,950		<b>0.01717</b>	-0.03%	
401(k)	0.04862	2,656,631	664,315	221,488	885,803	1,770,828		<b>0.04952</b>	-0.09%	
LT Disability	0.00504	275,151	68,812	22,960	91,772	183,379		<b>0.00513</b>	-0.01%	
Retirement Income	0.00356	211,106	48,776	16,218	64,993	146,113		<b>0.00409</b>	-0.05%	
Pension	0.24155	13,819,681	3,920,990	1,100,380	5,021,370	8,798,311		<b>0.24601</b>	-0.45%	
Pension Interest	0.02672	1,751,756	656,196	121,723	777,919	973,837		<b>0.02723</b>	-0.05%	
Fasb 106	0.05687	3,085,841	755,637	259,071	1,014,709	2,071,132		<b>0.05791</b>	-0.10%	
Fasb 106 Interest	0.05332	3,020,756	835,851	242,899	1,078,750	1,942,006		<b>0.05430</b>	-0.10%	
Fasb 112	0.00196	107,269	27,060	8,929	35,989	71,280		<b>0.00199</b>	0.00%	
Team Incentive Award	0.09575	5,627,148	1,228,344	499,994	1,728,338	3,898,810		<b>0.09723</b>	-0.15%	
Workers Comp	0.01520	(337,951)	207,372	69,244	276,615	(614,566)		<b>(0.01718)</b>	3.24%	
Total benefits	<u>0.74369</u>	<u>40,878,931</u>	<u>11,080,503</u>	<u>3,451,683</u>	<u>14,532,186</u>	<u>26,346,746</u>		<u><b>0.72490</b></u>	<u>1.88%</u>	
<b>Off-duty</b>										
Vacation	0.08950	4,890,142	1,222,974	407,717	1,630,691	3,259,450		<b>0.09114</b>	-0.16%	
Holiday	0.04923	2,690,086	672,817	224,267	897,084	1,793,002		<b>0.05014</b>	-0.09%	
Sick	0.04252	2,473,256	581,115	193,700	774,815	1,698,441		<b>0.04749</b>	-0.50%	
Other	0.01343	733,660	183,511	61,180	244,691	488,968		<b>0.01367</b>	-0.02%	
	<u>0.19468</u>	<u>10,787,143</u>	<u>2,660,417</u>	<u>886,864</u>	<u>3,547,282</u>	<u>7,239,861</u>		<u><b>0.20244</b></u>	<u>-0.78%</u>	
<b>Payroll taxes</b>										
FICA	0.09939	5,980,691	1,415,608	519,001	1,934,610	4,046,081	40,100,804	<b>0.10090</b>	-0.15%	5,221,868
FUTA	0.00091	54,936	12,920	4,752	17,672	37,264		<b>0.00093</b>	0.00%	
SUTA	0.00126	75,962	17,973	6,580	24,553	51,408		<b>0.00128</b>	0.00%	
	<u>0.10156</u>	<u>6,111,588</u>	<u>1,446,502</u>	<u>530,333</u>	<u>1,976,835</u>	<u>4,134,754</u>		<u><b>0.10311</b></u>	<u>-0.15%</u>	
<b>Total</b>	<u><b>103.993%</b></u>	<u>57,777,662</u>	<u>15,187,422</u>	<u>4,868,880</u>	<u>20,056,302</u>	<u>37,721,360</u>		<u><b>103.045%</b></u>	<u><b>0.95%</b></u>	

Annualized Burden Rates for 2010

Accounts	(1) 12/31/10 Balance	(2) Dec Burdens to be reversed	(3) Revised Oracle Balance (1) - (2)	(4) Targeted Balance	(5) Revised to be burden in Dec. (6) + (7)	(6) from prior period labor	(7) Remaining to be burdened at the new rate	Dec Labor Base	Percentage	previous rates	Difference	
<b>Servco</b>												
Life	184101	(16,615)	(28,626)	12,011	-	12,011	589	11,422	5,757,226	0.00198	0.004870	0.00
Dental	184104	(91,828)	(39,206)	(52,622)	(70,904)	18,282	806	17,476	5,757,226	0.00304	0.006670	0.00
Medical	184103, 184105, 184107, 184140	(830,842)	(665,458)	(165,384)	(1,221,921)	1,056,537	13,682	1,042,854	5,757,226	0.18114	0.113210	(0.07)
Other Benefits	184121	(542,395)	(75,299)	(467,096)	-	(467,096)	1,548	(468,645)	5,757,226	(0.08140)	0.012810	0.09
401(k)	184108	(384,009)	(284,440)	(99,569)	(218,864)	119,295	5,848	113,447	5,757,226	0.01971	0.048390	0.03
LT Disability	184093	24,192	(29,450)	53,641	-	53,641	605	53,036	5,757,226	0.00921	0.005010	(0.00)
Retirement Income	184109 184110	(444,392)	(36,914)	(407,478)	(513,934)	106,456	759	105,697	5,757,226	0.01836	0.006280	(0.01)
Pension	184091, 184092	(15,641,749)	(1,111,780)	(14,529,969)	(16,857,187)	2,327,218	22,859	2,304,359	5,757,226	0.40026	0.189140	(0.21)
Pension Interest	184117 184119	(3,683,350)	(255,638)	(3,427,712)	(3,993,063)	565,351	5,256	560,095	5,757,226	0.09729	0.043490	(0.05)
Fasb 106	184094 184097	(1,760,800)	(129,906)	(1,630,894)	(1,892,779)	261,885	2,671	259,214	5,757,226	0.04502	0.022100	(0.02)
Fasb 106 interest	184118 184120	(235,015)	(14,107)	(220,908)	(248,800)	27,892	290	27,602	5,757,226	0.00479	0.002400	(0.00)
Fasb 112	184095 184098 232109	(451,864)	(32,682)	(419,181)	(513,033)	93,852	672	93,180	5,757,226	0.01618	0.005560	(0.01)
Team Incentive Award	184040	(9,689,914)	(796,597)	(8,893,317)	(11,825,399)	2,932,082	16,440	2,915,642	5,875,562	0.49623	0.132780	(0.36)
Workers Comp	184075, 184073, 184074,232105	(20,641)	(2,763)	(17,879)	-	(17,879)	57	(17,936)	5,757,226	(0.00312)	0.000470	0.00
<b>Total benefits</b>		<u>(33,769,223)</u>	<u>(3,502,867)</u>	<u>(30,266,357)</u>	<u>(37,355,883)</u>	<u>7,089,527</u>	<u>72,083</u>	<u>7,017,444</u>		<u>1.20869</u>		
<b>Off-duty</b>												
Vacation	184001, 184002, 242002	(7,230,162)	(454,140)	(6,776,022)	(8,470,568)	1,694,546	9,337	1,685,209	5,757,226	0.29271	0.077260	(0.22)
Holiday	184010, 184011	421,403	(282,736)	704,138	-	704,138	5,813	698,325	5,757,226	0.12130	0.048100	(0.07)
Sick	184020, 184021	258,581	(128,495)	387,076	-	387,076	2,642	384,434	5,757,226	0.06677	0.021860	(0.04)
Other	184030, 184031	(107,032)	(77,120)	(29,912)	-	(29,912)	1,586	(31,498)	5,757,226	(0.00547)	0.013120	0.02
		<u>(6,657,210)</u>	<u>(942,490)</u>	<u>(5,714,720)</u>	<u>(8,470,568)</u>	<u>2,755,848</u>	<u>19,378</u>	<u>2,736,470</u>		<u>0.47531</u>		
<b>Payroll taxes</b>												
SUTA	236005	(55,109)	(11,758)	(43,350)	(67,278)	23,928	243	23,685	5,875,562	0.00403	0.001960	(0.00)
FUTA	236006	(25,242)	(4,559)	(20,683)	(38,211)	17,528	94	17,434	5,875,562	0.00297	0.000760	(0.00)
FICA	236007	(656,199)	(535,324)	(120,875)	(1,150,571)	1,029,696	11,048	1,018,648	5,875,562	0.17337	0.089230	(0.08)
		<u>(736,550)</u>	<u>(551,641)</u>	<u>(184,909)</u>	<u>(1,256,061)</u>	<u>1,071,152</u>	<u>11,385</u>	<u>1,059,767</u>		<u>0.18037</u>		
<b>Total</b>		<u>(41,162,984)</u>	<u>(4,996,998)</u>	<u>(36,165,986)</u>	<u>(47,082,513)</u>	<u>10,916,527</u>	<u>102,845</u>	<u>10,813,682</u>		<u>1.86437</u>	<u>0.845470</u>	

**Annualized Burden Rates for 2010**

Accounts	(1)	(2)	(3)	(4)	(5)	(6)	(7)	Dec Labor Base	Percentage	previous rates	Difference	
	12/31/10 Balance	Dec Burdens to be reversed	Revised Oracle Balance (1) - (2)	Targeted Balance	Revised to be burden in Dec. (6) + (7)	from prior period labor	Remaining to be burdened at the new rate					
<b>LGE</b>												
Life	184101	241,126	(7,754)	248,879	-	248,879	53	248,827	4,301,288	0.05785	0.001790	(0.06)
Dental	184104	(123,010)	(38,241)	(84,769)	(66,182)	(18,587)	261	(18,848)	4,301,288	(0.00438)	0.008830	0.01
Medical	184103, 184105, 184107, 184140	(1,429,398)	(654,177)	(775,221)	(1,210,791)	435,570	4,466	431,105	4,301,288	0.10023	0.151050	0.05
Other Benefits	184121	(127,433)	(70,377)	(57,056)	-	(57,056)	480	(57,536)	4,301,288	(0.01338)	0.016250	0.03
401(k)	184108	(48,564)	(215,546)	166,982	(107,248)	274,230	1,471	272,758	4,301,288	0.06341	0.049770	(0.01)
Retirement Income	184093	(226,645)	(20,400)	(206,245)	(344,232)	137,987	139	137,848	4,301,288	0.03205	0.004710	(0.03)
LT Disability	184109 184110	(15,145)	(22,174)	7,029	-	7,029	151	6,877	4,301,288	0.00160	0.005120	0.00
Pension	184091, 184092	(18,984,093)	(1,383,437)	(17,600,656)	(19,882,016)	2,281,359	9,445	2,271,915	4,301,288	0.52819	0.319440	(0.21)
Pension Interest	184117 184119	(570,543)	(9,913)	(560,631)	(573,151)	12,520	68	12,453	4,301,288	0.00290	0.002290	(0.00)
Fasb 106	184094 184097	(2,618,475)	(193,719)	(2,424,756)	(2,750,392)	325,635	1,322	324,313	4,301,288	0.07540	0.044730	(0.03)
Fasb 106 interest	184118 184120	(4,434,524)	(323,555)	(4,110,969)	(4,381,116)	270,148	2,209	267,939	4,301,288	0.06229	0.074710	0.01
Fasb 112	184095 184098 232109	(571,680)	(42,876)	(528,805)	416,529	(945,334)	293	(945,626)	4,301,288	(0.21985)	0.009900	0.23
Team Incentive Award	184040	(5,799,039)	(554,176)	(5,244,862)	(6,248,699)	1,003,836	5,730	998,106	5,596,383	0.17835	0.098000	(0.08)
Workers Comp	184075, 184073, 184074, 232105	(602,838)	(54,695)	(548,143)	(65,797)	(482,345)	373	(482,719)	4,301,288	(0.11223)	0.012630	0.12
Total benefits		<u>(35,310,263)</u>	<u>(3,591,041)</u>	<u>(31,719,221)</u>	<u>(35,213,095)</u>	<u>3,493,873</u>	<u>26,462</u>	<u>3,467,411</u>		<u>0.75243</u>		
<b>Off-duty</b>												
Vacation	184001, 184002, 242002	(5,149,951)	(386,961)	(4,762,990)	(5,956,109)	1,193,119	2,642	1,190,477	4,301,288	0.27677	0.089350	(0.19)
Holiday	184010, 184011	329,359	(215,851)	545,210	-	545,210	1,474	543,736	4,301,288	0.12641	0.049840	(0.08)
Sick	184020, 184021	108,586	(107,837)	216,424	-	216,424	736	215,688	4,301,288	0.05014	0.024900	(0.03)
Other	184030, 184031	(127,405)	(38,933)	(88,472)	-	(88,472)	266	(88,738)	4,301,288	(0.02063)	0.008990	0.03
		<u>(4,839,411)</u>	<u>(749,583)</u>	<u>(4,089,828)</u>	<u>(5,956,109)</u>	<u>1,866,281</u>	<u>5,117</u>	<u>1,861,164</u>		<u>0.43270</u>		
<b>Payroll taxes</b>												
SUTA	236005	(32,598)	(7,971)	(24,627)	(30,256)	5,629	82	5,546	5,596,383	0.00099	0.001410	0.00
FUTA	236006	(25,132)	(5,538)	(19,594)	(24,130)	4,537	57	4,479	5,596,383	0.00080	0.000980	0.00
FICA	236007	(1,602,601)	(630,066)	(972,536)	(590,648)	(381,887)	6,514	(388,402)	5,596,383	(0.06940)	0.111420	0.18
		<u>(1,660,331)</u>	<u>(643,575)</u>	<u>(1,016,756)</u>	<u>(645,034)</u>	<u>(371,722)</u>	<u>6,654</u>	<u>(378,376)</u>		<u>(0.06761)</u>		
<b>Total</b>		<u>(41,810,004)</u>	<u>(4,984,199)</u>	<u>(36,825,805)</u>	<u>(41,814,238)</u>	<u>4,988,432</u>	<u>38,233</u>	<u>4,950,199</u>		<u>1.11752</u>	<u>1.086110</u>	

Annualized Burden Rates for 2010

Accounts	(1)	(2)	(3)	(4)	(5)	(6)	(7)	Dec Labor Base	Percentage	previous rates	Difference	
	12/31/10 Balance	Dec Burdens to be reversed	Revised Oracle Balance (1) - (2)	Targeted Balance	Revised to be burden in Dec. (6) + (7)	from prior period labor	Remaining to be burdened at the new rate					
<b>KU</b>												
Life	184101	22,850	(19,420)	42,270	-	42,270	524	41,747	3,794,722	0.01100	0.004980	(0.01)
Dental	184104	(136,615)	(38,375)	(98,240)	(69,428)	(28,812)	1,035	(29,846)	3,794,722	(0.00787)	0.009840	0.02
Medical	184103, 184105, 184107, 184140	(1,296,296)	(650,112)	(646,184)	(1,198,067)	551,883	17,532	534,351	3,794,722	0.14081	0.166700	0.03
Other Benefits	184121	(261,495)	(66,961)	(194,534)	-	(194,534)	1,806	(196,340)	3,794,722	(0.05174)	0.017170	0.07
401(k)	184108	98,341	(193,125)	291,466	(147,164)	438,630	5,208	433,422	3,794,722	0.11422	0.049520	(0.06)
LT Disability	184093	29,581	(20,008)	49,589	-	49,589	540	49,050	3,794,722	0.01293	0.005130	(0.01)
Retirement Income	184109 184110	(187,950)	(15,952)	(171,998)	(291,388)	119,390	430	118,960	3,794,722	0.03135	0.004090	(0.03)
Pension	184091, 184092	(13,403,246)	(959,414)	(12,443,832)	(14,445,486)	2,001,654	25,873	1,975,781	3,794,722	0.52067	0.246010	(0.27)
Pension Interest	184117 184119	(1,704,903)	(106,192)	(1,598,712)	(1,826,279)	227,567	2,864	224,703	3,794,722	0.05921	0.027230	(0.03)
Fasb 106	184094 184097	(2,988,351)	(225,846)	(2,762,505)	(3,138,930)	376,425	6,090	370,334	3,794,722	0.09759	0.057910	(0.04)
Fasb 106 interest	184118 184120	(2,928,926)	(211,765)	(2,717,161)	(2,973,591)	256,430	5,711	250,719	3,794,722	0.06607	0.054300	(0.01)
Fasb 112	184095 184098 232109	(103,955)	(7,761)	(96,194)	203,223	(299,417)	209	(299,626)	3,794,722	(0.07896)	0.001990	0.08
Team Incentive Award	184040	(5,423,300)	(467,216)	(4,956,083)	(5,546,584)	590,501	13,964	576,537	4,661,551	0.12368	0.097230	(0.03)
Workers Comp	184075, 184073, 184074, 232105	(271,757)	67,001	(338,758)	85,195	(423,953)	(1,807)	(422,146)	3,794,722	(0.11125)	(0.017180)	0.09
Total benefits		<u>(28,556,023)</u>	<u>(2,915,148)</u>	<u>(25,640,875)</u>	<u>(29,348,499)</u>	<u>3,707,623</u>	<u>79,978</u>	<u>3,627,646</u>		<u>0.92772</u>		
<b>Off-duty</b>												
Vacation	184001, 184002, 242002	(5,154,127)	(355,435)	(4,798,692)	(5,932,343)	1,133,651	9,585	1,124,066	3,794,722	0.29622	0.091140	(0.21)
Holiday	184010, 184011	250,525	(195,543)	446,068	-	446,068	5,273	440,795	3,794,722	0.11616	0.050140	(0.07)
Sick	184020, 184021	18,908	(185,203)	204,111	-	204,111	4,994	199,116	3,794,722	0.05247	0.047490	(0.00)
Other	184030, 184031	(83,835)	(53,311)	(30,524)	-	(30,524)	1,438	(31,962)	3,794,722	(0.00842)	0.013670	0.02
		<u>(4,968,529)</u>	<u>(789,492)</u>	<u>(4,179,037)</u>	<u>(5,932,343)</u>	<u>1,753,305</u>	<u>21,290</u>	<u>1,732,015</u>		<u>0.45643</u>		
<b>Payroll taxes</b>												
SUTA	236005	(42,192)	(6,146)	(36,045)	(42,133)	6,088	184	5,904	4,661,551	0.00127	0.001280	0.00
FUTA	236006	(33,418)	(4,465)	(28,953)	(33,595)	4,642	134	4,508	4,661,551	0.00097	0.000930	(0.00)
FICA	236007	(898,421)	(484,847)	(413,575)	(639,011)	225,436	14,491	210,945	4,661,551	0.04525	0.100900	0.06
		<u>(974,031)</u>	<u>(495,458)</u>	<u>(478,573)</u>	<u>(714,739)</u>	<u>236,166</u>	<u>14,809</u>	<u>221,357</u>		<u>0.04749</u>		
<b>Total</b>		<u><u>(34,498,584)</u></u>	<u><u>(4,200,098)</u></u>	<u><u>(30,298,486)</u></u>	<u><u>(35,995,581)</u></u>	<u><u>5,697,095</u></u>	<u><u>116,077</u></u>	<u><u>5,581,018</u></u>		<u><u>1.43163</u></u>	1.030470	

January 2009 Burden Rate Calculation				
Distribution - Local Engineering				
(\$ in Thousands)				
Rate Calculation				
	Est. Burdened Capital	Est. Raw Capital (% of Est. Burdened Capital, 70% LGE, 58% KU )	Est. Burdened Local Engineering Charges	Est. Rate January 2009
<b>2009</b>		(1)	(2)	(2) / (1)
LGE (57%)	98,300	68,800	8,500	12%
KU (43%)	74,200	43,000	7,100	17%
<b>Total (09 Budget in 08 Plan)</b>	<b>172,500</b>	<b>111,800</b>	<b>15,600</b>	

February 2009 Burden Rate Calculation					
Distribution - Local Engineering					
(\$ in Thousands)					
Rate Calculation					
	Est. Burdened Capital	Est. Raw Capital	Budgeted Burdened Local Engineering Charges	Balance at 12/31/2008	Est. Rate @ Feb. 2009
<b>2009</b>		(1)	(2)	(3)	$((2)+(3)) / (1)$
LGE	79,715	65,074	9,200	(663)	13%
KU	62,485	42,717	7,175	(1,066)	14%
<b>Total 09 Budget</b>	<b>142,200</b>	<b>107,791</b>	<b>16,375</b>	<b>(1,729)</b>	
<b>Eligible Cost Centers Only</b>					



May 2009 Burden Rate Calculation					
Distribution - Local Engineering					
May Rate Calculation					
(\$ in Thousands)					
Rate Calculation					
	Burdened Capital Budget	Raw Capital Budget	Est. Burdened Local Engineering Charges	Balance at 3/31/2009	Est. Rate @ May 2009
<b>2009</b>		(1)	(2)	(3)	((2)+(3)) / (1)
LGE	87,915	71,574	10,451	(830)	13%
KU	78,855	55,817	7,946	(2,016)	11%
<b>Total 09 Budget</b>	<b>166,770</b>	<b>127,391</b>	<b>18,397</b>	<b>(2,846)</b>	
<b>Eligible Cost Centers Only</b>					

October 2009 Burden Rate Calculation					
Distribution - Local Engineering					
October Rate Calculation					
(\$ in Thousands)					
Rate Calculation					
	Burdened Capital Budget	Raw Capital Budget	Est. Burdened Local Engineering Charges	Balance at 8/31/2009 (With (\$500K) balance)	Est. Rate @ Oct 2009
<b>2009</b>		(1)	(2)	(3)	((2)+(3)) / (1)
LGE	26,200	20,960	2,200	(371)	9%
KU	23,800	16,660	1,700	(1,348)	2%
<b>Total 09 Budget</b>	<b>50,000</b>	<b>37,620</b>	<b>3,900</b>	<b>(1,719)</b>	
<b>Eligible Cost Centers Only</b>					

January 2010 Burden Rate Calculation					
Distribution - Local Engineering					
(\$ in Thousands)					
Rate Calculation					
	Est. Burdened Capital	Est. Raw Capital (80% of burd. LGE, 70% KU )	Est. Burdened Local Engineering Charges	Est. YE Balance	Est. Rate 2010-12
<b>2010</b>		(1)	(2)	(2) / (1)	
LGE (57%)	96,600	77,300	10,400	(750)	12%
KU (43%)	72,900	51,000	8,000	(1,000)	14%
<b>Total (Reduced from 2009 Plan for NB)</b>	<b>169,500</b>	<b>128,300</b>	<b>18,400</b>		

**January - May 2009 Generation Local Engineering Rate Calculation  
(\$000)**

January - April 2008 Actual Charges	307		A
2009 Estimated Annual Charges (based on 2008)	921		A x 3 = B
Estimated 2009 LGE Capital Spend	76,058	66.6%	C
Estimated 2009 KU Capital Spend	<u>38,170</u>	33.4%	D
<b>Total</b>	<b>114,229</b>		C + D = E
Debit as % of total Capital spend	0.8%		B / E
<b>Estimated 2009 Rate (rounded)</b>	<b>1%</b>		

## LG&amp;E June-December 2009 Generation Local Engineering Rate Adjustment

**Account Description**

184600 ENGINEERING OVERHEADS - GENERATION

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	<b>Period</b>	<b>Activity</b>	<b>Balance</b>	
	12/31/2008		(467,681.18)	
	Jan-09	61,092.29	(406,588.89)	
	Feb-09	31,194.36	(375,394.53)	
	Mar-09	66,162.21	(309,232.32)	
	Apr-09	26,262.08	(282,970.24)	
	May-09	6,019.35	(276,950.89)	
	Jun-09	34,291.29	(242,659.60)	A
	Jul-09	9,593.76	(233,065.84)	
	Aug-09	16,356.25	(216,709.59)	
	Sep-09	12,535.60	(204,173.99)	
	Oct-09	17,832.10	(186,341.89)	
	Nov-09	12,972.85	(173,369.04)	
	Dec-09	12,912.81	(160,456.23)	

A June 2009 - LGE local engineering balance was still at a credit level so rate was changed from 1.0% to 0.0% to help make progress toward getting closer to zero.

**January - June 2010 Generation Local Engineering Rate Calculation  
(\$000)**

January - April 2009 Actual Charges	360		A
2010 Estimated Annual Charges (based on 2009)	1,080		$A \times 3 = B$
Estimated 2010 LGE Capital Spend	53,090	63.5%	C
Estimated 2010 KU Capital Spend	<u>30,497</u>	36.5%	D
<b>Total</b>	<b>83,587</b>		$C + D = E$
Debit as % of total Capital spend	1.3%		$B / E$
<b>Estimated 2010 Rate (rounded)</b>	<b>1.5%</b>		

## LG&amp;E July - December 2010 Generation Local Engineering Rate Adjustment

**Account Description**

184600 ENGINEERING OVERHEADS - GENERATION

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Period	Activity	Balance	
12/31/2009		(160,456.23)	
Jan-10	1,086.66	(159,369.57)	
Feb-10	(4,375.89)	(163,745.46)	
Mar-10	19,143.34	(144,602.12)	
Apr-10	(29,187.95)	(173,790.07)	
May-10	2,247.27	(171,542.80)	
Jun-10	25,019.18	(146,523.62)	
Jul-10	65,574.35	(80,949.27)	A
Aug-10	(3,962.81)	(84,912.08)	
Sep-10	49,752.82	(35,159.26)	
Oct-10	15,641.78	(19,517.48)	
Nov-10	(6,695.29)	(26,212.77)	
Dec-10	26,212.77	0.00	

A July 2010 LGE rate changed from 1.3% to 0% based on account. Projected Capital spend in 2010 was expected to lower LE balance closer to zero with zero rate. The balanced was lowered over time from -\$160K at 01/01/10 to -\$26K at 11/30/10. Balance was reduced to zero as part of local engineering yearly close-out.

**January - July 2009 Transmission Local Engineering Rate Calculation  
(\$000)**

January - April 2008 Actual Charges	653		A
2009 Estimated Annual Charges (based on 2008)	1,959		$A \times 3 = B$
Estimated 2009 LGE Capital Spend	9,478	30.4%	C
Estimated 2009 KU Capital Spend	<u>21,693</u>	69.6%	D
Total	31,171		$C + D = E$
Debit as % of total Capital spend	6.3%		$B / E$
<b>Estimated 2009 Rate (rounded)</b>	<b>7.0%</b>		



**LG&E August - December 2009 Transmission Local Engineering Rate Adjustment**

**Account Description**

184605 ENGINEERING OVERHEADS - TRANSMISSION

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	<b>Period</b>	<b>Activity</b>	<b>Balance</b>	
	12/31/2008		2,646,032.99	
	Jan-09	(68,920.30)	2,577,112.69	
	Feb-09	48,374.66	2,625,487.35	
	Mar-09	97,083.41	2,722,570.76	
	Apr-09	205,701.09	2,928,271.85	
	May-09	(1,068,516.47)	1,859,755.00	
	Jun-09	33,370.98	1,893,126.36	
	Jul-09	34,858.14	1,927,984.50	
	Aug-09	25,560.27	1,953,544.77	A
	Sep-09	91,294.00	2,044,838.77	
	Oct-09	(100,024.69)	1,944,814.08	
	Nov-09	87,053.58	2,031,867.66	
	Dec-09	291,542.34	2,323,410.00	

A August 2009 - LGE local engineering rate changed from 7% to 12%. Energy Services Budgeting looked at the current balances, projected expenses, and projected capital spend to estimate applicable rates.

**January - December 2010 Transmission Local Engineering Rate Calculation  
(\$000)**

January - April 2009 Actual Charges	1,592		A
2010 Estimated Annual Charges (based on 2009)	4,776		A x 3 = B
Estimated 2010 LGE Capital Spend	8,575	18.8%	C
Estimated 2010 KU Capital Spend	<u>37,062</u>	81.2%	D
<b>Total</b>	<b>45,637</b>		C + D = E
Debit as % of total Capital spend	10.5%		B / E
<b>Estimated 2010 Rate (rounded)</b>	<b>15.0%</b>		

**LG&E Warehouse Overheads**

<b>Category</b>	<b>Account</b>	<b>Jan-09</b>	<b>Feb-09</b>
(A) Stores Expense	163001 - STORES EXPENSE	4,038,675.02	3,902,050.18
	163002 - WAREHOUSE EXPENSES	86,740.56	186,147.92
	163003 - FREIGHT	9,195.17	21,778.37
	163004 - ASSET RECOVERY	11,305.50	11,305.50
	163005 - SALES TAX	39,261.79	75,765.52
	163006 - PHYS INVENT ADJUSTMT	(62,347.77)	(52,648.93)
	163007 - INVOICE PRICE VARIANCES	(213.45)	(2,320.62)
	163100 - OTHER	14,090.91	18,533.44
	<b>Total Stores Expense</b>	<b>4,136,707.73</b>	<b>4,160,611.38</b>
(B) Materials & Supplies	154001 - MATERIALS/SUPPLIES	27,809,935.04	27,856,321.41
	Stores Percentage (A / B)	<b>14.87%</b>	<b>14.94%</b>
	Stores Burden Rate in Effect	<b>17.60%</b>	<b>16.75%</b>

**LG&E Warehouse Overheads**

<b>Category</b>	<b>Account</b>	<b>Dec-09</b>	<b>Jan-10</b>
(A) Stores Expense	163001 - STORES EXPENSE	4,173,782.87	4,070,397.93
	163002 - WAREHOUSE EXPENSES	0.00	137,755.31
	163003 - FREIGHT	0.00	9,841.38
	163004 - ASSET RECOVERY	0.00	5,031.27
	163005 - SALES TAX	0.00	33,702.63
	163006 - PHYS INVENT ADJUSTMT	0.00	(31,804.58)
	163007 - INVOICE PRICE VARIANCES	0.00	(1,706.09)
	163100 - OTHER	0.00	15,035.39
	<b>Total Stores Expense</b>	<b>4,173,782.87</b>	<b>4,238,253.24</b>
(B) Materials & Supplies	154001 - MATERIALS/SUPPLIES	28,614,573.33	29,056,702.06
	Stores Percentage (A / B)	<b>14.59%</b>	<b>14.59%</b>
	Stores Burden Rate in Effect	<b>16.75%</b>	<b>14.50%</b>

**LG&E and KU**

**Administrative and General Transfer Credit Calculation for May 2009**

GL Budget YTG (APR - DEC)	(1) Amounts budgeted to 920 and 921		(2) 9% of transferred to clearing per AG study		(3) Calculate Labor Burdens on transferred labor		(7) Total	(8) Total
	LG&E	KU	LG&E (1) * 9%	KU (2) * 9%	LG&E (3) * labor burden rate Burdens on 9%	KU (4) * labor burden rate		
<b>TOTAL 920</b>								
TOTAL LGE UTILITY								
TOTAL ALL EXPENDITURE TYPES	336,489	14,616	30,284	1,315				
Total Labor	336,489	14,616	30,284	1,315				
Total Straight time	47,008	11,675	4,231	1,051	5,439	1,351	9,670	2,402
Total Overtime							-	-
Total Other Labor	277,641	-	24,988	-	4,064	-	29,051	-
Labor Burdens	11,840	2,941	1,066	265			1,066	265
TOTAL KU COMPANY								
TOTAL ALL EXPENDITURE TYPES	17,013	333,721	1,531	30,035				
Total Labor	17,013	333,721	1,531	30,035				
Total Straight time	13,317	49,877	1,199	4,489	1,444	5,409	2,643	9,898
Total Overtime							-	-
Total Other Labor	-	270,000	-	24,300	0	4,029	-	28,329
Labor Burdens	3,696	13,844	333	1,246			333	1,246
TOTAL LGE SERVICES COMPANY INC.								
TOTAL ALL EXPENDITURE TYPES	16,798,161	16,341,139	1,511,834	1,470,703				
Total Labor	16,780,161	16,341,139	1,510,214	1,470,703				
Total Straight time	12,888,906	12,546,719	1,160,002	1,129,205	1,055,485.4	1,027,463.4	2,215,487	2,156,668
Total Overtime	38,320	43,427	3,449	3,908	761.4	862.9	4,210	4,771
Total Other Labor							-	-
Labor Burdens	3,852,934	3,750,993	346,764	337,589			346,764	337,589
Total Non-labor	18,000	-	1,620	-			1,620	-
<b>TOTAL 921</b>								
TOTAL LGE UTILITY								
TOTAL ALL EXPENDITURE TYPES	1,275,053	-	114,755	-			114,755	-
Total Non-labor	1,275,053	-	114,755	-				
TOTAL KU COMPANY								
TOTAL ALL EXPENDITURE TYPES	-	1,612,759	-	145,148			-	145,148
Total Non-labor	-	1,612,759	-	145,148				
TOTAL LGE SERVICES COMPANY INC.								
TOTAL ALL EXPENDITURE TYPES	6,157,537	6,384,217	554,178	574,579			554,178	574,579
Total Labor	-	17,995	-	1,620				
Total Straight time	-	10,314	-	928				
Total Overtime								
Total Other Labor								
Labor Burdens	-	3,081	-	277				
Overheads-Education/Training/Tuition Reim	-	4,600	-	414				
Total Non-labor	6,157,537	6,366,222	554,178	572,960				
Total based on budget							<u>3,279,776</u>	<u>3,260,895</u>
First qtr is running favorable due to vacancies - assume will continue (reduce budget calculation for vacancies)							<u>2,081,051</u>	<u>2,133,065</u>
Balance as of April 28, 2009 - This is the balance in the 184076 clearing account when rate was recalculated.							<u>820,377</u>	<u>1,066,071</u>
Total to be allocated by Dec - 2009							<u>2,901,428</u>	<u>3,199,136</u>
Raw capital budget for May - Dec							83,936,114	135,596,365
<b>Percentage (Divide amount of estimated debit balance by charged to 184076 by estimated raw capital spend)</b>							<b>0.0346</b>	<b>0.0236</b>
<b>Rounded amounts</b>							<b>0.0300</b>	<b>0.0200</b>

**A&G Transfer Credit Calculation for January 2010**

**Amounts from actual JE to transfer A&G expenses from operating to clearing accounts**

LGE	Jan-09	Feb-09	Mar-09	Apr-09	May-09 - Dec-09	Total	(1)	(2)	(3)	(4)	(5)
							Annualized	3.5% wage increase	Service Burden Rate	Total	Rates
Labor	90,840.88	91,268.34	139,125.77	76,835.68	-	398,070.66	1,194,212	1,236,009	0.876	2,319,067	
401K	4,732.44	4,388.83	6,705.39	3,723.27	-	19,549.93					
DENTAL INSURANCE	944.55	875.96	1,337.92	743.55	-	3,901.99					
FASB 106	1,868.49	1,750.40	3,395.10	1,286.48	-	8,300.46					
FASB 106 INTEREST	426.75	435.10	2,014.99	(239.91)	-	2,636.94					
FASB 112	535.70	497.90	788.46	393.84	-	2,215.90					
FEDERAL UNEMPLOYMENT TAXES	75.05	69.49	106.36	58.65	-	309.55					
FICA	7,824.19	7,244.01	11,065.04	6,137.59	-	32,270.83					
GROUP LIFE INSURANCE	702.05	650.57	981.41	564.79	-	2,898.80					
HOLIDAY	4,662.26	4,323.87	6,609.06	3,665.17	-	19,260.37					
LONG TERM DISABILITY	801.90	743.68	1,136.29	630.84	-	3,312.71					
MEDICAL INSURANCE	10,581.21	9,827.64	15,372.35	7,971.39	-	43,752.57					
OTHER BENEFITS	443.57	412.06	1,741.55	873.71	-	3,470.89					
OTHER OFF-DUTY	1,268.35	1,174.36	1,747.17	1,044.56	-	5,234.45					
PENSION INTEREST	306.36	228.42	7,480.21	3,363.38	-	11,378.37					
PENSIONS	14,505.54	13,475.76	34,278.36	15,716.69	-	77,976.36					
RETIREMENT INCOME	630.56	584.72	891.80	497.64	-	2,604.72					
SICK	2,121.23	1,968.36	3,032.99	1,643.87	-	8,766.44					
STATE UNEMPLOYMENT TAXES	357.27	345.54	505.44	334.64	-	1,542.88					
TEAM INCENTIVE AWARD	13,009.70	12,018.31	17,704.00	10,851.83	-	53,583.84					
VACATION	7,455.89	6,919.87	10,702.59	5,737.06	-	30,815.42					
WORKERS COMP	67.21	70.08	296.95	(135.13)	-	299.11					
Office Supply and Expense (921)	15,739	27,849	41,812	24,502	-	109,901.44	329,704	336,298		336,298	
	179,899.88	187,122.48	308,830.98	166,201.29	-	842,054.63				2,655,366	1.7%

**A&G Transfer Credit Calculation for January 2010**

**Amounts from actual JE to transfer A&G expenses from operating to clearing accounts**

KU	Jan-09	Feb-09	Mar-09	Apr-09	May-09 - Dec-09	Total	(1)	(2)	(3)	(4)	(5)
							Annualized	3.5% wage increase	Servco Burden Rate	Total	Rates
Labor	89,821	91,222	141,785	74,138	-	396,965.94	1,190,898	1,232,579	0.876	2,312,631	
401K	4,682	4,380	6,823	3,558	-	19,443.48					
DENTAL INSURANCE	725	678	1,101	503	-	3,007.82					
FASB 106	1,832	1,710	3,495	1,080	-	8,116.91					
FASB 106 INTEREST	378	347	1,829	(255)	-	2,297.92					
FASB 112	527	493	713	458	-	2,190.54					
FEDERAL UNEMPLOYMENT TAXES	70	69	109	56	-	304.61					
FICA	7,369	7,239	11,313	5,866	-	31,786.72					
GROUP LIFE INSURANCE	695	651	1,014	528	-	2,887.99					
HOLIDAY	4,613	4,315	6,732	3,494	-	19,154.79					
LONG TERM DISABILITY	793	742	1,156	603	-	3,294.64					
MEDICAL INSURANCE	10,463	9,782	15,913	7,243	-	43,401.41					
OTHER BENEFITS	438	410	1,789	801	-	3,438.20					
OTHER OFF-DUTY	1,258	1,177	1,836	953	-	5,224.68					
PENSION INTEREST	375	356	7,721	2,961	-	11,412.47					
PENSIONS	14,304	13,386	33,646	15,649	-	76,984.87					
RETIREMENT INCOME	624	584	915	469	-	2,591.37					
SICK	2,105	1,966	3,348	1,302	-	8,720.53					
STATE UNEMPLOYMENT TAXES	273	257	371	242	-	1,142.38					
TEAM INCENTIVE AWARD	12,578	12,064	17,961	10,704	-	53,306.79					
VACATION	7,372	6,895	10,905	5,431	-	30,603.02					
WORKERS COMP	59	54	295	(177)	-	231.26					
Office Supply and Expense (921)	18,293	26,737	47,099	28,608	-	120,737.35	362,212	369,456		369,456	
	179,649	185,514	317,869	164,213.71	-	847,245.71				2,682,088	2.4%

Non-labor inflation 2%

	PA MTP YR2010
<b>TOTAL CAPITAL</b>	
<b>TOTAL LGE UTILITY</b>	
<b>Total Labor</b>	<b>19,433,560</b>
<b>Total Non-labor</b>	<b>141,406,543</b>
<b>ALL EXPENDITURE TYPES</b>	<b>160,840,103</b>
<b>TOTAL KU COMPANY</b>	
<b>Total Labor</b>	<b>27,723,746</b>
<b>Total Non-labor</b>	<b>84,512,825</b>
<b>ALL EXPENDITURE TYPES</b>	<b>112,236,571</b>

- 1) Annualize amounts in first 4 months
- 2) Budgeted rate increase is 3.5%
- 3) Burden labor using budget labor rate for year
- 4) Total Labor and burdens.
- 5) Add total labor and non-labor and divide by budgeted capital spend to calculate rate to apply to capital projects.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 224**

**Responding Witness: Paul W. Thompson / Chris Hermann**

Q-224. List and describe all maintenance programs and expenses which have been deferred into the test period from prior years, and for each item, explain the Company's reason for such deferral.

A-224. LG&E did not defer maintenance programs and expenses for the purpose of reflecting costs in the test year. The timing and continuation of maintenance programs is based on the requirements of the overall operation of the system and the conditions experienced in operating the system.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 225**

**Responding Witness: Daniel K. Arbough**

Q-225. List all merchandise-related revenue, expense and rate base items included in the test period by account and amount.

A-225. The net revenue booked in Account 415 – Revenue for Merchandise Sales in the test year was \$13,503.46. This represents sales of items such as transformers, poles, conduit, etc. to LG&E customers.

There was nothing booked in Account 416 – Expense for Merchandise Cost of Sales during the test period.

Demand Side Management revenues and expenses are excluded from this response since they are included in Blake Exhibit 1, Reference Schedule 1.09.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 226**

**Responding Witness: Valerie L. Scott**

Q-226. List each abnormal or non recurring charge or credit which occurred during 2009, 2010, 2011 and 2012 to date, and which exceeded \$10,000.00. For purposes of this question, regulatory assets for storm-related damage may be excluded.

- a. For each such charge or credit, state the basis and dollar magnitude of each.
- b. Provide copies of invoices, journal entries or other documentation to support each abnormal or non recurring item.

A-226. Abnormal or non-recurring charges are not specifically tracked. These types of charges or credits are identified through the normal course of rate case preparation and not during other time periods. Therefore, the Company has only identified abnormal or non-recurring charges during rate case test years. The test years ended October 31, 2009 and March 31, 2012 fall into the time period requested above and the abnormal or non-recurring charges identified for each of these cases is provided below.

- a. See attached. Additionally, the Company transferred ownership of certain assets at its Trimble County Station to Kentucky Utilities (KU) as these assets became jointly owned by both LG&E and KU related to Trimble County Unit 2 in 2009. See also the response to Question No. 110.
- b. For details regarding the adjustments, please refer to Blake Exhibit 1, the related Reference Schedules and the related testimony for the current case as well as Case No. 2009-00549. See attached July 30, 2009 letter to the Kentucky Public Service Commission and the June 7, 2010 letter to the Federal Energy Regulatory Commission related to the transferred ownership of Trimble County Station assets.

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**Non Recurring Charges**  
**Adjustments to Net Operating Income**

	Case No./ Schedule	Period	Net Operating Income Impact
1. Adjustment for expenses related to retired mainframe	2009-0549 1.24	12 months ended October 31, 2009	1,400,815
2. Adjustment for Southwest Power Pool settlement expenses	2009-0549 1.32	12 months ended October 31, 2009	583,743
3. Adjustment to remove out of period adjustment for resettlements related to MISO RSG	2009-0549 1.33	12 months ended October 31, 2009	429,911
4. Adjustment for USGC settlement for gypsum contract	2009-0549 1.34	12 months ended October 31, 2009	(1,134,812)
5. Adjustment to remove FERC Hydropower program charges	2009-0549 1.35	12 months ended October 31, 2009	157,135
6. Adjustment for Interest rate swap amortization	2009-0549 1.36	12 months ended October 31, 2009	(258,476)
7. Adjustment to remove out-of-period items	2012-00222 1.18	12 months ended March 31, 2012	(764,550)
8. Adjustment to reflect increase in property insurance expense	2012-00222 1.19	12 months ended March 31, 2012	(311,302)
9. Adjustment for transfer of Independent Transmission Operator functions	2012-00222 1.20	12 months ended March 31, 2012	1,504,636
Total			<u>\$ 1,607,100</u>



Mr. Jeff DeRouen, Executive Director  
 Kentucky Public Service Commission  
 211 Sower Boulevard  
 Frankfort, Kentucky 40601

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 Vice President  
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 lonnie.bellar@eon-us.com

July 30, 2009

**RE: Transfer of Joint Use Assets for Trimble County Unit No. 2 in Accordance with the Commission's November 1, 2005 Order in Case No. 2004-00507, In the Matter of: Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity, and a Site Compatibility Certificate, for the Expansion of the Trimble County Generating Station**

Dear Mr. DeRouen:

This letter is to advise the Commission of the planned transfer on the books and records of Louisville Gas & Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively, the "Companies") of the ownership of certain assets relating to the Trimble County Generating Station from LG&E to KU.

The Commission issued LG&E a Certificate of Public Convenience and Necessity ("CPCN") for the Trimble County Generating Station on October 19, 1978, in Case No. 7113.<sup>1</sup> The CPCN allowed for the installation of two 495 MW generating units, Units Number 1 ("TC1") and Number 2, to be available for operation in May 1983 and May 1985, respectively. TC1 was placed in service in December 1990 with a 495 MW net summer rating and a 566 MW

<sup>1</sup> *In the Matter of: Application of Louisville Gas and Electric Company for a Certificate of Public Convenience and Necessity and a Certificate of Environmental Compatibility to Proceed with the Development of a New FOUR-UNIT Electric Generating Station with a Total Capacity of 2340 MW and to Install 2 – 495 MW Coal-Fired Steam Turbine-Driven Generating Units at Trimble County Station on the Ohio River Near Bedford Kentucky, Case No. 7113, Order (Oct. 19, 1978).*

Mr. Jeff DeRouen, Executive Director  
July 30, 2009

generator nameplate rating; however, the Companies ultimately allowed the original CPCN for Unit Number 2 to lapse.

When LG&E and KU merged in 1998, the Companies committed to plan and operate their generation and transmission systems on an integrated basis, including jointly dispatching their generating units. They also anticipated that future generating units might be jointly owned and that each company would be responsible for its pro rata share of each such unit's costs.<sup>2</sup> Subsequently, the Companies sought, and the Commission issued, a new CPCN for the construction of Trimble County Unit 2 ("TC2"),<sup>3</sup> now an 838 MW (generator nameplate rating) baseload unit to be located adjacent to TC1. In its order granting the CPCN, the Commission established ownership shares of 81% and 19% for KU and LG&E, respectively, for the Companies' collective 75% share of the unit. (The other 25% is owned by the Indiana Municipal Power Agency and the Illinois Municipal Electric Agency.)

A number of the assets that will be necessary to the operation of TC2 (e.g., the plant coal handling system) are currently being used only by TC1. When TC2 is complete, both units will use such assets ("Joint Use Assets"). Because KU has no ownership interest in TC1, to achieve the ownership shares in TC2 that the Commission explicitly approved in its November 1, 2005 Order in Case No. 2004-00507, LG&E will need to transfer ownership interests in the Joint Use Assets to KU. KRS 278.218 states that any transfer of utility assets valued at more than \$1 million require Commission approval, which the Commission shall grant if the proposed transaction is for a proper purpose and is consistent with the public interest. In this particular circumstance, the Commission has already approved as consistent with the public convenience and necessity the 81% and 19% respective ownership shares of KU and LG&E in their collective 75% ownership interest in TC2; the transfers of ownership interests the Companies describe herein are necessary to achieve the overall ownership interests in TC2 the Commission has already approved, and therefore do not require the Commission to issue an additional order in this proceeding.

To achieve this Commission-approved division of ownership, the Companies will transfer ownership interests in the Joint Use Assets from LG&E to KU in

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<sup>2</sup> *In the Matter of: Joint Application of Louisville Gas & Electric Company and Kentucky Utilities Company for Approval of Merger*, Case No. 97-300, Order at 18-19 (Sept. 12, 1997).

<sup>3</sup> *In the Matter of: Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity, and a Site Compatibility Certificate, For the Expansion of the Trimble County Generating Station*, Case No. 2004-00507, Order (Nov. 1, 2005).

Mr. Jeff DeRouen, Executive Director  
July 30, 2009

accordance with the Corporate Policies and Guidelines for Intercompany Transactions (“Guidelines”).

Transfers or sales of assets will be priced at the greater of cost or fair market value for transfers or sales from LG&E or KU to LG&E Energy or other subsidiaries and at the lower of cost or fair market value for transfers or sales made to LG&E or KU from LG&E Energy or any of LG&E Energy’s non-utility subsidiaries. Transfers or sales of assets between LG&E and KU will be priced at cost.<sup>4</sup>

To comply with the Guidelines in this exchange, KU will pay LG&E net book value (original cost minus accumulated depreciation) to purchase its ownership share of the Joint Use Assets. On the basis of the nameplate ratings of TC1 and TC2, the Companies have determined that to achieve respective overall ownership shares of 81% and 19% for KU and LG&E in TC2, their respective ownership shares of the Joint Use Assets must be 48% and 52%. Attachment 1 hereto is a schedule of the assets LG&E will transfer to KU and the net book value of KU’s ownership share of each asset (a total as of June 2009 of \$48,753,671); Attachment 2 is a site plan of the Trimble County Generating Station showing the locations of the Joint Use Assets; Attachment 3 shows sample journal entries for the ownership interest transfers LG&E will make to KU for the Joint Use Assets in December 2009, the first period in which the assets are expected to be used by both LG&E and KU as TC2 unit testing begins; and Attachment 4 shows the method by which the Companies have determined that the Joint Use Assets should be owned 52% and 48% by LG&E and KU, respectively.

In August 2009, LG&E and KU will apply to the Commission for approval of depreciation rates to use for its TC2-related assets.

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<sup>4</sup> Emphasis added. See *In the Matter of: Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of Merger*, Case No. 97-300, Order at 39 (Sept. 12, 1997) (“LG&E, KU and each related company shall, after the merger, comply with LG&E Energy’s Corporate Policies and Guidelines for Intercompany Transactions.”).

Mr. Jeff DeRouen, Executive Director  
July 30, 2009

If the Commission or Commission Staff have any questions or concerns about these transfers, please contact me at your first convenience.

Sincerely,

A handwritten signature in cursive script that reads "Lonnie E. Bellar". The signature is written in black ink and is positioned above the printed name.

Lonnie E. Bellar

cc: Dennis G. Howard II, Kentucky Office of the Attorney General  
Michael L. Kurtz, Kentucky Industrial Utilities Customers, Inc.

Trimble County Steam Generating PlantTransfer of Joint Use Assets to KUNet Book Value As of June 2009

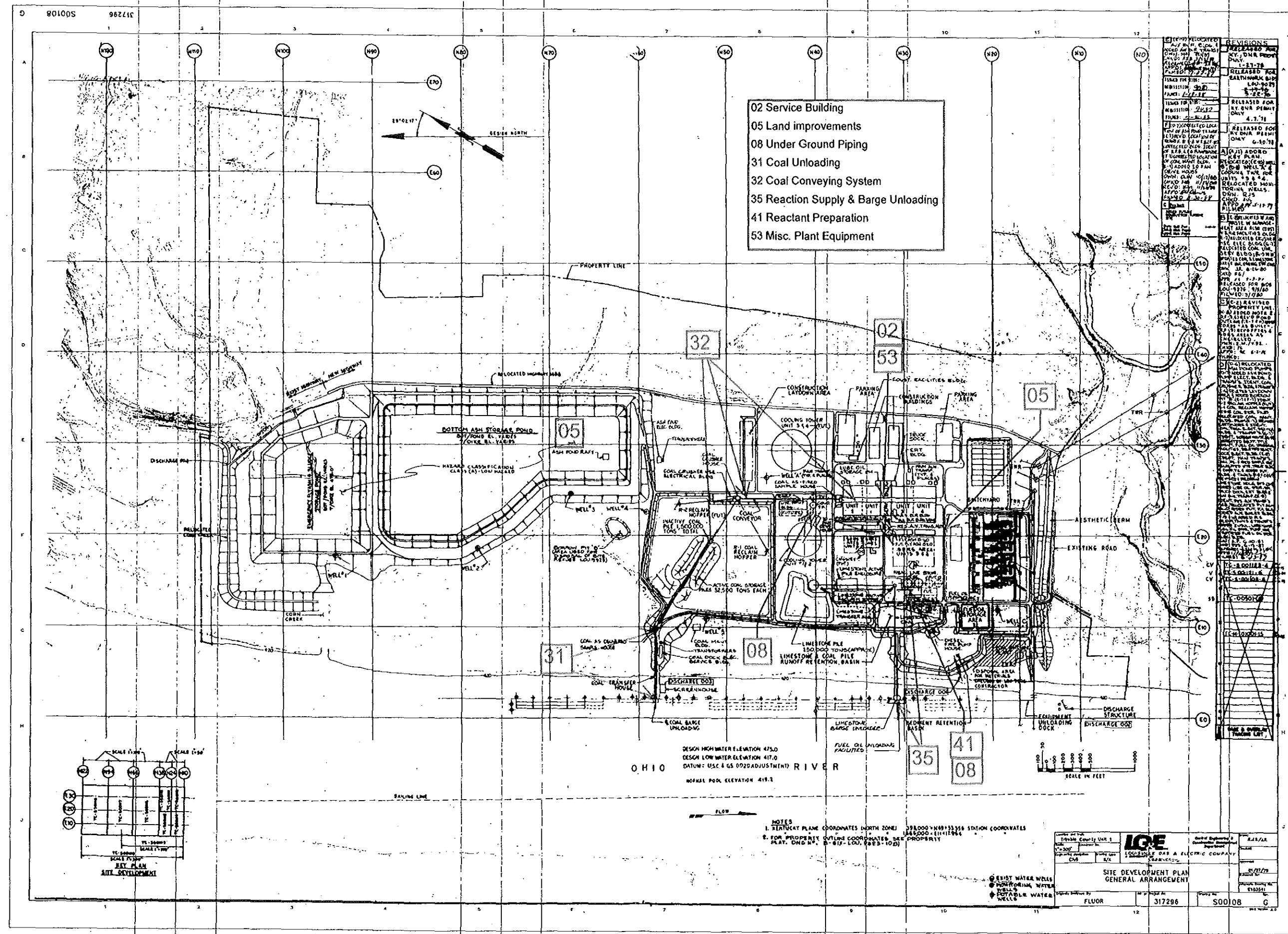
<u>Asset</u>	<u>Description</u>	<u>KU 48%</u> <u>Net Book Value</u>
01 - Unit Structure	The Unit Structure System is the structural steel and reinforced concrete skeletal frame as well as finished concrete floors of the powerhouse including the Turbine Room, Conveyor Room, Boiler Room Deaerator Room and Air Preheater Room. Covering of the building sides and roofs is included also as well as louvers, heating/ventilating, lighting, communication, grounding, fire protection, plumbing, drains and passenger/freight elevators are also a part of this system.	\$ 1,618,879
02 - Service Bldg	The Service Building System shall include costs for contracted labor, material and equipment and local labor, material and equipment to provide a service building facility. The Service Building System shall include the service building physical structure, the shops, offices, locker rooms and restrooms, and storage rooms. which are provided to service all units.	\$ 6,473,934
03 - Screenwell	The Screenwell System includes the structural steel and reinforced concrete skeletal frame of the Ohio River water intake structure for the station. This system includes all the mechanical equipment located in the screenwell structure. This includes but is not limited to various pumps, traveling screens, fixed screens, chemical treatment equipment, piping, house crane (located in the screenwell), trash rakes and other screen cleaning devices, stop log gates, and heating/ventilating equipment. The Screenwell System also includes all electrical equipment located within the screenwell structure.	\$ 3,923,274
04 - Structure B	The Structures B/As Fired Sample House System includes two main structures: Structure B, the north extension of the Unit 1 Conveyor Room; and Coal Conveying Structure, As Fired Sample House. Due to the particular arrangement of the coal conveying system at Trimble County Station, it was necessary to construct a portion of the Unit 2 Conveyor Room to be able to operate the coal conveying system in Unit 1. This portion of Unit 2 is known as Structure B. The System includes the structural steel and reinforced concrete skeletal frames for these two structures. Building covering of the sides and roof are also included. The heating, ventilating and air conditioning equipment, building drains, lighting, communication, grounding, and fire protection in the two structures are a part of this system.	\$ 1,479,471
05 - Land Improvements	This System shall include only those improvements which have a long term life, which approximates the life of the plant. Items which would be included are emergency fly ash and sludge storage pond; relocation of Corn Creek; relocation of Highway 1488; bottom ash storage pond; coal pile impoundment dikes, liners, and stacker-reclaimer fill; grading for reactant preparation, solid waste, construction shops, parking lots, equipment laydown, and concrete batch plant; undercutting for cooling towers, units, and service building; improvement fills and liners for limestone storage, and coal pile runoff, fuel oil storage; construction and plant site runoff basin; switching station fill; permanent plant roads including fill and surfacing; and aesthetic berm.	\$ 5,363,411



<u>Asset</u>	<u>Description</u>	<u>Net Book Value</u>
06 - Yard Facilities	The Yard Facilities System will include those facilities or equipment which are: inter-connections between other systems; have multi-system usage, or are not within a plant structure. Items which shall be included in the Yard Facilities System are: plant yard surfacing; underground electrical ducts; monitor wells; grounding; yard lighting; security facilities; yard drainage (including storm sewers, culverts, and ditches); diesel fire pump house; sanitary sewers (including lift and pumping stations); and fences. (see subsystem descriptions below)	\$ 1,992,881
07 - Above Ground Piping	This system shall include contract labor, materials, and equipment and local labor, material and equipment required to install combined plant piping-systems which are routed and supported on a common pipe rack. The ash water recycle pumps, floating ash pond pumps, platform, floating lines, power, and control shall be part of this system. Also the floating discharge lines for bottom ash, scrubber sludge, and fly ash and sludge storage pond shall be included.	\$ 1,414,127
08 - Under Ground Piping	This System shall include contract labor, materials and equipment, and local labor, material and equipment required to install underground pipe which runs across the plant site from one System to another. Pipe lines included in this System are the Underground Portable Water Piping Distribution Facilities, Yard Fire Protection Piping Distribution Facilities, Fuel Piping Distribution Facilities, Service Water Underground Pipe Distribution Facilities and the "Temporary" Underground Pipes west of Unit 1 and 2 Boiler Room to facilitate Unit No. 2 Construction.	\$ 695,609
22 - Stack	This system shall include contract labor, material, and equipment and local labor, material and equipment to install the stack. The Stack System includes the reinforced concrete base slab and column, all structural steel including ladders, and the fiberglass liner. This system also includes any concrete floors or grating and the permanent elevator is also a part of the Stack System. Mechanical equipment and piping located within the chimney are a part of this system. Electrically, all power, grounding, lighting, communications, instrumentation and control equipment, and wiring are a part of this system. This system also includes the strobe warning lights or other warning devices or system.	\$ 1,496,135
25 - Plant Coal Handling	The system shall be defined as including all contract labor and material, and all company labor and local material as may apply within the system boundaries' outlined as follows: 1) Fabrication and erection of coal bunkers down to outlet flange (to include load cells, seals at conveyor room floor, interior coating of top ring, etc.); 2) "G" conveyors, trippers and all coal handling equipment in conveyor room (to include dust collection equipment); 3) Silo junction house sampling equipment; 4) Fire protection system including deluge valve and all piping down stream of valve; 5) All instrument, control and electrical shall be included with the associated equipment in the respective subsystem (including 6900V, 480V, conduit and cable tray).	\$ 320,672
30 - Fuel Oil System	The Fuel Oil System shall include contract labor, material and equipment, and local labor, material and equipment to install the fuel oil system. The Fuel Oil System will begin at the first joint through the dike around the fuel oil tanks such as foundations for the tanks and station piping and pumps, the steel tanks, pumps and piping within the dike area to the last joint prior to going through the dike. The boundary stops at this last joint. All labor and materials are covered within the dike area. The Fuel Oil Electric Building and Fuel Oil Pump house is also included.	\$ 306,784

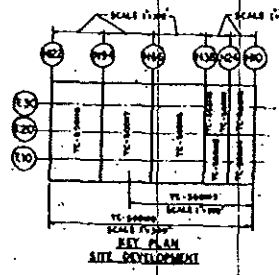
<u>Asset</u>	<u>Description</u>	<u>Net Book Value</u>
31 - Coal Unloading	The coal unloading system shall be defined as including contract labor material, and equipment, and local labor, material and equipment to provide coal unloading facilities within system boundaries as outlined as follows: 1) Shuttle barge equipment; 2) Barge Unloader and Coal Conveyor "A" & "B"; 3) Transfer House "B" - "C"; 4) Coal Conveyor "C"; 5) Sample House which includes vibrating feeders, conveyor "D", "as-delivered" scales, conveyor "S", barge unloader bin, and the concrete support for "E" conveyor (but not "E" conveyor or its pulley frame). (see subsystem descriptions below)	\$ 6,121,011
32 - Coal Conveying System	The Coal Conveying System shall be defined as including contract labor, material and equipment, and local labor, material and equipment as required to provide a stackout-to-storage and reclaim-from-storage machine, a conveyor system which shall begin with steel framework to support "E" conveyor, "F" conveyors, up to the point where the framework supporting the head pulley attaches to the plant structural steel, reclaim hoppers and tunnel, conveyor R, and R.2., magnetic separator, crusher equipment, vibrating feeders in crusher house, and crusher house. Shall also include all Instrumentation and Control and all electrical. Power feed shall be included back to the breaker terminals for 4000V equipment or to the motor starter terminals for 480V equipment. (see subsystem descriptions below)	\$ 4,954,731
35 - Reactant Supply & Barge Unloading	This system shall include contract labor, material and equipment and local labor, material and equipment to install reactant supply and barge unloading system. The Reactant Supply and Barge Unloading System will begin at the Barge Unloading Facilities and will end where the conveyor enters the Ball Mill pulverizer building at the Surge Hopper. It shall also include all Instrumentation and Control and all electrical. Control wiring shall be included. Power feed shall be included for 4000V equipment. (see subsystem descriptions below)	\$ 4,369,349
41 - Reactant Preparation	This system shall include contract labor, material and equipment and local labor, material and equipment to install the Reactant Preparation System. This system will include the Ball Mill Building, and associated equipment, Live Storage Tanks, agitators and other equipment. It shall also include all Instrumentation and Control and all electrical. Control wiring shall be included. Power feed shall be included for 4000V equipment. (see subsystem descriptions below)	\$ 3,307,517
50 - Station Water Treatment Facility	This system shall include contract labor, material and equipment, and local labor, material and equipment to consolidate facilities in one location for treating station waste water and water treatment. The system shall include the SWWT building and pipe, equipment, tanks, storage tanks and storage facilities, in and adjacent to the SWWT building. Facilities associated with this system will include sewage treatment, cooling tower water treatment, condensate make-up water treatment, and demineralization, associated bulk chemical storage, and SWWT compressed air facilities. Shall also include all Instrumentation and Control and all electrical	\$ 2,117,762
53 - Misc. Plant Equipment	This system shall include contract labor, material and equipment, and local labor, material and equipment to install the following subsystems: Turbine Room Gantry Crane, Turbine Room House Crane, Electric Hoists, Station Air Compressors, and Instrument Air Compressors. It shall also include all Instrumentation and Control and all electrical. Control wiring shall be included. Power feed shall be included for 4000V or 6900V equipment or for 480V equipment.	\$ 987,746
61 - Circulating Water System	This system shall include contract labor, material and equipment, and local labor, material and equipment to provide the circulating water facilities. This system shall include the cooling tower, cooling tower pumps, circulating water lines, condenser, cooling tower blowdown facilities, and ash water makeup system.	\$ 114,750

<u>Asset</u>	<u>Description</u>	<u>Net Book Value</u>
71 - Station Auxiliary	This subsystem shall include contract labor, material and equipment, and local labor, material and equipment to install the reserve auxiliary transformers (including foundations and fire protection), the 138KV cable from the switching station termination to the reserve auxiliary transformers, the 6900 volt station switchgear, 6900/480 volt station transformers, 480 volt station switchgear and 480 volt station motor control centers. This includes all necessary control wiring changes internal to the switchgear, power feeds (bus duct and cable) and check-out associated with this equipment.	\$ 1,471,491
73 - Cable Tray & Conduit	This system shall include contract labor, material and equipment, and local labor, material and equipment to install the cable tray system in the plant and service building. Any cable tray or conduit drops to final devices (motors, boxes, etc.) shall be charged to the appropriate system and subsystem.	\$ 224,137
		<b>TOTAL</b> \$ <u>48,753,671</u>



- 02 Service Building
- 05 Land improvements
- 08 Under Ground Piping
- 31 Coal Unloading
- 32 Coal Conveying System
- 35 Reaction Supply & Barge Unloading
- 41 Reactant Preparation
- 53 Misc. Plant Equipment

NO.	REVISIONS
1	ISSUED FOR PERMITS
2	REVISED FOR PERMITS
3	REVISED FOR PERMITS
4	REVISED FOR PERMITS
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OHIO RIVER  
 DESIGN HIGH WATER ELEVATION 475.0  
 DESIGN LOW WATER ELEVATION 417.0  
 DATUM: USC & GS 002D ADJUSTED  
 NORMAL POOL ELEVATION 419.3

NOTES  
 1. SURVEY PLANE COORDINATES NORTH ZONE 188000+448+333518 STATION COORDINATES 1845000+111+1294  
 2. FOR PROPERTY OUTLINE COORDINATES, SEE PROPERTY PLAT. CHD NO. B-811-LOJ, 82B3-10D

	General Engineer's Certificate Number 10001018	Date 12/27/79
SITE DEVELOPMENT PLAN GENERAL ARRANGEMENT		
Prepared by FLUOR	Project No. 317296	Drawing No. S00108

**Sale of Trimble County Unit 1 Joint Use Assets  
Sample Journal Entries**

**Sale of Joint Use Assets from LG&E to KU**

		<u>Debit</u>	<u>Credit</u>
KU	101 Plant In Service	XX	
KU	234 Accounts Payable to Associated Companies		XX
LG&E	146 Accounts Receivable from Associated Companies	XX	
LG&E	108 Retirement Work in Progress		XX

**Establishment of Asset Retirement Obligation on KUs Books as a Result of the Sale**

		<u>Debit</u>	<u>Credit</u>
KU	101 Plant In Service	XX	
KU	230 Asset Retirement Obligations		XX

**Retirement of Joint Use Assets from LG&E's Books as a Result of the Sale**

		<u>Debit</u>	<u>Credit</u>
LG&E	108 Accumulated Provision for Depreciation	XX	
LG&E	101 Plant In Service		XX
LG&E	108 Retirement Work in Progress	XX	

**Retirement of Asset Retirement Obligation from LG&E's Books as a Result of the Sale**

		<u>Debit</u>	<u>Credit</u>
LG&E	108 Accumulated Provision for Depreciation	XX	
LG&E	230 Asset Retirement Obligations	XX	
LG&E	101 Plant In Service		XX
LG&E	182.3 Other Regulatory Assets		XX

**Allocation of KU's and LG&E's Ownership in Trimble County Unit 2's Joint Use Assets  
Based on Their Ownership of the Nameplate Capacity of Both Units at the Trimble County  
Generating Station**

	<u>Nameplate Rating</u>	<u>IMEA/IMPA Share</u>	<u>Companies' Share</u>	<u>LG&amp;E Share</u>	<u>KU Share</u>
TC1 (MW)	566	141.5	424.5	424.5	0
TC2 (MW)	838	209.5	628.5	119.4	509.1
Total (MW)	1404	351	1053	543.9	509.1
Companies' Allocation of Their Combined Ownership Share				<b>52%</b>	<b>48%</b>
Total Ownership		25%	75%	<b>39%</b>	<b>36%</b>



E.ON U.S. LLC  
220 West Main Street  
PO Box 32030  
Louisville, Kentucky 40232-2030

June 7, 2010

Mr. Scott Molony, Chief Accountant  
Federal Energy Regulatory Commission  
888 1<sup>st</sup> Street N.E.  
Washington, D.C. 20426

Dear Mr. Molony:

Trimble County Generating Station Unit 2 is currently under construction and is jointly owned by Kentucky Utilities Company (KU) and Louisville Gas and Electric Company (LG&E). LG&E sold to KU a share of certain joint use assets which are to be utilized by both Trimble County Unit 1 (currently owned by LG&E) and Trimble County Unit 2. Additionally, LG&E also sold KU a share of a hyperbolic cooling tower previously used by Trimble County Unit 1 but which will be used solely for Trimble County Unit 2 in the future. Consistent with Federal Energy Regulatory Commission regulations, LG&E is treating these transactions as a sale of an Operating Unit or System.

In accordance with the Code of Federal Regulations part 101 – Uniform System of Accounts Prescribed for Public Utilities, Electric Plant Instruction Number 5 – Electric Plant Purchased or Sold, LG&E respectfully submits this filing related to journal entries made to Plant Account 102, as described on Attachment A, Item 1, which is enclosed. Since there is no gain or loss on the transaction, the debits and credits charged to Plant Account 102 net to zero and there are no journal entries required to clear the balance of Plant Account 102.

Please contact me at (502) 627-3189 should you have any questions regarding this matter.

Very truly yours,

A handwritten signature in cursive script that reads "Sara Wiseman".

Sara Wiseman  
Manager, Property Accounting

Enclosure

Cc: Shannon Charnas  
Valerie Scott  
Scott Williams  
*Peck Lovelamp*

ATTACHMENT A

**Louisville Gas and Electric Company  
 Journal Entries Relating to the Sale of  
 Trimble County Generating Station Joint Use Assets**

**Item 1. Entries Processed at December 31, 2009**

**A. Plant Journal Entries**

1.	Cash (131) - Various	\$	48,387,710	
	Electric Plant Purchased or Sold (102)			\$ 48,387,710

*To record the payment from KU for the net cost of the assets.*

2.	Electric Plant Purchased or Sold (102)	\$	102,997,240	
	Electric Plant in Service (101)			\$ 102,997,240

*To record sale of joint use assets to KU.*

3.	Accumulated Provision for Depreciation (108) - Various	\$	54,609,530	
	Electric Plant Purchased or Sold (102)			\$ 54,609,530

*To record accumulated depreciation on joint use assets sold to KU.*



ATTACHMENT A

**Louisville Gas and Electric Company  
 Journal Entries Relating to the Sale of  
 Trimble County Generating Cooling Tower Assets**

**Item 1. Entries Processed at December 31, 2009**

**A. Plant Journal Entries**

1. Cash (131) - Various	\$	10,137,562		
Electric Plant Purchased or Sold (102)			\$	10,137,562

*To record the payment from KU for the net cost of the assets.*

2. Electric Plant Purchased or Sold (102)	\$	17,830,912		
Plant Held for Future Use (105)			\$	17,830,912

*To record sale of cooling tower to KU.*

3. Accumulated Provision for Depreciation (108) - Various	\$	7,693,350		
Electric Plant Purchased or Sold (102)			\$	7,693,350

*To record accumulated depreciatton on cooling tower sold to KU.*

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 227**

**Responding Witness: Valerie L. Scott**

- Q-227. Itemize all expenses over \$5,000 recorded by the Company during 2009, 2010 and 2011 in General Office Expense. For each, state the payee, amount, date, purpose and subaccount. Also provide a copy of the associated invoice for amounts over \$10,000.
- A-227. See attached. The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The entire attachment is  
Confidential and  
provided separately  
under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 228**

**Responding Witness: Valerie L. Scott**

- Q-228. List by account the Company's annual O&M expenses for the years 2008 through and including 2012 to date. For each account having a variance over the prior year exceeding 10%, explain the cause of such variance, listing and describing each significant causative item and the associated dollar amount.
- A-228. See attached. The Company does not maintain variance analyses in this level of detail. Variance explanations between 2008 and 2009 were provided in Case No 2009-00549 in its response to AG 1-149, dated March 15, 2010, which the Company hereby incorporates by reference. Variance explanations between 2009 and 2010, and between 2010 and 2011 are provided in response to Question No. 265.

Louisville Gas and Electric Company Case No. 2012-00222 Summary of Annual Maintenance Expense For the Years, 2008 - 2011, 2012 YTD as of 6/30/12					
	2008	2009	2010	2011	2012 YTD
<b>Steam Power Generation:</b>					
(510) Maint. Supervision and Engineering	\$3,051,496	\$2,758,825	\$3,771,032	\$3,289,386	\$2,322,238
(511) Maint. of Structures	1,922,394	2,817,156	2,502,436	2,021,792	1,036,129
(512) Maint. of Boiler Plant	35,721,440	39,181,614	43,512,535	41,319,223	24,463,670
(513) Maint. of Electric Plant	8,421,773	6,995,063	11,307,866	9,416,109	9,144,227
(514) Maint. of Misc. Steam Plant	1,341,151	1,683,302	1,827,795	1,810,437	867,153
Total Steam Generation Maintenance	\$50,458,254	\$53,435,960	\$62,921,664	\$57,856,947	\$37,833,417
<b>Hydraulic Power Generation:</b>					
(541) Maint. Supervision and Engineering	\$2,599	\$92	\$613	\$12,927	\$344
(542) Maint. of Structures	223,640	248,057	255,666	370,849	73,675
(543) Maint. of Reservoirs, Dams & Waterways	181,802	115,135	30,978	74,086	51,181
(544) Maint. of Electric Plant	240,498	200,207	352,694	277,516	94,372
(545) Maint. of Misc. Hydraulic Plant	0	0	0	0	1,939
Total Hydraulic Pwr Generation Maintenance	\$648,539	\$563,491	\$639,951	\$735,378	\$221,511
<b>Other Power Generation:</b>					
(551) Maint. Supervision and Engineering	\$35,596	\$40,908	\$38,366	\$28,319	\$12,550
(552) Maint. of Structures	63,849	64,248	56,450	100,166	36,514
(553) Maint. of Generating and Electric Plant	1,498,648	715,958	3,212,888	1,345,627	560,050
(554) Maint. of Misc. Other Pwr Generation Plant	237,693	108,968	344,817	88,285	53,638
Total Other Power Generation Maintenance	\$1,835,786	\$930,082	\$3,652,521	\$1,562,397	\$662,752
<b>Electric Transmission:</b>					
(568) Maint. Supervision and Engineering	\$0	\$0	\$0	\$0	\$0
(569) Maint. of Structures	47,485	17,281	(48)	753	424
(570) Maint. of Station Equipment	1,057,903	1,240,987	1,396,985	1,292,533	619,072
(571) Maint. of Overhead Lines	685,928	969,162	773,969	1,307,208	291,852
(572) Maint. of Underground Lines	0	0	0	0	0
(573) Maint. of Misc. Transmission Plant	(1,329)	4,371	1,032	17,618	5,957
Total Electric Transmission Maintenance	\$1,789,987	\$2,231,801	\$2,171,938	\$2,618,112	\$917,305
<b>Electric Distribution:</b>					
(590) Maint. Supervision and Engineering	\$16,822	\$27,054	\$8,407	\$290,834	\$72,204
(591) Maint. of Structures	773,756	751,722	718,180	793,590	393,961
(592) Maint. of Station Equipment	877,994	921,725	1,021,695	755,932	491,535
(593) Maint. of Overhead Lines	11,888,812	10,994,768	11,785,213	19,797,678	9,716,859
(594) Maint. of Underground Lines	1,689,915	1,668,693	1,835,053	1,786,761	733,311
(595) Maint. of Line Transformers	213,177	266,426	167,572	234,742	97,572
(596) Maint. of St. Lighting and Signal Systems	667,913	437,359	419,180	456,189	90,182
(597) Maint. of Meters	0	0	0	0	0
(598) Maint. of Misc. Distribution Plant	90,057	329,436	270,562	429,094	169,225
Total Electric Distribution Maintenance	\$16,218,446	\$15,397,183	\$16,225,862	\$24,544,820	\$11,764,849

Louisville Gas and Electric Company Case No. 2012-00222 Summary of Annual Maintenance Expense For the Years, 2008 - 2011, 2012 YTD as of 6/30/12					
	2008	2009	2010	2011	2012 YTD
Underground Storage:					
(830) Maint. Supervision and Engineering	\$327,513	\$327,914	\$366,028	\$370,519	\$205,271
(832) Maint. Of Reservoirs and Wells	741,927	534,183	547,233	778,256	528,026
(833) Maint. Of Lines	140,185	175,450	149,717	159,586	72,192
(834) Maint. Of Compressor Station Equipment	816,963	966,047	940,068	796,313	295,012
(835) Maint. Of Measuring and Reg. Station Equipment	76,836	47,190	25,473	31,455	16,043
(836) Maint. Of Purification Equipment	826,642	251,562	614,741	873,221	276,661
(837) Maint. Of Other Equipment	79,558	53,433	33,962	55,177	21,619
Total Underground Storage Maint. Expense	\$3,009,624	\$2,355,779	\$2,677,222	\$3,064,527	\$1,414,824
Gas Transmission:					
(861) Maintenance Supervision and Engineering	\$0	\$0	\$0	\$0	\$0
(863) Maint. Of Mains	755,101	852,902	846,473	1,226,762	523,976
Total Gas Transmission Maint. Expense	\$755,101	\$852,902	\$846,473	\$1,226,762	\$523,976
Gas Distribution:					
(885) Maintenance Supervision and Engineering	\$0	\$0	\$0	\$0	\$0
(886) Maint. Of Structures and Improvements	564,984	582,068	573,858	577,465	286,239
(887) Maint. Of Mains	7,722,184	7,965,401	8,352,791	9,569,767	4,771,642
(889) Maint. Of Meas. And Reg. Sta. Equip. - General	71,177	71,168	72,962	97,433	54,263
(890) Maint. Of Meas. And Reg. Sta. Equip - Industrial	111,940	214,088	177,911	202,188	152,107
(891) Maint. Of Meas. And Reg. Sta. Equip - City Gate Check Station	288,993	270,364	291,975	333,586	140,345
(892) Maint. Of Services	1,715,334	1,213,435	1,034,740	1,031,631	489,297
(893) Maint. Of Meters and House Regulators	0	0	0	0	0
(894) Maint. Of Other Equipment	300,706	345,005	381,274	413,000	157,304
Total Gas Distribution Maintenance	\$10,775,318	\$10,661,529	\$10,885,511	\$12,225,070	\$6,051,197
Administrative and General:					
(935) Maint. of General Plant - Electric	\$6,709,800	\$7,255,373	\$8,546,093	\$8,917,434	\$4,613,296
(935) Maint. of General Plant - Gas	2,324,989	2,520,856	3,133,873	3,607,622	1,870,687
Total Adm. and General Maintenance	\$9,034,789	\$9,776,229	\$11,679,966	\$12,525,056	\$6,483,983
Total Annual Maintenance Expense:	\$94,525,844	\$96,204,956	\$111,701,108	\$116,359,069	\$65,873,814
Maintenance Expense Variance \$ to Prior Year	\$11,983,850	\$1,679,112	\$15,496,152	\$4,657,961	
Maintenance Expense Variance % to Prior Year	14.52%	1.78%	16.11%	4.17%	

Louisville Gas and Electric Company Case No. 2012-00222 Summary of Annual Operation Expense For the Years, 2008 - 2011, 2012 YTD as of 6/30/12					
	2008	2009	2010	2011	2012 YTD
<b>Steam Power Generation:</b>					
(500) Operation Supervision and Engineering	\$2,213,780	\$2,226,700	\$2,707,698	\$2,196,383	\$1,413,985
(501) Fuel	322,081,928	318,793,382	347,218,737	343,602,284	174,696,037
(502) Steam Expenses	35,626,918	35,079,902	35,550,622	35,948,091	17,559,601
(Less) (504) Steam Transferred-Cr.	0	0	1,585,006	28,867	0
(505) Electric Expenses	795,673	776,815	888,440	680,461	361,840
(506) Miscellaneous Steam Power Expenses	15,126,246	15,404,894	18,192,243	17,323,771	9,291,557
(507) Rents	17,084	0	89,062	89,098	32,436
(509) Allowances	5,118	1,756	972	76,950	10,321
<b>Total Steam Generation Operation</b>	<b>\$375,866,747</b>	<b>\$372,283,449</b>	<b>\$403,062,768</b>	<b>\$399,888,171</b>	<b>\$203,365,777</b>
<b>Hydraulic Power Generation:</b>					
(535) Operation Supervision and Engineering	\$12,012	\$109,931	\$106,559	\$107,576	\$54,965
(536) Water for Power	38,696	39,077	38,682	38,653	19,240
(537) Hydraulic Expenses	0	0	0	0	0
(538) Electric Expenses	170,379	162,157	177,626	264,529	110,517
(539) Misc Hydraulic Power Generation Expenses	109,403	110,476	89,349	126,221	61,542
(540) Rents	262,786	374,245	414,965	379,818	179,045
<b>Total Hydraulic Power Generation Operation</b>	<b>\$593,276</b>	<b>\$795,886</b>	<b>\$827,181</b>	<b>\$916,797</b>	<b>\$425,309</b>
<b>Other Power Generation:</b>					
(546) Operation Supervision and Engineering	\$44,183	\$30,498	\$32,537	\$43,251	\$26,530
(547) Fuel	22,454,807	9,439,616	21,337,589	17,366,109	11,877,169
(548) Generation Expenses	1,241,571	119,374	145,316	159,275	101,283
(549) Misc Other Power Generation Expenses	41,895	40,630	32,000	35,188	16,775
(550) Rents	7,612	0	19,585	21,314	11,097
<b>Total Other Power Generation Operation</b>	<b>\$23,790,068</b>	<b>\$9,630,118</b>	<b>\$21,567,027</b>	<b>\$17,625,137</b>	<b>\$12,032,854</b>
<b>Other Power Supply:</b>					
(555) Purchased Power	\$117,907,533	\$58,430,270	\$54,379,719	\$74,894,547	\$27,143,726
(556) System Control and Load Dispatching	1,099,995	1,500,344	1,626,045	1,588,107	800,432
(557) Other Expenses	4,403,967	(80,375)	621,822	2,164,862	410,629
<b>Total Other Power Supply</b>	<b>\$123,411,495</b>	<b>\$59,850,239</b>	<b>\$56,627,586</b>	<b>\$78,647,516</b>	<b>\$28,354,787</b>
<b>Transmission:</b>					
(560) Operation Supervision and Engineering	\$1,204,930	\$625,248	\$785,395	\$994,588	\$458,825
(561) Load Dispatching	753,691	802,690	1,008,551	1,420,983	817,173
(561.4) Scheduling, System Control & Dispatch Svs	296	665	111	15	65
(561.5) Reliability, Planning & Standards Development	0	180,839	371,678	412,603	195,665
(561.6) Transmission Service Studies	7,259	(16,713)	(4,633)	(326)	(1,989)
(561.8) Reliability, Planning & Stds Development Svs	21	48	8	1	5
(562) Station Expenses	1,117,869	1,385,715	1,168,692	1,234,462	505,381
(563) Overhead Lines Expenses	123,399	118,896	124,685	117,265	75,270
(565) Transmission of Electricity by Others	6,866,047	1,395,164	1,313,486	3,326,104	779,406
(566) Miscellaneous Transmission Expenses	3,060,315	3,307,309	5,955,824	6,676,094	3,085,296
(567) Rents	22,903	22,388	23,780	23,716	22,017
<b>Total Transmission Operation</b>	<b>\$13,156,730</b>	<b>\$7,822,249</b>	<b>\$10,747,577</b>	<b>\$14,205,505</b>	<b>\$5,937,114</b>
<b>Regional Market:</b>					
(575.7) Mkt Facilitation, Monitoring & Compliance Svs	\$46,675	\$1,138,105	\$1,097,996	\$755,046	\$375,811
<b>Total Regional Market Operation</b>	<b>\$46,675</b>	<b>\$1,138,105</b>	<b>\$1,097,996</b>	<b>\$755,046</b>	<b>\$375,811</b>

Louisville Gas and Electric Company Case No. 2012-00222 Summary of Annual Operation Expense For the Years, 2008 - 2011, 2012 YTD as of 6/30/12					
	2008	2009	2010	2011	2012 YTD
<b>Distribution:</b>					
(580) Operation Supervision and Engineering	\$1,177,320	\$1,877,095	\$1,536,677	\$2,351,917	\$968,574
(581) Load Dispatching	311,215	409,587	459,846	544,332	340,433
(582) Station Expenses	977,905	1,032,853	964,810	1,049,757	531,903
(583) Overhead Line Expenses	5,113,226	3,433,395	4,117,195	4,294,787	2,561,001
(584) Underground Line Expenses	384,315	272,945	666,178	552,530	297,526
(585) Street Lighting and Signal System Expenses	50,605	9,981	29,321	(546)	0
(586) Meter Expenses	5,496,042	5,942,766	6,752,176	6,323,918	3,126,999
(587) Customer Installations Expenses	(219,344)	(162,146)	(207,245)	(191,076)	(78,391)
(588) Miscellaneous Expenses	3,371,056	2,768,018	2,905,882	2,998,976	1,450,691
(589) Rents	13,726	14,163	12,980	13,434	8,745
<b>Total Distribution Operation</b>	<b>\$16,676,066</b>	<b>\$15,598,657</b>	<b>\$17,237,820</b>	<b>\$17,938,029</b>	<b>\$9,207,481</b>
<b>Other Gas Supply:</b>					
(803) Natural Gas Transmission Line Purchases	\$391,701,564	\$201,254,917	\$174,326,298	\$158,593,798	\$36,636,113
<b>Subtotal Gas Supply Operation</b>	<b>\$391,701,564</b>	<b>\$201,254,917</b>	<b>\$174,326,298</b>	<b>\$158,593,798</b>	<b>\$36,636,113</b>
(806) Exchange Gas	\$0	(\$3,596,721)	\$695,699	(\$1,823,878)	(\$2,496,546)
<b>Purchased Gas</b>					
(807.1) Well Expenses--Purchased Gas	\$0	(\$31,746)	\$0	\$0	\$15,666
(807.4) Purchased Gas Calculations Expense	28,306	32,639	32,970	33,797	18,363
(807.5) Other Purchased Gas Expenses	614,882	646,237	703,703	732,148	333,990
<b>Subtotal Purchased Gas - Gas Supply Operation</b>	<b>\$643,188</b>	<b>\$647,130</b>	<b>\$736,673</b>	<b>\$765,945</b>	<b>\$368,019</b>
(808.1) Gas Withdrawn from Storage--Debit	\$96,820,314	\$102,519,717	\$56,983,855	\$59,838,142	\$39,912,782
(Less) (808.2) Gas Delivered to Storage--Credit	131,951,496	49,784,896	63,075,768	55,399,465	4,652,120
<b>Gas Used in Utility Operations--Credit:</b>					
(810) Gas Used for Compressor Station Fuel--Credit	(\$845,881)	(\$1,035,641)	(\$513,870)	(\$630,080)	(\$454,926)
(812) Gas Used for Other Utility Operations--Credit	(3,238,970)	(212,350)	(149,278)	(108,837)	(86,217)
<b>Subtotal Gas Used in Utility Operations--Credit</b>	<b>(\$4,084,851)</b>	<b>(\$1,247,991)</b>	<b>(\$663,148)</b>	<b>(\$738,917)</b>	<b>(\$541,143)</b>
(813) Other Gas Supply Expenses	21,915	13,112	0	1	0
<b>Total Other Gas Supply Operation</b>	<b>\$353,150,634</b>	<b>\$249,805,268</b>	<b>\$169,003,609</b>	<b>\$161,235,626</b>	<b>\$69,227,105</b>
<b>Underground Storage:</b>					
(814) Operation Supervision and Engineering	\$481,572	\$468,686	\$509,942	\$505,548	\$269,616
(816) Wells Expenses	127,957	(28,400)	170,899	293,305	220,386
(817) Lines Expenses	478,963	543,161	658,994	587,845	280,064
(818) Compressor Station Expenses	1,403,472	1,380,580	1,587,092	1,514,578	786,094
(819) Compressor Station Fuel and Power	798,502	1,014,162	488,228	629,062	458,785
(820) Measuring and Regulating Station Expenses	0	0	0	0	0
(821) Purification Expenses	1,483,510	1,676,085	1,360,704	1,342,930	1,081,157
(822) Exploration and Development	0	0	0	0	0
(823) Gas Losses	4,167,187	3,234,264	2,319,049	2,229,899	892,272
(824) Other Expenses	7,541	11,282	10,128	13,217	8,137
(825) Storage Well Royalties	39,484	44,665	40,974	47,717	22,916
(826) Rents	37,825	41,758	46,696	39,891	20,051
<b>Total Underground Storage Operation</b>	<b>\$9,026,013</b>	<b>\$8,386,243</b>	<b>\$7,192,706</b>	<b>\$7,203,992</b>	<b>\$4,039,478</b>



Louisville Gas and Electric Company Case No. 2012-00222 Summary of Annual Operation Expense For the Years, 2008 - 2011, 2012 YTD as of 6/30/12					
	2008	2009	2010	2011	2012 YTD
<b>Transmission:</b>					
(850) Operation Supervision and Engineering	\$19,395	\$3,582	\$912	\$8,786	\$18,421
(851) System Control and Load Dispatching	252,926	266,294	289,010	294,448	169,225
(852) Communication System Expenses	0	0	0	0	0
(856) Mains Expenses	254,529	267,743	545,357	336,240	129,898
(859) Other Expenses	0	0	0	0	0
(860) Rents	6,484	5,798	6,196	6,220	4,388
<b>Total Transmission Operation</b>	<b>\$533,334</b>	<b>\$543,417</b>	<b>\$841,475</b>	<b>\$645,694</b>	<b>\$321,932</b>
<b>Distribution:</b>					
(870) Operation Supervision and Engineering	\$0	\$0	\$0	\$0	\$0
(871) Distribution Load Dispatching	352,916	371,306	417,448	457,184	255,224
(874) Mains and Services Expense	3,483,039	3,330,255	2,768,903	3,021,171	1,495,783
(875) Measuring & Regulating Station Exp--General	675,477	639,049	630,964	729,918	278,147
(876) Measuring & Regulating Station Exp--Industrial	275,412	274,510	357,353	289,493	180,528
(877) Measuring and Regulating Station Exp--City Gate Check Station	198,439	167,102	136,866	127,275	77,425
(878) Meter and House Regulator Expenses	81,239	75,500	77,800	598,216	217,138
(879) Customer Installations Expenses	334,813	392,507	450,571	499,238	399,251
(880) Other Expenses	3,047,863	3,296,862	3,209,410	3,260,340	1,425,911
(881) Rents	9,517	10,165	9,946	10,529	9,032
<b>Total Distribution Operation</b>	<b>\$8,458,715</b>	<b>\$8,557,256</b>	<b>\$8,059,261</b>	<b>\$8,993,364</b>	<b>\$4,338,439</b>
<b>Customer Accounts:</b>					
(901) Supervision	\$1,213,781	\$1,497,294	\$1,719,600	\$1,811,320	\$954,305
(902) Meter Reading Expenses	3,699,415	3,912,558	3,688,231	3,902,926	1,954,087
(903) Customer Records and Collection Expenses	8,411,802	9,658,030	9,758,074	9,408,664	5,236,407
(904) Uncollectible Accounts	3,623,668	4,345,272	5,919,807	4,603,581	1,131,413
(905) Miscellaneous Customer Accounts Expenses	565,471	644,313	633,070	768,983	335,746
<b>Total Customer Accounts Operation</b>	<b>\$17,514,137</b>	<b>\$20,057,467</b>	<b>\$21,718,782</b>	<b>\$20,495,474</b>	<b>\$9,611,958</b>
<b>Customer Service and Informational:</b>					
(907) Supervision	\$195,758	\$180,021	\$236,178	\$229,355	\$115,936
(908) Customer Assistance Expenses	1,556,700	11,574,808	13,267,868	12,481,361	7,577,736
(909) Informational and Instructional Expenses	162,275	181,699	77,889	63,964	36,784
(910) Misc Customer Service & Informational Exps	1,899,055	2,973,915	396,667	360,441	190,804
<b>Total Customer Service &amp; Informational Operation</b>	<b>\$3,813,788</b>	<b>\$14,910,443</b>	<b>\$13,978,602</b>	<b>\$13,135,121</b>	<b>\$7,921,260</b>
<b>Sales:</b>					
(911) Supervision	\$0	\$0	\$0	\$0	\$0
(912) Demonstrating and Selling Expenses	0	7,960	0	0	0
(913) Advertising Expenses	58,506	52,319	42,935	33,460	1,553
(916) Miscellaneous Sales Expenses	0	0	0	0	0
<b>Total Sales Operation</b>	<b>\$58,506</b>	<b>\$60,279</b>	<b>\$42,935</b>	<b>\$33,460</b>	<b>\$1,553</b>
<b>Administrative and General:</b>					
(920) Administrative and General Salaries	\$16,715,284	\$17,778,414	\$19,780,228	\$20,469,103	\$11,427,373
(921) Office Supplies and Expenses	6,815,600	5,046,595	6,910,476	6,402,969	710,347
(Less) (922) Administrative Expenses Transferred-Credit	2,784,023	2,657,077	2,344,520	2,336,004	1,015,032
(923) Outside Services Employed	5,568,510	7,110,377	5,725,372	5,310,734	2,695,037
(924) Property Insurance	3,116,665	3,614,433	4,805,412	4,360,349	3,112,833
(925) Injuries and Damages	1,777,753	2,231,084	1,790,455	3,273,730	1,991,913
(926) Employee Pensions and Benefits	27,998,731	47,689,879	44,404,610	47,893,271	22,457,622

Louisville Gas and Electric Company Case No. 2012-00222 Summary of Annual Operation Expense For the Years, 2008 - 2011, 2012 YTD as of 6/30/12					
	2008	2009	2010	2011	2012 YTD
(927) Franchise Requirements	562,628	580,705	585,400	592,972	301,450
(928) Regulatory Commission Expenses	758,033	1,092,744	1,123,299	1,427,868	575,210
(929) (Less) Duplicate Charges-Cr.	907,376	1,086,049	605,255	714,523	535,512
(930.1) General Advertising Expenses	474,275	483,690	434,233	682,994	452,301
(930.2) Miscellaneous General Expenses	1,769,982	1,605,349	2,188,889	2,336,956	1,914,091
(931) Rents	1,700,445	1,789,537	1,948,728	1,956,570	1,110,439
Total Adm. and General Operation	\$63,566,507	\$85,279,681	\$86,747,327	\$91,656,989	\$45,198,072
<b>Total Annual Operation Expense:</b>	<b>\$1,009,662,691</b>	<b>\$854,718,757</b>	<b>\$818,752,652</b>	<b>\$833,375,921</b>	<b>\$400,358,930</b>

Total Annual Maintenance Expense	\$94,525,844	\$96,204,956	\$111,701,108	\$116,359,069	\$65,873,814
Total Operation and Maintenance Expense	\$1,104,188,535	\$950,923,713	\$930,453,760	\$949,734,990	\$466,232,744
Operations Expense Variance \$ to Prior Year	\$183,317,207	(\$154,943,934)	(\$35,966,105)	\$14,623,269	
Operations Expense Variance % to Prior Year	22.18%	(15.35%)	(4.21%)	1.79%	
Maintenance & Operations Exp Var \$ to Prior Year	\$195,301,057	(\$153,264,822)	(\$20,469,953)	\$19,281,230	
Maintenance & Operations Exp Var % to Prior Year	21.49%	(13.88%)	(2.15%)	2.07%	

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 229**

**Responding Witness: Valerie L. Scott**

- Q-229. Penalties and fines. List and describe any and all penalties and fines in the test period and the preceding three years. Indicate in which account each such item was recorded, and whether any such penalty or fine is a shareholder or ratepayer expense.
- A-229. See attached. The Company identified \$17,500 in fines during the test period that were improperly recorded in net operating income. This amount should have been recorded in account 426301.

**Louisville Gas & Electric Company  
Penalties and Fines**

<b>Test Period</b>			
<u>Period</u>	<u>Account</u>	<u>Amount</u>	<u>Description</u>
Jul-11	588100	\$ 15,000	KPSC Fine for NESC violation
Jul-11	588100	2,500	KPSC Fine for NESC violation
Nov-11	426301	236	Late State Payroll Tax Deposit
Feb-12	426301	(236)	Late State Payroll Tax Deposit
Feb-12	426301	5	Late State Payroll Tax Deposit
Mar-12	426301	1	Late State Payroll Tax Deposit
Mar-12	426301	26,250	SERC Penalty Accrual
<b>Total</b>		<b>\$ 43,756</b>	

<b>2011</b>			
<u>Period</u>	<u>Account</u>	<u>Amount</u>	<u>Description</u>
Feb-11	426301	\$ 4	Insurance Penalty
Jul-11	588100	15,000	KPSC Fine for NESC violation
Jul-11	588100	2,500	KPSC Fine for NESC violation
Nov-11	426301	236	Late State Payroll Tax Deposit
<b>Total</b>		<b>\$ 17,740</b>	

<b>2010</b>			
<u>Period</u>	<u>Account</u>	<u>Amount</u>	<u>Description</u>
NONE			
<b>Total</b>		<b>\$ -</b>	

<b>2009</b>			
<u>Period</u>	<u>Account</u>	<u>Amount</u>	<u>Description</u>
Apr-09	426301	\$ 350,000	FERC Civil Penalty Settlement
Aug-09	426301	200	Civil Penalty for Electric Safety Code
Aug-09	426301	10	Gross Receipts Late Payment
Nov-09	426301	(36,150)	True-up of SERC Reliability Penalty accrual booked in 2008
Dec-09	426301	6,000	KYPSC Settlement Penalty
<b>Total</b>		<b>\$ 320,061</b>	

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 230**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-230. List all productivity savings expected to be realized by the Company as a result of increased employee experience.

A-230. The Company has not completed any productivity studies relative to increased employee experience.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 231**

**Responding Witness: Valerie L. Scott**

Q-231. List each facility, location, and asset which is included as rental expense. For each item include a description, the annual or monthly rental rate, the account and amount included in the base and test period expense.

A-231. See attached.

Louisville Gas & Electric Company  
Rental Expenses

Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
<b>Copiers</b>					
Copier-WC15PL	LGEC 8th Generation Services	9	Monthly	921 <sup>1</sup>	8
Copier-WC15PL	Cane Run Coal Yard	9	Monthly	921 <sup>1</sup>	18
Copier-WC15PL	Cane Run Machine I/E	9	Monthly	921 <sup>1</sup>	18
Copier-WC15PL	East Service Center - Garage	9	Monthly	921 <sup>1</sup>	18
Copier-WC15PL	East Service Center - Training	9	Monthly	921 <sup>1</sup>	18
Copier-WCP416P	Magnolia	16	Monthly	921 <sup>1</sup>	18
Copier-WC15PL	Mill Creek Guard Shack	9	Monthly	921 <sup>1</sup>	18
Copier-WC15PL	Mill Creek	9	Monthly	921 <sup>1</sup>	18
Copier-WC15PL	Mill Creek Coal Generation	9	Monthly	921 <sup>1</sup>	18
Copier-WC15PL	Mill Creek Control Room	9	Monthly	921 <sup>1</sup>	18
Copier-WC15PL	Mill Creek Control Room	9	Monthly	921 <sup>1</sup>	18
Copier-WC15PL	Mill Creek Mechanical Maintenance	9	Monthly	921 <sup>1</sup>	18
Copier-WC15PL	Ohio Falls	9	Monthly	921 <sup>1</sup>	18
Copier-CC35	BOC 1 Electric Trouble	33	Monthly	921 <sup>1</sup>	30
Copier-CC35	LGEC 6th IT Service Delivery	33	Monthly	921 <sup>1</sup>	30
Copier-CC35	LGEC 8th Energy Marketing	33	Monthly	921 <sup>1</sup>	30
Copier-CC35	LGEC 15th CEO	33	Monthly	921 <sup>1</sup>	31
Copier-CC35	LGEC 16th	33	Monthly	921 <sup>1</sup>	31
Copier-CC35	BOC Metering	33	Monthly	921 <sup>1</sup>	40
Copier-WC15PL	Muldrough Gas Storage	9	Monthly	921 <sup>1</sup>	51
Copier-CC35	Auburndale - Gas Reg Compliance	33	Monthly	921 <sup>1</sup>	66
Copier-CC35	Auburndale	33	Monthly	921 <sup>1</sup>	66
Copier-CC35	Auburndale	33	Monthly	921 <sup>1</sup>	66
Copier-CC35	Auburndale Garage	33	Monthly	921 <sup>1</sup>	66
Copier-CC35	Auburndale Rubber Good Labs	33	Monthly	921 <sup>1</sup>	66
Copier-WCP416P	Auburndale System Reg. And Ops.	33	Monthly	921 <sup>1</sup>	66
Copier-CC35	Cane Run Planners Office	33	Monthly	921 <sup>1</sup>	66
Copier-CC35	Cane Run Training	33	Monthly	921 <sup>1</sup>	66
Copier-WCP416P	Cane Run Wholesale Electric	33	Monthly	921 <sup>1</sup>	66
Copier-WCP416P	Mill Creek Cent. Mtc. Shop.	33	Monthly	921 <sup>1</sup>	66
Copier-WCP416P	Mill Creek Plant	33	Monthly	921 <sup>1</sup>	66
Copier-WCP416P	Muldrough	33	Monthly	921 <sup>1</sup>	66
Copier-CC35D	Mill Creek Station	35	Monthly	921 <sup>1</sup>	70
Copier-CC35	Simpsonville	33	Monthly	921 <sup>1</sup>	99
Copier-WC15PL	LGEC 6th IT	9	Monthly	921 <sup>1</sup>	105
Copier-WCP416P	Bardstown Gas Dept	33	Monthly	921 <sup>1</sup>	132
Copier-CC35	Jennings Ln Transformer - T.C. - South Svc. Ctr.	33	Monthly	921 <sup>1</sup>	132

Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
Copier-CC35D	Mill Creek Planners Office	33	Monthly	921 <sup>1</sup>	201
Copier-SAVIN 8045	East Service Center Electric Side	200	Monthly	921 <sup>1</sup>	213
Copier-WCP416P	Ohio Falls	33	Monthly	921 <sup>1</sup>	222
Copier-CC35	Mill Creek Training	33	Monthly	921 <sup>1</sup>	271
Copier-RICOH F5000	LGEC USC 5th - Rates	200	Monthly	921 <sup>1</sup>	274
Copier-SAVIN 8025	BOC LL	160	Monthly	921 <sup>1</sup>	293
Copier-CC245H	Cane Run	147	Monthly	921 <sup>1</sup>	294
Copier-CC35	Auburndale 2 Inv Mgmt.	33	Monthly	921 <sup>1</sup>	297
Copier-CC35	LGEC 7th	33	Monthly	921 <sup>1</sup>	318
Copier-SAVIN F3035	Auburndale 2 Inv. Mgmt.	180	Monthly	921 <sup>1</sup>	348
Copier-SAVIN 8025	Auburndale - Telecom	160	Monthly	921 <sup>1</sup>	469
Copier-SAVIN 8025	Cane Run Planners Office	160	Monthly	921 <sup>1</sup>	480
Copier-AFICIO F2035	Cane Run	180	Monthly	921 <sup>1</sup>	522
Copier-SAVIN F2035	Auburndale ESDT Design	180	Monthly	921 <sup>1</sup>	534
Copier-RICOH F3035	Mill Creek - Warehouse	180	Monthly	921 <sup>1</sup>	540
<b>Rail Cars</b>					
Rail Cars	Mill Creek/ Cane Run	47,400	Monthly	151 <sup>2</sup>	568,800
Rail Cars	Mill Creek/ Cane Run	31,600	Monthly	151 <sup>2</sup>	379,200
<b>Real Estate</b>					
Real Estate - Building	220 West Main Street, Louisville, KY	168,088	Monthly	931	2,017,057
Real Estate - Parking spaces	9th and Broadway (behind L&N Bldg), Louisville, KY	3,000	Monthly	902	33,000
<b>Telecom</b>					
Telecom - Site tower space	Louisville	8,450	Annually	921	8,450
<b>Uniforms</b>					
Uniforms	Cane Run	4,500	Monthly	506 <sup>3</sup>	6,000
Uniforms	Mill Creek	10,500	Monthly	506 <sup>3</sup>	2,000
Uniforms	Ohio Falls	100	Monthly	539 <sup>3</sup>	100
Uniforms	Trimble County	7,000	Monthly	506 <sup>3</sup>	1,000
<b>Vehicles</b>					
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	1,921	Monthly	184 <sup>4</sup>	9,605
Vehicle - Aerial Lift Truck	South Service Center	1,467	Monthly	184 <sup>4</sup>	14,670
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	1,260	Monthly	184 <sup>4</sup>	12,600
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,260	Monthly	184 <sup>4</sup>	12,600
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,260	Monthly	184 <sup>4</sup>	12,600
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	1,260	Monthly	184 <sup>4</sup>	12,600
Vehicle - Aerial Lift Truck	Auburndale Service Center	2,786	Monthly	184 <sup>4</sup>	27,860
Vehicle - Aerial Lift Truck	Auburndale Service Center	3,132	Monthly	184 <sup>4</sup>	31,320
Vehicle - Aerial Lift Truck	Auburndale Service Center	2,766	Monthly	184 <sup>4</sup>	27,660
Vehicle - Aerial Lift Truck	Auburndale Service Center	2,563	Monthly	184 <sup>4</sup>	25,630
Vehicle - Aerial Lift Truck	Auburndale Service Center	2,583	Monthly	184 <sup>4</sup>	25,830
Vehicle - Aerial Lift Truck	Auburndale Service Center	2,568	Monthly	184 <sup>4</sup>	25,680
Vehicle - Digger Derrick Truck/Mini	East Service Center	2,505	Monthly	184 <sup>4</sup>	25,051



<b>Description</b>	<b>Location</b>	<b>Rental Amount (\$)</b>	<b>Payment Frequency</b>	<b>Account</b>	<b>Test Period Expense (\$)</b>
Vehicle - Aerial Lift Truck	East Service Center	2,553	Monthly	184 <sup>4</sup>	25,530
Vehicle - Aerial Lift Truck	East Service Center	2,506	Monthly	184 <sup>4</sup>	25,060
Vehicle - Aerial Lift Truck	East Service Center	2,506	Monthly	184 <sup>4</sup>	25,060
Vehicle - Aerial Lift Truck	Auburndale Service Center	2,041	Monthly	184 <sup>4</sup>	20,406
Vehicle - Aerial Lift Truck	Auburndale Service Center	2,349	Monthly	184 <sup>4</sup>	23,487
Vehicle - Aerial Lift Truck	East Service Center	2,380	Monthly	184 <sup>4</sup>	23,800
Vehicle - Aerial Lift Truck	East Service Center	2,380	Monthly	184 <sup>4</sup>	23,800
Vehicle - Aerial Lift Truck	Auburndale Service Center	3,920	Monthly	184 <sup>4</sup>	39,203
Vehicle - Aerial Lift Truck	East Service Center	3,920	Monthly	184 <sup>4</sup>	39,203
Vehicle - Aerial Lift Truck	East Service Center	3,920	Monthly	184 <sup>4</sup>	39,203
Vehicle - Aerial Lift Truck	East Service Center	3,920	Monthly	184 <sup>4</sup>	39,203
Vehicle - Aerial Lift Truck	Auburndale Service Center	3,913	Monthly	184 <sup>4</sup>	39,129
Vehicle - Aerial Lift Truck	Auburndale Service Center	3,913	Monthly	184 <sup>4</sup>	39,129
Vehicle - Aerial Lift Truck	South Service Center	2,155	Monthly	184 <sup>4</sup>	21,546
Vehicle - Aerial Lift Truck	South Service Center	2,193	Monthly	184 <sup>4</sup>	4,386
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,618	Monthly	184 <sup>4</sup>	16,180
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	1,618	Monthly	184 <sup>4</sup>	16,180
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	1,684	Monthly	184 <sup>4</sup>	6,737
Vehicle - Aerial Lift Truck	East Service Center	1,988	Monthly	184 <sup>4</sup>	19,880
Vehicle - Aerial Lift Truck	Auburndale Service Center	1,988	Monthly	184 <sup>4</sup>	19,880
Vehicle - Aerial Lift Truck	Auburndale Service Center	2,172	Monthly	184 <sup>4</sup>	21,720
Vehicle - Aerial Lift Truck	Auburndale Service Center	2,172	Monthly	184 <sup>4</sup>	21,720
Vehicle - Aerial Lift Truck	Auburndale Service Center	1,988	Monthly	184 <sup>4</sup>	19,880
Vehicle - Digger Derrick Truck/Mini	Auburndale Service Center	2,249	Monthly	184 <sup>4</sup>	22,490
Vehicle - Digger Derrick Truck/Mini	East Service Center	2,291	Monthly	184 <sup>4</sup>	22,910
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,689	Monthly	184 <sup>4</sup>	16,888
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,689	Monthly	184 <sup>4</sup>	16,888
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,689	Monthly	184 <sup>4</sup>	16,888
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,678	Monthly	184 <sup>4</sup>	16,780
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,678	Monthly	184 <sup>4</sup>	16,780
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,678	Monthly	184 <sup>4</sup>	16,780
Vehicle - Crane Trucks	Auburndale Service Center	2,954	Monthly	184 <sup>4</sup>	8,862
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	1,689	Monthly	184 <sup>4</sup>	16,888
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,689	Monthly	184 <sup>4</sup>	16,888
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,689	Monthly	184 <sup>4</sup>	16,888
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	1,689	Monthly	184 <sup>4</sup>	16,888
Vehicle - Aerial Lift Truck	Auburndale Service Center	3,503	Monthly	184 <sup>4</sup>	35,030
Vehicle - Aerial Lift Truck	Auburndale Service Center	4,153	Monthly	184 <sup>4</sup>	41,530
Vehicle - Aerial Lift Truck	East Service Center	4,099	Monthly	184 <sup>4</sup>	40,990
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	2,339	Monthly	184 <sup>4</sup>	11,696

Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	1,561	Monthly	184 <sup>4</sup>	15,609
Vehicle - Medium & Heavy Duty Truck	East Service Center	1,561	Monthly	184 <sup>4</sup>	15,609
Vehicle - Digger Derrick Truck/Mini	Auburndale Service Center	2,901	Monthly	184 <sup>4</sup>	29,005
Vehicle - Vans (All)	Auburndale Service Center	945	Monthly	184 <sup>4</sup>	9,451
Vehicle - Vans (All)	Auburndale Service Center	945	Monthly	184 <sup>4</sup>	9,451
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	692	Monthly	184 <sup>4</sup>	5,537
Vehicle - Medium & Heavy Duty Truck	Magnolia Station	692	Monthly	184 <sup>4</sup>	5,537
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	481	Monthly	184 <sup>4</sup>	3,367
Vehicle - Light-Duty Utility Truck	Broadway Office	484	Monthly	184 <sup>4</sup>	484
Vehicle - Light-Duty Utility Truck	Broadway Office	430	Monthly	184 <sup>4</sup>	430
Vehicle - Light-Duty Utility Truck	Magnolia Station	541	Monthly	184 <sup>4</sup>	4,327
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	605	Monthly	184 <sup>4</sup>	6,049
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	562	Monthly	184 <sup>4</sup>	5,624
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	555	Monthly	184 <sup>4</sup>	4,996
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	580	Monthly	184 <sup>4</sup>	5,799
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	556	Monthly	184 <sup>4</sup>	4,449
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	497	Monthly	184 <sup>4</sup>	4,967
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	480	Monthly	184 <sup>4</sup>	3,843
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	675	Monthly	184 <sup>4</sup>	6,754
Vehicle - Light-Duty Utility Truck	Broadway Office	485	Monthly	184 <sup>4</sup>	485
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	446	Monthly	184 <sup>4</sup>	3,125
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	496	Monthly	184 <sup>4</sup>	3,472
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	500	Monthly	184 <sup>4</sup>	3,500
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	624	Monthly	184 <sup>4</sup>	6,236
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	537	Monthly	184 <sup>4</sup>	4,295
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	382	Monthly	184 <sup>4</sup>	382
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	382	Monthly	184 <sup>4</sup>	3,441
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	382	Monthly	184 <sup>4</sup>	1,147
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	382	Monthly	184 <sup>4</sup>	3,441
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	378	Monthly	184 <sup>4</sup>	378
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	382	Monthly	184 <sup>4</sup>	382
Vehicle - Light-Duty Utility Truck	East Service Center	382	Monthly	184 <sup>4</sup>	3,441
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	409	Monthly	184 <sup>4</sup>	3,683
Vehicle - Light-Duty Utility Truck	South Service Center	372	Monthly	184 <sup>4</sup>	743
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	375	Monthly	184 <sup>4</sup>	1,499
Vehicle - Light-Duty Utility Truck	East Service Center	420	Monthly	184 <sup>4</sup>	3,780
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	420	Monthly	184 <sup>4</sup>	420
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	420	Monthly	184 <sup>4</sup>	420
Vehicle - Light-Duty Utility Truck	East Service Center	413	Monthly	184 <sup>4</sup>	413
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	423	Monthly	184 <sup>4</sup>	4,228

Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
Vehicle - Light-Duty Utility Truck	East Service Center	423	Monthly	184 <sup>4</sup>	846
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	430	Monthly	184 <sup>4</sup>	859
Vehicle - Light-Duty Utility Truck	Broadway Office	445	Monthly	184 <sup>4</sup>	445
Vehicle - Light-Duty Utility Truck	Broadway Office	435	Monthly	184 <sup>4</sup>	435
Vehicle - Light-Duty Utility Truck	Broadway Office	434	Monthly	184 <sup>4</sup>	434
Vehicle - Light-Duty Utility Truck	Broadway Office	436	Monthly	184 <sup>4</sup>	436
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	425	Monthly	184 <sup>4</sup>	425
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	432	Monthly	184 <sup>4</sup>	1,726
Vehicle - Light-Duty Utility Truck	Magnolia Station	494	Monthly	184 <sup>4</sup>	4,447
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	456	Monthly	184 <sup>4</sup>	4,102
Vehicle - Light-Duty Utility Truck	South Service Center	408	Monthly	184 <sup>4</sup>	3,675
Vehicle - Light-Duty Utility Truck	Muldraugh Station	456	Monthly	184 <sup>4</sup>	4,102
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	456	Monthly	184 <sup>4</sup>	4,558
Vehicle - Vans (All)	South Service Center	335	Monthly	184 <sup>4</sup>	2,010
Vehicle - Vans (All)	Auburndale Service Center	333	Monthly	184 <sup>4</sup>	2,664
Vehicle - Vans (All)	Auburndale Service Center	333	Monthly	184 <sup>4</sup>	2,664
Vehicle - Vans (All)	Auburndale Service Center	333	Monthly	184 <sup>4</sup>	2,664
Vehicle - Light-Duty Utility Truck	Magnolia Station	461	Monthly	184 <sup>4</sup>	4,612
Vehicle - Medium & Heavy Duty Truck	South Service Center	497	Monthly	184 <sup>4</sup>	1,492
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	602	Monthly	184 <sup>4</sup>	5,414
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	365	Monthly	184 <sup>4</sup>	3,282
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	374	Monthly	184 <sup>4</sup>	748
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	406	Monthly	184 <sup>4</sup>	4,064
Vehicle - Light-Duty Utility Truck	Broadway Office	471	Monthly	184 <sup>4</sup>	4,241
Vehicle - Light-Duty Utility Truck	Broadway Office	627	Monthly	184 <sup>4</sup>	6,272
Vehicle - Light-Duty Utility Truck	Broadway Office	735	Monthly	184 <sup>4</sup>	1,470
Vehicle - Light-Duty Utility Truck	Broadway Office	799	Monthly	184 <sup>4</sup>	5,592
Vehicle - Light-Duty Utility Truck	Muldraugh Station	612	Monthly	184 <sup>4</sup>	6,124
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	671	Monthly	184 <sup>4</sup>	6,711
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	718	Monthly	184 <sup>4</sup>	1,436
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	750	Monthly	184 <sup>4</sup>	1,500
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	616	Monthly	184 <sup>4</sup>	6,156
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	750	Monthly	184 <sup>4</sup>	2,250
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	613	Monthly	184 <sup>4</sup>	6,127
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	718	Monthly	184 <sup>4</sup>	5,027
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	611	Monthly	184 <sup>4</sup>	6,115
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	714	Monthly	184 <sup>4</sup>	1,429
Vehicle - Light-Duty Utility Truck	South Service Center	463	Monthly	184 <sup>4</sup>	1,389
Vehicle - Light-Duty Utility Truck	East Service Center	426	Monthly	184 <sup>4</sup>	3,406
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	426	Monthly	184 <sup>4</sup>	2,980

Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
Vehicle - Medium & Heavy Duty Truck	South Service Center	407	Monthly	184 <sup>4</sup>	4,071
Vehicle - Vans (All)	South Service Center	340	Monthly	184 <sup>4</sup>	1,698
Vehicle - Vans (All)	South Service Center	340	Monthly	184 <sup>4</sup>	1,700
Vehicle - Vans (All)	South Service Center	337	Monthly	184 <sup>4</sup>	2,024
Vehicle - Medium & Heavy Duty Truck	Center Station	528	Monthly	184 <sup>4</sup>	5,279
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	753	Monthly	184 <sup>4</sup>	7,527
Vehicle - Medium & Heavy Duty Truck	Magnolia Station	538	Monthly	184 <sup>4</sup>	5,376
Vehicle - Light-Duty Utility Truck	Magnolia Station	554	Monthly	184 <sup>4</sup>	5,544
Vehicle - Light-Duty Utility Truck	Broadway Office	559	Monthly	184 <sup>4</sup>	5,592
Vehicle - Light-Duty Utility Truck	Broadway Office	617	Monthly	184 <sup>4</sup>	6,174
Vehicle - Light-Duty Utility Truck	Broadway Office	524	Monthly	184 <sup>4</sup>	5,237
Vehicle - Vans (All)	Broadway Office	319	Monthly	184 <sup>4</sup>	1,912
Vehicle - Light-Duty Utility Truck	Broadway Office	368	Monthly	184 <sup>4</sup>	3,313
Vehicle - Light-Duty Utility Truck	Broadway Office	484	Monthly	184 <sup>4</sup>	484
Vehicle - Light-Duty Utility Truck	South Service Center	512	Monthly	184 <sup>4</sup>	5,120
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	754	Monthly	184 <sup>4</sup>	7,543
Vehicle - Medium & Heavy Duty Truck	South Service Center	792	Monthly	184 <sup>4</sup>	3,962
Vehicle - Light-Duty Utility Truck	East Service Center	603	Monthly	184 <sup>4</sup>	4,823
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	620	Monthly	184 <sup>4</sup>	6,197
Vehicle - Medium & Heavy Duty Truck	Magnolia Station	799	Monthly	184 <sup>4</sup>	7,992
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	1,066	Monthly	184 <sup>4</sup>	10,661
Vehicle - Light-Duty Utility Truck	LG&E Building	583	Monthly	184 <sup>4</sup>	5,830
Vehicle - Light-Duty Utility Truck	Broadway Office	757	Monthly	184 <sup>4</sup>	7,569
Vehicle - Light-Duty Utility Truck	Broadway Office	393	Monthly	184 <sup>4</sup>	3,535
Vehicle - Light-Duty Utility Truck	South Service Center	707	Monthly	184 <sup>4</sup>	7,068
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	598	Monthly	184 <sup>4</sup>	5,983
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	563	Monthly	184 <sup>4</sup>	5,632
Vehicle - Light-Duty Utility Truck	East Service Center	588	Monthly	184 <sup>4</sup>	5,293
Vehicle - Light-Duty Utility Truck	LG&E Building	455	Monthly	184 <sup>4</sup>	2,727
Vehicle - Light-Duty Utility Truck	East Service Center	725	Monthly	184 <sup>4</sup>	6,521
Vehicle - Light-Duty Utility Truck	East Service Center	724	Monthly	184 <sup>4</sup>	5,796
Vehicle - Medium & Heavy Duty Truck	Bardstown Office	878	Monthly	184 <sup>4</sup>	8,777
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	718	Monthly	184 <sup>4</sup>	5,743
Vehicle - Light-Duty Utility Truck	East Service Center	718	Monthly	184 <sup>4</sup>	5,743
Vehicle - Light-Duty Utility Truck	East Service Center	718	Monthly	184 <sup>4</sup>	6,461
Vehicle - Light-Duty Utility Truck	Broadway Office	635	Monthly	184 <sup>4</sup>	5,712
Vehicle - Medium & Heavy Duty Truck	Magnolia Station	805	Monthly	184 <sup>4</sup>	8,047
Vehicle - Light-Duty Utility Truck	East Service Center	734	Monthly	184 <sup>4</sup>	6,607
Vehicle - Light-Duty Utility Truck	East Service Center	734	Monthly	184 <sup>4</sup>	6,607
Vehicle - Light-Duty Utility Truck	LG&E Building	734	Monthly	184 <sup>4</sup>	6,607

<b>Description</b>	<b>Location</b>	<b>Rental Amount (\$)</b>	<b>Payment Frequency</b>	<b>Account</b>	<b>Test Period Expense (\$)</b>
Vehicle - Light-Duty Utility Truck	LG&E Building	687	Monthly	184 <sup>4</sup>	6,873
Vehicle - Light-Duty Utility Truck	LG&E Building	616	Monthly	184 <sup>4</sup>	6,164
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	681	Monthly	184 <sup>4</sup>	6,812
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	843	Monthly	184 <sup>4</sup>	8,427
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	681	Monthly	184 <sup>4</sup>	6,812
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	681	Monthly	184 <sup>4</sup>	6,812
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	681	Monthly	184 <sup>4</sup>	6,812
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	681	Monthly	184 <sup>4</sup>	6,812
Vehicle - Light-Duty Utility Truck	East Service Center	664	Monthly	184 <sup>4</sup>	4,645
Vehicle - Light-Duty Utility Truck	East Service Center	687	Monthly	184 <sup>4</sup>	4,810
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	681	Monthly	184 <sup>4</sup>	6,812
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	681	Monthly	184 <sup>4</sup>	6,812
Vehicle - Light-Duty Utility Truck	Broadway Office	510	Monthly	184 <sup>4</sup>	5,103
Vehicle - Light-Duty Utility Truck	Broadway Office	359	Monthly	184 <sup>4</sup>	3,586
Vehicle - Light-Duty Utility Truck	East Service Center	351	Monthly	184 <sup>4</sup>	3,509
Vehicle - Light-Duty Utility Truck	East Service Center	412	Monthly	184 <sup>4</sup>	4,118
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	471	Monthly	184 <sup>4</sup>	4,706
Vehicle - Light-Duty Utility Truck	East Service Center	579	Monthly	184 <sup>4</sup>	5,794
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	485	Monthly	184 <sup>4</sup>	4,854
Vehicle - Light-Duty Utility Truck	Broadway Office	585	Monthly	184 <sup>4</sup>	5,853
Vehicle - Light-Duty Utility Truck	Broadway Office	462	Monthly	184 <sup>4</sup>	4,616
Vehicle - Light-Duty Utility Truck	Broadway Office	585	Monthly	184 <sup>4</sup>	5,853
Vehicle - Light-Duty Utility Truck	Broadway Office	489	Monthly	184 <sup>4</sup>	4,893
Vehicle - Light-Duty Utility Truck	Broadway Office	489	Monthly	184 <sup>4</sup>	4,893
Vehicle - Light-Duty Utility Truck	Broadway Office	585	Monthly	184 <sup>4</sup>	5,852
Vehicle - Light-Duty Utility Truck	Broadway Office	489	Monthly	184 <sup>4</sup>	4,893
Vehicle - Light-Duty Utility Truck	East Service Center	395	Monthly	184 <sup>4</sup>	3,946
Vehicle - Light-Duty Utility Truck	Muldraugh Station	902	Monthly	184 <sup>4</sup>	9,019
Vehicle - Light-Duty Utility Truck	Magnolia Station	974	Monthly	184 <sup>4</sup>	9,745
Vehicle - Light-Duty Utility Truck	Center Station	814	Monthly	184 <sup>4</sup>	8,141
Vehicle - Vans (All)	Broadway Office	542	Monthly	184 <sup>4</sup>	5,415
Vehicle - Light-Duty Utility Truck	Broadway Office	477	Monthly	184 <sup>4</sup>	4,774
Vehicle - Light-Duty Utility Truck	Broadway Office	485	Monthly	184 <sup>4</sup>	4,845
Vehicle - Light-Duty Utility Truck	Broadway Office	408	Monthly	184 <sup>4</sup>	4,084
Vehicle - Light-Duty Utility Truck	Broadway Office	477	Monthly	184 <sup>4</sup>	4,774
Vehicle - Light-Duty Utility Truck	Broadway Office	417	Monthly	184 <sup>4</sup>	4,168
Vehicle - Light-Duty Utility Truck	Broadway Office	477	Monthly	184 <sup>4</sup>	4,774
Vehicle - Light-Duty Utility Truck	Broadway Office	477	Monthly	184 <sup>4</sup>	4,774
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	671	Monthly	184 <sup>4</sup>	6,706
Vehicle - Light-Duty Utility Truck	East Service Center	556	Monthly	184 <sup>4</sup>	5,563

Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	556	Monthly	184 <sup>4</sup>	5,564
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	488	Monthly	184 <sup>4</sup>	4,881
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	556	Monthly	184 <sup>4</sup>	5,559
Vehicle - Light-Duty Utility Truck	East Service Center	556	Monthly	184 <sup>4</sup>	5,563
Vehicle - Light-Duty Utility Truck	East Service Center	556	Monthly	184 <sup>4</sup>	5,559
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	544	Monthly	184 <sup>4</sup>	5,436
Vehicle - Light-Duty Utility Truck	East Service Center	556	Monthly	184 <sup>4</sup>	5,565
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	693	Monthly	184 <sup>4</sup>	6,933
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	425	Monthly	184 <sup>4</sup>	4,254
Vehicle - Light-Duty Utility Truck	East Service Center	567	Monthly	184 <sup>4</sup>	5,675
Vehicle - Vans (All)	Auburndale Service Center	410	Monthly	184 <sup>4</sup>	4,095
Vehicle - Vans (All)	Auburndale Service Center	410	Monthly	184 <sup>4</sup>	4,095
Vehicle - Automobile	Auburndale Service Center	428	Monthly	184 <sup>4</sup>	4,282
Vehicle - Light-Duty Utility Truck	LG&E Building	453	Monthly	184 <sup>4</sup>	4,529
Vehicle - Light-Duty Utility Truck	Magnolia Station	458	Monthly	184 <sup>4</sup>	4,576
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	623	Monthly	184 <sup>4</sup>	6,233
Vehicle - Light-Duty Utility Truck	Broadway Office	368	Monthly	184 <sup>4</sup>	3,681
Vehicle - Light-Duty Utility Truck	Broadway Office	368	Monthly	184 <sup>4</sup>	3,681
Vehicle - Light-Duty Utility Truck	Broadway Office	368	Monthly	184 <sup>4</sup>	3,681
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	437	Monthly	184 <sup>4</sup>	4,371
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	459	Monthly	184 <sup>4</sup>	4,594
Vehicle - Light-Duty Utility Truck	East Service Center	391	Monthly	184 <sup>4</sup>	3,908
Vehicle - Light-Duty Utility Truck	East Service Center	459	Monthly	184 <sup>4</sup>	4,594
Vehicle - Light-Duty Utility Truck	East Service Center	459	Monthly	184 <sup>4</sup>	4,594
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	467	Monthly	184 <sup>4</sup>	4,669
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	459	Monthly	184 <sup>4</sup>	4,594
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	522	Monthly	184 <sup>4</sup>	5,221
Vehicle - Light-Duty Utility Truck	Muldraugh Station	436	Monthly	184 <sup>4</sup>	4,363
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	439	Monthly	184 <sup>4</sup>	4,386
Vehicle - Light-Duty Utility Truck	Muldraugh Station	369	Monthly	184 <sup>4</sup>	3,693
Vehicle - Light-Duty Utility Truck	Broadway Office	514	Monthly	184 <sup>4</sup>	5,143
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	463	Monthly	184 <sup>4</sup>	4,626
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	394	Monthly	184 <sup>4</sup>	3,941
Vehicle - Light-Duty Utility Truck	East Service Center	463	Monthly	184 <sup>4</sup>	4,626
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	394	Monthly	184 <sup>4</sup>	3,941
Vehicle - Light-Duty Utility Truck	LG&E Building	565	Monthly	184 <sup>4</sup>	5,646
Vehicle - Light-Duty Utility Truck	Broadway Office	443	Monthly	184 <sup>4</sup>	4,433
Vehicle - Light-Duty Utility Truck	Broadway Office	563	Monthly	184 <sup>4</sup>	5,626
Vehicle - Light-Duty Utility Truck	Broadway Office	436	Monthly	184 <sup>4</sup>	4,355
Vehicle - Light-Duty Utility Truck	Broadway Office	439	Monthly	184 <sup>4</sup>	4,386

Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
Vehicle - Light-Duty Utility Truck	East Service Center	370	Monthly	184 <sup>4</sup>	3,697
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	463	Monthly	184 <sup>4</sup>	4,629
Vehicle - Light-Duty Utility Truck	East Service Center	394	Monthly	184 <sup>4</sup>	3,940
Vehicle - Light-Duty Utility Truck	Broadway Office	375	Monthly	184 <sup>4</sup>	3,748
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	376	Monthly	184 <sup>4</sup>	3,764
Vehicle - Light-Duty Utility Truck	Magnolia Station	475	Monthly	184 <sup>4</sup>	4,752
Vehicle - Light-Duty Utility Truck	Magnolia Station	436	Monthly	184 <sup>4</sup>	4,363
Vehicle - Light-Duty Utility Truck	LG&E Building	439	Monthly	184 <sup>4</sup>	4,386
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	370	Monthly	184 <sup>4</sup>	3,697
Vehicle - Light-Duty Utility Truck	Broadyway Office	674	Monthly	184 <sup>4</sup>	4,721
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	655	Monthly	184 <sup>4</sup>	5,242
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	743	Monthly	184 <sup>4</sup>	5,942
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	866	Monthly	184 <sup>4</sup>	5,196
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	745	Monthly	184 <sup>4</sup>	2,235
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	579	Monthly	184 <sup>4</sup>	4,632
Vehicle - Light-Duty Utility Truck	Broadway Office	411	Monthly	184 <sup>4</sup>	4,107
Vehicle - Light-Duty Utility Truck	Broadway Office	440	Monthly	184 <sup>4</sup>	4,402
Vehicle - Light-Duty Utility Truck	Broadway Office	411	Monthly	184 <sup>4</sup>	4,107
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	403	Monthly	184 <sup>4</sup>	4,025
Vehicle - Light-Duty Utility Truck	Auburndale	490	Monthly	184 <sup>4</sup>	4,899
Vehicle - Light-Duty Utility Truck	Auburndale	485	Monthly	184 <sup>4</sup>	4,849
Vehicle - Light-Duty Utility Truck	East Service Center	419	Monthly	184 <sup>4</sup>	4,193
Vehicle - Light-Duty Utility Truck	Auburndale	407	Monthly	184 <sup>4</sup>	4,075
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	550	Monthly	184 <sup>4</sup>	5,499
Vehicle - Light-Duty Utility Truck	East Service Center	403	Monthly	184 <sup>4</sup>	4,025
Vehicle - Light-Duty Utility Truck	East Service Center	491	Monthly	184 <sup>4</sup>	4,906
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	370	Monthly	184 <sup>4</sup>	3,700
Vehicle - Light-Duty Utility Truck	Broadway Office	577	Monthly	184 <sup>4</sup>	5,772
Vehicle - Light-Duty Utility Truck	South Service Center	624	Monthly	184 <sup>4</sup>	6,244
Vehicle - Light-Duty Utility Truck	South Service Center	770	Monthly	184 <sup>4</sup>	7,696
Vehicle - Light-Duty Utility Truck	South Service Center	624	Monthly	184 <sup>4</sup>	6,235
Vehicle - Medium & Heavy Duty Truck	South Service Center	755	Monthly	184 <sup>4</sup>	7,549
Vehicle - Light-Duty Utility Truck	Broadway Office	491	Monthly	184 <sup>4</sup>	4,909
Vehicle - Light-Duty Utility Truck	Broadway Office	518	Monthly	184 <sup>4</sup>	5,185
Vehicle - Light-Duty Utility Truck	South Service Center	535	Monthly	184 <sup>4</sup>	5,346
Vehicle - Light-Duty Utility Truck	Broadway Office	388	Monthly	184 <sup>4</sup>	3,881
Vehicle - Light-Duty Utility Truck	Simpsonville	372	Monthly	184 <sup>4</sup>	3,720
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	390	Monthly	184 <sup>4</sup>	3,896
Vehicle - Light-Duty Utility Truck	Muldraugh Station	300	Monthly	184 <sup>4</sup>	2,997
Vehicle - Light-Duty Utility Truck	Muldraugh Station	364	Monthly	184 <sup>4</sup>	3,643

Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	377	Monthly	184 <sup>4</sup>	3,771
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	306	Monthly	184 <sup>4</sup>	3,063
Vehicle - Light-Duty Utility Truck	East Service Center	503	Monthly	184 <sup>4</sup>	5,030
Vehicle - Light-Duty Utility Truck	Muldraugh Station	308	Monthly	184 <sup>4</sup>	3,075
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	471	Monthly	184 <sup>4</sup>	4,708
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	540	Monthly	184 <sup>4</sup>	5,400
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	540	Monthly	184 <sup>4</sup>	5,400
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	411	Monthly	184 <sup>4</sup>	4,109
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	480	Monthly	184 <sup>4</sup>	4,801
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	571	Monthly	184 <sup>4</sup>	5,710
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	411	Monthly	184 <sup>4</sup>	4,109
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	451	Monthly	184 <sup>4</sup>	4,510
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	306	Monthly	184 <sup>4</sup>	3,063
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	306	Monthly	184 <sup>4</sup>	3,063
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	306	Monthly	184 <sup>4</sup>	3,063
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	394	Monthly	184 <sup>4</sup>	3,549
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	393	Monthly	184 <sup>4</sup>	3,533
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	390	Monthly	184 <sup>4</sup>	3,513
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	394	Monthly	184 <sup>4</sup>	3,549
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	602	Monthly	184 <sup>4</sup>	5,415
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	464	Monthly	184 <sup>4</sup>	4,173
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	464	Monthly	184 <sup>4</sup>	4,173
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	306	Monthly	184 <sup>4</sup>	3,063
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	358	Monthly	184 <sup>4</sup>	3,582
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	358	Monthly	184 <sup>4</sup>	3,582
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	324	Monthly	184 <sup>4</sup>	3,237
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	328	Monthly	184 <sup>4</sup>	3,280
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	363	Monthly	184 <sup>4</sup>	3,267
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	363	Monthly	184 <sup>4</sup>	3,267
Vehicle - Light-Duty Utility Truck	East Service Center	434	Monthly	184 <sup>4</sup>	3,907
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	363	Monthly	184 <sup>4</sup>	3,267
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	363	Monthly	184 <sup>4</sup>	3,267
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	363	Monthly	184 <sup>4</sup>	3,267
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	363	Monthly	184 <sup>4</sup>	3,267
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	363	Monthly	184 <sup>4</sup>	3,267
Vehicle - Medium & Heavy Duty Truck	Magnolia Station	1,667	Monthly	184 <sup>4</sup>	8,336
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	512	Monthly	184 <sup>4</sup>	4,608
Vehicle - Light-Duty Utility Truck	East Service Center	664	Monthly	184 <sup>4</sup>	4,645
Vehicle - Light-Duty Utility Truck	East Service Center	664	Monthly	184 <sup>4</sup>	4,645
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	676	Monthly	184 <sup>4</sup>	4,054
Vehicle - Light-Duty Utility Truck	East Service Center	664	Monthly	184 <sup>4</sup>	4,645



Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	664	Monthly	184 <sup>4</sup>	4,645
Vehicle - Light-Duty Utility Truck	Broadway Office	745	Monthly	184 <sup>4</sup>	2,235
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	363	Monthly	184 <sup>4</sup>	3,267
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	956	Monthly	184 <sup>4</sup>	6,689
Vehicle - Light-Duty Utility Truck	South Service Center	436	Monthly	184 <sup>4</sup>	2,618
Vehicle - Light-Duty Utility Truck	South Service Center	437	Monthly	184 <sup>4</sup>	3,057
Vehicle - Light-Duty Utility Truck	South Service Center	369	Monthly	184 <sup>4</sup>	2,949
Vehicle - Light-Duty Utility Truck	South Service Center	848	Monthly	184 <sup>4</sup>	4,238
Vehicle - Light-Duty Utility Truck	South Service Center	632	Monthly	184 <sup>4</sup>	2,529
Vehicle - Light-Duty Utility Truck	South Service Center	628	Monthly	184 <sup>4</sup>	3,139
Vehicle - Light-Duty Utility Truck	South Service Center	628	Monthly	184 <sup>4</sup>	3,139
Vehicle - Medium & Heavy Duty Truck	South Service Center	804	Monthly	184 <sup>4</sup>	4,823
Vehicle - Medium & Heavy Duty Truck	South Service Center	763	Monthly	184 <sup>4</sup>	3,050
Vehicle - Medium & Heavy Duty Truck	South Service Center	800	Monthly	184 <sup>4</sup>	4,798
Vehicle - Medium & Heavy Duty Truck	South Service Center	800	Monthly	184 <sup>4</sup>	4,798
Vehicle - Medium & Heavy Duty Truck	South Service Center	800	Monthly	184 <sup>4</sup>	4,798
Vehicle - Medium & Heavy Duty Truck	Magnolia Station	1,131	Monthly	184 <sup>4</sup>	6,784
Vehicle - Medium & Heavy Duty Truck	Muldraugh Station	1,150	Monthly	184 <sup>4</sup>	6,898
Vehicle - Light-Duty Utility Truck	East Service Center	366	Monthly	184 <sup>4</sup>	2,925
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	366	Monthly	184 <sup>4</sup>	2,559
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	1,464	Monthly	184 <sup>4</sup>	2,929
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	440	Monthly	184 <sup>4</sup>	2,639
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	387	Monthly	184 <sup>4</sup>	2,321
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	379	Monthly	184 <sup>4</sup>	2,275
Vehicle - Light-Duty Utility Truck	South Service Center	408	Monthly	184 <sup>4</sup>	3,267
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	564	Monthly	184 <sup>4</sup>	1,693
Vehicle - Vans (All)	Auburndale Service Center	318	Monthly	184 <sup>4</sup>	1,270
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	867	Monthly	184 <sup>4</sup>	2,600
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	626	Monthly	184 <sup>4</sup>	1,253
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	536	Monthly	184 <sup>4</sup>	1,608
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	529	Monthly	184 <sup>4</sup>	1,588
Vehicle - Light-Duty Utility Truck	Magnolia Station	678	Monthly	184 <sup>4</sup>	1,356
Vehicle - Light-Duty Utility Truck	Muldraugh Station	723	Monthly	184 <sup>4</sup>	1,445
Vehicle - Light-Duty Utility Truck	Muldraugh Station	715	Monthly	184 <sup>4</sup>	1,430
Vehicle - Light-Duty Utility Truck	Muldraugh Station	723	Monthly	184 <sup>4</sup>	1,445
Vehicle - Light-Duty Utility Truck	Muldraugh Station	670	Monthly	184 <sup>4</sup>	1,341
Vehicle - Light-Duty Utility Truck	Muldraugh Station	600	Monthly	184 <sup>4</sup>	1,200
Vehicle - Light-Duty Utility Truck	Muldraugh Station	670	Monthly	184 <sup>4</sup>	2,009
Vehicle - Medium & Heavy Duty Truck	Center Station	708	Monthly	184 <sup>4</sup>	708
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	692	Monthly	184 <sup>4</sup>	692

Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
Vehicle - Light-Duty Utility Truck	East Service Center	602	Monthly	184 <sup>4</sup>	1,807
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	392	Monthly	184 <sup>4</sup>	1,176
Vehicle - Light-Duty Utility Truck	East Service Center	403	Monthly	184 <sup>4</sup>	807
Vehicle - Light-Duty Utility Truck	East Service Center	607	Monthly	184 <sup>4</sup>	1,821
Vehicle - Vans (All)	Broadway Office	323	Monthly	184 <sup>4</sup>	1,291
Vehicle - Light-Duty Utility Truck	East Service Center	771	Monthly	184 <sup>4</sup>	2,313
Vehicle - Light-Duty Utility Truck	East Service Center	771	Monthly	184 <sup>4</sup>	1,542
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	774	Monthly	184 <sup>4</sup>	1,548
Vehicle - Light-Duty Utility Truck	East Service Center	770	Monthly	184 <sup>4</sup>	1,541
Vehicle - Light-Duty Utility Truck	East Service Center	771	Monthly	184 <sup>4</sup>	2,313
Vehicle - Light-Duty Utility Truck	East Service Center	625	Monthly	184 <sup>4</sup>	1,876
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	779	Monthly	184 <sup>4</sup>	779
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	798	Monthly	184 <sup>4</sup>	1,595
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	649	Monthly	184 <sup>4</sup>	649
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	793	Monthly	184 <sup>4</sup>	793
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	560	Monthly	184 <sup>4</sup>	1,120
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	457	Monthly	184 <sup>4</sup>	914
Vehicle - Light-Duty Utility Truck	LG&E Building	602	Monthly	184 <sup>4</sup>	1,204
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	384	Monthly	184 <sup>4</sup>	768
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	632	Monthly	184 <sup>4</sup>	1,265
Vehicle - Light-Duty Utility Truck	Broadway Office	656	Monthly	184 <sup>4</sup>	1,312
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	629	Monthly	184 <sup>4</sup>	629
Vehicle - Light-Duty Utility Truck	Muldraugh Station	629	Monthly	184 <sup>4</sup>	629
Vehicle - Light-Duty Utility Truck	Broadway Office	642	Monthly	184 <sup>4</sup>	642
Vehicle - Medium & Heavy Duty Truck	Auburndale Service Center	755	Monthly	184 <sup>4</sup>	755
Vehicle - Light-Duty Utility Truck	South Service Center	429	Monthly	184 <sup>4</sup>	1,286
Vehicle - Vans (All)	Auburndale Service Center	564	Monthly	184 <sup>4</sup>	1,692
Vehicle - Vans (All)	Auburndale Service Center	564	Monthly	184 <sup>4</sup>	1,692
Vehicle - Vans (All)	Auburndale Service Center	564	Monthly	184 <sup>4</sup>	1,692
Vehicle - Light-Duty Utility Truck	Broadway Office	394	Monthly	184 <sup>4</sup>	1,182
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	478	Monthly	184 <sup>4</sup>	1,435
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	478	Monthly	184 <sup>4</sup>	1,435
Vehicle - Light-Duty Utility Truck	South Service Center	324	Monthly	184 <sup>4</sup>	971
Vehicle - Light-Duty Utility Truck	South Service Center	394	Monthly	184 <sup>4</sup>	1,182
Vehicle - Light-Duty Utility Truck	Broadway Office	478	Monthly	184 <sup>4</sup>	1,435
Vehicle - Light-Duty Utility Truck	East Service Center	324	Monthly	184 <sup>4</sup>	971
Vehicle - Light-Duty Utility Truck	East Service Center	324	Monthly	184 <sup>4</sup>	971
Vehicle - Light-Duty Utility Truck	East Service Center	324	Monthly	184 <sup>4</sup>	971
Vehicle - Light-Duty Utility Truck	Auburndale Service Center	324	Monthly	184 <sup>4</sup>	971
Vehicle - Light-Duty Utility Truck	East Service Center	324	Monthly	184 <sup>4</sup>	971

Description	Location	Rental Amount (\$)	Payment Frequency	Account	Test Period Expense (\$)
Vehicle - Light-Duty Utility Truck	East Service Center	394	Monthly	184 <sup>4</sup>	1,182
Vehicle - Light-Duty Utility Truck	Broadway Office	394	Monthly	184 <sup>4</sup>	1,182
Vehicle - Light-Duty Utility Truck	East Service Center	478	Monthly	184 <sup>4</sup>	1,435
Vehicle - Light-Duty Utility Truck	East Service Center	394	Monthly	184 <sup>4</sup>	1,182
Vehicle - Light-Duty Utility Truck	East Service Center	530	Monthly	184 <sup>4</sup>	1,589
Vehicle - Light-Duty Utility Truck	East Service Center	530	Monthly	184 <sup>4</sup>	1,589
Vehicle - Light-Duty Utility Truck	Broadway Office	407	Monthly	184 <sup>4</sup>	813
Vehicle - Light-Duty Utility Truck	LG&E Building	443	Monthly	184 <sup>4</sup>	443
Vehicle - Light-Duty Utility Truck	LG&E Building	336	Monthly	184 <sup>4</sup>	672
Vehicle - Light-Duty Utility Truck	Bardstown Office	582	Monthly	184 <sup>4</sup>	5,823
Vehicle - Light-Duty Utility Truck	Bardstown Office	583	Monthly	184 <sup>4</sup>	5,830
Vehicle - Light-Duty Utility Truck	Richmond	560	Monthly	184 <sup>4</sup>	2,800
Vehicle - Automobile	LG&E Building	449	Monthly	184 <sup>4</sup>	1,796
Vehicle - Light-Duty Utility Truck	Broadway Office	433	Monthly	184 <sup>4</sup>	1,300
Vehicle - Crane Trucks	Auburndale Service Center	2,954	Monthly	184 <sup>4</sup>	26,586
Vehicle - Wire Tensioner/Cable/Reel	Auburndale Service Center	1,550	Monthly	184 <sup>4</sup>	15,500
Vehicle - Wire Tensioner/Cable/Reel	Auburndale Service Center	1,965	Monthly	184 <sup>4</sup>	19,650
<b>Generation</b>					
Generation - Hydrogen Tank at Mill Creek	Mill Creek	850	Monthly	506	10,200
		\$1,867	Apr11-Dec11;		
Generation - Hydrogen Tanks at Trimble Station	Trimble Station	\$1,923	Jan12-Mar12	Monthly	513/548
Generation - Hydrogen Tank at Cane Run	Cane Run	850	Monthly	505	10,200
Generation - Hydrogen Tank at Paddys Run	Paddy's Run	420	Monthly	553	5,035
Generation - Mixed Bed Polishers	Mill Creek	5,175	Monthly	502	62,100
<b>Miscellaneous</b>					
Miscellaneous - Helicopter Service	Lexington	2,400	Monthly	563	25,200
Miscellaneous - Trailer - Office Space	Paddy's Run	236	Monthly	554	708

<sup>1</sup> The costs related to the copiers reflect the individual items returned at varying times throughout the 2011 portion of the test year - final month charges were prorated i.e. not a full month, refund due, etc.

<sup>2</sup> The costs related to the railcars are charged initially to the 151 Fuel Inventory account and included in the average cost. These charges are expensed with the cost of the fuel based on fuel burned.

<sup>3</sup> The costs related to uniform leases, uniform fittings began Q1 2012.

<sup>4</sup> The costs related to the vehicles are charged initially to the 184 Transportation Clearing Account. These charges are allocated based on labor charges on a one month lag.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 232**

**Responding Witness: Valerie L. Scott**

Q-232. Provide, by year, all affiliated operating expenses charged to Kentucky regulated operations for the 10 years ending 2011.

A-232. Affiliated operating expenses charged to Kentucky regulated operations are shown in the table below. Data prior to 2005 is not readily available.

<b>Year</b>	<b>LG&amp;E</b>
<b>2011</b>	\$150,810,963
<b>2010</b>	\$123,707,925
<b>2009</b>	\$120,323,986
<b>2008</b>	\$169,842,141
<b>2007</b>	\$132,435,382
<b>2006</b>	\$162,497,880
<b>2005</b>	\$136,080,595

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 233**

**Responding Witness: Valerie L. Scott**

Q-233. Provide detailed support for any Management Fees included in the filing. Provide this in Microsoft Excel or compatible format. Include total charges incurred by each corporate department and the amount each of these departments allocated to Kentucky regulated operations. Also include the number of employees in each department and the method used to allocate charges for each department.

A-233. Management fees are not charged to Kentucky regulated operations.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 234**

**Responding Witness: Valerie L. Scott**

Q-234. Provide a general ledger listing or similar report of all transactions that comprise any corporate charges allocated to regulated operations.

A-234. There are no corporate charges allocated to the regulated operations. All charges are directly or indirectly charged in compliance with the Cost Allocation Manual, located at 807 KAR 5:001 Section 10(6)(t) in the original filing. Refer to PSC 1-42 for charges allocated to Louisville Gas and Electric Company from LG&E and KU Services Company.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 235**

**Responding Witness: Lonnie E. Bellar**

Q-235. Reference the Spanos testimony in general. State the total costs which the witness is charging LG&E for his services in this proceeding.

A-235. See the response to PSC 1-57 and the update to the same filed on July 31, 2012.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 236**

**Responding Witness: John J. Spanos**

Q-236. Reference the Spanos testimony, pp. 13-14. State what jurisdiction, if any, along with the name of the case and case number, in which the proposed methodology, which the witness acknowledges is a deviation from best practices, has been accepted.

A-236. Mr. Spanos does not acknowledge that the proposed methodology is a "deviation from best practices," but instead states that the "the new methodology is a more precise practice and utilized by most utilities." The new methodology is, however, a change from the prior practice for production plant net salvage for Louisville Gas and Electric Company.

This methodology has been accepted in many jurisdictions which is represented by, but not limited to, the jurisdictions represented by the studies set forth in response to data request KU KIUC-1-44.

Additionally, Florida and California have accepted similar methodologies (FPL and PG&E), but in which the dismantlement component is recovered separately from depreciation expense.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 237**

**Responding Witness: Lonnie E. Bellar**

Q-237. Please identify, describe fully, and provide full documentation of any capital or maintenance plans or programs that the Company has undertaken or is considering undertaking that will extend or shorten the life of any of its electric plant.

A-237. The Company continuously reviews the investment in and the operation of its electric facilities in order to provide continual reliable and economic operation of all assets to provide service to customers. As discussed in the Testimony of Mr. Thompson, one of Energy Services' major corporate objectives is to maximize the performance and investment life of the Companies' generation and transmission assets. The dual goals of asset management are to increase the efficiency of the assets while continuing to provide reliable service. Asset management allows for realization of these goals in the most cost-effective manner possible. In addition, as discussed in the Testimony of Mr. Hermann, the cornerstone of the distribution and retail operations continues to be the Company's commitment to the delivery of safe and reliable service at a low cost to customers. The Company remains dedicated to providing high quality customer service through refining its current programs and implementing innovative practices.

Investments to extend the operational ability of all assets are considered on an ongoing basis. Please refer to the response to Question No. 130 for various investment projects considered for electric plant. The Company is considering turbine upgrade projects for five of its existing coal units; these projects would extend the lives of the steam turbines. These projects are in the early developmental stages, and as such, there is no documentation to provide.

In addition, as part of the Integrated Resource Plan filed with the Kentucky Commission on a periodic basis, the Company reviews the ongoing operation of the existing facilities. See the response to KIUC 1-60 for the most recently filed Integrated Resource Plan.

LG&E's maintenance practices include time and symptom-based guidelines for maintaining or replacing, as appropriate, certain critical asset components before they fail, and maintains its plant assets in a way that is consistent with prudent utility practices.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 238**

**Responding Witness: Shannon L. Charnas**

Q-238. Please identify, describe fully, and provide full documentation of any changes in the definition of plant units subject to capitalization that the Company has adopted during the last 20 years.

A-238. There have been no changes in the definition of plant units subject to capitalization.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 239**

**Responding Witness: Shannon L. Charnas**

Q-239. Please identify, describe fully, and provide full documentation of any changes in the definition or treatment of salvage or removal/dismantlement costs that the Company has adopted during the last 20 years.

A-239. The adoption of SFAS No. 143<sup>11</sup> resulted in a change in accounting for removal costs. See the response to PSC 1-56 for full description and documentation of the related changes. There have been no other changes in the definition or treatment of salvage or removal/dismantlement costs

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<sup>11</sup> The guidance in SFAS No. 143 is now contained in FASB Accounting Standards Codification Topic 410, adopted effective September 30, 2009.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 240**

**Responding Witness: Shannon L. Charnas**

Q-240. Please provide a copy of the Company's most recent depreciation study relating to electric plant and the Order(s), Decision(s), Stipulation(s) and/or Settlement(s) establishing the current electric depreciation rates.

A-240. See the information provided, as required by Commission regulation 807 KAR 5:001, Section 10(6)(n), located at Tab 33 of the Filing Requirements for the most recent depreciation study. See attached for the Order establishing the current depreciation rates. The full stipulation and settlement, and all related case documents, can be found at <http://psc.ky.gov/pscscf/2008%20cases/2008-00252/>.

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND ELECTRIC ) CASE NO.  
COMPANY TO FILE DEPRECIATION STUDY ) 2007-00564

APPLICATION OF LOUISVILLE GAS AND ELECTRIC ) CASE NO.  
COMPANY FOR AND ADJUSTMENT OF ITS ELECTRIC ) 2008-00252  
AND GAS BASE RATES )

O R D E R

Louisville Gas and Electric Company ("LG&E"), a wholly-owned subsidiary of E.ON U.S. LLC, is an electric and gas utility that generates, transmits, distributes and sells electricity to approximately 401,000 customers in Jefferson County, Kentucky and portions of 8 other Kentucky counties. LG&E also purchases, stores, transports, distributes and sells natural gas to approximately 326,000 customers in Jefferson County and in portions of 15 other Kentucky counties.

BACKGROUND

On July 1, 2008, LG&E filed a notice of its intent to file an application for approval of increases in its electric and gas rates, based on a historic test period ending April 30, 2008. On July 29, 2008, LG&E submitted its application seeking an increase in electric revenues of \$15.1 million, or 1.9 percent, and an increase in gas revenues of \$29.8

million, or 4.5 percent.<sup>1</sup> LG&E's application included new rates and revisions, deletions, and additions to its electric and gas tariffs, all to be effective on September 1, 2008.

A review of the application revealed that it did not meet the minimum filing requirements set forth in 807 KAR 5:001, Section 10, and a notice of filing deficiencies was issued. In response to that notice, LG&E filed additional information on August 7, 2008. The Commission then found, by Order dated August 15, 2008, that the additional information satisfied the minimum filing requirements as of August 7, 2008 and that the earliest possible date that LG&E's proposed rates could become effective was September 6, 2008. That Order also found that an investigation would be necessary to determine the reasonableness of LG&E's proposed rates and suspended the proposed rates for 5 months, pursuant to KRS 278.190(2), from September 6, 2008, up to and including February 5, 2009.

The following parties requested and were granted full intervention: the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention ("AG"); Kentucky Industrial Utility Customers ("KIUC"); Community Action Kentucky, Inc. ("CAK"); Association of Community Ministries ("ACM") and People Organized and Working for Energy Reform ("POWER"); and the Kroger Company.

The Commission's August 15, 2008 Order included a procedural schedule for processing this case. The schedule provided for discovery on LG&E's application, intervenor testimony, discovery on intervenor testimony, rebuttal testimony by LG&E, a public hearing, and an opportunity for the parties to file post-hearing briefs. The

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<sup>1</sup> LG&E's sister company, Kentucky Utilities Company ("KU"), filed an application for a rate increase concurrent with LG&E's application, which the Commission docketed as Case No. 2008-00251.

Commission also incorporated into this case LG&E's report on the results of a 3-year pilot program implementing a Small-Time-of-Day Service tariff and subsequently consolidated into this case LG&E's application for approval of new depreciation rates.

On December 10, 2008, LG&E filed a motion requesting that an informal conference be scheduled on January 6, 2009 for the purposes of discussing procedural and substantive issues in these cases and to discuss settlement. The motion was granted and an informal conference was held at the Commission's offices on January 6, 7 and 9, 2009.

On January 13, 2009, LG&E filed on behalf of itself and the intervenors a unanimous Settlement Agreement, Stipulation and Recommendation ("Agreement"). The Agreement consists of a 19-page document with 8 consecutively numbered exhibits. The exhibits are as follows: Exhibit 1, KU Rate Allocation; Exhibit 2, LG&E Electric Rate Allocation; Exhibit 3, LG&E Gas Rate Allocation; Exhibit 4, KU Tariffs; Exhibit 5, LG&E Electric Tariffs; Exhibit 6, LG&E Gas Tariffs; Exhibit 7, KU Depreciation Rates; and Exhibit 8, LG&E Depreciation Rates. The Agreement is attached to this Order as an Appendix. The exhibits are not attached due to their voluminous nature but can be found on the Commission's website at [http://psc.ky.gov/pscscf/2008%20cases/2008-00252/20090113\\_LGE\\_Motion\\_and\\_Testimony.PDF](http://psc.ky.gov/pscscf/2008%20cases/2008-00252/20090113_LGE_Motion_and_Testimony.PDF).

At the public hearing held at the Commission's offices on January 13 and 15, 2009, the parties presented testimony in support of the Agreement. LG&E subsequently filed responses to data requests made at the hearing and the case now stands submitted for a decision.



The Commission notes at the outset that, over the last six months, a substantial number of customers wrote, called or e-mailed our offices to express opposition to any increase in electric or gas rates. The Commission held a public meeting in Louisville, Kentucky on January 5, 2009 to provide a further opportunity for LG&E's customers to state their opinions on the proposed rate increases.

### AGREEMENT

The Agreement, attached as an Appendix to this Order, reflects a unanimous resolution of all issues raised in this case.<sup>2</sup> The major provisions of the Agreement pertaining to LG&E include the following:

- LG&E's rates for electric service will be reduced to recover \$13.157 million less in annual revenues, with the revised rates to be effective for service rendered on and after February 6, 2009.
- LG&E's rates for gas service will be increased to recover \$22.0 million more in annual revenues, with the revised rates to be effective for service rendered on and after February 6, 2009.
- The decrease in LG&E's electric rates will be accomplished through reductions to the energy charges in all rate schedules except those with no energy charges, such as street lighting and outdoor lighting, where the reductions will be to the monthly charges per light, fixture, pole, etc.
- The increase in LG&E's gas rates will be accomplished via an allocation and rate design consistent with that proposed by LG&E in its application, except

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<sup>2</sup> The Agreement is a comprehensive document which resolves all issues in LG&E's consolidated depreciation and rate cases, as well as KU's consolidated depreciation and rate cases, Case Nos. 2007-00565 and 2008-00251.

that the monthly customer charge for the residential class will be increased by only \$1.00, from \$8.50 to \$9.50, with the remainder of the residential increase being produced by an increase in the volumetric base rate from \$1.547 to \$2.1349 per Mcf.

- LG&E's depreciation expense will continue to be based on the Average Service Life ("ASL") methodology. The depreciation rates to be used are set forth in Exhibit 8 to the Agreement, with the cost of LG&E's new Customer Care System software to be depreciated over 10 years for accounting and ratemaking purposes.
- The return on equity ("ROE") included in LG&E's environmental cost recovery ("ECR") filings will be increased from 10.50 to 10.63 percent effective with the first expense month subsequent to approval of the Agreement.
- LG&E's costs associated with the Federal Energy Regulatory Commission ("FERC") approved settlement of a transmission rate dispute between LG&E, KU and East Kentucky Power Cooperative, Inc. ("East Kentucky") will be recorded as a regulatory asset and amortized over five years beginning in the month after approval of the Agreement.
- LG&E will be permitted to defer revenues related to the Midwest Independent System Operator's ("MISO") Schedule 10 expenses recorded between the end of the test year and February 6, 2009, as well as future adjustments to the MISO exit fee, as regulatory liabilities until the amounts can be amortized in future rate cases. The amortization of amounts related

to the MISO Schedule 10 expenses and the MISO exit fee deferred as of the end of the test year will begin in the month after approval of the Agreement.

- Residential customer deposits will be \$135 for LG&E electric, \$160 for LG&E gas, and \$295 for an LG&E combined gas and electric customer. All other customer deposits will be as proposed in LG&E's application.
- Residential customers indicating an inability to pay or difficulty in paying the full amount of the required deposit will be offered the option to pay all or a portion of the required deposit in installments over a period not to exceed the first four normal billing periods.
- LG&E's curtailable electric service riders will be modified, including increases in the monthly credit to participating customers and reductions in the annual and daily interruptions.
- Payment of a customer's bill will be due 12 days after the date of the bill; however, there will be no adverse credit impact, internally or externally, including credit scoring, nor will the account be considered delinquent, if the payment is received within 15 days from the date of the bill.
- LG&E, CAK and ACM/POWER will consult on a plan for utility-approved emergency energy assistance agencies to annually pre-certify recipients of utility payment assistance so that any late payment charges for such pre-certified customers can be waived from December through March. Participation in such a program will be optional for any of the energy assistance agencies.

- LG&E will increase the monthly residential meter charge for the Home Energy Assistance (“HEA”) program from \$0.10 to \$0.15 per meter. For two years following implementation of the rates included in the Agreement, or until rates take effect in LG&E’s next base rate case, whichever is longer, LG&E and KU will contribute shareholder funds to the program to match HEA funds collected from customers, up to \$300,000 annually on a combined utilities basis.
- LG&E will amortize its actual rate case expenses associated with this case over three years beginning in the month after the Agreement is approved.

#### ANALYSIS OF THE AGREEMENT

LG&E proposed an annual electric rate increase of \$15.1 million, while it proposed an annual gas rate increase of \$29.8 million. The AG proposed an annual electric decrease of \$52.4 million and an annual gas increase of \$12.8 million. KIUC proposed an annual electric decrease of \$50.9 million, but did not address LG&E’s gas rate increase. No other intervenor addressed LG&E’s proposed gas or electric increases. The Agreement contains the parties’ unanimous recommendation that LG&E’s existing electric rates should be decreased by \$13.157 million and that its existing gas rates should be increased by \$22.0 million.

In considering the parties’ recommended \$13.157 million decrease in electric rates, the Commission recognizes that LG&E’s existing merger surcredit will terminate on the effective date of the new rates in this case. The merger surcredit, which has recently offset electric rates by \$10.8 million annually, was implemented in 1998 to flow back to ratepayers one-half of the estimated savings in expenses resulting from LG&E’s

merger with KU. In accordance with last year's agreement among the parties in Case No. 2007-00562,<sup>3</sup> 100 percent of LG&E's merger savings will be reflected in the test year used in this rate case, and that obviates the need to continue the merger surcredit once new rates become effective. Other significant provisions of the Agreement are discussed in the following paragraphs.

#### Depreciation

LG&E sought approval of new depreciation rates it had originally proposed in Case No. 2007-00564 based on a depreciation study performed by Gannett Fleming, Inc. ("Gannett Fleming"). LG&E's new depreciation rates reflected Gannett Fleming's recommendation that it implement the Equal Life Group methodology, rather than continue to use the ASL methodology. The Agreement calls for LG&E to continue to use the ASL methodology, although it will use new ASL rates that are based on the results of the Gannett Fleming depreciation study.

#### ROE – Environmental Cost Recovery

Typically, an electric utility with an environmental surcharge approved pursuant to KRS 278.183 uses the ROE from its most recent rate case in the return component of the environmental costs included in its surcharge. Since the Agreement in this proceeding does not include a specific ROE in support of the agreed-upon revenue decrease, the parties agreed that a 10.63 percent ROE be used in LG&E's monthly ECR filings. This represents an increase from the 10.5 percent ROE that has been included in its ECR filings for a number of years.

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<sup>3</sup> The Plan of Louisville Gas and Electric Company for the Future Disposition of the Merger Surcredit Mechanism, Order dated June 26, 2008.

### MISO Deferral / Regulatory Treatment

The Agreement authorizes LG&E to amortize over five years the \$6.8 million regulatory asset resulting from the Commission's approval of LG&E's exit from MISO in Case No. 2003-00266.<sup>4</sup> It also provides for LG&E to defer any post-test year revenues related to MISO Schedule 10 expenses, as well as future adjustments to the MISO exit fee, as regulatory liabilities to be amortized in a future rate case. This treatment is consistent with Commission's decision in Case No. 2003-00266.

### FERC Transmission Rate Settlement Costs

The dispute that led to the settlement of this issue related to East Kentucky's purchase of transmission capacity from MISO when LG&E and KU were members of MISO and when East Kentucky's load was, to some degree, on one, or both, of LG&E's and KU's transmission systems. These are costs which are also related to LG&E exiting MISO, which the Commission previously approved. The Agreement recommends a five-year amortization for these FERC settlement costs. Given the nature of the costs, plus their connection to LG&E's exit from MISO, a five-year amortization period is appropriate.

### HEA Increase – Shareholder Contribution

LG&E has operated its HEA program for several years and for virtually that entire time the Commission has encouraged LG&E to make some contribution of shareholder funds to the program. In the Agreement, on a combined basis with KU, LG&E has

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<sup>4</sup> Case No. 2003-00266, Investigation into the Membership of Louisville Gas and Electric Company and Kentucky Utilities Company in the Midwest Independent System Operator, Inc., Order dated May 31, 2006.

agreed to match the funds generated via the increased per meter charge of \$0.15, up to \$300,000 annually for the first two years following approval of the Agreement. Especially in today's economic conditions, the Commission compliments LG&E for making this commitment of shareholder dollars to assist its low-income customers in making payment on, and maintaining, their utility service.

#### SUMMARY

The Agreement provides that the rates, terms and conditions proposed in LG&E's application, except as modified by the Agreement, will become effective upon Commission approval of the Agreement. The parties recommend that the new rates become effective on February 6, 2009, and agree that if the Agreement is approved, no requests for rehearing or appeals will be filed.

Based on a review of the provisions in the Agreement and the exhibits attached thereto; the voluminous record, including intervenor testimony and data responses; and the public comments; the Commission finds that the provisions of the Agreement are reasonable and in the public interest. The Agreement was the product of arms-length negotiations among knowledgeable, capable parties and should be approved. Such approval is based solely on the reasonableness of the Agreement in total and does not constitute a precedent on any individual issue.

The Commission further finds that LG&E should revise its electric and gas tariffs to reflect the provision of the Agreement specifying no adverse credit impact for customers paying within 15 days of the date of the bill. In addition, since LG&E will be unable to implement the 12-day bill due date for another few months, a copy of its existing bill format should be included in its tariffs along with a copy of its new bill

format. Prior to implementing the new bill format and the payment due date of 12 days, LG&E should notify its customers of the changes through its monthly billings.

Residential Bill Comparisons

As a result of the Agreement, the base rate component of the bill of a typical LG&E electric residential customer using 1,000 kWh per month will decline from \$69.04 to \$68.03. However, as a result of the termination of the merger surcredit and the \$0.05 increase in the monthly HEA meter charge, the overall net impact on the typical customer's monthly bill will be an increase of \$0.21. The base rate component of the bill of a typical gas residential customer using 10 Mcf monthly will increase from \$23.97 to \$30.85.

IT IS THEREFORE ORDERED that:

1. The rates and charges proposed by LG&E are denied.
2. The Agreement, attached hereto as an Appendix, is approved in its entirety.
3. LG&E shall continue to record depreciation on its utility plant for book and ratemaking purposes using the ASL methodology and the rates set forth in Exhibit 8 to the Agreement.
4. The rates, charges, terms, and conditions for electric service set forth in Exhibit 5 to the Agreement, with the modifications discussed above to the tariffs, are fair, just and reasonable, for LG&E to charge for electric service rendered on and after February 6, 2009.
5. The rates, charges terms, and conditions for gas service set forth in Exhibit 6 to the Agreement, with the modifications to the tariffs discussed above, are



fair, just and reasonable for LG&E to charge for gas service rendered on and after February 6, 2009.

6. LG&E shall file within 20 days of the date of this Order its revised tariffs as set forth in Exhibit Nos. 5 and 6 to the Agreement and as modified by the findings herein reflecting that they were approved pursuant to this Order.

7. LG&E shall establish as regulatory liabilities all post-test year revenues related to MISO Schedule 10 expenses and future adjustments to its MISO exit fee until such time as they can be amortized in a future rate case.

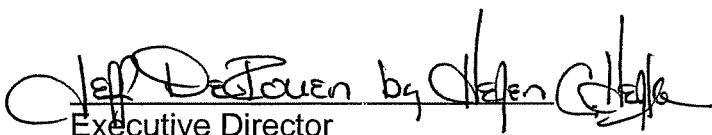
8. LG&E shall establish a regulatory asset and begin a five-year amortization thereof for the FERC settlement costs incurred in connection with the wholesale transmission rate dispute with East Kentucky relating to LG&E's exit from MISO.

9. LG&E shall defer and amortize over three years its actual rate case expenses incurred in conjunction with this proceeding.

Done at Frankfort, Kentucky, this 5th day of February, 2009.

By the Commission

ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NOS. 2007-00564 and 2008-00252  
DATED FEBRUARY 5, 2009

RECEIVED

JAN 13 2009

PUBLIC SERVICE  
COMMISSION

**SETTLEMENT AGREEMENT, STIPULATION, AND RECOMMENDATION**

This Settlement Agreement, Stipulation, and Recommendation ("Settlement Agreement") is entered into this 12th day of January 2009, by and between Louisville Gas and Electric Company ("LG&E"); Kentucky Utilities Company ("KU") (LG&E and KU are hereafter collectively referenced as "the Utilities"); Commonwealth of Kentucky, ex. rel. Jack Conway, Attorney General, by and through the Office of Rate Intervention ("AG"); Kentucky Industrial Utility Customers, Inc. ("KIUC"); The Kroger Company ("Kroger"); Lexington-Fayette Urban County Government ("LFUCG"); Community Action Kentucky, Inc. ("CAK"); Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. ("CAC"); Association of Community Ministries ("ACM"); and, People Organized and Working for Energy Reform ("POWER") in the proceedings involving LG&E and KU which are the subject of this Settlement Agreement, as set forth below.

**WITNESSETH:**

**WHEREAS**, KU filed on July 29, 2008 with the Kentucky Public Service Commission ("Commission") its Application for Authority to Adjust Rates, *In the Matter of: An Application of Kentucky Utilities Company for an Adjustment of Base Rates*, and the Commission has established Case No. 2008-00251 to review KU's base rate application;

**WHEREAS**, LG&E filed on July 29, 2008 with the Commission its Application for Authority to Adjust Rates, *In the Matter of: An Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Base Rates*, and the Commission has established Case No. 2008-00252 to review LG&E's base rate application (Case Nos. 2008-00251 and 2008-00252 are hereafter collectively referenced as the "rate proceedings");

**WHEREAS**, the AG, KIUC, Kroger, and CAK have been granted intervention by the Commission in both of the rate proceedings; LFUCG and CAC have been granted intervention

by the Commission in Case No. 2008-00251 only; and ACM and POWER have been granted intervention by the Commission in Case No. 2008-00252 only;

**WHEREAS**, on August 22, 2008, the Commission granted consolidation of Case No. 2008-00251 with the case captioned *In the Matter of: Application of Kentucky Utilities Company to File Depreciation Study*, Case No. 2007-00565, and Case No. 2008-00252 with the case captioned *In the Matter of: Application of Louisville Gas and Electric Company to File Depreciation Study*, Case No. 2007-00564;

**WHEREAS**, pursuant to the terms of the Utilities' Small Time-of-Day ("STOD") pilot tariffs, the Utilities performed studies of their STOD rates after the three-year pilot period, which studies the Utilities filed in these proceedings pursuant to the Commission's August 15, 2008 Orders in these proceedings;

**WHEREAS**, a prehearing informal conference for the purpose of discussing settlement, attended in person by representatives of the AG, KIUC, Kroger, LFUCG, CAK, CAC, ACM and POWER, the Commission Staff and the Utilities, took place on January 6, 7, and 9, 2009 at the offices of the Commission during which a number of procedural and substantive issues were discussed, including potential settlement of all issues pending before the Commission in the above-referenced proceedings;

**WHEREAS**, all of the Parties hereto unanimously desire to settle all the issues pending before the Commission in the above-referenced proceedings;

**WHEREAS**, the adoption of this Agreement will eliminate the need for the Commission and the parties to expend significant resources litigating these proceedings, and eliminate the possibility of, and any need for, rehearing or appeals of the Commission's final order herein;

**WHEREAS**, it is understood by all Parties hereto that this Settlement Agreement is subject to the approval of the Commission, insofar as it constitutes an agreement by all parties to the rate proceedings for settlement, and, absent express agreement stated herein, does not represent agreement on any specific claim, methodology or theory supporting the appropriateness of any proposed or recommended adjustments to the Utilities' rates, terms, and conditions;

**WHEREAS**, the Parties have spent many hours, over several days, in order to reach the stipulations and agreements which form the basis of this Settlement Agreement;

**WHEREAS**, all of the Parties, who represent diverse interests and divergent viewpoints, agree that this Settlement Agreement, viewed in its entirety, is a fair, just, and reasonable resolution of all the issues in the above-referenced proceedings; and

**WHEREAS**, it is the position of the Parties hereto that this Settlement Agreement is supported by sufficient and adequate data and information, and should be approved by the Commission.

**NOW, THEREFORE**, for and in consideration of the premises and conditions set forth herein, the Parties hereby stipulate and agree as follows:

**ARTICLE I. Revenue Requirement.**

**Section 1.1.** The Parties hereto stipulate that the following decreases in annual revenues for LG&E electric and KU operations, for purposes of determining the base electric rates of LG&E and KU in the rate proceedings, are fair, just, and reasonable for the Parties and for all customers of LG&E and KU:

**Section 1.1.1.** LG&E Electric Operations: \$13,157,000;

**Section 1.1.2.** KU Operations: \$8,851,000.

The Parties hereto agree that these decreases in annual revenues for LG&E electric operations and for KU operations will be effective for service rendered on and after February 6, 2009.

**Section 1.2.** The Parties hereto agree that, effective for service rendered on and after February 6, 2009, an increase in annual revenues for LG&E gas operations of \$22,000,000, for purposes of determining the base rates of LG&E gas operations in the rate proceedings, is fair, just, and reasonable for the Parties and for all gas customers of LG&E.

**ARTICLE II. Allocation of Revenue.**

**Section 2.1.** The Parties hereto agree that the allocations of the decreases in annual revenues for KU and LG&E electric operations, and that the allocation of the increase in annual revenue for LG&E gas operations, as set forth on the allocation schedules designated Exhibit 1 (KU), Exhibit 2 (LG&E electric), and Exhibit 3 (LG&E gas) hereto, are fair, just, and reasonable for the Parties and for all customers of LG&E and KU.

**Section 2.2.** The Parties hereto agree that, effective February 6, 2009, the Utilities shall implement the electric and gas rates set forth on the tariff sheets in Exhibit 4 (KU), Exhibit 5 (LG&E electric), and Exhibit 6 (LG&E gas), attached hereto, which rates the Parties unanimously stipulate are fair, just, and reasonable and should be approved by the Commission.

**ARTICLE III. Treatment of Certain Specific Issues.**

**Section 3.1.** The Parties agree that LG&E and KU may amortize their actual rate case expenses in these proceedings over a three year period. The amortization shall begin in the month after which the Commission approves this Settlement Agreement.

**Section 3.2.** The Parties agree that the depreciation rates attached hereto as Exhibit 7 (KU) and Exhibit 8 (LG&E electric and gas), which include the depreciation of the cost of the

Utilities' new Customer Care System software over ten years, are based on the Average Service Life methodology and the service lives as filed in the respective applications, and shall be effective for the Utilities' accounting and ratemaking purposes upon the approval of this Settlement Agreement.

**Section 3.3.** *The Parties hereto agree that, effective as of the first expense month after which the Commission approves this Settlement Agreement, the return on equity that shall apply to the Utilities' recovery under their environmental cost recovery ("ECR") mechanism is 10.63%.*

**Section 3.4.** *The Parties hereto agree that the Commission should grant the Utilities' requests, as stated in their Applications, to establish and amortize over five years a regulatory asset for each of the Utilities for the costs associated with the transmission depancaking settlement agreement in Federal Energy Regulatory Commission Docket No. ER06-1458-000 between the Utilities and East Kentucky Power Cooperative, Inc. The amortization shall begin in the month after which the Commission approves this Settlement Agreement.*

**Section 3.5.** *The Parties hereto agree that the Commission should grant the Utilities' requests that revenues related to MISO Schedule 10 expenses deferred between the end of the test year and February 6, 2009, as well as any future adjustments to the MISO exit fee, be deferred as regulatory liabilities until the amounts can be amortized in future base rate cases. The amortization of the amounts related to MISO Schedule 10 expenses and the MISO exit fee already deferred as of the end of the test year shall begin in the month after which the Commission approves this Settlement Agreement.*

**Section 3.6.** *The Parties hereto agree that the Utilities' currently approved customer charges shall remain unchanged in the new rates, terms, and conditions proposed by this*

Settlement Agreement, with the exception of LG&E's gas residential customer charge, which shall increase by \$1.00 per month to \$9.50 per month.

**Section 3.7.** The Parties hereto agree that the Utilities' merger surcredits will terminate February 6, 2009, and the total distribution of the merger surcredits will be prorated to that date.

**Section 3.8.** The Parties hereto agree that the following residential customer deposit amounts shall be implemented: \$135 for LG&E electric; \$160 for LG&E gas; \$295 for LG&E electric and gas combined; and \$135 for KU. All other customer deposit amounts will be as filed by the Utilities in these proceedings.

**Section 3.9.** The Parties hereto agree that, if a residential customer indicates an inability to pay or difficulty in paying a required customer deposit, the appropriate Utility shall offer the customer the option to pay all or a portion of the required deposit in installments over a period not to exceed the first four normal billing periods.

**Section 3.10.** The Parties hereto agree to the following changes to the following *Curtable Service Riders* for LG&E electric and KU: the CSR1 credit will increase from the currently approved level by \$2.00 per kW; CSR1 customers will be interruptible for no more than 200 hours annually, and no more than two interruptions per day; the CSR2 credit will increase from the currently approved level by \$1.50 per kW; CSR2 customers will be interruptible for no more than 425 hours annually, and no more than two interruptions per day. The amount of load that can be eligible for the CSR2 rider shall be limited to an aggregate of 100 MW per Utility.

**Section 3.11.** The Utilities agree to work with interested parties to study the feasibility of measuring demand for generation service to multi-site customers based on conjunctive demand, where "conjunctive demand" herein refers to the measured demand at a meter at the time that the



total demand of a multi-site customer's loads, measured over a coinciding time period, has reached its peak during the billing period.

**Section 3.12.** The Parties hereto agree that payment for a customer's bill shall be due to the appropriate Utility twelve days after the date on which the Utility issues the bill, though there will be no adverse credit impact on the customer's payment and credit record, including credit scoring, both internally and externally, and the account will not be considered delinquent for any purpose if the Utility receives the customer's payment within fifteen days after the date on which the Utility issues the customer's bill. If the appropriate Utility does not receive the customer's payment within fifteen days after the date on which the Utility issues the customer's bill, the Utility may assess a late payment charge as set out in the Utility's proposed tariffs in these proceedings. The Parties acknowledge and agree that LG&E and KU will not be able to implement the change in the due date of customers' bills and that KU will not be able to implement its late payment charge until the first billing cycle following the full operation of its new Customer Care System.

**Section 3.13.** The Parties hereto agree that the Utilities, CAK, and ACM/POWER will consult with each other concerning the design of a plan regarding the identification of late payment charges for low income customers associated with utility assistance payments. Specifically, they shall discuss the implementation of a plan by which CAK, ACM/POWER, their member agencies, and other Utility-approved emergency energy assistance agencies ("Assistance Agencies") would annually pre-certify recipients of certain utility payment assistance, conceptually similar to the pre-certification program currently in place in the Commonwealth of Virginia, which would allow the Utilities' Kentucky operations to waive the late payment charges for such pre-certified customers during the months of December through

March each year. Participation in such a pre-certification program would be optional to any or all of the Assistance Agencies.

**Section 3.14.** The Parties hereto agree that the Utilities shall increase the currently approved monthly residential meter charge (for gas and electric meters) for the Home Energy Assistance (“HEA”) program from \$0.10 to \$0.15 per meter. For a period of two years following the implementation of the rates proposed in this Settlement Agreement or until rates take effect in the Utilities’ next base rate proceedings, whichever is longer, the Utilities shall make a dollar-for-dollar contribution from shareholder funds to the HEA program to match HEA funds collected from customers (up to \$300,000 per year on a combined-Utilities basis).

**Section 3.15.** The Parties hereto agree that, except as modified in this Settlement Agreement and the exhibits attached hereto, the rates, terms, and conditions proposed by the Utilities in the rate proceedings shall be approved as filed. Approval of this Settlement Agreement shall not be construed to approve or deny the adjustments to LG&E’s and KU’s electric revenues and expenses associated with the normalization of weather.

**ARTICLE IV. Miscellaneous Provisions.**

**Section 4.1.** Except as specifically stated otherwise in this Settlement Agreement, the Parties agree that making this Settlement Agreement shall not be deemed in any respect to constitute an admission by any party hereto that any computation, formula, allegation, assertion or contention made by any other party in these proceedings is true or valid.

**Section 4.2.** The Parties hereto agree that the foregoing stipulations and agreements represent a fair, just, and reasonable resolution of the issues addressed herein and request the Commission to approve the Settlement Agreement.

**Section 4.3.** The Parties hereto agree that, following the execution of this Settlement Agreement, the Parties shall cause the Settlement Agreement to be filed with the Commission by January 12, 2009 together with a request to the Commission for consideration and approval of this Settlement Agreement for rates to become effective on February 6, 2009.

**Section 4.4.** Each party waives all cross-examination of the other parties' witnesses unless the Commission disapproves this Agreement, and each party further stipulates and recommends that the Notice of Intent, Notice, Application, testimony, pleadings, and responses to data requests filed in this proceeding be admitted into the record. The Parties stipulate that after the date of this Settlement Agreement they will not otherwise contest the Utilities' proposals, as modified by this Settlement Agreement, in the hearing of the above-referenced proceedings regarding the subject matter of the Settlement Agreement, and that they will refrain from cross-examination of the Utilities' witnesses during the hearing, except insofar as such cross-examination is in support of the Settlement Agreement.

**Section 4.5.** The Parties hereto agree that this Settlement Agreement is subject to the acceptance of and approval by the Commission. The Parties hereto further agree to act in good faith and to use their best efforts to recommend to the Commission that this Settlement Agreement be accepted and approved.

**Section 4.6.** If the Commission issues an order adopting this Settlement Agreement in its entirety, each of the parties agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to the Franklin Circuit Court with respect to such order.

**Section 4.7.** The Parties hereto agree that, if the Commission does not accept and approve this Settlement Agreement in its entirety, then: (a) this Settlement Agreement shall be void and withdrawn by the parties hereto from further consideration by the Commission and

— none of the parties shall be bound by any of the provisions herein, provided that no party is precluded from advocating any position contained in this Settlement Agreement; and (b) neither the terms of this Settlement Agreement nor any matters raised during the settlement negotiations shall be binding on any of the Parties to this Settlement Agreement or be construed against any of the Parties.

**Section 4.8.** The Parties hereto agree that, should the Settlement Agreement be voided or vacated for any reason after the Commission has approved the Settlement Agreement, then the parties shall be returned to the *status quo* existing at the time immediately prior to the execution of this agreement.

**Section 4.9.** The Parties hereto agree that this Settlement Agreement shall in no way be deemed to divest the Commission of jurisdiction under Chapter 278 of the Kentucky Revised Statutes.

**Section 4.10.** The Parties hereto agree that this Settlement Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns.

**Section 4.11.** The Parties hereto agree that this Settlement Agreement constitutes the complete agreement and understanding among the parties hereto, and any and all oral statements, representations or agreements made prior hereto or contained contemporaneously herewith shall be null and void and shall be deemed to have been merged into this Settlement Agreement.

**Section 4.12.** The Parties hereto agree that, for the purpose of this Settlement Agreement only, the terms are based upon the independent analysis of the parties to reflect a fair, just, and reasonable resolution of the issues herein and are the product of compromise and negotiation.

**Section 4.13.** The Parties hereto agree that neither the Settlement Agreement nor any of the terms shall be admissible in any court or commission except insofar as such court or

commission is addressing litigation arising out of the implementation of the terms herein or the approval of this Settlement Agreement. This Settlement Agreement shall not have any precedential value in this or any other jurisdiction.

**Section 4.14.** The signatories hereto warrant that they have appropriately informed, advised, and consulted their respective Parties in regard to the contents and significance of this Settlement Agreement and based upon the foregoing are authorized to execute this Settlement Agreement on behalf of their respective Parties.


**Section 4.15.** The Parties hereto agree that this Settlement Agreement is a product of negotiation among all parties hereto, and no provision of this Settlement Agreement shall be strictly construed in favor of or against any party. Notwithstanding anything contained in the Settlement Agreement, the parties recognize and agree that the effects, if any, of any future events upon the operating income of the Utilities are unknown and this Settlement Agreement shall be implemented as written.

**Section 4.16.** The Parties hereto agree that this Settlement Agreement may be executed in multiple counterparts.

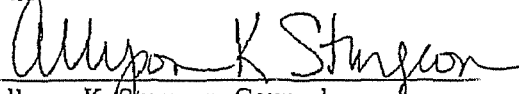
**IN WITNESS WHEREOF**, the parties have hereunto affixed their signatures:

Louisville Gas and Electric Company  
and Kentucky Utilities Company

HAVE SEEN AND AGREED:

By:   
Kendrick R. Riggs, Counsel

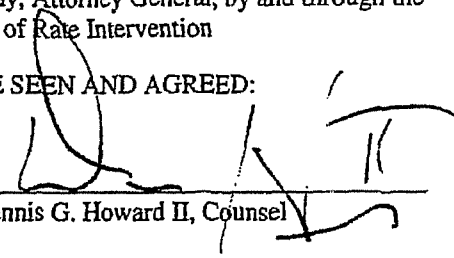
-and-

By:   
Allyson K. Sturgeon, Counsel

Commonwealth of Kentucky, ex. rel. Jack  
Conway, Attorney General, by and through the  
Office of Rate Intervention

HAVE SEEN AND AGREED:

By:

  
Dennis G. Howard II, Counsel


Kentucky Industrial Utility Customers, Inc.

HAVE SEEN AND AGREED:

By: Michael L. Kurtz  
Michael L. Kurtz, Counsel

The Kroger Company

HAVE SEEN AND AGREED:

By:   
David C. Brown, Counsel




Lexington-Fayette Urban County Government

HAVE SEEN AND AGREED:

By: Willis L. Wilson  
Willis L. Wilson, Counsel  
*Resolving approval of the Fayette  
Urban County Council*


Community Action Kentucky, Inc.

HAVE SEEN AND AGREED:

By:   
\_\_\_\_\_  
Joe F. Childers, Counsel

Community Action Counsel for  
Lexington-Fayette, Bourbon, Harrison  
and Nicholas Counties, Inc.

HAVE SEEN AND AGREED: .

By:   
Iris G. Skidmore, Counsel

01/12/2009 11:40 FAX 5025848014

002/003

Association of Community Ministries

HAVE SEEN AND AGREED:

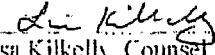
By: *Lisa Kilkelly*  
Lisa Kilkelly, Counsel

01/12/2009 11:41 FAX 5025848014

003/003

People Organized and Working for  
Energy Reform

HAVE SEEN AND AGREED:

By:   
Lisa Kilkelly, Counsel

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 241**

**Responding Witness: John J. Spanos**

- Q-241. Please provide the calculation of the current depreciation rates (or those used to calculate the test period depreciation expense, if different) in electronic format (Excel) with all formulae intact. Show all parameters used (i.e., ASL, curve, remaining life, net salvage ratio), and provide a source for those parameters. Please explain any differences in the parameters or rates from those that were ordered when the rates were adopted.
- A-241. The attached spreadsheet sets forth the calculation of the current depreciation rates in Excel format. The spreadsheet includes all parameters. These parameters were agreed upon in settlement from the last proceeding. There are no differences in the parameters or rates from those that were ordered when the rates were adopted.

The attachment is being provided in a separate file in Excel format.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 242**

**Responding Witness: Shannon L. Charnas**

Q-242. Does the Company maintain its book reserve by plant account? If not, explain why not and explain how the book reserves were determined for use in calculating the current depreciation rates.

A-242. The Company maintains its book reserve by plant account.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 243**

**Responding Witness: Shannon L. Charnas**

Q-243. Please provide the current depreciation rates, split into three separate components: capital recovery, gross salvage and cost of removal.

A-243. See attached.

**Louisville Gas and Electric Company  
2006 ASL Depreciation Rates**

Property Group	ASL Rates	Life Rates	COR Rates	Salvage Rates
<b>ELECTRIC PLANT</b>				
<b>Intangible Plant</b>	0.00%	0.00%	0.00%	0.00%
<b>Steam Production Plant</b>				
310.20 Land	0.00%	0.00%	0.00%	0.00%
311.00 Structures and Improvements				
0112 Cane Run Unit 1	0.00%	0.00%	0.00%	0.00%
0121 Cane Run Unit 2	0.00%	0.00%	0.00%	0.00%
0131 Cane Run Unit 3	0.00%	0.00%	0.00%	0.00%
0141 Cane Run Unit 4	1.14%	1.02%	0.12%	0.00%
0142 Cane Run Unit 4 FGD	0.95%	0.77%	0.18%	0.00%
0151 Cane Run Unit 5	1.92%	1.75%	0.17%	0.00%
0152 Cane Run Unit 5 FGD	1.56%	1.38%	0.18%	0.00%
0161 Cane Run Unit 6	2.13%	1.90%	0.23%	0.00%
0162 Cane Run Unit 6 FGD	2.04%	1.81%	0.23%	0.00%
0211 Mill Creek Unit 1	1.64%	1.44%	0.20%	0.00%
0212 Mill Creek Unit 1 FGD	1.65%	1.46%	0.19%	0.00%
0221 Mill Creek Unit 2	1.42%	1.22%	0.20%	0.00%
0222 Mill Creek Unit 2 FGD	1.81%	1.59%	0.22%	0.00%
0231 Mill Creek Unit 3	1.51%	1.36%	0.15%	0.00%
0232 Mill Creel Unit 3 FGD	1.47%	1.34%	0.13%	0.00%
0241 Mill Creek Unit 4	1.85%	1.70%	0.15%	0.00%
0242 Mill Creek Unit 4 FGD	1.76%	1.61%	0.15%	0.00%
0311 Trimble County Unit 1	2.08%	1.74%	0.34%	0.00%
0312 Trimble County Unit 1 FGD	2.28%	1.94%	0.34%	0.00%
0321 Trimble County Unit 2	2.10%	1.90%	0.20%	0.00%
0322 Trimble County Unit 2 FGD	2.10%	1.90%	0.20%	0.00%
312.00 Boiler Plant Equipment				
0103 Cane Run Locomotive	2.67%	3.07%	0.00%	-0.40%
0104 Cane Run Rail Cars	3.14%	3.66%	0.00%	-0.52%
0112 Cane Run Unit 1	0.00%	0.00%	0.00%	0.00%
0121 Cane Run Unit 2	0.00%	0.00%	0.00%	0.00%
0131 Cane Run Unit 3	0.00%	0.00%	0.00%	0.00%
0141 Cane Run Unit 4	5.88%	4.46%	1.60%	-0.18%
0142 Cane Run Unit 4 FGD	4.93%	4.05%	1.05%	-0.17%
0151 Cane Run Unit 5	6.11%	5.09%	1.24%	-0.22%
0152 Cane Run Unit 5 FGD	4.07%	3.02%	1.18%	-0.13%
0161 Cane Run Unit 6	5.19%	4.16%	1.18%	-0.15%
0162 Cane Run Unit 6 FGD	4.46%	3.94%	0.65%	-0.13%
0203 Mill Creek Locomotive	2.90%	3.28%	0.00%	-0.38%
0204 Mill Creek Rail Cars	3.13%	3.65%	0.00%	-0.52%
0211 Mill Creek Unit 1	4.24%	3.21%	1.16%	-0.13%
0212 Mill Creek Unit 1 FGD	4.50%	3.47%	1.17%	-0.14%
0221 Mill Creek Unit 2	4.70%	3.73%	1.11%	-0.14%
0222 Mill Creek Unit 2 FGD	4.28%	3.34%	1.07%	-0.13%
0231 Mill Creek Unit 3	3.87%	2.92%	1.06%	-0.11%
0232 Mill Creel Unit 3 FGD	3.85%	2.95%	1.01%	-0.11%
0241 Mill Creek Unit 4	3.85%	2.95%	1.01%	-0.11%
0242 Mill Creek Unit 4 FGD	3.71%	2.90%	0.91%	-0.10%
0311 Trimble County Unit 1	3.62%	2.81%	0.91%	-0.10%
0312 Trimble County Unit 1 FGD	3.62%	2.81%	0.91%	-0.10%
0321 Trimble County Unit 2	4.28%	2.85%	1.59%	-0.16%
0322 Trimble County Unit 2 FGD	4.28%	2.85%	1.59%	-0.16%

**Louisville Gas and Electric Company  
2006 ASL Depreciation Rates**

Property Group	ASL Rates	Life Rates	COR Rates	Salvage Rates
314.00 Turbogenerator Units				
0112 Cane Run Unit 1	0.00%	0.00%	0.00%	0.00%
0121 Cane Run Unit 2	0.00%	0.00%	0.00%	0.00%
0131 Cane Run Unit 3	0.00%	0.00%	0.00%	0.00%
0141 Cane Run Unit 4	3.09%	2.29%	0.98%	-0.18%
0151 Cane Run Unit 5	2.22%	1.63%	0.72%	-0.13%
0161 Cane Run Unit 6	3.29%	2.80%	0.69%	-0.20%
0211 Mill Creek Unit 1	2.15%	1.71%	0.56%	-0.12%
0221 Mill Creek Unit 2	2.46%	2.04%	0.56%	-0.14%
0231 Mill Creek Unit 3	2.15%	1.80%	0.48%	-0.13%
0241 Mill Creek Unit 4	2.29%	2.06%	0.38%	-0.15%
0311 Trimble County Unit 1	2.48%	2.28%	0.37%	-0.17%
0321 Trimble County Unit 2	2.78%	2.33%	0.50%	-0.05%
315.00 Accessory Electric Equipment				
0112 Cane Run Unit 1	0.00%	0.00%	0.00%	0.00%
0121 Cane Run Unit 2	0.00%	0.00%	0.00%	0.00%
0131 Cane Run Unit 3	0.00%	0.00%	0.00%	0.00%
0141 Cane Run Unit 4	3.18%	2.73%	0.45%	0.00%
0142 Cane Run Unit 4 FGD	0.82%	0.32%	0.50%	0.00%
0151 Cane Run Unit 5	2.97%	2.61%	0.36%	0.00%
0152 Cane Run Unit 5 FGD	1.49%	1.11%	0.38%	0.00%
0161 Cane Run Unit 6	2.80%	2.46%	0.34%	0.00%
0162 Cane Run Unit 6 FGD	1.44%	1.08%	0.36%	0.00%
0211 Mill Creek Unit 1	2.75%	2.46%	0.29%	0.00%
0212 Mill Creek Unit 1 FGD	1.67%	1.36%	0.31%	0.00%
0221 Mill Creek Unit 2	2.03%	1.72%	0.31%	0.00%
0222 Mill Creek Unit 2 FGD	1.69%	1.38%	0.31%	0.00%
0231 Mill Creek Unit 3	1.58%	1.34%	0.24%	0.00%
0232 Mill Creel Unit 3 FGD	1.56%	1.31%	0.25%	0.00%
0241 Mill Creek Unit 4	1.75%	1.52%	0.23%	0.00%
0242 Mill Creek Unit 4 FGD	1.71%	1.48%	0.23%	0.00%
0311 Trimble County Unit 1	2.13%	1.93%	0.20%	0.00%
0312 Trimble County Unit 1 FGD	2.12%	1.92%	0.20%	0.00%
0321 Trimble County Unit 2	2.49%	2.25%	0.27%	-0.03%
0322 Trimble County Unit 2 FGD	2.49%	2.25%	0.27%	-0.03%
316.00 Miscellaneous Plant Equipment				
0112 Cane Run Unit 1	0.00%	0.00%	0.00%	0.00%
0131 Cane Run Unit 3	0.00%	0.00%	0.00%	0.00%
0141 Cane Run Unit 4	6.30%	5.86%	0.44%	0.00%
0142 Cane Run Unit 4 FGD	2.83%	2.27%	0.56%	0.00%
0151 Cane Run Unit 5	5.40%	5.07%	0.33%	0.00%
0152 Cane Run Unit 5 FGD	2.85%	2.44%	0.41%	0.00%
0161 Cane Run Unit 6	4.32%	3.99%	0.33%	0.00%
0162 Cane Run Unit 6 FGD	2.75%	2.34%	0.41%	0.00%
0211 Mill Creek Unit 1	3.22%	2.84%	0.38%	0.00%
0221 Mill Creek Unit 2	2.90%	2.54%	0.36%	0.00%
0231 Mill Creek Unit 3	2.59%	2.28%	0.31%	0.00%
0241 Mill Creek Unit 4	3.04%	2.82%	0.22%	0.00%
0242 Mill Creek Unit 4 FGD	2.83%	2.56%	0.27%	0.00%
0311 Trimble County Unit 1	2.89%	2.67%	0.22%	0.00%
0321 Trimble County Unit 2	3.00%	2.78%	0.22%	0.00%

**Louisville Gas and Electric Company  
2006 ASL Depreciation Rates**

Property Group	ASL Rates	Life Rates	COR Rates	Salvage Rates
<b>Hydraulic Production Plant - Project 289</b>				
<b>0451 - Ohio Falls Project 289</b>				
330.20 Land	0.00%	0.00%	0.00%	0.00%
331.00 Structures and Improvements	0.08%	0.07%	0.01%	0.00%
332.00 Reservoirs, Dams & Waterways	3.30%	3.13%	0.17%	0.00%
333.00 Water Wheels, Turbines and Generators	0.25%	0.19%	0.06%	0.00%
334.00 Accessory Electric Equipment	2.94%	2.76%	0.18%	0.00%
335.00 Misc. Power Plant Equipment	2.29%	2.08%	0.21%	0.00%
336.00 Roads, Railroads and Bridges	0.00%	0.00%	0.00%	0.00%
<b>Hydraulic Production Plant - Other Than Project 289</b>				
<b>0450 - Ohio Falls Other Than Project 289</b>				
330.20 Land	0.00%	0.00%	0.00%	0.00%
331.00 Structures and Improvements	0.53%	0.45%	0.08%	0.00%
335.00 Misc. Power Plant Equipment	1.61%	1.40%	0.21%	0.00%
336.00 Roads, Railroads and Bridges	0.00%	0.00%	0.00%	0.00%
<b>Other Production Plant</b>				
340.20 Land	0.00%	0.00%	0.00%	0.00%
341.00 Structures and Improvements				
0171 Cane Run GT 11	1.34%	1.24%	0.10%	0.00%
0410 Zorn and River Road Gas Turbine	0.61%	0.51%	0.10%	0.00%
0431 Paddys Run Generator 12	0.60%	0.50%	0.10%	0.00%
0432 Paddys Run Generator 13	3.05%	2.93%	0.12%	0.00%
0459 Brown CT 5	3.05%	2.93%	0.12%	0.00%
0460 Brown CT 6	3.17%	3.05%	0.12%	0.00%
0461 Brown CT 7	3.12%	3.00%	0.12%	0.00%
0470 Trimble County CT 5	3.16%	3.04%	0.12%	0.00%
0471 Trimble County CT 6	3.14%	3.02%	0.12%	0.00%
0474 Trimble County CT 7	3.34%	3.22%	0.12%	0.00%
0475 Trimble County CT 8	3.34%	3.22%	0.12%	0.00%
0476 Trimble County CT 9	3.34%	3.22%	0.12%	0.00%
0477 Trimble County CT 10	3.34%	3.22%	0.12%	0.00%
342.00 Fuel Holders, Producers and Accessories				
0171 Cane Run GT 11	3.85%	3.51%	0.34%	0.00%
0410 Zorn and River Road Gas Turbine	0.59%	0.46%	0.13%	0.00%
0430 Paddys Run Generator 11	0.58%	0.45%	0.13%	0.00%
0431 Paddys Run Generator 12	0.85%	0.70%	0.15%	0.00%
0432 Paddys Run Generator 13	3.08%	2.90%	0.18%	0.00%
0459 Brown CT 5	3.07%	2.90%	0.17%	0.00%
0460 Brown CT 6	2.99%	2.81%	0.18%	0.00%
0461 Brown CT 7	2.99%	2.81%	0.18%	0.00%
0470 Trimble County CT 5	3.17%	2.99%	0.18%	0.00%
0471 Trimble County CT 6	3.17%	2.99%	0.18%	0.00%
0473 Trimble County CT Pipeline	3.19%	3.01%	0.18%	0.00%
0474 Trimble County CT 7	3.36%	3.19%	0.17%	0.00%
0475 Trimble County CT 8	3.36%	3.19%	0.17%	0.00%
0476 Trimble County CT 9	3.36%	3.19%	0.17%	0.00%
0477 Trimble County CT 10	3.36%	3.19%	0.17%	0.00%

**Louisville Gas and Electric Company  
2006 ASL Depreciation Rates**

Property Group	ASL Rates	Life Rates	COR Rates	Salvage Rates
343.00 Prime Movers				
0432 Paddys Run Generator 13	3.84%	3.67%	0.17%	0.00%
0459 Brown CT 5	3.84%	3.67%	0.17%	0.00%
0460 Brown CT 6	3.85%	3.66%	0.19%	0.00%
0461 Brown CT 7	3.81%	3.63%	0.18%	0.00%
0470 Trimble County CT 5	3.88%	3.71%	0.17%	0.00%
0471 Trimble County CT 6	3.88%	3.71%	0.17%	0.00%
0474 Trimble County CT 7	3.99%	3.82%	0.17%	0.00%
0475 Trimble County CT 8	3.99%	3.82%	0.17%	0.00%
0476 Trimble County CT 9	3.99%	3.82%	0.17%	0.00%
0477 Trimble County CT 10	3.99%	3.82%	0.17%	0.00%
344.00 Generators				
0171 Cane Run GT 11	5.73%	5.40%	0.33%	0.00%
0410 Zorn and River Road Gas Turbine	2.70%	2.55%	0.15%	0.00%
0430 Paddys Run Generator 11	2.74%	2.59%	0.15%	0.00%
0431 Paddys Run Generator 12	2.63%	2.48%	0.15%	0.00%
0432 Paddys Run Generator 13	3.00%	2.86%	0.14%	0.00%
0459 Brown CT 5	3.00%	2.86%	0.14%	0.00%
0460 Brown CT 6	2.91%	2.77%	0.14%	0.00%
0461 Brown CT 7	2.91%	2.77%	0.14%	0.00%
0470 Trimble County CT 5	3.09%	2.94%	0.15%	0.00%
0471 Trimble County CT 6	3.09%	2.94%	0.15%	0.00%
0474 Trimble County CT 7	3.28%	3.12%	0.16%	0.00%
0475 Trimble County CT 8	3.28%	3.12%	0.16%	0.00%
0476 Trimble County CT 9	3.28%	3.12%	0.16%	0.00%
0477 Trimble County CT 10	3.28%	3.12%	0.16%	0.00%
345.00 Accessory Electric Equipment				
0171 Cane Run GT 11	2.40%	2.40%	0.00%	0.00%
0410 Zorn and River Road Gas Turbine	2.31%	2.31%	0.00%	0.00%
0430 Paddys Run Generator 11	4.27%	4.27%	0.00%	0.00%
0431 Paddys Run Generator 12	3.82%	3.82%	0.00%	0.00%
0432 Paddys Run Generator 13	3.32%	3.32%	0.00%	0.00%
0459 Brown CT 5	3.32%	3.32%	0.00%	0.00%
0460 Brown CT 6	3.26%	3.26%	0.00%	0.00%
0461 Brown CT 7	3.26%	3.26%	0.00%	0.00%
0470 Trimble County CT 5	3.38%	3.38%	0.00%	0.00%
0471 Trimble County CT 6	3.38%	3.38%	0.00%	0.00%
0474 Trimble County CT 7	3.52%	3.52%	0.00%	0.00%
0475 Trimble County CT 8	3.52%	3.52%	0.00%	0.00%
0476 Trimble County CT 9	3.52%	3.52%	0.00%	0.00%
0477 Trimble County CT 10	3.52%	3.52%	0.00%	0.00%

**Louisville Gas and Electric Company  
2006 ASL Depreciation Rates**

<b>Property Group</b>	<b>ASL Rates</b>	<b>Life Rates</b>	<b>COR Rates</b>	<b>Salvage Rates</b>
346.00 Miscellaneous Plant Equipment				
0410 Zorn and River Road Gas Turbine	0.00%	0.00%	0.00%	0.00%
0430 Paddys Run Generator 11	0.00%	0.00%	0.00%	0.00%
0431 Paddys Run Generator 12	0.00%	0.00%	0.00%	0.00%
0432 Paddys Run Generator 13	2.81%	2.81%	0.00%	0.00%
0459 Brown CT 5	2.81%	2.81%	0.00%	0.00%
0460 Brown CT 6	2.86%	2.86%	0.00%	0.00%
0461 Brown CT 7	2.86%	2.86%	0.00%	0.00%
0470 Trimble County CT 5	3.22%	3.22%	0.00%	0.00%
0474 Trimble County CT 7	3.11%	3.11%	0.00%	0.00%
0475 Trimble County CT 8	3.11%	3.11%	0.00%	0.00%
0476 Trimble County CT 9	3.12%	3.12%	0.00%	0.00%
0477 Trimble County CT 10	3.10%	3.10%	0.00%	0.00%
<b>Transmission Plant</b>				
350.2 Transmission Lines Land	0.00%	0.00%	0.00%	0.00%
350.1 Land Rights	3.92%	3.92%	0.00%	0.00%
352.1 Structures & Improvements	1.17%	0.94%	0.23%	0.00%
353.1 Station Equipment - Project 289	1.32%	1.10%	0.30%	-0.08%
353.1 Station Equipment	1.32%	1.10%	0.30%	-0.08%
354 Towers & Fixtures	1.38%	0.95%	0.43%	0.00%
355 Poles & Fixtures	2.95%	2.13%	0.97%	-0.15%
356.1 Overhead Conductors & Devices - Project 289	2.52%	1.96%	0.74%	-0.18%
356 Overhead Conductors & Devices	2.52%	1.96%	0.74%	-0.18%
357 Underground Conduit	1.85%	1.85%	0.00%	0.00%
358 Underground Conductors & Devices	3.65%	3.65%	0.00%	0.00%
<b>Distribution Plant</b>				
360.2 Substation Land	0.00%	0.00%	0.00%	0.00%
360.2 Substation Land Class A (Plant Held for Future Use)	0.00%	0.00%	0.00%	0.00%
361 Substation Structures	1.01%	0.70%	0.31%	0.00%
362.1 Substation Equipment	1.01%	0.84%	0.23%	-0.06%
362.1 Substation Equipment - Class A (Plant Held for Future Use)	0.00%	0.00%	0.00%	0.00%
364 Poles Towers & Fixtures	3.00%	2.12%	1.15%	-0.27%
365 Overhead Conductors & Devices	2.90%	2.07%	1.14%	-0.31%
366 Underground Conduit	1.25%	1.07%	0.18%	0.00%
367 Underground Conductors & Devices	1.76%	1.35%	0.51%	-0.10%
368.1 Line Transformers	2.18%	1.71%	0.54%	-0.07%
368.2 Line Transformer Installations (Combined in 368)	2.18%	1.71%	0.54%	-0.07%
369.1 Underground Services	2.45%	1.80%	0.65%	0.00%
369.2 Overhead Services	4.99%	2.98%	2.01%	0.00%
370.1 Meters	3.79%	3.54%	0.35%	-0.10%
370.2 Meter Installations (Combined in 370)	3.79%	3.54%	0.35%	-0.10%
373.1 Overhead Street Lighting	2.77%	2.37%	0.40%	0.00%
373.2 Underground Streetlighting	2.95%	2.48%	0.47%	0.00%
373.4 Street lighting Transformers	0.00%	0.00%	0.00%	0.00%
<b>General Plant</b>				
392.1 Transportation Equip Cars & Trucks	20.00%	20.00%	0.00%	0.00%
392.2 Transportation Equip Trailers	3.62%	3.99%	0.00%	-0.37%
394 Tools, Shop, and Garage Equipment	4.39%	4.39%	0.00%	0.00%
395 Laboratory Equipment	30.32%	30.32%	0.00%	0.00%
396.1 Power Operated Equip Hourly Rated	20.00%	20.00%	0.00%	0.00%
396.2 Power operated Equipment Other	3.17%	3.17%	0.00%	0.00%

**Louisville Gas and Electric Company  
2006 ASL Depreciation Rates**

Property Group	ASL Rates	Life Rates	COR Rates	Salvage Rates
<b>GAS PLANT</b>				
INTANGIBLE PLANT	0.00%	0.00%	0.00%	0.00%
UNDERGROUND STORAGE				
350.1 Land	0.00%	0.00%	0.00%	0.00%
350.2 Rights of Way	0.00%	0.00%	0.00%	0.00%
351.2 Compressor Station Structures	1.36%	1.24%	0.12%	0.00%
351.3 Reg Station Structures	0.00%	0.00%	0.00%	0.00%
351.4 Other Structures	0.92%	0.80%	0.12%	0.00%
352.40 Well Drilling	0.36%	0.26%	0.10%	0.00%
352.50 Well Equipment	3.46%	2.99%	0.47%	0.00%
352.1 Storage Leaseholds & Rights	0.00%	0.00%	0.00%	0.00%
352.2 Reservoirs	0.00%	0.00%	0.00%	0.00%
352.3 Nonrecoverable Natural Gas	0.92%	0.92%	0.00%	0.00%
Gas Stored Underground Non-Current	0.00%	0.00%	0.00%	0.00%
353 Lines	1.68%	1.45%	0.28%	-0.05%
354 Compressor Station Equipment	1.28%	1.16%	0.18%	-0.06%
355 Measuring & Regulating Equipment	1.22%	1.06%	0.21%	-0.05%
356 Purification Equipment	1.92%	1.62%	0.30%	0.00%
357 Other Equipment	2.18%	2.18%	0.00%	0.00%
<b>TRANSMISSION PLANT</b>				
365.2 Rights of Way	0.27%	0.27%	0.00%	0.00%
367 Mains	0.37%	0.32%	0.08%	-0.03%
<b>DISTRIBUTION PLANT</b>				
374 Land	0.00%	0.00%	0.00%	0.00%
374.2 Land Rights	0.04%	0.04%	0.00%	0.00%
375.1 City Gate Structures	1.06%	0.96%	0.10%	0.00%
375.2 Other Distribution Structures	8.35%	7.80%	0.55%	0.00%
376 Mains	1.76%	1.45%	0.37%	-0.06%
378 Measuring and Reg Equipment	2.53%	2.21%	0.37%	-0.05%
379 Meas & Reg Equipment - City Gate	2.33%	1.94%	0.43%	-0.04%
380 Services	3.60%	2.52%	1.08%	0.00%
381 Meters	3.99%	3.99%	0.00%	0.00%
382 Meter Installations (Combined with 381 Meters)	7.09%	7.09%	0.00%	0.00%
383 House Regulators	2.22%	2.04%	0.18%	0.00%
384 House Regulator Installations (Combined with 383)	2.23%	2.11%	0.12%	0.00%
385 Industrial Meas & Reg Station Equip	0.94%	0.94%	0.00%	0.00%
387 Other Equipment	3.48%	3.48%	0.00%	0.00%
<b>GAS GENERAL PLANT</b>				
392.1 Cars & Trucks	20.00%	20.00%	0.00%	0.00%
392.2 Trailers	4.76%	5.14%	0.00%	-0.38%
394 Other Equipment	4.68%	4.68%	0.00%	0.00%
395 Laboratory Equipment	36.02%	36.02%	0.00%	0.00%
396.1 Power Operated Equipment Hourly rated	20.00%	20.00%	0.00%	0.00%
396.2 Power Operated Equipment Other	2.69%	3.06%	0.00%	-0.37%

**Louisville Gas and Electric Company  
2006 ASL Depreciation Rates**

Property Group	ASL Rates	Life Rates	COR Rates	Salvage Rates
<b>COMMON UTILITY PLANT</b>				
INTANGIBLE PLANT				
301 Organization	0.00%	0.00%	0.00%	0.00%
302 Franchises and Consents	0.00%	0.00%	0.00%	0.00%
303 Software	20.00%	20.00%	0.00%	0.00%
303.1 CCS Software	10.00%	10.00%	0.00%	0.00%
GENERAL PLANT				
389.1 Land	0.00%	0.00%	0.00%	0.00%
389.2 Land Rights	2.95%	2.95%	0.00%	0.00%
390.10 Structures and Improvements - BOC	3.30%	2.87%	0.43%	0.00%
390.10 Structures and Improvements - LG&E Building	3.30%	2.87%	0.43%	0.00%
390.10 Structures and Improvements - BOC (Actors)	3.30%	2.87%	0.43%	0.00%
390.10 Structures and Improvements	3.30%	2.87%	0.43%	0.00%
390.20 Structures and Improvements - Transportation	25.92%	25.49%	0.43%	0.00%
390.30 Structures and Improvements - Stores	1.51%	1.32%	0.19%	0.00%
390.40 Structures and Improvements - Shops	1.37%	1.20%	0.17%	0.00%
390.60 Structures and Improvements - Microwave	2.31%	2.16%	0.15%	0.00%
391.10 Office Furniture	6.01%	6.01%	0.00%	0.00%
391.20 Office Equipment	8.78%	8.78%	0.00%	0.00%
391.30 Computer Equipment - Non PC	21.96%	21.96%	0.00%	0.00%
391.31 Personal Computers	20.68%	20.68%	0.00%	0.00%
391.40 Security Equipment	6.93%	6.93%	0.00%	0.00%
392.1 Cars & Trucks	20.00%	20.00%	0.00%	0.00%
392.2 Trailers	2.63%	2.92%	0.00%	-0.29%
393 Stores Equipment	5.60%	5.60%	0.00%	0.00%
394 Other Equipment	5.17%	5.17%	0.00%	0.00%
395 Laboratory Equipment	61.24%	61.24%	0.00%	0.00%
396.1 Power Operated Equipment Hourly	20.00%	20.00%	0.00%	0.00%
396.2 Power Operated Equipment Other	4.01%	5.00%	0.00%	-0.99%
397 Communications Equipment	12.00%	12.00%	0.00%	0.00%
397.10 Comm. Equip. - Computer	0.90%	0.90%	0.00%	0.00%
398.00 Miscellaneous Equipment	34.63%	34.63%	0.00%	0.00%



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 244**

**Responding Witness: Shannon L. Charnas**

Q-244. Please provide any and all internal studies and correspondence from 2008-2012, inclusive, concerning FASB Statement No. 143, FIN 47 and FERC Order No. 631 in RM-02-7-000.

A-244. The Company provided internal documents and correspondence concerning FASB Statement No. 143, FIN47 and FERC Order 631 for 2008-2009 in Case No. 2009-00549 in its response to AG 1-163, dated March 15, 2010, which the Company hereby incorporates by reference. See attached for 2010 – 2012. LG&E has made its best effort to provide the most relevant documentation in response to this question other than documents that are subject to the attorney-client privilege or attorney work product protection.

The information requested is confidential and proprietary, and is being provided under seal pursuant to a petition for confidential treatment.

The attachment is  
being provided in a  
separate file.

4 files are redacted and  
provided; additional  
confidential information  
is provided under seal.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 245**

**Responding Witness: Shannon L. Charnas**

Q-245. Please provide complete copies of all correspondence with the following parties from 2008-2012, inclusive, regarding FASB Statement No. 143, FIN 47 and FERC Order 631 in RM02-7-000:

- a. External auditors and other public accounting firms,
- b. Consultants,
- c. External counsel,
- d. Federal and State regulatory agencies, and
- e. Internal Revenue Service.

A-245. a. See the response to Question No. 244.

b. See the response to Question No. 244.

c. Based on a reasonable search, there was no correspondence with external counsel from 2008-2012 regarding FASB Statement No. 143, FIN 47 or FERC Order 631 in RM02-7-000.

d. The Company had no correspondence with Federal and State regulatory agencies from 2008-2012 regarding FASB Statement No. 143, FIN 47 or FERC Order 631 in RM02-7-000.

e. The Company had no correspondence with the IRS from 2008-2012 regarding FASB Statement No. 143, FIN 47 or FERC Order 631 in RM02-7-000.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 246**

**Responding Witness: Shannon L. Charnas**

Q-246. Regarding FASB Statement No. 143, FIN 47, and FERC Order No. 631 in Docket No. RM02-7-000, on a plant account-by-plant account basis, please identify any and all "legal obligations" associated with the retirement of the assets contained in the account that result from the acquisition, construction, development and (or) the normal operation of the assets in the account. For the purposes of this question, please use the definition of a "legal obligation" provided in FASB Statement No. 143: "an obligation that a party is required to settle as a result of an existing or enacted law, statute, ordinance, or written or oral contract under the doctrine of promissory estoppel."

A-246. See attached.

**Louisville Gas and Electric  
Asset Retirement Obligations by Plant Account**

ARO	Plant Account and Description	Legal Obligation
Ash Ponds, Landfills	131100 - Structures and Improvements	Coal combustion by-product storage facilities must be properly closed and monitored.
Coal Storage	131100 - Structures and Improvements	Must remove all material storage piles to eliminate the potential for contaminated storm water runoff from the site.
Floodwall Penetration	131100 - Structures and Improvements	Must fill concrete tunnels in order to maintain integrity of the floodwall.
Generation Wells	131100 - Structures and Improvements	Wells must be properly covered and closed.
Nuclear Sources	131200 - Boiler Plant Equipment	Removal and disposal of radioactive waste.
Chemical Storage	131200 - Boiler Plant Equipment	Hazardous wastes must be removed from site and disposed of properly.
Oil Storage	131200 - Boiler Plant Equipment	Must drain/remove all hazardous chemicals/petroleum products from storage tanks/reservoirs and recycle/reuse or dispose of properly.
Asbestos - Generation	131200 - Boiler Plant Equipment	Removal and disposal of asbestos in the proper manner.
Asbestos - Distribution	136100 - Structures and Improvements	Removal and disposal of asbestos in the proper manner.
Asbestos - Distribution	136600 - Underground Conduit	Removal and disposal of asbestos in the proper manner.
Asbestos - Transmission	135210 - Structures & Improvements-Non System Control	Removal and disposal of asbestos in the proper manner.
Asbestos - General Plant	339010 - Structures and Improvements-General Offices	Removal and disposal of asbestos in the proper manner.
Asbestos - Gas	235120 - Compressor Station Structures	Removal and disposal of asbestos in the proper manner.
Asbestos - Gas	235300 - Lines	Removal and disposal of asbestos in the proper manner.
Asbestos - Gas	235600 - Purification Equipment	Removal and disposal of asbestos in the proper manner.
Asbestos - Gas	237520 - Other Distribution Structures	Removal and disposal of asbestos in the proper manner.
PCB - Distribution	136200 - Station Equipment	Removal and disposal of PCB in the proper manner.
PCB - Transmission	135310 - Station Equipment - Non System Control	Removal and disposal of PCB in the proper manner.
Gas Wells	235250 - Well Equipment	Wells must be properly plugged and covered.
Gas Distribution Mains	237600 - Mains	Gas must be purged from the mains and the pipe must be cut and capped.
Gas Transmission Mains	236700 - Mains	Gas must be purged from the mains and the pipe must be cut and capped.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 247**

**Responding Witness: Shannon L. Charnas**

Q-247. For any asset retirement obligations identified above, please provide the "fair value" of the obligation. For the purposes of the question, fair value means "the amount at which that liability could be settled in a current [not future] transaction between willing parties, that is, other than in a forced or liquidation transaction." Please provide all assumptions and calculations underlying these amounts.

A-247. See attached for the current asset retirement obligation (ARO) liabilities. The calculation of the ARO liability is an automated function in the Fixed Asset system. Each month, the Fixed Asset system multiplies the current month's beginning ARO liability balance by the applicable discount rate and then divides that amount by 12 to arrive at the monthly accretion amount. This monthly amount is added to the current month's beginning liability balance to compute the current ending balance.

**Louisville Gas and Electric  
Asset Retirement Obligation Liabilities  
March 31, 2012**

ARO	LIABILITY
Ash Ponds, Landfills	\$ 20,102,008
Coal Storage	612,417
Floodwall Penetration	1,110,942
Generation Wells	329,691
Nuclear Sources	73,694
Chemical Storage	20,731
Oil Storage	644
Asbestos - Generation	14,086,814
Asbestos - Distribution - Structures and Improvements	123,933
Asbestos - Distribution - Underground Conduit	396,174
Asbestos - Transmission	14,873
Asbestos - General Plant	109,586
Asbestos - Gas - Compressor Station	23,474
Asbestos - Gas - Lines	93,244
Asbestos - Gas - Purification Equipment	18,477
Asbestos - Gas - Other Structures	3,202
PCB - Distribution	147,243
PCB - Transmission	241,930
Gas Wells	5,066,779
Gas Distribution Mains	12,716,929
Gas Transmission Mains	4,039,077
<b>Total Liability</b>	<b>\$ 59,331,864</b>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 248**

**Responding Witness: Shannon L. Charnas**

Q-248. Please provide the "credit adjusted risk free rate" used for any and all ARO calculations under FASB Statement No. 143, FIN 47, and FERC Order No. 631 calculations to date.

A-248. See attached.

The "credit adjusted risk free rate" is based on LG&E's credit rating. The discount rate used for each ARO is equal to the yield for a bond with LG&E's credit rating and a maturity date in the same year as the year the ARO is expected to be settled. The yields are based on indications provided by a major investment bank. FERC Order No. 631 does not have separate calculations.



**Louisville Gas and Electric Company  
Discount Rates for AROs**

ARO	Layer (1)	Rate
Canal (Retired) - Asbestos	1	0.0568643
Canal (Retired) - Asbestos	2	0.026
Canal (Retired) - Asbestos	3	0.02776691
Cane Run Ash Pond	1	0.06417814
Cane Run Ash Pond	2	0.04335652
Cane Run Ash Pond	3	0.045
Cane Run Coal Storage	1	0.06417814
Cane Run Coal Storage	2	0.04961306
Cane Run Coal Storage	3	0.045
Cane Run Environmental Ponds	1	0.02832926
Cane Run Environmental Ponds	2	0.045
Cane Run Floodwall Penetration	1	0.033
Cane Run Generation Wells	1	0.049
Cane Run Landfill	1	0.06417814
Cane Run Landfill	2	0.04677269
Cane Run Landfill	3	0.045
Cane Run Landfill	4	0.04473871
Cane Run Nuclear Sources	1	0.06417814
Cane Run Nuclear Sources	2	0.05088716
Cane Run Nuclear Sources	3	0.045
Cane Run Unit 1 (Retired) - Asbestos	1	0.0568643
Cane Run Unit 1 (Retired) - Asbestos	2	0.04525522
Cane Run Unit 1 (Retired) - Asbestos	3	0.055
Cane Run Unit 2 (Retired) - Asbestos	1	0.0568643
Cane Run Unit 2 (Retired) - Asbestos	2	0.04525522
Cane Run Unit 2 (Retired) - Asbestos	3	0.055
Cane Run Unit 3 (Retired) - Asbestos	1	0.0568643
Cane Run Unit 3 (Retired) - Asbestos	2	0.04525522
Cane Run Unit 3 (Retired) - Asbestos	3	0.055
Cane Run Unit 4 - Asbestos	1	0.0568643
Cane Run Unit 4 - Asbestos	2	0.04525522
Cane Run Unit 4 - Asbestos	3	0.055
Cane Run Unit 5 - Asbestos	1	0.0568643
Cane Run Unit 5 - Asbestos	2	0.04455569
Cane Run Unit 5 - Asbestos	3	0.055
Cane Run Unit 6 - Asbestos	1	0.0568643
Cane Run Unit 6 - Asbestos	2	0.04452763

(1) A new ARO layer is established as revaluations are performed.

**Louisville Gas and Electric Company  
Discount Rates for AROs**

ARO	Layer (1)	Rate
Cane Run Unit 6 - Asbestos	3	0.055
Cane Run-Mercury Sources	1	0.06417814
Cane Run-Sewage Treatment Plant	1	0.06417814
Cane Run-Sewage Treatment Plant	2	0.03742749
Center Gas Storage Field Underground Storage (Wells)	1	0.05525876
Center Gas Storage Field Underground Storage (Wells)	2	0.04650202
Center Gas Storage Field Underground Storage (Wells)	3	0.054
City Gate Doe Run 237900-Asbestos-Distribution	1	0.0568643
City Gate Doe Run 237900-Asbestos-Distribution	2	0.0438549
City Gate Preston 237900-Asbestos-Distribution	1	0.0568643
Distribution Bushings LGE-PCB	1	0.053
Doe Run 235300-Underground Storage-Asbestos	1	0.0568643
Doe Run 235300-Underground Storage-Asbestos	2	0.04303726
Doe Run 235300-Underground Storage-Asbestos	3	0.055
Doe Run Gas Storage Field Underground Storage (Wells)	1	0.05525876
Doe Run Gas Storage Field Underground Storage (Wells)	2	0.04791945
Doe Run Gas Storage Field Underground Storage (Wells)	3	0.054
GasMain&ServiceAbandonments-Distribution	1	0.0568643
GasMain&ServiceAbandonments-Distribution	2	0.03712967
GasMain&ServiceAbandonments-Distribution	3	0.055
GasMains-Transmission	1	0.049
LGE Distribution Substations (66)-Asbestos	1	0.0568643
LGE Distribution Substations (66)-Asbestos	2	0.04213937
LGE Distribution Substations (66)-Asbestos	3	0.055
LGE Transmission Substations (11)-Asbestos	1	0.0568643
LGE Transmission Substations (11)-Asbestos	2	0.04070819
LGE Transmission Substations (11)-Asbestos	3	0.055
Magnolia 235120-Underground Storage-Asbestos	1	0.0568643
Magnolia 235120-Underground Storage-Asbestos	2	0.04236804
Magnolia 235120-Underground Storage-Asbestos	3	0.055
Magnolia 235300-Underground Storage-Asbestos	1	0.0568643
Magnolia 235300-Underground Storage-Asbestos	2	0.04293276
Magnolia 235300-Underground Storage-Asbestos	3	0.055
Magnolia 235600-Underground Storage-Asbestos	1	0.0568643
Magnolia 235600-Underground Storage-Asbestos	2	0.04250886
Magnolia 235600-Underground Storage-Asbestos	3	0.055
Magnolia Gas Storage Field Underground Storage (Wells)	1	0.05525876

(1) A new ARO layer is established as revaluations are performed.

**Louisville Gas and Electric Company  
Discount Rates for AROs**

ARO	Layer (1)	Rate
Magnolia Gas Storage Field Underground Storage (Wells)	2	0.04979862
Magnolia Gas Storage Field Underground Storage (Wells)	3	0.054
Manholes - Asbestos	1	0.0568643
Manholes - Asbestos	2	0.03917022
Manholes - Asbestos	3	0.055
Mill Creek Ash Pond	1	0.06417814
Mill Creek Ash Pond	2	0.04302371
Mill Creek Ash Pond	3	0.054
Mill Creek Chemical Storage	1	0.06417814
Mill Creek Chemical Storage	2	0.0412514
Mill Creek Chemical Storage	3	0.054
Mill Creek Coal Storage	1	0.06417814
Mill Creek Coal Storage	2	0.04932797
Mill Creek Coal Storage	3	0.054
Mill Creek Environmental Ponds	1	0.054
Mill Creek Generation Wells	1	0.0498363
Mill Creek Landfill	1	0.054
Mill Creek Landfill	2	0.05242719
Mill Creek Nuclear Sources	1	0.06417814
Mill Creek Nuclear Sources	2	0.05061915
Mill Creek Nuclear Sources	3	0.054
Mill Creek Oil Storage	1	0.06417814
Mill Creek Oil Storage	2	0.06417814
Mill Creek Oil Storage	3	0.054
Mill Creek Unit 1 - Asbestos	1	0.0568643
Mill Creek Unit 1 - Asbestos	2	0.04391054
Mill Creek Unit 1 - Asbestos	3	0.055
Mill Creek Unit 2 - Asbestos	1	0.0568643
Mill Creek Unit 2 - Asbestos	2	0.04391054
Mill Creek Unit 2 - Asbestos	3	0.055
Mill Creek Unit 3 - Asbestos	1	0.0568643
Mill Creek Unit 3 - Asbestos	2	0.04463286
Mill Creek Unit 3 - Asbestos	3	0.055
Mill Creek Unit 4 - Asbestos	1	0.0568643
Mill Creek Unit 4 - Asbestos	2	0.04250887
Mill Creek Unit 4 - Asbestos	3	0.055
Mill Creek-Hazardous Material Storage	1	0.06417814

(1) A new ARO layer is established as revaluations are performed.

**Louisville Gas and Electric Company  
Discount Rates for AROs**

ARO	Layer (1)	Rate
Mill Creek-Lab Chemical Disposal	1	0.06417814
Mill Creek-Landfill	1	0.06417814
Mill Creek-Landfill	2	0.06417814
Muldraugh 235120-Underground Storage-Asbestos	1	0.0568643
Muldraugh 235120-Underground Storage-Asbestos	2	0.04237235
Muldraugh 235120-Underground Storage-Asbestos	3	0.055
Muldraugh 235300-Underground Storage-Asbestos	1	0.0568643
Muldraugh 235300-Underground Storage-Asbestos	2	0.04298725
Muldraugh 235300-Underground Storage-Asbestos	3	0.055
Muldraugh 235600-Underground Storage-Asbestos	1	0.0568643
Muldraugh 235600-Underground Storage-Asbestos	2	0.04283235
Muldraugh 235600-Underground Storage-Asbestos	3	0.055
Muldraugh 237520-Distribution-Asbestos	1	0.0568643
Muldraugh 237520-Distribution-Asbestos	2	0.0463498
Muldraugh 237520-Distribution-Asbestos	3	0.055
Muldraugh Gas Storage Field Underground Storage (Wells)	1	0.05525876
Muldraugh Gas Storage Field Underground Storage (Wells)	2	0.04585493
Muldraugh Gas Storage Field Underground Storage (Wells)	3	0.054
Ohio Falls-Asbestos	1	0.0568643
Ohio Falls-Asbestos	2	0.04250887
Ohio Falls-Asbestos	3	0.055
Paddy's (Unit 11) - Asbestos	1	0.0568643
Paddy's (Unit 11) - Asbestos	2	0.0568643
Paddy's Run-Asbestos	1	0.026
Paddy's Run-Asbestos	2	0.02758635
Riggs Junction 235120-Underground Storage-Asbestos	1	0.0568643
Riggs Junction 235120-Underground Storage-Asbestos	2	0.04143549
Riggs Junction 235120-Underground Storage-Asbestos	3	0.055
Seventh&Ormsby - CommonGeneralPlant-Asbestos	1	0.0568643
Seventh&Ormsby - CommonGeneralPlant-Asbestos	2	0.04350456
Seventh&Ormsby - CommonGeneralPlant-Asbestos	3	0.055
Transmission Bushings LGE-PCB	1	0.054
Transmission- Cane Run 4 Generation Step Up	1	0.06417814
Transmission- Cane Run 5 Generation Step Up	1	0.06417814
Transmission- Cane Run 6 Generation Step Up	1	0.06417814
Transmission- Cane Run Spare Generation Step Up	1	0.06417814
Transmission-Mill Creek 1 Generation Step Up	1	0.06417814

(1) A new ARO layer is established as revaluations are performed.

**Louisville Gas and Electric Company  
Discount Rates for AROs**

ARO	Layer <sup>(1)</sup>	Rate
Transmission-Mill Creek 2 Generation Step Up	1	0.06417814
Transmission-Mill Creek 3 Generation Step Up	1	0.06417814
Transmission-Mill Creek 4 Generation Step Up	1	0.06417814
Transmission-Mill Creek Spare Generation Step Up	1	0.06417814
Trimble County Ash Pond-LGE	1	0.06417814
Trimble County Ash Pond-LGE	2	0.04399042
Trimble County Ash Pond-LGE	3	0.057
Trimble County Chemical Storage	1	0.06417814
Trimble County Chemical Storage	2	0.03685958
Trimble County Chemical Storage	3	0.054
Trimble County Coal Storage-LGE	1	0.06417814
Trimble County Coal Storage-LGE	2	0.04283983
Trimble County Coal Storage-LGE	3	0.057
Trimble County Environmental Ponds-LGE	1	0.057
Trimble County Generation Wells-LGE	1	0.053
Trimble County Nuclear Sources	1	0.06417814
Trimble County Nuclear Sources	2	0.04432032
Trimble County Nuclear Sources	3	0.054
Trimble County-Sewage Treatment Plant	1	0.06417814
Trimble County-Sewage Treatment Plant	2	0.03803885
Waterside - Asbestos	1	0.0568643
Zorn - Asbestos	1	0.0568643
Zorn - Asbestos	2	0.04683607
Zorn - Asbestos	3	0.055

(1) A new ARO layer is established as revaluations are performed.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 249**

**Responding Witness: Shannon L. Charnas**

Q-249. Please provide complete copies of all Board of Director's minutes and internal management meeting minutes from 2008-2012, inclusive, in which any or all of the following subjects were discussed: the Company's electric plant depreciation rates; retirement unit costs; SFAS No. 143; FIN 47; and, FERC RM02-7-000.

A-249. See attached.

**Minutes of Depreciation Study Results Meeting  
April 13, 2012  
9 A.M.**

Attendees:

Valerie Scott, Controller  
Shannon Charnas, Director, Accounting & Regulatory Reporting  
Robert Conroy, Director, Rates  
Sara Wiseman, Manager, Property Accounting  
Eric Riggs, Senior Property Accounting Analyst  
Doug Leichty, Senior Rate & Regulatory Analyst  
John Spanos, Gannett Fleming (conference telephone)  
Robert Watt, Stoll Keenon Ogden PLLC (conference telephone)

The final recommendations and findings for the depreciation studies for Louisville Gas and Electric Company and Kentucky Utilities Company were presented by John Spanos of Gannett Fleming. Mr. Spanos noted the following regarding the study:

- The depreciation study results were prepared using the average service life procedure and remaining life basis methodology consistent with past studies.
- The study resulted in revised life and salvage parameters based on historical information, industry benchmarks and discussion with Company personnel.
- Probable retirement dates are based on a combination of the age of the current assets, the life assessment study and discussions with management. Generation retirement dates may be less than or greater than the years referenced in the life assessment study due to various circumstances at each plant.
- Retirement dates of 2015 were established for Cane Run, Green River and Tyrone steam generating units.
- Estimated terminal net salvage for generation assets was incorporated. This is a weighted average for terminal and interim net salvage. This parameter change provides a more precise method to include the final retirement costs of generation facilities.
- Future rates for LS Power/Bluegrass Generation were provided using interim salvage curves, net salvage percents and retirement dates consistent with the Company's existing assets.
- Communication, power operated and transportation equipment was segregated into new accounts based on the utilization of assets. The use of new accounts and depreciation rates will better represent the recovery of these assets.
- Trimble County Generating Unit 2 was assigned a life of 55 years, the same as the life from the original rate calculation in 2011, due primarily to the transfer of joint use assets from Trimble County Generating Unit 1.

Mr. Spanos also incorporated a relatively small reallocation of the accumulated provision for depreciation reserve for generation assets in order to realign past recovery and smooth out future recovery.

At the conclusion of this discussion, the depreciation study was accepted.

SLW



Minutes of the Investment Committee  
April 20, 2009

The Investment Committee (“the Committee” or “IC”) met on April 20, 2009 at 1:30 P.M. Committee Members present were: Chris Hermann, John McCall, Brad Rives, Paul Thompson (via phone), and Wendy Welsh. Other attendees included: Lonnie Bellar, Kent Blake, Ralph Bowling, David Cosby, Jeff Heun, Roger Hickman, Rusty Hudson, Christian Hulsman, Fred Jackson, Jon Miller, Caryl Pfeiffer, Debbie Shelton, John Voyles, Bob Waterman, Joe Watson and Sharon Wright. The meeting opened with solicitation by Brad Rives for approval of the minutes from March meeting (March 18, 2009). Minutes were approved as written.

**I. RAC Update**

The RAC met on April 9th. There were several projects that were cancelled or under runs on projects totaling \$2.6M plus the carryover of \$96K from March. RAC also has a list of unbudgeted or over runs on various projects. The RAC decided to fund some of the P1s that are needed immediately which totaled \$2.2M. We are about \$458K favorable to budget on a cash basis excluding the ice storm. Including the ice storm we are about \$39.7M unfavorable on a cash basis.

**II. Project: Brown Ash Pond – Phase II**

Proposal: This investment proposal seeks approval for \$25.0M to expand the Brown Ash Pond. The overall BAP project was approved by the Investment Committee on May 15, 2006 and included sanction approval for \$73.1M. Phase I is in progress and will be completed end of 2010. The investment is currently being recovered through ECR. Phase II includes the following activities: 1) Raising the Auxiliary Pond embankments from their current elevation of 880 feet to an elevation of 900 feet which provides 20-years of bottom ash storage; 2) Raising the Main Pond embankment from the current elevation of 902 feet to an elevation of 912 feet which provides 3-years of fly ash and gypsum storage; and 3) Operation and maintenance of the gypsum dewatering facility. Phase II is eligible for ECR recovery and will be presented to the KPSC in June 2009. No CCN is required.

Total LTP includes \$26.4M for this project compared to projected costs of \$25.0M. Final detailed engineering has been completed



and all applicable permits have been issued for the overall project. The project amount includes a 6% escalation rate (7.3% for fuel, 5.4% for labor and 5.5% for remaining cost) and a 10% contingency.

Discussion:

- The proposal was presented by Jeff Heun, Project Engineering.
- To meet the plant's CCP storage needs, construction of the Starter Dike, Aux Pond 900', and Main Pond 912' must run continuously. If delayed the Main Pond and Aux Pond would reach capacity in approximately one year after the FGD is placed into service.
- We haven't received a definite answer from Corporate Center regarding approval requirements. According to the Planning & Controlling Manual we might need an approval before going to the Commission.
- The IC requested an update on all CCP projects on a quarterly basis.

**Resolution: Approved – consistent with bids. ECR Projects should provide periodic updates on a quarterly basis.**

**III. Project: TC BAP Dike Extension/GSP Liner Project**

Proposal: This proposal seeks approval for \$25.0M net (\$33.4M gross) for the construction for the BAP Dike Extension and GSP liner. The expanded BAP will provide approximately 4 years of bottom ash and fly ash storage while the GSP will provide approximately 4 years of gypsum storage based on historical and projected CCP production rates. The BAP and GSP scope will provide an interim and incremental short term storage location for Trimble County CCP materials until the engineering, permitting, and construction of the first phases of long term storage in Ravines A and/or B can be developed.

The MTP includes \$17.6M for this project; however, the projected project cost is \$25.0M. The unfavorable variance in 2009 and 2010 will be partially offset by the budgeted TC Ravine project. Seven bids were received; however, no final decision has been made. Therefore, Project Engineering has included a 12% contingency, as well as a 6% escalation rate. This project is eligible for ECR recovery and will be presented to the KPSC in June 2009.

Discussion:

- The proposal was presented by Bob Waterman, Project Engineering.
- All necessary permits have been received.
- If the BAP and GSP Expansion project is cancelled or delayed beyond the optimal construction window, the existing BAP would reach capacity prior to Commercial Operation date for TC Unit #2, scheduled for June, 2010.
- This is the cheapest short-term solution and it is cheaper than the ravine project. Even in the case that the ravines could go in service earlier this is the preferred option. Furthermore, this could be used for long-term backup storage in the future.
- Depreciation rate is the same as the last unit placed in service. Financial Planning confirmed with Property Accounting.

**Resolution: Approved – consistent with bids. ECR Projects should provide periodic updates on a quarterly basis.**

Upon resolution Jeff Heun, Bob Waterman, Joe Watson, and Jon Miller left the meeting. Brian Isaac entered the meeting. Jeff Joyce dialed in.

**IV. Project: Ghent Trans Ash Contract**

Proposal: This contract proposal seeks approval for \$10.2M for beneficial reuse of 1.5 million tons of gypsum as structural fill. The scope of this project is to contract with Trans Ash to excavate gypsum from the gypsum stacking area at Ghent, load, haul and place at the beneficial reuse site a total of 1.5 million tons of gypsum. Without taking gypsum off-site, the remaining gypsum stacking capacity will fall below the desired level in mid 2012, well before the planned in-service date of the new landfill at Ghent. The proposed contract is for three years with two annual extensions. This project is eligible for ECR recovery.

The current beneficial reuse opportunity is \$1.4M (in PVRR) lower than the next least cost alternative and provides a hedge against lack of adequate on-site storage due to potential permitting or construction delays associated with the new landfill at Ghent.

Discussion:

- The proposal was presented by Brian Isaac, Senior Electrical Engineer. Reference was made to a provided handout.
- Financial Planning followed up with Property Accounting and confirmed this would not be capitalized.

- There are no dollars to cover this within the MTP; however, recovered through ECR.
- Could excavate from ATB#1 to meet liability if needed.

**Resolution: Approved.**

Upon resolution Brian Isaac left the meeting. Dan Kremer and Mike Hensley connected via telephone.

**V. Project: Cane Run Soda Ash Contract**

Proposal: This contract proposal seeks approval for \$7.4M to contract with Solvay Chemical to provide soda ash to the Cane Run Station storage. Soda ash is currently being utilized at Cane Run to treat high sulfur bituminous coal for SO<sub>2</sub> emissions. It is used in the sulfur dioxide removal system for CR6 to reduce emissions as per federal EPA regulations. The new contract will be January 1, 2010 through December 31, 2012. Funding for this award recommendation is for the new three year contract (\$6.0M) and additional funding needed for 2009 of \$1.4M. A 10% contingency is included to cover any incremental generation above the MTP assumptions.

Discussion:

- The project update was presented by Dan Kremer, Manager of Commercial Operation. Reference was made to a provided handout.
- Due to an increase in plant generation and changes made to the scrubbing process, the number of tons purchased and dollar amount authorized under the contract will be met May, 2009, prior to the expiration of the contract at the end of 2009.
- No ECR recovery or FAC.
- Solvay was the low bidder.

**Resolution: Approved.**

Upon resolution Dan Kremer disconnected. Doug Schetzel entered the meeting.

**VI. Project: Wind Power Purchase Agreement**

Proposal: This contract proposal seeks approval to contract with Invenegy Grand Ridge Power and Horizon Power for available energy from wind farms for a term of 20 years. The contract with Invenegy is for \$504.1M and the contract with Horizon is \$535.6M. The two wind PPAs together are expected to provide approximately 560 GWh annually or approximately 1.5% of the Utilities' retail sales.

The Invenegy PPA is for the output of the 99 MW Grand Ridge wind farm located in LaSalle County, Illinois. The Utilities are required to take and pay for all energy produced by the wind farm. The Utilities will use firm point to point transmission service from PJM to deliver the energy to the Utilities' transmission system. The Utilities hold all transmission risk. The energy price in the first contract year (2010) is \$76/MWh and it will escalate by 2.25% per year. In addition, PJM transmission service will cost \$20/kW-Yr or approximately \$7.15/MWh at the anticipated capacity factor. The PPA contains two conditions precedent for the Utilities: acceptable regulatory approvals and the execution of the PJM transmission agreement.

The Horizon Rail Splitter is for the output of the 100.5MW Rail Splitter wind farm located just north of Lincoln, Illinois. The Utilities are required to take and pay for all energy produced by the wind farm. The energy price from the Rail Splitter wind farm is \$91/MWh fixed for the term. In addition, the required transmission service will be provided by MISO for \$30/kW-Yr or approximately \$10.73/MWh at the anticipated capacity factor. The PPA contains only one condition precedent for acceptable regulatory approvals. The Rail Splitter PPA has not yet been fully negotiated, so additional differences could develop.

Transmission service is renewable annually with one year with rollover rights. If the PPA is terminated the transmission service would not be renewed.

These PPA's will allow the Utilities to begin building a renewable energy portfolio to comply with a future RPS. E.ON Board and EUSIC Board approval will be obtained prior to execution, transmission service will be obtained and PSC approval for cost recovery will be obtained before the PPA's are effective. If the Utilities do not obtain regulatory approval to recover all costs of the PPA's from the rate payers in a timely manner, the PPA's can be terminated without further liability to the Utilities. This is not covered in the 2009-2011 MTP.

Discussion:

- The update was presented by Doug Schetzel, Director of Energy Services.
- Because of term and amount of contracts need to go through E.ON approval of contract process. This has to be done before presenting to KPSC. EUSIC Board approval is required as well.
- The Utilities hold all transmission risk and are required to pay Seller for all energy that would have been produced, but for a transmission constraint.
- There may be additional investments required (e.g. Transmission network upgrades). PJM and MISO studies are underway to determine if upgrades will be required. These studies should be complete in the 4<sup>th</sup> Q of 2009.
- Early termination is possible but cost of cover damages would result.
- Take and pay contract. We will not enter into an agreement without full recover over term of contract.
- Contract will only be concluded if KPSC approved for recovery over the whole contract term is granted.

**Resolution: Approved – discuss strategy with Vic Staffieri. Use one or both as pilot program.**

*Update: The wind power contracts for Invenergy and Horizon Rail Splitter will not proceed further. The contract with Invenergy is no longer active and the Rail Splitter contract was never active. (3/25/10 per e-mail from Rusty Hudson)*

Upon resolution Dave Cosby, Doug Schetzel, Rusty Hudson, Fred Jackson and Lonnie left the meeting. Mark Schmitt, Lisa Hennekes, Butch Cockerill, Don Thorn, Joan Renfro and Douglas Wagoner entered the meeting.

**VII. Project: Meter Reading/Field Services Contract**

Proposal: This contract proposal seeks approval to provide monthly meter reading and field/credit services to customers throughout the

LG&E and KU service territory. Existing contracts with TruCheck and Accuread expire May 31, 2009. This contract seeks approval for the following: Meter reading contract for LG&E to Accuread for \$9.5M, Meter reading contract for KU to TruCheck for \$12.2M, Field and Credit Services contract for both companies to TruCheck for \$11.2M, with a total of \$32.9M in total contract. Each contract proposed is for three years with the option for two additional one year extensions. This agreement can be terminated. The variance from the MTP is due to the loss of the Columbia Gas contract which increased the costs of the meter reading contracts for KU.

Discussion:

- The project update was presented by Butch Cockerill, Director of Revenue Collection. Reference was made to a provided handout.
- In 2009, the \$186K will be covered through operational savings from ED. 2010 and 2011 overrun will need to be covered by ED in the 2010-2012 MTP process.
- No penalties for early termination.

**Resolution: Approved.**

The meeting was then adjourned.



Minutes of the Investment Committee  
February 15, 2008

The Investment Committee “(the Committee)” met on February 15, 2008 at 2:00 P.M. Committee Members present were: Brad Rives, Chris Hermann, John McCall and Mike Spurlock (as Wendy’s DOA). Other attendees included: Lonnie Bellar, Tom Crutcher, Roger Hickman, Christian Hulsman, Fred Jackson, Chip Keeling, John Malloy, Caryl Pfeifer, Ed Staton, John Voyles, and Sharon Wright. The meeting opened with solicitation by Brad Rives for approval of the minutes from January (January 14, 2008). One minor change was noted.

**I. RAC Update**

There are numerous cancelled/under runs on projects totaling \$36.2M. However, the RAC also has a list of unbudgeted or over runs on various projects. The RAC decided to fund all of the P1s and several P2s that are needed immediately. This will leave \$13.7M to allocate for future needs. The Committee accepted the RAC proposal; however, RAC should be aware that may need to find \$22M to cover additional cost for the scrubber.

Pam Orlando, Dave Cosby, Jon Miller, Phil Rabe, and Tomas Menezes entered the meeting. Ed Staton, Roger Hickman and Chip Keeling left the meeting.

**II. Project: Trimble County SCR Catalyst**

Proposal: This proposal seeks approval for \$2.8M gross (\$2.1M net) to purchase and install of one complete layer of plate type catalyst for the TC1 SCR. As part of a comprehensive plan to comply with the EPA NO<sub>x</sub> SIP Call, E.ON US installed Selective Catalytic Reduction (SCR) equipment on six generating units throughout the system, including Trimble County Unit 1 (TC1). In 2009 EPA CAIR annual NO<sub>x</sub> regulations take effect and the six SCRs will operate year-round. The projected performance of the TC1 SCR Catalyst will degrade below the level required for E.ON U.S. to meet the corporate plan for compliance with CAIR NO<sub>x</sub> regulatory requirements by late 2011, supporting the need to add catalyst to TC1 SCR during November 2011 outage. This project is ECR recoverable. The E.ON US Regulated Generation Catalyst Management program has identified the need for spare material in the fleet due to the risk of catalyst damage or rapid deactivation. If this were to occur, the lead times are a major risk.

Discussion:

- The proposal was presented by Pam Orlando, Lead Engineer; reference was made to a provided handout.
- Follow-up – Potential MTP savings if some can be pushed out. [Jon sent MTP numbers on 2/25/08. Will not know what can be delayed until after the spring outage.]
- The MTP includes \$1.9M for this project. The resulting gap in the future years will be covered within Regulated Generation.

**Resolution: Approved.**

**III. Project: Ghent #3 SCR Catalyst Addition**

Proposal: This Investment Proposal seeks approval for \$2.9M to purchase and install one complete layer of plate type catalyst for the GH3 SCR. As part of a comprehensive plan to comply with the EPA NO<sub>x</sub> SIP Call, E.ON US installed Selective Catalytic Reduction (SCR) equipment on six generating units throughout the system, including Ghent Unit 3 (GH3). The GH3 SCR is designed to hold three catalyst layers. Two layers were filled with catalyst initially, with the expectation of adding a third layer after the initial warranty period of 24,000 operating hours. This project is ECR recoverable. A total of \$3.0M is included in the 2008 MTP.

Discussion:

- The proposal was presented by Pam Orlando, Lead Engineer; reference was made to a provided handout.
- E.ON would have to purchase additional NOX allowance if SCR Catalyst not purchased.

**Resolution: Approved**

Immediately following the approval, Pam Orlando left the meeting.



**IV. Project: Trimble County CTs GE Contract**

Proposal: This contract seeks approval for \$4.6M. Trimble County Station has six GE frame single fuel gas turbines installed. The units are designated as TC5 through TC10. TC5 and TC6 were commissioned in 2002 and the remaining four units were commissioned in 2004. GE has a detailed recommended maintenance schedule for the major turbine components. The need to perform Combustion Inspections (CI) on a machine is determined by the number of factored starts for machines operated as peaking units. Major inspection intervals for the Trimble County units are recommended every 450 factored starts. TC 5 is the only unit which has had a major inspection to date.

Discussion:

- The contract was presented by Dave Cosby, Manager Commercial Operations. Reference was made to a provided handout.
- The MTP includes \$4.0M for this project and \$750K for T&M work.
- Follow-up on how Property Accounting is depreciating CTs. [Result: TC CTs are being depreciated over a 30 year life. ES proposed a 19 year life (email sent on 2/25/08). This has been filed with PSC, but still awaiting their approval. ]

**Resolution: Approved.**

Immediately following the resolution, Dave Cosby, Phil Rabe, Tomas Menezes, and Tom Crutcher left the meeting. Jeff Fraley joined the meeting via telephone.

**V. Project: Brown 2 Reheater**

Proposal: This proposal seeks approval for \$6.5M to replace the reheater inlet and outlet headers and pendant assemblies. Leak failures are considered imminent, within the next 1 to 3 years, and can be expected to have increased frequency within this period considering recent inspection data. Inspection results have also indicated creep damage on the outlet header. The majority of the front pendants have been in service since original unit startup in 1962, with partial replacements in 1989 and 2001. The rear pendants were totally replaced in 1990. The headers are original installation.

Discussion:

- The proposal was presented by Jeff Fraley, General Manager – Brown & Tyrone; reference was made to a provided handout.
- MTP includes \$3.8M for this project. The project is more expensive than originally planned due to roof tubing and additional stainless steel. RAC decided to use available funds for this project.
- Follow-up – Jon Miller will send other CEM for \$1.8M spending. [Result: Jon sent CEM via email on 2/25/08. Added an options summary tab within the CEM that shows capital and NPV of the different options.]

**Resolution: Approved.**

Immediately following the discussion Jon Miller and John Voyles left the meeting. Jeff Fraley disconnected. Barry Walker and Lisa Hennekes entered the meeting.

**VI. Doe Run Drill Shale Gas Recovery Wells**

Proposal: This Investment Proposal seeks approval for cash outlay of \$9.7M to expand the shale gas recovery system in Doe Run storage field to increase the recovery of gas that has leaked from the Doe Run storage formation to the New Albany black shale formation. O&M savings are expected in the form of a reduction in gas write-offs from the Doe Run Gas Storage Field. This O&M savings is directly offset in gas supply clause (GSC) revenues, as the gas losses are recoverable through the GSC. However, failure by LG&E to take appropriate action to mitigate the increased gas losses could jeopardize the continued recovery of storage field gas losses. The primary risk associated with this project is the potential failure to yield the projected reductions in annual lost gas write-offs for Doe Run storage field.

Discussion:

- The proposal was presented by Barry Walker, Director of Gas Storage and Compliance; reference was made to provided handouts.
- A total of \$7,718K is included in Energy Delivery's 2008-2010 MTP. An additional \$2,199K will be required in 2011 to complete the project.

- Follow-up – Was this included in the Long-Term Plan?  
[Result – Per Lisa’s email on 2/19/08 the amount for 2011 was not included in the LTP, but will be included on the next Plan.]

**Resolution: Approved.**

The meeting was then adjourned.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 250**

**Responding Witness: Shannon L. Charnas**

- Q-250. Please provide all accounting entries (debits and credits) relating to SFAS No. 143 and FIN 47, along with all workpapers supporting those entries. Please provide all these workpapers and calculations in electronic format (Excel) with all formulae intact.
- A-250. See attached for test year journal entries. See the response to PSC 1-56(b) for implementation journal entries. The ARO calculations are an automated function in the Fixed Asset system, therefore, there are no workpapers and calculations which can be provided.

The attachment is being provided in a separate file in Excel format.

## LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2012-00222

Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012

Question No. 251

Responding Witness: Shannon L. Charnas

Q-251. Provide an analysis of the regulatory liability for accrued asset removal costs since inception identifying and explaining each debit and credit entry and amount. Also, provide the copies of the pages from each of LG&E's SEC Form 10Ks, Form 10Qs and Annual Reports in which SFAS No. 143 has ever mentioned from 2008-2012, whether or not LG&E had quantified an amount of the regulatory liability at the time. Specify the exact date each of these reports was issued and released to the public.

A-251. See the following table for an analysis of the regulatory liability for accrued asset removal cost since inception.

Regulatory Liability Balance 12/31/03	\$ (216,490,616)
Depreciation	(16,318,457)
Net Cost of Removal Charges	12,595,566
Regulatory Liability Balance 12/31/04	<u>(220,213,507)</u>
Depreciation	(16,849,489)
Net Cost of Removal Charges	7,509,011
Reclass of COR to Regulatory Liability from Life Reserves	8,260,343
FIN 47 Parent COR Transfer to FERC 254	2,424,396
Regulatory Liability Balance 12/31/05	<u>(218,869,246)</u>
Depreciation	(17,845,502)
Net Cost of Removal Charges	4,476,149
Regulatory Liability Balance 12/31/06	<u>(232,238,599)</u>
Depreciation	(17,610,294)
Net Cost of Removal Charges	8,904,588
Regulatory Liability Balance 12/31/07	<u>(240,944,305)</u>
Depreciation	(18,498,025)
Net Cost of Removal Charges	<u>8,784,192</u>

Regulatory Liability Balance 12/31/08	(250,658,138)
Depreciation	(22,214,829)
Net Cost of Removal Charges	17,215,397
Regulatory Liability Balance 12/31/09	(255,657,570)
Depreciation	(22,665,802)
Net Cost of Removal Charges	6,891,422
Regulatory Liability Balance 12/31/10	(271,431,950)
Depreciation	(26,460,659)
Net Cost of Removal Charges	14,015,498
Regulatory Liability Balance 12/31/11	(283,877,111)
Depreciation	(6,546,346)
Net Cost of Removal Charges	5,062,229
Regulatory Liability Balance 3/31/12	\$ (285,361,228)

See attached for copies of pages referencing SFAS No. 143 from LG&E's SEC Form 10Ks, Form 10Qs and Annual Reports. The following table specifies the date these reports were released:

**Document**

**Released Date**

2008 LG&E Annual Report

03/24/09

# **Louisville Gas and Electric Company**

## **Financial Statements and Additional Information**

*As of and For the Years Ended December 31, 2008 and 2007*



**ARO.** A summary of LG&E's net ARO assets, regulatory assets, ARO liabilities, regulatory liabilities and cost of removal established under FIN 47, *Accounting for Conditional Asset Retirement Obligations, an Interpretation of SFAS No. 143*, and SFAS No. 143, *Accounting for Asset Retirement Obligations* follows:

(in millions)	ARO Net <u>Assets</u>	ARO <u>Liabilities</u>	Regulatory <u>Assets</u>	Regulatory <u>Liabilities</u>	Accumulated <u>Cost of Removal</u>
As of December 31, 2006	\$ 4	\$ (28)	\$ 22	\$ -	\$ 3
ARO accretion	-	(2)	2	-	-
Removal cost incurred	-	1	-	-	-
As of December 31, 2007	4	(29)	24	-	3
ARO accretion	-	(2)	2	-	-
Removal cost reclass	-	-	3	(3)	-
As of December 31, 2008	<u>\$ 4</u>	<u>\$ (31)</u>	<u>\$ 29</u>	<u>\$ (3)</u>	<u>\$ 3</u>

Pursuant to regulatory treatment prescribed under SFAS No. 71, an offsetting regulatory credit was recorded in depreciation and amortization in the income statement of \$2 million in 2008 and 2007 for the ARO accretion and depreciation expense. LG&E AROs are primarily related to the final retirement of assets associated with generating units and natural gas wells. For assets associated with AROs, the removal cost accrued through depreciation under regulatory accounting is established as a regulatory liability pursuant to regulatory treatment prescribed under SFAS No. 71. There were no FIN 47 net asset additions during 2008 or 2007. For the year ended December 31, 2008, removal costs incurred were less than \$1 million. For the years ended December 31, 2008 and 2007, LG&E recorded less than \$1 million of depreciation expense related to the cost of removal of ARO related assets. An offsetting regulatory liability was established pursuant to regulatory treatment prescribed under SFAS No. 71.

LG&E transmission and distribution lines largely operate under perpetual property easement agreements which do not generally require restoration upon removal of the property. Therefore, under SFAS No. 143, no material asset retirement obligations are recorded for transmission and distribution assets.

**GSC.** LG&E's natural gas rates contain a GSC, whereby increases or decreases in the cost of natural gas supply are reflected in LG&E's rates, subject to approval by the Kentucky Commission. The GSC procedure prescribed by Order of the Kentucky Commission provides for quarterly rate adjustments to reflect the expected cost of natural gas supply in that quarter. In addition, the GSC contains a mechanism whereby any over- or under-recoveries of natural gas supply cost from prior quarters is to be refunded to or recovered from customers through the adjustment factor determined for subsequent quarters.

LG&E's GSC was modified in 1997 to incorporate a natural gas procurement incentive mechanism. Since November 1, 1997, LG&E has operated under this PBR mechanism related to its natural gas procurement activities. LG&E's rates are adjusted annually to recover (or refund) its portion of the expense (or savings) incurred during each PBR year (12 months ending October 31). During the PBR year ending in 2008, LG&E achieved \$11 million in savings. Of that total savings amount, LG&E's portion was approximately \$3 million and the customers' portion was approximately \$8 million. Pursuant to the extension of LG&E's natural gas supply cost PBR mechanism effective November 1, 2001, the sharing mechanism under the PBR requires savings (and expenses) to be shared 25% with shareholders and 75% with customers up to 4.5% of the benchmarked natural gas costs. Savings (and expenses) in excess of 4.5% of the benchmarked natural gas costs are shared 50% with shareholders and 50% with customers. The current natural gas supply cost PBR mechanism was extended through 2010 without further modification.

**Pension and Postretirement Benefits.** LG&E adopted SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans*, in 2006. This statement requires employers to recognize the over-funded or under-funded status of a defined benefit pension and postretirement plan as an asset or liability in the balance sheet and to recognize through other comprehensive income the changes in the funded status in the year in which the changes occur. Under SFAS No. 71, LG&E can defer recoverable costs that would otherwise be charged to expense or equity by non-regulated entities. Current rate recovery in Kentucky is based on SFAS No. 87, *Employers' Accounting for Pensions*, and SFAS No. 106, *Employers' Accounting for Postretirement Benefits Other than Pensions*, both of which were amended by SFAS No. 158. Regulators have been clear and consistent with their historical treatment of such rate recovery, therefore, the Company has recorded a regulatory asset representing the change in funded status of the pension and postretirement plans that is expected to be recovered. The regulatory asset will be adjusted annually as prior service cost and actuarial gains and losses are recognized in net periodic benefit cost.

**Accumulated Cost of Removal of Utility Plant.** As of December 31, 2008 and 2007, LG&E has segregated the cost of removal, previously embedded in accumulated depreciation, of \$251 million and \$241 million, respectively, in accordance with FERC Order No. 631. This cost of removal component is for assets that do not have a legal ARO under SFAS No. 143. For reporting purposes in the balance sheets, LG&E has presented this cost of removal as a regulatory liability pursuant to SFAS No. 71.

**Deferred Income Taxes – Net.** These regulatory liabilities represent the future revenue impact from the reversal of deferred income taxes required for unamortized investment tax credits and deferred taxes provided at rates in excess of currently enacted rates.

**DSM.** LG&E's rates contain a DSM provision. The provision includes a rate mechanism that provides for concurrent recovery of DSM costs and provides an incentive for implementing DSM programs. The provision allows LG&E to recover revenues from lost sales associated with the DSM programs based on program plan engineering estimates and post-implementation evaluations.

In July 2007, LG&E and KU filed an application with the Kentucky Commission requesting an order approving enhanced versions of the existing DSM programs along with the addition of several new cost effective programs. The total annual budget for these programs is approximately \$26 million, an increase over the previous annual costs of approximately \$10 million. In March 2008, the Kentucky Commission issued an Order approving the application, with minor modifications. LG&E and KU filed revised tariffs in April 2008, under authority of this Order, which were effective in May 2008.

#### Other Regulatory Matters

**Storm Restoration.** In January 2009, a significant winter ice storm passed through LG&E's service territory causing approximately 205,000 customer outages, followed closely by a severe wind storm in February 2009, causing approximately 37,000 customer outages. LG&E currently estimates costs incurred of \$34 million of expenses and \$6 million of capital expenditures related to the restoration following the two storms. The Company expects to seek recovery of these costs from the Kentucky Commission.

**Regional Reliability Council.** LG&E has changed its regional reliability council membership from the Reliability First Corporation to the SERC, effective January 1, 2007. Regional reliability councils are industry consortiums that promote, coordinate and ensure the reliability of the bulk electric supply systems in North America.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 252**

**Responding Witness: Shannon L. Charnas**

- Q-252. Provide LG&E's projection of the annual year-end balance in the regulatory liability for cost of removal obligations for LG&E for the next 20 years. If not available for the next twenty years provide for as many years into the future that the projection is available. If this projection has not been made, please explain why not. Provide in electronic format (Excel) with all formulae intact.
- a. For this projection assume that all of LG&E's current depreciation rates are continued in use.
  - b. Explain all other assumptions used to make this projection.
- A-252. a. See attached. The projections presented were made in July 2011 and use LG&E's existing depreciation rates.
- b. Costs for the physical work associated with the removal of assets are projected for a five year planning period. These costs assume normal on-going business activities including inflationary adjustments.

The attachment is being provided in a separate file in Excel format.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 253**

**Responding Witness: Shannon L. Charnas**

Q-253. For all accounts for which LG&E has collected non-legal AROs, but instead recorded a regulatory liability (regulatory liability for cost of removal), please provide the fair value of the related asset retirement cost as of December 31, 2008; December 31, 2009; December 31, 2010, and December 31, 2011. For the purposes of this question, assume that LG&E has legal AROs for these accounts, and use the life and dispersion assumptions reflected in the current depreciation rates.

A-253. LG&E is not required under any accounting or regulatory standard to perform these hypothetical calculations. Therefore, these hypothetical calculations require original work and have not been prepared.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 254**

**Responding Witness: John J. Spanos**

- Q-254. Provide the calculation of the annual amount of future gross salvage, cost of removal and net salvage incorporated into LG&E's existing depreciation rates. If any of the amounts are reduced by the total amount of non-legal AROs included in year-end accumulated depreciation, show that calculation.
- A-254. The attached spreadsheet sets forth the calculation of the future annual gross salvage and cost of removal incorporated in LG&E's current depreciation rates by account. None of the amounts are reduced by the amount of non-legal AROs.

The attachment is being  
provided in a separate  
file in Excel format.

3 files

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 255**

**Responding Witness: Shannon L. Charnas**

Q-255. Are the amounts of cost of removal and gross salvage incorporated into the existing and proposed depreciation rates the same as they would have been in the absence of SFAS No. 143 and FIN 47? Please explain.

A-255. The amounts of cost of removal and gross salvage incorporated into the existing and proposed depreciation rates are the same as they would have been in the absence of SFAS No. 143 and FIN 47.

All of the cost of removal and gross salvage recorded on the books and developed into the depreciation rates are costs associated with normal business in the utility industry.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 256**

**Responding Witness: Shannon L. Charnas**

- Q-256. Please identify and describe the level of detail, e.g. by account, functional category, at which the Company computes the depreciation expense for purposes of financial reporting, Commission reporting, and ratemaking. Explain fully any differences among these three depreciation calculations.
- A-256. There are no differences in computing depreciation expense for financial reporting, Commission reporting, and ratemaking. Depreciation expense is calculated at the plant account level for transmission, distribution, and general plant. Depreciation expense for generation plant is calculated by plant account for each generation unit location.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 257**

**Responding Witness: Shannon L. Charnas**

Q-257. State whether the Company has forecast any non-legal removal costs that it does not regard as regulatory liabilities. Please describe these costs in detail, state fully the reason(s) for your belief that such forecast costs are not regulatory liabilities, and identify the forecast amounts of such removal costs in as much detail as is available. Provide the supporting documentation for each forecast amount.

A-257. The Company has not forecast any non-legal removal costs that it does not regard as regulatory liabilities.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 258**

**Responding Witness: Lonnie E. Bellar**

Q-258. Reference the Avera testimony in general. State the total costs which the witness is charging LG&E for his services in this proceeding.

A-258. See the response to PSC 1-57 and the update to the same filing on July 31, 2012.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 259**

**Responding Witness: Daniel K. Arbough / Counsel**

Q-259. Please provide copies of all presentations made to rating agencies and/or investment firms by PPL and/or Louisville Gas & Electric between January 1, 2010 and the present.

A-259. Objections are made to the request for production of documents on the grounds that it seeks the production of documents that are irrelevant to the issues in this case and relate to non-utility activities or hypothetical scenarios based upon projections. Such projections are only estimates; there is no guarantee that such projections will be realized; and the estimates are based on a number of assumptions that may change over time. These non-utility activities and projected information are not relevant to the analysis of known and measurable pro forma adjustments to the historic test period in this case. The Commission determined in its September 6, 1990 Ruling and in its September 21 and October 19, 1990 Orders in Case No. 90-158 that comparable projected information is not discoverable in historical test year rate cases. Without waiver of this objection see the attached documents provided to the credit rating agencies and investment firms since September 2010. The presentations made by LG&E to the rating agencies prior to September 2010 were produced to the Attorney General and filed with the Commission in the course of discovery in Case No. 2009-00549; presentations made by PPL to the rating agencies and investment firms prior to September 2010 were produced to the Attorney General and filed with the Commission in Case No. 2010-00204.

The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 260**

**Responding Witness: Daniel K. Arbough**

- Q-260. Please provide copies of all prospectuses for any security issuances by PPL and/or Louisville Gas & Electric between January 1, 2008 and the present.
- A-260. Attachments 1-5 contain the prospectuses for LG&E security issuances since January 1, 2008. The prospectuses for PPL can be found on the SEC's Edgar site ([www.SEC.gov/edgar.shtml](http://www.SEC.gov/edgar.shtml)). Attachment 6 contains the list of PPL prospectuses.

The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 261**

**Responding Witness: Daniel K. Arbough**

Q-261. Please provide copies of credit reports for PPL and/or Louisville Gas & Electric between January 1, 2011 and the present from the major credit rating agencies (Moody's, S&P, and Fitch).

A-261. See the responses to KIUC 1-11 and KIUC 1-12.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 262**

**Responding Witness: Daniel K. Arbough**

Q-262. Please provide the corporate credit and bond ratings assigned to PPL and Louisville Gas & Electric since the year 2005 by S&P, Moody's, and Fitch. For any change in the credit and/or bond rating, please provide a copy of the associated report.

A-262. The corporate credit and bond ratings assigned to LG&E and PPL are provided below. See attached for a copy of the associated reports issued prior to 2008. See the response to KIUC 1-11 and KIUC 1-12 for a copy of the associated reports issued from 2008 through June 30, 2012.

**LG&E Credit Ratings**

Date	Moody's		S&P		Fitch	
	<u>Issuer/Corp.</u> <u>Credit Rating</u>	<u>Secured Debt</u> <u>Rating</u>	<u>Issuer/Corp.</u> <u>Credit Rating</u>	<u>Secured Debt</u> <u>Rating</u>	<u>Issuer/Corp.</u> <u>Credit Rating</u>	<u>Secured Debt</u> <u>Rating</u>
1/1/2005	A2	A1	BBB+	A-	N/A	N/A
5/8/2007	A2	<b>N/A</b>	BBB+	N/A	N/A	N/A
10/25/2010	<b>Baa1</b>	N/A	BBB+	N/A	<b>A-</b>	<b>A+</b>
11/8/2010	Baa1	N/A	BBB+	<b>A</b>	A-	A+
11/9/2010	Baa1	<b>A2</b>	BBB+	A	A-	A+
3/2/2011	Baa1	A2	<b>BBB</b>	<b>A-</b>	A-	A+
6/30/2012	Baa1	A2	BBB	A-	A-	A+

\*Fitch did not provide a rating for LG&E until October 25, 2010

**PPL Corp. Credit Ratings**


Date	Issuer/Corp. Credit Rating		
	<u>Moody's</u>	<u>S&amp;P</u>	<u>Fitch</u>
1/1/2005	Baa2	BBB	BBB+
4/28/2010	<b>Baa3</b>	BBB	BBB+
10/27/2010	Baa3	<b>BBB+</b>	BBB+
3/2/2011	Baa3	<b>BBB</b>	BBB+
6/30/2012	Baa3	BBB	BBB+

M electric issues due to release of security

Global Credit Research

Rating Action

8 MAY 2007

Save as PDF 



Moody's Investors Service

**Rating Action: Louisville Gas & Electric Company**

**Moody's downgrades four Louisville Gas and Electric issues due to release of security**

**\$120 million of debt securities affected**

New York, May 08, 2007 -- Moody's Investors Service downgraded four tax-exempt debt issues of Louisville Gas and Electric Company (LG&E: A2 Issuer Rating) to A2 from A1. The four issues are: Trimble County Pollution Control Revenue Bonds, \$27,500,000 2001 Series A due 2026 and \$35,000,000 2001 Series B due 2027 and Jefferson County Pollution Control Revenue Bonds, \$22,500,000 2001 Series A due 2026 and \$35,000,000 2001 Series B due 2027. LG&E is the obligor under each of these issues. LG&E's A2 Issuer Rating remains unchanged. The rating outlook is stable.

The downgrade of these securities was triggered by the termination of LG&E's mortgage indenture dated 1949 and its associated supplemental indentures. Specifically, all four issues have "fall-away" collateral provisions that are triggered upon termination of the mortgage indenture. In light of the termination of the mortgage indenture these four issues are now senior unsecured obligations of LG&E and their ratings have been adjusted accordingly.

Separately, Moody's downgraded the underlying rating for several LG&E Pollution Control Revenues Bonds to A2 from A1. The repayment obligations for these Pollution Control Revenue Bonds remain guaranteed by third-party financial guarantors and the bonds continue to be rated Aaa.

Louisville Gas and Electric is a wholly-owned subsidiary of E.ON U.S. LLC. It is headquartered in Louisville, Kentucky.

New York  
William L. Hess  
Managing Director  
Corporate Finance Group  
Moody's Investors Service  
JOURNALISTS: 212-553-0376  
SUBSCRIBERS: 212-553-1653

New York  
Scott Solomon  
Asst Vice President - Analyst  
Corporate Finance Group  
Moody's Investors Service  
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MOODY'S hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MOODY'S have, prior to assignment of any rating, agreed to pay to MOODY'S for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,400,000. Moody's Corporation (MCO) and its wholly-owned credit rating agency subsidiary, Moody's Investors Service (MIS), also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually on Moody's website at [www.moody's.com](http://www.moody's.com) under the heading "Shareholder Relations - Corporate Governance - Director and Shareholder Affiliation Policy."

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 263**

**Responding Witness: Daniel K. Arbough**

- Q-263. Please provide the breakdown in the expected return on pension plan assets for Louisville Gas & Electric. Specifically, please provide the expected return on different assets classes (bonds, US stocks, international stocks, etc.) used in determining the expected return on plan assets. Please provide all associated source documents and work papers.
- A-263. LG&E generally sets the expected long-term rate of return assumption in consultation with its independent actuary and pension consultant. Attached are the return assumptions received from the actuary and pension consultant, along with the calculation of the expected returns for the LG&E pension plan assets. Additional considerations, including the portfolio's diversification benefit and additional returns expected from active portfolio management offset by non-investment expenses, are then factored in to arrive at the final expected return assumption of 7.25%.

## LG&amp;E Union Pension Plan Expected Return Calculation

<u>Category</u>	<b>Target Allocation</b>	<b>Actuary Expected Return</b>	<b>Target Allocation</b>	<b>Consultant Expected Returns</b>
Large Cap Domestic Equity	9.0%	9.41%	9.0%	8.20%
Small Cap Domestic Equity	2.7%	10.42%	2.7%	10.80%
International Developed Equity	9.8%	9.55%	9.8%	9.70%
Emerging Market Equity	4.9%	11.90%	4.9%	12.50%
Core Fixed Income	5.9%	4.10%	5.9%	3.70%
Long Duration Gov/Corp	22.2%	4.70%	22.2%	4.90%
Long Duration Treasuries	15.8%	4.10%	15.8%	4.00%
High Yield	5.4%	6.90%	5.4%	7.60%
Emerging Market Debt	5.4%	7.00%	5.4%	8.10%
Real Estate	3.5%	8.40%	3.5%	7.30%
Hedge Fund of Funds	5.4%	7.20%	5.4%	6.90%
Commodities	3.5%	5.60%	3.5%	7.90%
Private Equity	3.5%	13.77%	3.5%	13.20%
Cash	<u>3.0%</u>	<u>3.00%</u>	<u>3.0%</u>	<u>2.30%</u>
Total	100.0%	6.78%	100.0%	6.81%
Portfolio Effect		<u>0.30%</u>		<u>0.30%</u>
Total		<u>7.08%</u>		<u>7.11%</u>

## LG&amp;E Non-Union Pension Plan Expected Return Calculation

<u>Category</u>	<b>Target Allocation</b>	<b>Actuary Expected Return</b>	<b>Target Allocation</b>	<b>Consultant Expected Returns</b>
Large Cap Domestic Equity	8.4%	9.41%	8.4%	8.20%
Small Cap Domestic Equity	2.5%	10.42%	2.5%	10.80%
International Developed Equity	9.2%	9.55%	9.2%	9.70%
Emerging Market Equity	4.6%	11.90%	4.6%	12.50%
Core Fixed Income	11.9%	4.10%	11.9%	3.70%
Long Duration Gov/Corp	20.8%	4.70%	20.8%	4.90%
Long Duration Treasuries	14.8%	4.10%	14.8%	4.00%
High Yield	5.0%	6.90%	5.0%	7.60%
Emerging Market Debt	5.0%	7.00%	5.0%	8.10%
Real Estate	3.3%	8.40%	3.3%	7.30%
Hedge Fund of Funds	5.1%	7.20%	5.1%	6.90%
Commodities	3.3%	5.60%	3.3%	7.90%
Private Equity	3.3%	13.77%	3.3%	13.20%
Cash	<u>2.8%</u>	<u>3.00%</u>	<u>2.8%</u>	<u>2.30%</u>
Total	100.0%	6.61%	100.0%	6.62%
Portfolio Effect		<u>0.30%</u>		<u>0.30%</u>
Total		<u>6.91%</u>		<u>6.92%</u>

	<u>Assets as of 12/31/2011</u>	<u>Weight</u>	<b>Expected Return</b>	
			<u>Actuary</u>	<u>Consultant</u>
LG&E Union	\$ 256,426,066	61%	4.30%	4.32%
LG&E Non-Union	\$ 165,649,109	39%	<u>2.71%</u>	<u>2.71%</u>
Total LG&E	\$ 422,075,175	100%	<b>7.02%</b>	<b>7.04%</b>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 264**

**Responding Witness: Kent W. Blake**

- Q-264. Please provide the Company's authorized and earned return on common equity for Louisville Gas & Electric over the past five years. Please provide copies of all associated work papers and source documents. Please provide copies of the source documents, work papers, and data in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.
- A-264. See the response to PSC 1-38. The electronic version is being provided as requested.

The attachment is being provided in a separate file in Excel format.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 265**

**Responding Witness: Valerie L. Scott**

- Q-265. Please provide copies of the financial statements (balance sheet, income statement, statement of cash flows, and the notes to the financial statements) for PPL and Louisville Gas & Electric for the past two years. Please provide copies of the financial statements in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.
- A-265. Attached is an electronic copy of PPL's Form 10-K for 2010. In addition, see Filing Requirement 807 KAR 5:001 Section 10(6)(s) dated June 29, 2012. The Companies do not maintain these statements in Microsoft Excel.



The attachment is being  
provided in a separate  
file.

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-K**

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the fiscal year ended December 31, 2010

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the transition period from \_\_\_\_\_ to \_\_\_\_\_

<u>Commission File Number</u>	<u>Registrant; State of Incorporation; Address and Telephone Number</u>	<u>IRS Employer Identification No.</u>
1-11459	<b>PPL Corporation</b> (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-2758192
1-32944	<b>PPL Energy Supply, LLC</b> (Exact name of Registrant as specified in its charter) (Delaware) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-3074920
1-905	<b>PPL Electric Utilities Corporation</b> (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-0959590

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Common Stock of PPL Corporation	New York Stock Exchange
Corporate Units of PPL Corporation	New York Stock Exchange
Senior Notes of PPL Energy Supply, LLC 7.0% due 2046	New York Stock Exchange
Junior Subordinated Notes of PPL Capital Funding, Inc. 2007 Series A due 2067	New York Stock Exchange
Senior Notes of PPL Capital Funding, Inc. 6.85% due 2047	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

Common Stock of PPL Electric Utilities Corporation

Indicate by check mark whether the registrants are well-known seasoned issuers, as defined in Rule 405 of the Securities Act.

PPL Corporation	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
PPL Energy Supply, LLC	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
PPL Electric Utilities Corporation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Indicate by check mark if the registrants are not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

PPL Corporation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
PPL Energy Supply, LLC	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
PPL Electric Utilities Corporation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days.

PPL Corporation	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
PPL Energy Supply, LLC	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
PPL Electric Utilities Corporation	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Indicate by check mark whether the registrants have submitted electronically and posted on their corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrants were required to submit and post such files).

PPL Corporation	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
PPL Energy Supply, LLC	Yes <input type="checkbox"/>	No <input type="checkbox"/>
PPL Electric Utilities Corporation	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrants' knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

PPL Corporation	<input checked="" type="checkbox"/>
PPL Energy Supply, LLC	<input checked="" type="checkbox"/>
PPL Electric Utilities Corporation	<input checked="" type="checkbox"/>

Indicate by check mark whether the registrants are large accelerated filers, accelerated filers, non-accelerated filers, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

	Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company
PPL Corporation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PPL Energy Supply, LLC	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PPL Electric Utilities Corporation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Act).

PPL Corporation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
PPL Energy Supply, LLC	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
PPL Electric Utilities Corporation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

As of June 30, 2010, PPL Corporation had 482,187,931 shares of its \$.01 par value Common Stock outstanding. The aggregate market value of these common shares (based upon the closing price of these shares on the New York Stock Exchange on that date) held by non-affiliates was \$12,030,588,878. As of January 31, 2011, PPL Corporation had 484,392,173 shares of its \$.01 par value Common Stock outstanding.

As of January 31, 2011, PPL Corporation held all 66,368,056 outstanding common shares, no par value, of PPL Electric Utilities Corporation.

PPL Corporation indirectly holds all of the membership interests in PPL Energy Supply, LLC.

**PPL Energy Supply, LLC and PPL Electric Utilities Corporation meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K and are therefore filing this form with the reduced disclosure format.**

Documents incorporated by reference:

PPL Corporation has incorporated herein by reference certain sections of PPL Corporation's 2011 Notice of Annual Meeting and Proxy Statement, which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2010. Such Statements will provide the information required by Part III of this Report.

**PPL CORPORATION  
PPL ENERGY SUPPLY, LLC  
PPL ELECTRIC UTILITIES CORPORATION**

FORM 10-K ANNUAL REPORT TO  
THE SECURITIES AND EXCHANGE COMMISSION  
FOR THE YEAR ENDED DECEMBER 31, 2010

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This combined Form 10-K is separately filed by PPL Corporation, PPL Energy Supply, LLC and PPL Electric Utilities Corporation. Information contained herein relating to PPL Energy Supply, LLC and PPL Electric Utilities Corporation is filed by PPL Corporation and separately by PPL Energy Supply, LLC and PPL Electric Utilities Corporation on their own behalf. No registrant makes any representation as to information relating to any other registrant, except that information relating to the two PPL Corporation subsidiaries is also attributed to PPL Corporation.

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**GLOSSARY OF TERMS AND ABBREVIATIONS****PPL Corporation and its current and former subsidiaries**

**KU** - Kentucky Utilities Company, a public utility subsidiary of LG&E and KU Energy LLC engaged in the regulated generation, transmission, distribution and sale of electricity, primarily in Kentucky. The subsidiary was acquired by PPL in November 2010.

**LG&E** - Louisville Gas and Electric Company, a public utility subsidiary of LG&E and KU Energy LLC engaged in the regulated generation, transmission, distribution and sale of electricity and the distribution and sale of natural gas in Kentucky. The subsidiary was acquired by PPL in November 2010.

**LKE** - LG&E and KU Energy LLC (formerly E.ON U.S. LLC), a subsidiary of PPL and the parent of LG&E and KU. PPL acquired E.ON U.S. LLC in November 2010 and changed the name to LG&E and KU Energy LLC. Within the context of this document, references to LKE also relate to the consolidated entity.

**PPL** - PPL Corporation, the parent holding company of PPL Electric, PPL Energy Funding, LKE and other subsidiaries.

**PPL Capital Funding** - PPL Capital Funding, Inc., a wholly owned financing subsidiary of PPL.

**PPL Electric** - PPL Electric Utilities Corporation, a public utility subsidiary of PPL that transmits and distributes electricity in its service territory and provides electric supply to retail customers in this territory as a PLR.

**PPL Energy Funding** - PPL Energy Funding Corporation, a subsidiary of PPL and the parent company of PPL Energy Supply.

**PPL EnergyPlus** - PPL EnergyPlus, LLC, a subsidiary of PPL Energy Supply that markets and trades wholesale and retail electricity and gas, and supplies energy and energy services in competitive markets.

**PPL Energy Supply** - PPL Energy Supply, LLC, a subsidiary of PPL Energy Funding and the parent company of PPL Generation, PPL EnergyPlus, PPL Global and other subsidiaries. In January 2011, PPL Energy Supply distributed its membership interest in PPL Global, representing 100% of the outstanding membership interests of PPL Global, to PPL Energy Supply's parent, PPL Energy Funding.

**PPL Gas Utilities** - PPL Gas Utilities Corporation, a regulated utility that provided natural gas distribution, transmission and storage services, and the competitive sale of propane, which was a subsidiary of PPL until its sale in October 2008.

**PPL Generation** - PPL Generation, LLC, a subsidiary of PPL Energy Supply that owns and operates U.S. generating facilities through various subsidiaries.

**PPL Global** - PPL Global, LLC, a subsidiary of PPL Energy Supply that primarily owns and operates a business in the U.K., WPD, that is focused on the regulated distribution of electricity. In January 2011, PPL Energy Supply distributed its membership interest in PPL Global, representing 100% of the outstanding membership interests of PPL Global, to PPL Energy Supply's parent, PPL Energy Funding.

**PPL Holtwood** - PPL Holtwood, LLC, a subsidiary of PPL Generation that owns hydroelectric generating operations in Pennsylvania.

**PPL Investment Corp.** - PPL Investment Corporation, a subsidiary of PPL Energy Supply.

**PPL Maine** - PPL Maine, LLC, a subsidiary of PPL Generation that owned generating operations in Maine, until their sales in 2009 and 2010.

**PPL Martins Creek** - PPL Martins Creek, LLC, a subsidiary of PPL Generation that owns generating operations in Pennsylvania.

**PPL Montana** - PPL Montana, LLC, an indirect subsidiary of PPL Generation that generates electricity for wholesale sales in Montana and the Pacific Northwest.

**PPL Services** - PPL Services Corporation, a subsidiary of PPL that provides shared services for PPL and its subsidiaries.

**PPL Susquehanna** - PPL Susquehanna, LLC, the nuclear generating subsidiary of PPL Generation.

**WPD** - refers collectively to WPDH Limited and its subsidiaries.

**WPD (South Wales)** - Western Power Distribution (South Wales) plc, a British regional electric utility company.

**WPD (South West)** - Western Power Distribution (South West) plc, a British regional electric utility company.

**WPDH Limited** - Western Power Distribution Holdings Limited, an indirect, wholly owned U.K. subsidiary of PPL Global. Indirectly, WPDH Limited wholly owns WPD (South Wales) and WPD (South West).

**WKE** - Western Kentucky Energy Corp., a subsidiary of LKE that leased certain non-utility generating stations in western Kentucky until July 2009.

#### **Other terms and abbreviations**

**£** - British pounds sterling.

**1945 First Mortgage Bond Indenture** - PPL Electric's Mortgage and Deed of Trust, dated as of October 1, 1945, to Deutsche Bank Trust Company Americas, as trustee, as supplemented.

**401(h) account** - A sub-account established within a qualified pension trust to provide for the payment of retiree medical costs.

**Acid Rain Program** - allowance trading system established by the Clean Air Act to reduce levels of sulfur dioxide. Under this program, affected power plants are allocated allowances based on their fuel consumption during specified baseline years and a specific emissions rate.

**Act 129** - became effective in October 2008. The law amends the Pennsylvania Public Utility Code and creates an energy efficiency and conservation program and smart metering technology requirements, adopts new PLR electricity supply procurement rules, provides remedies for market misconduct and makes changes to the existing Alternative Energy Portfolio Standard.

**AFUDC** (Allowance for Funds Used During Construction) - the cost of equity and debt funds used to finance construction projects of regulated businesses, which is capitalized as part of construction cost.

**A.M. Best** - A.M. Best Company, a company that reports on the financial condition of insurance companies.

**AMT** - alternative minimum tax.

**AOCI** - accumulated other comprehensive income or loss.

**ARO** - asset retirement obligation.

**Baseload generation** - includes the output provided by PPL's nuclear, coal, hydroelectric and qualifying facilities.

**Basis** - when used in the context of derivatives and commodity trading, the commodity price differential between two locations, products or time periods.



**Bcf** - billion cubic feet.

**Black Lung Trust** - a trust account maintained under federal and state Black Lung legislation for the payment of claims related to disability or death due to pneumoconiosis.

**Bridge Facility** - an up to \$6.5 billion Senior Bridge Term Loan Credit Agreement between PPL Capital Funding, as borrower, and PPL, as guarantor, and a group of banks syndicated in June 2010, to serve as a backstop in the event alternative financing was not available prior to the closing of PPL's acquisition of E.ON U.S.

**CAIR** - the EPA's Clean Air Interstate Rule.

**Clean Air Act** - federal legislation enacted to address certain environmental issues related to air emissions, including acid rain, ozone and toxic air emissions.

**COLA** - license application for a combined construction permit and operating license from the NRC for a nuclear plant.

**CTC** - competitive transition charge on customer bills to recover allowable transition costs under the Customer Choice Act.

**Customer Choice Act** - the Pennsylvania Electricity Generation Customer Choice and Competition Act, legislation enacted to restructure the state's electric utility industry to create retail access to a competitive market for generation of electricity.

**DDCP** - Directors Deferred Compensation Plan.

**DEP** - Department of Environmental Protection, a state government agency.

**Dodd-Frank Act** - the Dodd-Frank Wall Street Reform and Consumer Protection Act that was signed into law in July 2010.

**DOE** - Department of Energy, a U.S. government agency.

**DRIP** - Dividend Reinvestment and Direct Stock Purchase Plan.

**E.ON AG** - a German corporation and the parent of E.ON US Investments.

**E.ON US Investments** - E.ON US Investments Corp., a Delaware corporation and the former parent of E.ON U.S. LLC. PPL acquired E.ON U.S. LLC in November 2010 and changed its name to LG&E and KU Energy LLC.

**Economic Stimulus Package** - The American Recovery and Reinvestment Act of 2009, generally referred to as the federal economic stimulus package, which was signed into law in February 2009.

**EMF** - electric and magnetic fields.

**EPA** - Environmental Protection Agency, a U.S. government agency.

**EPS** - earnings per share.

**Equity Unit** - consists of a Purchase Contract and, initially, a 5.0% undivided beneficial ownership interest in \$1,000 principal amount of PPL Capital Funding 4.625% Junior Subordinated Notes due 2018. Equity Units were issued in June 2010 to help fund PPL's acquisition of LKE.

**ESOP** - Employee Stock Ownership Plan.

**Euro** - the basic monetary unit among participating members of the European Union.

**EWG** - exempt wholesale generator.

**FERC** - Federal Energy Regulatory Commission, the federal agency that regulates, among other things, interstate transmission and wholesale sales of electricity, hydroelectric power projects and related matters.

**Fitch** - Fitch, Inc., a credit rating agency.

**FTR** - financial transmission rights, which are financial instruments established to manage price risk related to electricity transmission congestion. They entitle the holder to receive compensation or require the holder to remit payment for certain congestion-related transmission charges that arise when the transmission grid is congested.

**Fundamental Change** - as it relates to the terms of the Equity Units, will be deemed to have occurred if any of the following occurs with respect to PPL, subject to certain exceptions: (i) a change of control; (ii) a consolidation with or merger into any other entity; (iii) common stock ceases to be listed or quoted; or (iv) a liquidation, dissolution or termination.

**GAAP** - generally accepted accounting principles in the U.S.

**GBP** - British pound sterling.

**GHG** - greenhouse gas(es).

**GWh** - gigawatt-hour, one million kilowatt-hours.

**Health Care Reform** - The Patient Protection and Affordable Care Act (HR 3590) and the Health Care and Education Reconciliation Act of 2010 (HR 4872), signed into law in March 2010.

**HMRC** - HM Revenue & Customs. The tax authority in the U.K., formerly known as Inland Revenue.

**IBEW** - International Brotherhood of Electrical Workers.

**ICP** - Incentive Compensation Plan.

**ICPKE** - Incentive Compensation Plan for Key Employees.

**Intermediate and peaking generation** - includes the output provided by PPL's oil- and natural gas-fired units.

**Ironwood** - a natural gas-fired power plant in Lebanon, Pennsylvania with a winter rating of 763 MW.

**IRS** - Internal Revenue Service, a U.S. government agency.

**IRC Sec. 481** - the Internal Revenue Code Section that identifies the tax year in which accounting method change differences are recognized in federal taxable income.

**ISO** - Independent System Operator.

**ITC** - intangible transition charge on customer bills to recover intangible transition costs associated with securitizing stranded costs under the Customer Choice Act.

**KPSC** - Kentucky Public Service Commission, the state agency that has jurisdiction over the regulation of rates and service of utilities in Kentucky.

**KU 2010 Mortgage Indenture** - KU's Indenture dated as of October 1, 2010, to The Bank of New York Mellon, as trustee, as supplemented.

**kVA** - kilovolt-ampere.

**kWh** - kilowatt-hour, basic unit of electrical energy.

**LCIDA** - Lehigh County Industrial Development Authority.

**LG&E 2010 Mortgage Indenture** - LG&E's Indenture, dated as of October 1, 2010, to The Bank of New York Mellon, as trustee, as supplemented.

**LIBOR** - London Interbank Offered Rate.

**Long Island generation business** - includes a 79.9 MW gas-fired plant in the Edgewood section of Brentwood, New York and a 79.9 MW oil-fired plant in Shoreham, New York and related tolling agreements. This business was sold in February 2010.

**MACT** - maximum achievable control technology.

**MISO** (Midwest Independent System Operator) - an independent system operator and the regional transmission organization that provides open-access transmission service and monitors the high voltage transmission system in all or parts of Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin and Manitoba, Canada.

**Montana Power** - The Montana Power Company, a Montana-based company that sold its generating assets to PPL Montana in December 1999. Through a series of transactions consummated during the first quarter of 2002, Montana Power sold its electricity delivery business to NorthWestern.

**Moody's** - Moody's Investors Service, Inc., a credit rating agency.

**MW** - megawatt, one thousand kilowatts.

**MWh** - megawatt-hour, one thousand kilowatt-hours.

**NDT** - PPL Susquehanna's nuclear plant decommissioning trust.

**NERC** - North American Electric Reliability Corporation.

**NorthWestern** - NorthWestern Corporation, a Delaware corporation, and successor in interest to Montana Power's electricity delivery business, including Montana Power's rights and obligations under contracts with PPL Montana.

**NPDES** - National Pollutant Discharge Elimination System.

**NPNS** - the normal purchases and normal sales exception as permitted by derivative accounting rules.

**NRC** - Nuclear Regulatory Commission, the federal agency that regulates nuclear power facilities.

**NUGs** - non-utility generators, generating plants not owned by public utilities, whose electrical output must be purchased by utilities under the PURPA if the plant meets certain criteria.

**NYMEX** - New York Mercantile Exchange.

**OCI** - other comprehensive income or loss.

**Ofgem** - Office of Gas and Electricity Markets, the British agency that regulates transmission, distribution and wholesale sales of electricity and related matters.

**OVEC** - Ohio Valley Electric Corporation, located in Piketon, Ohio, an entity in which LKE indirectly owns an 8.13% interest. OVEC owns and operates two coal-fired power plants, the Kyger Creek Station in Ohio and the Clifty Creek Station in Indiana, with combined nameplate capacities of 2,390 MW.

**PEDFA** - Pennsylvania Economic Development Financing Authority.

**PJM** (PJM Interconnection, L.L.C.) - operator of the electric transmission network and electric energy market in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia.

**PLR** (Provider of Last Resort) - the role of PPL Electric in providing default electricity supply to retail customers within its delivery territory who have not chosen to select an alternative electricity supplier under the Customer Choice Act.

**PP&E** - property, plant and equipment.

**PPL Electric 2001 Mortgage Indenture** - PPL Electric's Indenture, dated as of August 1, 2001, to The Bank of New York Mellon (as successor to JPMorgan Chase Bank), as trustee, as supplemented.

**PUC** - Pennsylvania Public Utility Commission, the state agency that regulates certain ratemaking, services, accounting and operations of Pennsylvania utilities.

**PUC Final Order** - final order issued by the PUC on August 27, 1998, approving the settlement of PPL Electric's restructuring proceeding.

**PUHCA** - Public Utility Holding Company Act of 1935, legislation passed by the U.S. Congress. Repealed effective February 2006 by the Energy Policy Act of 2005.

**Purchase Contract** - a contract that is a component of the Equity Unit that requires holders to purchase shares of PPL common stock on or prior to July 1, 2013.

**PURPA** - Public Utility Regulatory Policies Act of 1978, legislation passed by the U.S. Congress to encourage energy conservation, efficient use of resources and equitable rates.

**PURTA** - The Pennsylvania Public Utility Realty Tax Act.

**RAB** - regulatory asset base. This term is also commonly known as RAV.

**RECs** - renewable energy credits.

**RFC** - ReliabilityFirst Corporation (the regional reliability entity that replaced the Mid-Atlantic Area Coordination Council).

**RMC** - Risk Management Committee.

**RTO** - Regional Transmission Organization.

**S&P** - Standard & Poor's Ratings Services, a credit rating agency.

**Sarbanes-Oxley** - Sarbanes-Oxley Act of 2002, which sets requirements for management's assessment of internal controls for financial reporting. It also requires an independent auditor to make its own assessment.

**SCR** - selective catalytic reduction, a pollution control process for the removal of nitrogen oxide from exhaust gases.

**Scrubber** - an air pollution control device that can remove particulates and/or gases (such as sulfur dioxide) from exhaust gases.

**SEC** - Securities and Exchange Commission, a U.S. government agency whose primary mission is to protect investors and maintain the integrity of the securities markets.

**SIFMA Index** - the Securities Industry and Financial Markets Association Municipal Swap Index.

**Smart meter** - an electric meter that utilizes smart metering technology.

**Smart metering technology** - technology that can measure, among other things, time of electricity consumption to permit offering rate incentives for usage during lower cost or demand intervals. The use of this technology also strengthens network reliability.

**SNCR** - selective non-catalytic reduction, a pollution control process for the removal of nitrogen oxide from exhaust gases.

**Superfund** - federal environmental legislation that addresses remediation of contaminated sites; states also have similar statutes.

**Tolling agreement** - agreement whereby the owner of an electric generating facility agrees to use that facility to convert fuel provided by a third party into electricity for delivery back to the third party.

**Total shareowner return** - increase in market value of a share of the Company's common stock plus the value of all dividends paid on a share of the common stock during the applicable performance period, divided by the price of the common stock as of the beginning of the performance period.

**TRA** - Tennessee Regulatory Authority, the state agency that has jurisdiction over the regulation of rates and service of utilities in Tennessee.

**VaR** - value-at-risk, a statistical model that attempts to estimate the value of potential loss over a given holding period under normal market conditions at a given confidence level.

**VEBA** - Voluntary Employee Benefit Association Trust, trust accounts for health and welfare plans for future benefit payments for employees, retirees or their beneficiaries.

**VIE** - variable interest entity.

**Volumetric risk** - the risk that the actual load volumes provided under full-requirement sales contracts could vary significantly from forecasted volumes.

**VSCC** - Virginia State Corporation Commission, the state agency that has jurisdiction over the regulation of Virginia corporations, including utilities.

**VWAP** - as it relates to the Equity Units issued by PPL, the per share volume-weighted-average price as displayed under the heading Bloomberg VWAP on Bloomberg page "PPL <EQUITY> AQR" (or its equivalent successor if such page is not available) in respect of the period from the scheduled open of trading on the relevant trading day until the scheduled close of trading on the relevant trading day (or if such volume-weighted-average price is unavailable, the market price of one share of PPL common stock on such trading day determined, using a volume-weighted-average method, by a nationally recognized independent investment banking firm retained for this purpose by PPL).

**FORWARD-LOOKING INFORMATION**

Statements contained in this Form 10-K concerning expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements which are other than statements of historical fact are "forward-looking statements" within the meaning of the federal securities laws. Although PPL, PPL Energy Supply and PPL Electric believe that the expectations and assumptions reflected in these statements are reasonable, there can be no assurance that these expectations will prove to be correct. Forward-looking statements are subject to many risks and uncertainties, and actual results may differ materially from the results discussed in forward-looking statements. In addition to the specific factors discussed in "Item 1A. Risk Factors" and in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Form 10-K report, the following are among the important factors that could cause actual results to differ materially from the forward-looking statements.

- fuel supply cost and availability;
- continuing ability to recover fuel and natural gas supply costs in a timely manner at LG&E and KU;
- weather conditions affecting generation, customer energy use and operating costs;
- operation, availability and operating costs of existing generation facilities;
- transmission and distribution system conditions and operating costs;
- potential expansion of alternative sources of electricity generation;
- potential laws or regulations to reduce emissions of "greenhouse" gases;
- collective labor bargaining negotiations;
- the outcome of litigation against PPL and its subsidiaries;
- potential effects of threatened or actual terrorism, war or other hostilities, or natural disasters;
- the commitments and liabilities of PPL and its subsidiaries;
- market demand and prices for energy, capacity, transmission services, emission allowances and delivered fuel;
- competition in retail and wholesale power and natural gas markets;
- liquidity of wholesale power markets;
- defaults by counterparties under energy, fuel or other power product contracts;
- market prices of commodity inputs for ongoing capital expenditures;
- capital market conditions, including the availability of capital or credit, changes in interest rates, and decisions regarding capital structure;
- stock price performance of PPL;
- the fair value of debt and equity securities and the impact on defined benefit costs and resultant cash funding requirements for defined benefit plans;
- interest rates and their effect on pension, retiree medical and nuclear decommissioning liabilities;
- volatility in or the impact of other changes in financial or commodity markets and economic conditions;
- the profitability and liquidity, including access to capital markets and credit facilities, of PPL and its subsidiaries;
- new accounting requirements or new interpretations or applications of existing requirements;
- changes in securities and credit ratings;
- foreign currency exchange rates;
- current and future environmental conditions, regulations and other requirements and the related costs of compliance, including environmental capital expenditures, emission allowance costs and other expenses;
- political, regulatory or economic conditions in states, regions or countries where PPL or its subsidiaries conduct business;
- receipt of necessary governmental permits, approvals and rate relief;
- new state, federal or foreign legislation, including new tax, environmental, healthcare or pension-related legislation;
- state, federal and foreign regulatory developments;
- the outcome of any rate cases by PPL Electric at the PUC, by LG&E or KU at the KPSC, VSCC or the TRA, or by WPD at Ofgem in the U.K.;
- the impact of any state, federal or foreign investigations applicable to PPL and its subsidiaries and the energy industry;
- the effect of any business or industry restructuring;
- development of new projects, markets and technologies;
- performance of new ventures; and
- business or asset acquisitions and dispositions.

Any such forward-looking statements should be considered in light of such important factors and in conjunction with other documents of PPL, PPL Energy Supply and PPL Electric on file with the SEC.

New factors that could cause actual results to differ materially from those described in forward-looking statements emerge from time to time, and it is not possible for PPL, PPL Energy Supply or PPL Electric to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. Any forward-looking statement speaks only as of the date on which such statement is made, and PPL, PPL Energy Supply and PPL Electric undertake no obligation to update the information contained in such statement to reflect subsequent developments or information.

**PART I**

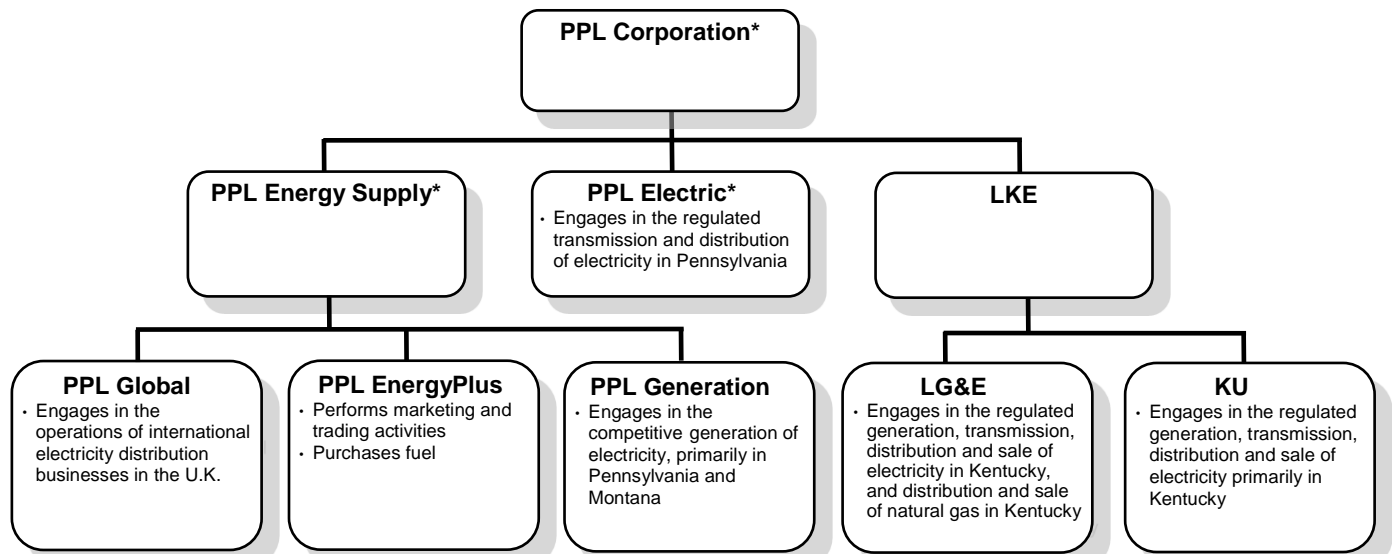
**ITEM 1. BUSINESS**

**BACKGROUND**

*PPL Corporation*, headquartered in Allentown, PA, is an energy and utility holding company that was incorporated in 1994. Through subsidiaries, PPL generates electricity from power plants in the northeastern, northwestern and southeastern U.S., markets wholesale or retail energy primarily in northeastern and northwestern portions of the U.S., delivers electricity to customers in Pennsylvania, Kentucky, Virginia, Tennessee and the U.K. and delivers natural gas in Kentucky. On November 1, 2010, PPL acquired all of the limited liability company interests of E.ON U.S. LLC from a wholly owned subsidiary of E.ON AG. Upon completion of the acquisition, E.ON U.S. LLC was renamed LG&E and KU Energy LLC (LKE). LKE is engaged in regulated utility operations through its subsidiaries, KU and LG&E. PPL acquired LKE for approximately \$7.6 billion, including debt assumed through consolidation. See Note 10 to the Financial Statements for additional information on the acquisition. The acquisition of LKE substantially reapportions the mix of PPL's regulated and competitive businesses by increasing the regulated portion of its business, strengthens PPL's credit profile and enhances rate-regulated growth opportunities as the regulated businesses make investments to improve infrastructure and customer reliability. An increase in regulated assets provides earnings stability through regulated returns and the ability to recover costs of capital investments, in contrast to the competitive supply business where earnings and cash flows are subject to market conditions. In 2011, PPL projects that 50% of its net income will be provided by its regulated businesses and the remainder will be provided by its competitive supply businesses. As of December 31, 2010, PPL has:

- More than \$10 billion in projected annual revenues (up from \$8.5 billion recorded by PPL in 2010 including two months of LKE revenue).
- 5.3 million utility customers (including 1.3 million served by the Kentucky-based companies).
- Approximately 19,000 MW of generation (including 7,700 MW of regulated capacity in the Kentucky-based companies).
- Approximately 14,000 full-time employees (including about 3,100 in Kentucky).

As of December 31, 2010, PPL's principal subsidiaries are shown below (\* denotes a SEC registrant):



In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding, to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements.



In addition to PPL Corporation, the other SEC registrants included in this filing are:

*PPL Energy Supply, LLC*, an indirect wholly owned subsidiary of PPL formed in 2000, is an energy company engaged through its subsidiaries in the generation and marketing of electricity, primarily in the northeastern and northwestern power markets of the U.S. and in the delivery of electricity in the U.K. PPL Energy Supply's major operating subsidiaries are PPL Generation, PPL EnergyPlus and PPL Global. As noted above, in January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding. At December 31, 2010, PPL Energy Supply owned or controlled 11,729 MW of electric power generation capacity and is implementing capital projects at certain of its existing generation facilities in Pennsylvania and Montana to provide 247 MW of additional generating capacity by 2013, and is in the process of disposing of certain non-core generation facilities with a capacity of 961 MW in 2011.

*PPL Electric Utilities Corporation*, incorporated in 1920, is a direct subsidiary of PPL and a regulated public utility. PPL Electric delivers electricity in its Pennsylvania service territory and provides electricity supply to retail customers in that territory as a PLR under the Customer Choice Act.

PPL's utility subsidiaries, and to a lesser extent certain of its non-utility subsidiaries, are subject to extensive regulation by the FERC including: wholesale sales of power and related transactions, electric transmission service, accounting practices, issuances and sales of securities, acquisitions and sales of utility properties and payments of dividends. PPL is subject to certain FERC regulations as a holding company under PUHCA 2005 and the Federal Power Act, including with respect to accounting and record-keeping, inter-system sales of non-power goods and services and acquisitions of securities in, or mergers with, certain types of electric utility companies or holding companies.

### Segment Information

*(PPL)*

Following the November 1, 2010 acquisition of LKE, PPL is organized into four segments: Kentucky Regulated, International Regulated (formerly International Delivery), Pennsylvania Regulated (formerly Pennsylvania Delivery) and Supply. Other than PPL adding a Kentucky Regulated segment, there were no other changes to reportable segments except the renaming of segments and allocating interest expense related to the Equity Units to the Kentucky Regulated segment.

*(PPL Energy Supply)*

At December 31, 2010, PPL Energy Supply's segments consisted of Supply and International Regulated (formerly International Delivery). In 2010, there were no changes to these segments except the renaming of segments. However, in January of 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements.

*(PPL Electric)*

PPL Electric operates in a single business segment.

*(PPL, PPL Energy Supply, and PPL Electric)*

See Note 2 to the Financial Statements for financial information about the segments and geographic financial data.

*(PPL)*

- **Kentucky Regulated Segment**

*Consists of the operations of LKE, which owns and operates regulated public utilities engaged in the generation,*

*transmission, distribution and sale of electricity and the distribution and sale of natural gas, representing primarily the activities of LG&E and KU. The Kentucky Regulated segment also includes interest expense related to the Equity Units issued in June 2010 to partially finance the acquisition of LKE.*

LKE became a wholly owned subsidiary of PPL on November 1, 2010. LG&E and KU are engaged in the regulated generation, transmission, distribution and sale of electricity in Kentucky and, in KU's case, Virginia and Tennessee. KU provides electric service to approximately 514,000 customers in 77 counties in central, southeastern and western Kentucky, to approximately 30,000 customers in five counties in southwestern Virginia and less than ten customers in Tennessee. In Virginia, KU operates under the name Old Dominion Power Company. KU also sells wholesale electricity to 12 municipalities in Kentucky. LG&E provides electric service to approximately 395,000 customers in Louisville and adjacent areas in Kentucky, covering approximately 700 square miles in nine counties. LG&E provides natural gas service to approximately 320,000 customers in its electric service area and eight additional counties in Kentucky.

#### PPL Acquisition

In September 2010, the KPSC approved a settlement agreement among PPL and all of the intervening parties to PPL's joint application to the KPSC for approval of its acquisition of ownership and control of LKE. In the settlement agreement, the parties agreed that LG&E and KU would commit that no base rate increases would take effect before January 1, 2013. The rate increases for LG&E and KU that took effect on August 1, 2010 (as described below) are not impacted by the settlement. Under the terms of the settlement, LG&E and KU retain the right to seek approval for the deferral of "extraordinary and uncontrollable costs." Interim rate adjustments will continue to be permissible during that period through existing fuel, environmental and demand side management recovery mechanisms. The agreement also substitutes an acquisition savings shared deferral mechanism for the previous requirement that LG&E and KU file a synergies plan with the KPSC post-closing. This mechanism, which will be in place until the earlier of five years or the first day of the year in which a base rate increase becomes effective, permits LG&E and KU to each earn up to a 10.75% return on equity. Any earnings above a 10.75% return on equity will be shared with customers on a 50%/50% basis. The KPSC Order and the settlement agreement contained a number of other commitments by LG&E and KU with regard to operations, workforce, community involvement and other matters.

In October 2010, both the VSCC and the TRA approved the transfer of control of LKE to PPL. Certain of these Orders contained additional commitments with regard to operations, workforce, community involvement and other matters.

Also in October 2010, the FERC approved the application for the transfer of control of the utilities. The approval includes various conditional commitments, such as a continuation of certain existing undertakings with protesters in prior cases, an agreement not to terminate certain KU municipal customer contracts prior to January 2017, an exclusion of any transaction-related costs from wholesale energy and tariff customer rates to the extent that LG&E and KU have agreed to not seek recovery of the same transaction-related cost from retail customers and agreements to coordinate with protesters in certain open or ongoing matters.

#### Franchises and Licenses

LG&E and KU provide electric delivery service, and LG&E provides natural gas distribution service, in their various service territories pursuant to certain franchises, licenses, statutory service areas, easements and other rights or permissions granted by state legislatures, cities or municipalities or other entities.

#### Competition

There are currently no other electric public utilities operating within the electric service areas of LKE. Neither the Kentucky General Assembly nor the KPSC has adopted or approved a plan or timetable for retail electric industry competition in Kentucky. The nature or timing of any legislative or regulatory actions regarding industry restructuring and their impact on LKE, which may be significant, cannot currently be predicted. Virginia, formerly a deregulated jurisdiction, has enacted legislation which implemented a hybrid model of cost-based regulation; KU's operations in Virginia have been and remain regulated.

Alternative energy sources such as electricity, oil, propane and other fuels provide indirect competition for natural gas revenues of LKE. Marketers may also compete to sell natural gas to certain large end-users. Approximately 25% of LG&E's annual throughput is purchased by large commercial and industrial customers directly from alternate suppliers for delivery through LG&E's distribution system. LG&E's natural gas tariffs include gas price pass-through mechanisms relating to its sale of natural gas as a commodity; therefore, customer natural gas purchases from alternative suppliers do not generally impact profitability. However, some large industrial and commercial customers may physically bypass LG&E's facilities and seek delivery service directly from interstate pipelines or other natural gas distribution systems.

In April 2010, the KPSC commenced a proceeding to investigate the regulatory, financial and operational aspects of natural gas retail competition programs, and the potential benefits to Kentucky consumers. A number of entities, including LG&E, were parties to the proceeding. In December 2010, the KPSC issued an Order in the proceeding declining to endorse natural gas competition at the retail level, noting the existence of a number of transition or oversight costs and an uncertain level of economic benefits in such programs. With respect to existing natural gas transportation programs available to large commercial or industrial users, the Order indicates that the KPSC will review utilities' current tariff structures, user thresholds and other terms and conditions of such programs, as part of such utilities' next regular natural gas rate cases.

#### Electric Operations

LKE serves approximately 939,000 electric customers. LKE's transmission and distribution system territory covers approximately 7,300 square miles. For the period from acquisition through December 31, 2010, 83% of the Kentucky Regulated segment's operating revenues were derived from electric operations. Details of electric revenues by customer class for the period from acquisition through December 31, 2010 are shown below.

	<u>Revenue</u>	<u>% of Revenue</u>
Industrial and commercial	\$ 187	46
Residential	163	40
Municipal	15	4
Other retail	37	9
Wholesale	6	1
Total	<u>\$ 408</u>	<u>100</u>

#### Power Supply

At December 31, 2010, LKE owned, controlled or had ownership interest in generating capacity (winter rating) of 7,933 MW in Kentucky, Indiana, and Ohio. See "Item 2. Properties - Kentucky Regulated Segment" for a complete list of LKE's generating capacity. For the period from acquisition through December 31, 2010, LKE's power plants generated 6,008 GWh of electricity.

During 2010, approximately 95% of the electricity generated by LG&E, and 98% of that generated by KU, was produced by their coal-fired electric generating stations. The remainder was generated by natural gas and oil-fired combustion turbines and hydroelectric power plants. Also during 2010, substantially all of the electricity generated was used to supply its retail and municipal customer base.

See "Item 2. Properties - Kentucky Regulated Segment" and Note 8 to the Financial Statements for additional information regarding Unit 2 of the Trimble County generating station (TC2). With limited exceptions LKE took care, custody and control of TC2 on January 22, 2011, and has dispatched the unit to meet customer demand since that date. LG&E and KU and the contractor agreed to a further amendment of the construction agreement whereby the contractor will complete certain actions relating to identifying and completing any necessary modifications to allow operation of TC2 on all fuels in accordance with initial specifications prior to certain dates, and amending the provisions relating to liquidated damages. LKE cannot currently estimate the ultimate outcome of these matters. LKE owns a 75% interest in Unit 2. Unit 2 is coal-fired and has a capacity of 760 MW, of which LKE's share is 570 MW.

#### Fuel Supply

Coal is expected to be the predominant fuel used by LG&E and KU for baseload generation for the foreseeable future, with natural gas and oil being used for intermediate and peaking capacity and flame stabilization in coal-fired boilers.

Fuel inventory is maintained at levels estimated to be necessary to avoid operational disruptions at coal-fired generating units. Reliability of coal deliveries can be affected from time to time by a number of factors including fluctuations in demand, coal mine production issues and other supplier or transporter operating difficulties.

LG&E and KU have entered into coal supply agreements with various suppliers for coal deliveries through 2016 and normally augment their coal supply agreements with spot market purchases.

For their existing units, LG&E and KU expect for the foreseeable future to purchase most of their coal from western and eastern Kentucky, West Virginia, southern Indiana, southern Illinois and Ohio. With the installation of flue gas desulfurization systems (sulfur dioxide removal systems, or scrubbers), LG&E and KU expect their use of higher sulfur coal to increase. In 2011 and beyond, LG&E and KU may purchase certain quantities of ultra-low sulfur content coal from Wyoming for blending at Unit 2 of the Trimble County generating station. Coal is delivered to the generating stations primarily by barge, truck and rail.

#### Natural Gas

LG&E purchases, transports, distributes or stores natural gas for 320,000 customers in Kentucky. Its service area covers over 700 square miles in 17 counties and includes 391 miles of transportation mains, consisting of natural gas transmission lines of 255 miles, natural gas storage lines of 119 miles and natural gas combustion turbine lines of 17 miles. LG&E's natural gas distribution system includes 4,235 miles of distribution mains. For the period from acquisition through December 31, 2010, 17% of the Kentucky Regulated segment's operating revenues were derived from natural gas operations. Shown below are details of natural gas revenues by customer class for the period from acquisition through December 31, 2010.

	<u>Revenue</u>	<u>% of Revenue</u>
Residential	\$ 56	66
Industrial and commercial	22	26
Other retail	5	6
Wholesale	2	2
Total	<u>\$ 85</u>	<u>100</u>

LG&E's natural gas billings include a weather normalization adjustment mechanism which adjusts the distribution cost component of residential and commercial customer bills based on normal temperatures during the heating season months of November through April, somewhat mitigating the effect of above- or below-normal weather on residential and commercial revenues.

Five underground natural gas storage fields, with a current working natural gas capacity of approximately 15 Bcf, help provide economical and reliable natural gas service to ultimate consumers. By using natural gas storage facilities, LG&E avoids the costs typically associated with more expensive pipeline transportation capacity to serve peak winter heating loads. Natural gas is stored during the summer season for withdrawal the following winter heating season. Without this storage capacity, LG&E would be forced to buy additional natural gas and pipeline transportation services during winter months when customer demand increases and when the prices for natural gas supply and transportation services are typically at their highest. Several suppliers under contracts of varying duration provide competitively priced natural gas. The underground storage facilities, in combination with its purchasing practices, enable LG&E to offer natural gas sales service at competitive rates. At December 31, 2010, LG&E had a 12 Bcf inventory balance of natural gas stored underground valued at \$60 million.

A number of large commercial and industrial customers purchase their natural gas requirements directly from alternate suppliers for delivery through LG&E's distribution system. These large commercial and industrial customers account for approximately 25% of LG&E's annual throughput.

#### Natural Gas Supply

LG&E also has a portfolio of supply arrangements of various terms with a number of suppliers designed to meet its firm sales obligations. These natural gas supply arrangements include pricing provisions that are market-responsive. In tandem with pipeline transportation services, these natural gas supplies provide the reliability and flexibility necessary to serve LG&E's natural gas customers.

LG&E purchases natural gas supply transportation services from two pipelines. LG&E has contracts with one pipeline that are subject to termination by LG&E between 2013 and 2018. Total winter capacity under these contracts is 184,900 MMBtu/day and summer on-demand natural gas capacity is 60,000 MMBtu/day. LG&E has a contract with the other pipeline that expires in 2012. Total winter and summer capacity under this contract is 51,000 MMBtu/day.

#### Rates and Regulation

LG&E and KU are subject to the jurisdiction of the KPSC and the FERC in virtually all matters related to electric and natural gas utility regulation. In addition, KU is subject to the VSCC and the TRA. LG&E and KU withdrew from the MISO in 2006. Since exiting from the MISO, LG&E and KU have been operating under a FERC-approved open access transmission tariff. LG&E and KU now contract with the Tennessee Valley Authority to act as their transmission reliability coordinator and Southwest Power Pool, Inc. to function as their independent transmission operator, pursuant to FERC requirements. Certain operations of LKE are subject to the Occupational Safety and Health Act of 1970 and comparable state statutes. LKE is subject to certain FERC regulations as a holding company under PUHCA 2005 and the Federal Power Act.

LG&E's and KU's Kentucky base rates are calculated based on a return on capitalization (common equity, long-term debt and notes payable) including certain adjustments to exclude non-regulated investments and environmental compliance costs recovered separately through the environmental cost recovery (ECR) mechanism. As such, regulatory assets are generally earning a return. See Note 3 to the Financial Statements for additional information on cost recovery mechanisms.

KU's Virginia base rates are calculated based on a return on rate base. All regulatory assets and liabilities are excluded from the return on rate base utilized in the calculation of Virginia base rates. In January 2011, KU filed a notice of intent to file a rate case with the VSCC for the test year ended December 31, 2010. The case is expected to be filed on or after April 1, 2011.

KU's wholesale requirements rates for municipal customers are calculated based on annual updates to a rate formula that utilizes a return on rate base (net utility plant less deferred taxes and miscellaneous deductions). All regulatory assets and liabilities are excluded from the return on rate base utilized in the development of municipal rates.

See Note 3 to the Financial Statements for additional information on cost recovery mechanisms.

#### 2010 Kentucky Rate Case

In January 2010, LG&E and KU filed applications with the KPSC requesting increases in electric base rates of approximately 12%, or annual increases of \$95 million and \$135 million, respectively. In addition, LG&E requested an increase in its natural gas base rates of approximately 8%, or \$23 million annually. In June 2010, LG&E and KU and certain intervenors agreed to a stipulation providing for increases in LG&E's and KU's electric base rates of \$74 million and \$98 million on an annual basis, and LG&E's natural gas base rates of \$17 million on an annual basis, and those parties filed a request with the KPSC to approve such stipulation. In July 2010, the KPSC issued an Order in the proceeding approving all the provisions of the stipulation, including a return on equity range of 9.75-10.75%, with rates effective on and after August 1, 2010.

#### Virginia Rate Case

In June 2009, KU filed an application with the VSCC requesting an increase in electric base rates for its Virginia jurisdictional customers in an amount of \$12 million annually or approximately 21%. The proposed increase reflected a proposed rate of return on rate base of 8.586% based on a return of equity of 12%. As permitted pursuant to a VSCC Order, KU elected to implement the proposed rates effective November 1, 2009, on an interim basis. During December

2009, KU and the VSCC Staff agreed to a Stipulation and Recommendation authorizing a base rate revenue increase of \$11 million annually and a return on rate base of 7.846% based on a 10.5% return on common equity. In March 2010, the VSCC issued an Order approving the stipulation, with the increased rates to be put into effect as of April 1, 2010. As part of the stipulation, KU refunded approximately \$1 million in interim rate amounts in excess of the ultimate approved rates.

### FERC Wholesale Rate Case

In 2008, KU filed an application with the FERC for increases in electric base rates applicable to wholesale power sale contracts or interchange agreements involving, collectively, twelve Kentucky municipalities. The application requested a shift from an all-in stated unit charge rate to an unbundled formula rate, including an annual adjustment mechanism. In 2009, the FERC issued an Order approving a settlement among the parties in the case, incorporating increases of approximately 3% from prior rates and a return on equity of 11%. In May 2010, KU submitted to the FERC the proposed current annual adjustments to the formula rates, which incorporated certain proposed increases. Updated rates, including certain further adjustments from a review process involving wholesale requirements customers, became effective as of July 1, 2010.

*(PPL and PPL Energy Supply)*

- **International Regulated Segment**

*Includes WPD, a regulated electricity distribution company in the U.K.*

WPD, headquartered in Bristol, England, operates two of the 15 distribution networks providing electricity service in the U.K. through indirect wholly owned subsidiaries. WPD (South West) serves 1.5 million end-users in a 5,560 square mile area of southwest England. WPD (South Wales) serves 1.1 million end-users in a 4,550 square mile area within Wales.

Details of revenue by category for the years ended December 31, are shown below.

	2010		2009		2008	
	Revenue	% of Revenue	Revenue	% of Revenue	Revenue	% of Revenue
Utility revenues	\$ 727	96	\$ 684	96	\$ 824	96
Energy-related businesses	34	4	32	4	33	4
Total	\$ 761	100	\$ 716	100	\$ 857	100

WPD's energy-related businesses revenues include ancillary activities that support the distribution business, including telecommunications and real estate. WPD's telecommunication subsidiary derives revenue from the rental of fiber optic cables primarily attached to WPD's overhead electricity distribution network. WPD also provides meter services to businesses across the U.K.

### Franchise and Licenses

WPD is authorized by the U.K. government to provide electric distribution services within its concession areas and service territories, subject to certain conditions and obligations. For instance, WPD is subject to governmental regulation of the prices it can charge and the quality of service it must provide, and WPD can be fined or have its licenses revoked if it does not meet the mandated standard of service.

### Competition

Although WPD operates in non-exclusive concession areas in the U.K., it currently faces little competition with respect to end-users connected to its network. WPD (South West) and WPD (South Wales) are thus regulated monopolies which operate under regulatory price controls.

### Rates and Regulation

The operations of WPD (South West) and WPD (South Wales) are regulated under their distribution licenses under which income is generated subject to a price cap regulatory framework set by the regulatory body, Ofgem, that provides economic incentives to minimize operating, capital and financing costs. The charges made for the use of the distribution networks are regulated on the basis of the "RPI plus/minus X" formula where RPI is a measure of inflation and X is an efficiency factor established by Ofgem following their review. Under the review, Ofgem assesses the revenue and capital expenditure plans of companies and determines what they consider an efficient level of that expenditure. Ofgem also considers the required cost of capital sufficient to encourage the required investment and determines customer service targets. In December 2009, Ofgem completed its rate review for the period from April 1, 2010 through March 31, 2015. Ofgem allowed WPD an average increase in total revenues, before inflationary adjustments, of 6.9% in each of the five years. The revenue increase includes reimbursement to electricity distributors for higher operating and capital costs to be incurred. Also, Ofgem set the weighted average cost of capital at 4.7%, which includes pre-tax debt and post-tax equity costs and excludes adjustments for inflation, for all distribution companies. This is a 0.8% decrease from the previous regulatory period. Additionally, Ofgem has established strong incentive mechanisms to provide significant opportunities to enhance overall returns by improving network efficiency, reliability or customer service. In October 2010, Ofgem announced a new pricing model that will be effective for the electricity distribution sector, including WPD, beginning April 2015. The model, known as RIIO (Revenues = Incentives + Innovation + Outputs), is intended to encourage investment in regulated infrastructure. Key components of the model are: an extension of the price review period to eight years, increased emphasis on outputs and incentives, enhanced stakeholder engagement including network customers, a stronger incentive framework to encourage more efficient investment and innovation, expansion of the current Low Carbon Network Fund to stimulate innovation and continued use of a single weighted average cost of capital.

#### Customers

The majority of WPD's revenue is derived from the delivery of electricity to end-users and thus its customers are the suppliers to those end-users. It is a requirement of Ofgem that all licensed electricity distributors and suppliers become parties to the Distribution Connection and Use of System Agreement. This agreement sets out how creditworthiness will be determined and, as a result, whether the supplier needs to provide collateral.

#### *(PPL and PPL Electric)*

- **Pennsylvania Regulated Segment**

*Includes the regulated electric delivery operations of PPL Electric.*

PPL Electric is subject to regulation as a public utility by the PUC, and certain of its transmission activities are subject to the jurisdiction of the FERC under the Federal Power Act. PPL Electric delivers electricity to approximately 1.4 million customers in a 10,000-square mile territory in 29 counties of eastern and central Pennsylvania. PPL Electric also provides electricity supply in this territory as a PLR.

Details of electric revenues by customer class for the years ended December 31, are shown below.

	2010		2009		2008	
	Revenue	% of Revenue	Revenue	% of Revenue	Revenue	% of Revenue
Residential	\$ 1,469	60	\$ 1,473	45	\$ 1,468	43
Industrial	123	5	519	16	568	17
Commercial	588	24	1,173	35	1,165	34
Other (a) (b)	275	11	127	4	200	6
Total	<u>\$ 2,455</u>	<u>100</u>	<u>\$ 3,292</u>	<u>100</u>	<u>\$ 3,401</u>	<u>100</u>

(a) Includes regulatory over- or under-recovery reconciliation mechanisms, pole attachment revenues, street lighting and 2010 transmission revenues, net.

(b) Included in these amounts are \$7 million, \$74 million and \$111 million of retail and wholesale electric to affiliate revenue which is eliminated in consolidation for PPL.

Franchise, Licenses and Other Regulations

PPL Electric is authorized to provide electric public utility service throughout its service area as a result of grants by the Commonwealth of Pennsylvania in corporate charters to PPL Electric and companies to which it has succeeded and as a result of certification by the PUC. PPL Electric is granted the right to enter the streets and highways by the Commonwealth subject to certain conditions. In general, such conditions have been met by ordinance, resolution, permit, acquiescence or other action by an appropriate local political subdivision or agency of the Commonwealth.

Certain operations of PPL Electric are subject to the Occupational Safety and Health Act of 1970 and comparable state statutes.

Competition

Pursuant to authorizations from the Commonwealth of Pennsylvania and the PUC, PPL Electric operates a regulated transmission and distribution monopoly in its service area. Accordingly, PPL Electric does not face competition in its electricity transmission and distribution businesses.

Rates and Regulation

Transmission and Distribution

PPL Electric's transmission facilities are within PJM, which operates the electric transmission network and electric energy market in the Mid-Atlantic and Midwest regions of the U.S.

PJM serves as a FERC-approved RTO to promote greater participation and competition in the region it serves. Besides operating the electric transmission network, PJM also administers regional markets for energy, capacity and ancillary services. A primary objective of any RTO is to separate the operation of, and access to, the transmission grid from market participants that buy or sell electricity in the same markets. Electric utilities continue to own the transmission assets and to receive their share of transmission revenues, but the RTO directs the control and operation of the transmission facilities. PPL Electric is entitled to fully recover from customers the charges that it pays to PJM for transmission-related services.

In November 2004, Pennsylvania enacted the Alternative Energy Portfolio Standard Act (the AEPS), which requires electric distribution companies and retail electric suppliers to ultimately provide 18% of the electricity sold to retail customers in Pennsylvania from alternative energy sources by 2020. Under this state law, alternative energy sources include hydro, wind, solar, waste coal, landfill methane and fuel cells. If an electric distribution company is unable to meet these targets, it will pay an alternative compliance payment of \$45 (or, in the case of solar, 200% of the average market value of solar credits) for each MWh that it is short. PPL Electric's initial compliance obligation covered the period January 1, 2010 to May 31, 2010. PPL Electric was required to supply about 6.7% of the total amount of electricity it delivered to its PLR customers from alternative energy sources during this period. Under the PUC-approved Competitive Bridge Plan, PPL Electric obtained full requirements service that included the generation or credits that PPL Electric needed to comply with the AEPS in 2010. AEPS compliance requirements for June 1, 2010 through May 31, 2011 are about 9% of the total amount of electricity delivered to PLR Customers.

Act 129 became effective in October 2008. The law creates an energy efficiency and conservation program and smart metering technology requirements, establishes new PLR electricity supply procurement rules, provides remedies for market misconduct, and makes changes to the existing AEPS.

See "Regulatory Issues - Pennsylvania Activities" in Note 15 to the Financial Statements for additional information regarding Act 129, other legislative and regulatory impacts and PPL Electric's actions to provide default electricity supply for periods after 2009.

PLR

The Customer Choice Act requires electric distribution companies, including PPL Electric, to act as a PLR of electricity supply and provides that electricity supply costs will be recovered by such companies pursuant to regulations established



by the PUC. As part of the PUC Final Order, PPL Electric agreed to supply this electricity at predetermined capped rates through 2009. To mitigate the risk that PPL Electric would not be able to obtain adequate energy supply at the "capped" rates, PPL Electric entered into full-requirement energy supply contracts with PPL EnergyPlus sufficient for PPL Electric to meet its PLR obligation through the end of 2009. Under these contracts, PPL EnergyPlus supplied PPL Electric's entire PLR load at predetermined prices equal to the capped generation rates that PPL Electric was authorized to charge its customers. Prior to the expiration of the rate caps, PPL Electric's customers had limited incentive to purchase generation supply from other providers because, in recent years, the contracts between PPL Electric and PPL EnergyPlus provided a below-market price for these customers. As a result, a limited amount of "shopping" occurred.

PPL Electric's PLR obligation after 2009 is governed by the PUC pursuant to the Public Utility Code as amended by Act 129, PLR regulations and a policy statement regarding interpretation and implementation of those regulations. Effective January 1, 2010, PPL Electric's cost of electric generation is based on a competitive solicitation process. The PUC has approved PPL Electric's default service plan for the period January 2011 through May 2013 which includes 14 solicitations for supply beginning January 1, 2011 with a portion extending beyond May 2013. Pursuant to this plan, PPL Electric had contracted for all of the 2010 electricity supply for residential, small commercial and small industrial customers, large commercial and large industrial customers who elect to take that service in 2010. In addition, PPL Electric completed two solicitations in 2009 and four solicitations in 2010 for supply starting January 2011 to May 2015. The solicitations include a mix of long-term and short-term purchases ranging from five months to five years to fulfill PPL Electric's obligation to provide for customer supply as a PLR. See "Energy Purchase Commitments" in Note 15 to the Financial Statements for additional information regarding PPL Electric's solicitations for 2011 and its actions to provide default electricity supply for periods after 2011.

In addition, several alternative suppliers have offered to provide generation supply in PPL Electric's service territory. Whether its customers purchase supply from these alternative suppliers or from PPL Electric as a PLR, the purchase of such supply has no impact on the financial results of PPL Electric. The cost to purchase PLR supply is passed directly by PPL Electric to its customers without markup.

#### 2010 Rate Case

In March 2010, PPL Electric filed a request with the PUC to increase distribution rates by approximately \$115 million or approximately 2.4% over PPL Electric's projected 2010 revenues, to be effective January 1, 2011. In December 2010, the PUC approved a settlement filed by the parties that provides for a rate increase of \$77.5 million, or 1.6%, over PPL Electric's projected 2010 revenues. The approved rates became effective for service rendered on and after January 1, 2011. In January 2011, the PP&L Industrial Customers Alliance (PPLICA) filed a Petition for Reconsideration of the PUC's order regarding PPLICA's proposal for a special rate schedule for certain large commercial and industrial customers. Also in January 2011, the PUC granted reconsideration for the purpose of evaluating the merits of the petition. PPL Electric cannot predict the outcome of this evaluation.

See Note 3 to the Financial Statements for additional information on rate mechanisms.

(PPL)

#### Sale of Businesses

See Note 9 to the Financial Statements for information on the 2008 sale of PPL's natural gas distribution and propane businesses.

(PPL and PPL Energy Supply)

- Supply Segment

*Owns and operates competitive domestic power plants to generate electricity; markets and trades this electricity and other purchased power to competitive wholesale and retail markets; and acquires and develops competitive domestic generation projects. Consists primarily of the activities of PPL Generation and PPL EnergyPlus.*

PPL Energy Supply has generation assets that are located in the eastern and northwestern U.S. markets. The eastern generation assets are located in the Northeast and Mid-Atlantic energy markets, including PJM and ISO New England. PPL Energy Supply's northwestern generating capacity is located in Montana.

Details of revenue by category for the years ended December 31, are shown below.

	2010		2009		2008	
	Revenue	% of Revenue	Revenue	% of Revenue	Revenue	% of Revenue
Electric and Gas						
Wholesale (a)	\$ 4,347	85	\$ 4,761	90	\$ 5,020	91
Retail	415	8	152	3	151	2
Trading	2		17		(121)	(2)
Total electric and gas	4,764	93	4,930	93	5,050	91
Energy-related businesses (b)	364	7	379	7	478	9
Total	\$ 5,128	100	\$ 5,309	100	\$ 5,528	100

- (a) Included in these amounts are \$320 million, \$1,806 million and \$1,826 million of wholesale electric sales to an affiliate which are eliminated in consolidation for PPL.
- (b) In addition to these amounts, PPL has \$11 million, \$12 million and \$8 million of revenue which is not applicable to PPL Energy Supply.

The Supply segment's energy-related businesses revenues include activities that primarily support its generation, marketing and trading businesses. These activities include developing renewable energy projects and providing energy-related products and services to commercial and industrial customers, through its mechanical contracting and services subsidiaries. The renewable energy business builds, owns, operates and maintains renewable energy facilities throughout the Mid-Atlantic and Northeast regions, and includes solar, wind and landfill gas to energy plants. At December 31, 2010, the renewable energy business owned and operated 33 MW of renewable capacity. The revenues of the mechanical contracting and services subsidiaries are included in "Energy-related businesses" on the Statements of Income.

#### Customer Choice Act

In 1996, the Customer Choice Act was enacted to restructure Pennsylvania's electric utility industry in order to create retail access to a competitive market for generation of electricity. The Customer Choice Act required each Pennsylvania electric utility to file a restructuring plan to "unbundle" its rates into separate generation, transmission and distribution components and to permit its customers to directly access alternate suppliers of electricity. Under the Customer Choice Act, regulated utilities were required to act as a PLR. As part of a settlement approved by the PUC, PPL EnergyPlus and PPL Electric entered into full requirements energy supply agreements at predetermined "capped" rates through the end of 2009.

With the expiration of the long-term power purchase agreements between PPL Electric and PPL EnergyPlus, PPL EnergyPlus has multiple options as to how, and to whom, it sells the electricity produced by PPL Energy Supply's generation plants. These sales are based on prevailing market rates. The expiration of the long-term supply agreements with PPL Electric also enables PPL Energy Supply to adjust its exposure to fluctuations in demand that existed with supplying PPL Electric's PLR load. Entry of new generation suppliers into the Pennsylvania marketplace provides PPL Energy Supply the opportunity to provide generation supply to additional wholesale customers but also exposes the Supply segment to increased competition (see "Competition" below).

#### Power Supply

PPL Energy Supply owned or controlled generating capacity (winter rating) of 11,729 MW at December 31, 2010. Through subsidiaries, PPL Generation owns and operates power plants in Pennsylvania, Montana, Illinois and Connecticut. Generating capacity controlled by PPL Generation and other PPL Energy Supply subsidiaries includes power obtained through PPL EnergyPlus' tolling or power purchase agreements (including Ironwood and other facilities that consist of NUGs, wind farms and landfill gas facilities). See "Item 2. Properties - Supply Segment" for a complete listing of PPL Energy Supply's generating capacity.

See Note 9 to the Financial Statements for information on the 2010 sale of the Long Island Generation business, consisting of plants in New York and the 2010 and 2009 sales of hydroelectric facilities located in Maine. Also, see Note 9 to the Financial Statements for information on the anticipated sale of certain non-core generation facilities consisting of natural gas-fired facilities in Wallingford, Connecticut and University Park, Illinois and a PPL Energy Supply subsidiary's interest in Safe Harbor Water Power Corporation, which owns a hydroelectric facility in Conestoga, Pennsylvania.

PPL Energy Supply's generation subsidiaries are EWGs, which sell electricity into wholesale markets. EWGs are subject to regulation by the FERC, which has authorized these EWGs to sell the electricity generated at market-based prices. This electricity is sold to PPL EnergyPlus under FERC-jurisdictional power purchase agreements.

PPL Susquehanna is subject to the jurisdiction of the NRC in connection with the operation of the Susquehanna nuclear units. Certain of PPL Energy Supply's other subsidiaries are subject to the jurisdiction of the NRC in connection with the operation of their fossil plants with respect to certain level and density monitoring devices. Certain operations of PPL Generation's subsidiaries are also subject to the Occupational Safety and Health Act of 1970 and comparable state statutes.

The system capacity of PPL Energy Supply's owned or controlled generation is based upon a number of factors, including the operating experience and physical condition of the units, and may be revised periodically to reflect changes in circumstances.

During 2010, PPL Energy Supply's power plants, excluding renewable facilities that are discussed separately below, generated the following amounts of electricity.

<u>State</u>	<u>Millions of kWh</u>
Pennsylvania	48,140
Montana	8,409
Connecticut	220
New York (a)	
Illinois	164
Maine	75
Total	<u>57,008</u>

(a) 15 million kWhs were excluded as tolling agreements were in place for 100% of the output.

This generation represented a 4% increase above 2009 output. Of this generation, 50% of the electricity generated was from coal-fired stations, 29% from the Susquehanna nuclear station, 14% from oil/natural gas-fired stations and 7% from hydroelectric stations.

Substantially all of PPL Energy Supply's total expected generation in 2011 is anticipated to be used to meet its committed contractual sales. PPL Energy Supply has also entered into commitments of varying quantities and terms for the years 2012 and beyond. These commitments are consistent with, and integral to, PPL Energy Supply's business strategy to capture profits while managing exposure to adverse movements in energy and fuel prices. See "Commodity Volumetric Activity" in Note 19 to the Financial Statements for the strategies PPL Energy Supply employs to optimize the value of its wholesale and retail energy portfolio.

PPL Energy Supply subsidiaries own or control renewable energy projects located in Pennsylvania, New Jersey, Vermont and New Hampshire with a generating capacity (winter rating) of 33 MW. PPL EnergyPlus sells the energy and RECs produced by these plants to commercial, industrial and institutional customers. During 2010, the projects owned and operated by these PPL Energy Supply subsidiaries generated 154 million kWhs.

PPL EnergyPlus purchases the capacity, energy and RECs from two wind farms in Pennsylvania with a combined capacity of 50 MW. These contracts extend through 2027.

See "Item 2. Properties - Supply Segment" for additional information regarding PPL Generation's plans for capital projects in Pennsylvania and Montana that are expected to provide 247 MW of additional electric generating capacity by 2013.

Fuel Supply

PPL EnergyPlus acts as agent for PPL Generation to procure and optimize its various fuels.

Coal

*Pennsylvania*

PPL EnergyPlus actively manages PPL's coal requirements by purchasing coal principally from mines located in central and northern Appalachia.

During 2010, PPL Generation purchased 100% of the coal delivered to PPL Generation's wholly owned Pennsylvania stations under short-term and long-term contracts. These contracts provided PPL Generation 7.0 million tons of coal. Contracts currently in place are expected to provide 7.9 million tons of coal in 2011. The amount of coal in inventory varies from time to time depending on market conditions and plant operations.

PPL Generation, by and through its agent PPL EnergyPlus, has an agreement that provides more than one-third of PPL Generation's projected annual coal needs for the Pennsylvania power plants from 2011 through 2018. PPL Generation has other contracts that, in total, will provide additional coal supply for their projected annual needs from 2011 through 2013.

A PPL Generation subsidiary owns a 12.34% interest in the Keystone station and in Keystone Fuels, LLC and a 16.25% interest in the Conemaugh station and in Conemaugh Fuels, LLC. The Keystone station contracts with Keystone Fuels, LLC for its coal requirements, which provided 4.5 million tons of coal to the Keystone station in 2010. The Conemaugh station requirements are purchased under contract from Conemaugh Fuels, LLC, which provided 4.0 million tons of coal to the Conemaugh station in 2010.

All PPL Generation Pennsylvania coal stations have scrubbers installed. Limestone is necessary to operate the scrubbers. Acting as agent for PPL Brunner Island, LLC and PPL Montour, LLC, PPL EnergyPlus has entered into long-term contracts with limestone suppliers that will provide for those plants' limestone requirements through 2012. During 2010, 457,000 tons of limestone were delivered to Brunner Island and Montour under long-term contracts. Annual limestone requirements approximate 600,000 tons.

*Montana*

PPL Montana has a 50% leasehold interest in Colstrip Units 1 and 2, and a 30% leasehold interest in Colstrip Unit 3. NorthWestern owns a 30% leasehold interest in Colstrip Unit 4. PPL Montana and NorthWestern have a sharing agreement to govern each party's responsibilities regarding the operation of Colstrip Units 3 and 4, and each party is responsible for 15% of the respective operating and construction costs, regardless of whether a particular cost is specified to Colstrip Unit 3 or 4. However, each party is responsible for its own fuel-related costs. PPL Montana, along with the other owners, is party to contracts to purchase 100% of its coal requirements with defined coal quality characteristics and specifications. PPL Montana, along with the other owners, has a long-term purchase and supply agreement with the current supplier for Units 1 and 2 which, provides these units 100% of their coal requirements through December 2014, and at least 85% of such requirements from January 2015 through December 2019. The coal supply contract for Unit 3's requirements is in effect through December 2019.

These units were built with scrubbers and PPL Montana has entered into a long-term contract that commences in January 2011 through December 31, 2030, to purchase the lime requirements for these units.

Coal supply contracts are in place to purchase low-sulfur coal with defined quality characteristics and specifications for PPL Montana's Corette station. The contracts covered 100% of the station's coal requirements in 2010, and similar contracts are in place to supply 100% of the expected coal requirements through 2012.

## Oil and Natural Gas

### *Pennsylvania*

PPL Generation's Martins Creek Units 3 and 4 burn both oil and natural gas. During 2010, 100% of the physical gas requirements for the Martins Creek units were purchased on the spot market while oil requirements were supplied from inventory. At December 31, 2010, there were no long-term agreements for oil or natural gas for these units.

Short-term and long-term gas transportation contracts are in place for approximately 30% of the maximum daily requirements of the Lower Mt. Bethel facility. During 2010, 100% of the physical gas requirements for Lower Mt. Bethel were purchased on the spot market.

In 2008, PPL EnergyPlus acquired the rights to an existing long-term tolling agreement associated with the capacity and energy of the Ironwood facility. PPL EnergyPlus has long-term transportation contracts to serve approximately 25% of Ironwood's maximum daily requirements, which began in the fourth quarter of 2010. Ironwood will be served through a combination of transportation capacity release transactions and delivered supply to the plant. PPL EnergyPlus currently has no long-term physical supply agreements to purchase natural gas for Ironwood. During 2010, 100% of the physical gas requirements for Ironwood were purchased on the spot market.

### *Illinois*

At December 31, 2010, there were no long-term delivery or supply agreements to purchase natural gas for the University Park facility.

### *Connecticut*

PPL EnergyPlus has a long-term contract for approximately 40% of the expected pipeline transportation requirements of the Wallingford facility, but has no long-term physical supply agreement to purchase natural gas.

## Nuclear

The nuclear fuel cycle consists of several material and service components: the mining and milling of uranium ore to produce uranium concentrates; the conversion of these concentrates into uranium hexafluoride, a gas component; the enrichment of the hexafluoride gas; the fabrication of fuel assemblies for insertion and use in the reactor core; and the temporary storage and final disposal of spent nuclear fuel.

PPL Susquehanna has a portfolio of supply contracts, with varying expiration dates, for nuclear fuel materials and services. These contracts are expected to provide sufficient fuel to permit Unit 1 to operate into the first quarter of 2016 and Unit 2 to operate into the first quarter of 2017. PPL Susquehanna anticipates entering into additional contracts to ensure continued operation of the nuclear units.

Federal law requires the U.S. government to provide for the permanent disposal of commercial spent nuclear fuel, but there is no definitive date by which a repository will be operational. As a result, it was necessary to expand Susquehanna's on-site spent fuel storage capacity. To support this expansion, PPL Susquehanna contracted for the design and construction of a spent fuel storage facility employing dry cask fuel storage technology. The facility is modular, so that additional storage capacity can be added as needed. The facility began receiving spent nuclear fuel in 1999. PPL Susquehanna estimates that there is sufficient storage capacity in the spent nuclear fuel pools and the on-site spent fuel storage facility at Susquehanna to accommodate spent fuel discharged through approximately 2017 under current operating conditions. If necessary, the on-site spent fuel storage facility can be expanded, assuming appropriate regulatory approvals are obtained, such that, together, the spent fuel pools and the expanded dry fuel storage facility will accommodate all of the spent fuel expected to be discharged through the current licensed life of the plant.

In 1996, the U.S. Court of Appeals for the District of Columbia Circuit ruled that the Nuclear Waste Policy Act imposed on the DOE an unconditional obligation to begin accepting spent nuclear fuel on or before January 31, 1998. In 1997, the Court ruled that the contracts between the utilities and the DOE provide a potentially adequate remedy if the DOE

failed to begin accepting spent nuclear fuel by January 31, 1998. The DOE did not, in fact, begin to accept spent nuclear fuel by that date. The DOE continues to contest claims that its breach of contract resulted in recoverable damages. In January 2004, PPL Susquehanna filed suit in the U.S. Court of Federal Claims for unspecified damages suffered as a result of the DOE's breach of its contract to accept and dispose of spent nuclear fuel. Discovery in the case has concluded but the Court has not yet set a date for trial. PPL cannot predict the outcome of these proceedings.

#### Energy Marketing

PPL EnergyPlus sells the capacity and electricity produced by PPL Generation subsidiaries, along with purchased power, FTRs, natural gas, oil, uranium, emission allowances and RECs in competitive wholesale and competitive retail markets.

PPL EnergyPlus purchases and sells capacity and electricity at the wholesale level at competitive prices under FERC market-based prices. Within the constraints of its hedging policy, PPL EnergyPlus actively manages its portfolios of energy and energy-related products to optimize their value and to limit exposure to price fluctuations.

PPL EnergyPlus is licensed to provide retail electric supply to customers in Delaware, Maine, Massachusetts, Maryland, Montana, New Jersey and Pennsylvania and provides retail natural gas supply to customers in Pennsylvania, New Jersey, Delaware, and Maryland.

#### Competition

Since the early 1990s, there has been increased competition in U.S. energy markets because of federal and state competitive market initiatives. While some states, such as Pennsylvania and Montana, have created a competitive market for electricity generation, other states continue to consider different types of regulatory initiatives concerning competition in the power and gas industry. Some states that were considering creating competitive markets have slowed their plans or postponed further consideration. In addition, states that have created competitive markets have, from time to time, considered new market rules and re-regulation measures that could result in more limited opportunities for competitive energy suppliers. The activity around re-regulation, however, has slowed due to the current environment of declining power prices. As such, the competitive markets in which PPL and its subsidiaries participate are highly competitive.

The Supply segment faces competition in wholesale markets for available energy, capacity and ancillary services. Competition is impacted by electricity and fuel prices, congestion along the power grid, new market entrants, construction by others of generating assets, technological advances in power generation, the actions of environmental and other regulatory authorities and other factors. The Supply segment primarily competes with other electricity suppliers based on its ability to aggregate generation supply at competitive prices from different sources and to efficiently utilize transportation from third-party pipelines and transmission from electric utilities and ISOs. Competitors in wholesale power markets include regulated utilities, industrial companies, non-utility generators, competitive subsidiaries of regulated utilities and other energy marketers. See "Item 1A. Risk Factors - Risks Related to Supply Segment" and PPL's and PPL Energy Supply's "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Overview" for more information concerning the risks faced with respect to competitive energy markets.

#### Franchise and Licenses

See "Background - Segment Information - Supply Segment - Energy Marketing" for a discussion of PPL EnergyPlus' licenses in various states. PPL EnergyPlus also has an export license from the DOE to sell capacity and/or energy to electric utilities in Canada.

PPL Susquehanna operates Units 1 and 2 pursuant to NRC operating licenses that expire in 2042 for Unit 1 and in 2044 for Unit 2.

In 2008, PPL Susquehanna received NRC approval for its request to increase the generation capacity of the Susquehanna nuclear plant. The project is being completed in phases over several years. PPL Susquehanna's share of the total expected capacity increase is estimated to be 195 MW. The final phase of the Unit 1 uprate was completed in 2010 and yielded 55 MW for PPL Susquehanna. The final phase of the Unit 2 uprate is scheduled for 2011 and is projected to

yield an additional 50 MW for PPL Susquehanna. PPL Susquehanna's share of the expected remaining expenditures is \$15 million.

In 2008, a PPL subsidiary submitted a COLA to the NRC for a new nuclear generating unit (Bell Bend) to be built adjacent to the Susquehanna plant. Also in 2008, the COLA was accepted for review by the NRC. In February 2010, the NRC published its official review schedule that culminates with the issuance of Bell Bend's final safety evaluation report in 2012. See Note 8 to Financial Statements for additional information.

PPL Holtwood operates the Holtwood hydroelectric generating station pursuant to a license that was recently extended by the FERC to expire in 2030. PPL Holtwood operates the Wallenpaupack hydroelectric generating station pursuant to a license renewed by the FERC in 2005 and expiring in 2044. PPL Holtwood also owns one-third of the capital stock of Safe Harbor Water Power Corporation (Safe Harbor), which holds a project license that extends operation of its hydroelectric generating station until 2030. The total capacity of the Safe Harbor generating station was 423 MW at December 31, 2010, and PPL Holtwood is entitled by contract to one-third of the total capacity. In September 2010, PPL Energy Supply subsidiaries signed definitive agreements to sell their ownership interests in Safe Harbor and two other non-core generating facilities. See Note 9 to the Financial Statements for additional information.

In October 2009, the FERC approved the request to expand the Holtwood plant and extended the operating license through August 2030. See Note 8 to the Financial Statements for additional information.

The 11 hydroelectric facilities and one storage reservoir in Montana are licensed by the FERC. The FERC license for the Mystic facility was relicensed, effective January 1, 2010, for an additional 40-year term. The Thompson Falls and Kerr licenses expire in 2025 and 2035, respectively; and the licenses for the nine Missouri-Madison facilities expire in 2040.

In connection with the relicensing of these generating facilities, applicable law permits the FERC to relicense the original licensee or license a new licensee, or allow the U.S. government to take over the facility. If the original licensee is not relicensed, it is compensated for its net investment in the facility, not to exceed the fair value of the property taken, plus reasonable damages to other property affected by the lack of relicensing. See Note 15 to the Financial Statements for additional information on the Kerr Dam license.

*(PPL, PPL Energy Supply and PPL Electric)*

## **SEASONALITY**

The demand for and market prices of electricity and natural gas are affected by weather. As a result, PPL's, PPL Energy Supply's and PPL Electric's operating results in the future may fluctuate substantially on a seasonal basis, especially when more severe weather conditions such as heat waves or winter storms make such fluctuations more pronounced. The pattern of this fluctuation may change depending on the type and location of the facilities owned and the terms of contracts to purchase or sell electricity.

## **FINANCIAL CONDITION**

See PPL's, PPL Energy Supply's and PPL Electric's "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" for this information.

## **CAPITAL EXPENDITURE REQUIREMENTS**

See "Financial Condition - Liquidity and Capital Resources - Forecasted Uses of Cash - Capital Expenditures" in PPL's, PPL Energy Supply's and PPL Electric's "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" for information concerning projected capital expenditure requirements for the years 2011-2015. See Note 15 to the Financial Statements for additional information concerning the potential impact on capital expenditures from environmental matters.

## **ENVIRONMENTAL MATTERS**

PPL and its subsidiaries are subject to certain existing and developing federal, regional, state and local laws and regulations with respect to air and water quality, land use and other environmental matters. The EPA is in the process of proposing and finalizing an unprecedented number of environmental regulations over the next few years that will directly affect the electric industry. These initiatives cover all sources - air, water and waste. See PPL's and PPL Energy Supply's "Financial Condition - Liquidity and Capital Resources" in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Forecasted Uses of Cash - Capital Expenditures" for information concerning environmental capital expenditures during 2010 and projected environmental capital expenditures for the years 2011-2015. Also, see "Environmental Matters" in Note 15 to the Financial Statements for additional information. To comply with air related requirements, PPL's forecast for capital expenditures reflects a best estimate projection of expenditures that may be required within the next five years. Such projections are a combined \$2.1 billion for LG&E and KU and \$400 million for PPL Energy Supply. Actual costs may be significantly lower or higher depending on the final requirements. Environmental compliance costs incurred by LG&E and KU are subject to recovery through a rate recovery mechanism. See Note 3 to the Financial Statements for additional information.

PPL and its subsidiaries are unable to predict the ultimate effect of evolving environmental laws and regulations upon their existing and proposed facilities and operations and competitive positions. In complying with statutes, regulations and actions by regulatory bodies involving environmental matters, including, among other things, air and water quality, GHG emissions, hazardous and solid waste management and disposal, and regulation of toxic substances, PPL's subsidiaries may be required to modify, replace or cease operating certain of their facilities. PPL's subsidiaries may also incur significant capital expenditures and operating expenses in amounts which are not now determinable, but could be significant.

## EMPLOYEE RELATIONS

As of December 31, 2010, PPL and its subsidiaries had the following full-time employees.

PPL Energy Supply	
PPL Generation	2,773
PPL EnergyPlus (a)	1,923
PPL Global (primarily WPD)	2,432
Total PPL Energy Supply	<u>7,128</u>
PPL Electric	2,293
LKE	3,122
PPL Services and other	1,266
Total PPL	<u><u>13,809</u></u>

(a) Includes labor union employees of mechanical contracting subsidiaries, whose numbers tend to fluctuate due to the nature of this business.

Approximately 5,800 employees, or 51%, of PPL's domestic workforce are members of labor unions, with four IBEW locals representing approximately 4,300 employees. The bargaining agreement with the largest labor union, an IBEW local, which expires in May 2014, covers approximately 1,600 PPL Electric, 1,200 PPL Energy Supply and 400 other employees. Approximately 830 employees of LKE were represented by an IBEW local and a United Steelworkers of America (USWA) local. Both LG&E and KU have a three-year labor agreement with the IBEW local. LG&E's agreement expires in November 2011 and KU's agreement expires in August 2012. LKE's agreement with the USWA expires in August 2011. PPL Montana's largest bargaining unit, an IBEW local, represents approximately 270 employees at the Colstrip plant. The four-year labor agreement expires in April 2012. PPL Montana's second largest bargaining unit, also an IBEW local, represents approximately 85 employees at hydroelectric facilities and the Corette plant. This four-year labor agreement expires in April 2012.

Approximately 1,870, or 77%, of PPL's U.K. workforce are members of labor unions. WPD recognizes four unions, the largest of which represents 40% of its union workforce. WPD's Electricity Business Agreement, which covers approximately 1,820 union employees may be amended by agreement between WPD and the unions and is terminable with 12 months notice by either side.

See "Separation Benefits" in Note 13 to the Financial Statements for information on a 2009 cost reduction initiative, which resulted in the elimination of approximately 200 domestic management and staff positions at PPL.



**AVAILABLE INFORMATION**

PPL's Internet website is [www.pplweb.com](http://www.pplweb.com). On the Investor Center page of that website, PPL provides access to all SEC filings of PPL, PPL Energy Supply and PPL Electric free of charge, as soon as reasonably practicable after filing with the SEC. Additionally, PPL registrants' filings are available at the SEC's website ([www.sec.gov](http://www.sec.gov)) and at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549, or by calling 1-800-SEC-0330.

## **ITEM 1A. RISK FACTORS**

PPL, PPL Energy Supply and PPL Electric face various risks associated with their businesses. While we have identified below the risks we currently consider material, these are not the only risks we face. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. Our businesses, financial condition, cash flows or results of operations could be materially adversely affected by any of these risks. In addition, this report also contains forward-looking and other statements about our businesses that are subject to numerous risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 15 to the Financial Statements for more information concerning the risks described below and for other risks, uncertainties and factors that could impact our businesses and financial results.

As used in this Item 1A., the terms "we," "our" and "us" generally refer to PPL and its consolidated subsidiaries taken as a whole, or to PPL Energy Supply and its consolidated subsidiaries taken as a whole within the Supply and International Regulated segment discussions, or PPL Electric and its consolidated subsidiaries taken as a whole within the Pennsylvania Regulated segment discussion.

### **Risks Related to All Segments**

*(PPL, PPL Energy Supply and PPL Electric)*

***We will selectively pursue growth of generation and transmission and distribution capacity, which involves a number of uncertainties and may not achieve the desired financial results.***

We will pursue expansion of our generation and transmission and distribution capacity over the next several years through power uprates at certain of our existing power plants, the potential construction of new power plants, the potential acquisition of existing plants, the potential construction or acquisition of transmission and distribution projects and capital investments to upgrade transmission and distribution infrastructure. We will rigorously scrutinize opportunities to expand our generating capability and may determine not to proceed with any expansion. These types of projects involve numerous risks. Any planned power uprates could result in cost overruns, reduced plant efficiency and higher operating and other costs. With respect to the construction of new plants, the acquisition of existing plants, or the construction or acquisition of transmission and distribution projects, we may be required to expend significant sums for preliminary engineering, permitting, resource exploration, legal and other expenses before it can be established whether a project is feasible, economically attractive or capable of being financed. The success of both a new or acquired project would likely be contingent, among other things, upon the negotiation of satisfactory operating contracts, obtaining acceptable financing and maintaining acceptable credit ratings, as well as receipt of required and appropriate governmental approvals. If we were unable to complete construction or expansion of a project, we may not be able to recover our investment in the project. Furthermore, we might be unable to operate any new or acquired plants as efficiently as projected, which could result in higher than projected operating and other costs and reduced earnings.

***Adverse conditions in the economic and financial markets in which we operate could adversely affect our financial condition and results of operations.***

Adverse conditions in the financial markets during 2008 and the associated contraction of liquidity in the wholesale energy markets contributed significantly to declines in wholesale energy prices, significantly impacting our earnings during the second half of 2008 and the first half of 2009. The breadth and depth of these negative economic conditions had a wide-ranging impact on the U.S. and international business environment, including our businesses. As a result of the economic downturn, demand for energy commodities has declined significantly. This reduced demand will continue to impact the key domestic wholesale energy markets we serve (such as PJM) and our Pennsylvania and Kentucky utility businesses, especially industrial customer demand. The combination of lower demand for power and natural gas and other fuels has put downward price pressure on wholesale energy markets in general, further impacting our energy marketing results. In general, current economic and commodity market conditions will continue to challenge predictability regarding our unhedged future energy margins, liquidity and overall financial condition.

Our businesses are heavily dependent on credit and capital, among other things, for capital expenditures and providing collateral to support hedging in our energy marketing business. Global bank credit capacity declined and the cost of renewing or establishing new credit facilities increased significantly in 2008, primarily as a result of general credit concerns nationwide, thereby introducing uncertainties as to our businesses' ability to enter into long-term energy commitments or reliably estimate the longer-term cost and availability of credit. Although bank credit conditions have improved since mid-2009, and we currently expect to have adequate access to needed credit and capital based on current conditions, deterioration in the financial markets could adversely affect our financial condition and liquidity. Additionally, regulations to be adopted to implement the Dodd-Frank Financial Reform Act of 2010 may impose requirements on our businesses and the businesses of others with whom we contract such as banks or other counterparties, or simply result in increased costs to conduct our business or access sources of capital and liquidity upon which the conduct of our businesses is dependent.

***Our operating revenues could fluctuate on a seasonal basis, especially as a result of severe weather conditions.***

Our businesses are subject to seasonal demand cycles. For example, in some markets demand for, and market prices of, electricity peak during hot summer months, while in other markets such peaks occur in cold winter months. As a result, our overall operating results in the future may fluctuate substantially on a seasonal basis if weather conditions such as heat waves, extreme cold weather or severe storms occur. The patterns of these fluctuations may change depending on the type and location of our facilities and the terms of our contracts to sell electricity.

***Operating expenses could be affected by weather conditions, including storms, as well as by significant man-made or accidental disturbances, including terrorism or natural disasters.***

Weather and these other factors can significantly affect our profitability or operations by causing outages, damaging infrastructure or requiring significant repair costs. Storm outages and damage often directly decrease revenues or increase expenses, due to reduced usage and higher restoration charges. In addition, weather and other disturbances may affect capital markets and general economic conditions and impact future growth.

***Our businesses are subject to physical, market and economic risks relating to potential effects of climate change.***

Climate change may produce changes in weather or other environmental conditions, including temperature or precipitation changes, and thus may impact consumer demand for electric power. Temperature increases could result in increased overall electricity volumes or peaks and precipitation changes could result in altered availability of water for plant cooling operations. These or other meteorological changes could lead to increased operating costs, capital expenses or power purchase costs. Conversely, climate change could have a number of potential impacts tending to reduce demand. Changes may entail more frequent or more intense storm activity, which, if severe, could temporarily disrupt regional economic conditions and adversely affect electricity demand levels. Greenhouse gas regulation could increase the cost of electric power, particularly power generated by fossil-fuels, and such increases could have a depressive effect on the regional economy. Reduced economic and consumer activity in our service areas --both generally and specific to certain industries and consumers accustomed to previously low-cost power -- could reduce demand for the power we generate, market and deliver. Also, demand for our energy-related services could be similarly lowered should consumers' preferences or market factors move toward favoring energy efficiency, low-carbon power sources or reduced electric usage generally.

***We cannot predict the outcome of the legal proceedings and investigations currently being conducted with respect to our current and past business activities. An adverse determination could have a material adverse effect on our financial condition, results of operations or cash flows.***

We are involved in legal proceedings, claims and litigation and subject to ongoing state and federal investigations arising out of our business operations, the most significant of which are summarized in "Legal Matters," "Regulatory Issues" and in "Environmental Matters - Domestic" in Note 15 to the Financial Statements. We cannot predict the ultimate outcome of these matters, nor can we reasonably estimate the costs or liabilities that could potentially result from a negative outcome in each case.

***We could be negatively affected by rising interest rates, downgrades to our bond credit ratings or other negative developments in our ability to access capital markets.***

In the ordinary course of business, we are reliant upon adequate long-term and short-term financing means to fund our significant capital expenditures, debt interest or maturities and operating needs. As a capital-intensive business, we are sensitive to developments in interest rate levels; credit rating considerations; insurance, security or collateral requirements; market liquidity and credit availability and refinancing opportunities necessary or advisable to respond to credit market changes. Changes in these conditions could result in increased costs and decreased liquidity to our domestic regulated utility businesses.

***A downgrade in our credit ratings could negatively affect our ability to access capital and increase the cost of maintaining our credit facilities and any new debt.***

Credit ratings assigned by Moody's, Fitch and S&P to our businesses and their financial obligations have a significant impact on the cost of capital incurred by our businesses. Although we do not expect these ratings to limit our ability to fund short-term liquidity needs or access new long-term debt, any ratings downgrade could increase our short-term borrowing costs and negatively affect our ability to fund short-term liquidity needs and access new long-term debt. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition - Liquidity and Capital Resources - Ratings Triggers" for additional information on the impact of a downgrade in our credit rating.

***Significant increases in our operation and maintenance expenses, including health care and pension costs, could adversely affect our future earnings and liquidity.***

We continually focus on limiting and reducing where possible our operation and maintenance expenses. However, we expect to continue to face increased cost pressures in our operations. Increased costs of materials and labor may result from general inflation, increased regulatory requirements (especially in respect of environmental regulations), the need for higher-cost expertise in the workforce or other factors. In addition, pursuant to collective bargaining agreements, we are contractually committed to provide specified levels of health care and pension benefits to certain current employees and retirees. We provide a similar level of benefits to our management employees. These benefits give rise to significant expenses. Due to general inflation with respect to such costs, the aging demographics of our workforce and other factors, we have experienced significant health care cost inflation in recent years, and we expect our health care costs, including prescription drug coverage, to continue to increase despite measures that we have taken and expect to take to require employees and retirees to bear a higher portion of the costs of their health care benefits. In addition, we expect to continue to incur significant costs with respect to the defined benefit pension plans for our employees and retirees. The measurement of our expected future health care and pension obligations, costs and liabilities is highly dependent on a variety of assumptions, most of which relate to factors beyond our control. These assumptions include investment returns, interest rates, health care cost trends, benefit improvements, salary increases and the demographics of plan participants. If our assumptions prove to be inaccurate, our future costs and cash contribution requirements to fund these benefits could increase significantly.

***We may be required to record impairment charges in the future for certain of our investments, which could adversely affect our earnings.***

Under GAAP, we are required to test our recorded goodwill for impairment on an annual basis, or more frequently if events or circumstances indicate that these assets may be impaired. Although no goodwill impairments were recorded based on our annual review in the fourth quarter of 2010, we are unable to predict whether future impairment charges may be necessary.

We also review our long-lived assets for impairment when events or circumstances indicate that the carrying value of these assets may not be recoverable. See Notes 8, 9 and 18 to the Financial Statements for additional information on impairment charges taken during the reporting periods. We are unable to predict whether impairment charges, or other losses on sales of other assets or businesses, may occur in future years.

***We may incur liabilities in connection with discontinued operations.***

In connection with various divestitures, we have indemnified or guaranteed parties against certain liabilities and with respect to certain transactions. These indemnities and guarantees relate to, among other things, liabilities which may

arise with respect to the period during which we or our subsidiaries operated the divested business, and to certain ongoing contractual relationships and entitlements with respect to which we or our subsidiaries made commitments in connection with the divestiture.

*We are subject to liability risks relating to our generation, transmission and distribution businesses.*

The conduct of our physical and commercial operations subjects us to many risks, including risks of potential physical injury, property damage or other financial effects, caused to or caused by employees, customers, contractors, vendors, contractual or financial counterparties and other third parties.

*Our facilities may not operate as planned, which may increase our expenses or decrease our revenues and, thus, have an adverse effect on our financial performance.*

Operation of power plants, transmission and distribution facilities, information technology systems and other assets and activities subjects us to a variety of risks, including the breakdown or failure of equipment, accidents, security breaches, viruses or outages affecting information technology systems, labor disputes, obsolescence, delivery/transportation problems and disruptions of fuel supply and performance below expected levels. These events may impact our ability to conduct our businesses efficiently or lead to increased costs, expenses or losses. Operation of our delivery systems below our expectations may result in lost revenue or increased expense, including higher maintenance costs which may not be recoverable from customers. Planned and unplanned outages at our power plants can require us to purchase power at then-current market prices to satisfy our commitments or, in the alternative, pay penalties and damages for failure to satisfy them.

Although we maintain customary insurance coverage for certain of these risks, no assurance can be given that such insurance coverage will be sufficient to compensate us fully in the event losses occur.

*We are subject to risks associated with federal and state tax laws and regulations.*

Changes in tax law as well as the inherent difficulty in quantifying potential tax effects of business decisions could negatively impact our results of operations. We are required to make judgments in order to estimate our obligations to taxing authorities. These tax obligations include income, property, sales and use and employment-related taxes. We also estimate our ability to utilize tax benefits and tax credits. Due to the revenue needs of the states and jurisdictions in which our businesses operate, various tax and fee increases may be proposed or considered. We cannot predict whether legislation or regulation will be introduced or enacted or the effect of any such changes on our businesses. If enacted, any changes could increase tax expense and could have a negative impact on our results of operations and cash flows.

*(PPL and PPL Electric)*

### **Risks Related to Domestic Regulated Utility Operations**

Our domestic regulated utility businesses face many of the same risks, in addition to those risks that are unique to the Kentucky Regulated segment and the Pennsylvania Regulated segment. Set forth below are risk factors common to both domestic regulated segments, followed by sections identifying separately the risks specific to each of these segments.

*Our profitability is highly dependent on our ability to recover the costs of providing energy and utility services to our customers and earn an adequate return on our capital investments. Regulators may not approve the rates we request.*

We currently provide services to our utility customers at rates approved by one or more federal or state regulatory commissions, including those commissions referred to below. While such regulation is generally premised on the recovery of prudently incurred costs and a reasonable rate of return on invested capital, the rates that we may charge our regulated generation, transmission and distribution customers are subject to authorization of the applicable regulatory authorities. There can be no assurance that such regulatory authorities will consider all of our costs to have been prudently incurred or that the regulatory process by which rates are determined will always result in rates that achieve full recovery of our costs or an adequate return on our capital investments. While our rates are generally regulated based on an analysis of our costs incurred in a base year, the rates we are allowed to charge may or may not match our costs at any given time. With respect to PPL's November 1, 2010 acquisition of LKE, each of LG&E and KU has agreed with the KPSC, subject to certain limited exceptions such as fuel and environmental cost recoveries, that no base rate increases

would take effect for their Kentucky retail customers before January 1, 2013. Our regulated utility businesses are subject to substantial capital expenditure requirements over the next several years, which will require rate increase requests to the regulators. If our costs are not adequately recovered through rates, it could have an adverse affect on our business, results of operations, cash flows or financial condition.

***Our domestic utility businesses are subject to significant and complex governmental regulation.***

Various federal and state entities, including but not limited to the FERC, the KPSC, the VSCC, the TRA and PUC regulate many aspects of the domestic utility operations of PPL, including:

- the rates that we may charge and the terms and conditions of our service and operations;
- financial and capital structure matters;
- siting, construction and operation of facilities;
- mandatory reliability and safety standards and other standards of conduct;
- accounting, depreciation and cost allocation methodologies;
- tax matters;
- affiliate restrictions;
- acquisition and disposal of utility assets and securities; and
- various other matters.

Such regulations or changes thereto may subject us to higher operating costs or increased capital expenditures and failure to comply could result in sanctions or possible penalties. In any rate-setting proceedings, federal or state agencies, intervenors and other permitted parties may challenge our rate requests, and ultimately reduce, alter or limit the rates we seek.

***We could be subject to higher costs and/or penalties related to mandatory reliability standards.***

Under the Energy Policy Act of 2005, owners and operators of the bulk power transmission system are now subject to mandatory reliability standards promulgated by the NERC and enforced by the FERC. Compliance with reliability standards may subject us to higher operating costs and/or increased capital expenditures, and violations of these standards could result in substantial penalties which may not be recoverable from customers.

***Changes in transmission and wholesale power market structures could increase costs or reduce revenues.***

Wholesale revenues fluctuate with regional demand, fuel prices and contracted capacity. Changes to transmission and wholesale power market structures and prices may occur in the future, are not estimable and may result in unforeseen effects on energy purchases and sales, transmission and related costs or revenues. These can include commercial or regulatory changes affecting power pools, exchanges or markets in which PPL participates.

***Our domestic regulated businesses undertake significant capital projects and these activities are subject to unforeseen costs, delays or failures, as well as risk of inadequate recovery of resulting costs.***

The domestic regulated utility businesses are capital intensive and require significant investments in energy generation (in the case of LKE) and transmission, distribution and other infrastructure projects, such as projects for environmental compliance and system reliability. The completion of these projects without delays or cost overruns is subject to risks in many areas, including:

- approval, licensing and permitting;
- land acquisition and the availability of suitable land;
- skilled labor or equipment shortages;
- construction problems or delays, including disputes with third party intervenors;
- increases in commodity prices or labor rates;
- contractor performance;
- environmental considerations and regulations;

- weather and geological issues; and
- political, labor and regulatory developments.

Failure to complete our capital projects on schedule or on budget, or at all, could adversely affect our financial performance, operations and future growth if such expenditures are not granted rate recovery by our regulators.

### **Risks Specific to Kentucky Regulated Segment**

*(PPL)*

***The costs of compliance with, and liabilities under, environmental laws are significant and are subject to continuing changes.***

Extensive federal, state and local environmental laws and regulations are applicable to LG&E's and KU's generation business, including its air emissions, water discharges and the management of hazardous and solid waste, among other business related activities; and the costs of compliance or alleged non-compliance cannot be predicted with certainty but could be material. In addition, our costs may increase significantly if the requirements or scope of environmental laws or regulations, or similar rules are expanded or changed. Costs may take the form of increased capital or operating and maintenance expenses, monetary fines, penalties or forfeitures or other restrictions. Many of these environmental law considerations are also applicable to the operations of our key suppliers, or customers, such as coal producers and industrial power users, and may impact the costs of their products or demand for our services.

### **Risks Specific to Pennsylvania Regulated Segment**

*(PPL and PPL Electric)*

***We may be subject to higher transmission costs and other risks as a result of PJM's regional transmission expansion plan (RTEP) process.***

PJM and the FERC have the authority to require upgrades or expansion of the regional transmission grid, which can result in substantial expenditures for transmission owners. As discussed in Note 8 to the Financial Statements, we expect to make substantial expenditures to construct the Susquehanna-Roseland transmission line that PJM has determined is necessary for the reliability of the regional transmission grid. Although the FERC has granted our request for incentive rate treatment of such facilities, we cannot be certain that all costs that we may incur will be recoverable. In addition, the date when these facilities will be in service, whether due to delays related to public opposition or other factors, is subject to the outcome of future events that are not all within our control. As a result, we cannot predict the ultimate financial or operational impact of this project or other RTEP projects on PPL Electric.

***We could be subject to higher costs and/or penalties related to Pennsylvania Conservation and Energy Efficiency Programs.***

Act 129 became effective in October 2008. This law created requirements for energy efficiency and conservation programs and for the use of smart metering technology, imposed new PLR electricity supply procurement rules, provided remedies for market misconduct, and made changes to the existing Alternative Energy Portfolio Standard. The law also requires electric utilities to meet specified goals for reduction in customer electricity usage and peak demand by specified dates (2011 and 2013). Utilities not meeting these requirements of Act 129 are subject to significant penalties that cannot be recovered in rates. Although we expect to meet these requirements, numerous factors outside of our control could prevent compliance with these requirements and result in penalties to us. See "Regulatory Issues - Energy Policy Act of 2005 - Reliability Standards" in Note 15 to the Financial Statements for additional information.

***Cost recovery remains subject to political risks.***

Although prior initiatives have not resulted in the enactment of such legislation, the possibility remains that certain Pennsylvania legislators could introduce legislation to reinstate generation rate caps or otherwise limit cost recovery through rates for Pennsylvania utilities after the end of applicable transition periods, which in PPL Electric's case was

December 31, 2009. If such legislation were introduced and ultimately enacted, PPL Electric could face severe financial consequences including operating losses and significant cash flow shortfalls. In addition, continuing uncertainty regarding PPL Electric's ability to recover its market supply and other costs of operating its business could adversely affect its credit quality, financing costs and availability of credit facilities necessary to operate its business.

*(PPL and PPL Energy Supply)*

### **Risks Related to International Regulated Segment**

***Our U.K. delivery business is subject to risks with respect to rate regulation and operational performance.***

Our U.K. delivery business is rate regulated and operates under an incentive-based regulatory framework. In addition, its ability to manage operational risk is critical to its financial performance. Disruption to the distribution network could reduce profitability both directly through the higher costs for network restoration and also through the system of penalties and rewards that Ofgem has in place relating to customer service levels.

In December 2009, Ofgem completed its rate review for the five-year period from April 1, 2010 through March 31, 2015, thus reducing regulatory rate risk in the International Regulated segment until the next rate review which will be effective April 1, 2015. The regulated income of the International Regulated segment and also the RAB are to some extent linked to movements in the Retail Price Index (RPI). Reductions in the RPI would adversely impact revenues and the debt/RAB ratio.

***Our U.K. distribution business exposes us to risks related to U.K. laws and regulations, taxes, economic conditions, foreign currency exchange rate fluctuations, and political conditions and policies of the U.K. government. These risks may reduce the results of operations from our U.K. distribution business.***

The acquisition, financing, development and operation of projects in the U.K. entail significant financial risks including:

- changes in laws or regulations relating to U.K. operations, including tax laws and regulations;
- changes in government policies, personnel or approval requirements;
- changes in general economic conditions affecting the U.K.;
- regulatory reviews of tariffs for distribution companies;
- severe weather and natural disaster impacts on the electric sector and our assets;
- changes in labor relations;
- limitations on foreign investment or ownership of projects and returns or distributions to foreign investors;
- limitations on the ability of foreign companies to borrow money from foreign lenders and lack of local capital or loans;
- fluctuations in foreign currency exchange rates and in converting U.K. revenues to U.S. dollars, which can increase our expenses and/or impair our ability to meet such expenses, and difficulty moving funds out of the country in which the funds were earned; and
- compliance with U.S. foreign corrupt practices laws.

### **Risks Related to Supply Segment**

*(PPL and PPL Energy Supply)*

***We face intense competition in our energy supply business, which may adversely affect our ability to operate profitably.***

Unlike our regulated utility businesses, our energy supply business is dependent on our ability to operate in a competitive environment and is not assured of any rate of return on capital investments through a predetermined rate structure. Competition is impacted by electricity and fuel prices, new market entrants, construction by others of generating assets and transmission capacity, technological advances in power generation, the actions of environmental and other regulatory authorities and other factors. These competitive factors may negatively impact our ability to sell electricity



and related products and services, as well as the prices that we may charge for such products and services, which could adversely affect our results of operations and our ability to grow our business.

We sell our available energy and capacity into the competitive wholesale markets through contracts of varying duration. Competition in the wholesale power markets occurs principally on the basis of the price of products and, to a lesser extent, on the basis of reliability and availability. We believe that the commencement of commercial operation of new electric facilities in the regional markets where we own or control generation capacity and the evolution of demand side management resources will continue to increase competition in the wholesale electricity market in those regions, which could have an adverse effect on the prices we receive for electricity.

We also face competition in the wholesale markets for electricity capacity and ancillary services. We primarily compete with other electricity suppliers based on our ability to aggregate supplies at competitive prices from different sources and to efficiently utilize transportation from third-party pipelines and transmission from electric utilities and ISOs. We also compete against other energy marketers on the basis of relative financial condition and access to credit sources, and our competitors may have greater financial resources than we have.

Competitors in the wholesale power markets in which PPL Generation subsidiaries and PPL EnergyPlus operate include regulated utilities, industrial companies, non-utility generators and competitive subsidiaries of regulated utilities. In the past, PUHCA significantly restricted mergers and acquisitions and other investments in the electric utility sector. Entirely new competitors, including financial institutions, have entered the energy markets as a result of the repeal of PUHCA in 2006. The repeal of PUHCA also may lead to consolidation in our industry, resulting in competitors with significantly greater financial resources than we have.

***Adverse changes in commodity prices and related costs may decrease our future energy margins, which could adversely affect our earnings and cash flows.***

Our energy margins, or the amount by which our revenues from the sale of power exceed our costs to supply power, are impacted by changes in market prices for electricity, fuel, fuel transportation, emission allowances, RECs, electricity transmission and related congestion charges and other costs. Unlike most commodities, the limited ability to store electric power requires that it must be consumed at the time of production. As a result, wholesale market prices for electricity may fluctuate substantially over relatively short periods of time and can be unpredictable. Among the factors that influence such prices are:

- supply and demand for electricity available from current or new generation resources;
- variable production costs, primarily fuel (and the associated fuel transportation costs) and emission allowance expense for the generation resources used to meet the demand for electricity;
- transmission capacity and service into, or out of, markets served;
- changes in the regulatory framework for wholesale power markets;
- liquidity in the wholesale electricity market, as well as general creditworthiness of key participants in the market; and
- weather and economic conditions impacting demand for electricity or the facilities necessary to deliver electricity.

See Exhibit 99(a) for more information concerning the market fluctuations in wholesale energy, fuel and emission allowance prices over the past five years.

***We do not always hedge against risks associated with electricity and fuel price volatility.***

We attempt to mitigate risks associated with satisfying our contractual electricity sales obligations by either reserving generation capacity to deliver electricity or purchasing the necessary financial or physical products and services through competitive markets to satisfy our net firm sales contracts. We also routinely enter into contracts, such as fuel and electricity purchase and sale commitments, to hedge our exposure to fuel requirements and other electricity-related commodities. However, based on economic and other considerations, we may decide not to hedge the entire exposure of our operations from commodity price risk. To the extent we do not hedge against commodity price risk, our results of operations and financial position may be adversely affected.

***We are exposed to operational, price and credit risks associated with selling and marketing products in the wholesale electricity markets.***

We purchase and sell electricity in wholesale markets under market-based tariffs authorized by the FERC throughout the U.S. and also enter into short-term agreements to market available electricity and capacity from our generation assets with the expectation of profiting from market price fluctuations. If we are unable to deliver firm capacity and electricity under these agreements, we could be required to pay damages. These damages would generally be based on the difference between the market price to acquire replacement capacity or electricity and the contract price of any undelivered capacity or electricity. Depending on price volatility in the wholesale electricity markets, such damages could be significant. Extreme weather conditions, unplanned generation facility outages, environmental compliance costs, transmission disruptions, and other factors could affect our ability to meet our obligations, or cause significant increases in the market price of replacement capacity and electricity.

Our power agreements typically include provisions requiring us to post collateral for the benefit of our counterparties if the market price of energy varies from the contract prices in excess of certain pre-determined amounts. We currently believe that we have sufficient credit to fulfill our potential collateral obligations under these power contracts. Our obligation to post collateral could exceed the amount of our facilities or our ability to increase our facilities could be limited by financial markets or other factors. See Note 7 for a discussion of PPL's credit facilities.

We also face credit risk that parties with whom we contract will default in their performance, in which case we may have to sell our electricity into a lower-priced market or make purchases in a higher-priced market than existed at the time of contract. Whenever feasible, we attempt to mitigate these risks using various means, including agreements that require our counterparties to post collateral for our benefit if the market price of energy varies from the contract price in excess of certain pre-determined amounts. However, there can be no assurance that we will avoid counterparty nonperformance risk, which could adversely impact our ability to meet our obligations to other parties, which could in turn subject us to claims for damages.

***The load following contracts that PPL EnergyPlus is awarded do not provide for specific levels of load and actual load significantly below or above our forecasts could adversely affect our energy margins.***

We generally hedge our load following obligations with energy purchases from third parties, and to a lesser extent with our own generation. If the actual load is significantly lower than the expected load, we may be required to resell power at a lower price than was contracted for to supply the load obligation, resulting in a financial loss. Alternatively, a significant increase in load could adversely affect our energy margins because we are required under the terms of the load following contracts to provide the energy necessary to fulfill increased demand at the contract price, which could be lower than the cost to procure additional energy on the open market. Therefore, any significant decrease or increase in load compared to our forecasts could have a material adverse effect on our results of operations or financial position.

***We may experience disruptions in our fuel supply, which could adversely affect our ability to operate our generation facilities.***

We purchase fuel from a number of suppliers. Disruption in the delivery of fuel and other products consumed during the production of electricity (such as coal, natural gas, oil, water, uranium, lime, limestone and other chemicals), including disruptions as a result of weather, transportation difficulties, global demand and supply dynamics, labor relations, environmental regulations or the financial viability of our fuel suppliers, could adversely affect our ability to operate our facilities, which could result in lower sales and/or higher costs and thereby adversely affect our results of operations.

***Our risk management policy and programs relating to electricity and fuel prices, interest rates, foreign currency and counterparty credit and non-performance risks may not work as planned, and we may suffer economic losses despite such programs.***

We actively manage the market risk inherent in our generation and energy marketing activities, as well as our debt, foreign currency and counterparty credit positions. We have implemented procedures to monitor compliance with our risk management policy and programs, including independent validation of transaction and market prices, verification of risk and transaction limits, portfolio stress tests, sensitivity analyses and daily portfolio reporting of various risk

management metrics. Nonetheless, our risk management programs may not work as planned. For example, actual electricity and fuel prices may be significantly different or more volatile than the historical trends and assumptions upon which we based our risk management calculations. Additionally, unforeseen market disruptions could decrease market depth and liquidity, negatively impacting our ability to enter into new transactions. We enter into financial contracts to hedge commodity basis risk, and as a result are exposed to the risk that the correlation between delivery points could change with actual physical delivery. Similarly, interest rates or foreign currency exchange rates could change in significant ways that our risk management procedures were not designed to address. As a result, we cannot always predict the impact that our risk management decisions may have on us if actual events result in greater losses or costs than our risk models predict or greater volatility in our earnings and financial position.

In addition, our trading, marketing and hedging activities are exposed to counterparty credit risk and market liquidity risk. We have adopted a credit risk management policy and program to evaluate counterparty credit risk. However, if counterparties fail to perform, the risk of which has increased due to the economic downturn, we may be forced to enter into alternative arrangements at then-current market prices. In that event, our financial results are likely to be adversely affected.

***Our costs to comply with existing and new environmental laws are expected to continue to be significant, and we plan to incur significant capital expenditures for pollution control improvements that, if delayed, would adversely affect our profitability and liquidity.***

Our business is subject to extensive federal, state and local statutes, rules and regulations relating to environmental protection. To comply with existing and future environmental requirements and as a result of voluntary pollution control measures we may take, we have spent and expect to spend substantial amounts in the future on environmental control and compliance.

In order to comply with existing and proposed federal and state environmental laws and regulations primarily governing air emissions from coal-fired plants, in 2005 PPL began a program to install scrubbers and other pollution control equipment (primarily aimed at sulfur dioxide, particulate matter and nitrogen oxides with co-benefits for mercury emissions reduction). The cost to install this equipment was approximately \$1.6 billion. The scrubbers at our Montour and Brunner Island plants are now in service. Many states and environmental groups have challenged certain federal laws and regulations relating to air emissions as not being sufficiently strict. As a result, it is possible that state and federal regulations will be adopted that would impose more stringent restrictions than are currently in effect, which could require us to significantly increase capital expenditures for additional pollution control equipment.

We may not be able to obtain or maintain all environmental regulatory approvals necessary for our planned capital projects which are necessary to our business. If there is a delay in obtaining any required environmental regulatory approval or if we fail to obtain, maintain or comply with any such approval, operations at our affected facilities could be halted, reduced or subjected to additional costs. Furthermore, at some of our older generating facilities it may be uneconomic for us to install necessary pollution control equipment, which could cause us to retire those units.

For more information regarding environmental matters, including existing and proposed federal, state and local statutes, rules and regulations to which we are subject, see "Environmental Matters - Domestic" in Note 15 to the Financial Statements.

***We rely on transmission and distribution assets that we do not own or control to deliver our wholesale electricity. If transmission is disrupted, or not operated efficiently, or if capacity is inadequate, our ability to sell and deliver power may be hindered.***

We depend on transmission and distribution facilities owned and operated by utilities and other energy companies to deliver the electricity and natural gas we sell in the wholesale market, as well as the natural gas we purchase for use in our electric generation facilities. If transmission is disrupted (as a result of weather, natural disasters or other reasons) or not operated efficiently by ISOs and RTOs, in applicable markets, or if capacity is inadequate, our ability to sell and deliver products and satisfy our contractual obligations may be hindered, or we may be unable to sell products at the most favorable terms.

The FERC has issued regulations that require wholesale electric transmission services to be offered on an open-access, non-discriminatory basis. Although these regulations are designed to encourage competition in wholesale market transactions for electricity, there is the potential that fair and equal access to transmission systems will not be available or that transmission capacity will not be available in the amounts we require. We cannot predict the timing of industry changes as a result of these initiatives or the adequacy of transmission facilities in specific markets or whether ISOs and RTOs in applicable markets will efficiently operate transmission networks and provide related services.

***Despite federal and state deregulation initiatives, our supply business is still subject to extensive regulation, which may increase our costs, reduce our revenues, or prevent or delay operation of our facilities.***

Our generation subsidiaries sell electricity into the wholesale market. Generally, our generation subsidiaries and our marketing subsidiaries are subject to regulation by the FERC. The FERC has authorized us to sell generation from our facilities and power from our marketing subsidiaries at market-based prices. The FERC retains the authority to modify or withdraw our market-based rate authority and to impose "cost of service" rates if it determines that the market is not competitive, that we possess market power or that we are not charging just and reasonable rates. Any reduction by the FERC in the rates we may receive or any unfavorable regulation of our business by state regulators could materially adversely affect our results of operations. See "FERC Market-Based Rate Authority" in Note 15 to the Financial Statements for information regarding recent court decisions that could impact the FERC's market-based rate authority program, and "PJM RPM Litigation" in Note 15 to the Financial Statements for information regarding the FERC's proceedings that could impact PJM's capacity pricing model.

In addition, the acquisition, construction, ownership and operation of electricity generation facilities require numerous permits, approvals, licenses and certificates from federal, state and local governmental agencies. We may not be able to obtain or maintain all required regulatory approvals. If there is a delay in obtaining any required regulatory approvals or if we fail to obtain or maintain any required approval or fail to comply with any applicable law or regulation, the operation of our assets and our sales of electricity could be prevented or delayed or become subject to additional costs.

***If market deregulation is reversed or discontinued, our business prospects and financial condition could be materially adversely affected.***

In some markets, state legislators, government agencies and other interested parties have made proposals to change the use of market-based pricing, re-regulate areas of these markets that have previously been competitive or permit electricity delivery companies to construct or acquire generating facilities. The ISOs that oversee the transmission systems in certain wholesale electricity markets have from time to time been authorized to impose price limitations and other mechanisms to address extremely high prices in the power markets. These types of price limitations and other mechanisms may reduce profits that our wholesale power marketing and trading business would have realized under competitive market conditions absent such limitations and mechanisms. Although we generally expect electricity markets to continue to be competitive, other proposals to re-regulate our industry may be made, and legislative or other actions affecting the electric power restructuring process may cause the process to be delayed, discontinued or reversed in states in which we currently, or may in the future, operate. See "New Jersey Capacity Legislation" in Note 15 to the Financial Statements.

***Changes in technology may negatively impact the value of our power plants.***

A basic premise of our generation business is that generating electricity at central power plants achieves economies of scale and produces electricity at relatively low prices. There are alternate technologies to produce electricity, most notably fuel cells, micro turbines, windmills and photovoltaic (solar) cells, the development of which has been expanded due to global climate change concerns. Research and development activities are ongoing to seek improvements in alternate technologies. It is possible that advances will reduce the cost of alternate methods of electricity production to a level that is equal to or below that of certain central station production. Also, as new technologies are developed and become available, the quantity and pattern of electricity usage (the "demand") by customers could decline, with a corresponding decline in revenues derived by generators. These alternative energy sources could result in a decline to the dispatch and capacity factors of our plants. As a result of all of these factors, the value of our generation facilities could be significantly reduced.

*We are subject to certain risks associated with nuclear generation, including the risk that our Susquehanna nuclear plant could become subject to increased security or safety requirements that would increase capital and operating expenditures, uncertainties regarding spent nuclear fuel, and uncertainties associated with decommissioning our plant at the end of its licensed life.*

Nuclear generation accounted for about 29% of our 2010 generation output. The risks of nuclear generation generally include:

- the potential harmful effects on the environment and human health from the operation of nuclear facilities and the storage, handling and disposal of radioactive materials;
- limitations on the amounts and types of insurance commercially available to cover losses and liabilities that might arise in connection with nuclear operations; and
- uncertainties with respect to the technological and financial aspects of decommissioning nuclear plants at the end of their licensed lives. The licenses for our two nuclear units expire in 2042 and 2044. See Note 21 to the Financial Statements for additional information on the ARO related to the decommissioning.

The NRC has broad authority under federal law to impose licensing requirements, including security, safety and employee-related requirements for the operation of nuclear generation facilities. In the event of noncompliance, the NRC has authority to impose fines or shut down a unit, or both, depending upon its assessment of the severity of the situation, until compliance is achieved. In addition, revised security or safety requirements promulgated by the NRC could necessitate substantial capital or operating expenditures at our Susquehanna nuclear plant. There also remains substantial uncertainty regarding the temporary storage and permanent disposal of spent nuclear fuel, which could result in substantial additional costs to PPL that cannot be predicted. In addition, although we have no reason to anticipate a serious nuclear incident at our Susquehanna plant, if an incident did occur, any resulting operational loss, damages and injuries could have a material adverse effect on our results of operations, cash flows or financial condition. See Note 15 to the Financial Statements for a discussion of nuclear insurance.

#### **ITEM 1B. UNRESOLVED STAFF COMMENTS**

**PPL Corporation, PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

None.

**ITEM 2. PROPERTIES**

(PPL)

**Kentucky Regulated Segment**

LKE's properties consist primarily of regulated generation facilities, electric transmission and distribution assets and natural gas transmission and distribution mains in Kentucky. The electric generating capacity at December 31, 2010 was:

Primary Fuel/Plant	Total MW Capacity (a)		% Ownership	PPL's Ownership or Lease Interest in MW (a)		Location
	Winter Rating	Summer Rating		Winter Rating	Summer Rating	
<b>Coal</b>						
Ghent .....	1,897	1,918	100.00	1,897	1,918	Kentucky
Mill Creek.....	1,491	1,472	100.00	1,491	1,472	Kentucky
E.W. Brown.....	691	684	100.00	691	684	Kentucky
Cane Run .....	563	563	100.00	563	563	Kentucky
Trimble County - Unit 1 (b) .....	515	511	75.00	386	383	Kentucky
Green River.....	173	163	100.00	173	163	Kentucky
OVEC - Clifty Creek (c) .....	1,304	1,304	8.13	106	106	Indiana
OVEC - Kyger Creek (c) .....	1,086	1,086	8.13	88	88	Ohio
Tyrone .....	73	71	100.00	73	71	Kentucky
	<u>7,793</u>	<u>7,772</u>		<u>5,468</u>	<u>5,448</u>	
<b>Natural Gas/Oil</b>						
Trimble County.....	1,080	960	100.00	1,080	960	Kentucky
E.W. Brown (d) .....	1,039	947	100.00	1,039	947	Kentucky
Paddy's Run .....	216	193	100.00	216	193	Kentucky
Haefling .....	42	36	100.00	42	36	Kentucky
Zorn .....	16	14	100.00	16	14	Kentucky
Cane Run .....	14	14	100.00	14	14	Kentucky
	<u>2,407</u>	<u>2,164</u>		<u>2,407</u>	<u>2,164</u>	
<b>Hydro</b>						
Ohio Falls .....	34	52	100.00	34	52	Kentucky
Dix Dam .....	24	24	100.00	24	24	Kentucky
	<u>58</u>	<u>76</u>		<u>58</u>	<u>76</u>	
Total.....	<u>10,258</u>	<u>10,012</u>		<u>7,933</u>	<u>7,688</u>	

- (a) The capacity of generation units is based on a number of factors, including the operating experience and physical conditions of the units, and may be revised periodically to reflect changed circumstances.
- (b) This unit is jointly owned. Each owner is entitled to its proportionate share of the unit's total output and funds its proportionate share of fuel and other operating costs. See Note 14 to the Financial Statements for additional information.
- (c) This unit is owned by OVEC. LKE owns 8.13% of OVEC's equity, which is accounted for as a cost-method investment, and has a power purchase agreement that entitles LKE to its proportionate share of the unit's total output and LKE funds its proportionate share of fuel and other operating costs.
- (d) Includes a leasehold interest. See Note 11 to the Financial Statements for additional information.

With limited exceptions LKE took care, custody and control of TC2 on January 22, 2011, and has dispatched the unit to meet customer demand since that date. LG&E and KU and the contractor agreed to a further amendment of the construction agreement whereby the contractor will complete certain actions relating to identifying and completing any necessary modifications to allow operation of TC2 on all fuels in accordance with initial specifications prior to certain dates, and amending the provisions relating to liquidated damages. LKE cannot currently estimate the ultimate outcome of these matters. LKE owns a 75% interest in TC2. TC2 is coal-fired and has a capacity of 760 MW, of which LKE's share is 570 MW.

For a description of LKE's service territory, see "Item 1. Business - Background." At December 31, 2010, LKE's transmission system included in the aggregate, 177 substations (86 of which are shared with the distribution system) with a total capacity of approximately 20 million kVA and 4,987 circuit miles of lines. The distribution system included 575 substations (86 of which are shared with the transmission system) with a total capacity of approximately 12 million kVA, 18,043 circuit miles of overhead lines and 4,571 circuit miles of underground wires.

LKE's natural gas transmission system included 391 miles of transmission mains (consisting of natural gas transmission lines of 255 miles, natural gas storage lines of 119 miles and gas combustion turbine lines of 17 miles) and the natural gas distribution system included 4,235 miles of distribution mains. Five underground natural gas storage fields, with a current working natural gas capacity of approximately 15 Bcf, help provide economical and reliable natural gas service to ultimate consumers.

Substantially all of LG&E's and KU's respective real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity and, in the case of LG&E, the storage and distribution of natural gas, is subject to the lien of either the LG&E 2010 Mortgage Indenture or the KU 2010 Mortgage Indenture. See Note 7 to the Financial Statements for additional information.

*(PPL and PPL Energy Supply)*

#### International Regulated Segment

For a description of WPD's service territory, see "Item 1. Business - Background." At December 31, 2010, WPD had electric distribution lines in public streets and highways pursuant to legislation and rights-of-way secured from property owners. In 2010, electricity distributed totaled 26,820 GWh based on operating revenues recorded by WPD. WPD's distribution system in the U.K. includes 649 substations with a total capacity of 25 million kVA, 28,838 circuit miles of overhead lines and 24,131 cable miles of underground conductors.

*(PPL and PPL Electric)*

#### Pennsylvania Regulated Segment

For a description of PPL Electric's service territory, see "Item 1. Business - Background." At December 31, 2010, PPL Electric had electric transmission and distribution lines in public streets and highways pursuant to franchises and rights-of-way secured from property owners. PPL Electric's system included 377 substations with a total capacity of 31 million kVA, 33,122 circuit miles of overhead lines and 7,368 cable miles of underground conductors. All of PPL Electric's facilities are located in Pennsylvania. Substantially all of PPL Electric's distribution properties and certain transmission properties are subject to the lien of the PPL Electric 2001 Mortgage Indenture.

See Note 8 to the Financial Statements for information on the construction of the Susquehanna-Roseland 500-kilovolt transmission line.

*(PPL and PPL Energy Supply)*

#### Supply Segment

PPL Energy Supply's electric generating capacity at December 31, 2010 was:

Primary Fuel/Plant	Total MW Capacity (a)		% Ownership	PPL Energy Supply's Ownership or Lease Interest in MW (a)		Location
	Winter Rating	Summer Rating		Winter Rating	Summer Rating	
<b>Natural Gas/Oil</b>						
Martins Creek .....	1,690	1,671	100.00	1,690	1,671	Pennsylvania
Ironwood (b) .....	763	660	100.00	763	660	Pennsylvania
Lower Mt. Bethel .....	628	559	100.00	628	559	Pennsylvania
University Park (c).....	579	528	100.00	579	528	Illinois
Combustion turbines .....	420	358	100.00	420	358	Pennsylvania
Wallingford (c) .....	241	209	100.00	241	209	Connecticut
	<u>4,321</u>	<u>3,985</u>		<u>4,321</u>	<u>3,985</u>	
<b>Coal</b>						
Montour .....	1,550	1,517	100.00	1,550	1,517	Pennsylvania

Brunner Island .....	1,490	1,447	100.00	1,490	1,447	Pennsylvania
Colstrip Units 1 & 2 (d) .....	614	614	50.00	307	307	Montana
Conemaugh (e) .....	1,718	1,714	16.25	279	279	Pennsylvania
Colstrip Unit 3 (d) .....	740	740	30.00	222	222	Montana
Keystone (e) .....	1,715	1,719	12.34	212	212	Pennsylvania
Corette .....	153	153	100.00	153	153	Montana
	<u>7,980</u>	<u>7,904</u>		<u>4,213</u>	<u>4,137</u>	
<b>Nuclear</b>						
Susquehanna (e) .....	<u>2,501</u>	<u>2,449</u>	90.00	<u>2,251</u>	<u>2,204</u>	Pennsylvania

Primary Fuel/Plant	Total MW Capacity (a)		% Ownership	PPL Energy Supply's Ownership or Lease Interest in MW (a)		Location
	Winter Rating	Summer Rating		Winter Rating	Summer Rating	
<b>Hydro</b>						
Various .....	596	604	100.00	596	604	Montana
Safe Harbor Water Power Corp. (c) ..	423	423	33.33	141	141	Pennsylvania
Various .....	174	174	100.00	174	174	Pennsylvania
	<u>1,193</u>	<u>1,201</u>		<u>911</u>	<u>919</u>	
<b>Qualifying Facilities</b>						
Renewables (f) .....	25	23	100.00	25	23	Pennsylvania
Renewables (g) .....	8	8	100.00	8	8	Various
	<u>33</u>	<u>31</u>		<u>33</u>	<u>31</u>	
Total .....	<u>16,028</u>	<u>15,570</u>		<u>11,729</u>	<u>11,276</u>	

- (a) The capacity of generation units is based on a number of factors, including the operating experience and physical conditions of the units, and may be revised periodically to reflect changed circumstances.
- (b) Facilities not owned by PPL Energy Supply, but there is a tolling agreement or power purchase agreement in place.
- (c) In September 2010, certain PPL Energy Supply subsidiaries signed definitive agreements to sell their ownership interests in these facilities. The sale is expected to close in the first quarter of 2011. See Note 9 to the Financial Statements for additional information on the anticipated sale.
- (d) Represents the leasehold interest held by PPL Montana. See Note 11 to the Financial Statements for additional information.
- (e) This unit is jointly owned. Each owner is entitled to their proportionate share of the unit's total output and funds their proportionate share of fuel and other operating costs. See Note 14 to the Financial Statements for additional information.
- (f) Includes renewable energy facilities owned by a PPL Energy Supply subsidiary.
- (g) Includes renewable energy facilities owned by a PPL Energy Supply subsidiary for which there are power purchase agreements in place.

Amounts guaranteed by PPL Montour and PPL Brunner Island in connection with an \$800 million secured energy marketing and trading facility are secured by mortgages on the generating facilities owned by PPL Montour and PPL Brunner Island. See Note 7 to the Financial Statements for additional information.

PPL Energy Supply continuously reexamines development projects based on market conditions and other factors to determine whether to proceed with the projects, sell, cancel or expand them, execute tolling agreements or pursue other options. At December 31, 2010, PPL Energy Supply subsidiaries planned to implement the following incremental capacity increases.

Primary Fuel/Plant	Location	Total MW Capacity (a)	PPL Energy Supply Ownership or Lease Interest in MW	Expected In-Service Date (b)
<b>Hydro</b>				
Holtwood (c) .....	Pennsylvania	136	136 (100%)	2011 - 2013
Great Falls (d) .....	Montana	28	28 (100%)	2012
<b>Nuclear</b>				
Susquehanna (e) .....	Pennsylvania	56	50 (90%)	2011
<b>Natural Gas/Oil</b>				
Martins Creek (f) .....	Pennsylvania	30	30 (100%)	2011

**Landfill Gas**



Chrin Landfill .....	Pennsylvania	<u>3</u>	<u>3</u>	(100%)	2011
<b>Total .....</b>		<u><u>253</u></u>	<u><u>247</u></u>		

- (a) The capacity of generating units is based on a number of factors, including the operating experience and physical condition of the units, and may be revised periodically to reflect changed circumstances.
- (b) The expected in-service dates are subject to receipt of required approvals, permits and other contingencies.
- (c) This project primarily involves the installation of two additional large turbine-generators.
- (d) This project primarily involves the reconstruction of a powerhouse.
- (e) This project involves the extended upgrade of Units 1 and 2 and is being implemented in two uprates per unit. The uprates for Unit 1 have been completed. The first uprate for Unit 2 was completed in 2009 and the second uprate is planned to occur in 2011.
- (f) This project involves the replacement of certain rotors and blades for Unit 4.

**ITEM 3. LEGAL PROCEEDINGS**

See Notes 3 and 15 to the Financial Statements for information regarding legal, regulatory and environmental proceedings and matters.

**PART II****ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY,  
RELATED STOCKHOLDER MATTERS AND  
ISSUER PURCHASES OF EQUITY SECURITIES****PPL Corporation**

Additional information for this item is set forth in the sections entitled "Quarterly Financial, Common Stock Price and Dividend Data," "Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" and "Shareowner and Investor Information" of this report. At January 31, 2011, there were 70,223 common stock shareowners of record.

**Issuer Purchase of Equity Securities during the Fourth Quarter of 2010:**

	(a)	(b)	(c)	(d)
<b>Period</b>	<b>Total Number of Shares (or Units) Purchased</b>	<b>Average Price Paid per Share (or Unit)</b>	<b>Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans of Programs</b>	<b>Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs (1)</b>
October 1 to October 31, 2010				\$57,495
November 1 to November 30, 2010				\$57,495
December 1 to December 31, 2010				\$57,495
Total				\$57,495

- (1) In June 2007, PPL announced a program to repurchase from time to time up to \$750 million of its common stock in open market purchases, pre-arranged trading plans or privately negotiated transactions.

**PPL Energy Supply, LLC**

There is no established public trading market for PPL Energy Supply's membership interests. PPL Energy Funding, a direct wholly owned subsidiary of PPL, owns all of PPL Energy Supply's outstanding membership interests. Distributions on the membership interests will be paid as determined by PPL Energy Supply's Board of Managers. PPL Energy Supply made cash distributions to PPL Energy Funding of \$4,692 million in 2010 and \$943 million in 2009. See Note 24 regarding the distribution of PPL Energy Supply's membership interests in PPL Global to PPL Energy Funding on January 31, 2011.

**PPL Electric Utilities Corporation**

There is no established public trading market for PPL Electric's common stock, as PPL owns 100% of the outstanding common shares. Dividends paid to PPL on those common shares are determined by PPL Electric's Board of Directors. PPL Electric paid common stock dividends to PPL of \$71 million in 2010 and \$274 million in 2009.

**ITEM 6. SELECTED FINANCIAL AND OPERATING DATA****PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

Item 6 is omitted as PPL Energy Supply and PPL Electric meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

**ITEM 6. SELECTED FINANCIAL AND OPERATING DATA**

<b>PPL Corporation (a) (b)</b>	<b>2010 (c)</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Income Items - millions</b>					
Operating revenues .....	\$ 8,521	\$ 7,449	\$ 7,857	\$ 6,327	\$ 5,998
Operating income .....	1,866	896	1,703	1,606	1,448
Income from continuing operations after income taxes attributable to PPL .....	955	414	857	973	807
Net income attributable to PPL.....	938	407	930	1,288	865
<b>Balance Sheet Items - millions (d)</b>					
Total assets .....	32,837	22,165	21,405	19,972	19,747
Short-term debt .....	694	639	679	92	42
Long-term debt (e).....	12,663	7,143	7,838	7,568	7,746
Long-term debt with affiliate trusts .....					89
Noncontrolling interests .....	268	319	319	320	361
Common equity .....	8,210	5,496	5,077	5,556	5,122
Total capitalization (e).....	21,835	13,597	13,913	13,536	13,360
Capital lease obligations .....					10
<b>Financial Ratios</b>					
Return on average common equity - % .....	13.26	7.48	16.88	24.47	17.81
Ratio of earnings to fixed charges - total enterprise basis (f) .....	2.7	1.9	3.1	2.8	2.7
<b>Common Stock Data</b>					
Number of shares outstanding - thousands					
Year-end .....	483,391	377,183	374,581	373,271	385,039
Average.....	431,345	376,082	373,626	380,563	380,754
Income from continuing operations after income taxes available to PPL common shareowners - Basic EPS ...	\$ 2.21	\$ 1.10	\$ 2.28	\$ 2.53	\$ 2.09
Income from continuing operations after income taxes available to PPL common shareowners - Diluted EPS .	\$ 2.20	\$ 1.10	\$ 2.28	\$ 2.51	\$ 2.06
Net income available to PPL common shareowners - Basic EPS .....	\$ 2.17	\$ 1.08	\$ 2.48	\$ 3.37	\$ 2.26
Net income available to PPL common shareowners - Diluted EPS .....	\$ 2.17	\$ 1.08	\$ 2.47	\$ 3.34	\$ 2.24
Dividends declared per share of common stock .....	\$ 1.40	\$ 1.38	\$ 1.34	\$ 1.22	\$ 1.10
Book value per share (d) .....	\$ 16.98	\$ 14.57	\$ 13.55	\$ 14.88	\$ 13.30
Market price per share (d) .....	\$ 26.32	\$ 32.31	\$ 30.69	\$ 52.09	\$ 35.84
Dividend payout ratio - % (g) .....	65	128	54	37	49
Dividend yield - % (h) .....	5.32	4.27	4.37	2.34	3.07
Price earnings ratio (g) (h) .....	12.13	29.92	12.43	15.60	16.00
<b>Sales Data - millions of kWh</b>					
Domestic - Electric energy supplied - retail (i).....	14,595	38,912	40,374	40,074	38,810
Domestic - Electric energy supplied - wholesale (i) (j) ...	75,489	38,988	42,712	33,515	30,427
Domestic - Electric energy delivered (i).....	42,341	36,717	38,058	37,950	36,683
International - Electric energy delivered (k).....	26,820	26,358	27,724	31,652	33,352

- (a) The earnings each year were affected by several items that management considers special. See "Results of Operations - Segment Results" in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" for a description of special items in 2010, 2009 and 2008.
- (b) See "Item 1A. Risk Factors" and Note 15 to the Financial Statements for a discussion of uncertainties that could affect PPL's future financial condition.
- (c) The year 2010 includes LKE's earnings and sales data for the two month period from acquisition through December 31, 2010 and all balance sheet accounts at December 31, 2010.
- (d) As of each respective year-end.
- (e) The year 2007 excludes amounts related to the natural gas distribution and propane businesses that had been classified as held for sale at December 31, 2007.
- (f) Computed using earnings and fixed charges of PPL and its subsidiaries. Fixed charges consist of interest on short- and long-term debt, amortization of debt discount, expense and premium - net, other interest charges, the estimated interest component of operating rentals and preferred securities distributions of subsidiaries. See Exhibit 12(a) for additional information.
- (g) Based on diluted EPS.

- (h) Based on year-end market prices.
- (i) The domestic trends for 2010 reflect the expiration of the PLR contract between PPL Energy Plus and PPL Electric as of December 31, 2009. See Note 16 for additional information.
- (j) All years include kWh associated with certain non-core generation facilities that have been classified as Discontinued Operations, the Long Island generation business that was sold in 2010 and PPL Maine's hydroelectric generation business that was sold in two separate transactions in 2009 and 2010.
- (k) Years 2007 and earlier include the deliveries associated with the Latin American businesses, until the date of their sale in 2007.

## PPL CORPORATION AND SUBSIDIARIES

### Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

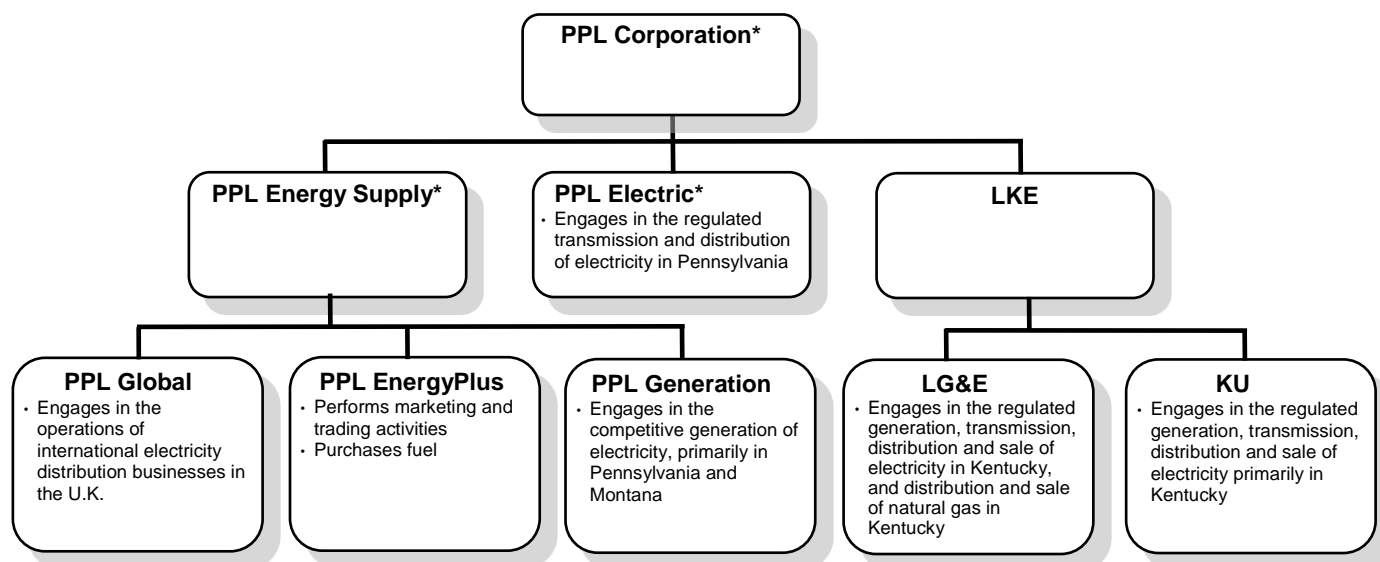
#### Overview

The information provided in this Item 7 should be read in conjunction with PPL's Consolidated Financial Statements and the accompanying Notes. Terms and abbreviations are explained in the glossary. Dollars are in millions unless otherwise noted.

PPL, headquartered in Allentown, PA, is an energy and utility holding company that was incorporated in 1994. Through subsidiaries, PPL generates electricity from power plants in the northeastern, northwestern and southeastern U.S., markets wholesale or retail energy primarily in northeastern and northwestern portions of the U.S., delivers electricity to customers in Pennsylvania, Kentucky, Virginia, Tennessee and the U.K. and delivers natural gas in Kentucky. On November 1, 2010, PPL acquired all of the limited liability company interests of E.ON U.S. LLC from a wholly owned subsidiary of E.ON AG. Upon completion of the acquisition, E.ON U.S. LLC was renamed LG&E and KU Energy LLC (LKE). LKE is engaged in regulated utility operations through its subsidiaries, KU and LG&E. PPL acquired LKE for approximately \$7.6 billion, including debt assumed through consolidation. See Note 10 to the Financial Statements for additional information on the acquisition. The acquisition of LKE substantially reapportions the mix of PPL's regulated and competitive businesses by increasing the regulated portion of its business, strengthens PPL's credit profile and enhances rate-regulated growth opportunities as the regulated businesses make investments to improve infrastructure and customer reliability. The increase in regulated assets provides earnings stability through regulated returns and the ability to recover costs of capital investments, in contrast to the competitive supply business where earnings and cash flows are subject to market conditions. In 2011, PPL projects that 50% of its net income will be provided by its regulated businesses and the remainder will be provided by its competitive supply businesses. As of December 31, 2010, PPL has:

- More than \$10 billion in projected annual revenues (up from \$8.5 billion recorded by PPL in 2010 including two months of LKE revenue).
- 5.3 million utility customers (including 1.3 million served by the Kentucky-based companies).
- Approximately 19,000 MW of generation (including 7,700 MW of regulated capacity in the Kentucky-based companies).
- Approximately 14,000 full-time employees (including about 3,100 in Kentucky).

As of December 31, 2010, PPL's principal subsidiaries are shown below (\* denotes a SEC registrant):



In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding, to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements.

PPL's overall strategy is to achieve stable, long-term growth in its regulated electricity delivery businesses through efficient operations and strong customer and regulatory relations, and disciplined growth in energy supply margins while limiting volatility in both cash flows and earnings. More specifically, PPL's strategy for its regulated businesses is to own and operate these businesses at the most efficient cost while maintaining high quality customer service and reliability, as well as grow this part of the business. PPL's strategy for its competitive electricity generation and marketing businesses is to match energy supply with load, or customer demand, under contracts of varying lengths with creditworthy counterparties to capture profits while effectively managing exposure to energy and fuel price volatility, counterparty credit risk and operational risk.

To manage financing costs and access to credit markets, a key objective for PPL's business is to maintain a strong credit profile. PPL continually focuses on maintaining an appropriate capital structure and liquidity position. In addition, PPL has adopted financial and operational risk management programs that, among other things, are designed to monitor and manage its exposure to earnings and cash flow volatility related to changes in energy and fuel prices, interest rates, foreign currency exchange rates, counterparty credit quality and the operating performance of its generating units. See "Item 1A. Risk Factors" for more information concerning these and other material risks PPL faces in its businesses.

Following the November 1, 2010 acquisition of LKE, PPL is organized into four segments: Kentucky Regulated, International Regulated (formerly International Delivery), Pennsylvania Regulated (formerly Pennsylvania Delivery) and Supply. Other than PPL adding a Kentucky Regulated segment, there were no other changes to reportable segments except the renaming of segments and allocating interest expense related to the Equity Units to the Kentucky Regulated segment. Refer to "Item 1. Business - Background" for additional information on PPL's reportable segments.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" provides information concerning PPL's performance in implementing the strategies and managing the risks and challenges mentioned above. Specifically:

- "Results of Operations" provides an overview of PPL's operating results in 2010, 2009 and 2008, including a review of earnings, with details of results by reportable segment. It also provides a brief outlook for 2011.
- "Financial Condition - Liquidity and Capital Resources" provides an analysis of PPL's liquidity position and credit profile, including its sources of cash (including bank credit facilities and sources of operating cash flow) and uses of cash (including contractual obligations and capital expenditure requirements) and the key risks and uncertainties that impact PPL's past and future liquidity position and financial condition. This subsection also includes rating agency actions on PPL's credit ratings.
- "Financial Condition - Risk Management - Energy Marketing & Trading and Other" provides an explanation of PPL's risk management programs relating to market risk and credit risk.
- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of PPL and that require its management to make significant estimates, assumptions and other judgments.

See "Item 1. Business - Background - Segment Information - Pennsylvania Regulated Segment" for a discussion of PPL Electric's PLR obligations, PPL Electric's agreement to provide electricity as a PLR at "capped" rates through the end of 2009, and plans for default electricity supply procurement after 2009.

When comparing 2010 with 2009, certain line items on PPL's financial statements were impacted by the Customer Choice Act, Act 129 and other related issues. Overall, the expiration of generation rate caps and a long-term full requirements contract between PPL EnergyPlus and PPL Electric at the end of 2009 had a significant positive impact on PPL's results of operations, financial condition and cash flows during 2010.

The primary impact of the expiration of these generation rate caps and this contract is reflected in PPL's unregulated gross energy margins. See "Statement of Income Analysis" for an explanation of this non-GAAP financial measure. In 2010, PPL sold the majority of its generation supply to unaffiliated parties under various wholesale and retail contracts at prevailing market rates at the time the contracts were executed. In 2009, the majority of generation produced by PPL's generation plants was sold to PPL Electric's customers as PLR supply under predetermined capped rates.

Regarding PPL's Pennsylvania regulated electric delivery operations, the expiration of generation rate caps, the resulting competitive solicitations for power supply, the migration of customers to alternative suppliers, the Customer Choice Act and Act 129 had minimal impact on Pennsylvania gross delivery margins, as approved recovery mechanisms allow for cost recovery of associated expenses, including the cost of energy provided as a PLR. However, PPL Electric's 2010 Pennsylvania gross delivery margins were negatively impacted by the expiration of CTC recovery in December 2009. PPL Electric continues to remain the delivery provider for all customers in its service territory and charge a regulated rate for the service of delivering electricity. See "Statement of Income Analysis - Margins - Pennsylvania Gross Delivery Margins" for additional information.

See "Regulatory Issues - Enactment of Financial Reform Legislation" in Note 15 for information on the Dodd-Frank Act.

### Results of Operations

Tables analyzing changes in amounts between periods within "Segment Results" and "Statement of Income Analysis" are presented on a constant U.K. foreign currency exchange rate basis, where applicable, in order to isolate the impact of the change in the exchange rate on the item being explained. Results computed on a constant U.K. foreign currency exchange rate basis are calculated by translating current year results at the prior year weighted-average foreign currency exchange rate.

### Earnings

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net Income Attributable to PPL Corporation	\$ 938	\$ 407	\$ 930
EPS - basic	\$ 2.17	\$ 1.08	\$ 2.48
EPS - diluted	\$ 2.17	\$ 1.08	\$ 2.47

The changes in Net Income Attributable to PPL Corporation from year to year were, in part, due to several special items that management considers significant. Details of these special items are provided within the review of each segment's earnings.

The "Statement of Income Analysis" explains the year-to-year changes in significant earnings components, including certain income statement line items, unregulated gross energy margins by region and Pennsylvania gross delivery margins by component. As a result of the November 1, 2010, acquisition, LKE's results for the two months ended December 31, 2010 are included in PPL's results with no comparable amounts for 2009. When discussing PPL's results of operations for 2010 compared with 2009, the results of LKE are isolated for purposes of comparability. LKE's results are shown separately within "Segment Results - Kentucky Regulated Segment." See Note 10 to the Financial Statements for additional information regarding the acquisition.

### Segment Results

Net Income Attributable to PPL Corporation by segment and for "Unallocated Costs" was:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Kentucky Regulated	\$ 26		
International Regulated	261	\$ 243	\$ 290
Pennsylvania Regulated	115	124	161
Supply	612	40	479
Unallocated Costs (a)	(76)		

Total	<u>\$ 938</u>	<u>\$ 407</u>	<u>\$ 930</u>
-------	---------------	---------------	---------------

- (a) 2010 includes \$22 million, after tax, of certain third-party acquisition-related costs, including advisory, accounting, and legal fees associated with the acquisition of LKE that are recorded in "Other Income (Expense) – net" on the Statement of Income. 2010 also includes \$52 million, after tax, of Bridge Facility costs that are recorded in "Interest Expense" on the Statement of Income. These costs are considered special items by management. See Note 10 to the Financial Statements for additional information on the acquisition and related financing.

### Kentucky Regulated Segment

The Kentucky Regulated segment consists primarily of LKE's results from the operation of regulated electricity generation, transmission and distribution assets, primarily in Kentucky, as well as in Virginia and Tennessee. This segment also includes LKE's results from the regulated distribution and sale of natural gas in Kentucky.

The Kentucky Regulated segment Net Income Attributable to PPL Corporation for the two-month period from acquisition through December 31, 2010 was:

	<u>2010</u>
Operating revenues	
External	\$ 493
Total Operating revenues	<u>493</u>
Fuel and energy purchases	
External	207
Other operation and maintenance	139
Depreciation	49
Taxes, other than income	2
Total operating expenses	<u>397</u>
Other Income (Expense) - net	(1)
Interest Expense (a)	55
Income Taxes	16
Income from Discontinued Operations	2
Net Income Attributable to PPL Corporation	<u>\$ 26</u>

- (a) Includes interest expense allocated to the Kentucky Regulated segment of \$31 million related to the Equity Units. See Note 7 to the Financial Statements for additional information.

The following after-tax amounts, which management considers special items, impacted the Kentucky Regulated segment's earnings.

	<u>2010</u>
Energy-related economic activity, net (a)	\$ (1)
Other:	
Discontinued operations (Note 9)	2
Total	<u>\$ 1</u>

- (a) Represents net unrealized losses on contracts that economically hedge anticipated cash flows.

### *2011 Outlook*

Excluding special items, earnings in 2011 are expected to be generally driven by high-performing utilities in Kentucky, which are in a defined service area with a constructive regulatory environment and by the results of electric and natural gas base rate increases that became effective August 1, 2010. The Kentucky Regulated segment is expected to contribute approximately 20% of PPL's 2011 earnings.

Earnings beyond 2010 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Note 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings.



International Regulated Segment

The International Regulated segment primarily includes the electric distribution operations of WPD. See Note 9 to the Financial Statements for additional information on the sale of PPL's Latin American businesses in 2007. The International Regulated segment results in 2009 and 2008 reflect the classification of its Latin American businesses as Discontinued Operations.

International Regulated segment Net Income Attributable to PPL Corporation was:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Utility revenues	\$ 727	\$ 684	\$ 824
Energy-related businesses	34	32	33
Total operating revenues	<u>761</u>	<u>716</u>	<u>857</u>
Other operation and maintenance	182	140	186
Depreciation	117	115	134
Taxes, other than income	52	57	66
Energy-related businesses	17	16	14
Total operating expenses	<u>368</u>	<u>328</u>	<u>400</u>
Other Income (Expense) - net	3	(11)	17
Interest Expense	135	87	144
Income Tax Expense		20	45
Income (Loss) from Discontinued Operations		(27)	5
Net Income Attributable to PPL Corporation	<u>\$ 261</u>	<u>\$ 243</u>	<u>\$ 290</u>

The after-tax changes in Net Income Attributable to PPL Corporation between these periods were due to the following factors.

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
U.K.		
Utility revenues	\$ 30	\$ 10
Other operation and maintenance	(34)	16
Other income (expense) - net	1	(7)
Depreciation	(2)	(4)
Interest expense	(36)	28
Income taxes	13	24
Foreign currency exchange rates	6	(69)
Other	5	(3)
Discontinued operations, excluding special item (Note 9)		(5)
U.S. income taxes	(32)	1
Other	7	(10)
Special items	60	(28)
Total	<u>\$ 18</u>	<u>\$ (47)</u>

- U.K. utility revenues increased in 2010 compared with 2009, primarily due to price increases in April 2010 and 2009, partially offset by lower regulatory recovery due to a revised estimate of network electricity losses.

U.K. utility revenues increased in 2009 compared with 2008, due to higher regulatory recovery primarily due to a revised estimate of network electricity losses and higher prices.

- U.K. other operation and maintenance increased in 2010 compared with 2009, primarily due to higher pension expense resulting from an increase in amortization of actuarial losses.

U.K. other operation and maintenance decreased in 2009 compared with 2008, primarily due to lower pension cost resulting from an increase in discount rates and lower inflation rates.

- U.K. interest expense increased in 2010 compared with 2009, primarily due to higher inflation rates on index-linked Senior Unsecured Notes and interest expense related to the March 2010 debt issuance.

U.K. interest expense decreased in 2009 compared with 2008, primarily due to lower inflation rates on index-linked Senior Unsecured Notes and lower debt balances.

- U.K. income taxes decreased in 2010 compared with 2009, primarily due to realized capital losses that offset a gain relating to a business activity sold in 1999, partially offset by favorable settlements of uncertain tax positions in 2009.

U.K. income taxes decreased in 2009 compared with 2008, primarily due to HMRC's determination related to the valuation of a business activity sold in 1999 and to the deductibility of foreign currency exchange losses, partially offset by the settlement of uncertain tax positions and a change in the tax law in 2008.

- Changes in foreign currency exchange rates positively impacted U.K. earnings for 2010 compared with 2009, and negatively impacted U.K. earnings for 2009 compared with 2008. The weighted-average exchange rates for the British pound sterling were approximately \$1.56 in 2010, \$1.53 in 2009 and \$1.91 in 2008.
- U.S. income taxes increased in 2010 compared with 2009, primarily due to changes in the taxable amount of planned U.K. cash repatriations.

The following after-tax amounts, which management considers special items, also impacted the International Regulated segment's earnings.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Foreign currency-related economic hedges (a)	\$ 1	\$ 1	
Sales of assets:			
Latin American businesses (Note 9)		(27)	
Asset impairments		(1)	
Workforce reduction (Note 13)		(2)	\$ (1)
Other:			
Change in U.K. tax rate (Note 5)	18		
U.S. Tax Court ruling (b)	12		
Total	<u>\$ 31</u>	<u>\$ (29)</u>	<u>\$ (1)</u>

- (a) Represents unrealized gains on contracts that economically hedge anticipated earnings denominated in British pounds sterling.  
(b) Represents the net tax benefit recorded as a result of the U.S. Tax Court ruling that the U.K. Windfall Profits Tax is creditable for U.S. tax purposes, excluding the reversal of accrued interest. See Notes 5 and 15 to the Financial Statements for additional information.

### 2011 Outlook

Excluding special items, earnings in 2011 are projected to be comparable with 2010 earnings as a result of higher electric delivery revenue and a more favorable currency exchange rate offset by higher income taxes, higher depreciation and higher financing costs.

Earnings beyond 2010 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Note 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings.

### Pennsylvania Regulated Segment

The Pennsylvania Regulated segment includes the regulated electric delivery operations of PPL Electric. In October 2008, PPL sold its natural gas distribution and propane businesses. See Note 9 to the Financial Statements for additional information.

The Pennsylvania Regulated segment results in 2008 reflect the classification of PPL's natural gas distribution and propane businesses as Discontinued Operations.

Pennsylvania Regulated segment Net Income Attributable to PPL Corporation was:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating revenues			
External	\$ 2,448	\$ 3,218	\$ 3,290
Intersegment	7	74	111

Total operating revenues	2,455	3,292	3,401
Energy purchases			
External	1,075	114	163
Intersegment	320	1,806	1,826
Other operation and maintenance	502	417	410
Amortization of recoverable transition costs		304	293
Depreciation	136	128	131
Taxes, other than income	138	194	203
Total operating expenses	2,171	2,963	3,026
Other Income (Expense) - net	7	10	14
Interest Expense	99	118	111
Income Taxes	57	79	102
Income from Discontinued Operations			3
Net Income	135	142	179
Net Income Attributable to Noncontrolling Interests (Note 6)	20	18	18
Net Income Attributable to PPL Corporation	\$ 115	\$ 124	\$ 161

The after-tax changes in Net Income Attributable to PPL Corporation between these periods were due to the following factors.

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Pennsylvania gross delivery margins	\$ 2	\$ (18)
Other operation and maintenance	(29)	3
Interest expense	11	(12)
Income taxes and other	(2)	2
Discontinued Operations, excluding special item (Note 9)		(9)
Special items	9	(3)
Total	\$ (9)	\$ (37)

- See "Pennsylvania Gross Delivery Margins by Component" in the "Statement of Income Analysis" section for an explanation of margins generated by the regulated electric delivery operations.
- Other operation and maintenance increased in 2010 compared with 2009, primarily due to higher payroll-related costs and higher contractor costs related to vegetation management.
- Interest expense decreased in 2010 compared with 2009, primarily due to lower average debt balances in 2010 compared with 2009 and the interest related to the over-recovery of recoverable transition costs.

Interest expense increased in 2009 compared with 2008, primarily due to \$400 million of debt issuances in October 2008 that prefunded a portion of August 2009 debt maturities.

The following after-tax amounts, which management considers special items, also impacted earnings.

	<u>2009</u>	<u>2008</u>
Sales of assets:		
Gas & propane businesses (Note 9)		\$ (6)
Asset impairments	\$ (1)	
Workforce reduction (Note 13)	(5)	
Other:		
Change in tax accounting method related to repairs (Note 5)	(3)	
Total	\$ (9)	\$ (6)

### 2011 Outlook

Excluding special items, higher earnings are projected in 2011 compared with 2010, due to higher distribution revenues resulting from an approved distribution base rate increase effective January 1, 2011.

Earnings beyond 2010 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Note 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings. See "Item 1. Business - Segment Information - Pennsylvania Regulated Segment" for additional information on the 2010 rate case.

### Supply Segment

The Supply segment primarily consists of the energy marketing and trading activities, as well as the competitive generation and development operations of PPL Energy Supply. In September 2010, certain PPL Energy Supply subsidiaries signed definitive agreements to sell their entire ownership interests in certain non-core generation facilities. The sale is expected to close in the first quarter of 2011, subject to the receipt of necessary regulatory approvals and third-party consents. The operating results of these facilities have been classified as Discontinued Operations. In 2010 and 2009, PPL Energy Supply subsidiaries also completed the sale of several businesses, which have been classified as Discontinued Operations. See Note 9 to the Financial Statements for additional information.

Supply segment Net Income Attributable to PPL Corporation was:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Energy revenues			
External (a)	\$ 4,444	\$ 3,124	\$ 3,224
Intersegment	320	1,806	1,826
Energy-related businesses	375	391	486
Total operating revenues	<u>5,139</u>	<u>5,321</u>	<u>5,536</u>
Fuel and energy purchases			
External (a)	2,440	3,586	3,071
Intersegment	3	70	108
Other operation and maintenance	934	865	821
Depreciation	254	212	179
Taxes, other than income	46	29	19
Energy-related businesses	366	380	467
Total operating expenses	<u>4,043</u>	<u>5,142</u>	<u>4,665</u>
Other Income (Expense) - net	(9)	48	22
Other-Than-Temporary Impairments	3	18	36
Interest Expense	224	182	192
Income Taxes	228	6	249
Income (Loss) from Discontinued Operations	(19)	20	65
Net Income	<u>613</u>	<u>41</u>	<u>481</u>
Net Income Attributable to Noncontrolling Interests (Note 22)	1	1	2
Net Income Attributable to PPL Corporation	<u>\$ 612</u>	<u>\$ 40</u>	<u>\$ 479</u>

(a) Includes impact from energy-related economic activity. See "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements for additional information.

The after-tax changes in Net Income Attributable to PPL Corporation between these periods were due to the following factors.

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Eastern U.S. non-trading margins	\$ 607	\$ (3)
Western U.S. non-trading margins	9	20
Net energy trading margins	(9)	81
Other operation and maintenance	(32)	(33)
Depreciation	(25)	(19)
Income taxes and other	94	(7)
Discontinued operations, excluding special items (Note 9)	13	(9)
Special items	(85)	(469)
Total	<u>\$ 572</u>	<u>\$ (439)</u>

- See "Unregulated Gross Energy Margins By Region" in the "Statement of Income Analysis" section for an explanation of non-trading margins and net energy trading margins.

- Other operation and maintenance increased in 2010 compared with 2009, primarily due to increased payroll-related costs, higher contractor-related costs and other costs at Susquehanna. Also contributing to the increase were higher support group costs, higher expenses at western fossil/hydro plants due to the Corette overhaul and lease expense related to the use of the streambeds in Montana. See Note 15 to the Financial Statements for additional information on continuing litigation regarding the streambeds in Montana.

Other operation and maintenance increased in 2009 compared with 2008, primarily due to increased payroll-related costs, higher contractor-related costs and other costs at generation plants.

- Depreciation increased in 2010 compared with 2009, primarily due to the Brunner Island environmental equipment that was placed in service in 2009 and early 2010.

Depreciation increased in 2009 compared with 2008, primarily due to the scrubbers at Brunner Island and Montour and portions of the Susquehanna uprate projects that were placed in service in 2008 and 2009.

- Income taxes decreased in 2010 compared with 2009, primarily due to a release of valuation allowances related to deferred tax assets for Pennsylvania net operating loss carryforwards, investment tax credits at Holtwood and Rainbow, a release of tax reserves in 2010, and a tax benefit from the manufacturing deduction.

The following after-tax amounts, which management considers special items, also impacted the Supply segment's earnings.

	2010	2009	2008
Adjusted energy-related economic activity, net (a)	\$ (121)	\$ (225)	\$ 251
Sales of assets:			
Maine hydroelectric generation business (Note 9)	15	22	
Sundance indemnification	1		
Long Island generation business (b)		(33)	
Interest in Wyman Unit 4 (Note 9)		(4)	
Impairments:			
Impacts from emission allowances (c)	(10)	(19)	(25)
Adjustments - NDT investments (d)			(17)
Other asset impairments (e)		(4)	(15)
Workforce reduction (Note 13)		(6)	(1)
LKE acquisition-related costs:			
Monetization of certain full-requirement sales contracts (f)	(125)		
Anticipated sale of certain non-core generation facilities (g)	(64)		
Discontinued cash flow hedges and ineffectiveness (Note 19)	(28)		
Reduction of credit facility (Note 7)	(6)		
Other:			
Montana hydroelectric litigation (Note 15)	(34)	(3)	
Health Care Reform - tax impact (Note 13)	(8)		
Montana basin seepage litigation (Note 15)	2		(5)
Change in tax accounting method related to repairs (Note 5)		(21)	
Synfuel tax adjustment (Note 15)			(13)
Off-site remediation of ash basin leak (Note 15)			1
Total	<u>\$ (378)</u>	<u>\$ (293)</u>	<u>\$ 176</u>

(a) See "Reconciliation of Economic Activity" below.

(b) Consists primarily of the initial impairment charge recorded in June 2009 when this business was classified as held for sale. See Note 9 to the Financial Statements for additional information.

(c) 2010 and 2009 include impairments of sulfur dioxide emission allowances. 2009 also includes a pre-tax gain of \$4 million related to the settlement of a dispute regarding the sale of certain annual nitrogen oxide allowance put options. See Note 18 to the Financial Statements for additional information.

2008 consists of charges related to annual nitrogen oxide allowances and put options. See Note 18 to the Financial Statements for additional information.

(d) Represents other-than-temporary impairment charges on securities, including reversals of previous impairments when securities previously impaired were sold.

(e) 2008 primarily consists of a pre-tax charge of \$22 million related to the Holtwood hydroelectric expansion project. See Note 8 to the Financial Statements for additional information.

(f) See "Components of Monetization of Certain Full-Requirement Sales Contracts" below.

- (g) Consists primarily of an impairment charge recorded when these facilities were classified as held for sale, and allocated goodwill that was written off. See Note 9 to the Financial Statements for additional information.

### Reconciliation of Economic Activity

The following table reconciles unrealized pre-tax gains (losses) from the table within "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements to the special item identified as "Adjusted energy-related economic activity, net."

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating Revenues			
Unregulated retail electric and gas	\$ 1	\$ 6	\$ 5
Wholesale energy marketing	(805)	(229)	1,056
Operating Expenses			
Fuel	29	49	(79)
Energy Purchases	286	(155)	(553)
Energy-related economic activity (a)	(489)	(329)	429
Option premiums (b)	32	(54)	
Adjusted energy-related economic activity	(457)	(383)	429
Less: Unrealized economic activity associated with the monetization of certain full-requirement sales contracts (c)	(251)		
Adjusted energy-related economic activity, net, pre-tax	<u>\$ (206)</u>	<u>\$ (383)</u>	<u>\$ 429</u>
Adjusted energy-related economic activity, net, after-tax	<u>\$ (121)</u>	<u>\$ (225)</u>	<u>\$ 251</u>

- (a) The components of this item are from the table within "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements.
- (b) Adjustment for the net deferral and amortization of option premiums over the delivery period of the item that was hedged or upon realization. After-tax amount for 2010 was \$19 million and for 2009 was \$31 million.
- (c) See "Components of Monetization of Certain Full-Requirement Sales Contracts" below.

### Components of Monetization of Certain Full-Requirement Sales Contracts

The following table provides the components of the "Monetization of Certain Full-Requirement Sales Contracts" special item.

	<u>2010</u>
Full-requirement sales contracts monetized (a)	\$ (68)
Economic activity related to the full-requirement sales contracts monetized	(146)
Monetization of certain full-requirement sales contracts, pre-tax (b)	<u>\$ (214)</u>
Monetization of certain full-requirement sales contracts, after-tax	<u>\$ (125)</u>

- (a) See "Commodity Price Risk (Non-trading) – Monetization of Certain Full-Requirement Sales Contracts" in Note 19 to the Financial Statements for additional information.
- (b) Includes unrealized losses of \$251 million from the "Reconciliation of Economic Activity" table above. These amounts are reflected in "Wholesale energy marketing - Unrealized economic activity" and "Energy purchases - Unrealized economic activity" on the Statement of Income. Also includes net realized gains of \$37 million, which are reflected in "Wholesale energy marketing - Realized" and "Energy purchases - Realized" on the Statement of Income. This economic activity will continue to be realized through May 2013.

### 2011 Outlook

Excluding special items, lower earnings are projected from the Supply segment in 2011 compared with 2010 as a result of lower energy margins driven by lower energy and capacity prices in the East, higher average fuel costs, and higher operation and maintenance expense.

Earnings beyond 2010 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Note 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings.

**Statement of Income Analysis --****Margins**Non-GAAP Financial Measures

The following discussion includes financial information prepared in accordance with GAAP, as well as two non-GAAP financial measures: "Unregulated Gross Energy Margins" and "Pennsylvania Gross Delivery Margins." PPL believes that these measures provide additional criteria to make investment decisions. These performance measures are used, in conjunction with other information, internally by senior management and the Board of Directors to manage its operations. PPL's management also uses "Unregulated Gross Energy Margins" in measuring certain corporate performance goals used in determining variable compensation.

- "Unregulated Gross Energy Margins" is a single financial performance measure of PPL's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus. In addition, PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, net losses on the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the net losses on the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.
- "Pennsylvania Gross Delivery Margins" is a single financial performance measure of PPL's Pennsylvania regulated electric delivery operations, which includes transmission and distribution activities, including PLR supply. In calculating this measure, Pennsylvania regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL's Pennsylvania regulated electric delivery operations.

These measures are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. Other companies may use different measures to analyze and to report on the results of their operations.

Unregulated Gross Energy Margins

The following table reconciles "Operating Income" to "Unregulated Gross Energy Margins" as defined by PPL.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating Income (a)	\$ 1,866	\$ 896	\$ 1,703
Adjustments:			
Utility (a)	(3,668)	(3,902)	(4,114)
Energy-related businesses, net (b)	(26)	(27)	(38)
Other operation and maintenance (a)	1,756	1,418	1,414
Amortization of recoverable transition costs (a)	304	304	293
Depreciation (a)	556	455	444
Taxes, other than income (a)	238	280	288

Revenue adjustments (c)	920	2,217	958
Expense adjustments (c)	1,128	90	616
Unregulated gross energy margins	<u>\$ 2,770</u>	<u>\$ 1,731</u>	<u>\$ 1,564</u>

- (a) As reported on the Statements of Income.  
(b) Amount represents the net of "Energy-related businesses" revenue and expense as reported on the Statements of Income.  
(c) The components of these adjustments are detailed in the table below.

The following table provides the income statement line items and other adjustments that comprise unregulated gross energy margins.

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>2009</u>	<u>2008</u>	<u>Change</u>
Revenue						
Unregulated retail electric and gas (a)	\$ 415	\$ 152	\$ 263	\$ 152	\$ 151	\$ 1
Wholesale energy marketing (a)	4,027	2,955	1,072	2,955	3,194	(239)
Net energy trading margins (a)	2	17	(15)	17	(121)	138
Revenue adjustments (b)						
Exclude the impact from the Supply segment's energy-related economic activity (c)	483	274	209	274	(1,061)	1,335
Include PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus (d)	320	1,806	(1,486)	1,806	1,826	(20)
Include gains from sale of emission allowances/RECs (e)		2	(2)	2	6	(4)
Include revenue from Supply segment discontinued operations (f)	117	135	(18)	135	187	(52)
Total revenue adjustments	<u>920</u>	<u>2,217</u>	<u>(1,297)</u>	<u>2,217</u>	<u>958</u>	<u>1,259</u>
	<u>5,364</u>	<u>5,341</u>	<u>23</u>	<u>5,341</u>	<u>4,182</u>	<u>1,159</u>
Expense						
Fuel (a)	1,235	920	315	920	1,057	(137)
Energy purchases (a)	2,487	2,780	(293)	2,780	2,177	603
Expense adjustments (b)						
Exclude fuel and energy purchases from the Kentucky Regulated segment	(207)		(207)			
Exclude the impact from the Supply segment's energy-related economic activity (g)	63	(109)	172	(109)	(632)	523
Exclude external PLR energy purchases (h)	(1,068)	(40)	(1,028)	(40)	(52)	12
Include expenses from Supply segment discontinued operations (i)	33	22	11	22	37	(15)
Include ancillary charges (e)	24	19	5	19	15	4
Include gross receipts tax (j)	15		15			
Other	12	18	(6)	18	16	2
Total expense adjustments	<u>(1,128)</u>	<u>(90)</u>	<u>(1,038)</u>	<u>(90)</u>	<u>(616)</u>	<u>526</u>
	<u>2,594</u>	<u>3,610</u>	<u>(1,016)</u>	<u>3,610</u>	<u>2,618</u>	<u>992</u>
Unregulated gross energy margins	<u>\$ 2,770</u>	<u>\$ 1,731</u>	<u>\$ 1,039</u>	<u>\$ 1,731</u>	<u>\$ 1,564</u>	<u>\$ 167</u>

- (a) As reported on the Statements of Income.  
(b) To include/exclude the impact of any revenues and expenses consistent with the way management reviews unregulated gross energy margins internally.  
(c) See "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements for additional information. In addition, 2010 and 2009 includes a pre-tax gain of \$28 million and a loss of \$51 million related to the amortization of option premiums, and in 2010 a



- realized gain of \$293 million related to the monetization of certain full-requirement sales contracts. These amounts are reflected in "Wholesale energy marketing – Realized" on the Statements of Income.
- (d) Included in "Utility" on the Statements of Income.
- (e) Included in "Other operation and maintenance" on the Statements of Income.
- (f) Represents the operating revenues of the Supply segment businesses classified as discontinued operations. See Note 9 to the Financial Statements for additional information.
- (g) See "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements for additional information. In addition, 2010 and 2009 includes a pre-tax gain of \$4 million and a loss of \$3 million related to the amortization of option premiums, and in 2010 a realized loss of \$256 million related to the monetization of certain full-requirement sales contracts. These amounts are reflected in "Energy purchases – Realized" on the Statements of Income.
- (h) Included in "Energy purchases" on the Statements of Income.
- (i) Represents fuel costs and energy purchases associated with the anticipated sale of certain non-core generation facilities that are classified as discontinued operations. See Note 9 to the Financial Statements for additional information.
- (j) Included in "Taxes, other than income" on the Statement of Income.

### Unregulated Gross Energy Margins By Region

Unregulated gross energy margins are generated through non-trading and trading activities. The non-trading energy business is managed on a geographic basis that is aligned with its generation assets.

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>2009</u>	<u>2008</u>	<u>Change</u>
Non-trading:						
Eastern U.S.	\$ 2,429	\$ 1,391	\$ 1,038	\$ 1,391	\$ 1,396	\$ (5)
Western U.S.	339	323	16	323	289	34
Net energy trading	<u>2</u>	<u>17</u>	<u>(15)</u>	<u>17</u>	<u>(121)</u>	<u>138</u>
Unregulated gross energy margins	<u>\$ 2,770</u>	<u>\$ 1,731</u>	<u>\$ 1,039</u>	<u>\$ 1,731</u>	<u>\$ 1,564</u>	<u>\$ 167</u>

#### *Eastern U.S.*

Eastern U.S. non-trading margins were higher in 2010 compared with 2009, primarily due to significantly higher pricing in 2010 for eastern baseload generation compared with prices realized under the PLR contract with PPL Electric that expired at the end of 2009. Partially offsetting the increase were lower realized margins from full-requirement sales contracts due to lower customer demand and customer migration.

Eastern U.S. non-trading margins were lower in 2009 compared with 2008, primarily due to lower margins on full-requirement sales contracts resulting from mild weather, decreased demand, and customer migration. Also contributing to the decrease were higher average baseload generation fuel costs, primarily due to higher coal prices. Partially offsetting these lower margins were net gains resulting from the settlement of economic positions associated with rebalancing portfolios to better align them with current strategies, higher capacity revenue, higher baseload generation output due to unplanned major outages in 2008, and an increase in the PLR sales prices in accordance with the PUC Final Order.

#### *Western U.S.*

Western U.S. non-trading margins were higher in 2010 compared with 2009, primarily due to higher average prices, partially offset by lower volumes.

Western U.S. non-trading margins were higher in 2009 compared with 2008, primarily due to higher wholesale volumes and increased generation from the hydroelectric units.

#### *Net Energy Trading*

Net energy trading margins decreased in 2010 compared with 2009, consisting of lower trading margins related to power and gas, partially offset by higher trading margins related to FTRs.

Net energy trading margins increased in 2009 compared with 2008, primarily due to increased margins in the power, gas and oil trading positions resulting from unrealized trading losses in 2008 due to a dramatic decline in energy prices and a severe contraction of liquidity in the wholesale power markets.

### Pennsylvania Gross Delivery Margins

The following table reconciles "Operating Income" to "Pennsylvania Gross Delivery Margins" as defined by PPL.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating Income (a)	\$ 1,866	\$ 896	\$ 1,703
Adjustments:			
Unregulated retail electric and gas (a)	(415)	(152)	(151)
Wholesale energy marketing (a)	(4,027)	(2,955)	(3,194)
Net energy trading margins (a)	(2)	(17)	121
Energy-related businesses, net (b)	(26)	(27)	(38)
Fuel (a)	1,235	920	1,057
Energy purchases (a)	2,487	2,780	2,177
Other operation and maintenance (a)	1,756	1,418	1,414
Depreciation (a)	556	455	444
Taxes, other than income (a)	238	280	288
Revenue adjustments (c)	(1,540)	(2,490)	(2,650)
Expense adjustments (c)	(1,273)	(256)	(288)
Pennsylvania gross delivery margins	<u>\$ 855</u>	<u>\$ 852</u>	<u>\$ 883</u>

- (a) As reported on the Statements of Income.  
(b) Amount represents the net of "Energy-related businesses" revenue and expense as reported on the Statements of Income.  
(c) The components of these adjustments are detailed in the table below.

The following table provides the income statement line items and other adjustments that comprise Pennsylvania gross delivery margins.

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>2009</u>	<u>2008</u>	<u>Change</u>
Revenue						
Utility (a)	\$ 3,668	\$ 3,902	\$ (234)	\$ 3,902	\$ 4,114	\$ (212)
Revenue adjustments (b)						
Exclude revenue from the Kentucky Regulated segment (c)	(493)		(493)			
Exclude WPD utility revenue (c)	(727)	(684)	(43)	(684)	(824)	140
Exclude PLR revenue from energy supplied to PPL Electric by PPL EnergyPlus (c)	(320)	(1,806)	1,486	(1,806)	(1,826)	20
Total revenue adjustments	<u>(1,540)</u>	<u>(2,490)</u>	<u>950</u>	<u>(2,490)</u>	<u>(2,650)</u>	<u>160</u>
	<u>2,128</u>	<u>1,412</u>	<u>716</u>	<u>1,412</u>	<u>1,464</u>	<u>(52)</u>
Expense						
Amortization of recoverable transition costs (a)		304	(304)	304	293	11
Expense adjustments (b)						
Include external PLR energy purchases (d)	1,068	40	1,028	40	52	(12)
Include gross receipts tax (e)	129	186	(57)	186	198	(12)
Include Act 129 (f)	54		54			
Other	22	30	(8)	30	38	(8)
Total expense adjustments	<u>1,273</u>	<u>256</u>	<u>1,017</u>	<u>256</u>	<u>288</u>	<u>(32)</u>
	<u>1,273</u>	<u>560</u>	<u>713</u>	<u>560</u>	<u>581</u>	<u>(21)</u>
Pennsylvania gross delivery margins	<u>\$ 855</u>	<u>\$ 852</u>	<u>\$ 3</u>	<u>\$ 852</u>	<u>\$ 883</u>	<u>\$ (31)</u>

- (a) As reported on the Statements of Income.  
(b) To include/exclude the impact of any revenues and expenses consistent with the way management reviews Pennsylvania gross delivery margins internally.  
(c) Included in "Utility" on the Statements of Income.  
(d) Included in "Energy purchases" on the Statements of Income. Excludes NUG purchases, the sales of which are not included in "Utility" revenue.  
(e) Included in "Taxes, other than income" on the Statements of Income.  
(f) Included in "Other operation and maintenance" on the Statements of Income.

### Pennsylvania Gross Delivery Margins by Component

Pennsylvania gross delivery margins are generated through domestic regulated electric distribution activities, including PLR supply, and transmission activities.

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>2009</u>	<u>2008</u>	<u>Change</u>
Distribution	\$ 679	\$ 702	\$ (23)	\$ 702	\$ 731	\$ (29)
Transmission	176	150	26	150	152	(2)
Pennsylvania gross delivery margins	<u>\$ 855</u>	<u>\$ 852</u>	<u>\$ 3</u>	<u>\$ 852</u>	<u>\$ 883</u>	<u>\$ (31)</u>

### *Distribution*

The decrease in 2010 compared with 2009 was primarily due to margins realized in 2009 related to the collection of CTC, which ended in December 2009, partially offset by favorable recovery mechanisms for certain energy related costs.

The decrease in 2009 compared with 2008 was primarily due to lower CTC/ITC margins in 2009, ITC collections ended in 2008. Lower margins were also attributable to unfavorable economic conditions, including industrial customers scaling back on production. In addition, weather had an unfavorable impact on sales volumes, offset by favorable price increases.

### *Transmission*

The increase in 2010 compared with 2009 was primarily due to increased investment in rate base, an increase in the cost of capital due to an increase in equity and the recovery of additional costs through FERC formula-based rates.

## Utility Revenues

The changes in utility revenues were attributable to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Domestic:		
PPL Electric retail electric revenue (a)	\$ (770)	\$ (72)
LKE	493	
U.K.:		
Electric delivery revenue	41	14
Foreign currency exchange rates	2	(154)
Total	<u>\$ (234)</u>	<u>\$ (212)</u>

(a) See "Pennsylvania Gross Delivery Margins" and "Pennsylvania Gross Delivery Margins by Component" above.

U.K. electric delivery revenues increased in 2010 compared with 2009, primarily due to price increases in April 2010 and 2009, partially offset by lower regulatory recovery due to a revised estimate of network electricity losses.

U.K. electric delivery revenues increased in 2009 compared with 2008, primarily due to price increases in April 2009 and 2008, increased regulatory recovery due to a revised estimate of network electricity losses, and favorable changes in customer mix. These increases were partially offset by lower volumes due to unfavorable economic conditions, including industrial customers scaling back on production and a decrease in engineering and metering services performed for third parties.

## Energy-Related Businesses

The changes in contributions from energy-related businesses were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Domestic Mechanicals (a)	\$ (7)	\$ (7)
WPD (b)	2	(4)

Other	4	
Total	<u>\$ (1)</u>	<u>\$ (11)</u>

- (a) Primarily attributable to a decline in construction activity caused by the slowdown in the economy.
- (b) Changes in contributions from U.K. energy-related businesses were primarily due to increases in remote metering business activity in 2010 and decreases related to changes in foreign currency exchange rates in 2009.

### Other Operation and Maintenance

The changes in other operation and maintenance expenses were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
LKE	\$ 139	
Act 129 costs incurred (a)	54	
Montana hydroelectric litigation (Note 15)	48	\$ 8
Defined benefit costs - U.K. (Note 13)	32	(16)
Other costs at Susquehanna nuclear plant	23	14
Vegetation management costs (b)	13	(5)
Payroll-related costs - PPL Electric	13	3
Outage costs at Susquehanna nuclear plant	11	
Other costs at fossil/hydroelectric plants	2	17
Outage costs at fossil/hydroelectric plants		23
Workforce reductions (Note 13)	(22)	18
Impacts from emission allowances (c)	(16)	(9)
Defined benefit costs - U.S. (Note 13)	(3)	18
U.K. foreign currency exchange rates	(1)	(24)
Impairment of cancelled generation expansion project in 2008 (Note 8)		(22)
Montana basin seepage litigation (Note 15)		(8)
Other - Domestic	31	(7)
Other - U.K.	14	(6)
Total	<u>\$ 338</u>	<u>\$ 4</u>

- (a) Relates to costs associated with a PUC-approved energy efficiency and conservation plan. These costs are recovered in customer rates. See "Regulatory Issues - Pennsylvania Activities" in Note 15 to the Financial Statements for additional information on this plan. These costs are included in "Pennsylvania Gross Delivery Margins" above.
- (b) In 2010, PPL Electric increased its vegetation management around its 230- and 500-kV major transmission lines in response to federal reliability requirements for transmission vegetation management. See "Regulatory Issues - Energy Policy Act of 2005 - Reliability Standards" in Note 15 to the Financial Statements for additional information.
- (c) For the period 2010 compared to 2009, \$21 million relates to lower impairment charges of sulfur dioxide emission allowances. See Note 18 to the Financial Statements for additional information. Partially offsetting the decrease was a \$5 million increase in the charge for the settlement of a dispute regarding the sale of certain annual nitrogen oxide allowance put options.

For the period 2009 compared to 2008, \$33 million relates to lower impairment charges of nitrogen oxide allowances partially offset by \$37 million of higher impairment charges of sulfur dioxide allowances. See Note 18 to the Financial Statements for additional information. Also contributing to the difference was a \$13 million decrease in the charge for the settlement of a dispute regarding the sale of certain annual nitrogen oxide allowance put options.

### Depreciation

The changes in depreciation expense were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Additions to PP&E (a)	\$ 52	\$ 43
LKE	49	
U.K. foreign currency exchange rates		(25)
Other		(7)
Total	<u>\$ 101</u>	<u>\$ 11</u>

- (a) Additions included Susquehanna generation uprates and the completion of Brunner Island environmental projects in 2008 through 2010 as well as the Montour scrubber project in 2008.

**Taxes, Other Than Income**

The changes in taxes, other than income were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Pennsylvania gross receipts tax (a)	\$ (42)	\$ (12)
U.K. foreign currency exchange rates		(12)
Domestic property tax expense (b)	1	10
Domestic sales and use tax	2	4
LKE	2	
Other (c)	(5)	2
Total	<u>\$ (42)</u>	<u>\$ (8)</u>

- (a) The decrease in 2010 compared with 2009 was primarily due to a decrease in electricity revenue as customers chose alternative suppliers in 2010. This tax is included in "Unregulated Gross Energy Margins" and "Pennsylvania Gross Delivery Margins" above. The decrease in 2009 compared with 2008 was primarily due to a decrease in the tax rate in 2009.
- (b) The increase in 2009 compared with 2008 was primarily due to a \$7 million property tax credit recorded by PPL Montana in 2008.
- (c) The decrease in 2010 compared with 2009 primarily relates to lower WPD real estate tax expense due to reductions in tax rates.

**Other Income (Expense) - net**

See Note 17 to the Financial Statements for details.

**Other-Than-Temporary Impairments**

Other-than-temporary impairments decreased by \$15 million in 2010 compared with 2009 and by \$18 million in 2009 compared with 2008. The decrease for both periods was primarily due to stronger returns on NDT investments caused by improved market conditions within the financial markets.

**Interest Expense**

The changes in interest expense were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Bridge Facility costs related to the acquisition of LKE (Notes 7 and 10)	\$ 80	
PPL Capital Funding Junior Subordinated Notes (a)	27	
Inflation adjustment on U.K. Index-linked Senior Unsecured Notes	23	\$ (29)
LKE (Note 7)	20	
Hedging activities	15	(30)
Repayment of transition bonds		(13)
Capitalized interest	14	13
Amortization of debt issuance costs	13	3
Montana hydroelectric litigation (Note 15)	10	
Other long-term debt interest expense	6	2
Short-term debt interest expense	(1)	6
U.K. foreign currency exchange rates	(3)	(17)
Other	2	5
Total	<u>\$ 206</u>	<u>\$ (60)</u>

- (a) Interest related to the June 2010 issuance to support the LKE acquisition. See Notes 7 and 10 for additional information.

**Income Taxes**

The changes in income taxes were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Higher (lower) pre-tax book income	\$ 258	\$ (287)
State valuation allowance adjustments	(52)	(13)
Federal income tax credits	(10)	(17)

Domestic manufacturing deduction	(8)	13
Federal and state tax reserve adjustments	(55)	(11)
Federal and state tax return adjustments	(25)	23
U.S. income tax on foreign earnings net of foreign tax credit	50	5
U.K. Finance Act adjustments	(18)	8
U.K. capital loss benefit		(46)
Foreign tax reserve adjustments	(17)	12
Foreign tax return adjustments		17
Health Care Reform	8	
LKE	27	
Other		5
Total	\$ 158	\$ (291)

See Note 5 to the Financial Statements for additional information on income taxes.

### Discontinued Operations

See Note 9 to the Financial Statements for information related to various 2010 and 2009 sales, including the anticipated sale of certain non-core generation facilities expected to occur in the first quarter of 2011.

## Financial Condition

### Liquidity and Capital Resources

PPL expects to continue to have adequate liquidity available through operating cash flows, cash and cash equivalents and its credit facilities. Additionally, subject to market conditions, PPL currently plans to access capital markets in 2011.

PPL's cash flows from operations and access to cost-effective bank and capital markets are subject to risks and uncertainties including, but not limited to:

- changes in market prices for electricity;
- changes in commodity prices that may increase the cost of producing power or decrease the amount PPL receives from selling power;
- operational and credit risks associated with selling and marketing products in the wholesale power markets;
- potential ineffectiveness of the trading, marketing and risk management policy and programs used to mitigate PPL's risk exposure to adverse electricity and fuel prices, interest rates, foreign currency exchange rates and counterparty credit;
- unusual or extreme weather that may damage PPL's transmission and distribution facilities or affect energy sales to customers;
- reliance on transmission and distribution facilities that PPL does not own or control to deliver its electricity and natural gas;
- unavailability of generating units (due to unscheduled or longer-than-anticipated generation outages, weather and natural disasters) and the resulting loss of revenues and additional costs of replacement electricity;
- the ability to recover and the timeliness and adequacy of recovery of costs associated with regulated utility businesses;
- costs of compliance with existing and new environmental laws and with new security and safety requirements for nuclear facilities;
- any adverse outcome of legal proceedings and investigations with respect to PPL's current and past business activities;
- deterioration in the financial markets that could make obtaining new sources of bank and capital markets funding more difficult and more costly; and
- a downgrade in PPL's or its rated subsidiaries' credit ratings that could adversely affect their ability to access capital and increase the cost of credit facilities and any new debt.

See "Item 1A. Risk Factors" for further discussion of risks and uncertainties affecting PPL's cash flows.

At December 31, PPL had the following:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Cash and cash equivalents	\$ 925	\$ 801	\$ 1,100
Short-term investments (a) (b)	163		150
	<u>\$ 1,088</u>	<u>\$ 801</u>	<u>\$ 1,250</u>
Short-term debt	<u>\$ 694</u>	<u>\$ 639</u>	<u>\$ 679</u>

- (a) 2010 amount represents tax-exempt bonds issued by Louisville/Jefferson County, Kentucky on behalf of LG&E that were subsequently purchased by LG&E. Such bonds were remarketed to unaffiliated investors in January 2011. See Note 7 to the Financial Statements for further discussion.
- (b) 2008 amount represents tax-exempt bonds issued by the PEDFA in December 2008 on behalf of PPL Energy Supply and purchased by a subsidiary of PPL Energy Supply upon issuance. Such bonds were refunded in April 2009. See Note 7 to the Financial Statements for further discussion.

The changes in PPL's cash and cash equivalents position resulted from:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net cash provided by operating activities	\$ 2,033	\$ 1,852	\$ 1,589
Net cash used in investing activities	(8,229)	(880)	(1,627)
Net cash provided by (used in) financing activities	6,307	(1,271)	721
Effect of exchange rates on cash and cash equivalents	13		(13)
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 124</u>	<u>\$ (299)</u>	<u>\$ 670</u>

### Operating Activities

Net cash provided by operating activities increased by 10%, or \$181 million in 2010 compared with 2009. The expiration of the long-term power purchase agreements between PPL Electric and PPL EnergyPlus at the end of 2009 enabled PPL EnergyPlus to sell power at higher market prices and had a positive impact on net income, and specifically on "unregulated gross energy margins" which increased over \$600 million, after-tax, in 2010 compared with 2009, and therefore, was the primary driver to the above increase. The positive impact of additional earnings was partially offset by a reduction in the amount of counterparty collateral received and by additional defined benefit plan contributions.

Net cash provided by operating activities increased by 17%, or \$263 million in 2009 compared with 2008, primarily as a result of cash collateral received from counterparties and the benefit of lower income tax payments due to the change in method of accounting for certain expenditures for tax purposes. These increases were partially offset by a decrease in accounts payable and the unfavorable impact of foreign currency exchange rates in 2009 compared with 2008.

A significant portion of PPL's operating cash flows is derived from its Supply segment baseload generation business activities. PPL employs a formal hedging program for its baseload generation fleet, the primary objective of which is to provide a reasonable level of near-term cash flow and earnings certainty while preserving upside potential of power price increases over the medium term. See Note 19 to the Financial Statements for further discussion. Despite its hedging practices, PPL expects its future cash flows from operating activities from its Supply segment to be more influenced by commodity prices than during the past years when long-term supply contracts were in place between PPL EnergyPlus and PPL Electric. In the near-term, PPL expects its Supply segment operating cash flows to decline as a result of lower commodity prices. PPL expects to see an increase in cash flows from operating activities in the near-term from its Pennsylvania Regulated segment due to its \$77.5 million, or 1.6% rate increase that became effective on January 1, 2011. Finally, the acquisition of LKE (i.e. Kentucky Regulated segment) is expected to provide additional cash flows from operating activities through its regulated rate base that has been added to PPL's portfolio.

PPL's contracts for the sale and purchase of electricity and fuel often require cash collateral or other credit enhancements, or reductions or terminations of a portion of the entire contract through cash settlement, in the event of a downgrade of PPL's or its subsidiaries' credit ratings or adverse changes in market prices. For example, in addition to limiting its trading ability, if PPL's or its subsidiaries' ratings were lowered to below "investment grade" and there was a 10% adverse movement in energy prices, PPL estimates that, based on its December 31, 2010 positions, it would have had to post additional collateral of approximately \$441 million with respect to electricity and fuel contracts. PPL has in place risk management programs that are designed to monitor and manage its exposure to volatility of cash flows related

to changes in energy and fuel prices, interest rates, foreign currency exchange rates, counterparty credit quality and the operating performance of its generating units.

### Investing Activities

The primary use of cash in investing activities in 2010 was for the acquisition of LKE. In 2009 and 2008, the primary use of cash in investing activities was capital expenditures. See "Forecasted Uses of Cash" for detail regarding capital expenditures in 2010 and projected expenditures for the years 2011 through 2015.

Net cash used in investing activities increased by \$7.3 billion in 2010 compared with 2009, primarily as a result of \$6.8 billion used for the acquisition of LKE. Net cash used in investing activities also increased, to a lesser extent, due to an increase of \$372 million in capital expenditures, a decrease of \$154 million from proceeds from the sale of other investments, and a change of \$133 million from restricted cash and cash equivalents. See Note 10 to the Financial Statements for a discussion of the acquisition of LKE. The increase in cash used in investing activities from the above items was partially offset by the change in proceeds received from the sale of businesses, which are discussed in Note 9 to the Financial Statements. PPL received proceeds of \$81 million from the sale of the majority of the Maine hydroelectric generation business in 2009, compared to proceeds of \$162 million received in 2010 from the sales of the Long Island generation business and the remaining Maine hydroelectric generation business assets.

Net cash used in investing activities decreased by 46%, or \$747 million, in 2009 compared with 2008, primarily as a result of a change of \$289 million from restricted cash and cash equivalents, a change of \$249 million from purchases and sales of other investments, a change of \$241 million from purchases and sales of intangible assets and a decrease of \$193 million in capital expenditures. See Note 1 to the Financial Statements for a discussion of restricted cash and cash equivalents and Note 7 to the Financial Statements for a discussion of the purchase and sale by a subsidiary of PPL Energy Supply of Exempt Facilities Revenue Bonds issued by the PEDFA on behalf of PPL Energy Supply. The decrease in cash used in investing activities from the above items was partially offset by the change in proceeds received from the sale of businesses, which are discussed in Note 9 to the Financial Statements. PPL received \$303 million from the sale of the gas and propane businesses in 2008 compared to proceeds of \$81 million received from the sale of the majority of the Maine hydroelectric generation business in 2009.

### Financing Activities

Net cash provided by financing activities was \$6.3 billion in 2010 compared with \$1.3 billion of cash used in financing activities in 2009. The change from 2009 to 2010 primarily reflects increased issuances of long-term debt and equity related to the acquisition of LKE in 2010, as well as fewer retirements of long-term debt in 2010.

Net cash used in financing activities was \$1.3 billion in 2009 compared with \$721 million of cash provided by financing activities in 2008. The change from 2008 to 2009 primarily reflects fewer issuances and increased retirements of long-term debt in 2009, as well as the net repayment of short-term borrowings in 2009.

In 2010, cash provided by financing activities primarily consisted of net debt issuances of \$4.7 billion and \$2.4 billion of net proceeds from the issuance of common stock, partially offset by common stock dividends paid of \$566 million and debt issuance and credit facility costs paid of \$175 million.

In 2009, cash used in financing activities primarily consisted of net debt retirements of \$770 million and common stock dividends paid of \$517 million, partially offset by \$60 million of common stock sale proceeds.

In 2008, cash provided by financing activities primarily consisted of net debt issuances of \$1.3 billion and \$19 million of common stock sale proceeds, partially offset by common stock dividends paid of \$491 million and the repurchase of 802,816 shares of common stock for \$38 million.

See "Forecasted Sources of Cash" for a discussion of PPL's plans to issue debt and equity securities, as well as a discussion of credit facility capacity available to PPL. Also see "Forecasted Uses of Cash" for a discussion of plans to pay dividends on common and preferred securities in the future, as well as maturities of long-term debt.



PPL's debt financing activity in 2010 was:

	<u>Issuances (a)</u>	<u>Retirements</u>
PPL Capital Funding Junior Subordinated Notes (b)	\$ 1,150	\$ (19)
PPL Capital Funding Senior Unsecured Notes		(1)
LG&E and KU Energy LLC Senior Unsecured Notes	870	
LG&E First Mortgage Bonds	531	
KU First Mortgage Bonds	1,489	
WPD Senior Unsecured Notes	597	
Other long-term debt	5	
LG&E short-term debt	163	
PPL Energy Supply short-term debt (net change)	65	
WPD short-term debt (net change)		(158)
Total	<u>\$ 4,870</u>	<u>\$ (178)</u>
Net increase	<u>\$ 4,692</u>	

(a) Issuances are net of pricing discounts, where applicable and exclude the impact of debt issuance costs.

(b) Issuance is related to the Equity Units. Retirement reflects amount paid to repurchase \$20 million aggregate principal amount of junior subordinated notes.

See Note 7 to the Financial Statements for more detailed information regarding PPL's financing activities in 2010.

### Forecasted Sources of Cash

PPL expects to continue to have significant sources of cash available in the near term, including various credit facilities, a commercial paper program and operating leases. PPL currently plans to issue up to \$750 million in long-term debt securities in 2011, subject to market conditions, in addition to remarketing certain bonds at LG&E to unaffiliated investors as discussed below. Additionally, PPL's cash flows will include a full year of LKE's cash flows in 2011 and forward.

### *Credit Facilities*

At December 31, 2010, PPL's total committed borrowing capacity under credit facilities and the use of this borrowing capacity were:

	<u>Committed Capacity</u>	<u>Borrowed</u>	<u>Letters of Credit Issued (a)</u>	<u>Unused Capacity</u>
LG&E Credit Facility (b)	\$ 400	\$ 163		\$ 237
KU Credit Facility (b)	400		\$ 198	202
PPL Energy Supply Domestic Credit Facilities (c)	3,500	350	185	2,965
PPL Electric Credit Facilities (d)	350		13	337
Total Domestic Credit Facilities (e)	<u>\$ 4,650</u>	<u>\$ 513</u>	<u>\$ 396</u>	<u>\$ 3,741</u>
WPDH Limited Credit Facility (f)	£ 150	£ 115	n/a	£ 35
WPD (South West) Credit Facility (g)	210		n/a	210
Total WPD Credit Facilities (h)	<u>£ 360</u>	<u>£ 115</u>	<u>n/a</u>	<u>£ 245</u>

(a) The borrower under each of these facilities has a reimbursement obligation to the extent any letters of credit are drawn upon.

(b) Borrowings under LG&E's and KU's credit facilities generally bear interest at LIBOR-based rates plus a spread, depending upon the respective company's senior unsecured long-term debt rating. LG&E and KU also each have the capability to request the lenders to issue up to \$400 million of letters of credit under its respective facility, which issuances reduce available borrowing capacity. Additionally, subject to certain conditions, LG&E and KU may each request that its respective facility's capacity be increased by up to \$100 million. Both facilities expire in 2014.

The credit facilities each contain a financial covenant requiring the respective borrower's debt to total capitalization not to exceed 70% and other customary covenants. At December 31, 2010, LG&E's and KU's debt to total capitalization percentages, as calculated in accordance with the credit facilities, were 43% and 41%. The credit facilities also contain standard representations and warranties that must be made for LG&E or KU to borrow under them.

LG&E repaid its \$163 million borrowing in January 2011 with proceeds received from the remarketing of certain tax exempt bonds.

- (c) PPL Energy Supply has the ability to borrow \$3.0 billion under its credit facilities. Such borrowings generally bear interest at LIBOR-based rates plus a spread, depending upon the company's senior unsecured long-term debt rating. PPL Energy Supply also has the capability to cause the lenders to issue up to \$3.5 billion of letters of credit under these facilities, which issuances reduce available borrowing capacity. Subject to certain conditions, PPL Energy Supply may request that the capacity of one of its facilities be increased by up to \$500 million.

These credit facilities contain a financial covenant requiring debt to total capitalization not to exceed 65%. At December 31, 2010 and 2009, PPL Energy Supply's consolidated debt to total capitalization percentages, as calculated in accordance with its credit facilities, were 44% and 46%. The credit facilities also contain standard representations and warranties that must be made for PPL Energy Supply to borrow under them.

The committed capacity expires as follows: \$300 million in 2011, \$200 million in 2013 and \$3.0 billion in 2014.

- (d) Borrowings under PPL Electric's \$200 million syndicated credit facility generally bear interest at LIBOR-based rates plus a spread, depending upon the company's senior secured long-term debt rating. PPL Electric also has the capability to request the lenders to issue up to \$200 million of letters of credit under this facility, which issuances reduce available borrowing capacity. Subject to certain conditions, PPL Electric may request that the facility's capacity be increased by up to \$100 million.

The syndicated credit facility contains a financial covenant requiring debt to total capitalization not to exceed 70%. At December 31, 2010, PPL Electric's consolidated debt to total capitalization percentage, as calculated in accordance with its credit facility, was 43%. The syndicated credit facility also contains standard representations and warranties that must be made for PPL Electric to borrow under it.

Committed capacity includes a \$150 million credit facility related to an asset-backed commercial paper program through which PPL Electric obtains financing by selling and contributing its eligible accounts receivable and unbilled revenues to a special purpose, wholly owned subsidiary on an ongoing basis. The subsidiary pledges these assets to secure loans of up to an aggregate of \$150 million from a commercial paper conduit sponsored by a financial institution. At December 31, 2010, based on accounts receivable and unbilled revenue pledged, \$150 million was available for borrowing.

The committed capacity expires as follows: \$150 million in 2011 and \$200 million in 2014. PPL Electric intends to renew its existing \$150 million asset-backed credit facility in 2011 in order to maintain its current total committed capacity level.

- (e) The commitments under PPL's domestic credit facilities are provided by a diverse bank group, with no one bank and its affiliates providing an aggregate commitment of more than 12% of the total committed capacity.
- (f) Borrowings under WPDH Limited's credit facility bear interest at LIBOR-based rates plus a spread, depending upon the company's long-term credit rating. This credit facility contains financial covenants that require WPDH Limited to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before income taxes, depreciation and amortization and a RAB that exceeds total net debt by the higher of an amount equal to 15% of total net debt or £150 million, in each case as calculated in accordance with the credit facility. At December 31, 2010 and 2009, WPDH Limited's interest coverage ratios, as calculated in accordance with its credit facility, were 3.5 and 4.3. At December 31, 2010 and 2009, WPDH Limited's RAB, as calculated in accordance with the credit facility, exceeded its total net debt by £364 million, or 27%, and £325 million, or 25%.
- (g) Borrowings under WPD (South West)'s credit facility bear interest at LIBOR-based rates plus a margin. This credit facility contains financial covenants that require WPD (South West) to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before income taxes, depreciation and amortization and total net debt not in excess of 85% of RAB, in each case as calculated in accordance with the credit facility. At December 31, 2010 and 2009, WPD (South West)'s interest coverage ratios, as calculated in accordance with its credit facility, were 3.6 and 5.3. At December 31, 2010 and 2009, WPD (South West)'s total net debt, as calculated in accordance with the credit facility, was 75% and 67% of RAB.
- (h) The commitments under WPD's credit facilities are provided by eight banks, with no one bank providing more than 25% of the total committed capacity. The committed capacity under the facilities expires as follows: £210 million in 2012 and £150 million in 2013.

At December 31, 2010, the unused capacity of WPD's credit facilities was approximately \$381 million.

In addition to the financial covenants noted in the table above, the credit agreements governing the credit facilities contain various other covenants. Failure to comply with the covenants after applicable grace periods could result in acceleration of repayment of borrowings and/or termination of the agreements. PPL monitors compliance with the covenants on a regular basis. At December 31, 2010, PPL was in material compliance with these covenants. At this time, PPL believes that these covenants and other borrowing conditions will not limit access to these funding sources.

See Note 7 to the Financial Statements for further discussion of PPL's credit facilities.

### *Commercial Paper*

PPL Electric maintains a commercial paper program for up to \$200 million to provide an additional financing source to fund its short-term liquidity needs, if and when necessary. Commercial paper issuances are currently supported by PPL Electric's \$200 million syndicated credit facility, which expires in December 2014, based on available capacity.

PPL Electric did not issue any commercial paper during 2010. Based on its current cash position and anticipated cash flows, PPL Electric currently does not plan to issue any commercial paper during 2011, but it may do so from time to time, subject to market conditions, to facilitate short-term cash flow needs.

*Operating Leases*

PPL and its subsidiaries also have available funding sources that are provided through operating leases. PPL's subsidiaries lease office space, land, buildings and certain equipment. These leasing structures provide PPL additional operating and financing flexibility. The operating leases contain covenants that are typical for these agreements, such as maintaining insurance, maintaining corporate existence and timely payment of rent and other fees.

PPL, through its subsidiary PPL Montana, leases a 50% interest in Colstrip Units 1 and 2 and a 30% interest in Unit 3, under four 36-year, non-cancelable operating leases. These operating leases are not recorded on PPL's Balance Sheets. The leases place certain restrictions on PPL Montana's ability to incur additional debt, sell assets and declare dividends. At this time, PPL believes that these restrictions will not limit access to these funding sources or cause acceleration or termination of the leases. See Note 7 to the Financial Statements for a discussion of other dividend restrictions related to PPL subsidiaries.

See Note 11 to the Financial Statements for further discussion of the operating leases.

*Long-Term Debt and Equity Securities*

In January 2011, LG&E remarketed to unaffiliated investors \$163 million of tax-exempt bonds issued by Louisville/Jefferson County, Kentucky on behalf of LG&E. The proceeds from the remarketing were used for the repayment of short-term debt under its syndicated credit facility.

In addition to the remarketing, PPL and its subsidiaries currently plan to issue up to \$750 million in long-term debt securities in 2011, subject to market conditions. PPL expects to use the proceeds from the issuance of long-term debt securities primarily to refund PPL Energy Supply's 2011 debt maturity, to fund capital expenditures and for general corporate purposes.

PPL currently plans to issue new shares of common stock in 2011 in an aggregate amount up to \$300 million under various employee stock-based compensation plans and its DRIP.

The Economic Stimulus Package

In April 2010, PPL Electric entered into an agreement with the DOE, in which the agency is to provide funding for one-half of a \$38 million smart grid project. The project would use smart grid technology to strengthen reliability, save energy and improve electric service for 60,000 Harrisburg, Pennsylvania area customers. It would also provide benefits beyond the Harrisburg region, helping to speed power restoration across PPL Electric's 29-county service territory. Work on the project is progressing on schedule, and PPL Electric is receiving reimbursements under the grant for costs incurred. The project is scheduled to be completed by the end of September 2012.

Forecasted Uses of Cash

In addition to expenditures required for normal operating activities, such as purchased power, payroll, fuel and taxes, PPL currently expects to incur future cash outflows for capital expenditures, various contractual obligations, payment of dividends on its common and preferred securities and possibly the purchase or redemption of a portion of debt securities.

*Capital Expenditures*

The table below shows PPL's actual spending for the year 2010 and current capital expenditure projections for the years 2011 through 2015.

	<u>Actual</u>		<u>Projected</u>			
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Construction expenditures (a) (b)						
Generating facilities	\$ 582	\$ 781	\$ 641	\$ 554	\$ 364	\$ 501
Transmission and distribution facilities	702	1,035	1,241	1,553	1,488	1,145

Environmental	60	381	614	789	1,054	1,045
Other	162	193	223	177	179	395
Total Construction Expenditures	1,506	2,390	2,719	3,073	3,085	3,086
Nuclear fuel	138	152	159	161	158	160
Total Capital Expenditures	\$ 1,644	\$ 2,542	\$ 2,878	\$ 3,234	\$ 3,243	\$ 3,246

- (a) Construction expenditures include capitalized interest and AFUDC, which are expected to be approximately \$290 million for the years 2011 through 2015.
- (b) Includes expenditures for certain intangible assets.

PPL's capital expenditure projections for the years 2011 through 2015 total approximately \$15.1 billion. Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions. For the years presented, this table includes projected costs related to the planned 817 MW of incremental capacity increases, PPL Electric's asset optimization program focused on the replacement of aging transmission and distribution assets, the PJM-approved regional transmission line expansion project, and LKE's and Energy Supply's environmental projects related to anticipated new EPA air compliance standards. See Note 8 to the Financial Statements for information on the PJM-approved regional transmission line expansion project and the other significant development projects.

PPL plans to fund its capital expenditures in 2011 with cash on hand, cash from operations and proceeds from the issuance of common stock and debt securities.

#### Contractual Obligations

PPL has assumed various financial obligations and commitments in the ordinary course of conducting its business. At December 31, 2010, the estimated contractual cash obligations of PPL were:

	Total	Less Than 1 Year	1-3 Years	4-5 Years	After 5 Years
Long-term Debt (a)	\$ 12,604	\$ 502	\$ 1,137	\$ 1,610	\$ 9,355
Interest on Long-term Debt (b)	11,794	636	1,205	1,113	8,840
Operating Leases (c)	891	122	237	218	314
Purchase Obligations (d)	8,605	2,908	2,537	1,336	1,824
Other Long-term Liabilities Reflected on the Balance Sheet under GAAP (e) (f)	480	260	185	35	
Total Contractual Cash Obligations	\$ 34,374	\$ 4,428	\$ 5,301	\$ 4,312	\$ 20,333

- (a) Reflects principal maturities only based on stated maturity dates, except for PPL Energy Supply's 5.70% Reset Put Securities (REPS). See Note 7 to the Financial Statements for a discussion of the remarketing feature related to the REPS, as well as discussion of variable-rate remarketable bonds issued on behalf of PPL Energy Supply, LG&E and KU. PPL does not have any significant capital lease obligations.
- (b) Assumes interest payments through stated maturity, except for the REPS, for which interest is reflected to the put date. The payments herein are subject to change, as payments for debt that is or becomes variable-rate debt have been estimated and payments denominated in British pounds sterling have been translated to U.S. dollars at a current foreign currency exchange rate.
- (c) See Note 11 to the Financial Statements for additional information.
- (d) The payments reflected herein are subject to change, as certain purchase obligations included are estimates based on projected obligated quantities and/or projected pricing under the contracts. Purchase orders made in the ordinary course of business are excluded from the amounts presented. The payments also include obligations related to nuclear fuel and the installation of the scrubbers, which are also reflected in the Capital Expenditures table presented above.
- (e) The amounts reflected represent WPD's contractual deficit pension funding requirements arising from an actuarial valuation performed in March 2010. The U.K. electricity regulator currently allows a recovery of a substantial portion of the contributions relating to the plan deficit; however, WPD cannot be certain that this will continue beyond the current review period, which extends to March 31, 2015. Based on the current funded status of PPL's U.S. qualified pension plans, no cash contributions are required. See Note 13 to the Financial Statements for a discussion of expected contributions. The amount also represents currently projected cash flows for LKE's construction commitments.
- (f) At December 31, 2010, total unrecognized tax benefits of \$251 million were excluded from this table as PPL cannot reasonably estimate the amount and period of future payments. See Note 5 to the Financial Statements for additional information.

#### Dividends

PPL views dividends as an integral component of shareholder return and expects to continue to pay dividends in amounts that are within the context of maintaining a capitalization structure that supports investment grade credit ratings. In 2010, PPL increased the annualized dividend rate on its common stock from \$1.38 to \$1.40 per share, effective with the

April 1, 2010 dividend payment. Future dividends will be declared at the discretion of the Board of Directors and will depend upon future earnings, cash flows, financial and legal requirements and other relevant factors at the time. As discussed in Note 7 to the Financial Statements, subject to certain exceptions, PPL may not declare or pay any cash dividend on its common stock during any period in which PPL Capital Funding defers interest payments on its 2007 Series A Junior Subordinated Notes due 2067 or its 4.625% Junior Subordinated Notes due 2018 or until deferred contract adjustment payments on PPL's Purchase Contracts have been paid. No such deferrals have occurred or are currently anticipated.

PPL Electric expects to continue to pay quarterly dividends on its outstanding preferred securities, if and as declared by its Board of Directors.

See Note 7 to the Financial Statements for other restrictions related to distributions on capital interests for PPL subsidiaries.

#### *Purchase or Redemption of Debt Securities*

PPL will continue to evaluate purchasing or redeeming outstanding debt securities and may decide to take action depending upon prevailing market conditions and available cash.

#### Credit Ratings

Moody's, S&P and Fitch periodically review the credit ratings on the debt and preferred securities of PPL and its subsidiaries. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of PPL and its subsidiaries are based on information provided by PPL and other sources. The ratings of Moody's, S&P and Fitch are not a recommendation to buy, sell or hold any securities of PPL or its subsidiaries. Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities. A downgrade in PPL's or its subsidiaries' credit ratings could result in higher borrowing costs and reduced access to capital markets.

In prior periodic reports, PPL described its then-current debt ratings in connection with, and to facilitate, an understanding of its liquidity position. As a result of the passage of the Dodd-Frank Act and the attendant uncertainties relating to the extent to which issuers of non-asset backed securities may disclose credit ratings without being required to obtain rating agency consent to the inclusion of such disclosure, or incorporation by reference of such disclosure, in a registrant's registration statement or section 10(a) prospectus, PPL is limiting its credit rating disclosure to a description of the actions taken by the rating agencies with respect to PPL's ratings, but without stating what ratings have been assigned to PPL or its subsidiaries, or their securities. The ratings assigned by the rating agencies to PPL and its subsidiaries and their respective securities may be found, without charge, on each of the respective ratings agencies' websites, which ratings together with all other information contained on such rating agency websites is hereby explicitly not incorporated by reference in this report.

The rating agencies took the following actions related to PPL and its subsidiaries in 2010.

#### *Moody's*

In April 2010, Moody's took the following actions:

- Revised the outlook for PPL, PPL Capital Funding and PPL Electric;
- Lowered the issuer rating of PPL and the senior unsecured debt rating of PPL Capital Funding;
- Lowered the rating of PPL Capital Funding's junior subordinated notes and PPL Electric's preferred securities;
- Lowered the issuer rating of PPL Electric;
- Affirmed the senior secured debt rating and commercial paper rating of PPL Electric; and

- Affirmed the senior unsecured notes rating and the outlook of PPL Energy Supply.

Moody's stated in its press release that the revisions in the ratings for PPL, PPL Capital Funding, and PPL Electric, while reflective of PPL's then-announced agreement to acquire LKE, are driven more by weakening financial metrics and the outlooks that had been in place for PPL and PPL Electric for the past year.

In August 2010, Moody's affirmed all of PPL Energy Supply's ratings.

In October 2010, Moody's affirmed the ratings for PPL and PPL Capital Funding following PPL's receipt of FERC approval of its then-pending acquisition of LKE.

In November 2010, Moody's took the following actions:

- Assigned a senior unsecured debt rating to LG&E and KU Energy LLC; and
- Assigned a senior secured debt rating to LG&E and KU.

#### *S&P*

In April 2010, S&P took the following actions:

- Revised the outlook of PPL, PPL Energy Supply and PPL Capital Funding;
- Revised the outlook of WPDH Limited, WPD (South Wales) and WPD (South West); and
- Affirmed its credit ratings for PPL, PPL Capital Funding, PPL Energy Supply, PPL Electric, WPDH Limited, WPD (South Wales) and WPD (South West).

S&P stated in its press release that the change to the outlook for PPL and PPL Energy Supply considers the greater regulated mix that will result from PPL acquiring LKE, resulting in a pro forma "strong" consolidated business risk profile. S&P also stated that the revision in the outlook for WPD is a reflection of the change to PPL's outlook and is not a result of any change in WPD's stand-alone credit profile.

In October 2010, S&P took the following actions:

- Revised the outlook of PPL, PPL Capital Funding, PPL Energy Supply, and PPL Electric;
- Raised the issuer rating of PPL and PPL Energy Supply;
- Raised the senior unsecured and junior subordinated debt ratings of PPL Capital Funding;
- Raised the senior unsecured debt rating of PPL Energy Supply; and
- Affirmed its credit ratings for PPL Electric.

S&P stated in its press release that the upgrades reflect S&P's opinion of an improved credit profile of the consolidated company following the closing of PPL's then-pending acquisition of LKE.

In November 2010, S&P affirmed its credit rating and revised the outlook for PPL Montana's Pass Through Certificates due 2020.

Also in November 2010, S&P took the following actions:

- Assigned a senior unsecured debt rating to LG&E and KU Energy LLC; and
- Assigned a senior secured debt rating to LG&E and KU.

#### *Fitch*

In January 2010, as a result of implementing its revised guidelines for rating preferred stock and hybrid securities, Fitch lowered the rating of PPL Capital Funding's junior subordinated notes and lowered the ratings of PPL Electric's preferred stock and preference stock. Fitch stated in its press release that the new guidelines, which apply to instruments issued by

companies in all sectors, typically resulted in downgrades of one notch for many instruments that provide for the ability to defer interest or dividend payments. Fitch stated that it has no reason to believe that such deferral will be activated.

In April 2010, Fitch affirmed its credit ratings for PPL, PPL Capital Funding, PPL Energy Supply and PPL Electric and retained the outlook for these entities following PPL's then-announced agreement to acquire LKE.

In May 2010, Fitch affirmed its rating and issued an outlook for PPL Montana's Pass Through Certificates due 2020.

In October 2010, Fitch affirmed its credit ratings for and revised the outlook of WPDH Limited, WPD (South Wales) and WPD (South West).

In November 2010, Fitch took the following actions:

- Assigned an outlook, issuer ratings and senior unsecured debt rating to LG&E and KU Energy LLC; and
- Assigned an outlook, issuer ratings and senior secured debt rating to LG&E and KU.

### Ratings Triggers

As discussed in Note 7 to the Financial Statements, certain of WPD's senior unsecured notes may be put by the holders back to the issuer for redemption if the long-term credit ratings assigned to the notes by Moody's, S&P or Fitch are withdrawn by any of the rating agencies or reduced to a non-investment grade rating of Ba1 or BB+ in connection with a restructuring event. A restructuring event includes the loss of, or a material adverse change to, the distribution license under which WPD (South West) and WPD (South Wales) operate. These notes totaled £1.3 billion (approximately \$2.0 billion) at December 31, 2010.

PPL and PPL Energy Supply have various derivative and non-derivative contracts, including contracts for the sale and purchase of electricity and fuel, commodity transportation and storage, tolling agreements, and interest rate and foreign currency instruments, which contain provisions requiring PPL and PPL Energy Supply to post additional collateral, or permit the counterparty to terminate the contract, if PPL's or PPL Energy Supply's credit rating were to fall below investment grade. See Note 19 to the Financial Statements for a discussion of "Credit Risk-Related Contingent Features," including a discussion of the potential additional collateral that would have been required for derivative contracts in a net liability position at December 31, 2010. At December 31, 2010, if PPL's and PPL Energy Supply's credit ratings had been below investment grade, PPL would have been required to prepay or post an additional \$455 million of collateral to counterparties for both derivative and non-derivative commodity and commodity-related contracts used in its generation, marketing and trading operations and interest rate and foreign currency contracts.

### Guarantees for Subsidiaries

PPL guarantees certain consolidated affiliate financing arrangements that enable certain transactions. Some of the guarantees contain financial and other covenants that, if not met, would limit or restrict the consolidated affiliates' access to funds under these financing arrangements, require early maturity of such arrangements or limit the consolidated affiliates' ability to enter into certain transactions. At this time, PPL believes that these covenants will not limit access to relevant funding sources. See Note 15 to the Financial Statements for additional information about guarantees.

### **Off-Balance Sheet Arrangements**

PPL has entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 15 to the Financial Statements for a discussion of these agreements.

### **Risk Management - Energy Marketing & Trading and Other**

#### Market Risk

See Notes 1, 18, and 19 to the Financial Statements for information about PPL's risk management objectives, valuation techniques and accounting designations.

The forward-looking information presented below provides estimates of what may occur in the future, assuming certain adverse market conditions and model assumptions. Actual future results may differ materially from those presented. These disclosures are not precise indicators of expected future losses, but only indicators of possible losses under normal market conditions at a given confidence level.

*Commodity Price Risk (Non-trading)*

PPL segregates its non-trading activities into two categories: hedge activity and economic activity. Transactions that are accounted for as hedge activity qualify for hedge accounting treatment. The economic activity category includes transactions that address a specific risk, but were not eligible for hedge accounting or for which hedge accounting was not elected. This activity includes the changes in fair value of positions used to hedge a portion of the economic value of PPL's generation assets, full-requirement sales contracts and retail activities. This economic activity is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Although they do not receive hedge accounting treatment, these transactions are considered non-trading activity. The net fair value of economic positions at December 31, 2010 and 2009 was a net liability of \$400 million and \$77 million. See Note 19 to the Financial Statements for additional information on economic activity.

To hedge the impact of market price volatility on PPL's energy-related assets, liabilities and other contractual arrangements, PPL sells and purchases physical energy at the wholesale level under FERC market-based tariffs throughout the U.S. and enters into financial exchange-traded and over-the-counter contracts. PPL's non-trading commodity derivative contracts mature at various times through 2017.

The following table sets forth the net fair value of PPL's non-trading commodity derivative contracts. See Notes 18 and 19 to the Financial Statements for additional information.

	<b>Gains (Losses)</b>	
	<b>2010</b>	<b>2009</b>
Fair value of contracts outstanding at the beginning of the period	\$ 1,280	\$ 402
Contracts realized or otherwise settled during the period	(478)	189
Fair value of new contracts entered into during the period	(5)	143
Changes in fair value attributable to changes in valuation techniques	(23)	
Fair value of LKE derivative contracts at the acquisition date	(24)	
Other changes in fair value	197	546
Fair value of contracts outstanding at the end of the period	<u>\$ 947</u>	<u>\$ 1,280</u>

The following table segregates the net fair value of PPL's non-trading commodity derivative contracts at December 31, 2010 based on whether the fair value was determined by prices quoted in active markets for identical instruments or other more subjective means.

	<b>Net Asset (Liability)</b>				
	<b>Maturity Less Than 1 Year</b>	<b>Maturity 1-3 Years</b>	<b>Maturity 4-5 Years</b>	<b>Maturity in Excess of 5 Years</b>	<b>Total Fair Value</b>
<b>Source of Fair Value</b>					
Prices based on significant other observable inputs	\$ 351	\$ 592	\$ 8		\$ 951
Prices based on significant unobservable inputs	3	(29)	(4)	26	(4)
Fair value of contracts outstanding at the end of the period	<u>\$ 354</u>	<u>\$ 563</u>	<u>\$ 4</u>	<u>\$ 26</u>	<u>\$ 947</u>

PPL sells electricity, capacity and related services and buys fuel on a forward basis to hedge the value of energy from its generation assets. If PPL were unable to deliver firm capacity and energy or to accept the delivery of fuel under its agreements, under certain circumstances it could be required to pay liquidating damages. These damages would be based on the difference between the market price and the contract price of the commodity. Depending on price changes in the wholesale energy markets, such damages could be significant. Extreme weather conditions, unplanned power plant outages, transmission disruptions, nonperformance by counterparties (or their own counterparties) with which it has energy contracts and other factors could affect PPL's ability to meet its obligations, or cause significant increases in the



market price of replacement energy. Although PPL attempts to mitigate these risks, there can be no assurance that it will be able to fully meet its firm obligations, that it will not be required to pay damages for failure to perform, or that it will not experience counterparty nonperformance in the future.

#### Commodity Price Risk (Trading)

PPL's trading contracts mature at various times through 2015. The following table sets forth changes in the net fair value of PPL's trading commodity derivative contracts. See Notes 18 and 19 to the Financial Statements for additional information.

	Gains (Losses)	
	2010	2009
Fair value of contracts outstanding at the beginning of the period	\$ (6)	\$ (75)
Contracts realized or otherwise settled during the period	(12)	2
Fair value of new contracts entered into during the period	39	31
Other changes in fair value	(17)	36
Fair value of contracts outstanding at the end of the period	<u>\$ 4</u>	<u>\$ (6)</u>

PPL will reverse unrealized losses of approximately \$2 million over the next three months as the transactions are realized.

The following table segregates the net fair value of PPL's trading commodity derivative contracts at December 31, 2010 based on whether the fair value was determined by prices quoted in active markets for identical instruments or other more subjective means.

Source of Fair Value	Net Asset (Liability)				Total Fair Value
	Maturity Less Than 1 Year	Maturity 1-3 Years	Maturity 4-5 Years	Maturity in Excess of 5 Years	
Prices based on significant other observable inputs	\$ (1)	\$ 2	\$ 3		\$ 4
Fair value of contracts outstanding at the end of the period	<u>\$ (1)</u>	<u>\$ 2</u>	<u>\$ 3</u>		<u>\$ 4</u>

#### VaR Models

PPL utilizes a VaR model to measure commodity price risk in domestic gross energy margins for its non-trading and trading portfolios. VaR is a statistical model that attempts to estimate the value of potential loss over a given holding period under normal market conditions at a given confidence level. PPL calculates VaR using a Monte Carlo simulation technique based on a five-day holding period at a 95% confidence level. Given the company's conservative hedging program, PPL's non-trading VaR exposure is expected to be limited in the short term. At December 31, 2010 and December 31, 2009, the VaR for PPL's portfolios using end-of-month results for the period was as follows.

95% Confidence Level, Five-Day Holding Period	Trading VaR		Non-Trading VaR	
	2010	2009	2010	2009
Period End	\$ 1	\$ 3	\$ 5	\$ 8
Average for the Period	4	4	7	9
High	9	8	12	11
Low	1	1	4	8

The trading portfolio includes all speculative positions, regardless of the delivery period. All positions not considered speculative are considered non-trading. PPL's non-trading portfolio includes PPL's entire portfolio, including generation, with delivery periods through the next 12 months. Both the trading and non-trading VaR computations exclude FTRs due to the absence of reliable spot and forward markets. The fair value of the non-trading and trading FTR positions was insignificant at December 31, 2010.

*Interest Rate Risk*

PPL and its subsidiaries have issued debt to finance their operations, which exposes them to interest rate risk. PPL utilizes various financial derivative instruments to adjust the mix of fixed and floating interest rates in its debt portfolio, adjust the duration of its debt portfolio and lock in benchmark interest rates in anticipation of future financing, when appropriate. Risk limits under the risk management program are designed to balance risk exposure to volatility in interest expense and changes in the fair value of PPL's debt portfolio due to changes in the absolute level of interest rates.

At December 31, 2010 and 2009, PPL's potential annual exposure to increased interest expense, based on a 10% increase in interest rates, was insignificant.

PPL is also exposed to changes in the fair value of its domestic and international debt portfolios. PPL estimated that a 10% decrease in interest rates at December 31, 2010 would increase the fair value of its debt portfolio by \$420 million, compared with \$285 million at December 31, 2009.

PPL had the following interest rate hedges outstanding at:

	December 31, 2010			December 31, 2009		
	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates (b)	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates (b)
Cash flow hedges						
Interest rate swaps (c)	\$ 500	\$ (19)	\$ (28)	\$ 425	\$ 24	\$ (24)
Cross-currency swaps (d)	302	35	(18)	302	8	(41)
Fair value hedges						
Interest rate swaps (e)	349	20	(3)	750	31	(12)
Economic hedges						
Interest rate swaps (c)	179	(34)	(7)			

(a) Includes accrued interest, if applicable.

(b) Effects of adverse movements decrease assets or increase liabilities, as applicable, which could result in an asset becoming a liability.

(c) PPL utilizes various risk management instruments to reduce its exposure to the expected future cash flow variability of its debt instruments. These risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financing. While PPL is exposed to changes in the fair value of these instruments, any changes in the fair value of such cash flow hedges are recorded in equity and any changes in the fair value of such economic hedges are recorded in regulatory assets and liabilities. The changes in fair value of these instruments are then reclassified into earnings in the same period during which the item being hedged affects earnings. Sensitivities represent a 10% adverse movement in interest rates.

(d) WPDH Limited uses cross-currency swaps to hedge the interest payments and principal of its U.S. dollar-denominated senior notes with maturity dates ranging from December 2017 to December 2028. While PPL is exposed to changes in the fair value of these instruments, any change in the fair value of these instruments is recorded in equity and reclassified into earnings in the same period during which the item being hedged affects earnings. Sensitivities represent a 10% adverse movement in both interest rates and foreign currency exchange rates.

(e) PPL utilizes various risk management instruments to adjust the mix of fixed and floating interest rates in its debt portfolio. The change in fair value of these instruments, as well as the offsetting change in the value of the hedged exposure of the debt, is reflected in earnings. Sensitivities represent a 10% adverse movement in interest rates.

*Foreign Currency Risk*

PPL is exposed to foreign currency risk, primarily through investments in U.K. affiliates. In addition, PPL's domestic operations may make purchases of equipment in currencies other than U.S. dollars. See Note 1 to the Financial Statements for additional information regarding foreign currency translation.

PPL has adopted a foreign currency risk management program designed to hedge certain foreign currency exposures, including firm commitments, recognized assets or liabilities, anticipated transactions and net investments. In addition, PPL enters into financial instruments to protect against foreign currency translation risk of expected earnings.

PPL had the following foreign currency hedges outstanding at:

	December 31, 2010			December 31, 2009		
	Exposure Hedged	Fair Value, Net - Asset (Liability)	Effect of a 10% Adverse Movement in Foreign Currency Exchange Rates (a)	Exposure Hedged	Fair Value, Net - Asset (Liability)	Effect of a 10% Adverse Movement in Foreign Currency Exchange Rates (a)
Net investment hedges (b)	£ 35	\$ 7	\$ (5)	£ 40	\$ 13	\$ (6)
Economic hedges (c)	89	4	(10)	48	2	(4)

- (a) Effects of adverse movements decrease assets or increase liabilities, as applicable, which could result in an asset becoming a liability.
- (b) To protect the value of a portion of its net investment in WPD, PPL executed forward contracts to sell British pounds sterling. The contracts outstanding at December 31, 2010 were settled in January 2011.
- (c) To economically hedge the translation of expected income denominated in British pounds sterling to U.S. dollars, PPL entered into a combination of average rate forwards and average rate options to sell British pounds sterling. The forwards and options outstanding at December 31, 2010 have termination dates ranging from January 2011 through December 2011.

#### *NDT Funds - Securities Price Risk*

In connection with certain NRC requirements, PPL Susquehanna maintains trust funds to fund certain costs of decommissioning the Susquehanna nuclear station. At December 31, 2010, these funds were invested primarily in domestic equity securities and fixed-rate, fixed-income securities and are reflected at fair value on PPL's Balance Sheet. The mix of securities is designed to provide returns sufficient to fund Susquehanna's decommissioning and to compensate for inflationary increases in decommissioning costs. However, the equity securities included in the trusts are exposed to price fluctuation in equity markets, and the values of fixed-rate, fixed-income securities are exposed to changes in interest rates. PPL actively monitors the investment performance and periodically reviews asset allocation in accordance with its nuclear decommissioning trust policy statement. At December 31, 2010, a hypothetical 10% increase in interest rates and a 10% decrease in equity prices would have resulted in an estimated \$45 million reduction in the fair value of the trust assets, compared with \$40 million at December 31, 2009. See Notes 18 and 23 to the Financial Statements for additional information regarding the NDT funds.

#### *Defined Benefit Plans - Securities Price Risk*

See "Application of Critical Accounting Policies - Defined Benefits" for additional information regarding the effect of securities price risk on plan assets.

#### Credit Risk

Credit risk is the risk that PPL would incur a loss as a result of nonperformance by counterparties of their contractual obligations. PPL maintains credit policies and procedures with respect to counterparty credit (including requirements that counterparties maintain specified credit ratings) and requires other assurances in the form of credit support or collateral in certain circumstances in order to limit counterparty credit risk. However, PPL has concentrations of suppliers and customers among electric utilities, financial institutions and other energy marketing and trading companies. These concentrations may impact PPL's overall exposure to credit risk, positively or negatively, as counterparties may be similarly affected by changes in economic, regulatory or other conditions.

PPL includes the effect of credit risk on its fair value measurements to reflect the probability that a counterparty will default when contracts are out of the money (from the counterparty's standpoint). In this case, PPL would have to sell into a lower-priced market or purchase from a higher-priced market. When necessary, PPL records an allowance for doubtful accounts to reflect the probability that a counterparty will not pay for deliveries PPL has made but not yet billed, which are reflected in "Unbilled revenues" on the Balance Sheets. PPL also has established a reserve with respect to certain sales to the California ISO for which PPL has not yet been paid, which is reflected in accounts receivable on the Balance Sheets. See Note 15 to the Financial Statements for additional information.

In 2007, the PUC approved PPL Electric's post-rate cap plan to procure default electricity supply for retail customers who do not choose an alternative competitive supplier in 2010. Pursuant to this plan, PPL Electric had contracted for all of the electric supply for customers who elected this service in 2010.

In June 2009, the PUC approved PPL Electric's procurement plan for the period January 2011 through May 2013. Through 2010, PPL Electric has conducted six of its 14 planned competitive solicitations.

Under the standard Supply Master Agreement (the Agreement) for the competitive solicitation process, PPL Electric requires all suppliers to post collateral if their credit exposure exceeds an established credit limit. In the event a supplier defaults on its obligation, PPL Electric would be required to seek replacement power in the market. All incremental costs incurred by PPL Electric would be recoverable from customers in future rates. At December 31, 2010, all of the successful bidders under all of the solicitations had an investment grade credit rating from S&P, and were not required to post collateral under the Agreement. There is no instance under the Agreement in which PPL Electric is required to post collateral to its suppliers.

See "Overview" in this Item 7 and Notes 15, 16, 18 and 19 to the Financial Statements for additional information on the competitive solicitations, the Agreement, credit concentration and credit risk.

### **Foreign Currency Translation**

At December 31, 2010, the British pound sterling had weakened in relation to the U.S. dollar compared with the prior year end. Changes in these exchange rates resulted in a foreign currency translation loss of \$63 million for 2010, which primarily reflected a \$180 million reduction to PP&E offset by a reduction of \$117 million to net liabilities. At December 31, 2009, the British pound sterling had strengthened in relation to the U.S. dollar as compared with the prior year end. Changes in these exchange rates resulted in a foreign currency translation gain of \$106 million for 2009, which primarily reflected a \$225 million increase in PP&E offset by an increase of \$119 million to net liabilities. At December 31, 2008, the British pound sterling had weakened in relation to the U.S. dollar compared with the prior year end. Changes in these exchange rates resulted in a foreign currency translation loss of \$520 million for 2008, which primarily reflected a \$1.1 billion reduction to PP&E offset by a reduction of \$580 million to net liabilities.

### **Related Party Transactions**

PPL is not aware of any material ownership interests or operating responsibility by senior management of PPL, PPL Energy Supply or PPL Electric in outside partnerships, including leasing transactions with variable interest entities, or other entities doing business with PPL. See Note 16 to the Financial Statements for additional information on related party transactions.

### **Acquisitions, Development and Divestitures**

See Note 10 to the Financial Statements for information on the acquisition of LKE.

With limited exceptions LKE took care, custody and control of TC2 on January 22, 2011, and has dispatched the unit to meet customer demand since that date. LG&E and KU and the contractor agreed to a further amendment of the construction agreement whereby the contractor will complete certain actions relating to identifying and completing any necessary modifications to allow operation of TC2 on all fuels in accordance with initial specifications prior to certain dates, and amending the provisions relating to liquidated damages. LKE cannot currently estimate the ultimate outcome of these matters. In addition, incremental capacity increases of 247 MW are currently planned, primarily at existing generating facilities. See "Item 2. Properties" for additional information.

Development projects are continuously reexamined based on market conditions and other factors to determine whether to proceed with the projects, sell, cancel or expand them, execute tolling agreements or pursue other options.

See Notes 8 and 9 to the Financial Statements for additional information on the more significant activities.

### **Environmental Matters**

See "Item 1. Business - Environmental Matters" and Note 15 to the Financial Statements for a discussion of environmental matters.

## Competition

See "Item 1. Business - Competition" under each of PPL's reportable segments and "Item 1A. Risk Factors" for a discussion of competitive factors affecting PPL.

## New Accounting Guidance

See Note 1 to the Financial Statements for a discussion of new accounting guidance adopted.

## Application of Critical Accounting Policies

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to the financial condition or results of operations, and require estimates or other judgments of matters inherently uncertain. Changes in the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in the Financial Statements (these accounting policies are also discussed in Note 1 to the Financial Statements). PPL's senior management has reviewed these critical accounting policies, the following disclosures regarding their application and the estimates and assumptions regarding them, with PPL's Audit Committee.

### 1) Price Risk Management

See "Price Risk Management" in Note 1 to the Financial Statements as well as "Risk Management - Energy Marketing & Trading and Other" above.

### 2) Defined Benefits

PPL and certain of its subsidiaries sponsor various defined benefit pension and other postretirement plans applicable to the majority of the employees of PPL and its subsidiaries. PPL and certain of its subsidiaries record an asset or liability to recognize the funded status of all defined benefit plans with an offsetting entry to OCI or regulatory assets and liabilities for amounts that are expected to be recovered through regulated customer rates. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets. See Note 13 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

PPL makes certain assumptions regarding the valuation of benefit obligations and the performance of plan assets. When accounting for defined benefits, delayed recognition in earnings of differences between actual results and expected or estimated results is a guiding principle. Annual net periodic defined benefit costs are recorded in current earnings based on estimated results. Any differences between actual and estimated results are recorded in OCI or regulatory assets and liabilities for amounts that are expected to be recovered through regulated customer rates. These amounts in AOCI or regulatory assets and liabilities are amortized to income over future periods. The delayed recognition allows for a smoothed recognition of costs over the working lives of the employees who benefit under the plans. The primary assumptions are:

- Discount Rate - The discount rate is used in calculating the present value of benefits, which is based on projections of benefit payments to be made in the future. The objective in selecting the discount rate is to measure the single amount that, if invested at the measurement date in a portfolio of high-quality debt instruments, would provide the necessary future cash flows to pay the accumulated benefits when due.
- Expected Return on Plan Assets - Management projects the long-term rates of return on plan assets based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. These projected returns reduce the net benefit costs PPL records currently.
- Rate of Compensation Increase - Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement.

- Health Care Cost Trend Rate - Management projects the expected increases in the cost of health care.

In selecting a discount rate for its U.S. defined benefit plans, PPL starts with an analysis of the expected benefit payment stream for its plans. This information is first matched against a spot-rate yield curve. A portfolio of 604 Aa-graded non-callable (or callable with make-whole provisions) bonds, with a total amount outstanding in excess of \$667 billion, serves as the base from which those with the lowest and highest yields are eliminated to develop the ultimate yield curve. The results of this analysis are considered together with other economic data and movements in various bond indices to determine the discount rate assumption. At December 31, 2010, PPL decreased the discount rate for its U.S. pension plans from 6.00% to 5.42% as a result of this assessment and decreased the discount rate for its other postretirement benefit plans from 5.81% to 5.14%.

A similar process is used to select the discount rate for the U.K. pension plans, which uses an iBoxx British pounds sterling denominated corporate bond index as its base. At December 31, 2010, the discount rate for the U.K. pension plans was decreased from 5.55% to 5.54% as a result of this assessment.

The expected long-term rates of return for PPL's U.S. defined benefit pension and other postretirement benefit plans have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. PPL management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption.

At December 31, 2010, PPL's expected return on plan assets decreased from 8.00% to 7.25% for its U.S. pension plans and decreased from 7.00% to 6.56% for its other postretirement benefit plans. The expected long-term rates of return for PPL's U.K. pension plans have been developed by PPL management with assistance from an independent actuary using a best-estimate of expected returns, volatilities and correlations for each asset class. For the U.K. plans, PPL's expected return on plan assets decreased from 7.91% to 7.86% at December 31, 2010.

In selecting a rate of compensation increase, PPL considers past experience in light of movements in inflation rates. At December 31, 2010, PPL's rate of compensation increase changed from 4.75% to 4.88% for its U.S. pension plans and 4.75% to 4.90% for its other postretirement benefit plans. For the U.K. plans, PPL's rate of compensation increase remained at 4.00% at December 31, 2010.

In selecting health care cost trend rates, PPL considers past performance and forecasts of health care costs. At December 31, 2010, PPL's health care cost trend rates were 9.00% for 2011, gradually declining to 5.50% for 2019.

A variance in the assumptions listed above could have a significant impact on accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and OCI or regulatory assets and liabilities for LG&E, KU and PPL Electric. While the charts below reflect either an increase or decrease in each assumption, the inverse of this change would impact the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and OCI or regulatory assets and liabilities for LG&E, KU and PPL Electric by a similar amount in the opposite direction. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption and does not include income tax effects.

At December 31, 2010, defined benefit plan liabilities were as follows.

Pension liabilities	\$	1,505
Other postretirement benefit liabilities		307

The following chart reflects the sensitivities in the December 31, 2010 Balance Sheet associated with a change in certain assumptions based on PPL's primary defined benefit plans.

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**Increase (Decrease)**

Actuarial assumption	Change in assumption	Impact on defined benefit liabilities	Impact on OCI	Impact on regulatory assets
Discount Rate	(0.25)%	\$ 256	\$ (188)	\$ 68
Rate of Compensation Increase	0.25%	43	(32)	11
Health Care Cost Trend Rate (a)	1.00%	14	(8)	6

(a) Only impacts other postretirement benefits.

In 2010, PPL recognized net periodic defined benefit costs charged to operating expense of \$102 million. This amount represents a \$32 million increase from 2009. This increase in expense was primarily attributable to amortization of actuarial losses of the WPD pension plans in the U.K.

The following chart reflects the sensitivities in the 2010 Statement of Income (excluding income tax effects) associated with a change in certain assumptions based on PPL's primary defined benefit plans.

Actuarial assumption	Change in assumption	Impact on defined benefit costs
Discount Rate	(0.25)%	\$ 14
Expected Return on Plan Assets	(0.25)%	12
Rate of Compensation Increase	0.25%	6
Health Care Cost Trend Rate (a)	1.00%	2

(a) Only impacts other postretirement benefits.

### 3) Asset Impairment

Impairment analyses are performed for long-lived assets that are subject to depreciation or amortization whenever events or changes in circumstances indicate that a long-lived asset's carrying value may not be recoverable. For these long-lived assets classified as held and used, such events or changes in circumstances are:

- a significant decrease in the market price of an asset;
- a significant adverse change in the manner in which an asset is being used or in its physical condition;
- a significant adverse change in legal factors or in the business climate;
- an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of an asset;
- a current-period operating or cash flow loss combined with a history of losses or a forecast that demonstrates continuing losses; or
- a current expectation that, more likely than not, an asset will be sold or otherwise disposed of before the end of its previously estimated useful life.

For a long-lived asset classified as held and used, an impairment is recognized when the carrying amount of the asset is not recoverable and exceeds its fair value. The carrying amount is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If the asset is impaired, an impairment loss is recorded to adjust the asset's carrying value to its estimated fair value. Management must make significant judgments to estimate future cash flows, including the useful lives of long-lived assets, the fair value of the assets and management's intent to use the assets. Alternate courses of action are considered to recover the carrying value of a long-lived asset, and estimated cash flows from the "most likely" alternative are used to assess impairment whenever one alternative is clearly the most likely outcome. If no alternative is clearly the most likely, then a probability-weighted approach is used taking into consideration estimated cash flows from the alternatives. For assets tested for impairment as of the balance sheet date, the estimates of future cash flows used in that test consider the likelihood of possible outcomes that existed at the balance sheet date, including the assessment of the likelihood of a future sale of the assets. That assessment is not revised based on events that occur after the balance sheet date. Changes in assumptions and estimates could result in significantly different results than those identified and recorded in the financial statements.

For a long-lived asset classified as held for sale, an impairment exists when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If the asset (disposal group) is impaired, an impairment loss is recorded to

adjust the carrying amount to its fair value less cost to sell. A gain is recognized for any subsequent increase in fair value less cost to sell, but not in excess of the cumulative impairment previously recognized.

For determining fair value, quoted market prices in active markets are the best evidence of fair value. However, when market prices are unavailable, PPL considers all valuation techniques appropriate under the circumstances and for which market participant inputs can be obtained. Generally discounted cash flows are used to estimate fair value, which incorporates market participant inputs when available. Discounted cash flows are calculated by estimating future cash flow streams and applying appropriate discount rates to determine the present value of the cash flow streams.

In 2010, impairments of certain long-lived assets were recorded. See Note 18 to the Financial Statements for a discussion of impairments related to certain sulfur dioxide emission allowances and certain non-core generation facilities.

Goodwill is tested for impairment at the reporting unit level. Reporting units have been determined to be at or one level below operating segments. A goodwill impairment test is performed annually or more frequently if events or changes in circumstances indicate that the carrying value of the reporting unit may be greater than the unit's fair value. Additionally, goodwill is tested for impairment after a portion of goodwill has been allocated to a business to be disposed of.

Goodwill is tested for impairment using a two-step approach. The first step of the goodwill impairment test compares the estimated fair value of a reporting unit with its carrying amount, including goodwill. If the estimated fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is not considered impaired. If the carrying amount exceeds the estimated fair value of the reporting unit, the second step is performed to measure the amount of impairment loss, if any.

The second step requires a calculation of the implied fair value of goodwill. The implied fair value of goodwill is determined in the same manner as the amount of goodwill in a business combination. That is, the estimated fair value of a reporting unit is allocated to all of the assets and liabilities of that unit as if the reporting unit had been acquired in a business combination and the estimated fair value of the reporting unit was the price paid to acquire the reporting unit. The excess of the estimated fair value of a reporting unit over the amounts assigned to its assets and liabilities is the implied fair value of goodwill. The implied fair value of the reporting unit's goodwill is then compared with the carrying amount of that goodwill. If the carrying amount exceeds the implied fair value, an impairment loss is recognized in an amount equal to that excess. The loss recognized cannot exceed the carrying amount of the reporting unit's goodwill.

In 2010, no goodwill was required to be impaired. Management used both discounted cash flows and market multiples, which required significant assumptions, to estimate the fair value of each reporting unit. For the discounted cash flows approach, a decrease in the forecasted cash flows of 10%, or an increase in the discount rate by 25 basis points, would not have resulted in an impairment of goodwill. For the market multiples approach, which is based on either current or forward trading multiples of comparable companies or precedent transactions, a 10% decrease in the multiples would not have resulted in an impairment of goodwill.

In 2010 and 2009, \$5 million and \$3 million of goodwill allocated to discontinued operations was written off.

#### **4) Loss Accruals**

Losses are accrued for the estimated impacts of various conditions, situations or circumstances involving uncertain or contingent future outcomes. For loss contingencies, the loss must be accrued if (1) information is available that indicates it is probable that a loss has been incurred, given the likelihood of the uncertain future events, and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The accrual of contingencies that might result in gains is not recorded unless recovery is assured. Potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events are continuously assessed.

The accounting aspects of estimated loss accruals include (1) the initial identification and recording of the loss, (2) the determination of triggering events for reducing a recorded loss accrual, and (3) the ongoing assessment as to whether a



recorded loss accrual is sufficient. All three of these aspects require significant judgment by management. Internal expertise and outside experts (such as lawyers and engineers) are used, as necessary, to help estimate the probability that a loss has been incurred and the amount (or range) of the loss.

In 2010, a significant adjustment to the contingency accrual related to the Montana hydroelectric streambed litigation was recorded. See Note 15 to the Financial Statements for additional information.

Certain other events have been identified that could give rise to a loss, but that do not meet the conditions for accrual. Such events are disclosed, but not recorded, when it is "reasonably possible" that a loss has been incurred. See Note 15 to the Financial Statements for disclosure of other potential loss contingencies that have not met the criteria for accrual.

When an estimated loss is accrued, the triggering events for subsequently reducing the loss accrual are identified, where applicable. The triggering events generally occur when the contingency has been resolved and the actual loss is paid or written off, or when the risk of loss has diminished or been eliminated. The following are some of the triggering events that provide for the reduction of certain recorded loss accruals:

- Allowances for uncollectible accounts are reduced when accounts are written off after prescribed collection procedures have been exhausted, a better estimate of the allowance is determined or underlying amounts are ultimately collected.
- Environmental and other litigation contingencies are reduced when the contingency is resolved and actual payments are made, a better estimate of the loss is determined or the loss is no longer considered probable.

Loss accruals are reviewed on a regular basis to assure that the recorded potential loss exposures are appropriate. This involves ongoing communication and analyses with internal and external legal counsel, engineers, operation management and other parties.

## 5) Asset Retirement Obligations

PPL is required to recognize a liability for legal obligations associated with the retirement of long-lived assets. The initial obligation is measured at its estimated fair value. A conditional ARO must be recognized when incurred if the fair value of the ARO can be reasonably estimated. An equivalent amount is recorded as an increase in the value of the capitalized asset and allocated to expense over the useful life of the asset. Until the obligation is settled, the liability is increased, through the recognition of accretion expense in the income statement, for changes in the obligation due to the passage of time. In the case of LG&E and KU, estimated costs of removal for all assets are recovered in rates as a component of depreciation. Since costs of removal are collected in rates prior to payment of such costs, the accrual for these costs of removal is classified as a regulatory liability. The regulatory liability is relieved as costs are incurred. The depreciation and accretion expense related to an ARO is recorded as a regulatory asset. See Note 21 to the Financial Statements for further discussion of AROs.

In determining AROs, management must make significant judgments and estimates to calculate fair value. Fair value is developed using an expected present value technique based on assumptions of market participants that considers estimated retirement costs in current period dollars that are inflated to the anticipated retirement date and then discounted back to the date the ARO was incurred. Changes in assumptions and estimates included within the calculations of the fair value of AROs could result in significantly different results than those identified and recorded in the financial statements. Estimated ARO costs and settlement dates, which affect the carrying value of the ARO and the related capitalized asset, are reviewed periodically to ensure that any material changes are incorporated into the latest estimate of the ARO. Any change to the capitalized asset, positive or negative, is amortized over the remaining life of the associated long-lived asset. See Note 21 to the Financial Statements for a discussion of the remeasurement of the ARO for the decommissioning of the Susquehanna nuclear units in the third quarter of 2010, which resulted in a \$103 million reduction in the ARO primarily due to a decrease in estimated inflation rates.

At December 31, 2010, AROs totaling \$448 million were recorded on the Balance Sheet, of which \$13 million is included in "Other current liabilities." Of the total amount, \$270 million, or 60%, relates to the nuclear decommissioning

ARO. The most significant assumptions surrounding AROs are the forecasted retirement costs, the discount rates and the inflation rates. A variance in any of these inputs could have a significant impact on the ARO liabilities.

The following table reflects the sensitivities related to the nuclear decommissioning ARO liability associated with a change in these assumptions as of December 31, 2010. There is no significant change to the annual depreciation expense of the ARO asset or the annual accretion expense of the ARO liability as a result of changing the assumptions. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption.

	<u>Change in Assumption</u>	<u>Impact on ARO Liability</u>
Retirement Cost	10%	\$27
Discount Rate	(0.25)%	\$25
Inflation Rate	0.25%	\$26

## 6) Income Taxes

Significant management judgment is required in developing the provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is required to determine the amount of benefit recognized related to an uncertain tax position. Tax positions are evaluated following a two-step process. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization, upon settlement, that exceeds 50%. Management considers a number of factors in assessing the benefit to be recognized, including negotiation of a settlement.

On a quarterly basis, uncertain tax positions are reassessed by considering information known at the reporting date. Based on management's assessment of new information, a tax benefit may subsequently be recognized for a previously unrecognized tax position, a previously recognized tax position may be de-recognized, or the benefit of a previously recognized tax position may be remeasured. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in the future.

At December 31, 2010, it was reasonably possible that during the next 12 months the total amount of unrecognized tax benefits could increase by as much as \$28 million or decrease by up to \$226 million. This change could result from subsequent recognition, derecognition and/or changes in the measurement of uncertain tax positions related to the creditability of foreign taxes, the timing and utilization of foreign tax credits and the related impact on alternative minimum tax and other credits, the timing and/or valuation of certain deductions, intercompany transactions and unitary filing groups. The events that could cause these changes are direct settlements with taxing authorities, litigation, legal or administrative guidance by relevant taxing authorities and the lapse of an applicable statute of limitation.

The balance sheet classification of unrecognized tax benefits and the need for valuation allowances to reduce deferred tax assets also require significant management judgment. Unrecognized tax benefits are classified as current to the extent management expects to settle an uncertain tax position by payment or receipt of cash within one year of the reporting date. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers a number of factors in assessing the realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy utilized in this assessment must meet the recognition and measurement criteria utilized to account for an uncertain tax position. Management also considers the uncertainty posed by political risk (e.g. the potential for legislative extension of generation rate caps) and the effect of this uncertainty on the various factors that management takes into account in evaluating the need for valuation

allowances. The amount of deferred tax assets ultimately realized may differ materially from the estimates utilized in the computation of valuation allowances and may materially impact the financial statements in the future. See Note 5 to the Financial Statements for income tax disclosures, including the release of \$72 million of valuation allowances associated with state net operating loss carryforwards in 2010.

## 7) Regulatory Assets and Liabilities

Certain of PPL's subsidiaries are subject to cost-based rate regulation. As a result, the effects of regulatory actions are required to be reflected in the financial statements. Assets and liabilities are recorded that result from the regulated ratemaking process that may not be recorded under GAAP for non-regulated entities. Regulatory assets generally represent incurred costs that have been deferred because such costs are probable of future recovery in regulated customer rates. Regulatory liabilities generally represent obligations to regulated customers for previous collections of costs that are expected to be refunded to customers in the future, or in certain cases, regulatory liabilities are recorded based on the understanding with the regulator that current rates are being set to recover costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose.

Management continually assesses whether the regulatory assets are probable of future recovery by considering factors such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated rates, recent rate orders to other regulated entities, and the status of any pending or potential deregulation legislation. Based on this continual assessment, management believes the existing regulatory assets are probable of recovery. This assessment reflects the current political and regulatory climate at the state and federal levels, and is subject to change in the future. If future recovery of costs ceases to be probable, then asset write-offs would be required to be recognized in operating income. Additionally, the regulatory agencies can provide flexibility in the manner and timing of the depreciation of PP&E and amortization of regulatory assets.

At December 31, 2010 and 2009, PPL had regulatory assets of \$1.2 billion and \$542 million. All regulatory assets are either currently being recovered under specific rate orders, represent amounts that are expected to be recovered in future rates or benefit future periods based upon established regulatory practices. At December 31, 2010 and 2009, PPL had regulatory liabilities of \$1.1 billion and \$84 million. The significant increase in regulatory assets and liabilities was primarily due to the acquisition of LKE in November 2010.

See "Business Combinations – Purchase Price Allocation" below for discussion of regulatory assets established by purchase accounting. See Note 3 to the Financial Statements for additional information on regulatory assets and liabilities.

## 8) Business Combinations – Purchase Price Allocation

On November 1, 2010 (acquisition date), PPL completed the acquisition of all of the limited liability company interests of LKE. In accordance with accounting guidance on business combinations, the identifiable assets acquired and the liabilities assumed were measured at fair value at the acquisition date. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The excess of the purchase price over the estimated fair value of the identifiable net assets was recorded as goodwill.

The determination and allocation of fair value to the identifiable assets acquired and liabilities assumed was based on various assumptions and valuation methodologies requiring considerable management judgment, including estimates based on key assumptions of the acquisition, and historical and current market data. The most significant variables in these valuations were the discount rates, the number of years on which to base cash flow projections, as well as the assumptions and estimates used to determine cash inflows and outflows. Although the assumptions were reasonable based on information available at the date of acquisition, actual results may differ from the forecasted amounts and the difference could be material.

For purposes of measuring the fair value of the majority of PP&E and regulatory assets acquired and regulatory liabilities assumed, PPL determined that fair value was equal to net book value at the acquisition date, because LKE's operations are conducted in a regulated environment and the regulatory commissions allow for earning a rate of return on and

recovery of the book value of a majority of the regulated asset bases at rates determined to be fair and reasonable. As there is no current prospect for deregulation in LKE's operating territory, it is expected that these operations will remain in a regulated environment for the foreseeable future; therefore, management has concluded that the use of these assets in the regulatory environment represents their highest and best use and a market participant would measure the fair value of these assets using the regulatory rate of return as the discount rate, thus resulting in fair value equal to book value.

The fair value of intangible assets and liabilities (e.g. contracts that have favorable or unfavorable terms relative to market), including coal contracts and power purchase agreements, as well as emission allowances, have been reflected on the balance sheet with offsetting regulatory assets or liabilities. Prior to the acquisition, LKE recovered in customer rates the cost of coal contracts, power purchases and emission allowances and this rate treatment will continue after the acquisition. As a result, management believes the regulatory assets and liabilities created to offset the fair value adjustments meet the recognition criteria established by existing accounting guidance and eliminate any rate making impact of the fair value adjustments. LKE's customer rates will continue to reflect these items (e.g. coal, purchased power, emission allowances) at their original contracted prices.

PPL also considered whether a separate fair value should be assigned to LKE's rights to operate within its various electric and natural gas distribution service territories but concluded that these rights only provided the opportunity to earn a regulated return and barriers to market entry, which in management's judgment is not considered a separately identifiable intangible asset under applicable accounting guidance; rather, it is considered going-concern value, or goodwill.

Goodwill related to the LKE acquisition of \$996 million was recorded at LG&E and KU. For purposes of goodwill impairment testing, the goodwill must be assigned to the reporting units that are expected to benefit from the acquisition. Both the Kentucky Regulated and the Supply segments are expected to benefit and the assignment of goodwill was \$662 million to the Kentucky Regulated segment and \$334 million to the Supply segment. The goodwill at the Kentucky Regulated segment reflects the expected going-concern element of LKE's existing business. This going-concern element reflects the expected continued growth of a rate-regulated business located in a defined service area with a constructive regulatory environment, the ability of LKE to leverage its assembled workforce to take advantage of those growth opportunities and the attractiveness of stable, growing cash flows. Although no other assets or liabilities from the acquisition were assigned to the Supply segment, the Supply segment obtained a synergistic benefit attributed to the overall de-risking of the PPL portfolio, which enhanced PPL Energy Supply's credit profile, thereby increasing the value of the Supply segment. This increase in value resulted in the assignment of goodwill to the Supply segment.

See Note 10 to the Financial Statements for additional information regarding the acquisition.

#### **Other Information**

PPL's Audit Committee has approved the independent auditor to provide audit and audit-related services and other services permitted by Sarbanes-Oxley and SEC rules. The audit and audit-related services include services in connection with statutory and regulatory filings, reviews of offering documents and registration statements, and internal control reviews.

**PPL ENERGY SUPPLY, LLC AND SUBSIDIARIES****Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations****Overview**

The information provided in this Item 7 should be read in conjunction with PPL Energy Supply's Consolidated Financial Statements and the accompanying Notes. Terms and abbreviations are explained in the glossary. Dollars are in millions unless otherwise noted.

PPL Energy Supply is an energy company with headquarters in Allentown, Pennsylvania. Through its subsidiaries, PPL Energy Supply is primarily engaged in the generation and marketing of electricity in two key markets - the northeastern and northwestern U.S. - and, through 2010, in the delivery of electricity in the U.K. PPL Energy Supply's overall strategy is to achieve disciplined growth in energy supply margins while limiting volatility in both cash flows and earnings and to achieve stable, long-term growth in its regulated international electricity delivery business through efficient operations and strong customer and regulatory relations. More specifically, PPL Energy Supply's strategy for its competitive electricity generation and marketing business is to match energy supply with load, or customer demand, under contracts of varying lengths with creditworthy counterparties to capture profits while effectively managing exposure to energy and fuel price volatility, counterparty credit risk and operational risk. PPL Energy Supply's strategy for its regulated international electricity delivery business is to own and operate this business at the most efficient cost while maintaining high quality customer service and reliability.

In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding, to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements. See Note 24 for additional information. Certain information for periods subsequent to 2010 has been adjusted to eliminate amounts related to PPL Global.

To manage financing costs and access to credit markets, a key objective for PPL Energy Supply's business is to maintain a strong credit profile. PPL Energy Supply continually focuses on maintaining an appropriate capital structure and liquidity position. In addition, PPL Energy Supply has adopted financial and operational risk management programs that, among other things, are designed to monitor and manage its exposure to earnings and cash flow volatility related to changes in energy and fuel prices, interest rates, foreign currency exchange rates, counterparty credit quality and the operating performance of its generating units. See "Item 1A. Risk Factors" for more information concerning these and other material risks PPL Energy Supply faces in its businesses.

Refer to "Item 1. Business - Background" for descriptions of PPL Energy Supply's reportable segments, which are International Regulated (formerly International Delivery) and Supply. In 2010, there were no changes to these segments other than renaming the International Regulated segment.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" provides information concerning PPL Energy Supply's performance in implementing the strategies and managing the risks and challenges mentioned above. Specifically:

- "Results of Operations" provides an overview of PPL Energy Supply's operating results in 2010, 2009 and 2008, including a review of earnings, with details of results by reportable segment. It also provides a brief outlook for 2011.
- "Financial Condition - Liquidity and Capital Resources" provides an analysis of PPL Energy Supply's liquidity position and credit profile, including its sources of cash (including bank credit facilities and sources of operating cash flow) and uses of cash (including contractual obligations and capital expenditure requirements) and the key risks and uncertainties that impact PPL Energy Supply's past and future liquidity position and financial condition. This subsection also includes rating agency actions on PPL Energy Supply's credit ratings.
- "Financial Condition - Risk Management - Energy Marketing & Trading and Other" provides an explanation of PPL Energy Supply's risk management programs relating to market risk and credit risk.

- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of PPL Energy Supply and that require its management to make significant estimates, assumptions and other judgments.

See "Item 1. Business - Background - Segment Information - Pennsylvania Regulated Segment" for a discussion of the Customer Choice Act.

When comparing 2010 with 2009, certain line items on PPL Energy Supply's financial statements were impacted by the expiration of the full-requirement energy supply contracts. Overall, the expiration of generation rate caps had a significant positive impact on PPL Energy Supply's results of operations, financial condition and cash flows during 2010.

The primary impact of the expiration of generation rate caps and this contract is reflected in PPL Energy Supply's unregulated gross energy margins. See "Statement of Income Analysis" for an explanation of this non-GAAP financial measure. In 2010, PPL Energy Supply sold the majority of its generation supply under various wholesale and retail contracts at prevailing market rates at the time the contracts were executed. In 2009, the majority of generation produced by PPL Energy Supply's generation plants was sold to PPL Electric's customers as PLR supply under predetermined capped rates.

See "Regulatory Issues - Enactment of Financial Reform Legislation" in Note 15 for information on the Dodd-Frank Act.

### Results of Operations

Tables analyzing changes in amounts between periods within "Segment Results" and "Statement of Income Analysis" are presented on a constant U.K. foreign currency exchange rate basis, where applicable, in order to isolate the impact of the change in the exchange rate on the item being explained. Results computed on a constant U.K. foreign currency exchange rate basis are calculated by translating current year results at the prior year weighted-average foreign currency exchange rate.

#### Earnings

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net Income Attributable to PPL Energy Supply	\$ 861	\$ 246	\$ 768

The changes in Net Income Attributable to PPL Energy Supply from year to year were, in part, due to several special items that management considers significant. Details of these special items are provided within the review of each segment's earnings.

The year-to-year changes in significant earnings components, including unregulated gross energy margins by region and significant income statement line items, are explained in the "Statement of Income Analysis."

#### Segment Results

Net Income Attributable to PPL Energy Supply by segment was:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
International Regulated	\$ 261	\$ 243	\$ 290
Supply	600	3	478
Total	<u>\$ 861</u>	<u>\$ 246</u>	<u>\$ 768</u>

#### International Regulated Segment

The International Regulated segment primarily includes the electric distribution operations of WPD. See Note 9 to the Financial Statements for additional information on the sale of PPL's Latin American businesses in 2007. The

International Regulated segment results in 2009 and 2008 reflect the classification of its Latin American businesses as Discontinued Operations.

International Regulated segment Net Income Attributable to PPL Energy Supply was:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Utility revenues	\$ 727	\$ 684	\$ 824
Energy-related businesses	34	32	33
Total operating revenues	<u>761</u>	<u>716</u>	<u>857</u>
Other operation and maintenance	182	140	186
Depreciation	117	115	134
Taxes, other than income	52	57	66
Energy-related businesses	17	16	14
Total operating expenses	<u>368</u>	<u>328</u>	<u>400</u>
Other Income (Expense) - net	3	(11)	17
Interest Expense	135	87	144
Income Tax Expense		20	45
Income (Loss) from Discontinued Operations		(27)	5
Net Income Attributable to PPL Energy Supply	<u>\$ 261</u>	<u>\$ 243</u>	<u>\$ 290</u>

The after-tax changes in Net Income Attributable to PPL Energy Supply between these periods were due to the following factors.

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
U.K.		
Utility revenues	\$ 30	\$ 10
Other operation and maintenance	(34)	16
Other income (expense) - net	1	(7)
Depreciation	(2)	(4)
Interest expense	(36)	28
Income taxes	13	24
Foreign currency exchange rates	6	(69)
Other	5	(3)
Discontinued operations, excluding special item (Note 9)		(5)
U.S. income taxes	(32)	1
Other	7	(10)
Special items	60	(28)
Total	<u>\$ 18</u>	<u>\$ (47)</u>

- U.K. utility revenues increased in 2010 compared with 2009, primarily due to price increases in April 2010 and 2009, partially offset by lower regulatory recovery due to a revised estimate of network electricity losses.

U.K. utility revenues increased in 2009 compared with 2008, due to higher regulatory recovery primarily due to a revised estimate of network electricity losses and higher prices.

- U.K. other operation and maintenance increased in 2010 compared with 2009, primarily due to higher pension expense resulting from an increase in amortization of actuarial losses.

U.K. other operation and maintenance decreased in 2009 compared with 2008, primarily due to lower pension cost resulting from an increase in discount rates and lower inflation rates.

- U.K. interest expense increased in 2010 compared with 2009, primarily due to higher inflation rates on index-linked Senior Unsecured Notes and interest expense related to the March 2010 debt issuance.

U.K. interest expense decreased in 2009 compared with 2008, primarily due to lower inflation rates on index-linked Senior Unsecured Notes and lower debt balances.

- U.K. income taxes decreased in 2010 compared with 2009, primarily due to realized capital losses that offset a gain

relating to a business activity sold in 1999, partially offset by favorable settlements of uncertain tax positions in 2009.

U.K. income taxes decreased in 2009 compared with 2008, primarily due to HMRC's determination related to the valuation of a business activity sold in 1999 and to the deductibility of foreign currency exchange losses, partially offset by the settlement of uncertain tax positions and a change in the tax law in 2008.

- Changes in foreign currency exchange rates positively impacted U.K. earnings for 2010 compared with 2009, and negatively impacted U.K. earnings for 2009 compared with 2008. The weighted-average exchange rates for the British pound sterling were approximately \$1.56 in 2010, \$1.53 in 2009 and \$1.91 in 2008.
- U.S. income taxes increased in 2010 compared with 2009, primarily due to changes in the taxable amount of planned U.K. cash repatriations.

The following after-tax amounts, which management considers special items, also impacted the International Regulated segment's earnings.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Foreign currency-related economic hedges (a)	\$ 1	\$ 1	
Sales of assets:			
Latin American businesses (Note 9)		(27)	
Asset impairments		(1)	
Workforce reduction (Note 13)		(2)	\$ (1)
Other:			
Change in U.K. tax rate (Note 5)	18		
U.S. Tax Court ruling (b)	12		
Total	<u>\$ 31</u>	<u>\$ (29)</u>	<u>\$ (1)</u>

- (a) Represents unrealized gains on contracts that economically hedge anticipated earnings denominated in British pounds sterling.  
(b) Represents the net tax benefit recorded as a result of the U.S. Tax Court ruling that the U.K. Windfall Profits Tax is creditable for U.S. tax purposes, excluding the reversal of accrued interest. See Notes 5 and 15 to the Financial Statements for additional information.

### 2011 Outlook

In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding, to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements. See Note 24 to the Financial Statements for additional information.

### Supply Segment

The Supply segment primarily consists of the energy marketing and trading activities, as well as the competitive generation and development operations of PPL Energy Supply. In September 2010, certain PPL Energy Supply subsidiaries signed definitive agreements to sell their entire ownership interests in certain non-core generation facilities. The sale is expected to close in the first quarter of 2011, subject to the receipt of necessary regulatory approvals and third-party consents. The operating results of these facilities have been classified as Discontinued Operations. In 2010 and 2009, PPL Energy Supply subsidiaries also completed the sale of several businesses, which have been classified as Discontinued Operations. See Note 9 to the Financial Statements for additional information.

Supply segment Net Income Attributable to PPL Energy Supply was:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Energy revenues (a)	\$ 4,764	\$ 4,930	\$ 5,050
Energy-related businesses	364	379	478
Total operating revenues	<u>5,128</u>	<u>5,309</u>	<u>5,528</u>
Fuel and energy purchases (a)	2,449	3,657	3,178
Other operation and maintenance	979	921	876



Depreciation	236	195	165
Taxes, other than income	47	29	20
Energy-related businesses	356	372	464
Total operating expenses	<u>4,067</u>	<u>5,174</u>	<u>4,703</u>
Other Income (Expense) - net (b)	32	46	43
Other-Than-Temporary Impairments	3	18	36
Interest Expense	208	176	162
Income Taxes	262	3	256
Income (Loss) from Discontinued Operations	<u>(19)</u>	<u>20</u>	<u>66</u>
Net Income	601	4	480
Net Income Attributable to Noncontrolling Interests (Note 22)	1	1	2
Net Income Attributable to PPL Energy Supply	<u>\$ 600</u>	<u>\$ 3</u>	<u>\$ 478</u>

- (a) Includes impact from energy-related economic activity. See "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements for additional information.
- (b) Includes interest income from affiliates.

The after-tax changes in Net Income Attributable to PPL Energy Supply between these periods were due to the following factors.

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Eastern U.S. non-trading margins	\$ 607	\$ (3)
Western U.S. non-trading margins	9	20
Net energy trading margins	(9)	81
Other operation and maintenance	(26)	(33)
Depreciation	(24)	(18)
Income taxes and other	81	(44)
Discontinued operations, excluding special items (Note 9)	13	(9)
Special items	(54)	(469)
Total	<u>\$ 597</u>	<u>\$ (475)</u>

- See "Unregulated Gross Energy Margins" in the "Statement of Income Analysis" section for an explanation of non-trading margins and net energy trading margins.
- Other operation and maintenance increased in 2010 compared with 2009, primarily due to increased payroll-related costs, higher contractor-related costs and other costs at Susquehanna. Also contributing to the increase were higher support group costs, higher expenses at western fossil/hydro plants due to the Corette overhaul and lease expense related to the use of the streambeds in Montana. See Note 15 to the Financial Statements for additional information on continuing litigation regarding the streambeds in Montana.

Other operation and maintenance increased in 2009 compared with 2008, primarily due to increased payroll-related costs, higher contractor-related costs and other costs at generation plants.

- Depreciation increased in 2010 compared with 2009, primarily due to the Brunner Island environmental equipment that was placed in service in 2009 and early 2010.

Depreciation increased in 2009 compared with 2008, primarily due to the scrubbers at Brunner Island and Montour and portions of the Susquehanna uprate projects that were placed in service in 2008 and 2009.

- Income taxes decreased in 2010 compared with 2009, primarily due to a release of valuation allowances related to deferred tax assets for Pennsylvania net operating loss carryforwards, investment tax credits at Holtwood and Rainbow, a release of tax reserves in 2010, and a tax benefit from the manufacturing deduction.

Income taxes increased in 2009 compared with 2008, in part due to lower domestic manufacturing deductions in 2009.

The following after-tax amounts, which management considers special items, also impacted the Supply segment's earnings.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Adjusted energy-related economic activity, net (a)	\$ (121)	\$ (225)	\$ 251
Sales of assets:			
Maine hydroelectric generation business (Note 9)	15	22	
Sundance indemnification	1		
Long Island generation business (b)		(33)	
Interest in Wyman Unit 4 (Note 9)		(4)	
Impairments:			
Impacts from emission allowances (c)	(10)	(19)	(25)
Adjustments - NDT investments (d)			(17)
Other asset impairments (e)		(4)	(15)
Workforce reduction (Note 13)		(6)	(1)
LKE acquisition-related costs:			
Monetization of certain full-requirement sales contracts (f)	(125)		
Anticipated sale of certain non-core generation facilities (g)	(64)		
Reduction of credit facility (Note 7)	(6)		
Other:			
Montana hydroelectric litigation (Note 15)	(34)	(3)	
Health Care Reform - tax impact (Note 13)	(5)		
Montana basin seepage litigation (Note 15)	2		(5)
Change in tax accounting method related to repairs (Note 5)		(21)	
Synfuel tax adjustment (Note 15)			(13)
Off-site remediation of ash basin leak (Note 15)			1
Total	<u>\$ (347)</u>	<u>\$ (293)</u>	<u>\$ 176</u>

- (a) See "Reconciliation of Economic Activity" below.
- (b) Consists primarily of the initial impairment charge recorded in June 2009 when this business was classified as held for sale. See Note 9 to the Financial Statements for additional information.
- (c) 2010 and 2009 include impairments of sulfur dioxide emission allowances. 2009 also includes a pre-tax gain of \$4 million related to the settlement of a dispute regarding the sale of certain annual nitrogen oxide allowance put options. See Note 18 to the Financial Statements for additional information.
- 2008 consists of charges related to annual nitrogen oxide allowances and put options. See Note 18 to the Financial Statements for additional information.
- (d) Represents other-than-temporary impairment charges on securities, including reversals of previous impairments when securities previously impaired were sold.
- (e) 2008 primarily consists of a pre-tax charge of \$22 million related to the Holtwood hydroelectric expansion project. See Note 8 to the Financial Statements for additional information.
- (f) See "Components of Monetization of Certain Full-Requirement Sales Contracts" below.
- (g) Consists primarily of an impairment charge recorded when these facilities were classified as held for sale, and allocated goodwill that was written off. See Note 9 to the Financial Statements for additional information.

### *Reconciliation of Economic Activity*

The following table reconciles unrealized pre-tax gains (losses) from the table within "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements to the special item identified as "Adjusted energy-related economic activity, net."

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating Revenues			
Unregulated retail electric and gas	\$ 1	\$ 6	\$ 5
Wholesale energy marketing	(805)	(229)	1,056
Operating Expenses			
Fuel	29	49	(79)
Energy Purchases	286	(155)	(553)
Energy-related economic activity (a)	(489)	(329)	429
Option premiums (b)	32	(54)	
Adjusted energy-related economic activity	(457)	(383)	429
Less: Unrealized economic activity associated with the monetization of certain full-requirement sales contracts (c)	(251)		
Adjusted energy-related economic activity, net, pre-tax	<u>\$ (206)</u>	<u>\$ (383)</u>	<u>\$ 429</u>
Adjusted energy-related economic activity, net, after-tax	<u>\$ (121)</u>	<u>\$ (225)</u>	<u>\$ 251</u>

- (a) The components of this item are from the table within "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements.
- (b) Adjustment for the net deferral and amortization of option premiums over the delivery period of the item that was hedged or upon realization. After-tax amount for 2010 was \$19 million and for 2009 was \$31 million.
- (c) See "Components of Monetization of Certain Full-Requirement Sales Contracts" below.

#### *Components of Monetization of Certain Full-Requirement Sales Contracts*

The following table provides the components of the "Monetization of Certain Full-Requirement Sales Contracts" special item.

	<u>2010</u>
Full-requirement sales contracts monetized (a)	\$ (68)
Economic activity related to the full-requirement sales contracts monetized	(146)
Monetization of certain full-requirement sales contracts, pre-tax (b)	<u>\$ (214)</u>
Monetization of certain full-requirement sales contracts, after-tax	<u>\$ (125)</u>

- (a) See "Commodity Price Risk (Non-trading) – Monetization of Certain Full-Requirement Sales Contracts" in Note 19 to the Financial Statements for additional information.
- (b) Includes unrealized losses of \$251 million from the "Reconciliation of Economic Activity" table above. These amounts are reflected in "Wholesale energy marketing - Unrealized economic activity" and "Energy purchases - Unrealized economic activity" on the Statement of Income. Also includes net realized gains of \$37 million, which are reflected in "Wholesale energy marketing - Realized" and "Energy purchases - Realized" on the Statement of Income. This economic activity will continue to be realized through May 2013.

#### *2011 Outlook*

Excluding special items, lower earnings are projected from the Supply segment in 2011 compared with 2010 as a result of lower energy margins driven by lower energy and capacity prices in the East, higher average fuel costs, and higher operation and maintenance expense.

Earnings beyond 2010 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Note 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings.

#### **Statement of Income Analysis --**

#### **Unregulated Gross Energy Margins**

##### Non-GAAP Financial Measure

The following discussion includes financial information prepared in accordance with GAAP, as well as a non-GAAP financial measure, "Unregulated Gross Energy Margins." "Unregulated Gross Energy Margins" is a single financial performance measure of PPL Energy Supply's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues are offset by the cost of fuel and energy purchases, and adjusted for other related items. This performance measure is relevant to PPL Energy Supply due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. In addition, PPL Energy Supply excludes from "Unregulated Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL Energy Supply's competitive generation assets, full-requirement and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, net losses on the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the net losses on the full-requirement sales contracts that were

monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization. PPL Energy Supply believes that "Unregulated Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and the Board of Directors of PPL to manage its competitive energy non-trading and trading activities. PPL's management also uses "Unregulated Gross Energy Margins" in measuring certain PPL corporate performance goals used in determining variable compensation.

This measure is not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. Other companies may use different measures to analyze and to report on the results of their operations. The following table reconciles "Operating Income" to "Unregulated Gross Energy Margins" as defined by PPL Energy Supply.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating Income (a)	\$ 1,454	\$ 523	\$ 1,282
Adjustments:			
Utility (a)	(727)	(684)	(824)
Energy-related businesses, net (b)	(25)	(23)	(33)
Other operation and maintenance (a)	1,161	1,061	1,062
Depreciation (a)	353	310	299
Taxes, other than income (a)	99	86	86
Revenue adjustments (c)	600	411	(868)
Expense adjustments (c)	(145)	47	560
Unregulated gross energy margins	<u>\$ 2,770</u>	<u>\$ 1,731</u>	<u>\$ 1,564</u>

(a) As reported on the Statements of Income.

(b) Amount represents the net of "Energy-related businesses" revenue and expense as reported on the Statements of Income.

(c) The components of these adjustments are detailed in the table below.

The following table provides the income statement line items and other adjustments that comprise unregulated gross energy margins.

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>2009</u>	<u>2008</u>	<u>Change</u>
Revenue						
Wholesale energy marketing (a)	\$ 4,027	\$ 2,955	\$ 1,072	\$ 2,955	\$ 3,194	\$ (239)
Wholesale energy marketing to affiliate (a)	320	1,806	(1,486)	1,806	1,826	(20)
Unregulated retail electric and gas (a)	415	152	263	152	151	1
Net energy trading margins (a)	2	17	(15)	17	(121)	138
Revenue adjustments (b)						
Exclude impact from energy-related economic activity (c)	483	274	209	274	(1,061)	1,335
Include gains from sale of emission allowances/RECs (d)		2	(2)	2	6	(4)
Include revenue from Supply segment discontinued operations (e)	117	135	(18)	135	187	(52)
Total revenue adjustments	<u>600</u>	<u>411</u>	<u>189</u>	<u>411</u>	<u>(868)</u>	<u>1,279</u>
	<u>5,364</u>	<u>5,341</u>	<u>23</u>	<u>5,341</u>	<u>4,182</u>	<u>1,159</u>
Expense						
Fuel (a)	1,096	920	176	920	1,057	(137)
Energy purchases (a)	1,350	2,667	(1,317)	2,667	2,013	654
Energy purchases from affiliate (a)	3	70	(67)	70	108	(38)
Expense adjustments (b)						
Exclude impact from energy-related economic activity (f)	63	(109)	172	(109)	(632)	523
Include expenses from Supply segment discontinued operations (g)	33	22	11	22	37	(15)

Include ancillary charges (d)	24	19	5	19	15	4
Include gross receipts tax (h)	15		15			
Other	10	21	(11)	21	20	1
Total expense adjustments	145	(47)	192	(47)	(560)	513
	2,594	3,610	(1,016)	3,610	2,618	992
Unregulated gross energy margins	\$ 2,770	\$ 1,731	\$ 1,039	\$ 1,731	\$ 1,564	\$ 167

- (a) As reported on the Statements of Income.
- (b) To include/exclude the impact of any revenues and expenses consistent with the way management reviews unregulated gross energy margins internally.
- (c) See "Commodity Price Risk (Non-trading) – Economic Activity" in Note 19 to the Financial Statements for additional information. In addition, 2010 and 2009 includes a pre-tax gain of \$28 million and a loss of \$51 million related to the amortization of option premiums, and in 2010 a realized gain of \$293 million related to the monetization of certain full-requirement sales contracts. These amounts are reflected in "Wholesale energy marketing – Realized" on the Statement of Income.
- (d) Included in "Other operation and maintenance" on the Statements of Income.
- (e) Represents the operating revenues of the Supply segment businesses classified as discontinued operations. See Note 9 to the Financial Statements for additional information.
- (f) See "Commodity Price Risk (Non-trading) – Economic Activity" in Note 19 to the Financial Statements for additional information. In addition, 2010 and 2009 include a pre-tax gain of \$4 million and a loss of \$3 million related to the amortization of option premiums, and in 2010 a realized loss of \$256 million related to the monetization of certain full-requirement sales contracts. These amounts are reflected in "Energy purchases – Realized" on the Statement of Income.
- (g) Represents fuel costs and energy purchases associated with the anticipated sale of certain non-core generation facilities that are classified as discontinued operations. See Note 9 to the Financial Statements for additional information.
- (h) Included in "Taxes, other than income" on the Statement of Income.

### Unregulated Gross Energy Margins By Region

Unregulated gross energy margins are generated through non-trading and trading activities. The non-trading energy business is managed on a geographic basis that is aligned with its generation assets.

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>2009</u>	<u>2008</u>	<u>Change</u>
Non-trading:						
Eastern U.S.	\$ 2,429	\$ 1,391	\$ 1,038	\$ 1,391	\$ 1,396	\$ (5)
Western U.S.	339	323	16	323	289	34
Net energy trading	2	17	(15)	17	(121)	138
Unregulated gross energy margins	\$ 2,770	\$ 1,731	\$ 1,039	\$ 1,731	\$ 1,564	\$ 167

#### *Eastern U.S.*

Eastern U.S. non-trading margins were higher in 2010 compared with 2009, primarily due to significantly higher pricing in 2010 for eastern baseload generation compared with prices realized under the PLR contract with PPL Electric that expired at the end of 2009. Partially offsetting the increase were lower realized margins from full-requirement sales contracts due to lower customer demand and customer migration.

Eastern U.S. non-trading margins were lower in 2009 compared with 2008, primarily due to lower margins on full-requirement sales contracts resulting from mild weather, decreased demand, and customer migration. Also contributing to the decrease were higher average baseload generation fuel costs, primarily due to higher coal prices. Partially offsetting these lower margins were net gains resulting from the settlement of economic positions associated with rebalancing portfolios to better align them with current strategies, higher capacity revenue, higher baseload generation output due to unplanned major outages in 2008, and an increase in the PLR sales prices in accordance with the PUC Final Order.

#### *Western U.S.*

Western U.S. non-trading margins were higher in 2010 compared with 2009, primarily due to higher average prices, partially offset by lower volumes.

Western U.S. non-trading margins were higher in 2009 compared with 2008, primarily due to higher wholesale volumes and increased generation from the hydroelectric units.

### *Net Energy Trading*

Net energy trading margins decreased in 2010 compared with 2009, consisting of lower trading margins related to power and gas, partially offset by higher trading margins related to FTRs.

Net energy trading margins increased in 2009 compared with 2008, primarily due to increased margins in the power, gas and oil trading positions resulting from unrealized trading losses in 2008 due to a dramatic decline in energy prices and a severe contraction of liquidity in the wholesale power markets.

### Utility Revenues

The changes in utility revenues were attributable to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
U.K. electric delivery revenue	\$ 41	\$ 14
U.K. foreign currency exchange rates	2	(154)
Total	<u>\$ 43</u>	<u>\$ (140)</u>

U.K. electric delivery revenues increased in 2010 compared with 2009, primarily due to price increases in April 2010 and 2009, partially offset by lower regulatory recovery due to a revised estimate of network electricity losses.

U.K. electric delivery revenues increased in 2009 compared with 2008, primarily due to price increases in April 2009 and 2008, increased regulatory recovery due to a revised estimate of network electricity losses, and favorable changes in customer mix. These increases were partially offset by lower volumes due to unfavorable economic conditions, including industrial customers scaling back on production and a decrease in engineering and metering services performed for third parties.

### Energy-Related Businesses

The changes in contributions from energy-related businesses were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Domestic mechanical business (a)	\$ (8)	\$ (6)
WPD (b)	2	(4)
Other	8	
Total	<u>\$ 2</u>	<u>\$ (10)</u>

(a) Primarily attributable to a decline in construction activity caused by the slowdown in the economy.

(b) Changes in contributions from U.K. energy-related businesses were primarily due to increases in remote metering business activity in 2010 and decreases related to changes in foreign currency exchange rates in 2009.

### Other Operation and Maintenance

The changes in other operation and maintenance expenses were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Montana hydroelectric litigation (Note 15)	\$ 48	\$ 8
Defined benefit costs - U.K. (Note 13)	32	(16)
Other costs at Susquehanna nuclear plant	23	14
Outage costs at Susquehanna nuclear plant	8	
Uncollectible accounts	3	(8)

Other costs at fossil/hydroelectric plants	2	17
Outage costs at eastern fossil/hydroelectric plants		23
Impacts from emission allowances (a)	(16)	(9)
Workforce reductions (Note 13)	(13)	13
Allocation of certain corporate support group costs	(5)	16
Defined benefit costs - U.S. (Note 13)	(2)	11
U.K. foreign currency exchange rates	(1)	(24)
Impairment of cancelled generation expansion project in 2008 (Note 8)		(22)
Montana basin seepage litigation (Note 15)		(8)
Trademark royalty fees from a PPL subsidiary (Note 16)		(7)
Other - Domestic	7	(3)
Other - U.K.	14	(6)
Total	<u>\$ 100</u>	<u>\$ (1)</u>

- (a) For the period 2010 compared to 2009, \$21 million relates to lower impairment charges of sulfur dioxide emission allowances. See Note 18 to the Financial Statements for additional information. Partially offsetting the decrease was a \$5 million increase in the charge for the settlement of a dispute regarding the sale of certain annual nitrogen oxide allowance put options.

For the period 2009 compared to 2008, \$33 million relates to lower impairment charges of nitrogen oxide allowances partially offset by \$37 million of higher impairment charges of sulfur dioxide allowances. See Note 18 to the Financial Statements for additional information. Also contributing to the difference was a \$13 million decrease in the charge for the settlement of a dispute regarding the sale of certain annual nitrogen oxide allowance put options.

## Depreciation

The changes in depreciation expense were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Additions to PP&E (a)	\$ 43	\$ 40
U.K. foreign currency exchange rates		(25)
Other		(4)
Total	<u>\$ 43</u>	<u>\$ 11</u>

- (a) Additions included Susquehanna generation uprates and the completion of Brunner Island environmental projects in 2008 through 2010 as well as the Montour scrubber project in 2008.

## Taxes, Other Than Income

The changes in taxes, other than income were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Pennsylvania gross receipts tax (a)	\$ 15	
Domestic property tax expense (b)	1	\$ 10
U.K. foreign currency exchange rates		(12)
Other (c)	(3)	2
Total	<u>\$ 13</u>	<u>\$ (2)</u>

- (a) The increase in 2010 compared with 2009 was primarily due to an increase in retail electricity sales by PPL EnergyPlus. This tax is included in "Unregulated Gross Energy Margins" above.  
(b) The increase in 2009 compared with 2008 was primarily due to a \$7 million property tax credit recorded by PPL Montana in 2008.  
(c) The decrease in 2010 compared with 2009 primarily relates to lower WPD real estate tax expense due to reductions in tax rates.

## Other Income (Expense) - net

See Note 17 to the Financial Statements for details.

## Other-Than-Temporary Impairments

Other-than-temporary impairments decreased by \$15 million in 2010 compared with 2009 and by \$18 million in 2009 compared with 2008. The decrease for both periods was primarily due to stronger returns on NDT investments caused by improved market conditions within the financial markets.

### Interest Income from Affiliates

Interest income from affiliates increased by \$7 million in 2010 compared with 2009, primarily due to loans to LKE subsidiaries, which have been fully repaid as of December 31, 2010.

Interest income from affiliates decreased by \$12 million in 2009 compared with 2008, primarily due to the decline in the average balance outstanding and the floating interest rate on the collateral deposit related to the PLR contract.

### Interest Expense

The changes in interest expense were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Interest on WPD debt issuance (Note 7)	\$ 25	
Inflation adjustment on U.K. Index-linked Senior Unsecured Notes	23	\$ (29)
Capitalized interest	12	12
Amortization of debt issuance costs	12	6
Montana hydroelectric litigation (Note 15)	10	
Hedging activities	3	(3)
U.K. foreign currency exchange rates	(3)	(17)
Other long-term debt interest expense	(1)	(15)
Short-term debt interest expense	(1)	6
Other		(3)
Total	<u>\$ 80</u>	<u>\$ (43)</u>

### Income Taxes

The changes in income taxes were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Higher (lower) pre-tax book income	\$ 350	\$ (288)
State valuation allowance adjustments	(52)	
Federal income tax credits	(10)	(17)
Domestic manufacturing deduction	(8)	13
Federal and state tax reserve adjustments	(46)	(14)
Federal and state tax return adjustments	(21)	27
U.S. income tax on foreign earnings net of foreign tax credit	50	5
U.K. Finance Act adjustments	(18)	8
U.K. capital loss benefit		(46)
Foreign tax reserve adjustments	(17)	12
Foreign tax return adjustments		17
Health Care Reform	5	
Other	6	5
Total	<u>\$ 239</u>	<u>\$ (278)</u>

See Note 5 to the Financial Statements for additional information on income taxes.

### Discontinued Operations

See Note 9 to the Financial Statements for information related to various 2010 and 2009 sales, including the anticipated sale of certain non-core generation facilities expected to occur in the first quarter of 2011.



Financial Condition**Liquidity and Capital Resources**

PPL Energy Supply expects to continue to have adequate liquidity available through operating cash flows, cash and cash equivalents and its credit facilities. Additionally, subject to market conditions, PPL Energy Supply currently plans to access debt capital markets in 2011.

PPL Energy Supply's cash flows from operations and access to cost-effective bank and capital markets are subject to risks and uncertainties including, but not limited to:

- changes in market prices for electricity;
- changes in commodity prices that may increase the cost of producing power or decrease the amount PPL Energy Supply receives from selling power;
- operational and credit risks associated with selling and marketing products in the wholesale power markets;
- potential ineffectiveness of the trading, marketing and risk management policy and programs used to mitigate PPL Energy Supply's risk exposure to adverse electricity and fuel prices, interest rates and counterparty credit;
- reliance on transmission and distribution facilities that PPL Energy Supply does not own or control to deliver its electricity and natural gas;
- unavailability of generating units (due to unscheduled or longer-than-anticipated generation outages, weather and natural disasters) and the resulting loss of revenues and additional costs of replacement electricity;
- costs of compliance with existing and new environmental laws and with new security and safety requirements for nuclear facilities;
- any adverse outcome of legal proceedings and investigations with respect to PPL Energy Supply's current and past business activities;
- deterioration in the financial markets that could make obtaining new sources of bank and capital markets funding more difficult and more costly; and
- a downgrade in PPL Energy Supply's or its rated subsidiaries' credit ratings that could adversely affect their ability to access capital and increase the cost of credit facilities and any new debt.

See "Item 1A. Risk Factors" for further discussion of risks and uncertainties affecting PPL Energy Supply's cash flows.

At December 31, PPL Energy Supply had the following:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Cash and cash equivalents	\$ 661	\$ 245	\$ 464
Short-term investments (a)			150
	<u>\$ 661</u>	<u>\$ 245</u>	<u>\$ 614</u>
Short-term debt	<u>\$ 531</u>	<u>\$ 639</u>	<u>\$ 584</u>

- (a) 2008 amount represents tax-exempt bonds issued by the PEDFA in December 2008 on behalf of PPL Energy Supply and purchased by a subsidiary of PPL Energy Supply upon issuance. Such bonds were refunded in April 2009. See Note 7 to the Financial Statements for further discussion.

The changes in PPL Energy Supply's cash and cash equivalents position resulted from:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net cash provided by operating activities	\$ 1,840	\$ 1,413	\$ 1,039
Net cash used in investing activities	(825)	(551)	(1,696)
Net cash provided by (used in) financing activities	(612)	(1,081)	779
Effect of exchange rates on cash and cash equivalents	13		(13)
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 416</u>	<u>\$ (219)</u>	<u>\$ 109</u>

Operating Activities

Net cash provided by operating activities increased by 30%, or \$427 million, in 2010 compared with 2009. The expiration of the long-term power purchase agreements between PPL Electric and PPL EnergyPlus at the end of 2009 enabled PPL EnergyPlus to sell power at higher market prices and had a positive impact on net income, and specifically on "unregulated gross energy margins" which increased over \$600 million, after-tax, in 2010 compared with 2009, and therefore, was the primary driver to the above increase. The positive impact of additional earnings was partially offset by a reduction in the amount of counterparty collateral received and by additional defined benefit plan contributions. In addition, changes in working capital in 2010 compared with 2009 offset the \$300 million impact of cash collateral received from PPL Electric in 2009 as discussed below.

Net cash provided by operating activities increased by 36%, or \$374 million, in 2009 compared with 2008, primarily as a result of the return of \$300 million in cash collateral from PPL Electric related to the long-term PLR energy supply agreements (which expired at the end of 2009); cash collateral received from counterparties; and the benefit of lower income tax payments due to the change in method of accounting for certain expenditures for tax purposes. These increases were partially offset by a decrease in accounts payable and the unfavorable impact of foreign currency exchange rates in 2009 compared with 2008.

A significant portion of PPL Energy Supply's operating cash flows is derived from its Supply segment baseload generation business activities. PPL Energy Supply employs a formal hedging program for its baseload generation fleet, the primary objective of which is to provide a reasonable level of near-term cash flow and earnings certainty while preserving upside potential of power price increases over the medium term. See Note 19 to the Financial Statements for further discussion. Despite its hedging practices, PPL Energy Supply expects its future cash flows to be more influenced by commodity prices than during the past years when long-term supply contracts were in place between PPL EnergyPlus and PPL Electric. In the near-term, PPL Energy Supply expects its Supply segment operating cash flows to decline as a result of lower commodity prices. In addition, in January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements. See Note 24 to the Financial Statements for additional information. As a result, PPL Energy Supply's cash from operating activities will also decline in future periods, as compared with prior periods.

PPL Energy Supply's contracts for the sale and purchase of electricity and fuel often require cash collateral or other credit enhancements, or reductions or terminations of a portion of the entire contract through cash settlement, in the event of a downgrade of PPL Energy Supply's or its subsidiary's credit ratings or adverse changes in market prices. For example, in addition to limiting its trading ability, if PPL Energy Supply's or its subsidiary's ratings were lowered to below "investment grade" and there was a 10% adverse movement in energy prices, PPL Energy Supply estimates that, based on its December 31, 2010 positions, it would have had to post additional collateral of approximately \$348 million with respect to electricity and fuel contracts. PPL Energy Supply has in place risk management programs that are designed to monitor and manage its exposure to volatility of cash flows related to changes in energy and fuel prices, interest rates, foreign currency exchange rates, counterparty credit quality and the operating performance of its generating units.

### Investing Activities

The primary use of cash in investing activities is capital expenditures. See "Forecasted Uses of Cash" for detail regarding capital expenditures in 2010 and projected expenditures for the years 2011 through 2015.

Net cash used in investing activities increased 50%, or \$274 million in 2010 compared with 2009, primarily as a result of a decrease of \$154 million from proceeds from the sale of other investments, a change of \$135 million from restricted cash and cash equivalents, and an increase of \$102 million in capital expenditures. The increase in cash used in investing activities from the above items was partially offset by the change in proceeds received from the sale of businesses, which are discussed in Note 9 to the Financial Statements and a change of \$28 million in other investing activities. PPL Energy Supply received proceeds of \$81 million from the sale of the majority of the Maine hydroelectric generation business in 2009, compared to proceeds of \$162 million received in 2010 from the sales of the Long Island generation business and the remaining Maine hydroelectric generation business assets.

Net cash used in investing activities decreased 68%, or \$1.1 billion in 2009 compared with 2008, primarily as a result of a change of \$371 million from restricted cash and cash equivalents, a change of \$249 million from purchases and sales of other investments, a change of \$244 million from purchases and sales of intangible assets, a decrease of \$207 million in capital expenditures and \$81 million of proceeds received in 2009 from the sale of the majority of the Maine hydroelectric generation business. See Note 1 to the Financial Statements for a discussion of restricted cash and cash equivalents and Note 7 to the Financial Statements for a discussion of the purchase and sale by a subsidiary of PPL Energy Supply of Exempt Facilities Revenue Bonds issued by the PEDFA on behalf of PPL Energy Supply and Note 9 to the Financial Statements for a discussion of the sale of the majority of the Maine hydroelectric generation business.

### Financing Activities

Net cash used in financing activities was \$612 million in 2010 compared with \$1.1 billion in 2009 and net cash provided by financing activities of \$779 million in 2008. The change from 2009 to 2010 primarily reflects more long-term debt issuances, increased contributions from and distributions to Member, and less short-term borrowings in 2010. The change from 2008 to 2009 primarily reflects no issuances of long-term debt in 2009, reduced contributions from Member, increased distributions to Member and less short-term borrowings in 2009.

In 2010, cash used in financing activities primarily consisted of \$4.7 billion in distributions to Member, partially offset by \$3.6 billion in contributions from Member and net debt issuances of \$509 million. The distributions to and contributions from Member during 2010 primarily relate to the funds received by PPL in June 2010 from the issuance of common stock and Equity Units. These funds were invested by a subsidiary of PPL Energy Supply until they were returned to its Member in October 2010 to be available to partially fund the acquisition of LKE and pay certain acquisition-related fees and expenses.

In 2009, cash used in financing activities primarily consisted of \$943 million in distributions to Member and net debt retirements of \$177 million, partially offset by \$50 million in contributions from Member.

In 2008, cash provided by financing activities primarily consisted of net debt issuances of \$1.1 billion and \$421 million in contributions from Member, partially offset by \$750 million in distributions to Member.

See "Forecasted Sources of Cash" for a discussion of PPL Energy Supply's plans to issue debt securities, as well as a discussion of credit facility capacity available to PPL Energy Supply. Also see "Forecasted Uses of Cash" for information regarding maturities of PPL Energy Supply's long-term debt.

PPL Energy Supply's debt financing activity in 2010 was:

	<u>Issuances (a)</u>	<u>Retirements</u>
WPD Senior Unsecured Notes	\$ 597	
Other long-term debt	5	
PPL Energy Supply short-term debt (net change)	65	
WPD short-term debt (net change)		\$ (158)
Total	<u>\$ 667</u>	<u>\$ (158)</u>
Net increase	<u>\$ 509</u>	

(a) Issuances are net of pricing discounts, where applicable and exclude the impact of debt issuance costs.

See Note 7 to the Financial Statements for more detailed information regarding PPL Energy Supply's financing activities in 2010.

### Forecasted Sources of Cash

PPL Energy Supply expects to continue to have significant sources of cash available in the near term, including various credit facilities, operating leases and contributions from Member. Additionally, PPL Energy Supply expects to have access to debt capital markets and currently plans to issue up to \$500 million in long-term debt securities in 2011, subject to market conditions.

*Credit Facilities*

At December 31, 2010, PPL Energy Supply's total committed borrowing capacity under credit facilities and the use of this borrowing capacity were:

	<u>Committed Capacity</u>	<u>Borrowed</u>	<u>Letters of Credit Issued (a)</u>	<u>Unused Capacity</u>
PPL Energy Supply Domestic Credit Facilities (b)	\$ 3,500	\$ 350	\$ 185	\$ 2,965
WPDH Limited Credit Facility (c)	£ 150	£ 115	n/a	£ 35
WPD (South West) Credit Facility (d)	210		n/a	210
Total WPD Credit Facilities (e)	£ 360	£ 115	n/a	£ 245

- (a) The borrower under each of these facilities has a reimbursement obligation to the extent any letters of credit are drawn upon.
- (b) PPL Energy Supply has the ability to borrow \$3.0 billion under its credit facilities. Such borrowings generally bear interest at LIBOR-based rates plus a spread, depending upon the company's senior unsecured long-term debt rating. PPL Energy Supply also has the capability to cause the lenders to issue up to \$3.5 billion of letters of credit under these facilities, which issuances reduce available borrowing capacity. Subject to certain conditions, PPL Energy Supply may request that the capacity of one of its facilities be increased by up to \$500 million.

These credit facilities contain a financial covenant requiring debt to total capitalization not to exceed 65%. At December 31, 2010 and 2009, PPL Energy Supply's consolidated debt to total capitalization percentages, as calculated in accordance with its credit facilities, were 44% and 46%. The credit facilities also contain standard representations and warranties that must be made for PPL Energy Supply to borrow under them.

The commitments under PPL Energy Supply's domestic credit facilities are provided by a diverse bank group, with no one bank and its affiliates providing an aggregate commitment of more than 14% of the total committed capacity. The committed capacity expires as follows: \$300 million in 2011, \$200 million in 2013 and \$3.0 billion in 2014.

- (c) Borrowings under WPDH Limited's credit facility bear interest at LIBOR-based rates plus a spread, depending upon the company's public long-term credit rating. This credit facility contains financial covenants that require WPDH Limited to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before income taxes, depreciation and amortization and a RAB that exceeds total net debt by the higher of an amount equal to 15% of total net debt or £150 million, in each case as calculated in accordance with the credit facility. At December 31, 2010 and 2009, WPDH Limited's interest coverage ratios, as calculated in accordance with its credit facility, were 3.5 and 4.3. At December 31, 2010 and 2009, WPDH Limited's RAB, as calculated in accordance with the credit facility, exceeded its total net debt by £364 million, or 27%, and £325 million, or 25%.
- (d) Borrowings under WPD (South West)'s credit facility bear interest at LIBOR-based rates plus a margin. This credit facility contains financial covenants that require WPD (South West) to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before income taxes, depreciation and amortization and total net debt not in excess of 85% of RAB, in each case as calculated in accordance with the credit facility. At December 31, 2010 and 2009, WPD (South West)'s interest coverage ratios, as calculated in accordance with its credit facility, were 3.6 and 5.3. At December 31, 2010 and 2009, WPD (South West)'s total net debt, as calculated in accordance with the credit facility, was 75% and 67% of RAB.
- (e) The commitments under WPD's credit facilities are provided by eight banks, with no one bank providing more than 25% of the total committed capacity. The committed capacity under the facilities expires as follows: £210 million in 2012 and £150 million in 2013.

At December 31, 2010, the unused capacity of WPD's credit facilities was approximately \$381 million.

In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding. See Note 24 to the Financial Statements for additional information.

In addition to the financial covenants noted in the table above, the credit agreements governing the credit facilities contain various other covenants. Failure to comply with the covenants after applicable grace periods could result in acceleration of repayment of borrowings and/or termination of the agreements. PPL Energy Supply monitors compliance with the covenants on a regular basis. At December 31, 2010, PPL Energy Supply was in material compliance with these covenants. At this time, PPL Energy Supply believes that these covenants and other borrowing conditions will not limit access to these funding sources.

See Note 7 to the Financial Statements for further discussion of PPL Energy Supply's credit facilities.

*Operating Leases*

PPL Energy Supply and its subsidiaries also have available funding sources that are provided through operating leases. PPL Energy Supply's subsidiaries lease office space, land, buildings and certain equipment. These leasing structures

provide PPL Energy Supply additional operating and financing flexibility. The operating leases contain covenants that are typical for these agreements, such as maintaining insurance, maintaining corporate existence and timely payment of rent and other fees.

PPL Energy Supply, through its subsidiary PPL Montana, leases a 50% interest in Colstrip Units 1 and 2 and a 30% interest in Unit 3, under four 36-year, non-cancelable operating leases. These operating leases are not recorded on PPL Energy Supply's Balance Sheets. The leases place certain restrictions on PPL Montana's ability to incur additional debt, sell assets and declare dividends. At this time, PPL Energy Supply believes that these restrictions will not limit access to these funding sources or cause acceleration or termination of the leases.

See Note 11 to the Financial Statements for further discussion of the operating leases.

#### *Long-Term Debt Securities and Contributions from Member*

Subject to market conditions, PPL Energy Supply currently plans to issue up to \$500 million in long-term debt securities in 2011. PPL Energy Supply expects to use the proceeds from this issuance primarily to refund PPL Energy Supply's 2011 debt maturity.

From time to time, as determined by its Board of Directors, PPL Energy Supply's Member, PPL Energy Funding, makes capital contributions to PPL Energy Supply. PPL Energy Supply uses these contributions for general corporate purposes.

#### Forecasted Uses of Cash

In addition to expenditures required for normal operating activities, such as purchased power, payroll, fuel and taxes, PPL Energy Supply currently expects to incur future cash outflows for capital expenditures, various contractual obligations, distributions to its Member and possibly the purchase or redemption of a portion of its debt securities.

#### *Capital Expenditures*

The table below shows PPL Energy Supply's actual spending for the year 2010 and current capital expenditure projections for the years 2011 through 2015. (Amounts related to PPL Global have been excluded for periods subsequent to 2010. See Note 24 to the Financial Statements for additional information.)

	<b>Actual</b>		<b>Projected</b>			
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Construction expenditures (a) (b)						
Generating facilities	\$ 550	\$ 625	\$ 513	\$ 398	\$ 202	\$ 366
Distribution facilities and other - WPD	286					
Environmental	40	48	53	99	147	64
Other	21	31	32	32	29	23
Total Construction Expenditures	897	704	598	529	378	453
Nuclear fuel	138	152	159	161	158	160
Total Capital Expenditures	<u>\$ 1,035</u>	<u>\$ 856</u>	<u>\$ 757</u>	<u>\$ 690</u>	<u>\$ 536</u>	<u>\$ 613</u>

(a) Construction expenditures include capitalized interest, which is expected to be approximately \$203 million for the years 2011 through 2015.

(b) Includes expenditures for certain intangible assets.

PPL Energy Supply's capital expenditure projections for the years 2011 through 2015 total approximately \$3.5 billion. Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions. This table includes projected costs related to the planned 247 MW of incremental capacity increases. See Note 8 to the Financial Statements for information regarding the significant development projects.

PPL Energy Supply plans to fund its capital expenditures in 2011 with cash on hand and cash from operations.

#### *Contractual Obligations*

PPL Energy Supply has assumed various financial obligations and commitments in the ordinary course of conducting its business. At December 31, 2010, the estimated contractual cash obligations of PPL Energy Supply were: (Amounts related to PPL Global have been excluded for periods subsequent to 2010. See Note 24 to the Financial Statements for additional information.)

	<u>Total</u>	<u>Less Than 1 Year</u>	<u>1-3 Years</u>	<u>4-5 Years</u>	<u>After 5 Years</u>
Long-term Debt (a)	\$ 3,272	\$ 500	\$ 737	\$ 600	\$ 1,435
Interest on Long-term Debt (b)	1,862	204	343	222	1,093
Operating Leases (c)	828	105	213	204	306
Purchase Obligations (d)	4,908	1,197	1,554	754	1,403
Total Contractual Cash Obligations	<u>\$ 10,870</u>	<u>\$ 2,006</u>	<u>\$ 2,847</u>	<u>\$ 1,780</u>	<u>\$ 4,237</u>

- (a) Reflects principal maturities only based on stated maturity dates, except for PPL Energy Supply's 5.70% Reset Put Securities (REPS). See Note 7 to the Financial Statements for a discussion of the remarketing feature related to the REPS, as well as discussion of variable-rate remarketable bonds issued on behalf of PPL Energy Supply. PPL Energy Supply does not have any significant capital lease obligations.
- (b) Assumes interest payments through stated maturity, except for the REPS, for which interest is reflected to the put date. The payments herein are subject to change, as payments for debt that is or becomes variable-rate debt have been estimated.
- (c) See Note 11 to the Financial Statements for additional information.
- (d) The payments reflected herein are subject to change, as certain purchase obligations included are estimates based on projected obligated quantities and/or projected pricing under the contracts. Purchase orders made in the ordinary course of business are excluded from the amounts presented. The payments also include obligations related to nuclear fuel and the installation of the scrubbers, which are also reflected in the Capital Expenditures table presented above.

At December 31, 2010, total unrecognized tax benefits of \$183 million were excluded from this table as PPL Energy Supply cannot reasonably estimate the amount and period of future payments. See Note 5 to the Financial Statements for additional information.

#### *Distributions to Member*

From time to time, as determined by its Board of Managers, PPL Energy Supply makes return of capital distributions to its Member.

#### *Purchase or Redemption of Debt Securities*

PPL Energy Supply will continue to evaluate purchasing or redeeming outstanding debt securities and may decide to take action depending upon prevailing market conditions and available cash.

#### Credit Ratings

Moody's, S&P and Fitch periodically review the credit ratings on the debt securities of PPL Energy Supply and its subsidiaries. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of PPL Energy Supply and its subsidiaries are based on information provided by PPL Energy Supply and other sources. The ratings of Moody's, S&P and Fitch are not a recommendation to buy, sell or hold any securities of PPL Energy Supply or its subsidiaries. Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities. A downgrade in PPL Energy Supply's or its subsidiaries' credit ratings could result in higher borrowing costs and reduced access to capital markets.

In prior periodic reports, PPL Energy Supply described its then-current debt ratings in connection with, and to facilitate, an understanding of its liquidity position. As a result of the passage of the Dodd-Frank Act and the attendant uncertainties relating to the extent to which issuers of non-asset backed securities may disclose credit ratings without being required to obtain rating agency consent to the inclusion of such disclosure, or incorporation by reference of such disclosure, in a registrant's registration statement or section 10(a) prospectus, PPL Energy Supply is limiting its credit

rating disclosure to a description of the actions taken by the rating agencies with respect to PPL Energy Supply's ratings, but without stating what ratings have been assigned to PPL Energy Supply or its subsidiaries, or their securities. The ratings assigned by the rating agencies to PPL Energy Supply and its subsidiaries and their respective securities may be found, without charge, on each of the respective ratings agencies' websites, which ratings together with all other information contained on such rating agency websites is, hereby, explicitly not incorporated by reference in this report.

The rating agencies took the following actions related to PPL Energy Supply and its subsidiaries in 2010.

#### *Moody's*

Following PPL's then-announced agreement to acquire LKE, Moody's affirmed its senior unsecured notes credit rating and outlook for PPL Energy Supply in April 2010.

In August 2010, Moody's affirmed all of PPL Energy Supply's ratings.

#### *S&P*

Following PPL's then-announced agreement to acquire LKE, S&P took the following actions in April 2010:

- Revised the outlook of PPL Energy Supply;
- Revised the outlook of WPDH Limited, WPD (South Wales) and WPD (South West); and
- Affirmed its credit ratings for PPL Energy Supply, WPDH Limited, WPD (South Wales) and WPD (South West).

S&P stated in its press release that the change to the outlook for PPL Energy Supply considers the greater regulated mix that will result from PPL acquiring LKE, resulting in a pro forma "strong" consolidated business risk profile for PPL. S&P also stated that the revision in the outlook for WPD is a reflection of the change to PPL's outlook and is not a result of any change in WPD's stand-alone credit profile.

In October 2010, S&P took the following actions:

- Revised the outlook of PPL Energy Supply;
- Raised the issuer rating of PPL Energy Supply; and
- Raised the senior unsecured debt rating of PPL Energy Supply.

In November 2010, S&P affirmed its credit rating and revised the outlook for PPL Montana's Pass Through Certificates due 2020.

#### *Fitch*

Following PPL's then-announced agreement to acquire LKE, Fitch affirmed its credit ratings and outlook for PPL Energy Supply in April 2010.

In May 2010, Fitch affirmed its rating and issued an outlook for PPL Montana's Pass Through Certificates due 2020.

In October 2010, Fitch affirmed its credit ratings for and revised the outlook of WPDH Limited, WPD (South Wales) and WPD (South West).

#### Ratings Triggers

As discussed in Note 7 to the Financial Statements, certain of WPD's senior unsecured notes may be put by the holders back to the issuer for redemption if the long-term credit ratings assigned to the notes by Moody's, S&P or Fitch are withdrawn by any of the rating agencies or reduced to a non-investment grade rating of Ba1 or BB+ in connection with a restructuring event. A restructuring event includes the loss of, or a material adverse change to, the distribution license under which WPD (South West) and WPD (South Wales) operate. These notes totaled £1.3 billion (approximately \$2.0 billion) at December 31, 2010.

PPL Energy Supply has various derivative and non-derivative contracts, including contracts for the sale and purchase of electricity and fuel, commodity transportation and storage, tolling agreements, and interest rate and foreign currency instruments, which contain provisions requiring PPL Energy Supply to post additional collateral, or permit the counterparty to terminate the contract, if PPL Energy Supply's credit rating were to fall below investment grade. See Note 19 to the Financial Statements for a discussion of "Credit Risk-Related Contingent Features," including a discussion of the potential additional collateral that would have been required for derivative contracts in a net liability position at December 31, 2010. At December 31, 2010, if PPL Energy Supply's credit rating had been below investment grade, PPL Energy Supply would have been required to prepay or post an additional \$347 million of collateral to counterparties for both derivative and non-derivative commodity and commodity-related contracts used in its generation, marketing and trading operations and interest rate and foreign currency contracts.

### Guarantees for Subsidiaries

PPL Energy Supply guarantees certain consolidated affiliate financing arrangements that enable certain transactions. Some of the guarantees contain financial and other covenants that, if not met, would limit or restrict the consolidated affiliates' access to funds under these financing arrangements, require early maturity of such arrangements or limit the consolidated affiliates' ability to enter into certain transactions. At this time, PPL Energy Supply believes that these covenants will not limit access to relevant funding sources. See Note 15 to the Financial Statements for additional information about guarantees.

### **Off-Balance Sheet Arrangements**

PPL Energy Supply has entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 15 to the Financial Statements for a discussion of these agreements.

### **Risk Management - Energy Marketing & Trading and Other**

#### Market Risk

See Notes 1, 18, and 19 to the Financial Statements for information about PPL Energy Supply's risk management objectives, valuation techniques and accounting designations.

The forward-looking information presented below provides estimates of what may occur in the future, assuming certain adverse market conditions and model assumptions. Actual future results may differ materially from those presented. These disclosures are not precise indicators of expected future losses, but only indicators of possible losses under normal market conditions at a given confidence level.

#### *Commodity Price Risk (Non-trading)*

PPL Energy Supply segregates its non-trading activities into two categories: hedge activity and economic activity. Transactions that are accounted for as hedge activity qualify for hedge accounting treatment. The economic activity category includes transactions that address a specific risk, but were not eligible for hedge accounting or for which hedge accounting was not elected. This activity includes the changes in fair value of positions used to hedge a portion of the economic value of PPL Energy Supply's generation assets, full-requirement sales contracts and retail activities. This economic activity is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Although they do not receive hedge accounting treatment, these transactions are considered non-trading activity. (See Note 19 to the Financial Statements for additional information on hedge and economic activity). The net fair value of economic positions at December 31, 2010 and 2009 was a net liability of \$389 million and \$77 million.

To hedge the impact of market price volatility on PPL Energy Supply's energy-related assets, liabilities and other contractual arrangements, PPL Energy Supply sells and purchases physical energy at the wholesale level under FERC market-based tariffs throughout the U.S. and enters into financial exchange-traded and over-the-counter contracts. PPL Energy Supply's non-trading commodity derivative contracts mature at various times through 2017.



The following table sets forth the net fair value of PPL Energy Supply's non-trading commodity derivative contracts. See Notes 18 and 19 to the Financial Statements for additional information.

	<b>Gains (Losses)</b>	
	<b>2010</b>	<b>2009</b>
Fair value of contracts outstanding at the beginning of the period	\$ 1,280	\$ 402
Contracts realized or otherwise settled during the period	(490)	189
Fair value of new contracts entered into during the period	(5)	143
Changes in fair value attributable to changes in valuation techniques (a)	(23)	
Other changes in fair value	196	546
Fair value of contracts outstanding at the end of the period	<u>\$ 958</u>	<u>\$ 1,280</u>

(a) Amount represents the reduction of valuation reserves related to capacity and FTR contracts upon the adoption of fair value accounting guidance.

The following table segregates the net fair value of PPL Energy Supply's non-trading commodity derivative contracts at December 31, 2010 based on whether the fair value was determined by prices quoted in active markets for identical instruments or other more subjective means.

<b>Source of Fair Value</b>	<b>Net Asset (Liability)</b>				<b>Total Fair Value</b>
	<b>Maturity Less Than 1 Year</b>	<b>Maturity 1-3 Years</b>	<b>Maturity 4-5 Years</b>	<b>Maturity in Excess of 5 Years</b>	
Prices based on significant other observable inputs	\$ 362	\$ 592	\$ 8		\$ 962
Prices based on significant unobservable inputs	3	(29)	(4)	\$ 26	(4)
Fair value of contracts outstanding at the end of the period	<u>\$ 365</u>	<u>\$ 563</u>	<u>\$ 4</u>	<u>\$ 26</u>	<u>\$ 958</u>

PPL Energy Supply sells electricity, capacity and related services and buys fuel on a forward basis to hedge the value of energy from its generation assets. If PPL Energy Supply were unable to deliver firm capacity and energy or to accept the delivery of fuel under its agreements, under certain circumstances it could be required to pay liquidating damages. These damages would be based on the difference between the market price and the contract price of the commodity. Depending on price changes in the wholesale energy markets, such damages could be significant. Extreme weather conditions, unplanned power plant outages, transmission disruptions, nonperformance by counterparties (or their own counterparties) with which it has energy contracts and other factors could affect PPL Energy Supply's ability to meet its obligations, or cause significant increases in the market price of replacement energy. Although PPL Energy Supply attempts to mitigate these risks, there can be no assurance that it will be able to fully meet its firm obligations, that it will not be required to pay damages for failure to perform, or that it will not experience counterparty nonperformance in the future.

*Commodity Price Risk (Trading)*

PPL Energy Supply's trading contracts mature at various times through 2015. The following table sets forth changes in the net fair value of PPL Energy Supply's trading commodity derivative contracts. See Notes 18 and 19 to the Financial Statements for additional information.

	<b>Gains (Losses)</b>	
	<b>2010</b>	<b>2009</b>
Fair value of contracts outstanding at the beginning of the period	\$ (6)	\$ (75)
Contracts realized or otherwise settled during the period	(12)	2
Fair value of new contracts entered into during the period	39	31
Other changes in fair value	(17)	36
Fair value of contracts outstanding at the end of the period	<u>\$ 4</u>	<u>\$ (6)</u>

PPL Energy Supply will reverse unrealized gains of approximately \$2 million over the next three months as the transactions are realized.

The following table segregates the net fair value of PPL Energy Supply's trading commodity derivative contracts at December 31, 2010 based on whether the fair value was determined by prices quoted in active markets for identical instruments or other more subjective means.

	Net Asset (Liability)				Total Fair Value
	Maturity Less Than 1 Year	Maturity 1-3 Years	Maturity 4-5 Years	Maturity in Excess of 5 Years	
<b>Source of Fair Value</b>					
Prices based on significant other observable inputs	\$ (1)	\$ 2	\$ 3		\$ 4
Fair value of contracts outstanding at the end of the period	\$ (1)	\$ 2	\$ 3		\$ 4

#### *VaR Models*

PPL Energy Supply utilizes a VaR model to measure commodity price risk in domestic gross energy margins for its non-trading and trading portfolios. VaR is a statistical model that attempts to estimate the value of potential loss over a given holding period under normal market conditions at a given confidence level. PPL Energy Supply calculates VaR using a Monte Carlo simulation technique based on a five-day holding period at a 95% confidence level. Given the company's conservative hedging program, PPL's non-trading VaR exposure is expected to be limited in the short term. At December 31, 2010 and December 31, 2009, the VaR for PPL Energy Supply's portfolios using end-of-month results for the period was as follows.

	Trading VaR		Non-Trading VaR	
	2010	2009	2010	2009
95% Confidence Level, Five-Day Holding Period				
Period End	\$ 1	\$ 3	\$ 5	\$ 8
Average for the Period	4	4	7	9
High	9	8	12	11
Low	1	1	4	8

The trading portfolio includes all speculative positions, regardless of the delivery period. All positions not considered speculative are considered non-trading. PPL Energy Supply's non-trading portfolio includes PPL Energy Supply's entire portfolio, including generation, with delivery periods through the next 12 months. Both the trading and non-trading VaR computations exclude FTRs due to the absence of reliable spot and forward markets. The fair value of the non-trading and trading FTR positions was insignificant at December 31, 2010.

#### *Interest Rate Risk*

PPL Energy Supply and its subsidiaries have issued debt to finance their operations, which exposes them to interest rate risk. PPL and PPL Energy Supply utilize various financial derivative instruments to adjust the mix of fixed and floating interest rates in PPL Energy Supply's debt portfolio, adjust the duration of its debt portfolio and lock in benchmark interest rates in anticipation of future financing, when appropriate. Risk limits under the risk management program are designed to balance risk exposure to volatility in interest expense and changes in the fair value of PPL Energy Supply's debt portfolio due to changes in the absolute level of interest rates.

At December 31, 2010 and 2009, PPL Energy Supply's potential annual exposure to increased interest expense, based on a 10% increase in interest rates, was not significant.

PPL Energy Supply is also exposed to changes in the fair value of its domestic and international debt portfolios. PPL Energy Supply estimated that a 10% decrease in interest rates at December 31, 2010 would increase the fair value of its debt portfolio by \$198 million, compared with \$187 million at December 31, 2009.

PPL Energy Supply had the following interest rate hedges outstanding at:

	December 31, 2010	December 31, 2009

	<u>Exposure Hedged</u>	<u>Fair Value, Net - Asset (a)</u>	<u>Effect of a 10% Adverse Movement in Rates (b)</u>	<u>Exposure Hedged</u>	<u>Fair Value, Net - Asset (a)</u>	<u>Effect of a 10% Adverse Movement in Rates (b)</u>
Cash flow hedges						
Interest rate swaps (c)						
Cross-currency swaps (d)	\$ 302	\$ 35	\$ (18)	\$ 302	\$ 8	\$ (41)
Fair value hedges						
Interest rate swaps (e)						

- (a) Includes accrued interest, if applicable.
- (b) Effects of adverse movements decrease assets or increase liabilities, as applicable, which could result in an asset becoming a liability.
- (c) PPL and PPL Energy Supply utilize various risk management instruments to reduce PPL Energy Supply's exposure to the expected future cash flow variability of PPL Energy Supply's debt instruments. These risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financing. While PPL Energy Supply is exposed to changes in the fair value of these instruments, any changes in the fair value of these instruments are recorded in equity and then reclassified into earnings in the same period during which the item being hedged affects earnings. Sensitivities represent a 10% adverse movement in interest rates.
- (d) WPDH Limited uses cross-currency swaps to hedge the interest payments and principal of its U.S. dollar-denominated senior notes with maturity dates ranging from December 2017 to December 2028. While PPL Energy Supply is exposed to changes in the fair value of these instruments, any change in the fair value of these instruments is recorded in equity and reclassified into earnings in the same period during which the item being hedged affects earnings. Sensitivities represent a 10% adverse movement in both interest rates and foreign currency exchange rates.
- (e) PPL and PPL Energy Supply utilize various risk management instruments to adjust the mix of fixed and floating interest rates in PPL Energy Supply's debt portfolio. The change in fair value of these instruments, as well as the offsetting change in the value of the hedged exposure of the debt, is reflected in earnings. Sensitivities represent a 10% adverse movement in interest rates.

#### *Foreign Currency Risk*

PPL Energy Supply is exposed to foreign currency risk, primarily through investments in U.K. affiliates. In addition, PPL Energy Supply's domestic operations may make purchases of equipment in currencies other than U.S. dollars. See Note 1 to the Financial Statements for additional information regarding foreign currency translation.

PPL and PPL Energy Supply have adopted a foreign currency risk management program designed to hedge certain foreign currency exposures, including firm commitments, recognized assets or liabilities, anticipated transactions and net investments. In addition, PPL Energy Supply enters into financial instruments to protect against foreign currency translation risk of expected earnings.

PPL Energy Supply had the following foreign currency hedges outstanding at:

	<u>December 31, 2010</u>			<u>December 31, 2009</u>		
	<u>Exposure Hedged</u>	<u>Fair Value, Net - Asset (Liability)</u>	<u>Effect of a 10% Adverse Movement in Foreign Currency Exchange Rates (a)</u>	<u>Exposure Hedged</u>	<u>Fair Value, Net - Asset (Liability)</u>	<u>Effect of a 10% Adverse Movement in Foreign Currency Exchange Rates (a)</u>
Net investment hedges (b)	£ 35	\$ 7	\$ (5)	£ 40	\$ 13	\$ (6)
Economic hedges (c)	89	4	(10)	48	2	(4)

- (a) Effects of adverse movements decrease assets or increase liabilities, as applicable, which could result in an asset becoming a liability.
- (b) To protect the value of a portion of PPL Energy Supply's net investment in WPD, PPL executed forward contracts to sell British pounds sterling. The contracts outstanding at December 31, 2010 were settled in January 2011.
- (c) To economically hedge the translation of expected income denominated in British pounds sterling to U.S. dollars, PPL entered into a combination of average rate forwards and average rate options to sell British pounds sterling. The forwards and options outstanding at December 31, 2010 have termination dates ranging from January 2011 through December 2011.

#### *NDT Funds - Securities Price Risk*

In connection with certain NRC requirements, PPL Susquehanna maintains trust funds to fund certain costs of decommissioning the Susquehanna nuclear station. At December 31, 2010, these funds were invested primarily in domestic equity securities and fixed-rate, fixed-income securities and are reflected at fair value on PPL Energy Supply's Balance Sheet. The mix of securities is designed to provide returns sufficient to fund Susquehanna's decommissioning and to compensate for inflationary increases in decommissioning costs. However, the equity securities included in the trusts are exposed to price fluctuation in equity markets, and the values of fixed-rate, fixed-income securities are exposed

to changes in interest rates. PPL actively monitors the investment performance and periodically reviews asset allocation in accordance with its nuclear decommissioning trust policy statement. At December 31, 2010, a hypothetical 10% increase in interest rates and a 10% decrease in equity prices would have resulted in an estimated \$45 million reduction in the fair value of the trust assets, compared with \$40 million at December 31, 2009. See Notes 18 and 23 to the Financial Statements for additional information regarding the NDT funds.

#### *Defined Benefit Plans - Securities Price Risk*

See "Application of Critical Accounting Policies - Defined Benefits" for additional information regarding the effect of securities price risk on plan assets.

#### Credit Risk

Credit risk is the risk that PPL Energy Supply would incur a loss as a result of nonperformance by counterparties of their contractual obligations. PPL Energy Supply maintains credit policies and procedures with respect to counterparty credit (including requirements that counterparties maintain specified credit ratings) and requires other assurances in the form of credit support or collateral in certain circumstances in order to limit counterparty credit risk. However, PPL Energy Supply has concentrations of suppliers and customers among electric utilities, financial institutions and other energy marketing and trading companies. These concentrations may impact PPL Energy Supply's overall exposure to credit risk, positively or negatively, as counterparties may be similarly affected by changes in economic, regulatory or other conditions.

PPL Energy Supply includes the effect of credit risk on its fair value measurements to reflect the probability that a counterparty will default when contracts are out of the money (from the counterparty's standpoint). In this case, PPL Energy Supply would have to sell into a lower-priced market or purchase from a higher-priced market. When necessary, PPL Energy Supply records an allowance for doubtful accounts to reflect the probability that a counterparty will not pay for deliveries PPL Energy Supply has made but not yet billed, which are reflected in "Unbilled revenues" on the Balance Sheets. PPL Energy Supply also has established a reserve with respect to certain sales to the California ISO for which PPL Energy Supply has not yet been paid, which is reflected in accounts receivable on the Balance Sheets. See Note 15 to the Financial Statements for additional information.

See "Overview" in this Item 7 and Notes 16, 18 and 19 to the Financial Statements for additional information on credit concentration and credit risk.

#### **Foreign Currency Translation**

At December 31, 2010, the British pound sterling had weakened in relation to the U.S. dollar compared with the prior year end. Changes in these exchange rates resulted in a foreign currency translation loss of \$63 million for 2010, which primarily reflected a \$180 million reduction to PP&E offset by a reduction of \$117 million to net liabilities. At December 31, 2009, the British pound sterling had strengthened in relation to the U.S. dollar as compared with the prior year end. Changes in these exchange rates resulted in a foreign currency translation gain of \$106 million for 2009, which primarily reflected a \$225 million increase in PP&E offset by an increase of \$119 million to net liabilities. At December 31, 2008, the British pound sterling had weakened in relation to the U.S. dollar compared with the prior year end. Changes in these exchange rates resulted in a foreign currency translation loss of \$520 million for 2008, which primarily reflected a \$1.1 billion reduction to PP&E offset by a reduction of \$580 million to net liabilities.

#### **Related Party Transactions**

PPL Energy Supply is not aware of any material ownership interests or operating responsibility by senior management of PPL Energy Supply in outside partnerships, including leasing transactions with variable interest entities, or other entities doing business with PPL Energy Supply. See Note 16 to the Financial Statements for additional information on related party transactions.

#### **Acquisitions, Development and Divestitures**

Incremental capacity increases of 247 MW are currently planned, primarily at existing generating facilities. See "Item 2. Properties - Supply Segment" for additional information.

Development projects are continuously reexamined based on market conditions and other factors to determine whether to proceed with the projects, sell, cancel or expand them, execute tolling agreements or pursue other options.

See Notes 8 and 9 to the Financial Statements for additional information on the more significant activities.

### **Environmental Matters**

See "Item 1. Business - Environmental Matters" and Note 15 to the Financial Statements for a discussion of environmental matters.

### **Competition**

See "Item 1. Business - Competition" under the International Regulated and Supply segments and "Item 1A. Risk Factors" for a discussion of competitive factors affecting PPL Energy Supply.

### **New Accounting Guidance**

See Note 1 to the Financial Statements for a discussion of new accounting guidance adopted.

### **Application of Critical Accounting Policies**

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to the financial condition or results of operations, and require estimates or other judgments of matters inherently uncertain. Changes in the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in the Financial Statements (these accounting policies are also discussed in Note 1 to the Financial Statements). PPL's senior management has reviewed these critical accounting policies, the following disclosures regarding their application and the estimates and assumptions regarding them, with PPL's Audit Committee.

#### **1) Price Risk Management**

See "Price Risk Management" in Note 1 to the Financial Statements as well as "Risk Management - Energy Marketing & Trading and Other" above.

#### **2) Defined Benefits**

PPL Energy Supply subsidiaries sponsor various defined benefit pension and other postretirement plans and participate in and are allocated a significant portion of the liability and net periodic defined benefit costs of plans sponsored by PPL Services based on participation in those plans. PPL Energy Supply subsidiaries record an asset or liability to recognize the funded status of all defined benefit plans with an offsetting entry to OCI. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets. See Note 13 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

PPL Services and PPL Energy Supply make certain assumptions regarding the valuation of benefit obligations and the performance of plan assets. When accounting for defined benefits, delayed recognition in earnings of differences between actual results and expected or estimated results is a guiding principle. Annual net periodic defined benefit costs are recorded in current earnings based on estimated results. Any differences between actual and estimated results are recorded in OCI. These amounts in AOCI are amortized to income over future periods. The delayed recognition allows for a smoothed recognition of costs over the working lives of the employees who benefit under the plans. The primary assumptions are:

- Discount Rate - The discount rate is used in calculating the present value of benefits, which is based on projections of benefit payments to be made in the future. The objective in selecting the discount rate is to measure the single amount that, if invested at the measurement date in a portfolio of high-quality debt instruments, would provide the necessary future cash flows to pay the accumulated benefits when due.
- Expected Return on Plan Assets - Management projects the long-term rates of return on plan assets based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. These projected returns reduce the net benefit costs PPL records currently.
- Rate of Compensation Increase - Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement.
- Health Care Cost Trend Rate - Management projects the expected increases in the cost of health care.

In selecting a discount rate for its U.S. defined benefit plans, PPL Services and PPL Energy Supply start with an analysis of the expected benefit payment stream for their plans. This information is first matched against a spot-rate yield curve. A portfolio of 604 Aa-graded non-callable (or callable with make-whole provisions) bonds, with a total amount outstanding in excess of \$667 billion, serves as the base from which those with the lowest and highest yields are eliminated to develop the ultimate yield curve. The results of this analysis are considered together with other economic data and movements in various bond indices to determine the discount rate assumption. At December 31, 2010, PPL Services and PPL Energy Supply decreased the discount rate for their U.S. pension plans from 6.00% to 5.41% and 5.47%, respectively, as a result of this assessment. PPL Services decreased the discount rate for its other postretirement benefit plans from 5.81% to 5.16% and PPL Energy Supply decreased the discount rate for its other postretirement benefit plans from 5.55% to 4.95%.

A similar process is used to select the discount rate for the U.K. pension plans, which uses an iBoxx British pounds sterling denominated corporate bond index as its base. At December 31, 2010, the discount rate for the U.K. pension plans was decreased from 5.55% to 5.54% as a result of this assessment.

The expected long-term rates of return for PPL Services and PPL Energy Supply's U.S. defined benefit pension and other postretirement benefit plans have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. PPL management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption.

At December 31, 2010, PPL Services' expected return on plan assets decreased from 8.00% to 7.25% for its U.S. pension plans and decreased from 7.00% to 6.45% for PPL's other postretirement benefit plans. The expected long-term rates of return for PPL and PPL Energy Supply's U.K. pension plans have been developed by PPL management with assistance from an independent actuary using a best-estimate of expected returns, volatilities and correlations for each asset class. For the U.K. plans, PPL and PPL Energy Supply's expected return on plan assets decreased from 7.91% to 7.86% at December 31, 2010.

In selecting a rate of compensation increase, PPL Energy Supply considers past experience in light of movements in inflation rates. At December 31, 2010, PPL Services and PPL Energy Supply's rate of compensation increase remained at 4.75% for their U.S. plans. For the U.K. plans, PPL and PPL Energy Supply's rate of compensation increase remained at 4.00% at December 31, 2010.

In selecting health care cost trend rates, PPL Services and PPL Energy Supply consider past performance and forecasts of health care costs. At December 31, 2010, PPL Services' and PPL Energy Supply's health care cost trend rates were 9.00% for 2011, gradually declining to 5.50% for 2019.

A variance in the assumptions listed above could have a significant impact on accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and OCI. While the charts below reflect either an increase or decrease in each assumption, the inverse of this change would impact the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and OCI by a similar amount in the opposite direction. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption and does not include income tax effects.

At December 31, 2010, defined benefit plan liabilities were as follows.

Pension liabilities	\$	619
Other postretirement benefit liabilities		73

The following chart reflects the sensitivities in the December 31, 2010 Balance Sheet associated with a change in certain assumptions based on PPL Services' and PPL Energy Supply's primary defined benefit plans.

Actuarial assumption	Change in assumption	Increase (Decrease)	
		Impact on defined benefit liabilities	Impact on OCI
Discount Rate	(0.25)%	\$ 149	\$ (149)
Rate of Compensation Increase	0.25%	23	(23)
Health Care Cost Trend Rate (a)	1.00%	1	(1)

(a) Only impacts other postretirement benefits.

In 2010, PPL Energy Supply was allocated and recognized net periodic defined benefit costs charged to operating expense of \$52 million. This amount represents a \$29 million increase from 2009. This increase in expense was primarily attributable to amortization of actuarial losses of the WPD pension plans in the U.K.

The following chart reflects the sensitivities in the 2010 Statement of Income (excluding income tax effects) associated with a change in certain assumptions based on PPL's and PPL Energy Supply's primary defined benefit plans.

Actuarial assumption	Change in assumption	Impact on defined benefit costs
Discount Rate	(0.25)%	\$ 12
Expected Return on Plan Assets	(0.25)%	9
Rate of Compensation Increase	0.25%	4
Health Care Cost Trend Rate (a)	1.00%	1

(a) Only impacts other postretirement benefits.

### 3) Asset Impairment

Impairment analyses are performed for long-lived assets that are subject to depreciation or amortization whenever events or changes in circumstances indicate that a long-lived asset's carrying value may not be recoverable. For these long-lived assets classified as held and used, such events or changes in circumstances are:

- a significant decrease in the market price of an asset;
- a significant adverse change in the manner in which an asset is being used or in its physical condition;
- a significant adverse change in legal factors or in the business climate;
- an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of an asset;
- a current-period operating or cash flow loss combined with a history of losses or a forecast that demonstrates continuing losses; or
- a current expectation that, more likely than not, an asset will be sold or otherwise disposed of before the end of its previously estimated useful life.

For a long-lived asset classified as held and used, an impairment is recognized when the carrying amount of the asset is not recoverable and exceeds its fair value. The carrying amount is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If the asset is impaired, an impairment loss is recorded to adjust the asset's carrying value to its estimated fair value. Management must make significant judgments to estimate future cash flows, including the useful lives of long-lived assets, the fair value of the assets and management's intent to use the assets. Alternate courses of action are considered to recover the carrying value of a long-lived asset, and estimated cash flows from the "most likely" alternative are used to assess impairment whenever one alternative is clearly the most likely outcome. If no alternative is clearly the most likely, then a probability-weighted approach is used taking into consideration estimated cash flows from the alternatives. For assets tested for impairment as of the balance sheet date, the estimates of future cash flows used in that test consider the likelihood of possible outcomes that existed at the balance sheet date, including the assessment of the likelihood of a future sale of the assets. That assessment is not revised based on events that occur after the balance sheet date. Changes in assumptions and estimates could result in significantly different results than those identified and recorded in the financial statements.

For a long-lived asset classified as held for sale, an impairment exists when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If the asset (disposal group) is impaired, an impairment loss is recorded to adjust the carrying amount to its fair value less cost to sell. A gain is recognized for any subsequent increase in fair value less cost to sell, but not in excess of the cumulative impairment previously recognized.

For determining fair value, quoted market prices in active markets are the best evidence of fair value. However, when market prices are unavailable, PPL considers all valuation techniques appropriate under the circumstances and for which market participant inputs can be obtained. Generally discounted cash flows are used to estimate fair value, which incorporates market participant inputs when available. Discounted cash flows are calculated by estimating future cash flow streams and applying appropriate discount rates to determine the present value of the cash flow streams.

In 2010, impairments of certain long-lived assets were recorded. See Note 18 to the Financial Statements for a discussion of impairments related to certain sulfur dioxide emission allowances and certain non-core generation facilities.

Goodwill is tested for impairment at the reporting unit level. Reporting units have been determined to be at or one level below operating segments. A goodwill impairment test is performed annually or more frequently if events or changes in circumstances indicate that the carrying value of the reporting unit may be greater than the unit's fair value. Additionally, goodwill is tested for impairment after a portion of goodwill has been allocated to a business to be disposed of.

Goodwill is tested for impairment using a two-step approach. The first step of the goodwill impairment test compares the estimated fair value of a reporting unit with its carrying amount, including goodwill. If the estimated fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is not considered impaired. If the carrying amount exceeds the estimated fair value of the reporting unit, the second step is performed to measure the amount of impairment loss, if any.

The second step requires a calculation of the implied fair value of goodwill. The implied fair value of goodwill is determined in the same manner as the amount of goodwill in a business combination. That is, the estimated fair value of a reporting unit is allocated to all of the assets and liabilities of that unit as if the reporting unit had been acquired in a business combination and the estimated fair value of the reporting unit was the price paid to acquire the reporting unit. The excess of the estimated fair value of a reporting unit over the amounts assigned to its assets and liabilities is the implied fair value of goodwill. The implied fair value of the reporting unit's goodwill is then compared with the carrying amount of that goodwill. If the carrying amount exceeds the implied fair value, an impairment loss is recognized in an amount equal to that excess. The loss recognized cannot exceed the carrying amount of the reporting unit's goodwill.

In 2010, no goodwill was required to be impaired. Management used both discounted cash flows and market multiples, which required significant assumptions, to estimate the fair value of each reporting unit. For the discounted cash flows approach, a decrease in the forecasted cash flows of 10%, or an increase in the discount rate by 25 basis points, would not have resulted in an impairment of goodwill. For the market multiples approach, which is based on either current or forward trading multiples of comparable companies or precedent transactions, a 10% decrease in the multiples would not have resulted in an impairment of goodwill.



In 2010 and 2009, \$5 million and \$3 million of goodwill allocated to discontinued operations was written off.

#### 4) Loss Accruals

Losses are accrued for the estimated impacts of various conditions, situations or circumstances involving uncertain or contingent future outcomes. For loss contingencies, the loss must be accrued if (1) information is available that indicates it is probable that a loss has been incurred, given the likelihood of the uncertain future events, and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The accrual of contingencies that might result in gains is not recorded unless recovery is assured. Potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events are continuously assessed.

The accounting aspects of estimated loss accruals include (1) the initial identification and recording of the loss, (2) the determination of triggering events for reducing a recorded loss accrual, and (3) the ongoing assessment as to whether a recorded loss accrual is sufficient. All three of these aspects require significant judgment by management. Internal expertise and outside experts (such as lawyers and engineers) are used, as necessary, to help estimate the probability that a loss has been incurred and the amount (or range) of the loss.

In 2010, a significant adjustment to the contingency accrual related to the Montana hydroelectric streambed litigation was recorded. See Note 15 to the Financial Statements for additional information.

Certain other events have been identified that could give rise to a loss, but that do not meet the conditions for accrual. Such events are disclosed, but not recorded, when it is "reasonably possible" that a loss has been incurred. See Note 15 to the Financial Statements for disclosure of other potential loss contingencies that have not met the criteria for accrual.

When an estimated loss is accrued, the triggering events for subsequently reducing the loss accrual are identified, where applicable. The triggering events generally occur when the contingency has been resolved and the actual loss is paid or written off, or when the risk of loss has diminished or been eliminated. The following are some of the triggering events that provide for the reduction of certain recorded loss accruals:

- Allowances for uncollectible accounts are reduced when accounts are written off after prescribed collection procedures have been exhausted, a better estimate of the allowance is determined or underlying amounts are ultimately collected.
- Environmental and other litigation contingencies are reduced when the contingency is resolved and actual payments are made, a better estimate of the loss is determined or the loss is no longer considered probable.

Loss accruals are reviewed on a regular basis to assure that the recorded potential loss exposures are appropriate. This involves ongoing communication and analyses with internal and external legal counsel, engineers, operation management and other parties.

#### 5) Asset Retirement Obligations

PPL Energy Supply is required to recognize a liability for legal obligations associated with the retirement of long-lived assets. The initial obligation should be measured at its estimated fair value. A conditional ARO must be recognized when incurred if the fair value of the ARO can be reasonably estimated. An equivalent amount should be recorded as an increase in the value of the capitalized asset and allocated to expense over the useful life of the asset. Until the obligation is settled, the liability is increased, through the recognition of accretion expense in the income statement, for changes in the obligation due to the passage of time. See Note 21 to the Financial Statements for further discussion of AROs.

In determining AROs, management must make significant judgments and estimates to calculate fair value. Fair value is developed using an expected present value technique based on assumptions of market participants that considers

estimated retirement costs in current period dollars that are inflated to the anticipated retirement date and then discounted back to the date the ARO was incurred. Changes in assumptions and estimates included within the calculations of the fair value of AROs could result in significantly different results than those identified and recorded in the financial statements. Estimated ARO costs and settlement dates, which affect the carrying value of the ARO and the related capitalized asset, are reviewed periodically to ensure that any material changes are incorporated into the latest estimate of the ARO. Any change to the capitalized asset, positive or negative, is amortized over the remaining life of the associated long-lived asset. See Note 21 to the Financial Statements for a discussion of the remeasurement of the ARO for the decommissioning of the Susquehanna nuclear units in the third quarter of 2010, which resulted in a \$103 million reduction in the ARO primarily due to a decrease in estimated inflation rates.

At December 31, 2010, AROs totaling \$345 million were recorded on the Balance Sheet, of which \$13 million is included in "Other current liabilities." Of the total amount, \$270 million, or 78%, relates to the nuclear decommissioning ARO. The most significant assumptions surrounding AROs are the forecasted retirement costs, the discount rates and the inflation rates. A variance in any of these inputs could have a significant impact on the ARO liabilities.

The following table reflects the sensitivities related to the nuclear decommissioning ARO liability associated with a change in these assumptions as of December 31, 2010. There is no significant change to the annual depreciation expense of the ARO asset or the annual accretion expense of the ARO liability as a result of changing the assumptions. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption.

	<u>Change in Assumption</u>	<u>Impact on ARO Liability</u>
Retirement Cost	10%	\$27
Discount Rate	(0.25)%	\$25
Inflation Rate	0.25%	\$26

## 6) Income Taxes

Significant management judgment is required in developing the provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is required to determine the amount of benefit recognized related to an uncertain tax position. Tax positions are evaluated following a two-step process. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization, upon settlement, that exceeds 50%. Management considers a number of factors in assessing the benefit to be recognized, including negotiation of a settlement.

On a quarterly basis, uncertain tax positions are reassessed by considering information known at the reporting date. Based on management's assessment of new information, a tax benefit may subsequently be recognized for a previously unrecognized tax position, a previously recognized tax position may be de-recognized, or the benefit of a previously recognized tax position may be remeasured. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in the future.

At December 31, 2010, it was reasonably possible that during the next 12 months the total amount of unrecognized tax benefits could increase by as much as \$1 million or decrease by up to \$181 million. This change could result from subsequent recognition, derecognition and/or changes in the measurement of uncertain tax positions related to the creditability of foreign taxes, the timing and utilization of foreign tax credits and the related impact on alternative minimum tax and other credits, the timing and/or valuation of certain deductions, intercompany transactions and unitary

filing groups. The events that could cause these changes are direct settlements with taxing authorities, litigation, legal or administrative guidance by relevant taxing authorities and the lapse of an applicable statute of limitation.

The balance sheet classification of unrecognized tax benefits and the need for valuation allowances to reduce deferred tax assets also require significant management judgment. Unrecognized tax benefits are classified as current to the extent management expects to settle an uncertain tax position by payment or receipt of cash within one year of the reporting date. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers a number of factors in assessing the realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy utilized in this assessment must meet the recognition and measurement criteria utilized to account for an uncertain tax position. Management also considers the uncertainty posed by political risk (e.g. the potential for legislative extension of generation rate caps) and the effect of this uncertainty on the various factors that management takes into account in evaluating the need for valuation allowances. The amount of deferred tax assets ultimately realized may differ materially from the estimates utilized in the computation of valuation allowances and may materially impact the financial statements in the future. See Note 5 to the Financial Statements for income tax disclosures, including the release of \$52 million of valuation allowances associated with state net operating loss carryforwards in 2010.

#### **Other Information**

PPL's Audit Committee has approved the independent auditor to provide audit and audit-related services and other services permitted by Sarbanes-Oxley and SEC rules. The audit and audit-related services include services in connection with statutory and regulatory filings, reviews of offering documents and registration statements, and internal control reviews. See "Item 14. Principal Accounting Fees and Services" for more information.

**PPL ELECTRIC UTILITIES CORPORATION AND SUBSIDIARIES****Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations****Overview**

The information provided in this Item 7 should be read in conjunction with PPL Electric's Consolidated Financial Statements and the accompanying Notes. Terms and abbreviations are explained in the glossary. Dollars are in millions unless otherwise noted.

PPL Electric is an electricity delivery service provider in eastern and central Pennsylvania with headquarters in Allentown, Pennsylvania. Refer to "Item 1. Business - Background" for a description of its business. PPL Electric's strategy and principal challenge is to own and operate its electricity delivery business at the most efficient cost while maintaining high quality customer service and reliability. Because PPL Electric's electricity delivery business is rate-regulated, it is subject to regulatory risk with respect to costs that may be recovered and investment returns that may be collected through customer rates.

To manage financing costs and access to credit markets, a key objective for PPL Electric's business is to maintain a strong credit profile. PPL Electric continually focuses on maintaining an appropriate capital structure and liquidity position. See "Item 1A. Risk Factors" for more information concerning these and other material risks PPL Electric faces in its business.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" provides information concerning PPL Electric's performance in implementing the strategies and managing the risks and challenges mentioned above. Specifically:

- "Results of Operations" provides an overview of PPL Electric's operating results in 2010, 2009 and 2008, including a review of earnings. It also provides a brief outlook for 2011.
- "Financial Condition - Liquidity and Capital Resources" provides an analysis of PPL Electric's liquidity position and credit profile, including its sources of cash (including bank credit facilities and sources of operating cash flow) and uses of cash (including contractual obligations and capital expenditure requirements) and the key risks and uncertainties that impact PPL Electric's past and future liquidity position and financial condition. This subsection also includes rating agency actions on PPL Electric's credit ratings.
- "Financial Condition - Risk Management" provides an explanation of PPL Electric's risk management programs relating to market risk and credit risk.
- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of PPL Electric and that require its management to make significant estimates, assumptions and other judgments.

See "Item 1. Business - Background - Segment Information - Pennsylvania Regulated Segment" for a discussion of PPL Electric's PLR obligations, PPL Electric's agreement to provide electricity as a PLR at "capped" rates through the end of 2009, and plans for default electricity supply procurement after 2009.

When comparing 2010 with 2009, certain line items on PPL Electric's financial statements were impacted by the Customer Choice Act, Act 129 and other related issues. The expiration of generation rate caps, the resulting competitive solicitations for power supply, the migration of customers to alternative suppliers, the Customer Choice Act and Act 129 had minimal impact on Pennsylvania gross delivery margins, as approved recovery mechanisms allow for cost recovery of associated expenses, including the cost of energy provided as a PLR. However, PPL Electric's 2010 Pennsylvania gross delivery margins were negatively impacted by the expiration of CTC recovery in December 2009. PPL Electric continues to remain the delivery provider for all customers in its service territory and charge a regulated rate for the service of delivering electricity.

See "Statement of Income Analysis - Pennsylvania Gross Delivery Margins" for additional information.

**Results of Operations**

**Earnings**

	<b>2010</b>	<b>2009</b>	<b>2008</b>
Net Income Available to PPL Corporation	\$ 115	\$ 124	\$ 158

The after-tax changes in Net Income Available to PPL Corporation between these periods were due to the following factors, including several special items that management considers significant. Details of these special items are provided below.

	<b>2010 vs. 2009</b>	<b>2009 vs. 2008</b>
Pennsylvania gross delivery margins	\$ 2	\$ (18)
Other operation and maintenance	(29)	3
Interest expense	11	(12)
Income taxes and other	(2)	2
Special items	9	(9)
	\$ (9)	\$ (34)

- See "Pennsylvania Gross Delivery Margins by Component" in the "Statement of Income Analysis" section for an explanation of margins generated by the regulated electric delivery operations.
- Other operation and maintenance increased in 2010 compared with 2009, primarily due to higher payroll-related costs and higher contractor costs related to vegetation management.
- Interest expense decreased in 2010 compared with 2009, primarily due to lower average debt balances in 2010 compared with 2009 and the interest related to the over-recovery of recoverable transition costs.

Interest expense increased in 2009 compared with 2008, primarily due to \$400 million of debt issuances in October 2008 that prefunded a portion of August 2009 debt maturities.

The following after-tax amounts, which management considers special items, also impacted earnings.

	<b>2009</b>
Asset impairments	\$ (1)
Workforce reduction (Note 13)	(5)
Other:	
Change in tax accounting method related to repairs (Note 5)	(3)
Total	\$ (9)

*2011 Outlook*

Excluding special items, higher earnings are projected in 2011 compared with 2010, due to higher distribution revenues resulting from an approved distribution base rate increase effective January 1, 2011.

Earnings beyond 2010 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Note 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings. See "Item 1. Business - Segment Information - Pennsylvania Regulated Segment" for additional information on the 2010 rate case.

**Statement of Income Analysis --**

**Pennsylvania Gross Delivery Margins**

Non-GAAP Financial Measure

The following discussion includes financial information prepared in accordance with GAAP, as well as a non-GAAP financial measure, "Pennsylvania Gross Delivery Margins." "Pennsylvania Gross Delivery Margins" is a single financial performance measure of PPL Electric's Pennsylvania regulated electric delivery operations, which includes transmission and distribution activities, including PLR supply. In calculating this measure, Pennsylvania regulated utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset. These mechanisms allow for full cost recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. As a result, this measure represents the net revenues from PPL Electric's Pennsylvania regulated electric delivery operations. This performance measure is used, in conjunction with other information, internally by senior management and PPL's Board of Directors to manage its Pennsylvania regulated electric delivery operations. PPL Electric believes that "Pennsylvania Gross Delivery Margins" provides another criterion to make investment decisions.

This measure is not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. Other companies may use different measures to analyze and to report on the results of their operations. The following table reconciles "Operating Income" to "Pennsylvania Gross Delivery Margins" as defined by PPL Electric.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating Income (a)	\$ 284	\$ 329	\$ 375
Adjustments:			
Other operation and maintenance (a)	502	417	410
Depreciation (a)	136	128	131
Taxes, other than income (a)	138	194	203
Expense adjustments (b)	(205)	(216)	(236)
Pennsylvania gross delivery margins	<u>\$ 855</u>	<u>\$ 852</u>	<u>\$ 883</u>

(a) As reported on the Statements of Income.

(b) The components of these adjustments are detailed in the table below.

The following table provides the income statement line items and other adjustments that comprise Pennsylvania gross delivery margins.

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>2009</u>	<u>2008</u>	<u>Change</u>
Revenue						
Retail electric (a)	\$ 2,448	\$ 3,218	\$ (770)	\$ 3,218	\$ 3,290	\$ (72)
Wholesale electric to affiliate (a)	7	74	(67)	74	111	(37)
	<u>2,455</u>	<u>3,292</u>	<u>(837)</u>	<u>3,292</u>	<u>3,401</u>	<u>(109)</u>
Expense						
Energy purchases (a)	1,075	114	961	114	163	(49)
Energy purchases from affiliate (a)	320	1,806	(1,486)	1,806	1,826	(20)
Amortization of recoverable transition costs (a)		304	(304)	304	293	11
Expense adjustments (b)						
Include gross receipts tax (c)	129	186	(57)	186	198	(12)
Include Act 129 (d)	54		54			
Other	22	30	(8)	30	38	(8)
Total expense adjustments	<u>205</u>	<u>216</u>	<u>(11)</u>	<u>216</u>	<u>236</u>	<u>(20)</u>
	<u>1,600</u>	<u>2,440</u>	<u>(840)</u>	<u>2,440</u>	<u>2,518</u>	<u>(78)</u>
Pennsylvania gross delivery margins	<u>\$ 855</u>	<u>\$ 852</u>	<u>\$ 3</u>	<u>\$ 852</u>	<u>\$ 883</u>	<u>\$ (31)</u>

(a) As reported on the Statements of Income.

(b) To include/exclude the impact of any revenues and expenses consistent with the way management reviews Pennsylvania gross delivery margins internally.

(c) Included in "Taxes, other than income" on the Statements of Income.

(d) Included in "Other operation and maintenance" on the Statement of Income.

Pennsylvania Gross Delivery Margins by Component

Pennsylvania gross delivery margins are generated through domestic regulated electric distribution activities, including PLR supply, and transmission activities.

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>2009</u>	<u>2008</u>	<u>Change</u>
Distribution	\$ 679	\$ 702	\$ (23)	\$ 702	\$ 731	\$ (29)
Transmission	176	150	26	150	152	(2)
Pennsylvania gross delivery margins	<u>\$ 855</u>	<u>\$ 852</u>	<u>\$ 3</u>	<u>\$ 852</u>	<u>\$ 883</u>	<u>\$ (31)</u>

### *Distribution*

The decrease in 2010 compared with 2009 was primarily due to margins realized in 2009 related to the collection of CTC, which ended in December 2009, partially offset by favorable recovery mechanisms for certain energy related costs.

The decrease in 2009 compared with 2008 was primarily due to lower CTC/ITC margins in 2009, ITC collections ended in 2008. Lower margins were also attributable to unfavorable economic conditions, including industrial customers scaling back on production. In addition, weather had an unfavorable impact on sales volumes, offset by favorable price increases.

### *Transmission*

The increase in 2010 compared with 2009 was primarily due to increased investment in rate base, an increase in the cost of capital due to an increase in equity and the recovery of additional costs through FERC formula-based rates.

### **Other Operation and Maintenance**

The changes in other operation and maintenance expenses were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Act 129 costs incurred (a)	\$ 54	
Vegetation management costs (b)	13	\$ (5)
Payroll-related costs	13	3
Contractor-related expenses	7	(2)
Allocation of certain corporate support group costs	6	
PUC-reportable storm costs, net of insurance recovery	5	(8)
Uncollectible accounts	3	7
Customer education programs	3	(2)
Ancillary charges (c)	(11)	1
Workforce reduction (Note 13)	(9)	9
Employee benefits	(4)	5
Other	5	(1)
Total	<u>\$ 85</u>	<u>\$ 7</u>

- (a) Relates to costs associated with a PUC-approved energy efficiency and conservation plan. These costs are recovered in customer rates. See "Regulatory Issues - Pennsylvania Activities" in Note 15 to the Financial Statements for additional information on this plan. These costs are included in "Pennsylvania Gross Delivery Margins" above.
- (b) In 2010, PPL Electric increased its vegetation management around its 230- and 500-kV major transmission lines in response to federal reliability requirements for transmission vegetation management. See "Regulatory Issues - Energy Policy Act of 2005 - Reliability Standards" in Note 15 to the Financial Statements for additional information.
- (c) Prior to 2010, these charges were assessed to load serving entities (LSE), and PPL Electric was considered the LSE. In 2010, PPL Electric was not billed directly for these charges. The individual PLR generation suppliers incurred these costs and billed PPL Electric as part of the bundled price of PLR supply. Such costs are reflected in energy purchases.

### **Taxes, Other Than Income**

Taxes, other than income decreased by \$56 million in 2010 compared with 2009. The decrease was primarily due to lower Pennsylvania gross receipts tax expense due to a decrease in electricity revenue as customers chose alternate suppliers in 2010.



Taxes, other than income decreased by \$9 million in 2009 compared with 2008. The decrease was primarily due to a \$12 million decrease in Pennsylvania gross receipts tax expense, which reflects a decrease in the tax rate in 2009.

### Depreciation

Depreciation increased by \$8 million in 2010 compared with 2009, primarily due to PP&E additions.

### Other Income (Expense) - net

See Note 17 to the Financial Statements for details.

### Interest Income from Affiliate

Interest income from affiliate decreased by \$5 million in 2009 compared with 2008. This decrease was the result of a reduced average balance outstanding on a note receivable from an affiliate and a lower average rate on this note due to a floating interest rate.

### Financing Costs

The changes in financing costs, which includes "Interest Expense", "Interest Expense with Affiliate" and "Distributions on Preferred Securities," were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Long-term debt interest expense (a)	\$ (16)	\$ 24
Repayment of transition bonds		(13)
Interest on PLR contract collateral (Note 16)	(2)	(8)
Distributions on preferred securities	2	
Recoverable transition costs	(3)	3
Other	2	1
Total	<u>\$ (17)</u>	<u>\$ 7</u>

- (a) The decrease in 2010 compared with 2009 was primarily due to long-term debt retirements in the third quarter of 2009. The increase in 2009 compared with 2008 was primarily due to \$400 million of debt issuances in October 2008 that prefunded a portion of August 2009 debt maturities.

### Income Taxes

The changes in income taxes were due to:

	<u>2010 vs. 2009</u>	<u>2009 vs. 2008</u>
Lower pre-tax book income	\$ (13)	\$ (19)
Federal and state tax reserve adjustments	(5)	(2)
Federal and state tax return adjustments	(5)	(2)
Other	1	
	<u>\$ (22)</u>	<u>\$ (23)</u>

See Note 5 to the Financial Statements for additional information on income taxes.

## Financial Condition

### Liquidity and Capital Resources

PPL Electric continues to focus on maintaining a strong credit profile and liquidity position. PPL Electric expects to continue to have adequate liquidity available through operating cash flows, cash and cash equivalents and its credit facilities. Additionally, PPL Electric currently plans to access debt capital markets in 2011, subject to market conditions.

PPL Electric's cash flows from operations and access to cost-effective bank and capital markets are subject to risks and uncertainties including, but not limited to:

- unusual or extreme weather that may damage PPL Electric's transmission and distribution facilities or affect energy sales to customers;
- the ability to recover and the timeliness and adequacy of recovery of costs associated with regulated utility businesses;
- any adverse outcome of legal proceedings and investigations with respect to PPL Electric's current and past business activities;
- deterioration in the financial markets that could make obtaining new sources of bank and capital markets funding more difficult and more costly; and
- a downgrade in PPL Electric's credit ratings that could adversely affect its ability to access capital and increase the cost of credit facilities and any new debt.

See "Item 1A. Risk Factors" for further discussion of risks and uncertainties affecting PPL Electric's cash flows.

At December 31, PPL Electric had the following:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Cash and cash equivalents	\$ 204	\$ 485	\$ 483
Short-term debt			<u>\$ 95</u>

The changes in PPL Electric's cash and cash equivalents position resulted from:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net cash provided by operating activities	\$ 212	\$ 294	\$ 648
Net cash provided by (used in) investing activities	(403)	6	(226)
Net cash provided by (used in) financing activities	(90)	(298)	28
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ (281)</u>	<u>\$ 2</u>	<u>\$ 450</u>

### Operating Activities

Net cash provided by operating activities decreased by 28%, or \$82 million, in 2010 compared with 2009. The expiration of the generation rate caps at the end of 2009 had little impact on net income, while increased transmission revenue was almost completely offset by decreased distribution revenue. However, higher tree trimming and payroll costs and additional defined benefit plan contributions were the primary drivers to the decrease in cash provided by operating activities. Also impacting the 2010 operating cash flows was the elimination of the CTC charge of approximately \$300 million that was received in 2009. This amount offsets the benefit of not paying the \$300 million in cash collateral to PPL Energy Supply, as discussed below.

Net cash provided by operating activities decreased by 55%, or \$354 million, in 2009 compared with 2008, primarily as a result of the repayment by PPL Electric of \$300 million in cash collateral related to the long-term PLR energy supply agreements with PPL Energy Supply, which expired at the end of 2009. The decrease also reflects the impact of lower delivery revenues and higher payments of interest and income taxes.

PPL Electric expects an increase in cash flows from operations in the near-term from its \$77.5 million, or 1.6%, rate increase that became effective on January 1, 2011.

### Investing Activities

The primary use of cash in investing activities is capital expenditures. See "Forecasted Uses of Cash" for detail regarding capital expenditures in 2010 and projected expenditures for the years 2011 through 2015.

Net cash used in investing activities was \$403 million in 2010 compared with cash provided by investing activities of \$6 million in 2009. The change from 2009 to 2010 primarily reflects an increase of \$113 million in capital expenditures in 2010 and the receipt of \$300 million from an affiliate as repayment of a demand loan in 2009.

Net cash provided by investing activities was \$6 million in 2009 compared with cash used in investing activities of \$226 million in 2008. The change from 2008 to 2009 primarily reflects the receipt of \$300 million from an affiliate as repayment of a demand loan.

### Financing Activities

Net cash used in financing activities was \$90 million in 2010 compared with \$298 million in 2009. The change from 2009 to 2010 primarily reflects no debt activity, decreased contributions from and common stock dividends paid to PPL, and the redemption of preferred stock in 2010. PPL Electric had net debt retirements of \$392 million in 2009 compared with no activity in 2010, received \$345 million less of contributions from PPL in 2010 compared to 2009, paid \$203 million less of common stock dividends to PPL in 2010 compared to 2009, and paid \$54 million to redeem preferred stock in 2010.

Net cash used in financing activities was \$298 million in 2009 compared with net cash provided by financing activities of \$28 million in 2008. The change from 2008 to 2009 primarily reflects less issuances and increased retirements of long-term debt, contributions received from PPL, increased common stock dividends to PPL and the repayment of short-term borrowings in 2009. PPL Electric had net debt retirements of \$392 million in 2009 compared with net debt issuances of \$148 million in 2008, received \$400 million of contributions from PPL in 2009 and paid \$176 million more of common stock dividends to PPL in 2009 compared to 2008.

See "Forecasted Sources of Cash" for a discussion of PPL Electric's plans to issue debt and equity securities, as well as a discussion of credit facility capacity available to PPL Electric. Also see "Forecasted Uses of Cash" for a discussion of PPL Electric's plans to pay dividends on its common and preferred securities, as well as maturities of PPL Electric's long-term debt.

### Forecasted Sources of Cash

PPL Electric expects to continue to have significant sources of cash available in the near term, including various credit facilities and a commercial paper program. PPL Electric currently plans to issue up to \$250 million in long-term debt securities in 2011, subject to market conditions.

#### *Credit Facilities*

At December 31, 2010, PPL Electric's total committed borrowing capacity under its credit facilities and the use of this borrowing capacity were:

	<u>Committed Capacity</u>	<u>Borrowed</u>	<u>Letters of Credit Issued (a)</u>	<u>Unused Capacity</u>
Syndicated Credit Facility (b)	\$ 200		\$ 13	\$ 187
Asset-backed Credit Facility (c)	150		n/a	150
Total PPL Electric Credit Facilities (d)	<u>\$ 350</u>		<u>\$ 13</u>	<u>\$ 337</u>

- (a) PPL Electric has a reimbursement obligation to the extent any letters of credit are drawn upon.
- (b) Borrowings under PPL Electric's syndicated credit facility generally bear interest at LIBOR-based rates plus a spread, depending upon the company's senior secured long-term debt rating. PPL Electric also has the capability to request the lenders to issue up to \$200 million of letters of credit under this facility, which issuances reduce available borrowing capacity. Subject to certain conditions, PPL Electric may request that the facility's capacity be increased by up to \$100 million.

This syndicated credit facility contains a financial covenant requiring debt to total capitalization not to exceed 70%. At December 31, 2010, PPL Electric's consolidated debt to total capitalization percentages, as calculated in accordance with its credit facility, was 43%. The syndicated credit facility also contains standard representations and warranties that must be made for PPL Electric to borrow under it.

The commitments under the credit facility are provided by a diverse bank group, with no one bank and its affiliates providing an aggregate commitment of more than 6% of the total committed capacity.

- (c) This credit facility relates to an asset-backed commercial paper program through which PPL Electric obtains financing by selling and contributing its eligible accounts receivable and unbilled revenues to a special purpose, wholly owned subsidiary on an ongoing basis. The subsidiary pledges these assets to secure loans of up to an aggregate of \$150 million from a commercial paper conduit sponsored by a financial institution. At December 31, 2010, based on accounts receivable and unbilled revenue pledged, \$150 million was available for borrowing.
- (d) The committed capacity expires as follows: \$150 million in 2011 and \$200 million in 2014. PPL Electric intends to renew its existing \$150 million asset-backed credit facility in 2011 in order to maintain its current total committed capacity level.

In addition to the financial covenant noted in the table above, the credit agreements governing the credit facilities contain various other covenants. Failure to comply with the covenants after applicable grace periods could result in acceleration of repayment of borrowings and/or termination of the agreements. PPL Electric monitors compliance with the covenants on a regular basis. At December 31, 2010, PPL Electric was in material compliance with these covenants. At this time, PPL Electric believes that these covenants and other borrowing conditions will not limit access to these funding sources.

See Note 7 to the Financial Statements for further discussion of PPL Electric's credit facilities.

#### *Commercial Paper*

PPL Electric maintains a commercial paper program for up to \$200 million to provide an additional financing source to fund its short-term liquidity needs, if and when necessary. Commercial paper issuances are currently supported by PPL Electric's \$200 million syndicated credit facility, which expires in December 2014, based on available capacity.

PPL Electric did not issue any commercial paper during 2010. Based on its current cash position and anticipated cash flows, PPL Electric currently does not plan to issue any commercial paper during 2011, but it may do so from time to time, subject to market conditions, to facilitate short-term cash flow needs.

#### *Contributions from PPL*

From time to time PPL may make capital contributions to PPL Electric. PPL Electric may use these contributions for general corporate purposes.

#### *Long-Term Debt and Equity Securities*

Subject to market conditions, PPL Electric currently plans to issue up to \$250 million in long-term debt securities in 2011. PPL Electric expects to use the proceeds from the issuance of long-term debt securities primarily to fund capital expenditures and for general corporate purposes.

#### The Economic Stimulus Package

In April 2010, PPL Electric entered into an agreement with the DOE, in which the agency is to provide funding for one-half of a \$38 million smart grid project. The project would use smart grid technology to strengthen reliability, save energy and improve electric service for 60,000 Harrisburg, Pennsylvania area customers. It would also provide benefits beyond the Harrisburg region, helping to speed power restoration across PPL Electric's 29-county service territory. Work on the project is progressing on schedule, and PPL Electric is receiving reimbursements under the grant for costs incurred. The project is scheduled to be completed by the end of September 2012.

#### Forecasted Uses of Cash

In addition to expenditures required for normal operating activities, such as purchased power, payroll, and taxes, PPL Electric currently expects to incur future cash outflows for capital expenditures, various contractual obligations, payment of dividends on its common and preferred securities and possibly the purchase or redemption of a portion of its debt securities.

*Capital Expenditures*

The table below shows PPL Electric's actual spending for the year 2010 and current capital expenditure projections for the years 2011 through 2015.

	<u>Actual</u>	<u>Projected</u>				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Construction expenditures (a) (b)						
Transmission and distribution facilities	\$ 368	\$ 401	\$ 576	\$ 841	\$ 795	\$ 641
Other	43	51	53	27	26	26
Total Capital Expenditures	<u>\$ 411</u>	<u>\$ 452</u>	<u>\$ 629</u>	<u>\$ 868</u>	<u>\$ 821</u>	<u>\$ 667</u>

- (a) Construction expenditures include AFUDC, which is expected to be approximately \$79 million for the years 2011 through 2015.  
(b) Includes expenditures for intangible assets.

PPL Electric's capital expenditure projections for the years 2011 through 2015 total approximately \$3.4 billion. Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions. The table includes projected costs for the asset optimization program focused on the replacement of aging transmission and distribution assets, and the PJM-approved regional transmission line expansion project. See Note 8 to the Financial Statements for additional information.

PPL Electric plans to fund its capital expenditures in 2011 with cash on hand, cash from operations and proceeds from the issuance of debt securities.

*Contractual Obligations*

PPL Electric has assumed various financial obligations and commitments in the ordinary course of conducting its business. At December 31, 2010, the estimated contractual cash obligations of PPL Electric were:

	<u>Total</u>	<u>Less Than 1 Year</u>	<u>1-3 Years</u>	<u>4-5 Years</u>	<u>After 5 Years</u>
Long-term Debt (a)	\$ 1,474		\$ 400	\$ 110	\$ 964
Interest on Long-term Debt (b)	1,369	\$ 88	177	119	985
Purchase Obligations (c)	1,480	937	383	160	
Total Contractual Cash Obligations	<u>\$ 4,323</u>	<u>\$ 1,025</u>	<u>\$ 960</u>	<u>\$ 389</u>	<u>\$ 1,949</u>

- (a) Reflects principal maturities only based on stated maturity dates. PPL Electric does not have any capital or operating lease obligations.  
(b) Assumes interest payments through stated maturity.  
(c) The payments reflected herein are subject to change, as the purchase obligation reflected is an estimate based on projected obligated quantities and projected pricing under the contract. Purchase orders made in the ordinary course of business are excluded from the amounts presented.

At December 31, 2010, total unrecognized tax benefits of \$62 million were excluded from this table as PPL Electric cannot reasonably estimate the amount and period of future payments. See Note 5 to the Financial Statements for additional information.

*Dividends*

From time to time, as determined by its Board of Directors, PPL Electric pays dividends on its common stock to its parent, PPL.

As discussed in Note 7 to the Financial Statements, PPL Electric may not pay dividends on its common stock, except in certain circumstances, unless full dividends have been paid on the 6.25% Series Preference Stock for the then-current dividend period. PPL Electric does not, at this time, expect that such limitation would significantly impact its ability to declare dividends.

PPL Electric expects to continue to pay quarterly dividends on its outstanding preferred securities, if and as declared by its Board of Directors.

#### *Purchase or Redemption of Debt Securities*

PPL Electric will continue to evaluate purchasing or redeeming outstanding debt securities and may decide to take action depending upon prevailing market conditions and available cash.

#### Credit Ratings

Moody's, S&P and Fitch periodically review the credit ratings on the debt and preferred securities of PPL Electric. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of PPL Electric are based on information provided by PPL Electric and other sources. The ratings of Moody's, S&P and Fitch are not a recommendation to buy, sell or hold any securities of PPL Electric. Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities. A downgrade in PPL Electric's credit ratings could result in higher borrowing costs and reduced access to capital markets.

In prior periodic reports, PPL Electric described its then-current debt ratings in connection with, and to facilitate, an understanding of its liquidity position. As a result of the passage of the Dodd-Frank Act and the attendant uncertainties relating to the extent to which issuers of non-asset backed securities may disclose credit ratings without being required to obtain rating agency consent to the inclusion of such disclosure, or incorporation by reference of such disclosure, in a registrant's registration statement or section 10(a) prospectus, PPL Electric is limiting its credit rating disclosure to a description of the actions taken by the rating agencies with respect to PPL Electric's ratings, but without stating what ratings have been assigned to PPL Electric or its securities. The ratings assigned by the rating agencies to PPL Electric and its respective securities may be found, without charge, on each of the respective ratings agencies' websites, which ratings together with all other information contained on such rating agency websites is, hereby, explicitly not incorporated by reference in this report.

The rating agencies took the following actions related to PPL Electric in 2010.

#### *Moody's*

In April 2010, Moody's took the following actions:

- Revised the outlook for PPL Electric;
- Lowered the rating of PPL Electric's preferred securities;
- Lowered the issuer rating of PPL Electric; and
- Affirmed the senior secured rating and commercial paper rating of PPL Electric.

Moody's stated in its press release that the revision in the rating for PPL Electric, while reflective of PPL's then-announced agreement to acquire LKE, is driven more by weakening financial metrics and the outlooks that had been in place for PPL and PPL Electric for the past year.

#### *S&P*

In April 2010, S&P affirmed its credit rating for PPL Electric following PPL's then-announced agreement to acquire LKE.

In October 2010, S&P affirmed its credit ratings for PPL Electric and revised the outlook on PPL Electric.

#### *Fitch*

In January 2010, as a result of implementing its revised guidelines for rating preferred stock and hybrid securities, Fitch lowered the ratings of PPL Electric's preferred stock and preference stock. Fitch stated in its press release that the new guidelines, which apply to instruments issued by companies in all sectors, typically resulted in downgrades of one notch for many instruments that provide for the ability to defer interest or dividend payments. Fitch stated that it has no reason to believe that such deferral will be activated.

In April 2010, Fitch affirmed its credit ratings and outlook for PPL Electric following PPL's then-announced agreement to acquire LKE.

### **Off-Balance Sheet Arrangements**

PPL Electric has entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 15 to the Financial Statements for a discussion of these agreements.

### **Risk Management**

#### Market Risk

##### *Commodity Price and Volumetric Risk - PLR Contracts*

PPL Electric is exposed to market price and volumetric risks from its obligation as PLR. The PUC has approved a cost recovery mechanism that allows PPL Electric to pass through to customers the cost associated with fulfilling its PLR obligation. This cost recovery mechanism substantially eliminates PPL Electric's exposure to market price risk. PPL Electric also mitigates its exposure to volumetric risk by entering into full requirement energy supply contracts for its customers. These supply contracts transfer the volumetric risk associated with the PLR obligation to the energy suppliers.

##### *Interest Rate Risk*

PPL Electric has issued debt to finance its operations, which exposes it to interest rate risk. PPL Electric had no potential annual exposure to increased interest expense, based on a 10% increase in interest rates, at December 31, 2010. Such amount was not significant at December 31, 2009. PPL Electric estimated that a 10% decrease in interest rates at December 31, 2010 would increase the fair value of its debt portfolio by \$66 million, compared with \$69 million at December 31, 2009.

#### Credit Risk

Credit risk is the risk that PPL Electric would incur a loss as a result of nonperformance by counterparties of their contractual obligations. PPL Electric requires that counterparties maintain specified credit ratings and requires other assurances in the form of credit support or collateral in certain circumstances in order to limit counterparty credit risk. However, PPL Electric has concentrations of suppliers, financial institutions and customers. These concentrations may impact PPL Electric's overall exposure to credit risk, positively or negatively, as counterparties may be similarly affected by changes in economic, regulatory or other conditions.

In 2007, the PUC approved PPL Electric's post-rate cap plan to procure default electricity supply for retail customers who do not choose an alternative competitive supplier in 2010. Pursuant to this plan, PPL Electric had contracted for all of the electric supply for customers who elected this service in 2010.

In June 2009, the PUC approved PPL Electric's procurement plan for the period January 2011 through May 2013. Through 2010, PPL Electric has conducted six of its 14 planned competitive solicitations.

Under the standard Supply Master Agreement (the Agreement) for the competitive solicitation process, PPL Electric requires all suppliers to post collateral if their credit exposure exceeds an established credit limit. In the event a supplier defaults on its obligation, PPL Electric would be required to seek replacement power in the market. All incremental

costs incurred by PPL Electric would be recoverable from customers in future rates. At December 31, 2010, all of the successful bidders under all of the solicitations had an investment grade credit rating from S&P, and were not required to post collateral under the Agreement. There is no instance under the Agreement in which PPL Electric is required to post collateral to its suppliers.

See "Overview" in this Item 7 and Notes 15, 16, 18 and 19 to the Financial Statements for additional information on the competitive solicitations, the Agreement, credit concentration and credit risk.

### **Related Party Transactions**

PPL Electric is not aware of any material ownership interests or operating responsibility by senior management of PPL Electric in outside partnerships, including leasing transactions with variable interest entities, or other entities doing business with PPL Electric. See Note 16 to the Financial Statements for additional information on related party transactions.

### **Environmental Matters**

See "Item 1. Business - Environmental Matters" and Note 15 to the Financial Statements for a discussion of environmental matters.

### **Competition**

See "Item 1. Business - Segment Information - Pennsylvania Regulated Segment - Competition" for a discussion of competitive factors affecting PPL Electric.

### **New Accounting Guidance**

See Note 1 to the Financial Statements for a discussion of new accounting guidance adopted.

### **Application of Critical Accounting Policies**

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to the financial condition or results of operations, and require estimates or other judgments of matters inherently uncertain. Changes in the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in the Financial Statements (these accounting policies are also discussed in Note 1 to the Financial Statements). PPL's senior management has reviewed these critical accounting policies, the following disclosures regarding their application and the estimates and assumptions regarding them, with PPL's Audit Committee.

#### **1) Defined Benefits**

PPL Electric participates in and is allocated a significant portion of the liability and net periodic defined benefit pension and other postretirement costs of plans sponsored by PPL Services based on participation in those plans. PPL Electric records an asset or liability to recognize the funded status of all defined benefit plans with an offsetting entry to regulatory assets. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets. See Note 13 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

PPL Services makes certain assumptions regarding the valuation of benefit obligations and the performance of plan assets. When accounting for defined benefits, delayed recognition in earnings of differences between actual results and expected or estimated results is a guiding principle. Annual net periodic defined benefit costs are recorded in current earnings based on estimated results. Any differences between actual and estimated results are recorded in regulatory assets. The amount in regulatory assets is amortized to income over future periods. The delayed recognition allows for a



smoothed recognition of costs over the working lives of the employees who benefit under the plans. The primary assumptions are:

- **Discount Rate** - The discount rate is used in calculating the present value of benefits, which is based on projections of benefit payments to be made in the future. The objective in selecting the discount rate is to measure the single amount that, if invested at the measurement date in a portfolio of high-quality debt instruments, would provide the necessary future cash flows to pay the accumulated benefits when due.
- **Expected Return on Plan Assets** - Management projects the long-term rates of return on plan assets based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. These projected returns reduce the net benefit costs PPL records currently.
- **Rate of Compensation Increase** - Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement.
- **Health Care Cost Trend Rate** - Management projects the expected increases in the cost of health care.

In selecting a discount rate for its U.S. defined benefit plans, PPL Services starts with an analysis of the expected benefit payment stream for its plans. This information is first matched against a spot-rate yield curve. A portfolio of 604 Aa-graded non-callable (or callable with make-whole provisions) bonds, with a total amount outstanding in excess of \$667 billion, serves as the base from which those with the lowest and highest yields are eliminated to develop the ultimate yield curve. The results of this analysis are considered together with other economic data and movements in various bond indices to determine the discount rate assumption. At December 31, 2010, PPL Services decreased the discount rate for its U.S. pension plans from 6.00% to 5.41% as a result of this assessment and decreased the discount rate for its other postretirement benefit plans from 5.81% to 5.16%.

The expected long-term rates of return for PPL Services' U.S. defined benefit pension and other postretirement benefits have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. PPL management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption. At December 31, 2010, PPL Services' expected return on plan assets decreased from 8.00% to 7.25% for its U.S. pension plan and decreased from 7.00% to 6.45% for its other postretirement benefit plan.

In selecting a rate of compensation increase, PPL Services considers past experience in light of movements in inflation rates. At December 31, 2010, PPL Services' rate of compensation increase remained at 4.75% for its U.S. plan.

In selecting health care cost trend rates for PPL Services' other postretirement benefit plans, PPL Services considers past performance and forecasts of health care costs. At December 31, 2010, PPL Services' health care cost trend rates were 9.00% for 2011, gradually declining to 5.50% for 2019.

A variance in the assumptions listed above could have a significant impact on the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and the regulatory assets allocated to PPL Electric. While the charts below reflect either an increase or decrease in each assumption, the inverse of this change would impact the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and regulatory assets by a similar amount in the opposite direction. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption and does not include income tax effects.

At December 31, 2010, defined benefit plan liabilities were as follows.

Pension liabilities	\$	259
Other postretirement benefit liabilities		57

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**Increase (Decrease)**

Actuarial assumption	Change in assumption	Impact on defined benefit liabilities	Impact on regulatory assets
Discount Rate	(0.25)%	\$ 35	\$ 35
Rate of Compensation Increase	0.25%	6	6
Health Care Cost Trend Rate (a)	1.00%	1	1

(a) Only impacts other postretirement benefits.

In 2010, PPL Electric was allocated net periodic defined benefit costs charged to operating expense of \$20 million. This amount represents a \$4 million decrease compared with the charge recognized during 2009.

Actuarial assumption	Change in assumption	Impact on defined benefit costs
Discount Rate	(0.25)%	\$ 1
Expected Return on Plan Assets	(0.25)%	2
Rate of Compensation Increase	0.25%	1
Health Care Cost Trend Rate (a)	1.00%	1

(a) Only impacts other postretirement benefits.

## 2) Loss Accruals

Losses are accrued for the estimated impacts of various conditions, situations or circumstances involving uncertain or contingent future outcomes. For loss contingencies, the loss must be accrued if (1) information is available that indicates it is probable that a loss has been incurred, given the likelihood of the uncertain future events, and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The accrual of contingencies that might result in gains is not recorded unless recovery is assured. Potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events are continuously assessed.

The accounting aspects of estimated loss accruals include (1) the initial identification and recording of the loss, (2) the determination of triggering events for reducing a recorded loss accrual, and (3) the ongoing assessment as to whether a recorded loss accrual is sufficient. All three of these aspects require significant judgment by management. Internal expertise and outside experts (such as lawyers and engineers) are used, as necessary, to help estimate the probability that a loss has been incurred and the amount (or range) of the loss.

No new significant loss accruals were recorded in 2010.

Certain other events have been identified that could give rise to a loss, but that do not meet the conditions for accrual. Such events are disclosed, but not recorded, when it is "reasonably possible" that a loss has been incurred. See Note 15 to the Financial Statements for disclosure of other potential loss contingencies that have not met the criteria for accrual.

When an estimated loss is accrued, the triggering events for subsequently reducing the loss accrual are identified, where applicable. The triggering events generally occur when the contingency has been resolved and the actual loss is paid or written off, or when the risk of loss has diminished or been eliminated. The following are some of the triggering events that provide for the reduction of certain recorded loss accruals:

- Allowances for uncollectible accounts are reduced when accounts are written off after prescribed collection procedures have been exhausted, a better estimate of the allowance is determined or underlying amounts are ultimately collected.
- Environmental and other litigation contingencies are reduced when the contingency is resolved and actual payments are made, a better estimate of the loss is determined or the loss is no longer considered probable.

Loss accruals are reviewed on a regular basis to assure that the recorded potential loss exposures are appropriate. This involves ongoing communication and analyses with internal and external legal counsel, engineers, operation management and other parties.

### 3) Income Taxes

Significant management judgment is required in developing the provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is required to determine the amount of benefit recognized related to an uncertain tax position. Tax positions are evaluated following a two-step process. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization, upon settlement, that exceeds 50%. Management considers a number of factors in assessing the benefit to be recognized, including negotiation of a settlement.

On a quarterly basis, uncertain tax positions are reassessed by considering information known at the reporting date. Based on management's assessment of new information, a tax benefit may subsequently be recognized for a previously unrecognized tax position, a previously recognized tax position may be de-recognized, or the benefit of a previously recognized tax position may be remeasured. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in the future.

At December 31, 2010, it was reasonably possible that during the next 12 months the total amount of unrecognized tax benefits could increase by as much as \$28 million or decrease by up to \$42 million. This change could result from the timing and/or valuation of certain deductions, intercompany transactions and unitary filing groups. The events that could cause these changes are direct settlements with taxing authorities, litigation, legal or administrative guidance by relevant taxing authorities and the lapse of an applicable statute of limitation.

The balance sheet classification of unrecognized tax benefits and the need for valuation allowances to reduce deferred tax assets also require significant management judgment. Unrecognized tax benefits are classified as current to the extent management expects to settle an uncertain tax position by payment or receipt of cash within one year of the reporting date. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers a number of factors in assessing the realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy utilized in this assessment must meet the recognition and measurement criteria utilized to account for an uncertain tax position. See Note 5 to the Financial Statements for income tax disclosures.

### 4) Regulatory Assets and Liabilities

PPL Electric's electricity delivery business is subject to cost-based rate regulation. As a result, the effects of regulatory actions are required to be reflected in the financial statements. Assets and liabilities are recorded that result from the regulated ratemaking process that may not be recorded under GAAP for non-regulated entities. Regulatory assets generally represent incurred costs that have been deferred because such costs are probable of future recovery in regulated customer rates. Regulatory liabilities generally represent obligations to regulated customers for previous collections of costs that are expected to be refunded to customers in the future. In certain cases, regulatory liabilities are recorded based on the understanding with the regulator that current rates are being set to recover costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose.

Management continually assesses whether the regulatory assets are probable of future recovery by considering factors such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated rates, recent rate orders to other regulated entities, and the status of any pending or potential deregulation legislation. Based on this continual assessment, management believes the existing regulatory assets are probable of recovery. This assessment reflects the current political and regulatory climate at the state and federal levels, and is subject to change in the future. If future recovery of costs ceases to be probable, then asset write-offs would be required to be recognized in operating income. Additionally, the regulatory agencies can provide flexibility in the manner and timing of the depreciation of PP&E and amortization of regulatory assets.

At December 31, 2010 and 2009, PPL Electric had regulatory assets of \$620 million and \$542 million. All regulatory assets are either currently being recovered under specific rate orders, represent amounts that are expected to be recovered in future rates or benefit future periods based upon established regulatory practices. At December 31, 2010 and 2009, PPL Electric had regulatory liabilities of \$32 million and \$84 million.

See Note 3 to the Financial Statements for additional information on regulatory assets and liabilities.

#### **Other Information**

PPL's Audit Committee has approved the independent auditor to provide audit and audit-related services and other services permitted by Sarbanes-Oxley and SEC rules. The audit and audit-related services include services in connection with statutory and regulatory filings, reviews of offering documents and registration statements, and internal control reviews. See "Item 14. Principal Accounting Fees and Services" for more information.

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**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

**PPL Corporation, PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

Reference is made to "Risk Management - Energy Marketing & Trading and Other" for PPL and PPL Energy Supply and "Risk Management" for PPL Electric in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations."

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Shareowners of PPL Corporation

We have audited the accompanying consolidated balance sheets of PPL Corporation and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of income, equity, comprehensive income, and cash flows for each of the three years in the period ended December 31, 2010. Our audits also included the financial statement schedule listed in the index at Item 15 (a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits. We did not audit the financial statements of LG&E and KU Energy LLC (LKE), a wholly-owned subsidiary, which statements reflect total assets of \$10,719 million as of December 31, 2010, and total revenues of \$493 million for the period November 1, 2010 (date of acquisition) to December 31, 2010. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for LKE, is based solely on the report of the other auditors.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and, for 2010, the report of other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of PPL Corporation and subsidiaries at December 31, 2010 and 2009, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2010, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), PPL Corporation's internal control over financial reporting as of December 31, 2010, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 25, 2011 expressed an unqualified opinion thereon.

*Ernst + Young LLP*

Philadelphia, Pennsylvania  
February 25, 2011

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Shareowners of PPL Corporation

We have audited PPL Corporation's internal control over financial reporting as of December 31, 2010, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). PPL Corporation's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in Management's Report on Internal Control over Financial Reporting at Item 9A. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As set forth in Item 9A, Management's Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of LG&E and KU Energy LLC (LKE), which is included in the 2010 consolidated financial statements of the Company and constituted 32.6% and 47.3% of total assets and net assets, respectively, as of December 31, 2010 and 5.8% and 5.0% of revenues and net income, respectively, for the year then ended. Our audit of internal control over financial reporting of PPL Corporation and subsidiaries also did not include an evaluation of the internal control over financial reporting of LKE.

In our opinion, PPL Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2010, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of PPL Corporation and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of income, equity, comprehensive income, and cash flows for each of the three years in the period ended December 31, 2010 and our report dated February 25, 2011 expressed an unqualified opinion thereon.



*Ernst + Young LLP*

Philadelphia, Pennsylvania  
February 25, 2011

**Report of Independent Registered Public Accounting Firm**

To the Member of LG&E and KU Energy LLC

In our opinion, the consolidated balance sheet and the related consolidated statements of income, retained earnings, comprehensive income, cash flows and capitalization present fairly, in all material respects, the financial position of LG&E and KU Energy LLC and its subsidiaries at December 31, 2010 and the results of their operations and their cash flows for the period from November 1, 2010 to December 31, 2010 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the LG&E and KU Energy LLC's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 2 to the consolidated financial statements, on November 1, 2010, PPL Corporation completed its acquisition of LG&E and KU Energy LLC and its subsidiaries. The push-down basis of accounting was used at the acquisition date.

The image shows a handwritten signature in cursive script that reads "PricewaterhouseCoopers LLP". The signature is written in dark ink and is positioned above the typed name of the firm.

Louisville, Kentucky  
February 25, 2011

**Report of Independent Registered Public Accounting Firm**

To the Board of Managers and Sole Member of PPL Energy Supply, LLC

We have audited the accompanying consolidated balance sheets of PPL Energy Supply, LLC and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of income, equity, comprehensive income, and cash flows for each of the three years in the period ended December 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of PPL Energy Supply, LLC and subsidiaries at December 31, 2010 and 2009, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2010, in conformity with U.S. generally accepted accounting principles.

*Ernst + Young LLP*

Philadelphia, Pennsylvania  
February 25, 2011

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Shareowners of PPL Electric Utilities Corporation

We have audited the accompanying consolidated balance sheets of PPL Electric Utilities Corporation and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of income, shareowners' equity, and cash flows for each of the three years in the period ended December 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of PPL Electric Utilities Corporation and subsidiaries at December 31, 2010 and 2009, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2010, in conformity with U.S. generally accepted accounting principles.

*Ernst & Young LLP*

Philadelphia, Pennsylvania  
February 25, 2011

**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA****CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31,  
PPL Corporation and Subsidiaries***(Millions of Dollars, except share data)*

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Operating Revenues</b>			
Utility.....	\$ 3,668	\$ 3,902	\$ 4,114
Unregulated retail electric and gas.....	415	152	151
Wholesale energy marketing			
Realized.....	4,832	3,184	2,138
Unrealized economic activity (Note 19).....	(805)	(229)	1,056
Net energy trading margins.....	2	17	(121)
Energy-related businesses.....	409	423	519
Total Operating Revenues.....	<u>8,521</u>	<u>7,449</u>	<u>7,857</u>
<b>Operating Expenses</b>			
Operation			
Fuel.....	1,235	920	1,057
Energy purchases			
Realized.....	2,773	2,625	1,624
Unrealized economic activity (Note 19).....	(286)	155	553
Other operation and maintenance.....	1,756	1,418	1,414
Amortization of recoverable transition costs.....		304	293
Depreciation.....	556	455	444
Taxes, other than income.....	238	280	288
Energy-related businesses.....	383	396	481
Total Operating Expenses.....	<u>6,655</u>	<u>6,553</u>	<u>6,154</u>
<b>Operating Income.....</b>	<b>1,866</b>	<b>896</b>	<b>1,703</b>
Other Income (Expense) - net.....	(31)	47	53
Other-Than-Temporary Impairments.....	3	18	36
Interest Expense.....	593	387	447
<b>Income from Continuing Operations Before Income Taxes.....</b>	<b>1,239</b>	<b>538</b>	<b>1,273</b>
Income Taxes.....	263	105	396
<b>Income from Continuing Operations After Income Taxes.....</b>	<b>976</b>	<b>433</b>	<b>877</b>
Income (Loss) from Discontinued Operations (net of income taxes).....	(17)	(7)	73
<b>Net Income.....</b>	<b>959</b>	<b>426</b>	<b>950</b>
Net Income Attributable to Noncontrolling Interests.....	21	19	20
<b>Net Income Attributable to PPL Corporation.....</b>	<b>\$ 938</b>	<b>\$ 407</b>	<b>\$ 930</b>
<b>Amounts Attributable to PPL Corporation:</b>			
Income from Continuing Operations After Income Taxes.....	\$ 955	\$ 414	\$ 857
Income (Loss) from Discontinued Operations (net of income taxes).....	(17)	(7)	73
Net Income.....	<u>\$ 938</u>	<u>\$ 407</u>	<u>\$ 930</u>
<b>Earnings Per Share of Common Stock:</b>			
Income from Continuing Operations After Income Taxes Available to PPL Corporation Common Shareowners:			
Basic.....	\$ 2.21	\$ 1.10	\$ 2.28
Diluted.....	\$ 2.20	\$ 1.10	\$ 2.28
Net Income Available to PPL Corporation Common Shareowners:			
Basic.....	\$ 2.17	\$ 1.08	\$ 2.48
Diluted.....	\$ 2.17	\$ 1.08	\$ 2.47
<b>Dividends Declared Per Share of Common Stock.....</b>	<b>\$ 1.40</b>	<b>\$ 1.38</b>	<b>\$ 1.34</b>
<b>Weighted-Average Shares of Common Stock Outstanding (in thousands)</b>			

Basic.....	<b>431,345</b>	376,082	373,626
Diluted.....	<b>431,569</b>	376,406	374,901

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, PPL Corporation and Subsidiaries

(Millions of Dollars)

	2010	2009	2008
<b>Cash Flows from Operating Activities</b>			
Net income .....	\$ 959	\$ 426	\$ 950
Adjustments to reconcile net income to net cash provided by operating activities			
Pre-tax gain from the sale of the Maine hydroelectric generation business .....	(25)	(38)	
Depreciation .....	567	471	461
Amortization.....	213	389	383
Defined benefit plans - expense.....	102	70	20
Defined benefit plans - funding .....	(396)	(185)	(120)
Deferred income taxes and investment tax credits.....	241	104	43
Impairment of assets.....	120	127	105
Unrealized (gains) losses on derivatives, and other hedging activities .....	542	329	(279)
Provision for Montana hydroelectric litigation.....	66	8	
Other.....	57	13	65
Change in current assets and current liabilities			
Accounts receivable.....	(100)	76	118
Accounts payable.....	216	(150)	85
Unbilled revenue .....	(100)	2	(85)
Prepayments .....	(318)	(17)	67
Counterparty collateral .....	(18)	334	1
Price risk management assets and liabilities .....	(24)	(231)	(77)
Other .....	(12)	92	(118)
Other operating activities			
Other assets .....	(45)	12	21
Other liabilities .....	(12)	20	(51)
Net cash provided by operating activities .....	<u>2,033</u>	<u>1,852</u>	<u>1,589</u>
<b>Cash Flows from Investing Activities</b>			
Expenditures for property, plant and equipment .....	(1,597)	(1,225)	(1,418)
Proceeds from the sale of the Long Island generation business .....	124		
Proceeds from the sale of the Maine hydroelectric generation business .....	38	81	
Proceeds from the sale of the gas and propane businesses .....			303
Acquisition of LKE, net of cash acquired .....	(6,812)		
Expenditures for intangible assets.....	(92)	(88)	(332)
Purchases of nuclear plant decommissioning trust investments .....	(128)	(227)	(224)
Proceeds from the sale of nuclear plant decommissioning trust investments .....	114	201	197
Purchases of other investments .....			(290)
Proceeds from the sale of other investments .....		154	195
Net (increase) decrease in restricted cash and cash equivalents .....	85	218	(71)
Other investing activities.....	39	6	13
Net cash used in investing activities .....	<u>(8,229)</u>	<u>(880)</u>	<u>(1,627)</u>
<b>Cash Flows from Financing Activities</b>			
Issuance of long-term debt .....	4,642	298	1,338
Retirement of long-term debt .....	(20)	(1,016)	(671)
Repurchase of common stock.....			(38)
Issuance of equity, net of issuance costs .....	2,441	60	19
Payment of common stock dividends.....	(566)	(517)	(491)
Redemption of preferred stock of a subsidiary .....	(54)		
Debt issuance and credit facility costs.....	(175)	(21)	(10)
Net increase (decrease) in short-term debt (Note 7) .....	70	(52)	588
Other financing activities .....	(31)	(23)	(14)
Net cash provided by (used in) financing activities .....	<u>6,307</u>	<u>(1,271)</u>	<u>721</u>
<b>Effect of Exchange Rates on Cash and Cash Equivalents .....</b>	<b>13</b>		<b>(13)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents .....</b>	<b>124</b>	<b>(299)</b>	<b>670</b>
Cash and Cash Equivalents at Beginning of Period .....	801	1,100	430
Cash and Cash Equivalents at End of Period .....	<u>\$ 925</u>	<u>\$ 801</u>	<u>\$ 1,100</u>

**Supplemental Disclosures of Cash Flow Information**

Cash paid during the period for:

Interest - net of amount capitalized.....	\$	458	\$	460	\$	423
Income taxes - net.....	\$	313	\$	16	\$	300

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*



## CONSOLIDATED BALANCE SHEETS AT DECEMBER 31, PPL Corporation and Subsidiaries

(Millions of Dollars, shares in thousands)

	2010	2009
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents .....	\$ 925	\$ 801
Short-term investments .....	163	
Restricted cash and cash equivalents .....	28	105
Accounts receivable (less reserve: 2010, \$55; 2009, \$37)		
Customer .....	652	409
Other .....	90	59
Unbilled revenues .....	789	594
Fuel, materials and supplies .....	643	357
Prepayments .....	435	102
Price risk management assets .....	1,918	2,157
Other intangibles .....	70	25
Assets held for sale .....	374	127
Regulatory assets .....	85	11
Other current assets .....	16	5
<b>Total Current Assets .....</b>	<b>6,188</b>	<b>4,752</b>
<b>Investments</b>		
Nuclear plant decommissioning trust funds .....	618	548
Other investments .....	75	65
<b>Total Investments .....</b>	<b>693</b>	<b>613</b>
<b>Property, Plant and Equipment</b>		
Regulated utility plant - electric and gas .....	15,994	9,430
Less: accumulated depreciation - regulated utility plant .....	3,002	2,828
Regulated utility plant - electric and gas, net .....	12,992	6,602
Non-regulated property, plant and equipment		
Generation .....	10,165	10,493
Nuclear fuel .....	578	506
Other .....	403	389
Less: accumulated depreciation - non-regulated property, plant and equipment ...	5,440	5,383
Non-regulated property, plant and equipment, net .....	5,706	6,005
Construction work in progress .....	2,160	567
<b>Property, Plant and Equipment, net (a) .....</b>	<b>20,858</b>	<b>13,174</b>
<b>Other Noncurrent Assets</b>		
Regulatory assets .....	1,145	531
Goodwill .....	1,761	806
Other intangibles (a) .....	966	615
Price risk management assets .....	655	1,274
Other noncurrent assets .....	571	400
<b>Total Other Noncurrent Assets .....</b>	<b>5,098</b>	<b>3,626</b>
<b>Total Assets .....</b>	<b>\$ 32,837</b>	<b>\$ 22,165</b>

(a) At December 31, 2010 and December 31, 2009, includes \$424 million of PP&E, consisting primarily of "Generation," including leasehold improvements, and \$11 million of "Other intangibles" from the consolidation of a VIE. See Note 22 for additional information.

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
PPL Corporation and Subsidiaries**

(Millions of Dollars, shares in thousands)

	<u>2010</u>	<u>2009</u>
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Short-term debt .....	\$ 694	\$ 639
Long-term debt .....	502	
Accounts payable.....	1,028	619
Taxes .....	134	92
Interest .....	166	112
Dividends.....	174	135
Price risk management liabilities .....	1,144	1,502
Counterparty collateral .....	338	356
Regulatory liabilities.....	109	74
Other current liabilities .....	925	653
Total Current Liabilities .....	<u>5,214</u>	<u>4,182</u>
<b>Long-term Debt.....</b>	<b>12,161</b>	<b>7,143</b>
<b>Deferred Credits and Other Noncurrent Liabilities</b>		
Deferred income taxes .....	2,563	2,115
Investment tax credits .....	237	38
Price risk management liabilities .....	470	582
Accrued pension obligations.....	1,496	1,283
Asset retirement obligations .....	435	416
Regulatory liabilities.....	1,031	10
Other deferred credits and noncurrent liabilities .....	752	581
Total Deferred Credits and Other Noncurrent Liabilities .....	<u>6,984</u>	<u>5,025</u>
<b>Commitments and Contingent Liabilities (Note 15)</b>		
<b>Equity</b>		
PPL Corporation Shareowners' Common Equity		
Common stock - \$0.01 par value (a).....	5	4
Capital in excess of par value .....	4,602	2,280
Earnings reinvested.....	4,082	3,749
Accumulated other comprehensive loss.....	(479)	(537)
Total PPL Corporation Shareowners' Common Equity .....	<u>8,210</u>	<u>5,496</u>
Noncontrolling Interests .....	268	319
Total Equity .....	<u>8,478</u>	<u>5,815</u>
<b>Total Liabilities and Equity .....</b>	<b>\$ 32,837</b>	<b>\$ 22,165</b>

(a) 780,000 shares authorized; 483,391 and 377,183 shares issued and outstanding at December 31, 2010 and December 31, 2009.

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

## CONSOLIDATED STATEMENTS OF EQUITY

### PPL Corporation and Subsidiaries

(Millions of Dollars)

	PPL Corporation Shareowners						
	Common stock shares outstanding (a)	Common stock	Capital in excess of par value	Earnings reinvested	Accumulated other comprehensive loss	Non- controlling interests	Total
<b>December 31, 2007</b> .....	373,271	\$ 4	\$ 2,185	\$ 3,435	\$ (68)	\$ 320	\$ 5,876
Common stock issued (b) .....	2,158		29				29
Common stock repurchased (c) ....	(848)		(38)				(38)
Stock-based compensation.....			20				20
Net income.....				930		20	950
Dividends, dividend equivalents, redemptions and distributions (d)				(503)		(20)	(523)
Divestitures .....						(1)	(1)
Other comprehensive loss .....					(917)		(917)
<b>December 31, 2008</b> .....	<u>374,581</u>	<u>\$ 4</u>	<u>\$ 2,196</u>	<u>\$ 3,862</u>	<u>\$ (985)</u>	<u>\$ 319</u>	<u>\$ 5,396</u>
Common stock issued (b) .....	2,649		\$ 83				\$ 83
Common stock repurchased.....	(47)		(1)				(1)
Stock-based compensation.....			2				2
Net income.....				\$ 407		\$ 19	426
Dividends, dividend equivalents, redemptions and distributions (d)				(521)		(19)	(540)
Other comprehensive income .....					\$ 449		449
Cumulative effect adjustment (e)..				1	(1)		
<b>December 31, 2009 (f)</b> .....	<u>377,183</u>	<u>\$ 4</u>	<u>\$ 2,280</u>	<u>\$ 3,749</u>	<u>\$ (537)</u>	<u>\$ 319</u>	<u>\$ 5,815</u>
Common stock issued (b) .....	106,208	\$ 1	\$ 2,490				\$ 2,491
Purchase Contracts (g).....			(176)				(176)
Stock-based compensation.....			8				8
Net income.....				\$ 938		\$ 21	959
Dividends, dividend equivalents, redemptions and distributions (d)				(605)		(72)	(677)
Other comprehensive income .....					\$ 58		58
<b>December 31, 2010 (f)</b> .....	<u>483,391</u>	<u>\$ 5</u>	<u>\$ 4,602</u>	<u>\$ 4,082</u>	<u>\$ (479)</u>	<u>\$ 268</u>	<u>\$ 8,478</u>

(a) Shares in thousands. Each share entitles the holder to one vote on any question presented to any shareowners' meeting.

(b) 2010 includes the June 2010 issuance of 103.5 million shares of common stock. See Note 7 for additional information. Each year includes shares of common stock issued through various stock and incentive compensation plans.

(c) In 2008, PPL repurchased 802,816 shares of PPL common stock for \$38 million under a repurchase plan that was authorized by PPL's Board of Directors in June 2007.

(d) "Earnings reinvested" includes dividends and dividend equivalents on PPL Corporation common stock and restricted stock units.

"Noncontrolling interests" includes dividends, redemptions and distributions to noncontrolling interests, which for 2010 includes \$54 million paid to redeem PPL Electric's preferred stock. The amount paid to redeem the preferred stock includes a \$3 million premium.

(e) Recorded in connection with the adoption of accounting guidance related to the recognition and presentation of other-than-temporary impairments.

(f) See "General - Comprehensive Income" in Note 1 for disclosure of balances of each component of AOCI.

(g) Includes \$157 million for the Purchase Contracts and \$19 million of related fees and expenses, net of tax. See Note 7 for additional information.

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEARS ENDED DECEMBER 31,  
PPL Corporation and Subsidiaries**

(Millions of Dollars)

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Net income</b> .....	<b>\$ 959</b>	<b>\$ 426</b>	<b>\$ 950</b>
<b>Other comprehensive income (loss):</b>			
Amounts arising during the period - gains (losses), net of tax (expense) benefit:			
Foreign currency translation adjustments, net of tax of (\$1), \$4, (\$11) .....	(59)	101	(500)
Available-for-sale securities, net of tax of (\$31), (\$50), \$55 .....	29	49	(50)
Qualifying derivatives, net of tax of (\$148), (\$356), (\$120) .....	219	492	240
Equity investees' other comprehensive income (loss), net of tax of \$0, \$0, \$0 .....		1	(3)
Defined benefit plans:			
Prior service costs, net of tax of (\$14), (\$1), \$0 .....	17	1	
Net actuarial loss, net of tax of \$50, \$147, \$294 .....	(80)	(340)	(577)
Transition obligation, net of tax of (\$4), \$0, \$0 .....	8		
Reclassifications to net income - (gains) losses, net of tax expense (benefit):			
Available-for-sale securities, net of tax of \$3, \$3, (\$2) .....	(5)	(4)	2
Qualifying derivatives, net of tax of \$84, (\$92), \$17 .....	(126)	131	(69)
Defined benefit plans:			
Prior service costs, net of tax of (\$7), (\$8), (\$9) .....	12	13	18
Net actuarial loss, net of tax of (\$14), (\$4), (\$11) .....	41	4	20
Transition obligation, net of tax of (\$1), (\$1), (\$1) .....	2	1	2
<b>Total other comprehensive income (loss) attributable to PPL Corporation</b> .....	<b>58</b>	<b>449</b>	<b>(917)</b>
<b>Comprehensive income</b> .....	<b>1,017</b>	<b>875</b>	<b>33</b>
Comprehensive income attributable to noncontrolling interests .....	<b>21</b>	<b>19</b>	<b>20</b>
<b>Comprehensive income attributable to PPL Corporation</b> .....	<b>\$ 996</b>	<b>\$ 856</b>	<b>\$ 13</b>

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

## CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31, PPL Energy Supply, LLC and Subsidiaries

(Millions of Dollars)

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Operating Revenues</b>			
Wholesale energy marketing			
Realized .....	\$ 4,832	\$ 3,184	\$ 2,138
Unrealized economic activity (Note 19) .....	(805)	(229)	1,056
Wholesale energy marketing to affiliate .....	320	1,806	1,826
Utility .....	727	684	824
Unregulated retail electric and gas .....	415	152	151
Net energy trading margins .....	2	17	(121)
Energy-related businesses .....	398	411	511
<b>Total Operating Revenues .....</b>	<b><u>5,889</u></b>	<b><u>6,025</u></b>	<b><u>6,385</u></b>
<b>Operating Expenses</b>			
Operation			
Fuel .....	1,096	920	1,057
Energy purchases			
Realized .....	1,636	2,512	1,460
Unrealized economic activity (Note 19) .....	(286)	155	553
Energy purchases from affiliate .....	3	70	108
Other operation and maintenance .....	1,161	1,061	1,062
Depreciation .....	353	310	299
Taxes, other than income .....	99	86	86
Energy-related businesses .....	373	388	478
<b>Total Operating Expenses .....</b>	<b><u>4,435</u></b>	<b><u>5,502</u></b>	<b><u>5,103</u></b>
<b>Operating Income .....</b>	<b>1,454</b>	523	1,282
Other Income (Expense) - net .....	26	33	46
Other-Than-Temporary Impairments .....	3	18	36
Interest Income from Affiliates .....	9	2	14
Interest Expense .....	343	263	306
<b>Income from Continuing Operations Before Income Taxes .....</b>	<b>1,143</b>	277	1,000
Income Taxes .....	262	23	301
<b>Income from Continuing Operations After Income Taxes .....</b>	<b>881</b>	254	699
Income (Loss) from Discontinued Operations (net of income taxes) .....	(19)	(7)	71
<b>Net Income .....</b>	<b>862</b>	247	770
Net Income Attributable to Noncontrolling Interests .....	1	1	2
<b>Net Income Attributable to PPL Energy Supply .....</b>	<b><u>\$ 861</u></b>	<b><u>\$ 246</u></b>	<b><u>\$ 768</u></b>
<b>Amounts Attributable to PPL Energy Supply:</b>			
Income from Continuing Operations After Income Taxes .....	\$ 880	\$ 253	\$ 697
Income (Loss) from Discontinued Operations (net of income taxes) .....	(19)	(7)	71
<b>Net Income .....</b>	<b><u>\$ 861</u></b>	<b><u>\$ 246</u></b>	<b><u>\$ 768</u></b>

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, PPL Energy Supply, LLC and Subsidiaries

(Millions of Dollars)

	2010	2009	2008
<b>Cash Flows from Operating Activities</b>			
Net income.....	\$ 862	\$ 247	\$ 770
Adjustments to reconcile net income to net cash provided by operating activities			
Pre-tax gain from the sale of the Maine hydroelectric generation business	(25)	(38)	
Depreciation .....	365	327	317
Amortization.....	160	75	66
Defined benefit plans - expense.....	52	23	6
Defined benefit plans - funding .....	(302)	(136)	(103)
Deferred income taxes and investment tax credits .....	(31)	141	165
Impairment of assets.....	120	123	93
Unrealized (gains) losses on derivatives, and other hedging activities.....	536	330	(285)
Provision for Montana hydroelectric litigation.....	66	8	
Other.....	41	14	63
Change in current assets and current liabilities			
Accounts receivable .....	(18)	77	141
Accounts payable .....	20	(178)	72
Unbilled revenue .....	(88)	9	(89)
Collateral on PLR energy supply from affiliate.....		300	
Taxes .....	87	(16)	(65)
Counterparty collateral .....	(18)	334	1
Price risk management assets and liabilities.....	(27)	(223)	(88)
Other .....	35	7	18
Other operating activities			
Other assets .....	(71)	15	15
Other liabilities .....	76	(26)	(58)
Net cash provided by operating activities .....	<u>1,840</u>	<u>1,413</u>	<u>1,039</u>
<b>Cash Flows from Investing Activities</b>			
Expenditures for property, plant and equipment.....	(1,009)	(907)	(1,114)
Proceeds from the sale of the Long Island generation business .....	124		
Proceeds from the sale of the Maine hydroelectric generation business .....	38	81	
Expenditures for intangible assets.....	(82)	(78)	(325)
Purchases of nuclear plant decommissioning trust investments.....	(128)	(227)	(224)
Proceeds from the sale of nuclear plant decommissioning trust investments .....	114	201	197
Purchases of other investments .....			(197)
Proceeds from the sale of other investments .....		154	102
Repayment of long-term notes receivable from affiliates .....	(1,816)		
Issuance of long-term notes receivable to affiliates .....	1,816		
Net (increase) decrease in restricted cash and cash equivalents.....	84	219	(152)
Other investing activities .....	34	6	17
Net cash used in investing activities .....	<u>(825)</u>	<u>(551)</u>	<u>(1,696)</u>
<b>Cash Flows from Financing Activities</b>			
Issuance of long-term debt.....	602		849
Retirement of long-term debt.....		(220)	(266)
Contributions from Member .....	3,625	50	421
Distributions to Member .....	(4,692)	(943)	(750)
Net increase (decrease) in short-term debt (Note 7).....	(93)	43	534
Other financing activities .....	(54)	(11)	(9)
Net cash provided by (used in) financing activities .....	<u>(612)</u>	<u>(1,081)</u>	<u>779</u>
<b>Effect of Exchange Rates on Cash and Cash Equivalents .....</b>	<b>13</b>		<b>(13)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents.....</b>	<b>416</b>	<b>(219)</b>	<b>109</b>
Cash and Cash Equivalents at Beginning of Period.....	245	464	355
Cash and Cash Equivalents at End of Period.....	<u>\$ 661</u>	<u>\$ 245</u>	<u>\$ 464</u>

### Supplemental Disclosures of Cash Flow Information

Cash paid (received) during the period for:

Interest - net of amount capitalized .....	\$	275	\$	274	\$	271
Income taxes - net .....	\$	278	\$	(91)	\$	149

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*



**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
PPL Energy Supply, LLC and Subsidiaries**

(Millions of Dollars)

	<u>2010</u>	<u>2009</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents .....	\$ 661	\$ 245
Restricted cash and cash equivalents .....	19	99
Accounts receivable (less reserve: 2010, \$20; 2009, \$21)		
Customer .....	225	168
Other .....	24	31
Unbilled revenues .....	486	402
Accounts receivable from affiliates .....	124	165
Fuel, materials and supplies .....	297	325
Prepayments .....	89	56
Price risk management assets .....	1,907	2,147
Other intangibles.....	11	25
Assets held for sale .....	374	127
Other current assets .....	11	1
Total Current Assets .....	<u>4,228</u>	<u>3,791</u>
<b>Investments</b>		
Nuclear plant decommissioning trust funds.....	618	548
Other investments.....	37	58
Total Investments .....	<u>655</u>	<u>606</u>
<b>Property, Plant and Equipment</b>		
Regulated utility plant - electric and gas .....	4,269	4,234
Less: accumulated depreciation - regulated utility plant .....	888	823
Regulated utility plant - electric and gas, net.....	<u>3,381</u>	<u>3,411</u>
Non-regulated property, plant and equipment		
Generation .....	10,169	10,493
Nuclear fuel .....	578	506
Other .....	314	307
Less: accumulated depreciation - non-regulated property, plant and equipment....	5,401	5,346
Non-regulated property, plant and equipment, net .....	<u>5,660</u>	<u>5,960</u>
Construction work in progress.....	594	422
Property, Plant and Equipment, net (a).....	<u>9,635</u>	<u>9,793</u>
<b>Other Noncurrent Assets</b>		
Goodwill.....	765	806
Other intangibles (a) .....	464	477
Price risk management assets .....	651	1,234
Other noncurrent assets .....	398	317
Total Other Noncurrent Assets .....	<u>2,278</u>	<u>2,834</u>
<b>Total Assets .....</b>	<b>\$ <u>16,796</u></b>	<b>\$ <u>17,024</u></b>

(a) At December 31, 2010 and December 31, 2009, includes \$424 million of PP&E, consisting primarily of "Generation," including leasehold improvements, and \$11 million of "Other intangibles" from the consolidation of a VIE. See Note 22 for additional information.

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
PPL Energy Supply, LLC and Subsidiaries**

(Millions of Dollars)

	<u>2010</u>	<u>2009</u>
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Short-term debt .....	\$ 531	\$ 639
Long-term debt .....	500	
Accounts payable .....	592	537
Accounts payable to affiliates.....	43	51
Taxes .....	119	33
Interest .....	110	86
Price risk management liabilities .....	1,112	1,502
Counterparty collateral .....	338	356
Other current liabilities .....	624	481
Total Current Liabilities .....	<u>3,969</u>	<u>3,685</u>
<b>Long-term Debt .....</b>	<b><u>5,089</u></b>	<b><u>5,031</u></b>
<b>Deferred Credits and Other Noncurrent Liabilities</b>		
Deferred income taxes .....	1,548	1,481
Investment tax credits .....	81	30
Price risk management liabilities .....	438	582
Accrued pension obligations .....	619	883
Asset retirement obligations .....	332	416
Other deferred credits and noncurrent liabilities .....	211	330
Total Deferred Credits and Other Noncurrent Liabilities .....	<u>3,229</u>	<u>3,722</u>
<b>Commitments and Contingent Liabilities (Note 15)</b>		
<b>Equity</b>		
Member's equity .....	4,491	4,568
Noncontrolling interests .....	18	18
Total Equity .....	<u>4,509</u>	<u>4,586</u>
<b>Total Liabilities and Equity .....</b>	<b><u>\$ 16,796</u></b>	<b><u>\$ 17,024</u></b>

The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.

**CONSOLIDATED STATEMENTS OF EQUITY**  
**PPL Energy Supply, LLC and Subsidiaries**

(Millions of Dollars)

	Member's equity	Non- controlling interests	Total
<b>December 31, 2007</b> .....	\$ 5,205	\$ 19	\$ 5,224
Net income.....	768	2	770
Other comprehensive loss.....	(850)		(850)
Contributions from member .....	421		421
Distributions .....	(750)	(2)	(752)
Divestitures.....		(1)	(1)
<b>December 31, 2008</b> .....	<u>\$ 4,794</u>	<u>\$ 18</u>	<u>\$ 4,812</u>
Net income.....	\$ 246	\$ 1	\$ 247
Other comprehensive income .....	421		421
Contributions from member .....	50		50
Distributions .....	(943)	(1)	(944)
<b>December 31, 2009 (a)</b> .....	<u>\$ 4,568</u>	<u>\$ 18</u>	<u>\$ 4,586</u>
Net income.....	\$ 861	\$ 1	\$ 862
Other comprehensive income .....	129		129
Contributions from member .....	3,625		3,625
Distributions .....	(4,692)	(1)	(4,693)
<b>December 31, 2010 (a)</b> .....	<u>\$ 4,491</u>	<u>\$ 18</u>	<u>\$ 4,509</u>

(a) See "General – Comprehensive Income" in Note 1 for disclosure of balances of each component of AOCI.

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEARS ENDED DECEMBER 31,  
PPL Energy Supply, LLC and Subsidiaries**

(Millions of Dollars)

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Net income</b> .....	<b>\$ 862</b>	<b>\$ 247</b>	<b>\$ 770</b>
<b>Other comprehensive income (loss):</b>			
Amounts arising during the period - gains (losses), net of tax (expense) benefit:			
Foreign currency translation adjustments, net of tax of (\$1), \$4, (\$11) .....	<b>(59)</b>	101	(500)
Available-for-sale securities, net of tax of (\$31), (\$50), \$55 .....	<b>29</b>	49	(50)
Qualifying derivatives, net of tax of (\$207), (\$330), (\$125) .....	<b>305</b>	454	249
Equity investee's other comprehensive income (loss), net of tax of \$0, \$0, \$0 .....		1	(3)
Defined benefit plans:			
Prior service costs, net of tax of (\$8), \$0, \$0.....	<b>12</b>	1	(1)
Net actuarial loss, net of tax of \$36, \$136, \$243 .....	<b>(63)</b>	(326)	(500)
Transition obligation, net of tax of (\$3), \$0, \$0 .....	<b>6</b>		
Reclassifications to net income - (gains) losses, net of tax expense (benefit):			
Available-for-sale securities, net of tax of \$3, \$3, (\$2) .....	<b>(5)</b>	(4)	2
Qualifying derivatives, net of tax of \$99, (\$91), \$19 .....	<b>(145)</b>	131	(73)
Defined benefit plans:			
Prior service costs, net of tax of (\$5), (\$6), (\$5) .....	<b>9</b>	9	12
Net actuarial loss, net of tax of (\$14), (\$3), (\$5) .....	<b>39</b>	4	12
Transition obligation, net of tax of (\$1), (\$1), (\$1) .....	<b>1</b>	1	2
<b>Total other comprehensive income (loss) attributable to PPL Energy Supply .....</b>	<b><u>129</u></b>	<b><u>421</u></b>	<b><u>(850)</u></b>
<b>Comprehensive income (loss) .....</b>	<b><u>991</u></b>	<b><u>668</u></b>	<b><u>(80)</u></b>
Comprehensive income attributable to noncontrolling interests .....	<b><u>1</u></b>	<b><u>1</u></b>	<b><u>2</u></b>
<b>Comprehensive income (loss) attributable to PPL Energy Supply .....</b>	<b><u>\$ 990</u></b>	<b><u>\$ 667</u></b>	<b><u>\$ (82)</u></b>

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31,  
PPL Electric Utilities Corporation and Subsidiaries**

(Millions of Dollars)

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Operating Revenues</b>			
Retail electric.....	\$ 2,448	\$ 3,218	\$ 3,290
Retail and wholesale electric to affiliate.....	7	74	111
Total Operating Revenues .....	<u>2,455</u>	<u>3,292</u>	<u>3,401</u>
<b>Operating Expenses</b>			
Operation			
Energy purchases .....	1,075	114	163
Energy purchases from affiliate .....	320	1,806	1,826
Other operation and maintenance.....	502	417	410
Amortization of recoverable transition costs.....		304	293
Depreciation .....	136	128	131
Taxes, other than income.....	138	194	203
Total Operating Expenses .....	<u>2,171</u>	<u>2,963</u>	<u>3,026</u>
<b>Operating Income .....</b>	<b>284</b>	<b>329</b>	<b>375</b>
Other Income (Expense) - net.....	5	6	5
Interest Income from Affiliate .....	2	4	9
Interest Expense.....	99	116	101
Interest Expense with Affiliate .....		2	10
<b>Income Before Income Taxes.....</b>	<b>192</b>	<b>221</b>	<b>278</b>
Income Taxes.....	57	79	102
<b>Net Income .....</b>	<b>135</b>	<b>142</b>	<b>176</b>
Distributions on Preferred Securities .....	20	18	18
<b>Net Income Available to PPL Corporation .....</b>	<b>\$ 115</b>	<b>\$ 124</b>	<b>\$ 158</b>

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, PPL Electric Utilities Corporation and Subsidiaries

(Millions of Dollars)

	2010	2009	2008
<b>Cash Flows from Operating Activities</b>			
Net income .....	\$ 135	\$ 142	\$ 176
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation .....	136	128	131
Amortization .....	(23)	324	313
Defined benefit plans - expense .....	20	24	6
Defined benefit plans - funding .....	(55)	(28)	(9)
Deferred income taxes and investment tax credits .....	198	(22)	1
Other .....	4		6
Change in current assets and current liabilities			
Accounts receivable .....	(32)	1	(22)
Accounts payable .....	31	(9)	(1)
Unbilled revenue .....	58	(3)	3
Prepayments .....	(112)	(17)	9
Regulatory assets and liabilities .....	(85)	31	(6)
Taxes .....	(38)	(4)	21
Collateral on PLR energy supply from affiliate .....		(300)	
Other .....	(32)	26	9
Other operating activities			
Other assets .....	5	(3)	23
Other liabilities .....	2	4	(12)
Net cash provided by operating activities .....	<u>212</u>	<u>294</u>	<u>648</u>
<b>Cash Flows from Investing Activities</b>			
Expenditures for property, plant and equipment .....	(401)	(288)	(268)
Expenditures for intangible assets .....	(10)	(10)	(7)
Purchases of investments .....			(90)
Proceeds from the sale of investments .....			90
Net (increase) decrease in notes receivable from affiliate .....		300	(23)
Net decrease in restricted cash and cash equivalents .....		1	69
Other investing activities .....	8	3	3
Net cash provided by (used in) investing activities .....	<u>(403)</u>	<u>6</u>	<u>(226)</u>
<b>Cash Flows from Financing Activities</b>			
Issuance of long-term debt .....		298	489
Retirement of long-term debt .....		(595)	(395)
Contributions from PPL .....	55	400	
Redemption of preferred stock .....	(54)		
Payment of common stock dividends to PPL .....	(71)	(274)	(98)
Net increase (decrease) in short-term debt .....		(95)	54
Dividends on preferred securities .....	(17)	(18)	(18)
Other financing activities .....	(3)	(14)	(4)
Net cash provided by (used in) financing activities .....	<u>(90)</u>	<u>(298)</u>	<u>28</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents .....</b>	<b>(281)</b>	<b>2</b>	<b>450</b>
Cash and Cash Equivalents at Beginning of Period .....	485	483	33
Cash and Cash Equivalents at End of Period .....	<u>\$ 204</u>	<u>\$ 485</u>	<u>\$ 483</u>
<b>Supplemental Disclosures of Cash Flow Information</b>			
Cash paid (received) during the period for:			
Interest - net of amount capitalized .....	\$ 87	\$ 116	\$ 88
Income taxes - net .....	\$ (33)	\$ 106	\$ 59

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
PPL Electric Utilities Corporation and Subsidiaries**

(Millions of Dollars, shares in thousands)

	<u>2010</u>	<u>2009</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents .....	\$ 204	\$ 485
Restricted cash and cash equivalents .....	2	1
Accounts receivable (less reserve: 2010, \$17; 2009, \$16)		
Customer.....	268	240
Other .....	24	19
Unbilled revenues .....	134	192
Materials and supplies .....	47	33
Accounts receivable from affiliates .....	8	7
Prepayments .....	136	24
Regulatory assets .....	63	11
Other current assets .....	2	24
<b>Total Current Assets .....</b>	<b><u>888</u></b>	<b><u>1,036</u></b>
<b>Property, Plant and Equipment</b>		
Regulated utility plant - electric .....	5,494	5,197
Less: accumulated depreciation - regulated utility plant - electric .....	2,088	2,008
Other .....	2	2
Construction work in progress.....	177	118
<b>Property, Plant and Equipment, net .....</b>	<b><u>3,585</u></b>	<b><u>3,309</u></b>
<b>Other Noncurrent Assets</b>		
Regulatory assets .....	557	531
Intangibles .....	147	139
Other noncurrent assets .....	76	77
<b>Total Other Noncurrent Assets .....</b>	<b><u>780</u></b>	<b><u>747</u></b>
<b>Total Assets .....</b>	<b><u>\$ 5,253</u></b>	<b><u>\$ 5,092</u></b>

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
PPL Electric Utilities Corporation and Subsidiaries**

(Millions of Dollars, shares in thousands)

	<u>2010</u>	<u>2009</u>
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Accounts payable.....	221	53
Accounts payable to affiliates.....	73	186
Taxes .....	23	61
Interest .....	17	17
Regulatory liabilities.....	18	74
Customer rate mitigation prepayments .....	12	36
Other current liabilities .....	114	91
Total Current Liabilities .....	<u>478</u>	<u>518</u>
<b>Long-term Debt.....</b>	<u>1,472</u>	<u>1,472</u>
<b>Deferred Credits and Other Noncurrent Liabilities</b>		
Deferred income taxes .....	932	761
Investment tax credits .....	7	8
Accrued pension obligations.....	259	245
Regulatory liabilities.....	14	10
Other deferred credits and noncurrent liabilities .....	147	182
Total Deferred Credits and Other Noncurrent Liabilities .....	<u>1,359</u>	<u>1,206</u>
<b>Commitments and Contingent Liabilities (Note 15)</b>		
<b>Shareowners' Equity</b>		
Preferred securities .....	250	301
Common stock - no par value (a).....	364	364
Additional paid-in capital .....	879	824
Earnings reinvested.....	451	407
Total Equity .....	<u>1,944</u>	<u>1,896</u>
<b>Total Liabilities and Equity .....</b>	<u>\$ 5,253</u>	<u>\$ 5,092</u>

(a) 170,000 shares authorized; 66,368 shares issued and outstanding at December 31, 2010 and December 31, 2009.

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*



## CONSOLIDATED STATEMENTS OF SHAREOWNERS' EQUITY PPL Electric Utilities Corporation and Subsidiaries

(Millions of Dollars)

	Common stock shares outstanding (a)	Preferred securities	Common stock	Additional paid-in capital	Earnings reinvested	Total
<b>December 31, 2007</b> .....	66,368	\$ 301	\$ 364	\$ 424	\$ 497	\$ 1,586
Net income (b).....					176	176
Cash dividends declared on preferred securities..					(18)	(18)
Cash dividends declared on common stock.....					(98)	(98)
<b>December 31, 2008</b> .....	<u>66,368</u>	<u>\$ 301</u>	<u>\$ 364</u>	<u>\$ 424</u>	<u>\$ 557</u>	<u>\$ 1,646</u>
Net income (b).....					\$ 142	\$ 142
Capital contributions from PPL.....				\$ 400		400
Cash dividends declared on preferred securities..					(18)	(18)
Cash dividends declared on common stock.....					(274)	(274)
<b>December 31, 2009</b> .....	<u>66,368</u>	<u>\$ 301</u>	<u>\$ 364</u>	<u>\$ 824</u>	<u>\$ 407</u>	<u>\$ 1,896</u>
Net income (b).....					\$ 135	\$ 135
Redemption of preferred stock (c).....		\$ (51)			(3)	(54)
Capital contributions from PPL.....				\$ 55		55
Cash dividends declared on preferred securities..					(17)	(17)
Cash dividends declared on common stock.....					(71)	(71)
<b>December 31, 2010</b> .....	<u>66,368</u>	<u>\$ 250</u>	<u>\$ 364</u>	<u>\$ 879</u>	<u>\$ 451</u>	<u>\$ 1,944</u>

(a) Shares in thousands. All common shares of PPL Electric stock are owned by PPL.

(b) PPL Electric's net income approximates comprehensive income.

(c) PPL Electric redeemed all five series of its outstanding preferred stock. See Note 6 for additional information.

*The accompanying Notes to Consolidated Financial Statements are an integral part of the financial statements.*

**COMBINED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****1. Summary of Significant Accounting Policies****General**

Terms and abbreviations are explained in the glossary. Dollars are in millions, except per share data, unless otherwise noted.

**Business and Consolidation***(PPL)*

PPL is an energy and utility holding company that, through its subsidiaries, is primarily engaged in: 1) the regulated generation, transmission and distribution of electricity and the regulated distribution of natural gas, primarily in Kentucky; 2) the regulated distribution of electricity in the U.K.; 3) the regulated transmission and distribution of electricity in Pennsylvania; and 4) the competitive generation and marketing of electricity in portions of the northeastern and northwestern U.S. Headquartered in Allentown, PA, PPL's principal subsidiaries are LKE, PPL Energy Supply and PPL Electric.

On November 1, 2010, PPL acquired all of the limited liability company interests of E.ON U.S. LLC from a wholly owned subsidiary of E.ON AG. Upon completion of the acquisition, E.ON U.S. LLC was renamed LG&E and KU Energy LLC (LKE). LKE is engaged in cost-based regulated utility operations through its subsidiaries, KU and LG&E. The acquisition of LKE substantially reapportions the mix of PPL's regulated and competitive businesses by increasing the regulated portion of its business, strengthens PPL's credit profile and enhances rate-regulated growth opportunities as the regulated businesses make investments to improve infrastructure and customer reliability. The increase in regulated assets provides earnings stability through regulated returns and the ability to recover costs of capital investments, in contrast to the competitive supply business where earnings and cash flows are subject to market conditions. LKE's operating results for the two months ended December 31, 2010 are included in PPL's results of operations with no comparable amounts for 2009. LKE's net assets acquired and obligations assumed at the acquisition date were recorded at fair value and are included in PPL's balance sheet at December 31, 2010. See Note 10 for additional information on the acquisition of LKE.

*(PPL Energy Supply)*

PPL Energy Funding is the parent of PPL Energy Supply. On January 31, 2011, PPL Energy Supply distributed its membership interest in PPL Global, representing 100% of the outstanding membership interests of PPL Global, to PPL Energy Supply's parent, PPL Energy Funding, to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements. The distribution was made based on the book value of the assets and liabilities of PPL Global with financial effect as of January 1, 2011. PPL Global owns and operates WPD's electricity distribution businesses in the U.K. See Note 24 for additional information related to the distribution. Notes to PPL Energy Supply's Financial Statements may include PPL Global information for years subsequent to 2010.

*(PPL and PPL Energy Supply)*

PPL Generation owns and operates a portfolio of competitive domestic power generating assets. These power plants are primarily located in Pennsylvania and Montana and use well-diversified fuel sources including coal, uranium, natural gas, oil and water. PPL EnergyPlus sells electricity produced by PPL Generation subsidiaries, participates in wholesale market load-following auctions, and markets various energy products and commodities such as: capacity, transmission, FTRs, coal, natural gas, oil, uranium, emission allowances, RECs and other commodities in competitive wholesale and competitive retail markets, primarily in the northeastern and northwestern U.S.

In 2010, PPL Energy Supply completed the sale of its Long Island generation business and related tolling agreements and its remaining three hydroelectric facilities in Maine. See Note 9 for additional information on these sales.

*(PPL and PPL Electric)*

PPL Electric is a cost-based rate-regulated subsidiary of PPL. PPL Electric's principal business is the transmission and distribution of electricity to serve retail customers in its franchised territory in eastern and central Pennsylvania and the supply of electricity to retail customers in that territory as a PLR.

*(PPL, PPL Energy Supply and PPL Electric)*

The consolidated financial statements of PPL, PPL Energy Supply and PPL Electric include each company's own accounts as well as the accounts of all entities in which the company has a controlling financial interest. Entities for which a controlling financial interest is not demonstrated through voting interests are evaluated based on accounting guidance for VIEs. PPL, PPL Energy Supply and PPL Electric consolidate a VIE when they are determined to have a controlling interest in the VIE, and thus are the primary beneficiary of the entity. See "New Accounting Guidance Adopted - Consolidation of Variable Interest Entities" within this note for additional information and Note 22 for information regarding a significant consolidated VIE. Investments in entities in which a company has the ability to exercise significant influence but does not have a controlling financial interest are accounted for under the equity method. All other investments are carried at cost or fair value. All significant intercompany transactions have been eliminated. Any noncontrolling interests are reflected in the consolidated financial statements.

PPL and PPL Energy Supply consolidate foreign subsidiaries on a one-month lag. Material intervening events, such as debt issuances and retirements, acquisitions or divestitures that occur in the lag period are recognized in the current period financial statements. Events that are significant but not material are disclosed.

The consolidated financial statements of PPL and PPL Energy Supply include their share of any undivided interests in jointly owned facilities, as well as their share of the related operating costs of those facilities. See Note 14 for additional information.

## Regulation

*(PPL and PPL Electric)*

LG&E, KU and PPL Electric are cost-based rate-regulated utilities for which rates are set by regulators to enable LG&E, KU and PPL Electric to recover the costs of providing electric or gas service, as applicable, and to provide a reasonable return to shareholders. Rates are generally established based on a test period as adjusted to exclude unusual or nonrecurring items. As a result, the financial statements are subject to the accounting for certain types of regulation as prescribed by GAAP and reflect the effects of regulatory actions. Regulatory assets are recognized for the effect of transactions or events where future recovery of underlying costs is probable in regulated customer rates. The effect of such accounting is to defer certain or qualifying costs that would otherwise currently be charged to expense. Likewise, regulatory liabilities are recognized for obligations expected to be returned through future regulated customer rates or be consumed in the business operations for the effect of transactions or events that would otherwise currently be reflected as income, or in certain cases, regulatory liabilities are recorded based on the understanding with the regulator that current rates include recovery of costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates but not yet expended for the intended purpose. The accounting for regulatory assets and liabilities is based on specific ratemaking decisions or precedent for each transaction or event as prescribed by the FERC or the applicable state regulatory commissions. See Note 3 for additional details regarding regulatory assets and liabilities.

*(PPL and PPL Energy Supply)*

WPD operates under distribution licenses granted by and price controls set by Ofgem. The price control formula that governs WPD's allowed revenue is designed to provide economic incentives to minimize operating, capital and financing costs. The price control formula is normally determined every five years. Ofgem completed a review in December 2009 that became effective April 1, 2010 and will continue through March 31, 2015.

WPD is not subject to accounting for the effects of certain types of regulation as prescribed by GAAP.

Accounting Records (PPL and PPL Electric)

The system of accounts for LG&E, KU and PPL Electric is maintained in accordance with the Uniform System of Accounts prescribed by the FERC and adopted by the applicable state regulatory commissions.

Use of Estimates (PPL, PPL Energy Supply and PPL Electric)

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Loss Accruals (PPL, PPL Energy Supply and PPL Electric)

Potential losses are accrued when (1) information is available that indicates it is "probable" that a loss has been incurred, given the likelihood of the uncertain future events and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." PPL and its subsidiaries continuously assess potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events. PPL and its subsidiaries discount loss accruals for environmental remediation when appropriate.

PPL and its subsidiaries do not record the accrual of contingencies that might result in gains, unless recovery is assured.

Changes in Classification (PPL, PPL Energy Supply and PPL Electric)

The classification of certain amounts in the 2009 and 2008 financial statements have been changed to conform to the current presentation. The changes in classification did not affect "Net Income Attributable to PPL Corporation" or "PPL Corporation Shareowners' Common Equity," "Net Income Attributable to PPL Energy Supply" or PPL Energy Supply's "Member's equity" or "Net Income Available to PPL Corporation" or PPL Electric's "Shareowners' Equity."

The classification on the Statements of Cash Flows has not been changed for the classification of amounts to Discontinued Operations.

Comprehensive Income (PPL and PPL Energy Supply)

Comprehensive income, which includes net income and OCI, consists of changes in equity from transactions not related to shareowners. Comprehensive income is shown on PPL's and PPL Energy Supply's Statements of Comprehensive Income.

AOCI, which is presented on the Balance Sheets of PPL and included in Member's Equity on the Balance Sheets of PPL Energy Supply, consisted of these after-tax gains (losses) at December 31.

	<u>2010</u>	<u>2009</u>
<b>PPL</b>		
Foreign currency translation adjustments	\$ (195)	\$ (136)
Unrealized gains on available-for-sale securities	86	62
Net unrealized gains on qualifying derivatives	695	602
Equity investees' AOCI	(2)	(2)
Defined benefit plans:		
Prior service cost	(32)	(61)
Actuarial loss	(1,032)	(993)
Transition asset (obligation)	1	(9)
	<u>\$ (479)</u>	<u>\$ (537)</u>
<b>PPL Energy Supply</b>		
Foreign currency translation adjustments	\$ (195)	\$ (136)

Unrealized gains on available-for-sale securities	86	62
Net unrealized gains on qualifying derivatives	732	573
Equity investee's AOCI	(2)	(2)
Defined benefit plans:		
Prior service cost	(23)	(44)
Actuarial loss	(953)	(930)
Transition obligation		(7)
	<u>\$ (355)</u>	<u>\$ (484)</u>

### Earnings Per Share (PPL)

EPS is computed using the two-class method, which is an earnings allocation method for computing EPS that treats a participating security as having rights to earnings that would otherwise have been available to common shareowners. Share-based payment awards that provide recipients a non-forfeitable right to dividends or dividend equivalents are considered participating securities.

Basic EPS is computed by dividing income available to PPL common shareowners by the weighted-average number of common shares outstanding during the period. Diluted EPS is computed by dividing income available to PPL common shareowners by the weighted-average number of shares outstanding that are increased for additional shares that would be outstanding if potentially dilutive non-participating securities were converted to common shares.

### Price Risk Management

*(PPL and PPL Energy Supply)*

PPL and PPL Energy Supply enter into energy and energy-related contracts to hedge the variability of expected cash flows associated with their generating units and marketing activities, as well as for trading purposes. PPL and PPL Energy Supply enter into interest rate contracts to hedge their exposure to changes in the fair value of their debt instruments and to hedge their exposure to variability in expected cash flows associated with existing debt instruments or forecasted issuances of debt. PPL and PPL Energy Supply also enter into foreign currency exchange contracts to hedge foreign currency exposures related to firm commitments, recognized assets or liabilities, forecasted transactions, net investments and foreign earnings translation.

Certain of PPL and PPL Energy Supply's energy and energy-related contracts meet the definition of a derivative, while others do not meet the definition of a derivative because they lack a notional amount or a net settlement provision. In cases where there is no net settlement provision, PPL periodically reviews these contracts to assess whether a market mechanism has evolved which could facilitate net settlement. Certain derivative energy contracts have been excluded from the requirements of derivative accounting treatment because they meet the definition of NPNS. These contracts are accounted for using accrual accounting. All other contracts that have been classified as derivative contracts are reflected on the balance sheet at their fair value. These contracts are recorded as "Price risk management assets" and "Price risk management liabilities" on the Balance Sheets. Derivative positions that deliver within a year are included in "Current Assets" and "Current Liabilities." PPL and PPL Energy Supply record derivative positions that deliver beyond a year in "Other Noncurrent Assets" and "Deferred Credits and Other Noncurrent Liabilities." Every trade is entered into the risk management system with an assigned strategy and accounting classification. Processes exist that allow for subsequent review and validation of the trade information. These strategies are discussed in more detail in Note 19. PPL's accounting department provides the traders and the risk management department with guidelines on appropriate accounting classifications for various trade types and strategies. Some examples of these guidelines include, but are not limited to:

- Physical coal, limestone, uranium, electric transmission, gas transportation, gas storage and renewable energy credit contracts are not derivatives due to the lack of net settlement provisions.
- Only contracts where physical delivery is deemed probable throughout the entire term of the contract can qualify for the NPNS exception.

- Physical transactions that permit cash settlement and financial transactions do not qualify for NPNS because physical delivery cannot be asserted; however, these transactions can receive cash flow hedge treatment if they lock in the future cash flows for energy-related commodities.
- Certain purchased option contracts or net purchased option collars may receive hedge accounting treatment. Those that are not eligible are marked to fair value through earnings.
- Derivative transactions that do not qualify for NPNS or hedge accounting treatment are marked to fair value through earnings.

A similar process is also followed by PPL's treasury department as it relates to interest rate and foreign currency derivatives. The following accounting guidelines are provided to the treasury department staff:

- Transactions to lock in an interest rate prior to a debt issuance can be designated as cash flow hedges.
- Transactions entered into to hedge fluctuations in the fair value of existing debt can be designated as fair value hedges.
- Transactions entered into to hedge the value of a net investment of foreign operations can be designated as net investment hedges.
- Derivative transactions that do not qualify for hedge accounting treatment are marked to fair value through earnings or through regulatory assets/liabilities if approved by the appropriate regulatory body. These transactions generally include hedges of earnings translation risk associated with subsidiaries that report their financial statements in a currency other than the U.S. dollar. As such, these transactions reduce earnings volatility due solely to changes in foreign currency exchange rates.

Therefore, on the date the derivative contract is executed, PPL may designate the derivative as NPNS, a hedge of the fair value of a recognized asset or liability or of an unrecognized firm commitment (fair value hedge), a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge), a foreign currency fair value or cash flow hedge (foreign currency hedge) or a hedge of a net investment in a foreign operation (net investment hedge). Other derivatives may be linked to certain risk management strategies, but hedge accounting treatment is not permitted or elected. Finally, some derivatives have been entered into for proprietary trading purposes. As such, similar derivatives may receive different accounting treatment, depending on the intended use of such derivative instrument.

Changes in the fair value of derivatives are recorded in either OCI or in current-period earnings, except that LG&E records the change in fair value of its interest rate swap contracts as a regulatory asset or liability since such costs are either currently being recovered in customer rates or are probable of future recovery.

Cash inflows and outflows related to derivative instruments are included as a component of operating, investing or financing activities on the Statements of Cash Flows, depending on the underlying nature of the hedged items.

PPL and its subsidiaries have elected not to offset net derivative positions in the financial statements. Accordingly, PPL and its subsidiaries do not offset such derivative positions against the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) under master netting arrangements.

Gains and losses associated with non-trading bilateral sales of electricity at major market delivery points are netted with purchases that offset the sales at those same delivery points. A major market delivery point is any delivery point with liquid pricing available.

PPL and PPL Energy Supply reflect their net realized and unrealized gains and losses associated with all derivatives that are held for trading purposes in the "Net energy trading margins" line on the Statements of Income.

See Notes 18 and 19 for additional information on derivatives.

*(PPL and PPL Electric)*

To meet its obligation as a PLR to its customers, PPL Electric has entered into contracts that meet the definition of a derivative. These contracts have been excluded from the requirements of derivative accounting treatment because they meet the definition of NPNS and are accounted for using accrual accounting. See Notes 18 and 19 for additional information.

## Revenue

### Utility Revenue

*(PPL)*

The Statements of Income "Utility" line item contains rate-regulated revenue from the following:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Domestic electric revenue (a)	\$ 2,856	\$ 3,218	\$ 3,290
U.K. electric revenue (b)	727	684	824
Domestic natural gas revenue (c)	85		
Total	<u>\$ 3,668</u>	<u>\$ 3,902</u>	<u>\$ 4,114</u>

- (a) Represents revenue from the regulated generation, transmission and/or distribution of electricity in Pennsylvania, Kentucky, Virginia and Tennessee, including regulated wholesale revenue.
- (b) Represents electric revenue from the operation of WPD's distribution networks.
- (c) Represents revenue from the distribution and sale of natural gas in Kentucky.

*(PPL Energy Supply)*

The Statements of Income "Utility" line item contains electric revenue from the operation of WPD's distribution network.

*(PPL Electric)*

Since most of PPL Electric's operations are regulated, it is not meaningful to use a "Utility" caption. Therefore, PPL Electric's revenue is presented according to specific types of revenue.

### Revenue Recognition

*(PPL, PPL Energy Supply and PPL Electric)*

Operating revenues, except for "Energy-related businesses," are recorded based on energy deliveries through the end of the calendar month. Unbilled retail revenues result because customers' meters are read and bills are rendered throughout the month, rather than all being read at the end of the month. Unbilled revenues for a month are calculated by multiplying an estimate of unbilled kWh by the estimated average cents per kWh. Unbilled wholesale energy revenues are recorded at month-end to reflect estimated amounts until actual dollars and MWhs are confirmed and invoiced. At that time, unbilled revenue is reversed and actual revenue is recorded.

PPL Energy Supply records energy marketing activity in the period when the energy is delivered. Generally, the wholesale sales and purchases that qualify as derivative instruments held for non-trading purposes are reported gross on the Statements of Income within "Wholesale energy marketing" and "Energy purchases." Additionally, the bilateral sales and purchases that are designated as speculative trading activities and qualify as derivative instruments for accounting purposes are reported net on the Statements of Income within "Net energy trading margins." Spot market activity that balances PPL Energy Supply's physical trading positions is included on the Statements of Income in "Net energy trading margins."

Certain PPL subsidiaries participate in RTOs, primarily in PJM. In PJM, PPL EnergyPlus is a marketer, a load-serving entity to its customers who have selected it as a supplier and a seller for PPL's generation subsidiaries. PPL Electric is a transmission owner and PLR in PJM. A function of interchange accounting is to match participants' MWh entitlements

(generation plus scheduled bilateral purchases) against their MWh obligations (load plus scheduled bilateral sales) during every hour of every day. If the net result during any given hour is an entitlement, the participant is credited with a spot-market sale to the ISO at the respective market price for that hour; if the net result is an obligation, the participant is charged with a spot-market purchase from the ISO at the respective market price for that hour. ISO purchases and sales are not allocated to individual customers. PPL records the hourly net sales and purchases in its financial statements as wholesale energy marketing and energy purchases.

"Energy-related businesses" revenue includes revenue from the mechanical contracting and engineering subsidiaries, as well as WPD's telecommunications and property subsidiaries. The mechanical contracting and engineering subsidiaries record revenue from construction contracts on the percentage-of-completion method of accounting, measured by the actual cost incurred to date as a percentage of the estimated total cost for each contract. Accordingly, costs and estimated earnings in excess of billings on uncompleted contracts are recorded within "Unbilled revenues" on the Balance Sheets, and billings in excess of costs and estimated earnings on uncompleted contracts are recorded within "Other current liabilities" on the Balance Sheets. The amount of costs in excess of billings was \$9 million and \$5 million at December 31, 2010 and 2009, and the amount of billings in excess of costs was \$70 million and \$69 million at December 31, 2010 and 2009.

### **Accounts Receivable**

*(PPL, PPL Energy Supply and PPL Electric)*

Accounts receivable are reported in the Balance Sheets at the gross outstanding amount adjusted for an allowance for doubtful accounts. For PPL, see Note 10 for information related to the acquisition of LKE. The initial accounts receivable acquired in the transaction were recorded at fair value on November 1, 2010.

PPL Electric's customers may elect to procure generation supply from an alternative supplier. As a result of a PUC-approved purchase of accounts receivable program, beginning in the first quarter of 2010, PPL Electric has purchased certain accounts receivable from alternative suppliers at a nominal discount, which reflects a provision for uncollectible accounts. Additionally, PPL Electric receives a nominal fee for administering the program. The alternative suppliers (including PPL EnergyPlus) have no continuing involvement or interest in the purchased accounts receivable. The purchased accounts receivable are initially recorded at fair value using a market approach based on the purchase price paid and are classified as Level 2 in the fair value hierarchy. The purchased accounts receivable have substantially the same risk profile and payment terms as PPL Electric's other customer accounts receivable. During 2010, PPL and PPL Electric purchased \$607 million of accounts receivable from third parties. During 2010, PPL Electric purchased \$212 million of accounts receivable from PPL EnergyPlus.

### **Allowance for Doubtful Accounts**

*(PPL, PPL Energy Supply and PPL Electric)*

Accounts receivable collectability is evaluated using a combination of factors, including past due status based on contractual terms. Reserve balances are analyzed to assess the reasonableness of the balances in comparison to the actual accounts receivable balances and write-offs. Adjustments are made to reserve balances based on the results of analysis, the aging of receivables, and historical and industry trends.

Additional specific reserves for uncollectible accounts receivable, such as bankruptcies, are recorded on a case-by-case basis after having been researched and reviewed by management. The nature of the item, trends in write-offs, the age of the receivable, counterparty creditworthiness and economic conditions are considered as a basis for determining the adequacy of the reserve for uncollectible account balances.

Accounts receivable are charged-off in the period in which the receivable is deemed uncollectible. Recoveries of accounts receivable previously charged-off are recorded when it is known they will be received.

The changes in the allowance for doubtful accounts, including unbilled revenues, were:



	Balance at Beginning of Period	Additions		Deductions (b)	Balance at End of Period
		Charged to Income	Charged to Other Accounts (a)		
<b><u>PPL (c)</u></b>					
2010	\$ 37	\$ 42 (d)	7 (d)	\$ 31	\$ 55 (d)
2009	40	30		33	37
2008	40	29		29	40
<b><u>PPL Energy Supply (c)</u></b>					
2010	\$ 21	\$ 1		\$ 2	\$ 20
2009	26	1		6	21
2008	22	5		1	26
<b><u>PPL Electric</u></b>					
2010	\$ 16	\$ 30		\$ 29	\$ 17
2009	14	29		27	16
2008	18	24		28	14

- (a) Primarily related to a reserve against a receivable recorded for liquidated damages associated with the construction of Unit 2 of the Trimble County generation facility, and thus the provision was recorded as an adjustment to construction work in progress.
- (b) Primarily related to uncollectible accounts written off.
- (c) See Note 15 for information on allowance for doubtful accounts related to California ISO sales.
- (d) Includes amounts associated with two months of LKE activity. See Note 10 for additional information related to the acquisition of LKE.

#### **Cash (PPL, PPL Energy Supply and PPL Electric)**

#### **Cash Equivalents**

All highly liquid debt instruments purchased with original maturities of three months or less are considered to be cash equivalents.

#### **Restricted Cash and Cash Equivalents**

Bank deposits and other cash equivalents that are restricted by agreement or that have been clearly designated for a specific purpose are classified as restricted cash and cash equivalents. The change in restricted cash and cash equivalents is reported as an investing activity on the Statements of Cash Flows. On the Balance Sheets, the current portion of restricted cash and cash equivalents is shown as "Restricted cash and cash equivalents" while the noncurrent portion is included in "Other noncurrent assets." See Note 18 for total restricted cash. For PPL, the December 31, 2010 balance of restricted cash and cash equivalents included \$19 million of cash collateral posted to counterparties related to interest rate swap contracts, \$14 million of margin deposits posted to counterparties in connection with trading activities, \$6 million of funds required by law to be held by WPD's captive insurance company to meet claims and \$13 million of funds deposited with a trustee to defease PPL Electric's 1945 First Mortgage Bonds, as discussed in Note 7. For PPL Energy Supply, the December 31, 2010 balance included \$11 million of margin deposits posted to counterparties in connection with trading activities and \$6 million of funds required by law to be held by WPD's captive insurance company to meet claims. For PPL and PPL Energy Supply, the December 31, 2009 balance consisted primarily of margin deposits posted by counterparties to PPL Energy Supply in connection with trading activities. For PPL Electric, the December 31, 2010 and December 31, 2009 balances of restricted cash and cash equivalents, including the noncurrent portion, consisted primarily of funds deposited with a trustee to defease PPL Electric's 1945 First Mortgage Bonds, as discussed in Note 7.

#### **Fair Value Measurements (PPL, PPL Energy Supply and PPL Electric)**

PPL and its subsidiaries value certain financial and nonfinancial assets and liabilities at fair value. Generally, the most significant fair value measurements relate to price risk management assets and liabilities, investments in securities including investments in the NDT funds and defined benefit plans, and cash and cash equivalents. PPL and its subsidiaries use, as appropriate, a market approach (generally, data from market transactions), an income approach (generally, present value techniques and option-pricing models), and/or a cost approach (generally, replacement cost) to measure the fair value of an asset or liability. These valuation approaches incorporate inputs such as observable, independent market data and/or unobservable data that management believes are predicated on the assumptions market

participants would use to price an asset or liability. These inputs may incorporate, as applicable, certain risks such as nonperformance risk, which includes credit risk.

PPL and its subsidiaries prioritize fair value measurements for disclosure by grouping them into one of three levels in the fair value hierarchy. The highest priority is given to measurements using Level 1 inputs. The appropriate level assigned to a fair value measurement is based on the lowest level input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are as follows:

- **Level 1** - quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- **Level 2** - inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for substantially the full term of the asset or liability.
- **Level 3** - unobservable inputs that management believes are predicated on the assumptions market participants would use to measure the asset or liability at fair value.

Assessing the significance of a particular input requires judgment that considers factors specific to the asset or liability. As such, PPL and its subsidiaries' assessment of the significance of a particular input may affect how the assets and liabilities are classified within the fair value hierarchy. PPL and its subsidiaries recognize transfers between levels at end-of-reporting-period values. See Notes 13, 18, and 19 for additional information on fair value measurements.

#### **Investments** (*PPL, PPL Energy Supply and PPL Electric*)

Generally, the original maturity date of an investment and management's ability to sell an investment prior to its original maturity determine the classification of investments as either short-term or long-term. Investments that would otherwise be classified as short-term, but are restricted as to withdrawal or use for other than current operations or are clearly designated for expenditure in the acquisition or construction of noncurrent assets or for the liquidation of long-term debts, are classified as long-term.

#### Short-term Investments

Short-term investments generally include certain deposits as well as securities that are considered highly liquid or provide for periodic reset of interest rates. Investments with original maturities greater than three months and less than a year, as well as investments with original maturities of greater than a year that management has the ability and intent to sell within a year, are included in "Short-term investments" on the Balance Sheet of PPL and in "Current Assets - Other" on the Balance Sheet of PPL Electric.

#### Investments in Debt and Equity Securities

Investments in debt securities are classified as held-to-maturity and measured at amortized cost when there is an intent and ability to hold the securities to maturity. Debt and equity securities that are acquired and held principally for the purpose of selling them in the near-term are classified as trading. Trading securities are generally held to capitalize on fluctuations in their value. All other investments in debt and equity securities are classified as available-for-sale. Both trading and available-for-sale securities are carried at fair value. The specific identification method is used to calculate realized gains and losses on debt and equity securities. Any unrealized gains and losses on trading securities are included in earnings. Through March 31, 2009, unrealized gains and losses on all available-for-sale securities were reported, net of tax, in OCI or recognized in earnings when the decline in fair value below amortized cost was determined to be an other-than-temporary impairment.

Accounting guidance effective April 1, 2009 has modified the criteria for determining whether a decline in fair value of a debt security is other than temporary and whether the other-than-temporary impairment is recognized in earnings or reported in OCI. Beginning April 1, 2009, when a debt security is in an unrealized loss position:

- if there is an intent to sell the security or a requirement to sell the security before recovery, the other-than-temporary impairment is recognized currently in earnings; or
- if there is no intent to sell the security or requirement to sell the security before recovery, the portion of the other-than-temporary impairment that is considered a credit loss is recognized currently in earnings and the remainder of the other-than-temporary impairment is reported in OCI, net of tax; or
- if there is no intent to sell the security or requirement to sell the security before recovery and there is no credit loss, the unrealized loss is reported in OCI, net of tax.

Equity securities were not impacted by this accounting guidance; therefore, unrealized gains and losses on available-for-sale equity securities continue to be reported, net of tax, in OCI. Earnings continue to be charged when an equity security's decline in fair value below amortized cost is determined to be an other-than-temporary impairment. See Notes 18 and 23 for additional information on investments in debt and equity securities.

## Long-Lived and Intangible Assets

### Property, Plant and Equipment

*(PPL, PPL Energy Supply and PPL Electric)*

PP&E is recorded at original cost, unless impaired. The original cost for PP&E acquired in the LKE acquisition is its fair value on November 1, 2010, which approximated net book value as of the acquisition date. See Note 10 for additional information on the acquisition of LKE. If impaired, the asset is written down to fair value at that time, which becomes the new cost basis of the asset. Original cost includes material, labor, contractor costs, certain overheads and financing costs, where applicable. The cost of repairs and minor replacements are charged to expense as incurred. PPL records costs associated with planned major maintenance projects in the period in which the costs are incurred. No costs are accrued in advance of the period in which the work is performed for PPL Energy Supply or PPL Electric. PPL, through its subsidiaries LG&E and KU, accrues costs of removal net of estimated salvage value through depreciation which is included in the calculation of customer rates over the assets' depreciable lives in accordance with regulatory practices. Cost of removal amounts accrued through depreciation rates are accumulated as a regulatory liability until the removal costs are incurred. See Note 3 for additional information.

*(PPL and PPL Electric)*

AFUDC is capitalized as part of the construction costs for cost based rate regulated projects for which a return on such costs is recovered after the project is placed in service. The debt component of AFUDC is credited to "Interest Expense" and the equity component is credited to "Other Income (Expense) - net" on the Statements of Income.

*(PPL and PPL Energy Supply)*

Nuclear fuel-related costs, including fuel, conversion, enrichment, fabrication and assemblies, are capitalized as PP&E. Such costs are amortized over the period the fuel is spent using the unit-of-production method and included in "Fuel" on the Statements of Income.

PPL and PPL Energy Supply capitalize interest costs as part of construction costs for projects not subjected to cost-based rate regulation.

The following capitalized interest was excluded from "Interest Expense" on the Statements of Income.

	<u>PPL</u>	<u>PPL</u> <u>Energy Supply</u>
2010	\$ 30	\$ 33
2009	44	45
2008	57	56

*(PPL, PPL Energy Supply and PPL Electric)*

Included in PP&E on the balance sheet are capitalized costs of software projects that were developed or obtained for internal use. These capitalized costs are amortized ratably over the expected lives of the projects when they become operational, generally not to exceed five years. Following are capitalized software costs and the accumulated amortization.

	December 31, 2010		December 31, 2009	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
PPL (a)	\$ 213	\$ 70	\$ 97	\$ 52
PPL Energy Supply	30	20	24	19
PPL Electric	54	24	37	15

(a) The December 31, 2010 gross carrying amount includes \$84 million from the acquisition of LKE.

Amortization expense of capitalized software costs was as follows:

	PPL		
	PPL	Energy Supply	PPL Electric
2010	\$ 21	\$ 3	\$ 9
2009	13	2	5
2008	8	2	3

The amortization of capitalized software is included in "Depreciation" on the Statements of Income.

#### Depreciation (PPL, PPL Energy Supply and PPL Electric)

Depreciation is computed over the estimated useful lives of property using various methods including the straight-line, composite and group methods. When a component of PP&E is retired that was depreciated under the composite or group method, the original cost is charged to accumulated depreciation. When all or a significant portion of an operating unit that was depreciated under the composite or group method is retired or sold, the property and the related accumulated depreciation account is reduced and any gain or loss is included in income, unless otherwise required by regulators.

Following are the weighted-average rates of depreciation at December 31.

	2010			2009		
	PPL	PPL Energy Supply	PPL Electric	PPL	PPL Energy Supply	PPL Electric
Regulated utility plant (a)	3.27	2.31	2.27	2.24	2.24	2.24
Non-regulated PP&E - Generation	2.76	2.76		2.48	2.48	

(a) For PPL, the 2010 weighted-average depreciation rate was impacted by the acquisition of LKE. In accordance with purchase accounting guidelines, the original cost for PP&E acquired in the LKE acquisition is its fair value on November 1, 2010, which approximated net book value as of the acquisition date. This resulting lower original cost basis of LKE's PP&E was used in the calculation of the weighted-average depreciation rate for PPL for 2010. Therefore, the consolidation of LKE results in a significantly higher weighted-average rate compared to PPL's historical rates. Excluding LKE, PPL's 2010 weighted-average depreciation rate was 2.28%.

#### Goodwill and Other Intangible Assets (PPL, PPL Energy Supply and PPL Electric)

Goodwill represents the excess of the purchase price paid over the fair value of the identifiable net assets acquired in the acquisition of a business.

Other acquired intangible assets are initially measured based on their fair value. Intangibles that have finite useful lives are amortized over their useful lives based upon the pattern in which the economic benefits of the intangible assets are consumed or otherwise used. Costs incurred to renew or extend terms of licenses are capitalized as intangible assets.

When determining the useful life of an intangible asset, including intangible assets that are renewed or extended, PPL and its subsidiaries consider the expected use of the asset; the expected useful life of other assets to which the useful life of the intangible asset may relate; legal, regulatory, or contractual provisions that may limit the useful life; the company's historical experience as evidence of its ability to support renewal or extension; the effects of obsolescence, demand, competition, and other economic factors; and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

PPL and its subsidiaries account for emission allowances as intangible assets. Since the economic benefits of emission allowances are not diminished until they are consumed, emission allowances are not amortized; rather, they are expensed when consumed. Such expense is included in "Fuel" on the Statements of Income. Gains and losses on the sale of emission allowances are included in "Other operation and maintenance" on the Statements of Income.

PPL and its subsidiaries also account for RECs as intangible assets, and the associated costs are not expensed until the credits are consumed. Such expense is included in "Energy purchases" on the Statements of Income. Gains and losses on the sale of RECs are included in "Other operation and maintenance" on the Statements of Income.

See Note 20 for additional information on goodwill and other intangible assets.

#### Asset Impairment (PPL, PPL Energy Supply and PPL Electric)

PPL and its subsidiaries review long-lived assets that are subject to depreciation or amortization, including finite-lived intangibles, for impairment when events or circumstances indicate carrying amounts may not be recoverable.

For a long-lived asset classified as held and used, an impairment exists when the carrying amount exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If the asset is impaired, an impairment loss is recorded to adjust the asset's carrying amount to its fair value. Certain emission allowances are expected to be sold rather than consumed. These emission allowances are tested for impairment when events or changes in circumstances, such as a decline in market prices, indicate that their carrying value might be impaired. See Note 18 for a discussion of impairment charges recorded associated with long-lived assets classified as held and used.

For a long-lived asset classified as held for sale, an impairment exists when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If the asset (disposal group) is impaired, an impairment loss is recorded to adjust the carrying amount of the asset (disposal group) to its fair value less cost to sell. See Notes 9 and 18 for a discussion of impairment charges recorded associated with long-lived assets classified as held for sale.

Goodwill is reviewed for impairment, at the reporting unit level, annually or more frequently when events or circumstances indicate that the carrying amount of a reporting unit may be greater than the unit's fair value. Additionally, goodwill must be tested for impairment after a portion of goodwill has been allocated to a business to be disposed of. PPL's reporting units are significant businesses that have discrete financial information, and the operating results are regularly reviewed by segment management. PPL's reporting units are at or one level below its operating segments. If the carrying amount of the reporting unit, including goodwill, exceeds its fair value, the implied fair value of goodwill must be calculated. The implied fair value of goodwill is determined in the same manner as the amount of goodwill in a business combination. That is, the fair value of a reporting unit is allocated to all assets and liabilities of that unit as if the reporting unit had been acquired in a business combination. The excess of the fair value of the reporting unit over the amounts assigned to its assets and liabilities is the implied fair value of goodwill. If the implied fair value of goodwill is less than the carrying amount, an impairment loss is recognized for an amount equal to that difference.

The goodwill recognized as a result of the acquisition of LKE, although entirely recorded at LG&E and KU, was assigned to the reporting units expected to benefit from the acquisition, which are the new Kentucky Regulated segment and the Supply segment. See Note 10 for additional information regarding the acquisition.

### Asset Retirement Obligations

*(PPL, PPL Energy Supply and PPL Electric)*

PPL and its subsidiaries recognize various legal obligations associated with the retirement of long-lived assets as liabilities in the financial statements. Initially, this obligation is measured at fair value. An equivalent amount is recorded as an increase in the value of the capitalized asset and allocated to expense over the useful life of the asset. Until the obligation is settled, the liability is increased, through the recognition of accretion expense classified within "Other operation and maintenance" on the Statements of Income, for changes in the obligation due to the passage of time.

Estimated ARO costs and settlement dates, which affect the carrying value of the ARO and the related capitalized asset, are reviewed periodically to ensure that any material changes are incorporated into the latest estimate of the ARO. Any change to the capitalized asset, positive or negative, is amortized over the remaining life of the associated long-lived asset. See Note 21 for additional information on AROs and a discussion of the remeasurement in the third quarter of 2010 of the ARO for the decommissioning of the Susquehanna nuclear units.

*(PPL)*

The accretion and depreciation, related to an ARO, recorded by LG&E and KU is offset with a regulatory asset, such that there is no income statement impact. The regulatory asset is relieved when the ARO is settled.

### **Compensation and Benefits**

Defined Benefits *(PPL, PPL Energy Supply and PPL Electric)*

PPL and certain of its subsidiaries sponsor various defined benefit pension and other postretirement plans. An asset or liability is recorded to recognize the funded status of all defined benefit plans with an offsetting entry to OCI or to regulatory assets or liabilities for LG&E, KU and PPL Electric. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets.

The expected return on plan assets is determined based on a market-related value of plan assets, which is calculated by rolling forward the prior year market-related value with contributions, disbursements and long-term expected return on investments. One-fifth of the difference between the actual value and the expected value is added (or subtracted if negative) to the expected value to determine the new market-related value.

PPL uses an accelerated amortization method for the recognition of gains and losses for its pension plans. Under the accelerated method, gains and losses in excess of 10% but less than 30% of the greater of the plan's projected benefit obligation or the market-related value of plan assets are amortized on a straight-line basis over the estimated average future service period of plan participants. Gains and losses in excess of 30% of the plan's projected benefit obligation are amortized on a straight-line basis over a period equal to one-half of the average future service period of the plan participants.

See Note 13 for a discussion of defined benefits.

### Stock-Based Compensation

*(PPL, PPL Energy Supply and PPL Electric)*

PPL grants stock options, restricted stock, restricted stock units and performance units to certain employees, and stock units and restricted stock units to directors, under several stock-based compensation plans. PPL grants most of its stock-based awards in the first quarter of each year. PPL and its subsidiaries recognize compensation expense for stock-based awards based on the fair value method. Stock options with graded vesting (i.e., that vest in installments) are valued as a single award. PPL grants stock options with an exercise price that is not less than the fair value of PPL's common stock

on the date of grant. See Note 12 for a discussion of stock-based compensation. All awards are recorded as equity or a liability on the Balance Sheets. Stock-based compensation is included in "Other operation and maintenance" on the Statements of Income.

*(PPL Energy Supply and PPL Electric)*

PPL Energy Supply's and PPL Electric's stock-based compensation expense includes an allocation of PPL Services' expense.

## **Other**

### Debt Issuance Costs

Debt issuance costs are deferred and amortized over the term of the related debt using the interest method or another method, generally straight-line, if the results obtained are not materially different than those that would result from the interest method.

### Income Taxes

*(PPL, PPL Energy Supply and PPL Electric)*

PPL and its domestic subsidiaries file a consolidated U.S. federal income tax return.

Significant management judgment is required in developing PPL and its subsidiaries' provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is required to determine the amount of benefit to be recognized in relation to an uncertain tax position. PPL and its subsidiaries evaluate tax positions following a two-step process. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization, upon settlement, that exceeds 50%. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements of PPL and its subsidiaries in the future.

Deferred income taxes reflect the net future tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their basis for income tax purposes, as well as the tax effects of net operating losses and tax credit carryforwards.

PPL and its subsidiaries record valuation allowances to reduce deferred tax assets to the amounts that are more likely than not to be realized. PPL and its subsidiaries consider the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies in initially recording and subsequently reevaluating the need for valuation allowances. If PPL and its subsidiaries determine that they are able to realize deferred tax assets in the future in excess of recorded net deferred tax assets, adjustments to the valuation allowances increase income by reducing tax expense in the period that such determination is made. Likewise, if PPL and its subsidiaries determine that they are not able to realize all or part of net deferred tax assets in the future, adjustments to the valuation allowances would decrease income by increasing tax expense in the period that such determination is made.

PPL and its subsidiaries defer investment tax credits when the credits are utilized and amortize the deferred amounts over the average lives of the related assets.

PPL and its subsidiaries recognize interest and penalties in "Income Taxes" on their Statements of Income.

See Note 5 for additional discussion regarding income taxes.

*(PPL Energy Supply and PPL Electric)*

The income tax provision for PPL Energy Supply and PPL Electric is calculated in accordance with an intercompany tax sharing policy which provides that taxable income be calculated as if PPL Energy Supply, PPL Electric and any domestic subsidiaries each filed a separate consolidated return. Tax benefits are not shared between companies. A tax benefit inures only to the entity that gave rise to said benefit. The effect of PPL filing a consolidated tax return is taken into account in the settlement of current taxes and the recognition of deferred taxes. PPL Energy Supply's intercompany tax payable was \$26 million at December 31, 2010 and the intercompany tax receivable was \$21 million at December 31, 2009. PPL Electric's intercompany tax receivable was \$74 million and \$19 million at December 31, 2010 and 2009.

*(PPL and PPL Electric)*

The provision for PPL and PPL Electric's deferred income taxes for regulated assets is based upon the ratemaking principles reflected in rates established by the regulators. The difference in the provision for deferred income taxes for regulated assets and the amount that otherwise would be recorded under GAAP is deferred and included on the Balance Sheet in noncurrent "Regulatory assets" or "Regulatory liabilities" for PPL and PPL Electric.

Taxes, Other Than Income *(PPL, PPL Energy Supply and PPL Electric)*

PPL and its subsidiaries present sales taxes in "Accounts Payable" and value-added taxes in "Taxes" on their Balance Sheets. These taxes are not reflected on the Statements of Income. See Note 5 for details on taxes included in "Taxes, other than income" on the Statements of Income.

Leases

*(PPL, PPL Energy Supply and PPL Electric)*

PPL and its subsidiaries evaluate whether arrangements entered into contain leases for accounting purposes.

*(PPL and PPL Energy Supply)*

See Note 11 for a discussion of arrangements under which PPL and PPL Energy Supply are lessees for accounting purposes.

PPL EnergyPlus entered into several arrangements whereby PPL EnergyPlus was considered the lessor for accounting purposes. See Note 9 for additional information regarding the 2010 sale of the Long Island generation business and the leases that were transferred to the purchaser upon completion of the sale.

Fuel, Materials and Supplies

*(PPL, PPL Energy Supply and PPL Electric)*

Fuel, natural gas stored underground and materials and supplies are valued at the lower of cost or market using the average cost method.

*(PPL and PPL Energy Supply)*

"Fuel, materials and supplies" on the Balance Sheets consisted of the following at December 31.

<u>PPL</u>		<u>PPL Energy Supply</u>	
<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>



Fuel	\$ 260	\$ 137	\$ 97	\$ 137
Natural gas stored underground (a)	81	14	21	14
Materials and supplies	302	206	179	174
	<u>\$ 643</u>	<u>\$ 357</u>	<u>\$ 297</u>	<u>\$ 325</u>

(a) The majority of natural gas stored underground is available for resale.

#### Guarantees (PPL, PPL Energy Supply and PPL Electric)

Generally, the initial measurement of a guarantee liability is the fair value of the guarantee at its inception. However, there are certain guarantees excluded from the scope of accounting guidance and other guarantees that are not subject to the initial recognition and measurement provisions of accounting guidance. See Note 15 for further discussion of recorded and unrecorded guarantees.

#### Treasury Stock (PPL and PPL Electric)

PPL and PPL Electric restore all shares of common stock acquired to authorized but unissued shares of common stock upon acquisition.

#### Foreign Currency Translation and Transactions (PPL and PPL Energy Supply)

Assets and liabilities of international subsidiaries, where the local currency is the functional currency, are translated at the exchange rates on the date of consolidation and related revenues and expenses are translated at average exchange rates prevailing during the year. See "Business and Consolidation" above for a discussion regarding the use of a lag period. Adjustments resulting from translation are recorded in AOCI. The effect of translation is removed from AOCI upon the sale or substantial liquidation of the international subsidiary that gave rise to the translation adjustment. The local currency is the functional currency for PPL's U.K. operating company.

Gains or losses relating to foreign currency transactions are recognized in "Other Income (Expense) - net" on the Statements of Income. Net transaction losses were insignificant in 2010, 2009, and 2008.

#### **New Accounting Guidance Adopted** (PPL, PPL Energy Supply and PPL Electric)

##### Accounting for Transfers of Financial Assets

Effective January 1, 2010, PPL and its subsidiaries adopted accounting guidance issued to revise the accounting for transfers of financial assets. This guidance:

- eliminates the concept of a qualifying special-purpose entity (QSPE); therefore, QSPEs will be subject to consolidation guidance;
- changes the requirements for the derecognition of financial assets;
- establishes new criteria for reporting the transfer of a portion of a financial asset as a sale;
- requires transferors to initially recognize, at fair value, assets obtained and liabilities incurred as a result of a transfer accounted for as a sale; and
- requires enhanced disclosures to improve the transparency around transfers of financial assets and a transferor's continuing involvement.

This guidance is applied prospectively to new transfers of financial assets. Disclosures are required for all transfers, including those entered into before the effective date.

The adoption did not have a material impact on PPL and its subsidiaries' financial statements. See Note 7 for information on PPL Electric's participation in an asset-backed commercial paper program and "Accounts Receivable" above for information on PPL Electric's purchase of accounts receivable from alternative suppliers, which are within the scope of this guidance.

### Consolidation of Variable Interest Entities

Effective January 1, 2010, PPL and its subsidiaries adopted accounting guidance issued to replace the quantitative-based risks and rewards calculation for determining which entity, if any, has a controlling financial interest in a VIE and is the primary beneficiary. The primary beneficiary must consolidate the VIE. This guidance:

- prescribes a qualitative approach focused on identifying which entity has the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and the obligation to absorb losses of, or the right to receive benefits from, the VIE that could potentially be significant to the VIE;
- requires ongoing assessments of whether an entity is the primary beneficiary of a VIE;
- requires enhanced disclosures to improve the transparency of an entity's involvement in a VIE;
- requires that all previous consolidation conclusions be reconsidered; and
- requires that QSPEs be evaluated for consolidation (resulting from the elimination of the QSPE concept in the guidance addressing accounting for transfers of financial assets).

The adoption did not have a material impact on PPL and its subsidiaries' financial statements. See PPL and PPL Energy Supply's Balance Sheets and Note 22 for enhanced VIE disclosures.

### Improving Disclosures about Fair Value Measurements

Effective January 1, 2010, PPL and its subsidiaries prospectively adopted accounting guidance issued to improve disclosures about fair value measurements. This guidance:

- requires disclosures be provided for each class of assets and liabilities, with class determined on the basis of the nature and risks of the assets and liabilities;
- clarifies that a description of valuation techniques and inputs used to measure fair value is required for Level 2 and 3 recurring and nonrecurring fair value measurements; and
- for recurring fair value measurements, requires separate disclosure of significant transfers into and out of levels and the reasons for those transfers.

This guidance makes corresponding amendments to employers' disclosures about pensions and other postretirement benefits.

The adoption did not have a material impact on PPL and its subsidiaries' financial statements. The enhanced disclosures are presented in Notes 13 and 18.

### Subsequent Measurement - Cash Flow Hedges

Effective April 1, 2010, PPL and its subsidiaries prospectively adopted accounting guidance that was issued to clarify how an entity should reflect the subsequent measurement of cash flow hedges in AOCI if, during a prior period, hedge accounting was not permitted. This situation may arise if an entity's retrospective assessment of hedge effectiveness indicated that the hedging relationship had not been highly effective in a period, but the prospective assessment of hedge effectiveness showed an expectation that the hedging relationship would be highly effective in the future; therefore, the hedging relationship continued even though hedge accounting was not permitted for a certain period. This guidance:

- requires that the cumulative gain or loss on the derivative that is used to determine the maximum amount of gain or loss that may be reflected in AOCI exclude the gains or losses that occurred during the period when hedge accounting was not permitted; and
- requires that the cumulative change in the expected future cash flows on the hedged transaction exclude the changes related to the period when hedge accounting was not applied.

The adoption did not have a significant impact on PPL and its subsidiaries; however, the impact in future periods could be material. See "Commodity Price Risk (Non-trading)" in Note 19 for additional information.

### Pro Forma Disclosures for Business Combinations

Effective December 31, 2010, PPL and its subsidiaries prospectively adopted accounting guidance that requires disclosure of supplementary pro forma information for business combinations. Under this guidance, an entity must:

- present the pro forma disclosures as if the business combination occurred at the beginning of the prior annual period; and
- disclose the nature and amount of material, nonrecurring pro forma adjustments directly attributable to the business combination included in the pro forma revenue and earnings.

The adoption did not have a material impact on PPL and its subsidiaries' financial statements. Pro forma information reflecting the acquisition of LKE is presented in Note 10.

## 2. Segment and Related Information

*(PPL and PPL Energy Supply)*

PPL completed the acquisition of LKE on November 1, 2010. See Note 10 for additional information. Following the November 1, 2010 acquisition of LKE, PPL is organized into four segments: Kentucky Regulated, International Regulated (formerly International Delivery), Pennsylvania Regulated (formerly Pennsylvania Delivery) and Supply. There were no changes to the segments other than renaming certain segments, adding a Kentucky Regulated segment and allocating interest expense related to the Equity Units to the Kentucky Regulated segment (\$21 million of which was included in the Supply segment prior to the November 1, 2010 acquisition).

For PPL, the Kentucky Regulated segment consists primarily of LKE's regulated electric generation, transmission and distribution operations, primarily in Kentucky and includes the allocation of interest expense from the Equity Units issued in June 2010 to fund the acquisition. This segment also includes LKE's regulated distribution and sale of natural gas in Kentucky.

The International Regulated segment primarily consists of the regulated electric distribution operations in the U.K. In 2009, the International Regulated segment recognized \$24 million of income tax expense in Discontinued Operations related to a correction of the calculation of tax bases of the Latin American businesses sold in 2007. In 2008, the International Regulated segment recognized income tax benefits and miscellaneous expenses in Discontinued Operations in connection with the dissolution of certain Latin American holding companies. See Note 9 for additional information.

The Pennsylvania Regulated segment includes the regulated electric delivery operations of PPL Electric. This segment also included the regulated gas delivery operations of PPL Gas Utilities prior to its sale in October 2008. See Note 9 for additional information on the sale of PPL Gas Utilities.

The Supply segment primarily consists of the domestic energy marketing and trading activities, as well as the competitive generation operations of PPL Energy Supply. In 2010 and 2009, PPL Energy Supply sold or signed agreements to sell certain Supply segment facilities and businesses. See Note 9 for additional information.

"Unallocated Costs" represent one-time LKE acquisition-related costs including advisory, accounting and legal fees, certain internal costs and Bridge Facility costs. See Note 7 for additional information about the Bridge Facility.

The results of several facilities and businesses have been classified as Discontinued Operations on the Statements of Income. See Note 9 for additional information on these discontinued operations. Therefore, with the exception of net income attributable to PPL/PPL Energy Supply, the operating results from these facilities and businesses have been excluded from the income statement data tables below.

PPL Energy Supply's reportable segments are International Regulated and Supply. In 2010, there were no significant changes to these segments. While the International Regulated segment at PPL Energy Supply is consistent with the International Regulated segment at PPL, the Supply segment information reported by PPL Energy Supply does not equal the Supply segment information reported by PPL because additional Supply segment functions exist at PPL. Further,

certain income items, including PLR revenue and certain interest income with affiliates, exist at PPL Energy Supply but are eliminated in consolidation by PPL. Finally, certain expense items are fully allocated to the segments by PPL only.

Segment costs include direct charges, as well as an allocation of indirect corporate service costs, from PPL Services. These service costs include functions such as financial, legal, human resources and information services. See Note 16 for additional information.

Financial data for the segments are:

	PPL			PPL Energy Supply		
	2010	2009	2008	2010	2009	2008
<b>Income Statement Data</b>						
Revenues from external customers by product						
Kentucky Regulated						
Electric	\$ 408					
Natural Gas	85					
Total	493					
International Regulated						
Electric	727	\$ 684	\$ 824	\$ 727	\$ 684	\$ 824
Energy-related businesses	34	32	33	34	32	33
Total	761	716	857	761	716	857
Pennsylvania Regulated						
Electric	2,448	3,218	3,290			
Supply						
Electric and Gas (a) (b)	4,444	3,124	3,224	4,764	4,930	5,050
Energy-related businesses	375	391	486	364	379	478
Total	4,819	3,515	3,710	5,128	5,309	5,528
Total	8,521	7,449	7,857	5,889	6,025	6,385
Intersegment electric revenues (c)						
Pennsylvania Regulated	7	74	111			
Supply	320	1,806	1,826			
Depreciation						
Kentucky Regulated	49					
International Regulated	117	115	134	117	115	134
Pennsylvania Regulated	136	128	131			
Supply	254	212	179	236	195	165
Total	556	455	444	353	310	299
Amortization						
International Regulated	13	(13)	15	13	(13)	15
Pennsylvania Regulated	(22)	312	302			
Supply	148	90	66	147	88	51
Unallocated costs	74					
Total	213	389	383	160	75	66
Unrealized (gains) losses on derivatives and other hedging activities (a)						
Kentucky Regulated	1					
Supply	541	329	(279)	536	330	(285)
Total	542	329	(279)	536	330	(285)

	PPL			PPL Energy Supply		
	2010	2009	2008	2010	2009	2008
Interest income (d)						
International Regulated	2	1	10	2	1	10
Pennsylvania Regulated	4	11	16			
Supply	2	2	7	12	7	27
Total	8	14	33	14	8	37
Interest Expense (e)						
Kentucky Regulated	55					
International Regulated	135	87	144	135	87	144
Pennsylvania Regulated	99	118	111			
Supply	224	182	192	208	176	162
Unallocated costs	80					
Total	593	387	447	343	263	306
Income from Continuing Operations Before Income Taxes						
Kentucky Regulated	40					
International Regulated	261	290	330	261	290	330
Pennsylvania Regulated	192	221	278			
Supply	860	27	665	882	(13)	670
Unallocated costs	(114)					
Total	1,239	538	1,273	1,143	277	1,000
Income Taxes (f)						
Kentucky Regulated	16					
International Regulated		20	45		20	45
Pennsylvania Regulated	57	79	102			
Supply	228	6	249	262	3	256
Unallocated costs	(38)					
Total	263	105	396	262	23	301
Deferred income taxes and investment tax credits						
Kentucky Regulated	51					
International Regulated	17	12	1	17	12	1
Pennsylvania Regulated	198	(23)	1			
Supply	(15)	133	108	(25)	147	190
Total	251	122	110	(8)	159	191
Net Income Attributable to PPL/PPL Energy Supply						
Kentucky Regulated (g)	26					
International Regulated (g)	261	243	290	261	243	290
Pennsylvania Regulated (g)	115	124	161			
Supply (g)	612	40	479	600	3	478
Unallocated Costs	(76)					
Total	\$ 938	\$ 407	\$ 930	\$ 861	\$ 246	\$ 768
<b>Cash Flow Data</b>						
Expenditures for long-lived assets						
Kentucky Regulated	\$ 152					
International Regulated	281	\$ 240	\$ 267	\$ 281	\$ 240	\$ 267
Pennsylvania Regulated	411	298	286			
Supply	795	723	1,142	760	694	1,117
Total	\$ 1,639	\$ 1,261	\$ 1,695	\$ 1,041	\$ 934	\$ 1,384

	PPL			PPL Energy Supply		
	As of December 31,			As of December 31,		
	2010	2009		2010	2009	
<b>Balance Sheet Data</b>						
Total Assets						
Kentucky Regulated		\$ 10,318 (h)				
International Regulated		4,800	\$ 4,516	\$ 4,800	\$ 4,516	
Pennsylvania Regulated		5,189	4,883			

Supply		12,530 (h)	12,766	11,996	12,508
Total	\$	32,837	22,165	16,796	17,024

	PPL			PPL Energy Supply		
	2010	2009	2008	2010	2009	2008
<b>Geographic Data</b>						
Revenues from external customers						
U.S.	\$ 7,760	\$ 6,733	\$ 7,000	\$ 5,128	\$ 5,309	\$ 5,528
U.K.	761	716	857	761	716	857
Total	<u>\$ 8,521</u>	<u>\$ 7,449</u>	<u>\$ 7,857</u>	<u>\$ 5,889</u>	<u>\$ 6,025</u>	<u>\$ 6,385</u>

	PPL		PPL Energy Supply	
	As of December 31,		As of December 31,	
	2010	2009	2010	2009
Long-Lived Assets				
U.S.	\$ 18,228	\$ 10,181	\$ 6,519	\$ 6,676
U.K.	3,505	3,517	3,505	3,517
Total	<u>\$ 21,733</u>	<u>\$ 13,698</u>	<u>\$ 10,024</u>	<u>\$ 10,193</u>

- (a) Includes unrealized gains and losses from economic activity. See Note 19 for additional information.
- (b) Gas was combined with Electric because it was not significant.
- (c) See "PLR Contracts" and "NUG Purchases" in Note 16 for a discussion of the basis of accounting between reportable segments.
- (d) Includes interest income from affiliate(s).
- (e) Includes interest expense with affiliate.
- (f) Represents both current and deferred income taxes.
- (g) Includes Discontinued Operations. See Note 9 for additional information.
- (h) The PPL asset balances at December 31, 2010 for the Kentucky Regulated and Supply segments include the assignment of goodwill recorded as a result of the acquisition of LKE. See Note 10 for additional information.

*(PPL Electric)*

PPL Electric operates under one reportable segment, the regulated electric delivery operations in Pennsylvania.

### 3. Regulatory Assets and Liabilities

*(PPL and PPL Electric)*

As discussed in Note 1, PPL and PPL Electric reflect the effects of regulatory actions in the financial statements for their cost-based rate-regulated utility operations as summarized below. Regulatory assets and liabilities are classified as current if, upon initial recognition, the entire amount related to that item will be recovered or refunded within a year of the balance sheet date. As such, the primary items classified as current are related to rate mechanisms that periodically adjust to account for over- or under-collections.

For PPL, LG&E's and KU's Kentucky base rates are calculated based on a return on capitalization (common equity, long-term debt and notes payable) including certain adjustments to exclude non-regulated investments and environmental compliance costs recovered separately through the environmental cost recovery (ECR) mechanism. As such, regulatory assets are generally earning a return.

As a result of purchase accounting, certain fair value amounts, reflecting contracts that have favorable or unfavorable terms relative to market, were recorded on the balance sheet with an offsetting regulatory asset or liability. Prior to the acquisition, LKE recovered in customer rates the cost of coal contracts, power purchases and emission allowances and this rate treatment will continue after the acquisition. As a result, management believes the regulatory assets and liabilities created to offset the fair value amounts meet the recognition criteria established by existing accounting guidance and eliminate any rate making impact of the fair value adjustments. LKE's customer rates will continue to reflect these items (e.g. coal, purchased power, emission allowances) at their original contracted prices.

For PPL, KU's Virginia base rates are calculated based on a return on rate base (net utility plant less deferred taxes and miscellaneous deductions). All regulatory assets and liabilities are excluded from the return on rate base utilized in the calculation of Virginia base rates.

PPL Electric's distribution base rates are calculated based on a return on rate base (net utility plant less deferred taxes and miscellaneous additions and deductions). PPL Electric's transmission revenues are billed in accordance with a FERC tariff that allows for recovery of transmission costs incurred, a return on transmission-related plant and an automatic annual update. See "Transmission Formula Rate" below for additional information on this tariff. All regulatory assets and liabilities are excluded from distribution and transmission return on investment calculations; therefore, generally no return is earned on PPL Electric's regulatory assets.

	PPL		PPL Electric	
	2010	2009	2010	2009
<b>Current Regulatory Assets:</b>				
Generation supply charge	\$ 45		\$ 45	
Universal service rider	10	\$ 6	10	\$ 6
Transmission formula rate	8	5	8	5
Environmental cost recovery (a)	5			
Coal contracts (a) (b)	5			
Other (a)	12			
<b>Total current regulatory assets</b>	<b>\$ 85</b>	<b>\$ 11</b>	<b>\$ 63</b>	<b>\$ 11</b>
<b>Noncurrent Regulatory Assets:</b>				
Defined benefit plans (a)	\$ 592	\$ 229	\$ 262	\$ 229
Taxes recoverable through future rates	254	253	254	253
Storm costs (a)	129	9	7	9
Unamortized loss on reacquired debt (a)	61	33	27	33
Interest rate swaps (a)	43			
Coal contracts (a) (b)	22			
Other (a)	44	7	7	7
<b>Total noncurrent regulatory assets</b>	<b>\$ 1,145</b>	<b>\$ 531</b>	<b>\$ 557</b>	<b>\$ 531</b>
<b>Current Regulatory Liabilities:</b>				
Coal contracts (a) (b)	\$ 46			
Environmental cost recovery (a)	12			
Emission allowances (a) (b)	11			
PURTA tax	10		\$ 10	
Demand side management (a)	10			
Gas supply clause (a)	9			
Transmission service charge	8	\$ 41	8	\$ 41
Competitive transition costs		33		33
Other (a)	3			
<b>Total current regulatory liabilities</b>	<b>\$ 109</b>	<b>\$ 74</b>	<b>\$ 18</b>	<b>\$ 74</b>
<b>Noncurrent Regulatory Liabilities:</b>				
Accumulated cost of removal of utility plant (a)	\$ 623			
Coal contracts (a) (b)	213			
Power purchase agreement - OVEC (a) (b)	124			
Net deferred tax assets (a)	40			
Act 129 compliance rider	14		\$ 14	
Defined benefit plans (a)	10			
PURTA tax		\$ 10		\$ 10
Other (a)	7			
<b>Total noncurrent regulatory liabilities</b>	<b>\$ 1,031</b>	<b>\$ 10</b>	<b>\$ 14</b>	<b>\$ 10</b>

(a) The differences between PPL's and PPL Electric's balances are due to the consolidation of LG&E and KU.

(b) These regulatory assets and liabilities were recorded as offsets to certain intangible assets and liabilities recorded at fair value from the acquisition of LKE. See Note 10 for information on the acquisition and Note 20 for information on intangible assets.

(PPL)

### Environmental Cost Recovery

Kentucky law permits LG&E and KU to recover the costs of complying with the Federal Clean Air Act, and those federal, state or local environmental requirements which apply to coal combustion wastes and by-products from facilities utilized for production of energy from coal, including a return of operating expenses and a return of and on capital invested. The regulatory asset or liability represents the amount that has been over- or under-recovered due to timing or adjustments to the mechanism.

#### Coal Contracts

As a result of purchase accounting associated with the acquisition of LKE, the fair value of LKE's coal contracts was recorded on the balance sheet. An offsetting regulatory asset was recorded for those contracts with unfavorable terms relative to market. An offsetting regulatory liability was recorded for those contracts that had favorable terms relative to market. These regulatory assets and liabilities are being amortized over the same terms as the related contracts, which expire through 2016.

#### Interest Rate Swaps

Since realized amounts associated with LG&E's interest rate swaps, including a terminated swap contract, are recoverable through rates based on an order from the KPSC, LG&E's unrealized gains and losses are recorded as a regulatory asset or liability until they are realized as interest expense. Interest expense from existing swaps is realized and recovered over the terms of the associated debt, which matures through 2033. Interest expense related to the terminated swap contract is recovered over the remaining life of the debt as of the date of the termination, which extends through in 2035.

#### Emission Allowances

As a result of purchase accounting associated with the acquisition of LKE, LKE's emission allowances were recorded at fair value on the balance sheet with an offsetting regulatory liability. This regulatory liability is being amortized as the emission allowances are consumed, which is expected to occur through 2040.

#### Demand Side Management (DSM)

DSM consists of energy efficiency programs which are intended to reduce peak demand and delay the investment in additional power plant construction, provide customers with tools and information to become better managers of their energy usage and prepare for potential future legislation governing energy efficiency. The rates of LG&E and KU contain a DSM provision which includes a rate mechanism that provides for concurrent recovery of DSM costs and provides an incentive for implementing DSM programs. The provision allows LG&E and KU to recover revenues from lost sales associated with the DSM programs up to the earlier of three years or implementation of new base rates which reflect that load reduction.

#### Gas Supply Clause

LG&E's natural gas rates contain a gas supply clause, whereby increases or decreases in the cost of natural gas supply are reflected in LG&E's rates, subject to approval by the KPSC. The gas supply clause procedure prescribed by the KPSC provides for quarterly rate adjustments to reflect the expected cost of natural gas supply in that quarter. In addition, the gas supply clause contains a mechanism whereby any over- or under-recoveries of natural gas supply cost from prior quarters are refunded to or recovered from customers through the adjustment factor determined for subsequent quarters.

#### Power Purchase Agreement

As a result of purchase accounting associated with the acquisition of LKE, the fair value of the OVEC power purchase agreement was recorded on the balance sheet with an offsetting regulatory liability. This regulatory liability is being amortized over the same terms as the related contract, which will expire in March 2026.

#### Fuel Adjustment Clause (FAC)



LG&E's and KU's retail electric rates contain an FAC, whereby increases and decreases in the cost of fuel for electric generation are reflected in the rates charged to retail electric customers. The FAC allows LG&E and KU to adjust billed amounts for the difference between the fuel cost component of base rates and the actual fuel cost, including transportation costs. The balance at December 31, 2010 was insignificant.

KU also employs an FAC mechanism for Virginia customers using an average fuel cost factor based primarily on projected fuel costs. The Virginia levelized fuel factor allows fuel recovery based on projected fuel costs for the coming year plus an adjustment for any over- or under-recovery of fuel expenses from the prior year.

The KPSC requires public hearings at six-month intervals to examine past fuel adjustments and at two-year intervals to review past operations of the fuel clause and transfer of the then current fuel adjustment charge or credit to the base charges. In August 2010, the KPSC initiated a six-month review of LG&E's and KU's FAC mechanism for the billing period ended April 2010. An Order was received in December 2010 approving the charges and credits billed during the period.

The Mine Safety and Health Administration enacted Emergency Temporary Standards regulations in 2006 and has since issued additional regulations as the result of the passage of the Mine Improvement and New Emergency Response Act of 2006. At the state level, Kentucky and other states from which coal is supplied to LG&E and KU have passed mine safety legislation. This legislation requires all underground coal mines to implement new safety measures and install new safety equipment. Under the terms of the majority of the long-term coal contracts that LG&E and KU have in place, provisions allow for price adjustments for compliance costs resulting from new or amended laws or regulations. LG&E's and KU's coal suppliers regularly submit price adjustments related to these compliance costs. LG&E and KU employ an external consultant to review all relevant mine safety compliance cost claims for validity and reasonableness. Depending upon the terms of the contracts and commercial practice, LG&E and KU may delay payment of the adjustments or pay certain adjustments subject to refund. At appropriate times in the review, payment or refund processes, LG&E and KU adjust the values or amounts of inventory, accounts receivable or accounts payable relating to coal matters. In general, LG&E and KU expect to recover these coal-related cost adjustments through the FAC.

*(PPL and PPL Electric)*

#### Generation Supply Charge (GSC)

The GSC is a recovery mechanism which provides PPL Electric recovery for costs incurred to provide generation supply to PLR customers who receive basic generation supply service. The recovery includes an energy charge, capacity charge and an administrative charge. In addition, the GSC contains a reconciliation mechanism whereby any over-or under-recovery from prior quarters is to be refunded to or recovered from customers through the adjustment factor determined for the subsequent quarter.

#### Universal Service Rider (USR)

PPL Electric's distribution rates include a recovery of applicable costs associated with the universal service programs provided to PPL Electric's residential customers. Universal service programs include low-income programs, such as OnTrack and Winter Relief Assistance Program (WRAP). OnTrack is a special payment program for low-income households within the federal poverty level who are payment-troubled. This program is funded by residential customers and administered by community-based organizations. Customers who participate in OnTrack receive assistance in the form of reduced payment arrangements, protection against shutoff of electric service and referrals to other community programs and services. The WRAP program reduces electric bills and improves living comfort for low-income customers by providing services such as weatherization measures and energy education services. The USR is applied to distribution charges for each customer who receives distribution service under PPL Electric's residential service rate schedules. The USR contains a reconciliation mechanism whereby any over-or under-recovery from the current year is refunded to or recovered from customers through the adjustment factor determined for the subsequent year.

#### Transmission Formula Rate

Transmission rates are regulated by the FERC. Beginning November 1, 2008, PPL Electric's transmission revenues are billed in accordance with a FERC-approved PJM open access transmission tariff that utilizes a formula-based rate

recovery mechanism. The tariff allows for recovery of actual transmission costs incurred, a return on transmission plant placed in service and an incentive return, including a return on construction work in progress, on the Susquehanna-Roseland transmission line project. The tariff utilizes estimated costs for the current year billing to customers and requires a true-up to adjust for actual costs in the subsequent year's rate. In August 2009, the FERC approved this formula-based rate recovery mechanism. As a result, the annual update of the rate is now implemented automatically without requiring specific approval by the FERC before going into effect. PPL Electric accrues or defers revenues applicable to any estimated true-up of this formula-based rate.

In 2009, PPL Electric recorded a \$3 million pre-tax true-up (\$2 million after-tax) related to the 2008 portion of the FERC formula-based transmission revenues. The true-up, reflected in the Pennsylvania Regulated segment for PPL, is not considered by management as material to the financial statements of PPL and PPL Electric for the years 2009 and 2008. See Note 15 for additional information on the FERC transmission rates.

### Defined Benefit Plans

Recoverable costs of defined benefit plans represent the portion of unrecognized transition obligation, prior service cost and net actuarial losses that will be recovered through future rates based upon established regulatory practices. These regulatory assets are adjusted at least annually or whenever the funded status of PPL's defined benefit plans is re-measured.

	PPL		PPL Electric	
	2010	2009	2010	2009
Transition obligation	\$ 2	\$ 10		\$ 10
Prior service cost	68	57	\$ 32	57
Net actuarial loss	522	162	230	162
Recoverable costs of defined benefit plans	<u>\$ 592</u>	<u>\$ 229</u>	<u>\$ 262</u>	<u>\$ 229</u>

Of these costs, \$40 million for PPL and \$9 million for PPL Electric are expected to be amortized into net periodic defined benefit costs in 2011. All costs will be amortized over the average service lives of plan participants.

### Taxes Recoverable through Future Rates and Regulatory Liability associated with Net Deferred Tax Assets

Taxes recoverable through future rates represent the portion of future income taxes that will be recovered through future rates based upon established regulatory practices. Accordingly, this regulatory asset is recognized when the offsetting deferred tax liability is recognized. For general-purpose financial reporting, this regulatory asset and the deferred tax liability are not offset; rather, each is displayed separately. This regulatory asset is expected to be recovered over the period that the underlying book-tax timing differences reverse and the actual cash taxes are incurred.

The regulatory liability associated with net deferred tax assets represents the future revenue impact from the reversal of deferred income taxes required primarily for unamortized investment tax credits. This regulatory liability is recognized when the offsetting deferred tax asset is recognized. For general-purpose financial reporting, this regulatory liability and the deferred tax asset are not offset; rather, each is displayed separately.

### Storm Costs

For PPL, in September 2009, the KPSC approved deferral of \$101 million of costs associated with a severe ice storm that occurred in January 2009 and a wind storm that occurred in February 2009. Additionally, in December 2008, the KPSC approved deferral of \$26 million of costs associated with high winds from the remnants of Hurricane Ike in September 2008. These costs are being amortized over a ten-year period ending July 2020.

For PPL Electric, in 2007, the PUC approved recovery of \$12 million of costs associated with severe ice storms that occurred in January 2005. Amortization began in January 2008 and will continue through August 2015.

### Unamortized Loss on Reacquired Debt

Unamortized loss on reacquired debt represents losses on long-term debt reacquired or redeemed that have been deferred and will be amortized and recovered over either the original life of the extinguished debt or the life of the replacement debt (in the case of refinancing). Such costs are being amortized through 2036 for PPL and through 2029 for PPL Electric.

#### Accumulated Costs of Removal

For PPL, LG&E and KU accrue for costs of removal through depreciation expense with an offsetting credit to a regulatory liability. The regulatory liability is relieved as costs are incurred. See Note 1 for additional information.

PPL Electric does not accrue for costs of removal. When costs of removal are incurred, PPL Electric records the deferral of costs as a reduction to accumulated depreciation. Such deferral is included in rates and amortized over the subsequent 5-year period.

#### PURTA Tax

In December 2009, PPL Electric reached a settlement with the Pennsylvania Department of Revenue related to the appeal of its 1997 PURTA tax assessments that resulted in a reduction in PURTA tax. The regulatory liability is being refunded to customers in 2011 pursuant to PUC regulations.

#### Transmission Service Charge (TSC)

PPL Electric is charged transmission-related costs by PJM applicable to PLR customers. PPL Electric passes these costs on to customers who receive basic generation supply service through the PUC-approved TSC recovery mechanism. The TSC contains a reconciliation mechanism whereby any over- or under-recovery from customers is either refunded to or collected from customers through a transmission service charge adjustment the subsequent year.

#### Competitive Transition Costs

Competitive transition costs were billed to customers as a result of PUC orders, which allowed PPL Electric to recover its competitive transition (or stranded) costs over a transition period ending December 31, 2009. These costs were over-collected at the end of 2009 and were refunded to customers in 2010.

#### Act 129 Compliance Rider

In compliance with Pennsylvania's Act 129 of 2008 and implementing regulations, PPL Electric filed its energy efficiency and conservation plan in July 2009. The plan was approved by PUC Order in October 2009. The Order allows PPL Electric to recover the maximum \$250 million cost of the program ratably over the life of the plan, from January 1, 2010 through May 31, 2013. The plan includes programs intended to reduce electricity consumption. The recoverable costs include direct and indirect charges, including design and development costs, general and administrative costs and applicable state evaluator costs. The rates are applied to customers who receive distribution service through the Act 129 Compliance Rider. The actual program costs are reconcilable, and any over- or under-recovery from customers will be refunded or collected at the end of the program. See Note 15 for additional information on Act 129.

#### Smart Meter Rider

In compliance with Pennsylvania's Act 129 of 2008 and implementing regulations, PPL Electric filed its Smart Meter Plan in 2009. The plan was approved by a PUC Order in June 2010. In August 2010, PPL Electric filed its revised Smart Meter Plan reflecting modification identified by the PUC its Order. In December 2010, the PUC issued a Secretarial Letter approving PPL Electric's Smart Meter Rider which is designed to recover Smart Meter program costs plus a return on Smart Meter investments. The Smart Meter Rider is effective January 1, 2011 and contains a reconciliation mechanism whereby any over- or under-recovery from customers is either refunded to or collected from customers in the subsequent year.

### **4. Earnings Per Share**

(PPL)

Basic and diluted EPS, computed using the two-class method, and reconciliations of the amounts of income and shares of common stock (in thousands) used in the calculation are:

	2010	2009	2008
<b>Income (Numerator)</b>			
Income from continuing operations after income taxes attributable to PPL	\$ 955	\$ 414	\$ 857
Less amounts allocated to participating securities	4	2	4
Income from continuing operations after income taxes available to PPL common shareowners	<u>\$ 951</u>	<u>\$ 412</u>	<u>\$ 853</u>
Income (loss) from discontinued operations (net of income taxes) available to PPL	<u>\$ (17)</u>	<u>\$ (7)</u>	<u>\$ 73</u>
Net income attributable to PPL	\$ 938	\$ 407	\$ 930
Less amounts allocated to participating securities	4	2	4
Net income available to PPL common shareowners	<u>\$ 934</u>	<u>\$ 405</u>	<u>\$ 926</u>
<b>Shares of Common Stock (Denominator)</b>			
Weighted-average shares - Basic EPS	431,345	376,082	373,626
Add incremental non-participating securities:			
Stock options and performance units	224	324	836
Convertible Senior Notes			439
Weighted-average shares - Diluted EPS	<u>431,569</u>	<u>376,406</u>	<u>374,901</u>
<b>Basic EPS</b>			
Available to PPL common shareowners:			
Income from continuing operations after income taxes	\$ 2.21	\$ 1.10	\$ 2.28
Income (loss) from discontinued operations (net of income taxes)	(0.04)	(0.02)	0.20
Net Income	<u>\$ 2.17</u>	<u>\$ 1.08</u>	<u>\$ 2.48</u>
<b>Diluted EPS</b>			
Available to PPL common shareowners:			
Income from continuing operations after income taxes	\$ 2.20	\$ 1.10	\$ 2.28
Income (loss) from discontinued operations (net of income taxes)	(0.03)	(0.02)	0.19
Net Income	<u>\$ 2.17</u>	<u>\$ 1.08</u>	<u>\$ 2.47</u>

While they were outstanding, PPL Energy Supply's 2-5/8% Convertible Senior Notes due 2023 (Convertible Senior Notes), which were issued in May 2003, could be converted into shares of PPL common stock under certain circumstances, including if during a fiscal quarter the market price of PPL's common stock exceeded \$29.83 per share over a certain period during the preceding fiscal quarter or if PPL Energy Supply called the debt. During 2008, all then-outstanding Convertible Senior Notes were either converted at the election of the holders or redeemed at par by PPL Energy Supply.

The terms of the Convertible Senior Notes required cash settlement of the principal amount and permitted settlement of any conversion premium in cash or PPL common stock. Based upon the conversion rate of 40.2212 shares per \$1,000 principal amount of notes (or \$24.8625 per share), the Convertible Senior Notes had a dilutive impact when the average market price of PPL common stock equaled or exceeded \$24.87.

During 2010, PPL issued 312,107 shares of common stock related to the exercise of stock options, vesting of restricted stock and restricted stock units and conversion of stock units granted to directors under its stock-based compensation plans. In addition, PPL issued 234,211 and 2,162,012 shares of common stock related to its ESOP and its DRIP. See Note 12 for a discussion of PPL's stock-based compensation plans.

In June 2010, PPL issued 103.5 million shares of common stock and 23 million Equity Units pursuant to concurrent registered underwritten offerings. See Note 7 for additional information. Subject to antidilution adjustments, the maximum number of shares that could potentially be issued to settle the Purchase Contracts related to the Equity Units is 61,136,300 shares, including 47,915,900 shares that could be issued under standard provisions of the Purchase Contracts and 13,220,400 shares that could be issued under make-whole provisions in the event of early settlement upon a Fundamental Change.

The Purchase Contracts will be dilutive only if the average VWAP of PPL's common stock for a certain period exceeds \$28.80. Because the average VWAP has not exceeded \$28.80 since issuance, the Purchase Contracts were excluded from the diluted EPS calculation.

The following stock options to purchase PPL common stock and performance units were excluded from the computations of diluted EPS because the effect would have been antidilutive.

(Shares in thousands)

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Stock options	4,936	2,394	604
Performance units	45	1	2

## 5. Income and Other Taxes

(PPL)

"Income from Continuing Operations Before Income Taxes" included the following components:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Domestic income	\$ 978	\$ 248	\$ 943
Foreign income	261	290	330
Total	<u>\$ 1,239</u>	<u>\$ 538</u>	<u>\$ 1,273</u>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their basis for income tax purposes and the tax effects of net operating loss and tax credit carryforwards. The provision for PPL's deferred income taxes for regulated assets is based upon the ratemaking principles of the applicable jurisdiction. See Notes 1 and 3 for additional information.

Net deferred tax assets have been recognized based on management's estimates of future taxable income for the U.S. and certain foreign jurisdictions in which PPL's operations have historically been profitable.

Significant components of PPL's deferred income tax assets and liabilities from continuing operations were as follows:

	<u>2010</u>	<u>2009</u>
<b>Deferred Tax Assets</b>		
Deferred investment tax credits	\$ 45	\$ 16
Regulatory obligations	205	28
Accrued pension costs	208	265
Accrued litigation costs	31	5
Federal loss carryforwards	314	
State loss carryforwards	269	184
Federal tax credit carryforwards	169	23
Foreign capital loss carryforwards	377	144
Foreign - pensions	87	168
Foreign - other	8	6
Contributions in aid of construction	152	98
Domestic - other	219	190
Valuation allowances	(464)	(312)
Total deferred tax assets	<u>1,620</u>	<u>815</u>

	<u>2010</u>	<u>2009</u>
<b>Deferred Tax Liabilities</b>		
Plant - net	3,010	1,855
Taxes recoverable through future rates	105	104
Unrealized gain on qualifying derivatives	298	437
Other regulatory assets	213	
Regulatory undercollections	22	
Reacquired debt costs	25	14
Foreign - plant	526	546
Foreign - other	36	35
Domestic - other	95	72
Total deferred tax liabilities	<u>4,330</u>	<u>3,063</u>
Net deferred tax liability	<u>\$ 2,710</u>	<u>\$ 2,248</u>

PPL had the following loss and tax credit carryforwards.

	<u>2010</u>	<u>2009</u>	<u>Expiration</u>
<b>Loss carryforwards</b>			
Federal net operating losses (a)	\$ 799		2029
Federal capital losses (a)	155		2011-2014
State net operating losses (b)	4,168	\$ 2,835	2011-2030
State capital losses (b)	181		2011-2014
Foreign capital losses	1,395	514	Indefinite
<b>Credit carryforwards</b>			
Federal investment tax credit (a)	125		2025-2028
Federal AMT credit (a)	20		Indefinite
Federal foreign tax credit (c)		23	
Federal - other (a)	24		2016-2030

- (a) Loss and credit carryforwards associated with the acquisition of LKE.  
(b) State net operating loss and state capital loss carryforwards associated with the acquisition of LKE are \$1,039 and \$163.  
(c) Fully utilized during 2010.

Valuation allowances have been established for the amount that, more likely than not, will not be realized. The changes in deferred tax valuation allowances were:

	<u>Balance at Beginning of Period</u>	<u>Additions</u>		<u>Deductions</u>	<u>Balance at End of Period</u>
		<u>Charged to Income</u>	<u>Charged to Other Accounts</u>		
2010	\$ 312	\$ 221	\$ 6 (a)	\$ 75 (b)	\$ 464
2009	285	24	17 (c)	14 (d)	312
2008	323	9		47 (c)	285

- (a) A valuation allowance was recorded against certain deferred tax assets as a result of the 2010 acquisition of LKE. See Note 10 for additional information on the acquisition.  
(b) Resulting from the projected revenue increase in connection with the expiration of the Pennsylvania generation rate caps in 2010, the valuation allowance related to state net operating loss carryforwards over the remaining carryforward period was reduced by \$72 million (or \$0.17 per share, basic and diluted).  
(c) Related to the change in foreign net operating loss carryforwards, including the change in foreign currency exchange rates.  
(d) Primarily from the projected revenue increase in connection with the expiration of the Pennsylvania generation rate caps in 2010, the valuation allowance related to a portion of state net operating loss carryforwards was reduced by \$13 million.

PPL Global does not pay or record U.S. income taxes on the undistributed earnings of WPD, as management has determined that the earnings are permanently reinvested. Historically, dividends paid by WPD have been distributions of the current year's earnings. WPD's long-term working capital forecasts and capital expenditure projections for the foreseeable future require reinvestment of WPD's undistributed earnings, and WPD would have to issue debt or access credit facilities to fund any distributions in excess of current earnings. Additionally, U.S. long-term working capital forecasts and capital expenditure projections for the foreseeable future do not require or anticipate WPD distributing any

more than future earnings to its parent in the U.S. The cumulative undistributed earnings are included in "Earnings Reinvested" on the Balance Sheets. The amounts considered permanently reinvested at December 31, 2010 and 2009 were \$837 million and \$622 million. If the earnings are remitted as dividends, PPL Global may be subject to additional U.S. taxes, net of allowable foreign tax credits. It is not practicable to estimate the amount of additional taxes that might be payable on these foreign earnings.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income from Continuing Operations Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	2010	2009	2008
<b>Income Tax Expense (Benefit)</b>			
Current - Federal	\$ (51)	\$ (72)	\$ 214
Current - State	43	14	2
Current - Foreign	20	41	70
Total Current Expense (Benefit)	<u>12</u>	<u>(17)</u>	<u>286</u>
Deferred - Federal	364	130	69
Deferred - State	(99)	(10)	42
Deferred - Foreign	(9)	16	13
Total Deferred Expense	<u>256</u>	<u>136</u>	<u>124</u>
Investment tax credit, net - Federal	(5)	(14)	(14)
Total income tax expense from continuing operations (a)	<u>\$ 263</u>	<u>\$ 105</u>	<u>\$ 396</u>
Total income tax expense - Federal	\$ 308	\$ 44	\$ 269
Total income tax expense - State	(56)	4	44
Total income tax expense - Foreign	11	57	83
Total income tax expense from continuing operations (a)	<u>\$ 263</u>	<u>\$ 105</u>	<u>\$ 396</u>

- (a) Excludes current and deferred federal, state and foreign tax expense (benefit) recorded to Discontinued Operations of \$(6) million in 2010, \$46 million in 2009 and \$34 million in 2008. Excludes realized tax benefits related to stock-based compensation, recorded as an increase to capital in excess of par value of an insignificant amount in 2010, \$1 million in 2009 and \$7 million in 2008. Excludes tax benefits related to the issuance costs of the Purchase Contracts recorded as an increase to capital in excess of par value in the amount of \$10 million in 2010. Also, excludes federal, state, and foreign tax expense (benefit) recorded to OCI of \$83 million in 2010, \$358 million in 2009 and \$(212) million in 2008.

	2010	2009	2008
<b>Reconciliation of Income Tax Expense</b>			
Federal income tax on Income from Continuing Operations Before Income Taxes at statutory tax rate - 35%	\$ 434	\$ 188	\$ 446
Increase (decrease) due to:			
State income taxes, net of federal income tax benefit	36	10	35
State valuation allowance adjustments (a)	(65)	(13)	
Impact of lower U.K. income tax rates	(20)	(23)	(22)
U.S. income tax on foreign earnings - net of foreign tax credit (b)	34	(16)	(21)
Change in federal and state tax reserves (c)	(60)	(5)	6
Change in foreign tax reserves (d)		17	5
Federal and state income tax return adjustments (e)	(3)	21	(2)
Foreign income tax return adjustments			(17)
Domestic manufacturing deduction (e) (f)	(11)	(3)	(17)
Health Care Reform (g)	8		
Foreign losses resulting from restructuring (d)	(46)	(46)	
Enactment of the U.K.'s Finance Acts 2010 and 2008 (h)	(18)		(8)
Federal income tax credits (i)	(12)	(2)	15
Other	(14)	(23)	(24)
Total decrease	<u>(171)</u>	<u>(83)</u>	<u>(50)</u>
Total income tax expense from continuing operations	<u>\$ 263</u>	<u>\$ 105</u>	<u>\$ 396</u>
<b>Effective income tax rate</b>	21.2%	19.5%	31.1%

- (a) Pennsylvania H.B. 1531, enacted in October 2009, increased the net operating loss limitation to 20% of taxable income for tax years beginning in 2010. During 2009, based on the projected revenue increase due to the expiration of the Pennsylvania generation rate caps in 2010, PPL recorded a \$13 million state deferred income tax benefit related to the reversal of deferred tax valuation allowances for a portion of its Pennsylvania net operating losses. During 2010, PPL recorded an additional \$72 million state deferred income tax benefit related to the reversal of deferred tax valuation allowances related to the future projections of taxable income over the remaining carryforward period of the net operating losses.

- (b) During 2010, PPL recorded additional U.S. income tax expense resulting from increased taxable dividends and certain restructuring of U.K. entities. The increased taxable dividends allowed PPL to fully utilize its foreign tax credit carryforward in 2010.
- (c) In 1997, the U.K. imposed a Windfall Profits Tax on privatized utilities, including WPD. In September 2010, the U.S. Tax Court ruled in PPL's favor in a pending dispute with the IRS, concluding that the U.K. Windfall Profits Tax is a creditable tax for U.S. tax purposes. As a result and with the finalization of other issues, PPL recorded a \$42 million tax benefit to federal and state income tax reserves and related deferred income taxes during 2010. In January 2011, the IRS appealed the U.S. Tax Court's decision to the U.S. Court of Appeals for the Third Circuit. See Note 15 for additional information.

In July 2010, the U.S. Tax Court ruled in PPL's favor in a pending dispute with the IRS, concluding that street lighting assets are depreciable for tax purposes over seven years. As a result, PPL recorded a \$7 million tax benefit to federal and state income tax reserves and related deferred income taxes. See Note 15 for information on the January 2011 IRS appeal, which at this time does not appear to include the street lighting decision.

During 2010, 2009 and 2008 PPL recorded a \$7 million, \$6 million and \$7 million tax benefit to federal and state income tax reserves related to stranded cost securitization.

- (d) During 2010, PPL recorded a \$46 million foreign tax benefit in conjunction with losses resulting from restructuring in the U.K. These losses offset tax on a deferred gain from a prior year sale of WPD's supply business.
- During 2009, PPL recorded a \$46 million foreign tax benefit and a related \$46 million tax reserve related to losses resulting from restructuring in the U.K. Additionally, PPL recorded a \$29 million foreign tax benefit related to the resolution of a tax dispute and foreign currency exchange losses.
- (e) During 2009, PPL received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL deducted the resulting IRC Sec. 481 adjustment on its 2008 federal income tax return and recorded a \$24 million adjustment to federal and state income tax expense resulting from the reduction in federal income tax benefits related to the domestic manufacturing deduction and certain state tax benefits related to state net operating losses and regulated depreciation.
- (f) During 2010, PPL recorded an increase in tax benefits related to domestic manufacturing deductions due to an increase in domestic taxable income resulting from the expiration of Pennsylvania generation rate caps in 2010. In December 2010, Congress enacted legislation allowing for 100% bonus depreciation on qualified property. The increased tax depreciation deduction related to bonus depreciation significantly reduced the tax benefits related to domestic manufacturing deductions during 2010.
- (g) Beginning in 2013, provisions within Health Care Reform eliminated the tax deductibility of retiree health care costs to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D Coverage. As a result, PPL recorded deferred income tax expense during 2010. See Note 13 for additional information.
- (h) The U.K.'s Finance Act of 2010, enacted in July 2010, included a reduction in the U.K. statutory income tax rate. Effective April 1, 2011, the statutory income tax rate will be reduced from 28% to 27%. As a result, PPL reduced its net deferred tax liabilities and recognized a deferred tax benefit.

The U.K.'s Finance Act of 2008, enacted in July 2008, included a phase-out of tax depreciation on certain buildings. As a result, PPL reduced its net deferred tax liabilities and recognized a deferred tax benefit.

- (i) During 2010, PPL recorded a deferred tax benefit related to investment tax credits on progress expenditures related to hydroelectric plant expansions. See Note 8 for additional information.

During 2008, PPL recorded a \$13 million expense to adjust the amount of synthetic fuel tax credits recorded during 2007. See Note 15 for additional information.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Taxes, other than income</b>			
State gross receipts	\$ 145	\$ 187	\$ 199
State utility realty	5	5	4
State capital stock	6	6	5
Foreign property	52	57	66
Domestic property and other	30	25	14
Total	<u>\$ 238</u>	<u>\$ 280</u>	<u>\$ 288</u>

See Note 3 for information on a settlement related to PURTA tax that will be returned to PPL Electric customers.

For tax years 2000 through 2007, PPL Montana protested certain property tax assessments by the Montana Department of Revenue on its generation facilities. The tax liabilities in dispute for 2000 through 2007, which had been paid and expensed by PPL Montana, totaled \$45 million. In January 2008, both parties reached a settlement for all years outstanding. The settlement resulted in PPL Montana receiving a refund of taxes paid and interest totaling \$8 million. This settlement was recorded in 2008, of which \$7 million was reflected in "Taxes, other than income" and \$1 million was reflected in "Other Income (Expense) - net" on the Statement of Income.

*(PPL Energy Supply)*

"Income (loss) from Continuing Operations Before Income Taxes" included the following components:



	<u>2010</u>	<u>2009</u>	<u>2008</u>
Domestic income (loss)	\$ 882	\$ (13)	\$ 670
Foreign income	261	290	330
Total	<u>\$ 1,143</u>	<u>\$ 277</u>	<u>\$ 1,000</u>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their basis for income tax purposes and the tax effects of net operating loss and tax credit carryforwards.

Net deferred tax assets have been recognized based on management's estimates of future taxable income for the U.S. and certain foreign jurisdictions in which PPL's operations have historically been profitable.

Significant components of PPL Energy Supply's deferred income tax assets and liabilities from continuing operations were as follows:

	<u>2010</u>	<u>2009</u>
<b>Deferred Tax Assets</b>		
Deferred investment tax credits	\$ 33	\$ 12
Accrued pension costs	100	149
Accrued litigation costs	31	4
Federal tax credit carryforwards	261	23
State loss carryforwards	111	111
Foreign capital loss carryforwards	377	144
Foreign - pensions	87	168
Foreign - other	8	6
Domestic - other	84	102
Valuation allowances	(408)	(255)
Total deferred tax assets	<u>423</u>	<u>464</u>
<b>Deferred Tax Liabilities</b>		
Plant - net	1,246	1,046
Unrealized gain on qualifying derivatives	326	417
Foreign - plant	526	546
Foreign - other	36	35
Domestic - other	52	46
Total deferred tax liabilities	<u>2,186</u>	<u>2,090</u>
Net deferred tax liability	<u>\$ 1,763</u>	<u>\$ 1,626</u>

PPL Energy Supply had a federal foreign tax credit carryforward of \$23 million at December 31, 2009 that was fully utilized during 2010. PPL Energy Supply also had state net operating loss carryforwards that expire between 2011 and 2030 of \$1.7 billion at December 31, 2010 and 2009. Valuation allowances have been established for the amount that, more likely than not, will not be realized.

PPL Global had foreign capital loss carryforwards of \$1.4 billion and \$514 million at December 31, 2010 and 2009. All of these losses have an indefinite carryforward period. Valuation allowances have been established for the amount that, more likely than not, will not be realized.

Changes in deferred tax valuation allowances were:

	<u>Balance at Beginning of Period</u>	<u>Additions</u>		<u>Deductions</u>	<u>Balance at End of Period</u>
	<u>Charged to Income</u>	<u>Charged to Other Accounts</u>			
2010	\$ 255	\$ 205		\$ 52 (a)	\$ 408
2009 (c)	226	12	\$ 17 (b)		255
2008 (c)	259	14		47 (b)	226

- (a) Resulting from the projected revenue increase in connection with the expiration of the Pennsylvania generation rate caps in 2010, the valuation allowance related to state net operating loss carryforwards over the remaining carryforward period was reduced by \$52 million.
- (b) Primarily related to the change in foreign net operating loss carryforwards including the change in foreign currency exchange rates.
- (c) Pennsylvania state legislation, enacted in 2007 and 2009, increased the net operating loss limitation. As a result, the deferred tax asset (and related valuation allowance) associated with certain of its Pennsylvania net operating loss carryforwards for all periods presented were increased to reflect the higher limitation. There was no impact on the net deferred tax asset position as a result of the legislation and related adjustments.

PPL Global does not pay or record U.S. income taxes on the undistributed earnings of WPD, as management has determined that the earnings are permanently reinvested. Historically, dividends paid by WPD have been distributions of the current year's earnings. WPD's long-term working capital forecasts and capital expenditure projections for the foreseeable future require reinvestment of WPD's undistributed earnings, and WPD would have to issue debt or access credit facilities to fund any distributions in excess of current earnings. Additionally, U.S. long-term working capital forecasts and capital expenditure projections for the foreseeable future do not require or anticipate WPD distributing any more than future earnings to its parent in the U.S. The cumulative undistributed earnings are included in "Members Equity" on the Balance Sheets. The amounts considered permanently reinvested at December 31, 2010 and 2009 were \$837 million and \$622 million. If the earnings are remitted as dividends, PPL Global may be subject to additional U.S. taxes, net of allowable foreign tax credits. It is not practicable to estimate the amount of additional taxes that might be payable on these foreign earnings.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income from Continuing Operations Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	2010	2009	2008
<b>Income Tax Expense (Benefit)</b>			
Current - Federal	\$ 174	\$ (168)	\$ 37
Current - State	76	(9)	3
Current - Foreign	20	41	70
Total Current Expense (Benefit)	270	(136)	110
Deferred - Federal	92	124	141
Deferred - State	(89)	31	49
Deferred - Foreign	(9)	16	13
Total Deferred Expense (Benefit)	(6)	171	203
Investment tax credit, net - federal	(2)	(12)	(12)
Total income tax expense from continuing operations (a)	<u>\$ 262</u>	<u>\$ 23</u>	<u>\$ 301</u>
Total income tax expense - Federal	\$ 264	\$ (56)	\$ 166
Total income tax expense - State	(13)	22	52
Total income tax expense - Foreign	11	57	83
Total income tax expense from continuing operations (a)	<u>\$ 262</u>	<u>\$ 23</u>	<u>\$ 301</u>

- (a) Excludes current and deferred federal, state and foreign tax expense (benefit) recorded to Discontinued Operations of \$(6) million in 2010, \$46 million in 2009 and \$36 million in 2008. Also, excludes federal, state and foreign tax expense (benefit) recorded to OCI of \$132 million in 2010, \$338 million in 2009 and \$(168) million in 2008.

	2010	2009	2008
<b>Reconciliation of Income Tax Expense</b>			
Federal income tax on Income from Continuing Operations Before Income Taxes at statutory tax rate - 35%	\$ 400	\$ 97	\$ 350
Increase (decrease) due to:			
State income taxes, net of federal income tax benefit	40	1	34
State valuation allowance adjustments (a)	(52)		
Impact of lower U.K. income tax rates	(20)	(23)	(22)
U.S. income tax on foreign earnings - net of foreign tax credit (b)	34	(16)	(21)
Change in federal and state tax reserves (c)	(49)	(3)	11
Change in foreign tax reserves (d)		17	5
Domestic manufacturing deduction (e) (f)	(11)	(3)	(17)
Federal and state income tax return adjustments (f)	(3)	18	(9)
Foreign income tax return adjustments			(17)
Health Care Reform (g)	5		
Foreign losses resulting from restructuring (d)	(46)	(46)	
Enactment of the U.K.'s Finance Acts 2010 and 2008 (h)	(18)		(8)

Federal income tax credits (i)	(12)	(2)	15
Other	(6)	(17)	(20)
Total decrease	(138)	(74)	(49)
Total income tax expense from continuing operations	\$ 262	\$ 23	\$ 301
<b>Effective income tax rate</b>	22.9%	8.3%	30.1%

- (a) Pennsylvania H.B. 1531, enacted in October 2009, increased the net operating loss limitation to 20% of taxable income for tax years beginning in 2010. Based on the projected revenue increase related to the expiration of the Pennsylvania generation rate caps, PPL Energy Supply recorded a \$52 million state deferred income tax benefit related to the reversal of deferred tax valuation allowances over the remaining carryforward period of the net operating losses.
- (b) During 2010, PPL Energy Supply recorded additional U.S. income tax expense resulting from increased taxable dividends and certain restructuring of U.K. entities. The increased taxable dividends allowed PPL Energy Supply to fully utilize its foreign tax credit carryforward in 2010.
- (c) In 1997, the U.K. imposed a Windfall Profits Tax on privatized utilities, including WPD. In September 2010, the U.S. Tax Court ruled in PPL Energy Supply's favor in a pending dispute with the IRS, concluding that the U.K. Windfall Profits Tax is a creditable tax for U.S. tax purposes. As a result and with the finalization of other issues, PPL Energy Supply recorded a \$42 million tax benefit to federal and state income tax reserves and related deferred income taxes during 2010. In January 2011, the IRS appealed the U.S. Tax Court's decision to the U.S. Court of Appeals for the Third Circuit. See Note 15 for additional information.
- (d) During 2010, PPL Energy Supply recorded a \$46 million foreign tax benefit in conjunction with losses resulting from restructuring in the U.K. These losses offset tax on a deferred gain from a prior year sale of WPD's supply business.

During 2009, PPL Energy Supply recorded a \$46 million foreign tax benefit and a related \$46 million tax reserve related to losses resulting from restructuring in the U.K. Additionally, PPL Energy Supply recorded a \$29 million foreign tax benefit related to the resolution of a tax dispute and foreign currency exchange losses.

- (e) During 2010, PPL Energy Supply recorded an increase in tax benefits related to domestic manufacturing deductions due to an increase in domestic taxable income resulting from the expiration of Pennsylvania generation rate caps in 2010. In December 2010, Congress enacted legislation allowing for 100% bonus depreciation on qualified property. The increased tax depreciation deduction related to bonus depreciation significantly reduced the tax benefits related to domestic manufacturing deductions during 2010.
- (f) During 2009, PPL Energy Supply received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL Energy Supply deducted the resulting IRC Sec. 481 adjustment on its 2008 federal income tax return and recorded a \$21 million adjustment to federal and state income tax expense resulting from the reduction in federal income tax benefits related to the domestic manufacturing deduction and certain state tax benefits related to state net operating losses.
- (g) Beginning in 2013, provisions within Health Care Reform eliminated the tax deductibility of retiree health care costs to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D Coverage. As a result, PPL Energy Supply recorded deferred income tax expense during 2010. See Note 13 for additional information.
- (h) The U.K.'s Finance Act of 2010, enacted in July 2010, included a reduction in the U.K. statutory income tax rate. Effective April 1, 2011, the statutory income tax rate will be reduced from 28% to 27%. As a result, PPL Energy Supply reduced its net deferred tax liabilities and recognized a deferred tax benefit.

The U.K.'s Finance Act 2008, enacted in July 2008, included a phase-out of tax depreciation on certain buildings. As a result, PPL Energy Supply reduced its net deferred tax liabilities and recognized a deferred tax benefit.

- (i) During 2010, PPL Energy Supply recorded a deferred tax benefit related to investment tax credits on progress expenditures related to hydroelectric plant expansions. See Note 8 for additional information.

During 2008, PPL Energy Supply recorded a \$13 million expense to adjust the amount of synthetic fuel tax credits recorded during 2007. See Note 15 for additional information.

	2010	2009	2008
<b>Taxes, other than income</b>			
State gross receipts	\$ 15		
State capital stock	4	\$ 3	\$ 3
Foreign property	52	57	66
Domestic property and other	28	26	17
Total	\$ 99	\$ 86	\$ 86

For tax years 2000 through 2007, PPL Montana protested certain property tax assessments by the Montana Department of Revenue on its generation facilities. The tax liabilities in dispute for 2000 through 2007, which had been paid and expensed by PPL Montana, totaled \$45 million. In January 2008, both parties reached a settlement for all years outstanding. The settlement resulted in PPL Montana receiving a refund of taxes paid and interest totaling \$8 million. This settlement was recorded in 2008, of which \$7 million was reflected in "Taxes, other than income" and \$1 million was reflected in "Other Income (Expense) - net" on the Statement of Income.

(PPL Electric)

The provision for PPL Electric's deferred income taxes for regulated assets is based upon the ratemaking principles reflected in rates established by the PUC and the FERC. The difference in the provision for deferred income taxes for regulated assets and the amount that otherwise would be recorded under GAAP is deferred and included in "Regulatory assets" on the Balance Sheets.

Significant components of PPL Electric's deferred income tax assets and liabilities were as follows:

	<u>2010</u>	<u>2009</u>
<b>Deferred Tax Assets</b>		
Deferred investment tax credits	\$ 3	\$ 3
Accrued pension costs		36
Contributions in aid of construction	103	99
Regulatory obligations	4	28
State loss carryforwards	11	
Other	24	39
Total deferred tax assets	<u>145</u>	<u>205</u>
<b>Deferred Tax Liabilities</b>		
Electric utility plant - net	934	802
Taxes recoverable through future rates	105	105
Reacquired debt costs	12	14
Regulatory receivables	22	
Other	19	23
Total deferred tax liabilities	<u>1,092</u>	<u>944</u>
Net deferred tax liability	<u>\$ 947</u>	<u>\$ 739</u>

PPL Electric has a state net operating loss carryforward that expires in 2030 of \$176 million at December 31, 2010.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Income Tax Expense (Benefit)</b>			
Current - Federal	\$ (127)	\$ 80	\$ 93
Current - State	(14)	22	8
Total Current Expense	<u>(141)</u>	<u>102</u>	<u>101</u>
Deferred - Federal	190	(4)	10
Deferred - State	10	(17)	(7)
Total Deferred Expense	<u>200</u>	<u>(21)</u>	<u>3</u>
Investment tax credit, net - Federal	(2)	(2)	(2)
Total income tax expense	<u>\$ 57</u>	<u>\$ 79</u>	<u>\$ 102</u>
Total income tax expense - Federal	\$ 61	\$ 74	\$ 101
Total income tax expense - State	(4)	5	1
Total income tax expense	<u>\$ 57</u>	<u>\$ 79</u>	<u>\$ 102</u>
<b>Reconciliation of Income Taxes</b>			
Federal income tax on Income Before Income Taxes at statutory tax rate - 35%	\$ 67	\$ 77	\$ 97
Increase (decrease) due to:			
State income taxes, net of federal income tax benefit	9	10	9
Amortization of investment tax credit	(2)	(2)	(2)
Change in federal and state tax reserves (a)	(12)	(7)	(5)
Federal and state income tax return adjustments (b)	(1)	4	6
Depreciation not normalized	(3)	(1)	(1)
Other	(1)	(2)	(2)
Total increase (decrease)	<u>(10)</u>	<u>2</u>	<u>5</u>
Total income tax expense	<u>\$ 57</u>	<u>\$ 79</u>	<u>\$ 102</u>
<b>Effective income tax rate</b>	29.7%	35.7%	36.7%

- (a) In July 2010, the U.S. Tax Court ruled in PPL Electric's favor in a pending dispute with the IRS, concluding that street lighting assets are depreciable for tax purposes over seven years. As a result, PPL Electric recorded a \$7 million tax benefit to federal and state income tax reserves and related deferred income taxes. See Note 15 for information on the January 2011 IRS appeal, which at this time does not appear to include the street lighting decision.

During 2010, 2009 and 2008 PPL Electric recorded a \$7 million, \$6 million and \$7 million tax benefit to federal and state income tax reserves related to stranded cost securitization.

- (b) During 2009, PPL Electric received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL Electric deducted the resulting IRC Sec. 481 amount on its 2008 federal income tax return and recorded a \$3 million adjustment to federal and state income tax expense resulting from the reversal of prior years' state income tax benefits related to regulated depreciation.

	2010	2009	2008
<b>Taxes, other than income</b>			
State gross receipts	\$ 130	\$ 187	\$ 199
State utility realty	5	5	4
State capital stock	2	2	2
Property and other	1		(2)
Total	<u>\$ 138</u>	<u>\$ 194</u>	<u>\$ 203</u>

See Note 3 for information on a settlement related to PURTA tax that will be returned to PPL Electric customers.

*(PPL, PPL Energy Supply and PPL Electric)*

On February 24, 2011, the Pennsylvania Department of Revenue issued interpretive guidance on the treatment of bonus depreciation for Pennsylvania tax purposes. Corporation Tax Bulletin 2011-01 indicates that Pennsylvania will allow 100% bonus depreciation for qualifying assets in the same year bonus depreciation is allowed for Federal tax purposes. PPL is still evaluating the impact of this guidance and, while not yet quantified, its impact could be material.

#### **Unrecognized Tax Benefits** *(PPL, PPL Energy Supply and PPL Electric)*

Changes to unrecognized tax benefits were as follows:

	2010	2009
<b><u>PPL</u></b>		
Beginning of period	\$ 212	\$ 202
Additions based on tax positions of prior years	68	36
Reduction based on tax positions of prior years	(50)	(11)
Additions based on tax positions related to the current year	43	50
Reductions based on tax positions related to the current year	(2)	
Settlements	(17)	(55)
Lapse of applicable statutes of limitations	(8)	(8)
Acquisition of LKE	3	
Effects of foreign currency translation	2	(2)
End of period	<u>\$ 251</u>	<u>\$ 212</u>
<b><u>PPL Energy Supply</u></b>		
Beginning of period	\$ 124	\$ 119
Additions based on tax positions of prior years	65	17
Reduction based on tax positions of prior years	(47)	(5)
Additions based on tax positions related to the current year	43	50
Reductions based on tax positions related to the current year	(3)	
Settlements	(1)	(55)
Effects of foreign currency translation	2	(2)
End of period	<u>\$ 183</u>	<u>\$ 124</u>
<b><u>PPL Electric</u></b>		
Beginning of period	\$ 74	\$ 77
Additions based on tax positions of prior years	3	11
Reduction based on tax positions of prior years	(5)	(6)
Reductions based on tax positions related to the current year	(2)	
Lapse of applicable statutes of limitations	(8)	(8)
End of period	<u>\$ 62</u>	<u>\$ 74</u>

At December 31, 2010, it was reasonably possible that during the next 12 months the total amount of unrecognized tax benefits could increase by as much as \$28 million or decrease by up to \$226 million for PPL, increase by as much as \$1 million or decrease by up to \$181 million for PPL Energy Supply and increase by as much as \$28 million or decrease by up to \$42 million for PPL Electric. These changes could result from subsequent recognition, derecognition and/or changes in the measurement of uncertain tax positions related to the creditability of foreign taxes, the timing and utilization of foreign tax credits and the related impact on alternative minimum tax and other credits, the timing and/or valuation of certain deductions, intercompany transactions and unitary filing groups. The events that could cause these changes are direct settlements with taxing authorities, litigation, legal or administrative guidance by relevant taxing authorities and the lapse of an applicable statute of limitation.

At December 31, 2010, the total unrecognized tax benefits and related indirect effects that, if recognized, would decrease the effective tax rate were:

	<u>2010</u>	<u>2009</u>
PPL	\$ 183	\$ 119
PPL Energy Supply	167	95
PPL Electric	13	15

At December 31, 2010, PPL, PPL Energy Supply and PPL Electric had a receivable for interest related to tax positions of \$7 million, \$8 million and \$3 million. At December 31, 2009, PPL, PPL Energy Supply and PPL Electric had a payable for interest related to tax positions of \$36 million, \$27 million and \$5 million.

The following interest expense (benefit) was recognized in income taxes for the years:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
PPL	\$ (39)	\$ 1	\$ 4
PPL Energy Supply	(30)	(1)	2
PPL Electric	(8)	(2)	2

The amounts recognized during 2010, 2009 and 2008 for PPL, PPL Energy Supply and PPL Electric were primarily the result of litigation, settlements with taxing authorities, additional interest accrued or reversed related to tax positions of prior years and the lapse of applicable statutes of limitations, with respect to certain issues.

PPL or its subsidiaries file tax returns in five major tax jurisdictions. The income tax provision for PPL Energy Supply and PPL Electric is calculated in accordance with an intercompany tax sharing policy which provides that taxable income be calculated as if PPL Energy Supply, PPL Electric and any domestic subsidiaries each filed a separate consolidated return. See Note 1 for additional information regarding PPL's tax sharing policy. Based on this tax sharing agreement, PPL Energy Supply or its subsidiaries indirectly or directly file tax returns in five major tax jurisdictions and PPL Electric or its subsidiaries indirectly or directly file tax returns in two major tax jurisdictions. With few exceptions, at December 31, 2010, these jurisdictions, as well as the tax years that are no longer subject to examination, were as follows:

	<u>PPL</u>	<u>PPL Energy Supply</u>	<u>PPL Electric</u>
U.S. (federal)	1997 and prior	1997 and prior	1997 and prior
Pennsylvania (state)	2004 and prior	2004 and prior	2004 and prior
Kentucky (state)	2005 and prior		
Montana (state)	2005 and prior	2005 and prior	
U.K. (foreign)	2008 and prior	2008 and prior	

## 6. Preferred Securities

### Preferred Stock

(PPL)

PPL is authorized to issue up to 10 million shares of preferred stock. No PPL preferred stock was issued or outstanding in 2010, 2009, or 2008.

PPL classifies preferred securities of a subsidiary as "Noncontrolling Interests" on the Balance Sheets. Dividend requirements of \$17 million for 2010 and \$18 million for 2009 and 2008 were included in "Net Income Attributable to Noncontrolling Interests" on the Statements of Income.

(PPL Electric)

PPL Electric is authorized to issue up to 629,936 shares of 4-1/2% Preferred Stock and 10 million shares of series preferred stock. There were 247,524 shares of 4-1/2% Preferred Stock (amounting to \$25 million) and an aggregate of 257,665 shares of four series of preferred stock (amounting to \$26 million) issued and outstanding at December 31, 2009 and 2008.

In April 2010, PPL Electric redeemed all five series of its outstanding preferred stock, with a par value in the aggregate of \$51 million, for \$54 million including accumulated dividends. The redeemed shares are no longer outstanding and represent only the right to receive the applicable redemption price, to the extent the shares have not yet been presented for payment. The premium of \$3 million is included in "Distributions on Preferred Securities" on the Statement of Income.

#### Preference Stock (PPL Electric)

There were 10 million shares of Preference Stock authorized and 2.5 million shares of PPL Electric's 6.25% Series Preference Stock (Preference Shares) issued and outstanding in 2010, 2009 and 2008. The Preference Shares are held by a bank that acts as depository for 10 million depository shares, each of which represents a quarter interest in a share of Preference Shares. Holders of the depository shares are entitled to all proportional rights and preferences of the Preference Shares, including dividend, voting, redemption and liquidation rights, exercised through the bank acting as a depository. The Preference Shares rank senior to PPL Electric's common stock; they have no voting rights, except as provided by law, and they have a liquidation preference of \$100 per share (equivalent to \$25 per depository share). The Preference Shares, which have no stated maturity date and no sinking fund requirements, are redeemable by PPL Electric on or after April 6, 2011 for \$100 per share (equivalent to \$25 per depository share).

Dividends on the Preference Shares will be paid when, as and if declared by the Board of Directors at a fixed annual rate of 6.25%, or \$1.5625 per depository share per year, and are not cumulative. PPL Electric may not pay dividends on, or redeem, purchase or make a liquidation payment with respect to any of its common stock, except in certain circumstances, unless full dividends on the Preference Shares have been paid for the then-current dividend period.

## 7. Financing Activities

### Credit Arrangements and Short-term Debt

(PPL, PPL Energy Supply and PPL Electric)

PPL, PPL Energy Supply and PPL Electric maintain credit facilities to enhance liquidity and provide credit support, and as a backstop to commercial paper programs, when necessary. The following credit facilities were in place at:

	December 31, 2010				December 31, 2009		
	Expiration Date	Capacity	Borrowed (a)	Letters of Credit Issued	Unused Capacity	Borrowed (a)	Letters of Credit Issued
<b>PPL</b>							
<i>LG&amp;E and KU Credit Facilities</i>							
LG&E Syndicated Credit Facility (b) (c)	Dec. 2014	\$ 400	\$ 163		\$ 237	n/a	n/a
KU Syndicated Credit Facility (b)	Dec. 2014	400		\$ 198	202	n/a	n/a

Total LG&E and KU Credit Facilities		\$	800	\$	163	\$	198	\$	439	n/a	n/a
<b>PPL and PPL Energy Supply</b>											
<i>Domestic Credit Facilities</i>											
Syndicated Credit Facility (d)	Dec. 2014	\$	3,000	\$	350			\$	2,650	n/a	n/a
3-year Bilateral Credit Facility (e)	Mar. 2013		200		n/a	\$	24		176	n/a	\$ 4
5-year Structured Credit Facility (f)	Mar. 2011		300		n/a		161		139	n/a	285
5-year Syndicated Credit Facility (g)			n/a		n/a		n/a		n/a	\$	285
364-day Syndicated Credit Facility (h)			n/a		n/a		n/a		n/a		373
Total Domestic Credit Facilities		\$	3,500	\$	350	\$	185	\$	2,965	\$	285
											662
<i>WPD Credit Facilities</i>											
WPDH Limited 5-year Syndicated Credit Facility (i)	Jan. 2013	£	150	£	115		n/a	£	35	£	132
WPD (South West) 3-year Syndicated Credit Facility (j)	July 2012		210				n/a		210		60
Uncommitted Credit Facilities (k)			63			£	3		60		21
Total WPD Credit Facilities (l)		£	423	£	115	£	3	£	305	£	213
											3
<b>PPL and PPL Electric</b>											
Syndicated Credit Facility (m)	Dec. 2014	\$	200			\$	13	\$	187	n/a	n/a
Asset-backed Credit Facility (n)	July 2011		150				n/a		150		n/a
5-year Syndicated Credit Facility (o)			n/a		n/a		n/a		n/a		\$ 6
Total PPL Electric Credit Facilities		\$	350			\$	13	\$	337		\$ 6

- (a) Amounts borrowed are recorded as "Short-term debt" on the Balance Sheets.
- (b) LG&E and KU each entered into a \$400 million syndicated credit facility upon closing of the acquisition of LKE on November 1, 2010. Under the facilities, LG&E and KU each have the ability to make cash borrowings and to request the lenders to issue letters of credit. Borrowings generally bear interest at LIBOR-based rates plus a spread, depending upon the respective company's senior unsecured long-term debt rating. Each company also pays customary commitment and letter of credit issuance fees under its respective facility. The new credit facilities each contain a financial covenant requiring the respective borrower's debt to total capitalization not to exceed 70%, as calculated in accordance with the credit facilities, and other customary covenants. Additionally, subject to certain conditions, LG&E and KU may each request that its respective facility's capacity be increased by up to \$100 million. An aggregate of \$9 million of fees were incurred in 2010 in connection with establishing these facilities. Such fees were deferred and are being amortized through December 2014.
- (c) The borrowing outstanding at December 31, 2010 bears interest at 2.27%. Such borrowing was repaid in January 2011 with proceeds received from the remarketing of certain tax-exempt bonds that were held by LG&E at December 31, 2010, as discussed below in "Long-term Debt and Equity Securities."
- (d) In October 2010, PPL Energy Supply entered into a new \$4 billion syndicated credit facility to replace its \$400 million 364-day Syndicated Credit Facility, which expired in September 2010, and the \$3.2 billion 5-year Syndicated Credit Facility. PPL Energy Supply subsequently reduced the capacity of the facility to \$3 billion effective December 2010. Under this facility, PPL Energy Supply has the ability to make cash borrowings and to request the lenders to issue letters of credit. Borrowings generally bear interest at LIBOR-based rates plus a spread, depending upon the company's senior unsecured long-term debt rating. PPL Energy Supply also pays customary commitment and letter of credit issuance fees under this facility. Similar to the facilities that were replaced, the new credit facility contains a financial covenant requiring PPL Energy Supply's debt to total capitalization to not exceed 65%, as calculated in accordance with the facility, and other customary covenants. Additionally subject to certain conditions, PPL Energy Supply may request that the facility's capacity be increased by up to \$500 million.

In October 2010, PPL Energy Supply borrowed \$3.2 billion under this facility in order to enable a subsidiary to make loans to certain affiliates to provide interim financing of amounts required by PPL to partially fund PPL's acquisition of LKE. Such borrowing bore interest at 2.26% and was refinanced by PPL primarily through the issuance of long-term debt by LG&E and KU Energy LLC, LG&E and KU, and the use of internal funds. This borrowing and related repayments are included in "Net increase (decrease) in short-term debt" on the Statement of Cash Flows. See "Long-term Debt and Equity Securities" below for a discussion of these debt issuances and the use of proceeds to repay affiliate loans.

PPL Energy Supply incurred an aggregate of \$41 million of fees in 2010 in connection with establishing the new facility. Such fees were initially deferred and amortized through December 2014. In connection with the reduction in the capacity to \$3 billion in December 2010, PPL Energy Supply wrote off \$10 million, \$6 million after tax, of deferred fees, which is reflected in "Interest Expense" in the Statement of Income.

The borrowings outstanding at December 31, 2010 bear interest at 2.27%.

- (e) In March 2010, PPL Energy Supply's 364-day bilateral credit facility was amended. The amendment included extending the expiration date to March 2013, thereby making it a three-year facility, and setting related commitment and utilization fees based on the company's senior unsecured long-term debt rating. Under this facility, PPL Energy Supply can request the bank to issue letters of credit but cannot make cash borrowings. This credit facility contains a financial covenant requiring PPL Energy Supply's debt to total capitalization not to exceed 65%, as calculated in accordance with the credit facility, and other customary covenants.
- (f) Under this facility, PPL Energy Supply has the ability to request the lenders to issue letters of credit but cannot make cash borrowings. PPL Energy Supply's obligations under this facility are supported by a \$300 million letter of credit issued on PPL Energy Supply's behalf under a



separate, but related, \$300 million five-year credit agreement, also expiring in March 2011. This credit facility contains a financial covenant requiring PPL Energy Supply's debt to total capitalization not to exceed 65%, as calculated in accordance with the credit facility, and other customary covenants.

- (g) This \$3.2 billion facility was terminated in October 2010 and was replaced with a new syndicated credit facility as discussed above. Under this facility, which had an expiration date of June 2012, PPL Energy Supply had the ability to make cash borrowings and to request the lenders to issue letters of credit. Borrowings generally bore interest at LIBOR-based rates plus a spread, depending upon the company's senior unsecured long-term debt rating. The interest rate on the borrowing outstanding at December 31, 2009 was 0.73%.
- (h) This \$400 million facility expired in September 2010. Under this facility, PPL Energy Supply had the ability to make cash borrowings and to request the lenders to issue up to \$200 million of letters of credit.
- (i) Under this facility, WPDH Limited has the ability to make cash borrowings but cannot request the lenders to issue letters of credit. WPDH Limited pays customary commitment fees under this facility, and borrowings bear interest at LIBOR-based rates plus a spread, depending on the company's long-term credit rating. The cash borrowing outstanding at December 31, 2010 was a USD-denominated borrowing of \$181 million, which equated to £115 million at the time of borrowing and bears interest at approximately 0.94%. The interest rates at December 31, 2009 were approximately 1.55% on a USD-denominated borrowing of \$181 million, which equated to £107 million at the time of borrowing, and a weighted-average rate of approximately 1.53% on GBP-denominated borrowings aggregating £25 million.

This credit facility contains financial covenants that require WPDH Limited to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before income taxes, depreciation and amortization and a RAB that exceeds total net debt by the higher of an amount equal to 15% of total net debt or £150 million, in each case as calculated in accordance with the credit facility.

- (j) Under this facility, WPD (South West) has the ability to make cash borrowings but cannot request the lenders to issue letters of credit. WPD (South West) pays customary commitment fees under this facility, and borrowings bear interest at LIBOR-based rates plus a margin. The weighted-average interest rate on the borrowings outstanding at December 31, 2009 was approximately 3.02%.

The facility contains financial covenants that require WPD (South West) to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before income taxes, depreciation and amortization and total net debt not in excess of 85% of its RAB, in each case calculated in accordance with the credit facility.

- (k) The weighted-average interest rate on the borrowings outstanding under these facilities at December 31, 2009 was 1.22%.
- (l) The total amount borrowed under WPD's credit facilities equated to \$181 million and approximately \$354 million at December 31, 2010 and 2009. At December 31, 2010, the unused capacity of the WPD credit facilities was approximately \$475 million.
- (m) In December 2010, PPL Electric entered into a new \$200 million syndicated credit facility to replace its \$190 million 5-year Syndicated Credit Facility. Under this facility, PPL Electric has the ability to make cash borrowings and to request the lenders to issue letters of credit. Borrowings generally bear interest at LIBOR-based rates plus a spread, depending upon the company's senior secured long-term debt rating. The new credit facility contains a financial covenant requiring PPL Electric's debt to total capitalization not to exceed 70%, as calculated in accordance with the credit facility, and other customary covenants. PPL Electric also pays customary commitment and letter of credit issuance fees under this facility. Additionally, subject to certain conditions, PPL Electric may request that the facility's capacity be increased by up to \$100 million. An aggregate of \$2 million of fees were incurred in 2010 in connection with establishing this facility. Such fees were deferred and are being amortized through December 2014.
- (n) PPL Electric participates in an asset-backed commercial paper program through which PPL Electric obtains financing by selling and contributing its eligible accounts receivable and unbilled revenue to a special purpose, wholly owned subsidiary on an ongoing basis. The subsidiary has pledged these assets to secure loans from a commercial paper conduit sponsored by a financial institution. In July 2010, PPL Electric and the subsidiary extended the expiration date of the credit agreement to July 2011. The subsidiary pays customary commitment fees under this facility, and borrowing costs vary based on the commercial paper conduit's actual cost to issue commercial paper that supports the debt. Borrowings under this program are subject to customary conditions precedent. PPL Electric uses the proceeds under the credit facility for general corporate purposes.

At December 31, 2010 and 2009, \$248 million and \$223 million of accounts receivable and \$133 million and \$192 million of unbilled revenue were pledged by the subsidiary under the credit agreement related to PPL Electric's and the subsidiary's participation in the asset-backed commercial paper program. Based on the accounts receivable and unbilled revenue pledged, \$150 million was available for borrowing at December 31, 2010. PPL Electric's sale to its subsidiary of the accounts receivable and unbilled revenue is an absolute sale of the assets, and PPL Electric does not retain an interest in these assets. However, for financial reporting purposes, the subsidiary's financial results are consolidated in PPL Electric's financial statements. PPL Electric performs certain record-keeping and cash collection functions with respect to the assets in return for a servicing fee from the subsidiary.

- (o) This \$190 million facility was terminated in December 2010 and was replaced with a new syndicated credit facility as discussed above. Under this facility, which had an expiration date of May 2012, PPL Electric had the ability to make cash borrowings and to request the lenders to issue letters of credit.

*(PPL and PPL Energy Supply)*

In May 2010, PPL Energy Supply entered into a \$500 million Facility Agreement expiring June 2017, whereby PPL Energy Supply has the ability to request up to \$500 million of committed letter of credit capacity at fees to be agreed

upon at the time of each request, based on certain market conditions. As of December 31, 2010, PPL Energy Supply has not requested any capacity for the issuance of letters of credit under this arrangement.

In November 2010, PPL Energy Supply, PPL EnergyPlus, PPL Montour and PPL Brunner Island entered into an \$800 million secured energy marketing and trading facility, whereby PPL EnergyPlus will receive credit to be applied to satisfy collateral posting obligations related to its energy marketing and trading activities with counterparties participating in the facility. The credit amount is guaranteed by PPL Energy Supply, PPL Montour and PPL Brunner Island. Amounts guaranteed by PPL Montour and PPL Brunner Island are secured by mortgages on the generating facilities owned by PPL Montour and PPL Brunner Island, which had an aggregate carrying value of \$2.6 billion at December 31, 2010. The facility expires in November 2015, but is subject to automatic one-year renewals under certain conditions. There were no secured obligations under this facility at December 31, 2010.

*(PPL and PPL Electric)*

PPL Electric maintains a commercial paper program for up to \$200 million to provide an additional financing source to fund its short-term liquidity needs, if and when necessary. Commercial paper issuances are currently supported by PPL Electric's Syndicated Credit Facility, which expires in December 2014, based on available capacity. PPL Electric had no commercial paper outstanding at December 31, 2010 and 2009.

## Bridge Facility

*(PPL)*

Concurrently, and in connection with entering into the agreement to acquire LKE, PPL entered into a commitment letter with certain lenders pursuant to which, subject to the conditions set forth therein, the lenders committed to provide PPL with 364-day unsecured bridge financing of up to \$6.5 billion, the proceeds of which, if drawn upon, were required to be used at closing of the acquisition (i) to fund the consideration for the acquisition and (ii) to pay certain fees and expenses in connection with the acquisition. In June 2010, the commitment of such lenders for the bridge financing was syndicated to a group of banks, including the lenders under the commitment letter. Upon the syndication of the commitment, PPL Capital Funding, as borrower, and PPL, as guarantor, entered into a \$6.5 billion Bridge Facility.

The Bridge Facility was terminated on November 1, 2010 upon closing of the acquisition of LKE. In 2010, PPL incurred \$80 million of fees in connection with the Bridge Facility, which is reflected in "Interest Expense" on the Statement of Income. No borrowings were made under the Bridge Facility.

## Long-term Debt and Equity Securities

*(PPL, PPL Energy Supply and PPL Electric)*

	2010 (a)			2009		
	PPL	PPL Energy Supply	PPL Electric	PPL	PPL Energy Supply	PPL Electric
<b>U.S.</b>						
Senior Unsecured Notes (b)	\$ 3,574 (c) (d)	\$ 2,600		\$ 2,700	\$ 2,600	
Junior Subordinated Notes, due 2018-2067 (e)	1,630			500		
8.05% - 8.30% Senior Secured Notes, due 2013 (f)	437	437		437	437	
7.375% 1945 First Mortgage Bonds, due 2014 (g)	10		\$ 10	10		\$ 10
Senior Secured/First Mortgage Bonds (h) 4.00% - 4.75% Senior Secured Bonds (Pollution Control Series), due 2023-2029 (i) (j)	3,185 (d)		1,150	1,150		1,150
First Mortgage Bonds (Collateral Series), due 2023-2037 (k)	314		314	314		314
Exempt Facilities Notes, due 2037-2038 (l)	925	231		231	231	
Other (m)	231	7		7		
Total U.S. Long-term Debt	10,313	3,273	1,474	5,342	3,268	1,474



	2010 (a)			2009		
	PPL	PPL Energy Supply	PPL Electric	PPL	PPL Energy Supply	PPL Electric
<b>U.K.</b>						
4.80436% - 9.25% Senior Unsecured Notes, due 2017-2040 (n)	1,897	1,897		1,327	1,327	
1.541% Index-linked Senior Unsecured Notes, due 2053-2056 (o)	394	394		397	397	
Total U.K. Long-term Debt	2,291	2,291		1,724	1,724	
Total Long-term Debt Before Adjustments	12,604	5,564	1,474	7,066	4,992	1,474
Fair value adjustments from hedging activities	50	1		44	3	
Fair value adjustments from purchase accounting (p)	38 (q)	30		35	35	
Unamortized premium	7	7		9	9	
Unamortized discount	(36)	(13)	(2)	(11)	(8)	(2)
Total Long-Term Debt	12,663	5,589	1,472	7,143	5,031	1,472
Less current portion of Long-term Debt	502	500				
Total Long-term Debt, noncurrent	\$ 12,161	\$ 5,089	\$ 1,472	\$ 7,143	\$ 5,031	\$ 1,472

- (a) Aggregate maturities of long-term debt are:  
PPL - 2011, \$502; 2012, \$0; 2013, \$1,137; 2014, \$310; 2015, \$1,300; and \$9,355 thereafter.  
PPL Energy Supply - 2011, \$500; 2012, \$0; 2013, \$737; 2014, \$300; 2015, \$300; and \$3,727 thereafter.  
PPL Electric - 2011, \$0; 2012, \$0; 2013, \$400; 2014, \$10; 2015, \$100; and \$964 thereafter.  
None of the debt securities outstanding have sinking fund requirements.
- (b) PPL - interest rates range from 2.125% to 7.00%, and maturities range from 2011 to 2047.  
PPL Energy Supply - interest rates range from 5.40% to 7.00%, and maturities range from 2011 to 2046.

Includes \$300 million of 5.70% REset Put Securities due 2035 (REPS<sup>SM</sup>). The REPS bear interest at a rate of 5.70% per annum to, but excluding, October 15, 2015 (Remarketing Date). The REPS are required to be put by existing holders on the Remarketing Date either for (a) purchase and remarketing by a designated remarketing dealer or (b) repurchase by PPL Energy Supply. Therefore, the REPS are reflected as a 2015 maturity for PPL and PPL Energy Supply in (a) above. If the remarketing dealer elects to purchase the REPS for remarketing, it will purchase the REPS at 100% of the principal amount, and the REPS will bear interest on and after the Remarketing Date at a new fixed rate per annum determined in the remarketing. PPL Energy Supply has the right to terminate the remarketing process. If the remarketing is terminated at the option of PPL Energy Supply or under certain other circumstances, including the occurrence of an event of default by PPL Energy Supply under the related indenture or a failed remarketing for certain specified reasons, PPL Energy Supply will be required to pay the remarketing dealer a settlement amount as calculated in accordance with the related remarketing agreement.

Also includes \$250 million of notes that may be redeemed at par beginning in July 2011.

- (c) Includes \$99 million of notes that may be redeemed at par beginning in July 2012.
- (d) In November 2010, LG&E and KU Energy LLC issued \$875 million aggregate principal amount of senior unsecured notes in two series: \$400 million of 2.125% Senior Notes due 2015 and \$475 million of 3.750% Senior Notes due 2020. LG&E and KU Energy LLC received proceeds of \$864 million, net of discounts and underwriting fees, from the issuance of the notes.

Also in November 2010, LG&E issued \$535 million aggregate principal amount of its first mortgage bonds in two series: \$250 million of 1.625% First Mortgage Bonds due 2015 and \$285 million of 5.125% First Mortgage Bonds due 2040. LG&E received proceeds of \$527 million, net of discounts and underwriting fees, from the issuance of the bonds. LG&E's first mortgage bonds are secured by the lien of the LG&E 2010 Mortgage Indenture, which creates a lien, subject to certain exceptions and exclusions, on substantially all of LG&E's real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity and the storage and distribution of natural gas. The aggregate carrying value of the property subject to the lien was \$2.5 billion at December 31, 2010.

Also in November 2010, KU issued \$1.5 billion aggregate principal amount of its first mortgage bonds in three series: \$250 million of 1.625% First Mortgage Bonds due 2015; \$500 million of 3.250% First Mortgage Bonds due 2020 and \$750 million of 5.125% First Mortgage Bonds due 2040. KU received proceeds of \$1.48 billion, net of discounts and underwriting fees, from the issuance of the bonds. KU's first mortgage bonds are secured by the lien of the KU 2010 Mortgage Indenture, which creates a lien, subject to certain exceptions and exclusions, on substantially all of KU's real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity. The aggregate carrying value of the property subject to the lien was \$4.0 billion at December 31, 2010.

Approximately \$2.6 billion of the net proceeds from the LG&E and KU Energy LLC, LG&E and KU debt issuances, together with approximately \$163 million of borrowings by LG&E under its syndicated credit facility, were applied to repay borrowings by these entities from a subsidiary of PPL Energy Supply, which borrowings were incurred to permit each of LG&E and KU Energy LLC, LG&E and KU to repay certain indebtedness owed to affiliates of E.ON AG upon the closing of PPL's acquisition of LKE. In addition, LG&E and KU Energy LLC used net proceeds of its offering to make a \$100 million return of capital to PPL.

The LG&E and KU Energy LLC senior notes and LG&E and KU first mortgage bonds were issued in private offerings to qualified institutional buyers and other transactions not subject to registration requirements under the Securities Act of 1933. In connection with the issuances, each entity entered into a registration rights agreement with representatives of the initial purchasers of applicable notes or bonds, pursuant to which each issuer agreed to file, by mid-May 2011, a registration statement to exchange such notes or bonds for securities containing substantially identical terms (except for certain transfer restrictions), or in certain cases to file, by mid-May 2011, a registration statement covering resales of such notes or bonds. Each issuer also agreed, under its registration rights agreement, to (i) use its commercially reasonable efforts to cause the registration statement to be declared effective under the Security Act by mid-August 2011 and (ii) upon effectiveness of the registration statement, take certain actions to promptly exchange the notes or bonds or, in the case of a registration statement covering resales of notes or bonds, keep the registration statement effective until no later than mid-November 2011. Pursuant to each registration rights agreement, the issuer may be required to pay liquidated damages if it does not meet certain requirements under its registration rights agreement. Liquidated damages will generally accrue with respect to the principal amount of the subject securities at a rate of 0.25% per annum for the first 90 days from and including the date on which a default specified under the applicable registration rights agreement occurs, and increase by an additional 0.25% per annum thereafter, provided that the liquidated damages rate shall not at any time exceed 0.50% per annum. Liquidated damages will cease to accrue, with respect to the subject securities, when all registration defaults under the applicable registration rights agreement have been cured, or, if earlier, upon the redemption by the issuer or maturity of the notes or bonds.

- (e) In October 2010, PPL Capital Funding repurchased \$20 million of its 2007 Series A Junior Subordinated Notes due 2067, for \$19 million, plus accrued interest. At December 31, 2010, \$480 million of such notes remain outstanding. The notes bear interest at 6.70% into March 2017, at which time the notes will bear interest at three-month LIBOR plus 2.665%, reset quarterly, until maturity. Interest payments may be deferred, from time to time, on one or more occasions for up to ten consecutive years. The notes may be redeemed at par beginning in March 2017.

2010 includes \$1.15 billion of 4.625% Junior Subordinated Notes due 2018 that were issued in connection with PPL's issuance of Equity Units in June 2010. See discussion of the Equity Units below for further information on such notes.

- (f) Represents lease financing consolidated through a VIE. See Note 22 for additional information.
- (g) The 1945 First Mortgage Bonds were issued under, and secured by, the lien of the 1945 First Mortgage Bond Indenture. In December 2008, PPL Electric completed an in-substance defeasance of the 1945 First Mortgage Bonds by depositing sufficient funds with the trustee solely to satisfy the principal and remaining interest obligations on the bonds when due. The amount of funds on deposit with the trustee was \$13 million at December 31, 2010 and \$14 million at December 31, 2009, and is recorded as restricted cash, primarily in other noncurrent assets on the Balance Sheets.

Also in December 2008, PPL Electric discharged the lien under the 1945 First Mortgage Bond Indenture, which covered substantially all electric distribution plant and certain transmission plant owned by PPL Electric.

- (h) PPL - interest rates range from 1.625% to 7.125%, and maturities range from 2013 to 2040.  
PPL Electric - interest rates range from 4.95% to 7.125%, and maturities range from 2013 to 2039.

The senior secured and first mortgage bonds issued by PPL Electric are secured by the lien of the PPL Electric 2001 Mortgage Indenture, which covers substantially all electric distribution plant and certain transmission plant owned by PPL Electric. The carrying value of PPL Electric's property, plant and equipment was approximately \$3.6 billion and \$3.3 billion at December 31, 2010 and 2009.

- (i) PPL Electric issued a series of its senior secured bonds to secure its obligations to make payments with respect to each series of Pollution Control Bonds that were issued by the LCIDA and the PEDFA on behalf of PPL Electric. These senior secured bonds were issued in the same principal amount, contain payment and redemption provisions that correspond to and bear the same interest rate as such Pollution Control Bonds. These senior secured bonds were issued under PPL Electric's 2001 Mortgage Indenture and are secured as noted in (h) above. \$224 million of such bonds may be redeemed at par beginning in 2015.
- (j) The related Pollution Control Bonds issued by the PEDFA on behalf of PPL Electric in an aggregate principal amount of \$90 million were structured as variable-rate remarketable bonds, whereby PPL Electric could convert the interest rate mode on the bonds from time to time to a commercial paper rate, daily rate, weekly rate or a term rate of at least one year. The Pollution Control Bonds were remarketed in September 2010. The bonds were in a term rate mode bearing interest at 4.85% until October 2010. Effective October 2010, the term rate on the bonds was set at 4.00% through maturity. PPL Electric may direct the PEDFA to redeem the bonds, in whole or in part, at par beginning in October 2020. The bonds are subject to mandatory redemption upon a determination that the interest on the bonds would be included in the holders' gross income for federal tax purposes.
- (k) In October 2010, LG&E and KU each issued a series of its first mortgage bonds to the respective trustees of tax-exempt revenue bonds to secure its respective obligations to make payments with respect to each series of bonds. The first mortgage bonds were issued in the same principal amount, contain payment and redemption provisions that correspond to and bear the same interest rate as such tax-exempt revenue bonds. These first mortgage bonds were issued under the LG&E 2010 Mortgage Indenture and the KU 2010 Mortgage Indenture and are secured as noted in (d) above. The related tax-exempt revenue bonds were issued by various governmental entities, principally counties in Kentucky, on behalf of LG&E and KU. The related revenue bond documents allow LG&E and KU to convert the interest rate mode on the bonds from time to time to a commercial paper rate, daily rate, weekly rate, term rate of at least one year or, in some cases, an auction rate. At December 31, 2010, an aggregate of \$183 million of tax-exempt revenue bonds issued on behalf of LG&E and KU were in a term rate mode and had a weighted average interest rate of approximately 5.31%. The remaining \$742 million were in either a commercial paper rate, daily rate, weekly rate or auction rate mode and had a weighted average interest rate of approximately 0.45% at December 31, 2010.

Several series of the tax-exempt revenue bonds are insured by monoline bond insurers whose ratings were reduced due to exposures relating to insurance of sub-prime mortgages. Of the bonds outstanding, \$231 million are in the form of insured auction rate securities, wherein interest rates are reset either weekly or every 35 days via an auction process. Beginning in late 2007, the interest rates on these insured bonds began to

increase due to investor concerns about the creditworthiness of the bond insurers. During 2008, interest rates increased, and LG&E and KU experienced failed auctions when there were insufficient bids for the bonds. When a failed auction occurs, the interest rate is set pursuant to a formula stipulated in the indenture. Since the date of acquisition of LKE by PPL, the average rate on LG&E's and KU's auction rate bonds in total was 0.49%. As noted above, the instruments governing these auction rate bonds permit LG&E and KU to convert the bonds to other interest rate modes.

Certain variable rate tax-exempt revenue bonds totaling \$511 million (including the \$163 million discussed below) at December 31, 2010, are subject to tender for purchase by LG&E and KU at the option of the holder and to mandatory tender for purchase by LG&E and KU upon the occurrence of certain events. At December 31, 2010, LG&E held \$163 million of such bonds, which were issued on its behalf by Louisville/Jefferson County, Kentucky and are reflected as "Short-term investments" on the Balance Sheet. In January 2011, the entire \$163 million of bonds were remarketed to unaffiliated investors in a term rate mode, bearing interest at 1.90% into 2012. The proceeds from the remarketing were used to repay the borrowing under LG&E's syndicated credit facility, which is discussed above in "Credit Arrangements and Short-term Debt."

- (l) In April 2009, the PEDFA issued \$231 million aggregate principal amount of Exempt Facilities Revenue Refunding Bonds, Series 2009A and 2009B due 2038 and Series 2009C due 2037 (PPL Energy Supply, LLC Project), on behalf of PPL Energy Supply. The Series 2009A bonds, in an aggregate principal amount of \$100 million, and the Series 2009B bonds, in an aggregate principal amount of \$50 million, were issued by the PEDFA in order to refund \$150 million aggregate principal amount of Exempt Facilities Revenue Bonds, Series 2008A and 2008B (PPL Energy Supply, LLC Project) due 2038 that were issued by the PEDFA in December 2008 on behalf of PPL Energy Supply, and for which PPL Investment Corp. acted as initial purchaser. The Series 2009C bonds, in an aggregate principal amount of \$81 million, were issued in order to refund \$81 million aggregate principal amount of Exempt Facilities Revenue Bonds, Series 2007 (PPL Energy Supply, LLC Project) due 2037 that were issued by the PEDFA in December 2007 on behalf of PPL Energy Supply. Among other things, the completed refundings were able to take advantage of provisions in the Economic Stimulus Package that eliminated the application of the AMT to interest payable on the refinanced indebtedness. The refundings of the bonds were effected by the ultimate distribution of \$231 million by the PEDFA to the bond holders, including PPL Investment Corp. As a result of the refundings of the bonds, PPL Investment Corp. received proceeds of \$150 million, which is reflected as a cash flow from investing activities on the Statement of Cash Flows for PPL and PPL Energy Supply in 2009.

In connection with the issuance of each series of bonds by the PEDFA in 2009, PPL Energy Supply entered into separate loan agreements with the PEDFA pursuant to which the PEDFA loaned to PPL Energy Supply the proceeds of the Series 2009A, Series 2009B and Series 2009C bonds on payment terms that correspond to those of the bonds. PPL Energy Supply issued separate promissory notes to the PEDFA to evidence its obligations under each of the loan agreements. These loan agreements and promissory notes replaced those associated with the refunded 2007 and 2008 PEDFA bonds in a non-cash transaction that is excluded from the Statement of Cash Flows in 2009.

Similar to the Series 2007 Bonds and the Series 2008 Bonds, the Series 2009A, 2009B and 2009C bonds are structured as variable-rate remarketable bonds. PPL Energy Supply may convert the interest rate mode on the bonds from time to time to a commercial paper rate, daily rate, weekly rate or a term rate of at least one year. The bonds are subject to mandatory purchase by PPL Energy Supply under certain circumstances, including upon conversion to a different interest rate mode, and are subject to mandatory redemption upon a determination that the interest on the bonds would be included in the holders' gross income for federal tax purposes. The Series 2009A bonds bore interest at an initial rate of 0.90% through June 30, 2009. The Series 2009B bonds bore interest at an initial rate of 1.25% through September 30, 2009. The Series 2009C bonds were in a weekly interest rate mode through December 9, 2009.

At December 31, 2009, each series of bonds was in a commercial paper rate mode. The weighted average rate was 0.59%.

The interest rate mode on all three series of bonds was converted from a commercial paper rate to a term rate of 3.00% for five years, effective in September 2010.

- (m) PPL – 6.00% - 7.471% notes due 2011-2020.  
PPL Energy Supply – 6.00% notes due 2020.
- (n) In March 2010, WPD (South Wales) and WPD (South West) each issued £200 million of 5.75% Notes due 2040 (Notes). The combined debt issuance of £400 million equated to \$603 million at the time of issuance (\$623 million at December 31, 2010), of which WPD received proceeds of £394 million, which equated to \$593 million, net of discounts and underwriting fees. The proceeds have been, or will be, used for general corporate purposes, including repayment of short-term debt, prepayment of certain pension contributions and funding of capital expenditures. See Note 13 for further discussion of pension contributions.

Includes £225 million (\$350 million at December 31, 2010 and \$369 million at December 31, 2009) of notes that may be redeemed, in total but not in part, on December 21, 2026, at the greater of the principal value or a value determined by reference to the gross redemption yield on a nominated U.K. Government bond.

Also includes £1.0 billion (\$1.6 billion) at December 31, 2010 and £625 million (\$1.0 billion) at December 31, 2009 of notes that may be put by the holders back to the issuer for redemption if the long-term credit ratings assigned to the Notes by Moody's, S&P or Fitch are withdrawn by any of the rating agencies or reduced to a non-investment grade rating of Ba1 or BB+ in connection with a restructuring event. A restructuring event includes the loss of, or a material adverse change to, the distribution license under which WPD (South Wales) and WPD (South West) operate.

Change from 2009 to 2010 includes a decrease of \$53 million resulting from movements in foreign currency exchange rates.

- (o) The principal amount of these notes is adjusted on a semi-annual basis based on changes in a specified index, as detailed in the terms of the related indentures. The adjustment to the principal amount from 2009 to 2010 was an increase of approximately £11 million (\$17 million) and is offset by a \$20 million decrease resulting from movements in foreign currency exchange rates.

These notes may be redeemed, in total by series, on December 1, 2026, at the greater of the adjusted principal value and a make-whole value determined by reference to the gross real yield on a nominated U.K. government bond. Additionally, these notes may be put by the holders back to the issuer for redemption if the long-term credit ratings assigned to the notes by Moody's, S&P or Fitch are withdrawn by any of the rating agencies or reduced to a non-investment grade rating of Ba1 or BB+ in connection with a restructuring event. A restructuring event includes the loss of, or a material adverse change to, the distribution license under which the issuer operates.

- (p) Reflects adjustments made to record WPD's long-term debt at fair value at the time of acquisition of the controlling interest in WPD in 2002.
- (q) Reflects adjustments made to record LG&E's and KU's long-term debt at fair value at the time of acquisition of LKE in 2010.

*(PPL)*

In June 2010, PPL issued 103.5 million shares of its common stock at a public offering price of \$24.00 per share, for a total of \$2.484 billion. Proceeds from the issuance were \$2.409 billion, net of the \$75 million underwriting discount. PPL also issued 23 million Equity Units at a stated amount per unit of \$50.00 for a total of \$1.150 billion. Proceeds from the issuance were \$1.116 billion, net of the \$34 million underwriting discount. PPL invested the net proceeds in U.S. government obligations, bank deposits and other highly rated investments until needed to partially fund the acquisition of LKE and pay certain acquisition-related fees and expenses.

Each Equity Unit consists of a Purchase Contract and, initially, a 5.0% undivided beneficial ownership interest in \$1,000 principal amount of PPL Capital Funding 4.625% Junior Subordinated Notes due 2018 (2018 Notes).

Each Purchase Contract obligates the holder to purchase, and PPL to sell, for \$50.00 a variable number of shares of PPL common stock determined by the average VWAP of PPL's common stock for the 20-trading day period ending on the third trading day prior to July 1, 2013, subject to antidilution adjustments and an early settlement upon a Fundamental Change as follows:

- if the average VWAP equals or exceeds \$28.80, then 1.7361 shares (a minimum of 39,930,300 shares);
- if the average VWAP is less than \$28.80 but greater than \$24.00, a number of shares of common stock having a value, based on the average VWAP, equal to \$50.00; and
- if the average VWAP is less than or equal to \$24.00, then 2.0833 shares (a maximum of 47,915,900 shares).

If holders elect to settle the Purchase Contract prior to July 1, 2013, they will receive 1.7361 shares of PPL common stock, subject to antidilution adjustments and an early settlement upon a Fundamental Change.

A holder's ownership interest in the 2018 Notes is pledged to PPL to secure the holder's obligation under the related Purchase Contract. If a holder of a Purchase Contract chooses at any time to no longer be a holder of the 2018 Notes, such holder's obligation under the Purchase Contract must be secured by a U.S. Treasury security.

Each Purchase Contract also requires PPL to make quarterly contract adjustment payments at a rate of 4.875% per year on the \$50.00 stated amount of the Equity Unit. PPL has the option to defer these contract adjustment payments until the Purchase Contract settlement date. Deferred contract adjustment payments will accrue additional contract adjustment payments at the rate of 9.5% per year until paid. Until any deferred contract adjustment payments have been paid, PPL may not declare or pay any dividends or distributions on, or redeem, purchase or acquire or make a liquidation payment with respect to, any of its capital stock, subject to certain exceptions.

The 2018 Notes are fully and unconditionally guaranteed by PPL as to payment of principal and interest. The 2018 Notes initially bear interest at 4.625% and are not subject to redemption prior to July 2015. Beginning July 2015, PPL Capital Funding may, at its option, redeem the 2018 Notes, in whole but not in part, at any time, at par plus accrued and unpaid interest. The 2018 Notes are expected to be remarketed in 2013 in two tranches, such that neither tranche will have an aggregate principal amount of less than the lesser of \$300 million and 50% of the aggregate principal amount of the 2018 Notes to be remarketed. One tranche will mature on or about the third anniversary of the settlement of the remarketing, and the other tranche will mature on or about the fifth anniversary of such settlement. The 2018 Notes will be remarketed as subordinated, unsecured obligations of PPL Capital Funding, as PPL Capital Funding notified the trustee in September 2010 of its irrevocable election to maintain the subordination provisions of the notes and related guarantees in a remarketing. Upon a successful remarketing, the interest rate on the 2018 Notes may be reset and the maturity of the tranches may be modified as necessary. In connection with a remarketing, PPL Capital Funding may

elect, with respect to each tranche, to extend or eliminate the early redemption date and/or calculate interest on the notes of a tranche on a fixed or floating rate basis. If the remarketing fails, holders of the 2018 Notes will have the right to put their notes to PPL Capital Funding on July 1, 2013 for an amount equal to the principal amount plus accrued interest.

Prior to July 2013, PPL Capital Funding may elect at one or more times to defer interest payments on the 2018 Notes for one or more consecutive interest periods until the earlier of the third anniversary of the interest payment due date and July 2015. Deferred interest payments will accrue additional interest at a rate equal to the interest rate then applicable to the 2018 Notes. Until any deferred interest payments have been paid, PPL may not, subject to certain exceptions, (i) declare or pay any dividends or distributions on, or redeem, purchase or acquire or make a liquidation payment with respect to, any of its capital stock, (ii) make any payment of principal of, or interest or premium, if any, on, or repay, purchase or redeem any of its debt securities that upon its liquidation ranks equal with, or junior in interest to, the subordinated guarantee of the 2018 Notes by PPL as of the date of issuance and (iii) make any payments regarding any guarantee by PPL of securities of any of its subsidiaries (other than PPL Capital Funding) if the guarantee ranks equal with, or junior in interest to, the 2018 Notes as of the date of their issuance.

In the financial statements, the proceeds from the sale of the Equity Units were allocated to the 2018 Notes and the Purchase Contracts, including the obligation to make contract adjustment payments, based on the underlying fair value of each instrument at the time of issuance. As a result, the 2018 Notes were recorded at \$1.150 billion, which approximated fair value, as long-term debt. At the time of issuance, the present value of the contract adjustment payments of \$157 million was recorded to other liabilities, representing the obligation to make contract adjustment payments, with an offsetting reduction to capital in excess of par value for the issuance of the Purchase Contracts, which approximated the fair value of each. The liability is being accreted through interest expense over the three-year term of the Purchase Contracts. The initial valuation of the contract adjustment payments is considered a non-cash transaction that is excluded from the Statement of Cash Flows in 2010. Costs to issue the Equity Units were primarily allocated on a relative cost basis, resulting in \$29 million being recorded to capital in excess of par value and \$7 million being recorded to other noncurrent assets. See Note 4 for EPS considerations related to the Purchase Contracts.

## Legal Separateness

*(PPL, PPL Energy Supply and PPL Electric)*

In 2001, PPL Electric completed a strategic initiative to confirm its legal separation from PPL and PPL's other affiliated companies. This initiative was designed to enable PPL Electric to substantially reduce its exposure to volatility in energy prices and supply risks through 2009 and to reduce its business and financial risk profile by, among other things, limiting its business activities to the transmission and distribution of electricity and businesses related to or arising out of the electric transmission and distribution businesses. In connection with this initiative, PPL Electric:

- obtained long-term electric supply contracts to meet its PLR obligations (with its affiliate PPL EnergyPlus) through 2009, as further described in Note 16 under "PLR Contracts" (also see Note 15 under "Energy Purchase Commitments" for information on current PLR supply procurement procedures);
- agreed to limit its businesses to electric transmission and distribution and related activities;
- adopted amendments to its Articles of Incorporation and Bylaws containing corporate governance and operating provisions designed to clarify and reinforce its legal and corporate separateness from PPL and its other affiliated companies; and
- appointed an independent director to its Board of Directors and required the unanimous approval of the Board of Directors, including the consent of the independent director, to amendments to these corporate governance and operating provisions or to the commencement of any insolvency proceedings, including any filing of a voluntary petition in bankruptcy or other similar actions.

In addition, in connection with the issuance of certain series of bonds, PPL Electric entered into a compliance administration agreement with an independent compliance administrator to review, on a semi-annual basis, its compliance with the corporate governance and operating requirements contained in its Articles of Incorporation and Bylaws. Such series of bonds are no longer outstanding and the compliance administration agreement has terminated, but PPL Electric continues to comply with the corporate separateness provisions in its Articles of Incorporation and Bylaws.



The enhancements to PPL Electric's legal separation from its affiliates are intended to minimize the risk that a court would order PPL Electric's assets and liabilities to be substantively consolidated with those of PPL or another affiliate of PPL in the event that PPL or another PPL affiliate were to become a debtor in a bankruptcy case. Based on these various measures, PPL Electric was able to issue and maintain a higher level of debt and use it to replace higher cost equity, thereby maintaining a lower total cost of capital. Nevertheless, if PPL or another PPL affiliate were to become a debtor in a bankruptcy case, there can be no assurance that a court would not order PPL Electric's assets and liabilities to be consolidated with those of PPL or such other PPL affiliate.

The subsidiaries of PPL are separate legal entities. PPL's subsidiaries are not liable for the debts of PPL. Accordingly, creditors of PPL may not satisfy their debts from the assets of the subsidiaries absent a specific contractual undertaking by a subsidiary to pay PPL's creditors or as required by applicable law or regulation. Similarly, absent a specific contractual undertaking or as required by applicable law or regulation, PPL is not liable for the debts of its subsidiaries. Accordingly, creditors of PPL's subsidiaries may not satisfy their debts from the assets of PPL absent a specific contractual undertaking by PPL to pay the creditors of its subsidiaries or as required by applicable law or regulation.

Similarly, the subsidiaries of PPL Energy Supply and PPL Electric are separate legal entities. These subsidiaries are not liable for the debts of PPL Energy Supply and PPL Electric. Accordingly, creditors of PPL Energy Supply and PPL Electric may not satisfy their debts from the assets of their subsidiaries absent a specific contractual undertaking by a subsidiary to pay the creditors or as required by applicable law or regulation. In addition, absent a specific contractual undertaking or as required by applicable law or regulation, PPL Energy Supply and PPL Electric are not liable for the debts of their subsidiaries. Accordingly, creditors of these subsidiaries may not satisfy their debts from the assets of PPL Energy Supply or PPL Electric absent a specific contractual undertaking by that parent to pay the creditors of its subsidiaries or as required by applicable law or regulation.

### **Distributions, Capital Contributions and Related Restrictions**

*(PPL)*

In February 2010, PPL announced an increase to its quarterly common stock dividend, effective April 1, 2010, to 35.0 cents per share (equivalent to \$1.40 per annum). Future dividends, declared at the discretion of the Board of Directors, will be dependent upon future earnings, cash flows, financial and legal requirements and other factors.

Neither PPL Capital Funding nor PPL may declare or pay any cash dividend or distribution on its capital stock during any period in which PPL Capital Funding defers interest payments on its 2007 Series A Junior Subordinated Notes due 2067. Additionally, as discussed above in "Long-term Debt and Equity Securities," subject to certain exceptions, PPL may not declare or pay any dividend or distribution on its capital stock until any deferred interest payments on its 4.625% Junior Subordinated Notes due 2018 have been paid and deferred contract adjustment payments on PPL's Purchase Contracts have been paid. At December 31, 2010, no payments were deferred on either series of junior subordinated notes or the Purchase Contracts.

PPL relies on dividends or loans from its subsidiaries to fund PPL's dividends to its common shareholders. The net assets of certain PPL subsidiaries are subject to legal restrictions. LG&E, KU and PPL Electric are subject to Section 305(a) of the Federal Power Act, which makes it unlawful for a public utility to make or pay a dividend from any funds "properly included in capital account." The meaning of this limitation has never been clarified under the Federal Power Act. LG&E, KU and PPL Electric believe, however, that this statutory restriction, as applied to their circumstances, would not be construed or applied by the FERC to prohibit the payment from retained earnings of dividends that are not excessive and are for lawful and legitimate business purposes. Also, under Virginia law, KU is prohibited from making loans to affiliates without the prior approval of the VSCC. There are no comparable statutes under Kentucky law applicable to LG&E and KU, or under Pennsylvania law applicable to PPL Electric. However, Orders from the KPSC require LG&E or KU to obtain prior regulatory consent or approval before loaning funds to PPL. At December 31, 2010, the net restricted assets of LG&E and KU were approximately \$4.4 billion.

*(PPL and PPL Energy Supply)*

The PPL Montana Colstrip lease places certain restrictions on PPL Montana's ability to declare dividends. At this time, PPL believes that these covenants will not limit PPL's or PPL Energy Supply's ability to operate as desired and will not affect their ability to meet any of their cash obligations. WPD subsidiaries also have financing arrangements that limit their ability to pay dividends. However, PPL does not, at this time, expect that any of such limitations would significantly impact PPL's or PPL Energy Supply's ability to meet their cash obligations.

*(PPL Energy Supply)*

In 2010, PPL Energy Supply distributed \$4.7 billion to its parent company, PPL Energy Funding, and received cash contributions of \$3.6 billion. The cash contributions received from its parent related primarily to the funds received by PPL in June 2010 from the issuance of common stock and Equity Units. These funds were invested by a subsidiary of PPL Energy Supply until they were returned to PPL Energy Funding in October 2010 to be available to partially fund PPL's acquisition of LKE and pay certain acquisition-related fees and expenses.

*(PPL and PPL Electric)*

As discussed in Note 6, PPL Electric may not pay dividends on its common stock, except in certain circumstances, unless full dividends have been paid on the Preference Shares for the then-current dividend period. The quarterly dividend rate for PPL Electric's Preference Shares is \$1.5625 per share. PPL Electric has declared and paid dividends on its outstanding Preference Shares since issuance. Dividends on the Preference Shares are not cumulative and future dividends, declared at the discretion of PPL Electric's Board of Directors, will be dependent upon future earnings, cash flows, financial and legal requirements and other factors.

*(PPL Electric)*

During 2010, PPL Electric paid common stock dividends of \$71 million to PPL and received cash contributions of \$55 million.

PPL Electric is subject to Section 305(a) of the Federal Power Act, which makes it unlawful for a public utility to make or pay a dividend from any funds "properly included in capital account." The meaning of this limitation has never been clarified under the Federal Power Act. PPL Electric believes, however, that this statutory restriction, as applied to its circumstances, would not be construed or applied by the FERC to prohibit the payment from retained earnings of dividends that are not excessive and are for lawful and legitimate business purposes.

## **8. Acquisitions, Development and Divestitures**

*(PPL, PPL Energy Supply and PPL Electric)*

PPL and its subsidiaries continuously evaluate strategic options and, from time to time, negotiate with third parties regarding acquisitions and dispositions of businesses and assets, joint ventures and development projects, which may or may not result in consummated transactions. Any resulting transactions may impact future financial results. See Note 9 for information on anticipated and completed sales of businesses that were presented as discontinued operations by PPL and PPL Energy Supply and Note 10 for information on PPL's acquisition of LKE.

### **Domestic**

#### Development

*(PPL)*

In 2006, LKE entered into a construction contract related to the Trimble County Unit 2 (TC2) project, a coal-fired generating plant with capacity of 760 MW, of which the LG&E and KU share is 75% or 570 MW. The contract is a turnkey agreement for the design, engineering, procurement, construction, commissioning, testing and delivery of the project, according to designated specifications, terms and conditions. LKE's share of the expected capital cost of the TC2 project is \$860 million. With limited exceptions LKE took care, custody and control of TC2 on January 22, 2011,

and has dispatched the unit to meet customer demand since that date. LG&E and KU and the contractor agreed to a further amendment of the construction agreement whereby the contractor will complete certain actions relating to identifying and completing any necessary modifications to allow operation of TC2 on all fuels in accordance with initial specifications prior to certain dates, and amending the provisions relating to liquidated damages. LKE cannot currently estimate the ultimate outcome of these matters. See Notes 14 and 15 for additional information.

*(PPL and PPL Energy Supply)*

In 2007, PPL requested FERC approval to expand the capacity of its Holtwood hydroelectric plant. In 2008, PPL withdrew the application due to then-prevailing economic conditions, including the high cost of capital and projected future energy prices. As a result, the Supply segment recorded an impairment of \$22 million (\$13 million after tax), which is included in "Other operation and maintenance" on the Statements of Income. In 2009, PPL filed a new application with the FERC to expand capacity at its Holtwood hydroelectric plant, which the FERC approved. PPL reconsidered this project in light of the availability of tax incentives and potential federal loan guarantees for renewable projects contained in the Economic Stimulus Package. The expansion project has an expected capital cost of approximately \$434 million. Construction continues on the project, with commercial operations scheduled to begin in 2013. At December 31, 2010, expected remaining expenditures are \$304 million.

In 2009, PPL Montana received FERC approval for its request to redevelop the Rainbow hydroelectric facility at Great Falls, Montana to increase capacity by 28 MW. The redevelopment project's expected cost is \$212 million. Construction continues on the project, with commercial operations scheduled to begin in 2012. At December 31, 2010, expected remaining expenditures are \$100 million.

PPL believes that it is qualified for either investment tax credits or Treasury grants for the hydroelectric plant expansion projects at the Holtwood and Rainbow facilities. PPL has recognized investment tax credits and is evaluating whether to seek Treasury grants in lieu of the credits. During 2010, PPL recorded deferred investment tax credits of \$52 million related to tax years 2010 and 2009. PPL anticipates recognizing an additional \$90 million in tax credits for tax years 2011 and 2012. These credits reduce PPL's tax liability and will be amortized over the life of the related assets.

In 2008, PPL Susquehanna received NRC approval for its request to increase the generation capacity of the Susquehanna nuclear plant. The project is being completed in phases over several years. PPL Susquehanna's share of the total expected capacity increase is currently estimated to be 195 MW. The final phase of the Unit 1 uprate was completed in 2010 and yielded 55 MW for PPL Susquehanna. The final Unit 2 uprate is scheduled for 2011 and is projected to yield an additional 50 MW for PPL Susquehanna. At December 31, 2010, PPL Susquehanna's share of expected remaining expenditures is \$15 million.

In 2008, a PPL Energy Supply subsidiary submitted a COLA to the NRC for the proposed Bell Bend nuclear generating unit (Bell Bend) to be built adjacent to the Susquehanna plant. Also in 2008, the COLA was formally docketed and accepted for review by the NRC. PPL continues to respond to questions from the NRC regarding technical and site specific information provided in the initial COLA and subsequent amendments. PPL does not expect to complete the COLA review process with the NRC prior to 2013.

In 2008, a PPL Energy Supply subsidiary submitted Parts I and II of an application for a federal loan guarantee for Bell Bend to the DOE. In 2009, the DOE announced that it was working to finalize loan guarantees related to four projects, not including Bell Bend. Eight of the ten applicants who submitted Part II applications remain active in the DOE program; however, the DOE has stated that the \$18.5 billion currently appropriated to support new nuclear projects would not likely be enough for more than three projects. The PPL Energy Supply subsidiary submits quarterly application updates for Bell Bend to the DOE to remain active in the loan guarantee application process.

PPL has made no decision to proceed with construction of Bell Bend and expects that such decision will not be made for several years given the anticipated lengthy NRC license approval process. Additionally, PPL has announced that it does not expect to proceed with construction absent favorable economics, a joint arrangement with other interested parties and a federal loan guarantee or other acceptable financing. PPL and its subsidiaries are currently authorized by PPL's Board of Directors to spend up to \$144 million on the COLA and other permitting costs (including land costs) necessary for construction. At December 31, 2010 and 2009, \$109 million and \$77 million of costs associated with the licensing application were capitalized and are included on the Balance Sheets in noncurrent "Other intangibles." PPL believes it is

probable that these costs are ultimately recoverable following NRC approval of the COLA either through construction of the new nuclear unit, transfer of the COLA rights to a joint venture, or sale of the COLA rights to another party.

*(PPL and PPL Electric)*

In 2007, PJM directed the construction of a new 150-mile, 500-kilovolt transmission line between the Susquehanna substation in Pennsylvania and the Roseland substation in New Jersey that it identified as essential to long-term reliability of the Mid-Atlantic electricity grid. PJM determined that the line is needed to prevent potential overloads that could occur as early as 2012 on several existing transmission lines in the interconnected PJM system. PJM has directed PPL Electric to construct the portion of the Susquehanna-Roseland line in Pennsylvania and has directed Public Service Electric & Gas Company to construct the portion of the line in New Jersey, in each case by June 1, 2012. PPL Electric's estimated share of the project costs is approximately \$500 million.

This project is pending certain regulatory approvals. PPL Electric has identified the approximately 100-mile route for the Pennsylvania portion of the line. In February 2010, the PUC and the New Jersey Board of Public Utilities approved the project. Several parties appealed the PUC decision to the Commonwealth Court of Pennsylvania, and certain of those appeals are pending before the court. PPL Electric cannot predict the ultimate outcome or timing of these proceedings.

In addition, both companies are working with the National Park Service to obtain any approvals that may be required to route the line through the Delaware Water Gap National Recreation Area. The National Park Service has stated that its review will not be completed until 2012. PPL Electric cannot predict the ultimate outcome or timing of the National Park Service approval.

PPL Electric anticipates the delays in the approval process will delay the in-service date to 2014 or later. PPL Electric also cannot predict what action, if any, PJM might take in the event of a delay to its scheduled in-service date for the new line. PJM continues to reaffirm the need for this project.

## 9. Discontinued Operations

*(PPL and PPL Energy Supply)*

### Anticipated Sale of Certain Non-core Generation Facilities

As part of the LKE acquisition financing strategy, management explored the sale of certain non-core assets. As a result of this process, in September 2010 certain PPL Energy Supply subsidiaries signed definitive agreements to sell their ownership interests in certain non-core generation facilities, included in the Supply segment, for approximately \$381 million in cash. The transaction includes the natural gas-fired facilities in Wallingford, Connecticut and University Park, Illinois and a PPL Energy Supply subsidiary's share in Safe Harbor Water Power Corporation, which owns a hydroelectric facility in Conestoga, Pennsylvania and which is accounted for as an equity investment.

These non-core generation facilities met the held for sale criteria in the third quarter of 2010. As a result, assets with a carrying amount of \$473 million were written down to their estimated fair value (less cost to sell) of \$377 million at September 30, 2010, resulting in a pre-tax impairment charge of \$96 million (\$58 million after tax). In addition, \$5 million (\$4 million after tax) of allocated goodwill was written off in the third quarter of 2010. During the fourth quarter of 2010, additional tax expense of \$2 million was recorded. These charges are included in "Income (Loss) from Discontinued Operations (net of income taxes)" on the 2010 Statements of Income. The sale is expected to close in the first quarter of 2011, subject to the receipt of necessary regulatory approvals and third-party consents.

Following are the components of Discontinued Operations in the Statements of Income.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating revenues	\$ 113	\$ 106	\$ 150
Operating expenses (a)	156	42	60
Operating income (loss)	<u>(43)</u>	<u>64</u>	<u>90</u>

Other income (expense) - net	2	2	2
Interest expense (b)	11	9	7
Income (loss) before income taxes	(52)	57	85
Income tax expense (benefit)	(18)	24	35
Income (Loss) from Discontinued Operations	<u>\$ (34)</u>	<u>\$ 33</u>	<u>\$ 50</u>

- (a) 2010 includes the impairments to the carrying value of the generation facilities being sold and the write-off of allocated goodwill.  
(b) Represents allocated interest expense based upon debt attributable to the generation facilities being sold.

The major classes of assets reported as held for sale on the Balance Sheet at December 31, 2010 were \$357 million of PP&E and a \$13 million equity method investment (corresponding amounts at December 31, 2009 were \$461 million of PP&E and a \$13 million equity method investment, which have not been reclassified on the Balance Sheet as of that date).

### Sale of Long Island Generation Business

In February 2010, a PPL Energy Supply subsidiary completed the sale of the Long Island generation business, which was included in the Supply segment. The definitive sales agreement, which was executed in May 2009, included provisions that reduced the \$135 million purchase price monthly, commencing September 1, 2009. After adjusting for these price-reduction provisions, proceeds from the sale approximated \$124 million.

In the second quarter of 2009, the Long Island generation business met the held for sale criteria. As a result, at June 30, 2009, net assets held for sale were written down to their estimated fair value less cost to sell, resulting in a pre-tax impairment charge of \$52 million (\$34 million after tax). At both September 30 and December 31, 2009, the estimated fair value (less cost to sell) was remeasured and additional impairments totaling \$10 million (\$3 million after tax) were recorded. In addition, \$2 million (\$1 million after tax) of goodwill allocated to this business was written off in 2009. PPL Energy Supply recorded a loss on the sale of \$3 million during the first quarter of 2010 due to the price-reduction provisions. The losses recognized in the third and fourth quarters of 2009 and the first quarter of 2010 did not significantly impact earnings, as such amounts were substantially offset by tolling revenues from the Long Island generation assets during the same periods. These amounts are included in "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income.

The tolling agreements related to these plants were transferred to the new owner upon completion of the sale.

Following are the components of Discontinued Operations in the Statements of Income.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating revenues	\$ 4	\$ 24	\$ 26
Operating expenses (a)	4	73	8
Operating income (loss)		(49)	18
Interest expense (b)		4	3
Income (loss) before income taxes		(53)	15
Income tax expense (benefit)		(20)	5
Income (Loss) from Discontinued Operations	<u>\$</u>	<u>\$ (33)</u>	<u>\$ 10</u>

- (a) 2010 includes the loss on the sale of the business. 2009 includes impairment charges.  
(b) Represents allocated interest expense based upon debt attributable to PPL's Long Island generation business.

Upon completion of the sale, \$41 million of PP&E and an \$86 million net investment in a direct-financing lease, which had been classified as held for sale at December 31, 2009, were removed from the Balance Sheet.

### Sale of Maine Hydroelectric Generation Facilities

#### *Sale of the Remaining Maine Hydroelectric Generation Business*

In December 2010, a PPL Energy Supply subsidiary completed the sale of its remaining three hydroelectric facilities in Maine, which were included in the Supply segment, for \$24 million. As a result of the sale, PPL Energy Supply recorded a gain of \$11 million (\$7 million after tax), reflected in "Income (Loss) from Discontinued Operations (net of income taxes)" on the 2010 Statement of Income. Upon completion of the sale, assets totaling \$13 million, primarily PP&E, were removed from the Balance Sheet.

#### *Sale of the Majority of Maine Hydroelectric Generation Business*

In 2009, a PPL Energy Supply subsidiary completed the sale of the majority of its Maine hydroelectric generation business, which was included in the Supply segment, for \$81 million in cash, adjusted for working capital. The assets sold in this transaction included five hydroelectric facilities and a 50% equity interest in a sixth hydroelectric facility, which had been accounted for as an equity investment, together with rights to increase energy output at these facilities upon completion of the sale of the PPL Energy Supply subsidiary's three other hydroelectric facilities in Maine (see "Sale of the Remaining Maine Hydroelectric Generation Business" above). As a result of the sale of the majority of the Maine hydroelectric generation business, PPL Energy Supply recorded a gain of \$38 million (\$22 million after tax), reflected in "Income (Loss) from Discontinued Operations (net of income taxes)" on the 2009 Statement of Income. Additionally, in December 2010, the PPL Energy Supply subsidiary received \$14 million in contingent consideration, which was tied to its completion of the sale of the three other hydroelectric facilities noted above. PPL Energy Supply accordingly recorded a gain of \$14 million (\$8 million after tax), reflected in "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statement of Income.

Following are the components of Discontinued Operations in the Statements of Income.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating revenues		\$ 5	\$ 11
Operating expenses (a)	\$ (25)	(34)	3
Operating income	25	39	8
Other income (expense) - net		3	2
Interest expense (b)		1	1
Income before income taxes	25	41	9
Income tax expense	10	17	4
Income from Discontinued Operations	<u>\$ 15</u>	<u>\$ 24</u>	<u>\$ 5</u>

(a) Includes the gains recorded on the sales.

(b) Represents allocated interest expense based upon debt attributable to the Maine hydroelectric generation business sold.

#### Sale of Interest in Wyman Unit 4

As a result of management's ongoing strategic review of PPL Energy Supply's non-core asset portfolio, in 2009, a PPL Energy Supply subsidiary sold its 8.33% ownership interest in the Wyman Unit 4 generating station, an oil-fired plant located in Yarmouth, Maine. PPL Energy Supply's interest in the plant was included in the Supply segment. In connection with the sale, PPL Energy Supply recorded a loss of \$6 million (\$4 million after tax). This charge is included in "Income (Loss) from Discontinued Operations (net of income taxes)" on the 2009 Statement of Income.

#### Sale of Latin American Businesses

In 2007, PPL Energy Supply completed the sale of its regulated electricity delivery businesses in Chile, El Salvador and Bolivia, which were included in the International Regulated segment. In 2008, PPL Global recognized income tax benefits and miscellaneous expenses in Discontinued Operations in connection with the dissolution of certain Latin American holding companies. This process was substantially completed in 2008. In 2009, PPL Energy Supply identified a correction to the previously computed tax bases of the Latin American businesses. The most significant adjustment related to the sale of the El Salvadoran business and was largely due to returns of capital in certain prior years that had not been reflected in the calculated tax basis. As a result, PPL Energy Supply recorded \$24 million of additional income tax expense in 2009, which is reflected on the Statement of Income in "Income (Loss) from Discontinued

Operations (net of income taxes)." The additional expense is not considered by management to be material to the 2009 financial statements.

Following are the components of Discontinued Operations in the Statements of Income.

	<u>2009</u>	<u>2008</u>
Operating expenses		\$ 2
Operating loss		(2)
Other income (expense) - net		(1)
Loss before income taxes		(3)
Income tax expense (benefit) (a)	\$ 27	(8)
Income (Loss) from Discontinued Operations	<u>\$ (27)</u>	<u>\$ 5</u>

- (a) 2009 includes the \$24 million income tax adjustment referred to above. 2008 includes \$6 million from the recognition of a previously unrecognized tax benefit associated with a prior year tax position.

*(PPL)*

#### WKE

Prior to its November 1, 2010 acquisition by PPL, WKE had a 25-year lease for and operated nine generating facilities of Big Rivers Electric Corporation, a power-generating cooperative in western Kentucky, and a tenth facility owned by the City of Henderson, Kentucky. In 2007, WKE entered into an agreement to terminate the lease, which closed in 2009, prior to PPL acquiring LKE. As part of the lease termination, WKE was obligated to pay a former customer, an aluminum smelter, an aluminum production payment in lieu of a lump-sum cash consent payment, as well as the difference between the electricity prices charged by WKE under the previous long-term sales contract and the electricity prices charged by the aluminum smelter's current electricity supplier. This obligation was partially mitigated by the opportunity to make off-system sales, when economic, for the contractual demand not used by the aluminum smelter. In addition, the total amount of the obligation to this smelter was limited to \$82 million. Any amount paid by WKE over the limit has been recorded as an interest-bearing receivable and is required to be repaid (plus interest) only if certain conditions occur by 2028. Such exposure expired in January 2011. In addition, because the former customer posted a letter of credit supporting payment to its current electricity supplier, WKE reversed a portion of the liability associated with its guarantee of payment by the former customer. Also, WKE had an obligation to another aluminum smelter, also a former customer, to make an escrow payment of approximately \$4 million, which was included in the liability at December 31, 2010, and was paid in January 2011. The income statement impacts are included in the Kentucky Regulated segment and are reflected in "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income. See Note 15 for additional information related to the termination of the lease. The results of operations for 2010 were insignificant.

#### Sale of Gas and Propane Businesses

In 2007, PPL completed a review of strategic options for its natural gas distribution and propane businesses and announced its intention to sell these businesses, which were included in the Pennsylvania Regulated segment. PPL completed the sale in October 2008 for \$268 million in cash, adjusted for working capital at the sale date, pursuant to a stock purchase agreement. Sale proceeds of \$303 million, including estimated working capital, were contributed to PPL Energy Supply through its parent, PPL Energy Funding. In 2008, PPL recorded impairment and other charges related to the sale totaling \$10 million (\$6 million after tax). Also in 2008, PPL Gas Utilities paid a \$3 million (\$2 million after tax) premium to prepay the entire \$10 million aggregate principal of its 8.70% Senior Notes due December 2022. In 2009, PPL recognized an insignificant charge in Discontinued Operations in connection with the settlement of the working capital adjustment.

Following are the components in Discontinued Operations in the Statements of Income.

2008

Operating revenues	\$	162
Operating expenses (a)		<u>154</u>
Operating income		8
Other income (expense) - net		(3)
Interest expense (b)		<u>4</u>
Income before income taxes		1
Income tax benefit		<u>(2)</u>
Income from Discontinued Operations	\$	<u><u>3</u></u>

(a) Includes impairment and other charges related to the sale.

(b) Includes \$3 million of allocated interest expense based upon debt attributable to PPL's natural gas distribution and propane businesses.



**10. Acquisition of E.ON U.S. LLC***(PPL)*

On November 1, 2010 (acquisition date), PPL completed the acquisition of all of the limited liability company interests of E.ON U.S. LLC from a wholly owned subsidiary of E.ON AG. Upon completion of the acquisition, E.ON U.S. LLC was renamed LG&E and KU Energy LLC. LG&E and KU Energy LLC is a holding company with regulated utility operations conducted through its subsidiaries, LG&E and KU. The acquisition substantially reapportions the mix of PPL's regulated and competitive businesses by increasing the regulated portion of its business, strengthens PPL's credit profile and enhances rate-regulated growth opportunities as the regulated businesses make investments to improve infrastructure and customer reliability.

The fair value of the consideration paid for E.ON U.S. LLC was as follows.

Aggregate enterprise consideration	\$ 7,614
Less: fair value of assumed long-term debt outstanding, net	<u>772</u>
Total cash consideration paid	6,842
Less: funds made available to E.ON U.S. LLC to repay pre-acquisition affiliate indebtedness	<u>4,349</u>
Cash consideration paid for E.ON U.S. LLC equity interests	<u><u>\$ 2,493</u></u>

The \$6.842 billion total cash consideration paid, including repayment of affiliate indebtedness, was funded by PPL's June 2010 issuance of \$3.634 billion of common stock and Equity Units that provided net proceeds totaling \$3.525 billion, net of underwriting discounts, \$3.2 billion of borrowings under an existing credit facility in October 2010, \$249 million of proceeds from the monetization of certain full-requirement sales contracts in July 2010 and cash on hand. See Note 7 for additional information on the issuance of common stock and Equity Units and the October 2010 borrowing under PPL Energy Supply's syndicated credit facility that provided interim financing to partially fund the acquisition. See Note 19 for additional information on the monetization of certain full-requirement sales contracts.

The allocation of the purchase price to the fair value of assets acquired and liabilities assumed is as follows.

Cash	\$ 30
Accounts receivable (a)	175
Current assets	764
Investments	31
PP&E	7,469
Other intangibles (current and noncurrent)	427
Regulatory and other noncurrent assets	689
Current liabilities, excluding current portion of long-term debt (b)	(516)
PPL affiliate indebtedness	(4,349)
Long-term debt (current and noncurrent) (b)	(934)
Other noncurrent liabilities (b)	<u>(2,289)</u>
Net identifiable assets acquired	1,497
Goodwill	996
Net assets acquired	<u><u>\$ 2,493</u></u>

- (a) The gross contractual amount of the accounts receivable acquired was \$186 million. PPL expects \$11 million to be uncollectible; however, credit risk is mitigated since uncollectible accounts are a component of customer rates.
- (b) Represents non-cash activity excluded from the Statement of Cash Flows in 2010.

Goodwill related to the LKE acquisition of \$996 million was recorded at LG&E and KU. For purposes of goodwill impairment testing, the goodwill was assigned to the reportable segments expected to benefit from the acquisition. Both the Kentucky Regulated and the Supply segments are expected to benefit and the assignment of goodwill was \$662 million to the Kentucky Regulated segment and \$334 million to the Supply segment. The goodwill at the Kentucky Regulated segment reflects the value paid for the expected continued growth of a rate-regulated business located in a defined service area with a constructive regulatory environment, the ability of LKE to leverage its assembled workforce to take advantage of those growth opportunities and the attractiveness of stable, growing cash flows. Although no other assets or liabilities from the acquisition were assigned to the Supply segment, the Supply segment obtained a synergistic

benefit attributed to the overall de-risking of the PPL portfolio, which enhanced PPL Energy Supply's credit profile, thereby increasing the value of the Supply segment. This increase in value resulted in the assignment of goodwill to the Supply segment. None of the goodwill recognized is expected to be included in regulated customer rates or deductible for income tax purposes. As such, no deferred taxes were recorded related to goodwill.

See Note 9 and the "Guarantees and Other Assurances" section of Note 15 for additional information on certain indemnifications provided by LKE, the most significant of which relates to the discontinued operations of WKE.

The actual LKE operating revenues and net income attributable to PPL included in PPL's Statement of Income for the year ended December 31, 2010, and PPL's unaudited pro forma 2010 and 2009 operating revenues and net income attributable to PPL, including LKE, as if the acquisition had occurred January 1, 2009, are as follows.

	<u>Operating Revenues</u>	<u>Net Income (Loss) Attributable to PPL</u>
Actual from November 1, 2010 – December 31, 2010	\$ 493	\$ 47
Pro forma for 2010 (unaudited)	10,761	1,273
Pro forma for 2009 (unaudited)	9,950	(881) (a)

(a) Includes a \$1.493 billion goodwill impairment charge recorded by E.ON U.S. LLC in December 2009, prior to the acquisition by PPL.

The pro forma financial information presented above has been derived from the historical consolidated financial statements of PPL and LKE. Adjustments included in the pro forma financial information include: (a) a pre-tax adjustment in 2010 of \$165 million for non-recurring acquisition-related costs including the Bridge Facility in support of the acquisition, losses incurred in connection with the termination of interest rate swaps, and other third-party transaction costs; (b) a net decrease in interest expense from the repayment of affiliate indebtedness to subsidiaries of E.ON AG, and replacement with interest expense related to the November 2010 issuance of debt by LG&E and KU Energy LLC, LG&E and KU (the Kentucky Entities); and (c) the income tax effect of the pro forma adjustments, which was calculated using an estimated post-acquisition composite statutory income tax rate of 39%. In addition, losses from discontinued operations (net of income taxes) of PPL and LKE of \$18 million and \$227 million in 2010 and 2009 were excluded from the pro forma amounts above.

The pro forma financial information has been presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have been achieved had the acquisition been completed on the dates indicated, or the future consolidated results of operations of PPL.

During 2010, PPL incurred third-party acquisition-related costs of \$31 million, including advisory, accounting and legal fees, which were recorded in "Other Income (Expense) - net" on the 2010 Statement of Income. In addition, Bridge Facility costs of \$80 million were recorded in "Interest Expense" on the 2010 Statement of Income. See Note 7 for a discussion of costs incurred related to PPL's June 2010 issuance of common stock and Equity Units.

In November 2010, LKE issued \$2.9 billion of debt, of which \$100 million was used to return capital to PPL. See Note 7 for additional information.

*(PPL and PPL Energy Supply)*

The majority of the net proceeds from the November 2010 debt issuances of LKE, discussed above, together with a borrowing by LG&E under its available credit facilities were applied to repay borrowings from a PPL Energy Supply subsidiary. Such borrowings were incurred to permit LKE to repay certain indebtedness owed to affiliates of E.ON AG upon the closing of the acquisition. In November 2010, PPL Energy Supply used the above-referenced amounts received from LKE, together with other cash on hand, to repay approximately \$3.0 billion of its October 2010 borrowing under existing credit facilities. See Note 7 for additional information.

To ensure adequate funds were available for the acquisition, in July 2010, PPL Energy Supply monetized certain full-requirement sales contracts that resulted in cash proceeds of \$249 million. See "Commodity Price Risk (Non-trading) -

Monetization of Certain Full-Requirement Sales Contracts" in Note 19 for additional information. Additionally, PPL Energy Supply expects to receive proceeds in the first quarter of 2011 from the sale of certain non-core generation facilities, which will be used to repay the short-term borrowings drawn on existing credit facilities. See "Anticipated Sale of Certain Non-Core Generation Facilities" in Note 9 for additional information.

As a result of the monetization of these full-requirement sales contracts, coupled with the expected net proceeds from the anticipated sale of these non-core generation facilities, debt that had been planned to be issued by PPL Energy Supply in late 2010 was no longer needed. Therefore, hedge accounting associated with interest rate swaps entered into by PPL in anticipation of a debt issuance by PPL Energy Supply was discontinued. Net losses of \$(29) million, or \$(19) million after tax, were reclassified from AOCI to "Other Income (Expense) - net" on PPL's 2010 Statement of Income.

## 11. Leases

### Lessee Transactions

*(PPL)*

#### E.W. Brown Combustion Turbines

LG&E and KU are participants in a sale-leaseback transaction involving two combustion turbines at the E.W. Brown generating station. In December 1999, after selling their interests in the combustion turbines, LG&E and KU entered into an 18-year lease of the turbines. At the same time, LG&E and KU provided funds to fully defease the lease and executed an irrevocable notice to exercise an early purchase option contained in the lease after 15.5 years, which will occur in 2014. The financial statement treatment of this transaction is the same as if LG&E and KU had retained their ownership interest. Since the lease was defeased, there are no remaining minimum lease payments and all related PP&E is reflected on the Balance Sheet at December 31, 2010. At December 31, 2010, the Balance Sheet included assets of \$104 million, which are reflected in "Regulated utility plant – electric and gas, net." For 2010, the related accumulated depreciation and depreciation expense are insignificant.

Upon a default under the lease, LG&E and KU are obligated to pay to the lessor their share of certain amounts. Primary events of default include loss or destruction of the combustion turbines, failure to insure or maintain the combustion turbines and unwinding of the transaction due to governmental actions. No events of default currently exist with respect to the lease. Upon any termination of the lease, whether by default or expiration of its term, title to the combustion turbines reverts to LG&E and KU. The maximum aggregate amount that could be required to be paid at December 31, 2010 is \$7 million.

*(PPL and PPL Energy Supply)*

#### Tolling Agreement

In 2008, PPL EnergyPlus acquired the rights to an existing long-term tolling agreement for the capacity and energy of Ironwood. Under the agreement, PPL EnergyPlus has control over the plant's dispatch into the electricity grid and will supply the natural gas necessary to operate the plant. The tolling agreement extends through 2021 and is considered to contain an operating lease for accounting purposes. The fixed payments under the tolling agreement are subject to adjustment based upon changes to the facility capacity rating, which may occur up to twice per year. Certain costs within the tolling agreement, primarily non-lease costs, are subject to escalation.

#### Colstrip Generating Plant

In July 2000, PPL Montana sold its interest in the Colstrip generating plants to owner lessors who are leasing a 50% interest in Colstrip Units 1 and 2 and a 30% interest in Unit 3 back to PPL Montana under four 36-year non-cancelable leases. This transaction is accounted for as a sale-leaseback and classified as an operating lease. These leases provide two renewal options based on the economic useful life of the generation assets. PPL Montana currently amortizes material leasehold improvements over no more than the remaining life of the original leases. PPL Montana is required to pay all expenses associated with the operations of the generation units. The leases place certain restrictions on PPL

Montana's ability to incur additional debt, sell assets and declare dividends and require PPL Montana to maintain certain financial ratios related to cash flow and net worth. There are no residual value guarantees in these leases. However, upon an event of default or an event of loss, PPL Montana could be required to pay a termination value of amounts sufficient to allow the lessor to repay amounts owing on the lessor notes and make the lessor whole for its equity investment and anticipated return on investment. The events of default include payment defaults, breaches of representations or covenants, acceleration of other indebtedness of PPL Montana, change in control of PPL Montana and certain bankruptcy events. The termination value was estimated to be \$763 million at December 31, 2010.

### Kerr Dam

At December 31, 2010, PPL Montana continued to participate in a lease arrangement with the Confederated Salish and Kootenai Tribes of the Flathead Reservation. Under a joint operating license, issued by the FERC to Montana Power in 1985, and subsequently to PPL Montana as a result of the purchase of Kerr Dam from Montana Power, PPL Montana is responsible to make payments to the tribes, for the use of their property. This agreement, subject to escalation based upon inflation, extends until the end of the license term in 2035. Between 2015 and 2025, the tribes have the option to purchase, hold and operate the project, which would result in the termination of this leasing arrangement.

### Other Leases

PPL and its subsidiaries have entered into various agreements for the lease of office space, vehicles, land and other equipment.

### Rent - Operating Leases

Rent expense for PPL's operating leases was \$90 million, \$86 million and \$73 million in 2010, 2009 and 2008. Rent expense for PPL Energy Supply's operating leases was \$87 million, \$86 million and \$73 million in 2010, 2009 and 2008.

Total future minimum rental payments for all operating leases are estimated to be:

	<u>PPL</u>	<u>PPL Energy Supply</u>
2011	\$ 122	\$ 108
2012	117	106
2013	120	110
2014	117	109
2015	101	96
Thereafter	314	310
Total (a)	<u>\$ 891</u>	<u>\$ 839</u>

(a) Includes \$21 million in aggregate of future minimum lease payments related to the Wallingford property lease. See Note 9 for additional information on the anticipated sale of this generation facility.

## **12. Stock-Based Compensation**

*(PPL, PPL Energy Supply and PPL Electric)*

Under the PPL Incentive Compensation Plan (ICP) and the Incentive Compensation Plan for Key Employees (ICPKE) (together, the Plans), restricted shares of PPL common stock, restricted stock units, performance units and stock options may be granted to officers and other key employees of PPL, PPL Energy Supply, PPL Electric and other affiliated companies. Awards under the Plans are made by the Compensation, Governance and Nominating Committee (CGNC) of the PPL Board of Directors, in the case of the ICP, and by the PPL Corporate Leadership Council (CLC), in the case of the ICPKE.

The ICP limits the total number of awards that may be granted under it after April 23, 1999 to 15,769,431. The ICPKE limits the total number of awards that may be granted under it after April 25, 2003 to 14,199,796. In addition, each Plan limits the number of shares available for awards in any calendar year to 2% of the outstanding common stock of PPL on

the first day of such calendar year. The maximum number of options that can be awarded under each Plan to any single eligible employee in any calendar year is three million shares. Any portion of these options that has not been granted may be carried over and used in any subsequent year. If any award lapses, is forfeited or the rights of the participant terminate, the shares of PPL common stock underlying such an award are again available for grant. Shares delivered under the Plans may be in the form of authorized and unissued PPL common stock, common stock held in treasury by PPL or PPL common stock purchased on the open market (including private purchases) in accordance with applicable securities laws.

### Restricted Stock and Restricted Stock Units

Restricted shares of PPL common stock are outstanding shares with full voting and dividend rights. Restricted stock awards are granted as a retention award for select key executives and vest when the recipient reaches a certain age or meets service or other criteria set forth in the executive's restricted stock award agreement. The shares are subject to forfeiture or accelerated payout under Plan provisions for termination, retirement, disability and death of employees. Restricted shares vest fully if control of PPL changes, as defined by the Plans.

The Plans allow for the grant of restricted stock units. Restricted stock units are awards based on the fair value of PPL common stock. Actual PPL common shares will be issued upon completion of a vesting period, generally three years. The fair value of restricted stock units granted is recognized over the service period or through the date at which the employee reaches retirement eligibility. The fair value of restricted stock units granted to retirement-eligible employees is recognized immediately upon the date of grant. Recipients of restricted stock units may also be granted the right to receive dividend equivalents through the end of the restriction period or until the award is forfeited. Restricted stock units are subject to forfeiture or accelerated payout under the Plan provisions for termination, retirement, disability and death of employees. Restricted stock units vest fully if control of PPL changes, as defined by the Plans.

Restricted stock and restricted stock unit activity for 2010 was:

	<u>Restricted Shares/Units</u>		<u>Weighted- Average Grant Date Fair Value Per Share</u>
<b><u>PPL</u></b>			
Nonvested, beginning of period	1,408,042	\$	36.97
Granted	745,430		28.93
Vested	(471,640)		32.63
Forfeited	(18,710)		32.59
Nonvested, end of period	<u>1,663,122</u>		31.22
<b><u>PPL Energy Supply</u></b>			
Nonvested, beginning of period	577,412	\$	37.04
Granted	225,880		29.49
Vested	(213,405)		32.96
Forfeited	(9,470)		34.29
Nonvested, end of period	<u>580,417</u>		31.33
<b><u>PPL Electric</u></b>			
Nonvested, beginning of period	154,220	\$	36.05
Granted	65,320		29.40
Vested	(46,635)		35.16
Forfeited	(3,580)		29.75
Nonvested, end of period	<u>169,325</u>		31.20

Substantially all restricted stock and restricted stock unit awards are expected to vest.

The weighted-average grant date fair value of restricted stock and restricted stock units granted during 2009 was \$29.07 for PPL, \$28.49 for PPL Energy Supply and \$29.49 for PPL Electric. The weighted-average grant date fair value of restricted stock and restricted stock units granted during 2008 was \$46.22 for PPL, \$46.03 for PPL Energy Supply and \$45.92 for PPL Electric.

At December 31, 2010, unrecognized compensation expense related to nonvested awards was:

	<b>Restricted Stock/Units Unrecognized Compensation Expense</b>	<b>Weighted- Average Period for Recognition</b>
PPL	\$ 14	2.4 years
PPL Energy Supply	4	1.7 years
PPL Electric	2	3.8 years

The total fair value of restricted stock/units vesting for the years ended December 31 was:

	<b>2010</b>	<b>2009</b>	<b>2008</b>
PPL	\$ 15	\$ 22	\$ 25
PPL Energy Supply	7	12	13
PPL Electric	2	2	2

### Performance Units

Performance units are intended to encourage and award future performance. Performance units represent a target number of shares (Target Award) of PPL's common stock that the recipient would receive upon PPL's attainment of the applicable performance goal. Performance is determined based on total shareowner return during a three-year performance period. At the end of the period, payout is determined by comparing PPL's performance to the total shareowner return of the companies included in an index group, in this case the S&P Electric Utilities Index. Awards are payable on a graduated basis within the following ranges: if PPL's performance is at or above the 85th percentile of the index group, the award is paid at 200% of the Target Award; at the 50th percentile of the index group, the award is paid at 100% of the Target Award; at the 40th percentile of the index group, the award is paid at 50% of the Target Award; and below the 40th percentile, no award is payable. Dividends payable during the performance cycle accumulate and are converted into additional performance units and are payable in shares of PPL common stock upon completion of the performance period based on the determination of the CGNC of whether the performance goals have been achieved. Under the Plan provisions, performance units are subject to forfeiture upon termination of employment except for retirement, disability or death of an employee, in which case the total performance units remain outstanding and eligible for vesting through the conclusion of the performance period. The fair value of performance units granted is recognized over the three-year performance period. Performance units vest on a pro rata basis if control of PPL changes, as defined by the Plan.

Performance unit activity for 2010 was:

	<b>Performance Units</b>	<b>Weighted- Average Grant Date Fair Value Per Share</b>
<b><u>PPL</u></b>		
Nonvested, beginning of period	166,464	\$ 43.23
Granted	121,246	34.06
Forfeited	(1,670)	33.82
Nonvested, end of period	286,040	39.40
<b><u>PPL Energy Supply</u></b>		
Nonvested, beginning of period	46,427	\$ 42.39
Granted	33,107	34.16
Forfeited	(1,670)	33.82
Nonvested, end of period	77,864	39.08
<b><u>PPL Electric</u></b>		
Nonvested, beginning of period	11,635	\$ 42.71
Granted	10,596	33.54
Nonvested, end of period	22,231	38.34

The weighted-average grant date fair value of performance units granted during 2009 was \$39.76 for PPL, \$38.18 for PPL Energy Supply and \$39.95 for PPL Electric. The weighted-average grant date fair value of performance units granted during 2008 was \$48.97 for PPL, \$48.69 for PPL Energy Supply and \$48.57 for PPL Electric.

At December 31, 2010, unrecognized compensation expense related to nonvested awards was:

	<b>Performance Units Unrecognized Compensation Expense</b>	<b>Weighted- Average Period for Recognition</b>
PPL	\$ 4	1.7 years
PPL Energy Supply	1	1.7 years

At December 31, 2010, PPL Electric's unrecognized compensation expense was insignificant and the weighted-average period for recognition was 1.7 years.

The fair value of each performance unit granted was estimated using a Monte Carlo pricing model that considers stock beta, a risk-free interest rate, expected stock volatility and expected life. The stock beta was calculated comparing the risk of the individual securities to the average risk of the companies in the index group. The risk-free interest rate reflects the yield on a 3-year Treasury bond. Volatility over the expected term of three years is calculated using daily stock price observations for PPL and all companies in the index group and is evaluated with consideration given to prior periods that may need to be excluded based on events not likely to recur that had impacted PPL and companies in the index group.

The weighted-average assumptions used in the model were:

	<b>2010</b>	<b>2009</b>	<b>2008</b>
Risk-free interest rate	1.41%	1.11%	2.30%
Expected stock volatility	34.70%	31.30%	20.70%
Expected life	3 years	3 years	3 years

## Stock Options

Under the Plans, stock options may be granted with an option exercise price per share not less than the fair value of PPL's common stock on the date of grant. The options are exercisable in installments beginning one year after the date of grant, assuming the individual is still employed by PPL or a subsidiary. Options outstanding at December 31, 2010, become exercisable in equal installments over a three-year service period from the date of grant. The CGNC and CLC have discretion to accelerate the exercisability of the options, except that the exercisability of an option issued under the ICP may not be accelerated unless the individual remains employed by PPL or a subsidiary for one year from the date of grant. All options expire no later than ten years from the grant date. The options become exercisable immediately if control of PPL changes, as defined by the Plans. The fair value of options granted is recognized over the service period or through the date at which the employee reaches retirement eligibility using the straight-line method. The fair value of options granted to retirement-eligible employees is recognized immediately upon the date of grant.

Stock option activity for 2010 was:

	<b>Number of Options</b>	<b>Weighted Average Exercise Price Per Share</b>	<b>Weighted- Average Remaining Contractual Term</b>	<b>Aggregate Total Intrinsic Value</b>
<b>PPL</b>				
Outstanding at beginning of period	4,602,041	\$ 32.59		
Granted	1,017,600	31.03		

Forfeited	(15,660)		31.17		
Outstanding at end of period	5,603,981		32.31	6.4	\$ 2
Options exercisable at end of period	3,770,172		32.00	5.3	2
<b>PPL Energy Supply</b>					
Outstanding at beginning of period	1,408,936	\$	32.05		
Granted	267,750		31.17		
Forfeited	(15,660)		31.17		
Outstanding at end of period	1,661,026		31.92	6.1	\$ 1
Options exercisable at end of period	1,213,487		31.56	5.2	1
<b>PPL Electric</b>					
Outstanding at beginning of period	225,670	\$	34.72		
Granted	91,480		30.58		
Outstanding at end of period	317,150		33.53	7.0	
Options exercisable at end of period	166,361		34.52	5.5	

No stock options were exercised in 2010. Substantially all stock option awards are expected to vest.

The fair value of each option granted is estimated using a Black-Scholes option-pricing model. PPL uses a risk-free interest rate, expected option life, historical volatility and dividend yield to value its stock options. The risk-free interest rate reflects the yield for a U.S. Treasury Strip available on the date of grant with constant rate maturity approximating the option's expected life. Expected life is calculated based on historical exercise behavior. Volatility over the expected term of the options is evaluated with consideration given to prior periods that may need to be excluded based on events not likely to recur that had impacted PPL's volatility in those prior periods. Management's expectations for future volatility, considering potential changes to PPL's business model and other economic conditions, are also reviewed in addition to the historical data to determine the final volatility assumption. The dividend yield is based on several factors, including PPL's most recent dividend payment, as of the grant date and the forecasted stock price through 2012. The assumptions used in the model were:

	2010	2009	2008
Risk-free interest rate	2.52%	2.07%	2.95%
Expected option life	5.43 years	5.25 years	5.41 years
Expected stock volatility	28.57%	26.06%	20.85%
Dividend yield	5.61%	3.48%	3.10%

The weighted-average grant date fair value of options granted was:

	2010	2009	2008
PPL	\$ 4.70	\$ 5.55	\$ 7.61
PPL Energy Supply	4.73	5.55	7.62
PPL Electric	4.62	5.65	7.60

The total intrinsic value of stock options exercised for the years ended December 31 was:

	2009	2008
PPL	\$ 2	\$ 20
PPL Energy Supply	1	7
PPL Electric		2

At December 31, 2010, unrecognized compensation expense related to stock options was:

	Unrecognized Compensation Expense	Weighted-Average Period for Recognition
PPL	\$ 2	1.5 years



PPL Energy Supply

1 1.6 years

At December 31, 2010, PPL Electric's unrecognized compensation expense was insignificant and the weighted-average period for recognition was 1.6 years.

### Compensation Expense

Compensation expense for restricted stock, restricted stock units, performance units and stock options accounted for as equity awards was as follows:

	2010	2009	2008
PPL (a)	\$ 26	\$ 23	\$ 28
PPL Energy Supply (b)	20	17	22
PPL Electric (c)	6	5	6

(a) Income tax benefits of \$11 million, \$9 million and \$11 million.

(b) Income tax benefits of \$8 million, \$7 million and \$9 million.

(c) Income tax benefits of \$3 million, \$2 million and \$2 million.

The income tax benefit PPL realized from stock-based awards vested or exercised for 2010 was insignificant.

### Directors Stock Units (PPL)

Under the Directors Deferred Compensation Plan, a mandatory amount of the cash retainers of the members of the Board of Directors who are not employees of PPL is deferred into stock units. Such deferred stock units represent the number of shares of PPL's common stock to which the board members are entitled after they cease serving as a member of the Board of Directors. Board members are entitled to defer any or all of their fees and cash retainers that are not part of the mandatory deferral into stock units. The stock unit accounts of each board member are increased based on dividends paid or other distributions on PPL's common stock. There were 424,170 such stock units outstanding at December 31, 2010, which were accounted for as liabilities with changes in fair value recognized currently in earnings based on PPL's common stock price at the end of each reporting period. Compensation expense in 2010 was insignificant. Compensation expense in 2009 was \$2 million, net of income tax benefit of \$1 million. Compensation credits in 2008 were \$4 million, net of income tax expense of \$2 million. Awards paid in 2010, 2009 and 2008 were insignificant.

### Stock Appreciation Rights (PPL and PPL Energy Supply)

WPD uses stock appreciation rights to compensate senior management employees. Stock appreciation rights are granted with a reference price to PPL's common stock at the date of grant. These awards vest over a three-year period and have a 10-year term, during which time employees are entitled to receive a cash payment of any appreciation in the price of PPL's common stock over the grant date fair value. At December 31, 2010, there were 526,821 stock appreciation rights outstanding, which were accounted for as liabilities with changes in fair value recognized currently in earnings based on Black-Scholes option valuation calculations. Compensation expense and awards paid related to stock appreciation rights were insignificant in 2010, 2009 and 2008.

## 13. Retirement and Postemployment Benefits

(PPL, PPL Energy Supply and PPL Electric)

### Defined Benefits

PPL and certain of its subsidiaries sponsor various defined benefit plans.

The majority of PPL's domestic employees are eligible for pension benefits under non-contributory defined benefit pension plans with benefits based on length of service and final average pay, as defined by the plans. Certain employees

may also be eligible for pension enhancements in the form of special termination benefits under PPL's separation plan. See "Separation Benefits" below for additional information regarding PPL's separation plan.

The defined benefit pension plans of LG&E and KU Energy LLC were closed to new employees hired after December 31, 2005. Employees hired after December 31, 2005 receive additional company contributions above the standard matching contributions to their savings plans.

Employees of PPL Montana are eligible for pension benefits under a cash balance pension plan and employees of certain of PPL's mechanical contracting companies are eligible for benefits under multiemployer plans sponsored by various unions. Effective April 1, 2010, WPD's principal pension plan was closed to most new employees, except for those meeting specific grandfathered participation rights. New employees not eligible to participate in the plan are offered benefits under a defined contribution plan.

PPL and certain of its subsidiaries also provide supplemental retirement benefits to executives and other key management employees through unfunded nonqualified retirement plans.

The majority of employees of PPL's domestic subsidiaries will become eligible for certain health care and life insurance benefits upon retirement through contributory plans. Postretirement benefits under the PPL Retiree Health Plan are paid from funded VEBA trusts and 401(h) accounts established within the PPL Services Corporation Master Trust and the LG&E and KU Energy LLC Pension Plan Trusts. Postretirement benefits under the PPL Montana Retiree Health Plan are paid from company assets. WPD does not sponsor any postretirement benefit plans other than pensions.

The following disclosures distinguish between the domestic (U.S.) and WPD (U.K.) pension plans.

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K.					
	2010	2009	2008	2010	2009	2008	2010	2009	2008
<b>PPL</b>									
<b>Net periodic defined benefit costs (credits):</b>									
Service cost	\$ 64	\$ 60	\$ 62	\$ 17	\$ 9	\$ 16	\$ 8	\$ 6	\$ 8
Interest cost	159	145	140	151	156	188	28	29	33
Expected return on plan assets	(184)	(169)	(180)	(202)	(189)	(231)	(20)	(18)	(21)
Amortization of:									
Transition (asset) obligation		(5)	(4)				5	9	9
Prior service cost	21	19	20	4	4	5	4	9	9
Actuarial (gain) loss	8	3	(9)	48	2	18	6	2	5
Net periodic defined benefit costs (credits) prior to settlement charges and termination benefits	68	53	29	18	(18)	(4)	31	37	43
Settlement charges (a)		2							
Termination benefits (b)		9							
Net periodic defined benefit costs (credits)	\$ 68	\$ 64	\$ 29	\$ 18	\$ (18)	\$ (4)	\$ 31	\$ 37	\$ 43

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K.					
	2010	2009	2008	2010	2009	2008	2010	2009	2008
<b>Other Changes in Plan Assets and Benefit Obligations Recognized in OCI and Regulatory Assets/Liabilities - Gross:</b>									
Settlements		\$ (2)							
Current year net (gain) loss	\$ 142	102	\$ 635	\$ 17	\$ 403	\$ 476	\$ 20	\$ 32	\$ (31)
Current year prior service cost (credit)		1					(71)	(4)	(2)
Amortization of:									
Transition asset		5	4				(5)	(9)	(9)
Prior service cost	(21)	(19)	(22)	(4)	(4)	(5)	(4)	(8)	(9)
Actuarial (loss)	(7)	(3)	(1)	(48)	(2)	(18)	(6)	(2)	(9)
Acquisition of regulatory assets/									

liabilities:									
Transition obligation									4
Prior service cost	31								6
Actuarial (gain) loss	303								(2)
Total recognized in OCI and regulatory assets/liabilities (c) (d)	448	84	616	(35)	397	453	(58)	9	(60)
Total recognized in net periodic benefit costs, OCI and regulatory assets/liabilities (d)	\$ 516	\$ 148	\$ 645	\$ (17)	\$ 379	\$ 449	\$ (27)	\$ 46	\$ (17)

(a) Includes the settlement of the pension plan of PPL's former mining subsidiary, PA Mines, LLC in 2009.

(b) Related to a 2009 cost reduction initiative.

(c) For PPL's U.S. pension and other postretirement benefits, the amounts recognized in OCI and regulatory assets/liabilities are as follows:

	U.S. Pension Benefits			Other Postretirement Benefits		
	2010	2009	2008	2010	2009	2008
OCI	\$ 84	\$ 51	\$ 395	\$ (40)	\$ 6	\$ (38)
Regulatory assets/liabilities	364	33	221	(18)	3	(22)
Total recognized in OCI and regulatory assets/liabilities	\$ 448	\$ 84	\$ 616	\$ (58)	\$ 9	\$ (60)

(d) WPD is not subject to accounting for the effects of certain types of regulation as prescribed by GAAP. As a result, WPD does not record regulatory assets/liabilities.

The estimated amounts to be amortized from AOCI and regulatory assets/liabilities into net periodic benefit costs in 2011 are as follows:

	Pension Benefits		Other Postretirement Benefits
	U.S.	U.K.	
Transition obligation			\$ 2
Prior service cost	\$ 25	\$ 4	(1)
Actuarial loss	27	56	6
Total	\$ 52	\$ 60	\$ 7
Amortization from Balance Sheet:			
AOCI	\$ 17	\$ 60	\$ 2
Regulatory assets/liabilities	35		5
Total	\$ 52	\$ 60	\$ 7

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K.			2010	2009	2008
	2010	2009	2008	2010	2009	2008			
<b>PPL Energy Supply</b>									
<b>Net periodic defined benefit costs (credits):</b>									
Service cost	\$ 4	\$ 4	\$ 4	\$ 17	\$ 9	\$ 16	\$ 1	\$ 1	\$ 1
Interest cost	7	6	6	151	156	188	1	1	1
Expected return on plan assets	(7)	(6)	(8)	(202)	(189)	(231)			
Amortization of:									
Prior service cost				4	4	5			
Actuarial loss	2	2		48	2	18			
Net periodic defined benefit costs (credits) prior to settlement charges	6	6	2	18	(18)	(4)	2	2	2
Settlement charges (a)		2							
Net periodic defined benefit costs (credits)	\$ 6	\$ 8	\$ 2	\$ 18	\$ (18)	\$ (4)	\$ 2	\$ 2	\$ 2

**Other Changes in Plan Assets and Benefit Obligations**

**Recognized in OCI:**

Settlements	\$	(2)							
Current year net (gain) loss	\$ 4	4	\$ 27	\$ 17	\$ 403	\$ 476			\$ (1)

Current year prior service credit										(1)
Amortization of:										
Prior service cost				(4)	(4)	(5)				
Actuarial loss	(2)	(2)		(48)	(2)	(18)				
Total recognized in OCI	2		27	(35)	397	453				(2)
Total recognized in net periodic benefit costs and OCI	\$ 8	\$ 8	\$ 29	\$ (17)	\$ 379	\$ 449	\$ 2	\$ 2	\$	

(a) Includes the settlement of the pension plan of PPL Energy Supply's former mining subsidiary, PA Mines, LLC in 2009.

Actuarial loss of \$2 million related to PPL Energy Supply's U.S. pension plan is expected to be amortized from AOCI into net periodic benefit costs in 2011.

For PPL Energy Supply, prior service costs of \$4 million and actuarial loss of \$56 million related to the U.K. pension plans are expected to be amortized from AOCI into net periodic benefit costs in 2011.

Net periodic defined benefit costs (credits) charged to operating expense, excluding amounts charged to construction and other non-expense accounts were:

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K.					
	2010	2009	2008	2010	2009	2008	2010	2009	2008
PPL	\$ 59	\$ 56	\$ 24	\$ 16	\$ (17)	\$ (4)	\$ 27	\$ 31	\$ 36
PPL Energy Supply (a)	24	26	10	16	(17)	(4)	12	14	16
PPL Electric (b)	12	14	5				8	10	13

(a) Includes costs for the specific plans it sponsors and the following allocated costs of defined benefit plans sponsored by PPL Services, based on PPL Energy Supply's participation in those plans, which management believes are reasonable.

	Pension Benefits			Other Postretirement Benefits		
	2010	2009	2008	2010	2009	2008
	PPL Energy Supply	\$ 19	\$ 18	\$ 8	\$ 10	\$ 13

(b) PPL Electric does not directly sponsor any defined benefit plans. PPL Electric was allocated these costs of defined benefit plans sponsored by PPL Services, based on its participation in those plans, which management believes are reasonable.

The following weighted-average assumptions were used in the valuation of the benefit obligations at December 31.

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K.					
	2010	2009	2008	2010	2009	2008	2010	2009	2008
<b>PPL</b>									
Discount rate	5.42%	6.00%	6.50%	5.54%	5.55%	7.47%	5.14%	5.81%	6.45%
Rate of compensation increase	4.88%	4.75%	4.75%	4.00%	4.00%	4.00%	4.90%	4.75%	4.75%
<b>PPL Energy supply</b>									
Discount rate	5.47%	6.00%	6.50%	5.54%	5.55%	7.47%	4.95%	5.55%	6.37%
Rate of compensation increase	4.75%	4.75%	4.75%	4.00%	4.00%	4.00%	4.75%	4.75%	4.75%

The following weighted-average assumptions were used to determine the net periodic benefit costs for the year ended December 31.

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K.					
	2010	2009	2008	2010	2009	2008	2010	2009	2008
<b>PPL</b>									
Discount rate	5.96%	6.50%	6.39%	5.59%	7.47%	6.37%	5.47%	6.45%	6.26%
Rate of compensation increase	4.79%	4.75%	4.75%	4.00%	4.00%	4.25%	4.78%	4.75%	4.75%
Expected return on plan assets (a)	7.96%	8.00%	8.25%	7.91%	7.90%	7.90%	6.90%	7.00%	7.80%

**PPL Energy supply**

Discount rate	6.00%	6.50%	6.39%	5.59%	7.47%	6.37%	5.55%	6.37%	6.13%
Rate of compensation increase	4.75%	4.75%	4.75%	4.00%	4.00%	4.25%	4.75%	4.75%	4.75%
Expected return on plan assets (a)	8.00%	7.78%	8.04%	7.91%	7.90%	7.90%	N/A	N/A	N/A

- (a) The expected long-term rates of return for PPL and PPL Energy Supply's U.S. pension and other postretirement benefits have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. The best estimates are based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. PPL management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption.

The expected long-term rates of return for PPL and PPL Energy Supply's U.K. pension plans have been developed by PPL management with assistance from an independent actuary using a best estimate of expected returns, volatilities and correlations for each asset class. The best estimates are based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes.

	<b>Assumed Health Care Cost Trend Rates at December 31,</b>		
	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>PPL and PPL Energy Supply</b>			
Health care cost trend rate assumed for next year			
- obligations	9.0%	8.0%	8.4%
- cost	8.0%	8.4%	9.0%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)			
- obligations	5.5%	5.5%	5.5%
- cost	5.5%	5.5%	5.5%
Year that the rate reaches the ultimate trend rate			
- obligations	2019	2016	2014
- cost	2016	2014	2014

A one percentage point change in the assumed health care costs trend rate assumption would have had the following effects on the other postretirement benefit plans in 2010.

	<b>One Percentage Point</b>	
	<b>Increase</b>	<b>Decrease</b>
<b>PPL</b>		
Effect on accumulated postretirement benefit obligation	\$ 9	\$ (8)

The effects on PPL Energy Supply's other postretirement benefit plans would not have been significant.

(PPL)

The funded status of the PPL plans was as follows.

	<b>Pension Benefits</b>				<b>Other Postretirement Benefits</b>	
	<b>U.S.</b>		<b>U.K.</b>		<b>2010</b>	<b>2009</b>
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>		
<b>Change in Benefit Obligation</b>						
Benefit Obligation, beginning of period	\$ 2,460	\$ 2,231	\$ 2,933	\$ 2,152	\$ 498	\$ 451
Service cost	64	60	17	9	8	6
Interest cost	159	145	151	156	28	29
Participant contributions			6	5	7	6
Plan amendments		1			(71)	(4)
Actuarial loss	222	125	37	611	32	43
Termination benefits		9				
Actual expenses paid	(2)	(1)				
Gross benefits paid	(127)	(104)	(152)	(189)	(44)	(36)
Settlements (a)		(6)				
Federal subsidy					3	3
Currency conversion			(151)	189		
Acquisition (b)	1,231				206	
Benefit Obligation, end of period	4,007	2,460	2,841	2,933	667	498

**Change in Plan Assets**

Plan assets at fair value, beginning of period	1,772	1,637	2,331	1,842	301	267
Actual return on plan assets	263	192	228	427	33	28
Employer contributions	148	54	231	95	17	33
Participant contributions			6	5	7	6
Actual expenses paid	(2)	(1)				
Gross benefits paid	(127)	(104)	(152)	(189)	(40)	(33)
Settlements (a)		(6)				
Currency conversion			(120)	151		
Acquisition (b)	765				42	
Plan assets at fair value, end of period	<u>2,819</u>	<u>1,772</u>	<u>2,524</u>	<u>2,331</u>	<u>360</u>	<u>301</u>
Funded Status, end of period	<u>\$ (1,188)</u>	<u>\$ (688)</u>	<u>\$ (317)</u>	<u>\$ (602)</u>	<u>\$ (307)</u>	<u>\$ (197)</u>

**Amounts recognized in the Balance****Sheets consist of:**

Current liability	\$ (10)	\$ (7)			\$ (2)	\$ (1)
Noncurrent liability	(1,178)	(681)	(317)	(602)	(305)	(196)
Net amount recognized, end of period	<u>\$ (1,188)</u>	<u>\$ (688)</u>	<u>\$ (317)</u>	<u>\$ (602)</u>	<u>\$ (307)</u>	<u>\$ (197)</u>

**Amounts recognized in AOCI and regulatory assets/liabilities (pre-tax) consist of: (c)**

Transition obligation					\$ 4	\$ 26
Prior service cost (credit)	\$ 131	\$ 120	\$ 7	\$ 13	(16)	31
Net actuarial loss	836	398	1,097	1,126	112	101
Total (d)	<u>\$ 967</u>	<u>\$ 518</u>	<u>\$ 1,104</u>	<u>\$ 1,139</u>	<u>\$ 100</u>	<u>\$ 158</u>

**Total accumulated benefit obligation for defined benefit pension plans**

	<u>\$ 3,564</u>	<u>\$ 2,237</u>	<u>\$ 2,646</u>	<u>\$ 2,806</u>
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- (a) Includes the settlement of the pension plan of PPL's former mining subsidiary, PA Mines LLC, in 2009.  
(b) Includes the pension and other postretirement medical plans of LKE, which were acquired in 2010. See Note 10 for additional information.  
(c) For PPL's U.S. pension and other post-retirement benefits, the amounts recognized in AOCI and regulatory assets/liabilities are as follows:

	U.S. Pension Benefits		Other Postretirement Benefits	
	2010	2009	2010	2009
AOCI	\$ 431	\$ 346	\$ 53	\$ 95
Regulatory assets/liabilities	536	172	47	63
Total	<u>\$ 967</u>	<u>\$ 518</u>	<u>\$ 100</u>	<u>\$ 158</u>

(d) WPD is not subject to accounting for the effects of certain types of regulation as prescribed by GAAP. As a result, WPD does not record regulatory assets/liabilities.

All of PPL's pension plans had projected and accumulated benefit obligations in excess of plan assets at December 31, 2010 and 2009. All of PPL's other postretirement benefit plans had accumulated postretirement benefit obligations in excess of plan assets at December 31, 2010 and 2009.

*(PPL Energy Supply)*

The funded status of the PPL Energy Supply plans was as follows.

Change in Benefit Obligation	Pension Benefits					
	U.S.		U.K.		Other Postretirement Benefits	
	2010	2009	2010	2009	2010	2009
Benefit Obligation, beginning of period	\$ 104	\$ 95	\$ 2,933	\$ 2,152	\$ 17	\$ 15
Service cost	4	4	17	9	1	1
Interest cost	7	6	151	156	1	1
Participant contributions			6	5		
Actuarial loss	9	7	37	611		
Settlements (a)		(6)				
Gross benefits paid	(3)	(2)	(152)	(189)	(1)	
Currency conversion			(151)	189		

Benefit Obligation, end of period	121	104	2,841	2,933	18	17
<b>Change in Plan Assets</b>						
Plan assets at fair value, beginning of period	87	78	2,331	1,842		
Actual return on plan assets	12	9	228	427		
Employer contributions	10	9	231	95	1	
Participant contributions			6	5		
Gross benefits paid	(3)	(3)	(152)	(189)	(1)	
Settlements (a)		(6)				
Currency conversion			(120)	151		
Plan assets at fair value, end of period	106	87	2,524	2,331		
Funded Status, end of period	\$ (15)	\$ (17)	\$ (317)	\$ (602)	\$ (18)	\$ (17)
<b>Amounts recognized in the Balance Sheets consist of:</b>						
Current liability					\$ (1)	\$ (1)
Noncurrent liability	\$ (15)	\$ (17)	\$ (317)	\$ (602)	\$ (17)	\$ (16)
Net amount recognized, end of period	\$ (15)	\$ (17)	\$ (317)	\$ (602)	\$ (18)	\$ (17)
<b>Amounts recognized in AOCI (pre-tax) consist of:</b>						
Prior service cost (credit)	\$ 1	\$ 2	\$ 7	\$ 13	\$ (1)	\$ (1)
Net actuarial loss	33	30	1,097	1,126	4	4
Total	\$ 34	\$ 32	\$ 1,104	\$ 1,139	\$ 3	\$ 3
<b>Total accumulated benefit obligation for defined benefit pension plans</b>	<b>\$ 121</b>	<b>\$ 104</b>	<b>\$ 2,646</b>	<b>\$ 2,806</b>		

(a) Includes the settlement of the pension plan of PPL Energy Supply's former mining subsidiary, PA Mines LLC in 2009.

All of PPL Energy Supply's pension plans had projected and accumulated benefit obligations in excess of plan assets at December 31, 2010 and 2009. All of PPL Energy Supply's other postretirement benefit plans had accumulated postretirement benefit obligations in excess of plan assets at December 31, 2010 and 2009.

In addition to the plans it sponsors, PPL Energy Supply and its subsidiaries are allocated a portion of the funded status and costs of the defined benefit plans sponsored by PPL Services based on their participation in those plans, which management believes are reasonable. The actuarial determined obligations of current active employees are used as a basis to allocate total plan activity, including active and retiree costs and obligations. PPL Energy Supply's allocated share of the funded status of the pension plans resulted in a liability of \$287 million and \$265 million at December 31, 2010 and 2009. PPL Energy Supply's allocated share of other postretirement benefits was a liability of \$55 million and \$74 million at December 31, 2010 and 2009.

PPL Energy Supply's subsidiaries engaged in the mechanical contracting business make contributions to various multi-employer pension and health and welfare plans, depending on an employee's status. Contributions were \$49 million in 2010, \$54 million in 2009 and \$61 million in 2008.

*(PPL Electric)*

Although PPL Electric does not directly sponsor any defined benefit plans, it is allocated a portion of the funded status and costs of plans sponsored by PPL Services based on its participation in those plans, which management believes are reasonable. The actuarial determined obligations of current active employees are used as a basis to allocate total plan activity, including active and retiree costs and obligations. PPL Electric's allocated share of the funded status of the pension plans resulted in a liability of \$259 million and \$245 million at December 31, 2010 and 2009. PPL Electric's allocated share of other postretirement benefits was a liability of \$57 million and \$73 million at December 31, 2010 and 2009.

*(PPL and PPL Electric)*

PPL Electric maintains a liability for the cost of health care of retired miners of former subsidiaries that had been engaged in coal mining, as required by the Coal Industry Retiree Health Benefit Act of 1992. At December 31, 2010, the liability was \$3 million. The liability is the net of \$63 million of estimated future benefit payments offset by \$28 million of assets in a retired miners VEBA trust and an additional \$32 million of excess assets available in a Black Lung Trust that can be used to fund the health care benefits of retired miners.

### Plan Assets - U.S. Pension Plans

#### PPL Services Corporation Master Trust (*PPL and PPL Energy Supply*)

PPL's primary legacy pension plan and PPL Energy Supply's U.S. pension plan are invested in the PPL Services Corporation Master Trust that also includes a 401(h) account that is restricted for certain other postretirement benefit obligations. The investment strategy for the master trust is to achieve a risk-adjusted return on a mix of assets that, in combination with PPL's funding policy and tolerance for return volatility, will ensure that sufficient assets are available to provide long-term growth and liquidity for benefit payments. The master trust benefits from a wide diversification of asset types, investment fund strategies and external investment fund managers, and therefore has no significant concentration of risk.

The investment policies of the PPL Services Corporation Master Trust outline allowable investments and define the responsibilities of the internal pension administrative committee and the external investment managers. The only prohibited investments are investments in debt or equity securities issued by PPL and its subsidiaries or PPL's pension plan consultant. Derivative instruments may be utilized as a cost-effective means to mitigate risk and match the duration of investments to projected obligations. The investment policies are reviewed annually by PPL's Board of Directors.

Target allocation ranges have been developed based on input from external consultants with a goal of limiting funded status volatility. The assets in the PPL Services Corporation Master Trust are rebalanced as necessary to maintain the target asset allocation ranges. The asset allocation for the master trust and the target allocation, by asset class, at December 31 are detailed below.

Asset Class	Percentage of trust assets		Target Range	Target Asset Allocation
	2010	2009	2010	2010
Equity securities				
U.S.	27%	31%	14 - 28%	21%
International	16%	19%	9 - 23%	16%
Debt securities and derivatives	47%	38%	43 - 57%	50%
Alternative investments	9%	8%	4 - 18%	11%
Cash and cash equivalents	1%	4%	0 - 9%	2%
Total	100%	100%		100%

#### LG&E and KU Energy LLC Pension Trusts (*PPL*)

The plans sponsored by LKE are invested in Pension Trusts that also include a 401(h) account that is restricted for certain other postretirement benefit obligations. The investment strategy is to preserve the capital of the Pension Trusts and maximize investment earnings in excess of inflation with acceptable levels of volatility. The return objective is to exceed the benchmark return for the policy index comprised of the following: Russell 3000 Index, the MSCI-EAFE Index, Barclays Capital Aggregate and Barclays Capital U.S. Long Government Credit Bond Index in proportions equal to the targeted asset allocation.

Performance is evaluated on a long-term horizon of three to five years. The assets of the Pension Trusts are broadly diversified within different asset classes and therefore have no significant concentration of risk.

Target allocation ranges have been developed based on input from external consultants. The asset allocation for the Pension Trusts and the target allocation, by asset class, at December 31 are detailed below.

Percentage



<u>Asset Class</u>	<u>of plan assets</u> <u>2010</u>	<u>Target Range</u> <u>2010</u>
Equity securities		
U.S.	56%	45 - 75%
Debt securities (a)	37%	30 - 50%
Other	7%	0 - 10%
Total	<u>100%</u>	

(a) Includes commingled debt funds

*(PPL and PPL Energy Supply)*

PPL Montana, a subsidiary of PPL Energy Supply, has a pension plan whose assets are solely invested in the PPL Services Corporation Master Trust, which is fully disclosed by PPL (below). The fair value of this plan's assets of \$106 million at December 31, 2010 represents a 5% undivided interest in each asset and liability of this master trust, including each asset whose fair value measurement was determined using significant unobservable inputs (Level 3).

The fair value of net assets in the U.S. pension plan trusts by asset class and level within the fair value hierarchy was:

	<u>December 31, 2010</u>				<u>December 31, 2009</u>			
	<u>Fair Value Measurements Using</u>				<u>Fair Value Measurements Using</u>			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>PPL Services Corporation Master Trust</b>								
Cash and cash equivalents	\$ 87	\$ 87			\$ 72	\$ 72		
Equity securities:								
U.S.:								
Large-cap	494	373	\$ 121		465	361	\$ 104	
Small-cap	34	34			84	84		
International:								
Developed markets	224	2	222		330	208	122	
Emerging markets	117	117			7	7		
Debt securities:								
U.S.:								
U.S. Treasury	296	296			212	212		
U.S. government sponsored agency	7		7		6		6	
Residential mortgage-backed securities	39		39		50		48	\$ 2
Asset-backed securities	8		8		9		9	
Investment-grade corporate	357		357		233		231	2
High-yield corporate	101		95	\$ 6	92		84	8
Municipality	4		4		1		1	
International:								
Developed markets	4		4		5		5	
Emerging markets	109		109		64		64	
Alternative investments:								
Real estate	76		76		65		65	
Private equity	10			10	6			6
Hedge fund of funds	95		95		64		64	
Derivatives:								
TBA debt securities	31			31	10			10
Interest rate swaps	(4)		(4)		(4)		(4)	
Receivables	24	13	11		63	26	37	
Payables	(54)	(51)	(3)		(51)	(22)	(29)	
Total PPL Services Corporation Master Trust assets	<u>2,059</u>	<u>871</u>	<u>1,141</u>	<u>47</u>	<u>1,783</u>	<u>948</u>	<u>807</u>	<u>28</u>
401(h) account restricted for other postretirement benefit obligations	(18)	(8)	(10)		(11)	(6)	(5)	
Fair value - PPL Services Corporation Master Trust pension assets	<u>2,041</u>	<u>863</u>	<u>1,131</u>	<u>47</u>	<u>1,772</u>	<u>942</u>	<u>802</u>	<u>28</u>

(PPL)

	December 31, 2010				December 31, 2009			
	Fair Value Measurements Using				Fair Value Measurements Using			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
<b>LG&amp;E and KU Energy LLC Pension Trusts</b>								
Cash and cash equivalents	6	6						
Equity securities:								
U.S.:								
Large-cap	293		293					
Small/Mid-cap	67		67					
Commingled debt	307		307					
International developed markets	105		105					
Insurance contracts	47			47				
Total LG&E and KU Energy LLC Pension Trusts' assets	825	6	772	47				
401(h) account restricted for other postretirement benefit obligations	(47)		(47)					
Fair value - LG&E and KU Energy LLC Pension Trusts' pension assets	778	6	725	47				
Fair value - total U.S. pension plans	\$ 2,819	\$ 869	\$ 1,856	\$ 94	\$ 1,772	\$ 942	\$ 802	\$ 28

A reconciliation of U.S. pension trust assets classified as Level 3 at December 31, 2010 is as follows.

	Residential mortgage backed securities	Investment - grade corporate debt	High-yield corporate debt	Private equity	TBA debt securities	Insurance contracts	Total
Balance at beginning of period	\$ 2	\$ 2	\$ 8	\$ 6	\$ 10		\$ 28
Actual return on plan assets							
Relating to assets still held at the reporting date	(1)	(2)	1	(1)			(3)
Relating to assets sold during the period			1				1
Acquisition of LKE						\$ 46	46
Purchases, sales and settlements	(1)		(4)	5	21	1	22
Balance at end of period	\$ 2	\$ 2	\$ 6	\$ 10	\$ 31	\$ 47	\$ 94

A reconciliation of U.S. pension trust assets classified as Level 3 at December 31, 2009 is as follows.

	Residential mortgage backed securities	Investment - grade corporate debt	High-yield corporate debt	Private equity	TBA Debt Securities	Total
Balance at beginning of period	\$ 4	\$ 3	\$ 4	\$ 5	\$ 51	\$ 67
Actual return on plan assets						
Relating to assets still held at the reporting date	(1)		1		1	1
Relating to assets sold during the period	1		(1)	(2)	(1)	(3)
Purchases, sales and settlements	(2)	(1)	4	3	(41)	(37)
Balance at end of period	\$ 2	\$ 2	\$ 8	\$ 6	\$ 10	\$ 28

(PPL and PPL Energy Supply)

The fair value measurements of cash and cash equivalents are based on the amounts on deposit.

The market approach is used to measure fair value of equity securities. The fair value measurements of equity securities (excluding commingled funds), which are generally classified as Level 1, are based on quoted prices in active markets.

These securities represent actively and passively managed investments that are managed against various U.S. equity indices.

Investments in commingled funds are classified as Level 2 and categorized as equity securities. The fair value measurements are based on firm quotes of net asset values per share, which are not considered obtained from a quoted price in an active market. For the PPL Services Corporation Master Trust, these securities represent investments that are measured against the Russell 1000 Growth Index, the Russell 3000 Index and the MSCI EAFE Index. For the LG&E and KU Energy LLC Pension Trusts, these securities represent passively and actively managed investments in equity funds managed against the S&P 500 Index, the Russell 2500 Growth & Value Indexes and the MSCI EAFE Index.

The fair value measurements of debt securities are generally based on evaluated prices that reflect observable market information, such as actual trade information for identical securities or for similar securities, adjusted for observable differences. Debt securities are generally measured using a market approach, including the use of matrix pricing. Common inputs include reported trades; broker/dealer bid/ask prices, benchmark securities and credit valuation adjustments. When necessary, the fair value of debt securities is measured using the income approach, which incorporates similar observable inputs as well as benchmark yields, credit valuation adjustments, reference data from market research publications, monthly payment data, collateral performance and new issue data. For the PPL Services Corporation Master Trust, these securities represent investments in securities issued by U.S. Treasury and U.S. government sponsored agencies; investments securitized by residential mortgages, auto loans, credit cards and other pooled loans; investments in investment grade and non-investment grade bonds issued by U.S. companies across several industries; investments in debt securities issued by foreign governments and corporations as well as commingled fund investments that are measured against the JP Morgan EMBI Global Diversified Index and the Barclays Long A or Better Index. For the LG&E and KU pension trusts, debt securities within comingled trusts are managed against the Barclays Aggregated Bond Index and the Barclays U.S. Government/Credit Long Index. The debt securities held by the PPL Services Corporation Master Trust at December 31, 2010 have a weighted-average coupon of 4.25% and a weighted-average duration of 16 years.

Investments in real estate represent an investment in a partnership whose purpose is to manage investments in core U.S. real estate properties diversified geographically and across major property types (e.g., office, industrial, retail, etc.). The manager is focused on properties with high occupancy rates with quality tenants. This results in a focus on high income and stable cash flows with appreciation being a secondary factor. Core real estate generally has a lower degree of leverage when compared to more speculative real estate investing strategies. The partnership has limitations on the amounts that may be redeemed based on available cash to fund redemptions. Additionally, the general partner may decline to accept redemptions when necessary to avoid adverse consequences for the partnership, including legal and tax implications, among others. The fair value of the investment is based upon a partnership unit value.

Investments in private equity represent interests in partnerships in multiple early-state venture capital funds and private equity fund of funds that use a number of diverse investment strategies. Three of the partnerships have limited lives of ten years, while the fourth has a life of 15 years, after which liquidating distributions will be received. Prior to the end of each partnership's life, the investment can not be redeemed with the partnership; however, the interest may be sold to other parties, subject to the general partner's approval. The PPL Services Corporation Master Trust has unfunded commitments of \$90 million that may be required during the lives of the partnerships. Fair value is based on an ownership interest in partners' capital to which a proportionate share of net assets is attributed.

Investments in hedge fund of funds represent investments in two hedge fund of funds each with a different investment objective. Hedge funds seek a return utilizing a number of diverse investment strategies. The strategies, when combined aim to reduce volatility and risk while attempting to deliver positive returns under all market conditions. Major investment strategies for both hedge fund of funds include long/short equity, market neutral, distressed debt, and relative value. Generally, shares may be redeemed on 90 days prior written notice. Both funds are subject to short term lockups and have limitations on the amount that may be withdrawn based on a percentage of the total net asset value of the fund, among other restrictions. All withdrawals are subject to the general partner's approval. One fund's fair value has been estimated using the net asset value per share and the other fund's fair value is based on an ownership interest in partners' capital to which a proportionate share of net assets is attributed.

The fair value measurements of derivative instruments utilize various inputs that include quoted prices for similar contracts or market-corroborated inputs. In certain instances, these instruments may be valued using models, including

standard option valuation models and standard industry models. These securities represent investments in To-be-announced debt securities and interest rate swaps. To-be-announced debt securities are commitments to purchase debt securities and are used as a cost effective means of managing the duration of assets in the trust. These commitments are valued by reviewing the issuing agency, program and coupon. Interest rate swaps are valued based on the swap details such as: swap curves, notional amount, index and term of index, reset frequency and payer/receiver credit ratings.

Receivables/payables classified as Level 1 represent investments sold/purchased but not yet settled.

Receivables/payables classified as Level 2 represent interest and dividends earned but not yet received and costs incurred but not yet paid.

Insurance contracts, classified as Level 3, are held by the LG&E and KU Energy LLC Pension Trusts and represent an investment in an immediate participation guaranteed group annuity contract. The fair value is based on contract value, which represents cost plus interest income less distributions for benefit payments and administrative expenses.

### Plan Assets - U.S. Other Postretirement Benefit Plans (PPL)

PPL's investment strategy with respect to its other postretirement benefit obligations is to fund VEBA trusts and 401(h) accounts with voluntary contributions and to invest in a tax efficient manner. Excluding the 401(h) accounts included in the PPL Services Corporation Master Trust and LG&E and KU Energy LLC Pension Trusts, discussed in Plan Assets - U.S. Pensions Plans above, PPL's other postretirement benefit plans are invested in a mix of assets for long-term growth with an objective of earning returns that provide liquidity as required for benefit payments. These plans benefit from diversification of asset types, investment fund strategies and investment fund managers, and therefore, have no significant concentration of risk. The only prohibited investments are investments in debt or equity securities issued by PPL and its subsidiaries. Equity securities include investments in domestic large-cap commingled funds. Securities issued by commingled funds that invest entirely in debt securities are traded as equity units, but treated by PPL as debt securities for asset allocation and target allocation purposes. Securities issued by commingled money market funds that invest entirely in money market securities are traded as equity units, but treated by PPL as cash and cash equivalents for asset allocation and target allocation purposes. The asset allocation for the VEBA trusts and the target allocation, by asset class, at December 31, are detailed below.

<u>Asset Class</u>	<u>Percentage of plan assets</u>		<u>Permitted Range</u>	<u>Target Asset Allocation</u>
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2010</u>
U. S. Equity securities	55%	54%	45 - 65%	55%
Debt securities (a)	39%	37%	30 - 50%	40%
Cash and cash equivalents (b)	6%	9%	0 - 15%	5%
Total	100%	100%		100%

(a) Includes commingled debt funds and debt securities.

(b) Includes commingled money market fund.

The fair value of assets in the U.S. other postretirement benefit plans by asset class and level within the fair value hierarchy was:

	<u>December 31, 2010</u>				<u>December 31, 2009</u>			
	<u>Total</u>	<u>Fair Value Measurement Using</u>			<u>Total</u>	<u>Fair Value Measurement Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Equity securities:								
Large-cap	\$ 163		\$ 163		\$ 156		\$ 156	
Commingled debt	69		69		61		61	
Commingled money market funds	18		18		26		26	
Debt securities:								
Municipalities	44		44		46		46	
Receivables	1		1		1		1	
Total VEBA trust assets	295		295		290		290	
401(h) account assets	65	\$ 8	57		11	\$ 6	5	
Fair value - U.S. other postretirement								

benefit plans \$ 360 \$ 8 \$ 352 \$ 301 \$ 6 \$ 295

Investments in large-cap equity securities represent investments in a passively managed equity index fund that invests in securities and a combination of other collective funds that together track the performance of the S&P 500 Index.

Redemptions can be made daily on this fund.

Investments in commingled debt securities represent investments in a fund that invests in a diversified portfolio of investment grade money market instruments including, but not limited to, commercial paper, notes, repurchase agreements and other evidences of indebtedness with a maturity date not exceeding 13 months from date of purchase. Redemptions can be made weekly on this fund.

Investments in commingled money market funds represent investments in a fund that invests in securities and a combination of other collective funds that together are designed to track the performance of the Barclays Capital Long-term Treasury Index, as well as a fund that invests primarily in a diversified portfolio of investment grade money market instruments, including, but not limited to, commercial paper, notes, repurchase agreements and other evidences of indebtedness with a maturity not exceeding 13 months from the date of purchase. The primary objective of the fund is a high level of current income consistent with stability of principal and liquidity. Redemptions can be made daily on each of these funds.

Investments in municipalities represent investments in a diverse mix of tax-exempt municipal securities.

Receivables represent interest and dividends earned but not received as well as investments sold but not yet settled.

#### **Plan Assets - U.K. Pension Plans** (*PPL and PPL Energy Supply*)

The overall investment strategy of WPD's pension plans is developed by each plan's independent trustees in its Statement of Investment Principles in compliance with the U.K. Pensions Act of 1995 and other U.K. legislation. The trustees' primary focus is to ensure that assets are sufficient to meet members' benefits as they fall due with a longer term objective to reduce investment risk. The investment strategy is intended to maximize investment returns while not incurring excessive volatility in the funding position. WPD's plans are invested in a wide diversification of asset types, fund strategies and fund managers and therefore have no significant concentration of risk. Commingled funds that consist entirely of debt securities are traded as equity units, but treated by WPD as debt securities for asset allocation and target allocation purposes. These include investments in U.K. corporate bonds and U.K. gilts.

The asset allocation and target allocation at December 31 of WPD's pension plans are detailed below.

<u>Asset Class</u>	<u>Percentage of plan assets</u>		<u>Target Asset Allocation</u>
	<u>2010</u>	<u>2009</u>	<u>2010</u>
Cash and cash equivalents	2%		
Equity securities			
U.K. companies	18%	22%	16%
European companies (excluding the U.K.)	11%	13%	10%
Asian-Pacific companies	11%	10%	10%
North American companies	6%	6%	4%
Emerging markets companies	5%	5%	5%
Currency	2%	2%	6%
Global Tactical Asset Allocation	1%	1%	2%
Debt securities (a)	38%	35%	39%
Alternative investments	6%	6%	8%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

(a) Includes commingled debt funds.

The fair value of assets in the U.K. pension plans by asset class and level within the fair value hierarchy was:

December 31, 2010

December 31, 2009

	Fair Value Measurement Using			Fair Value Measurement Using				
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 46	\$ 46			\$ 5	\$ 5		
Equity securities:								
U.K. companies	455		\$ 455		501		\$ 501	
European companies (excluding the U.K.)	273		273		290		290	
Asian-Pacific companies	279		279		242		242	
North American companies	162		162		149		149	
Emerging markets companies	127		127		110		110	
Currency	51		51		42		42	
Global Tactical Asset Allocation	23		23		30		30	
Commingled debt:								
U.K. corporate bonds	321		321		308		308	
U.K. gilts					24		24	
U.K. index-linked gilts	629		629		489		489	
Alternative investments:								
Real estate	158		158		141		141	
Fair value - international pension plans	\$ 2,524	\$ 46	\$ 2,478		\$ 2,331	\$ 5	\$ 2,326	

Except for investments in real estate, the fair value measurements of WPD's pension plan assets are based on the same inputs and measurement techniques used to measure the U.S. pension plan assets described above.

Investments in U.K. equity securities represent passively managed equity index funds that are measured against the FTSE All Share Index. Investments in European equity securities represent passively managed equity index funds that are measured against the FTSE Europe ex UK Index. Investments in Asian-Pacific equity securities represent passively managed equity index funds that aim to outperform 50% FTSE Asia Pacific ex-Japan Index and 50% FTSE Japan Index. Investments in North American equity securities represent passively managed index funds that are measured against the FTSE North America Index. Investments in emerging market equity securities represent passively managed equity index funds that are measured against the MSCI Emerging Markets Index. Investments in currency equity securities represent investments in unitized passive and actively traded currency funds. The Global Tactical Asset Allocation strategy attempts to benefit from short-term market inefficiencies by taking positions in worldwide markets with the objective to profit from relative movements across those markets.

Debt securities include investment grade corporate bonds of companies from diversified U.K. industries.

Investments in real estate represent holdings in a U.K. unitized fund that owns and manages U.K. industrial and commercial real estate with a strategy of earning current rental income and achieving capital growth. The fair value measurement of the fund is based upon a net asset value per share, which is based on the value of underlying properties that are independently appraised in accordance with Royal Institution of Chartered Surveyors valuation standards at least annually with quarterly valuation updates based on recent sales of similar properties, leasing levels, property operations and/or market conditions. The fund may be subject to redemption restrictions in the unlikely event of a large forced sale in order to ensure other unit holders are not disadvantaged.

#### **Expected Cash Flows - U.S. Defined Benefit Plans (PPL)**

PPL's U.S. defined benefit plans have the option to utilize available prior year credit balances to meet current and future contribution requirements. However, PPL contributed \$432 million to its U.S. pension plan in January 2011 and will contribute an additional \$33 million to ensure future compliance with minimum funding requirements.

PPL sponsors various non-qualified supplemental pension plans for which no assets are segregated from corporate assets. PPL expects to make approximately \$5 million of benefit payments under these plans in 2011.

PPL is not required to make contributions to its other postretirement benefit plans but has historically funded these plans in amounts equal to the postretirement benefit costs recognized. Continuation of this past practice would cause PPL to contribute \$38 million to its other postretirement benefit plans in 2011.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid and the following federal subsidy payments are expected to be received by the separate plan trusts.

	<u>Pension</u>	<u>Other Postretirement</u>	
		<u>Benefit Payment</u>	<u>Expected Federal Subsidy</u>
2011	\$ 178	\$ 51	\$ 1
2012	185	54	1
2013	200	57	1
2014	204	61	1
2015	217	64	1
2016 - 2020	1,308	354	4

*(PPL Energy Supply)*

The PPL Montana pension plan has the option to utilize available prior year credit balances to meet current and future contribution requirements. However, PPL Montana contributed \$10 million to the plan in January 2011 and will contribute an additional \$5 million to ensure future compliance with minimum funding requirements.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid by the separate plan trusts.

	<u>Other Postretirement</u>	
	<u>Pension</u>	<u>Other Postretirement</u>
2011	\$ 3	\$ 2
2012	4	2
2013	4	2
2014	5	2
2015	6	3
2016 - 2020	41	14

#### **Expected Cash Flows - U.K. Pension Plans** *(PPL and PPL Energy Supply)*

The pension plans of WPD are subject to formal actuarial valuations every three years, which are used to determine funding requirements. Future contributions were evaluated in accordance with the latest valuation performed as of March 31, 2010, in respect of WPD's principal pension scheme, to determine contribution requirements for 2011 and forward. WPD expects to make contributions of approximately \$15 million in 2011. WPD is currently permitted to recover in rates approximately 76% of its deficit funding requirements for its primary pension plan.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid by the separate plan trusts.

	<u>Pension</u>
2011	\$ 156
2012	158
2013	161
2014	164
2015	169
2016 - 2020	895

*(PPL, PPL Energy Supply and PPL Electric)*

#### **Savings Plans**

Substantially all employees of PPL's domestic subsidiaries are eligible to participate in deferred savings plans (401(k)s). Employer contributions to the plans approximated the following.

	<u>2010</u>		<u>2009</u>		<u>2008</u>
PPL	\$	23	\$	17	\$ 17
PPL Energy Supply		10		10	9
PPL Electric		4		4	4

The increase for PPL in 2010 is the result of PPL's acquisition of LKE and the employer contributions related to the employees of that company and its subsidiaries under their existing plans.

### Employee Stock Ownership Plan

PPL sponsors a non-leveraged ESOP in which substantially all domestic employees, excluding those of PPL Montana, LKE and the mechanical contractors, are enrolled on the first day of the month following eligible employee status. Dividends paid on ESOP shares are treated as ordinary dividends by PPL. Under existing income tax laws, PPL is permitted to deduct the amount of those dividends for income tax purposes and to contribute the resulting tax savings (dividend-based contribution) to the ESOP.

The dividend-based contribution is used to buy shares of PPL's common stock and is expressly conditioned upon the deductibility of the contribution for federal income tax purposes. Contributions to the ESOP are allocated to eligible participants' accounts as of the end of each year, based 75% on shares held in existing participants' accounts and 25% on the eligible participants' compensation.

Compensation expense for ESOP contributions was \$8 million in 2010 and 2009 and \$7 million in 2008. These amounts were offset by the dividend-based contribution tax savings and had no impact on PPL's earnings.

PPL shares within the ESOP outstanding at December 31, 2010 were 7,753,007 or 2% of total common shares outstanding, and are included in all EPS calculations.

### Separation Benefits

Certain PPL subsidiaries provide separation benefits to eligible employees. These benefits may be provided in the case of separations due to performance issues, loss of job related qualifications or organizational changes. Certain employees separated are eligible for cash severance payments, outplacement services, accelerated stock award vesting, continuation of group health and welfare coverage, and enhanced pension and postretirement medical benefits. The type and amount of benefits provided is based upon age, years of service and the nature of the separation. Separation benefits are recorded when such amounts are probable and estimable.

In February 2009, PPL announced workforce reductions that resulted in the elimination of approximately 200 management and staff positions across PPL's domestic operations, or approximately 6% of PPL's non-union, domestic workforce. The charges noted below consisted primarily of enhanced pension and severance benefits under PPL's Pension Plan and Separation Policy and were recorded to "Other operation and maintenance" on the Statement of Income.

As a result of the workforce reductions, PPL recorded a charge of \$22 million (\$13 million after tax) in 2009.

PPL Energy Supply eliminated approximately 50 management and staff positions and recorded a charge of \$13 million (\$8 million after tax) in 2009. Included in this charge was \$8 million (\$4 million after tax) of allocated costs associated with the elimination of employees of PPL Services.

PPL Electric eliminated approximately 50 management and staff positions and recorded a charge of \$9 million (\$5 million after tax) in 2009. Included in this charge was \$3 million (\$1 million after tax) of allocated costs associated with the elimination of employees of PPL Services.



Separation benefits were not significant in 2010 and 2008.

### Health Care Reform

In March 2010, Health Care Reform was signed into law. Many provisions of Health Care Reform do not take effect for an extended period of time, and most will require the publication of implementing regulations and/or issuance of program guidelines.

Beginning in 2013, provisions within Health Care Reform eliminate the tax deductibility of retiree health care costs to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D Coverage. As a result, in 2010:

- PPL decreased deferred tax assets by \$13 million, increased regulatory assets by \$9 million, increased deferred tax liabilities by \$4 million and recorded income tax expense of \$8 million;
- PPL Energy Supply decreased deferred tax assets by \$5 million and recorded income tax expense of \$5 million; and
- PPL Electric decreased deferred tax assets by \$5 million, increased regulatory assets by \$9 million and increased deferred tax liabilities by \$4 million.

Other provisions within Health Care Reform that apply to PPL and its subsidiaries include:

- an excise tax, beginning in 2018, imposed on high-cost plans providing health coverage that exceeds certain thresholds;
- a requirement to extend dependent coverage up to age 26; and
- broadening the eligibility requirements under the Federal Black Lung Act.

PPL and its subsidiaries have evaluated the provisions of Health Care Reform and have included the applicable provision in the valuation of those benefit plans that are impacted. The inclusion of the various provision of Health Care Reform did not have a material impact on the financial statements. PPL and its subsidiaries will continue to monitor the potential impact of any changes to the existing provisions and implementation guidance related to Health Care Reform on their benefit programs.

### 14. Jointly Owned Facilities

*(PPL and PPL Energy Supply)*

At December 31, 2010 and 2009, subsidiaries of PPL and PPL Energy Supply owned interests in the facilities listed below. The Balance Sheets of PPL and PPL Energy Supply include the amounts noted in the following table.

	December 31, 2010				
	Ownership Interest	Electric Plant	Other Property	Accumulated Depreciation	Construction Work in Progress
<b>PPL</b>					
Generating Stations					
Susquehanna	90.00%	\$ 4,553		\$ 3,487	\$ 79
Conemaugh	16.25%	213		106	11
Keystone	12.34%	196		60	2
Trimble County-Units 1 & 2 (a)	75.00%	352		10	907
Merrill Creek Reservoir	8.37%		\$ 22	15	

	December 31, 2010				
	Ownership Interest	Electric Plant	Other Property	Accumulated Depreciation	Construction Work in Progress
<b>PPL Energy Supply</b>					
Generating Stations					
Susquehanna	90.00%	\$ 4,553		\$ 3,487	\$ 79
2010 10K As Filed		248			

Conemaugh	16.25%	213		106	11
Keystone	12.34%	196		60	2
Merrill Creek Reservoir	8.37%		\$ 22	15	

## December 31, 2009

	<u>Ownership Interest</u>	<u>Electric Plant</u>	<u>Other Property</u>	<u>Accumulated Depreciation</u>	<u>Construction Work in Progress</u>
<b><u>PPL and PPL Energy Supply</u></b>					
Generating Stations					
Susquehanna	90.00%	\$ 4,571		\$ 3,475	\$ 108
Conemaugh	16.25%	206		99	9
Keystone	12.34%	199		61	4
Merrill Creek Reservoir	8.37%		\$ 22	15	

- (a) The interest in these Units was recognized as a result of the 2010 acquisition of LKE. See Note 10 for additional information on the acquisition, and Note 8 for additional information on Trimble County Unit 2.

In addition to the interests mentioned above, PPL Montana had a 50% leasehold interest in Colstrip Units 1 and 2 and a 30% leasehold interest in Colstrip Unit 3 under operating leases. See Note 11 for additional information. At December 31, 2010 and 2009, NorthWestern owned a 30% leasehold interest in Colstrip Unit 4. PPL Montana and NorthWestern have a sharing agreement to govern each party's responsibilities regarding the operation of Colstrip Units 3 and 4, and each party is responsible for 15% of the respective operating and construction costs, regardless of whether a particular cost is specified to Colstrip Unit 3 or 4.

Each subsidiary owning these interests provides its own funding for its share of the facility. Each receives a portion of the total output of the generating stations equal to its percentage ownership. The share of fuel and other operating costs associated with the stations is included in the corresponding operating expenses on the Statements of Income.

## 15. Commitments and Contingencies

### Energy Purchases, Energy Sales and Other Commitments

#### Energy Purchase Commitments

(PPL)

LKE enters into purchase contracts to supply the coal and natural gas requirements for generation facilities and LG&E's gas supply operations. The coal contracts extend through 2016 and the natural gas contracts extend through 2012. LKE also enters into contracts for the transportation of natural gas, which expire through 2018.

LKE indirectly holds an 8.13% interest in OVEC, which is accounted for as a cost method investment. OVEC owns and operates two coal-fired power plants. LKE is contractually entitled to 8.13% of OVEC's output, approximately 194 MW of generation capacity. Pursuant to the OVEC power purchase agreement, which expires in 2026, LKE may be conditionally responsible for its pro-rata share of certain obligations of OVEC under defined circumstances. These contingent liabilities may include unpaid OVEC indebtedness as well as shortfall amounts in certain excess decommissioning costs and postretirement benefits other than pension. LKE's contingent potential proportionate share of OVEC's outstanding debt was approximately \$113 million at December 31, 2010.

(PPL and PPL Energy Supply)

PPL Energy Supply enters into long-term purchase contracts to supply the fuel requirements for generation facilities. These contracts include commitments to purchase coal, emission allowances, limestone, natural gas, oil and nuclear fuel. These long-term contracts extend through 2019, with the exception of a limestone contract that extends through 2030. PPL Energy Supply also enters into long-term contracts for the storage and transportation of natural gas. The long-term natural gas storage contracts extend through 2015, and the long-term natural gas transportation contracts extend through 2032. Additionally, PPL Energy Supply has entered into long-term contracts to purchase power that extend through

2017, with the exception of long-term power purchase agreements for the full output of two wind farms that extend through 2027.

As part of the purchase of generation assets from Montana Power, PPL Montana assumed a power purchase and power sales agreement, which expired at December 31, 2010. In accordance with purchase accounting guidelines, PPL Montana recorded a liability of \$58 million as the fair value of the agreement at the acquisition date. The liability was being reduced over the term of the agreement as an adjustment to "Energy purchases" on the Statements of Income. At December 31, 2009, the \$11 million unamortized balance of this liability was included in "Other current liabilities" on the Balance Sheets and was fully amortized in 2010.

In 2008, PPL EnergyPlus acquired the rights to an existing long-term tolling agreement associated with the capacity and energy of Ironwood. Under the agreement, PPL EnergyPlus has control over the plant's dispatch into the electricity grid and supplies the natural gas necessary to operate the plant. The tolling agreement extends through 2021. See Note 11 for additional information.

*(PPL and PPL Electric)*

In 2009, the PUC approved PPL Electric's procurement plan for the period January 2011 through May 2013. Through 2010, PPL Electric has conducted six of its 14 planned competitive solicitations. The solicitations include a mix of long-term and short-term purchases ranging from five months to five years to fulfill PPL Electric's obligation to provide for customer supply as a PLR.

*(PPL Energy Supply and PPL Electric)*

See Note 16 for information on the power supply agreements between PPL EnergyPlus and PPL Electric.

### Energy Sales Commitments

*(PPL and PPL Energy Supply)*

In connection with its marketing activities or hedging strategy for its power plants, PPL Energy Supply has entered into long-term power sales contracts that extend through 2024, excluding long-term retail sales agreements for the full output from solar generators that extend through 2036.

*(PPL Energy Supply and PPL Electric)*

See Note 16 for information on the power supply agreements between PPL EnergyPlus and PPL Electric.

### PPL Montana Hydroelectric License Commitments *(PPL and PPL Energy Supply)*

PPL Montana owns and operates 11 hydroelectric facilities and one storage reservoir licensed by the FERC under long-term licenses pursuant to the Federal Power Act. Pursuant to Section 8(e) of the Federal Power Act, the FERC approved the transfer from Montana Power to PPL Montana of all pertinent licenses in connection with the Montana Asset Purchase Agreement.

The Kerr Dam Project license (50-year term) was jointly issued by the FERC to Montana Power and the Confederated Salish and Kootenai Tribes of the Flathead Reservation in 1985, and requires PPL Montana (as successor licensee to Montana Power) to hold and operate the project for at least 30 years (to 2015). Between 2015 and 2025, the tribes have the option to purchase, hold and operate the project for the remainder of the license term, which expires in 2035. PPL Montana cannot predict if and when this option will be exercised. The license also requires PPL Montana to continue to implement a plan to mitigate the impact of the Kerr Dam on fish, wildlife and their habitats. Under this arrangement, PPL Montana has a remaining commitment to spend \$10 million between 2011 and 2015, in addition to the annual rent it pays to the tribes.

PPL Montana entered into two Memoranda of Understanding (MOUs) with state, federal and private entities related to the issuance in 2000 of the FERC renewal license for the nine dams comprising the Missouri-Madison project. The MOUs are periodically updated and renewed and require PPL Montana to implement plans to mitigate the impact of its projects on fish, wildlife and their habitats, and to increase recreational opportunities. The MOUs were created to maximize collaboration between the parties and enhance the possibility to receive matching funds from relevant federal agencies. Under these arrangements, PPL Montana has a remaining commitment to spend \$34 million between 2011 and 2040.

### **Legal Matters**

*(PPL, PPL Energy Supply and PPL Electric)*

PPL and its subsidiaries are involved in legal proceedings, claims and litigation in the ordinary course of business. PPL and its subsidiaries cannot predict the outcome of such matters, or whether such matters may result in material liabilities, unless otherwise noted.

*(PPL)*

### Trimble County Unit 2 Construction

In June 2006, LKE entered into a construction contract regarding the TC2 project. The contract is generally in the form of a turnkey agreement for the design, engineering, procurement, construction, commissioning, testing and delivery of the project, according to designated specifications, terms and conditions. The contract price and its components are subject to a number of potential adjustments which may serve to increase or decrease the ultimate construction price. During 2009 and 2010, LKE received several contractual notices from the TC2 construction contractor asserting historical force majeure and excusable event claims for a number of adjustments to the contract price, construction schedule, commercial operations date, liquidated damages or other relevant provisions. In September 2010, LKE and the construction contractor agreed to a settlement to resolve the force majeure and excusable event claims occurring through July 2010, under the TC2 construction contract, which settlement provided for a limited, negotiated extension of the contractual commercial operations date and/or relief from liquidated damage calculations. With limited exceptions LKE took care, custody and control of TC2 on January 22, 2011, and has dispatched the unit to meet customer demand since that date. LG&E and KU and the contractor agreed to a further amendment of the construction agreement whereby the contractor will complete certain actions relating to identifying and completing any necessary modifications to allow operation of TC2 on all fuels in accordance with initial specifications prior to certain dates, and amending the provisions relating to liquidated damages. LKE cannot currently estimate the ultimate outcome of these matters.

### Trimble County Unit 2 Transmission

LG&E's and KU's Certificate of Public Convenience and Necessity (CCN) and condemnation rights relating to a transmission line associated with the TC2 construction have been challenged by certain property owners in Hardin County, Kentucky. Certain proceedings relating to CCN challenges and federal historic preservation permit requirements have concluded with outcomes in LG&E's and KU's favor.

With respect to the remaining issues in dispute, during 2008, KU obtained various successful rulings at the Hardin County Circuit Court confirming its condemnation rights. In August 2008, several landowners appealed such rulings to the Kentucky Court of Appeals. In May 2010, the Kentucky Court of Appeals issued an Order affirming the Hardin Circuit Court's finding that KU had the right to condemn easements on the properties. In May 2010, the landowners filed a petition for reconsideration with the Court of Appeals. In July 2010, the Court of Appeals denied that petition. In August 2010, the landowners filed for discretionary review of that denial by the Kentucky Supreme Court.

Consistent with the regulatory authorizations and relevant legal proceedings, LG&E and KU have completed construction activities on transmission line segments. During 2010, LG&E and KU placed into operation permanent sections of the transmission line. PPL cannot predict the outcome of remaining issues related to this matter.

### Montana Hydroelectric Litigation *(PPL and PPL Energy Supply)*

In November 2004, PPL Montana, Avista Corporation (Avista) and PacifiCorp commenced an action for declaratory judgment in Montana First Judicial District Court seeking a determination that no lease payments or other compensation for their hydroelectric facilities' use and occupancy of riverbeds in Montana can be collected by the State of Montana. This lawsuit followed dismissal on jurisdictional grounds of an earlier federal lawsuit seeking such compensation in the U.S. District Court of Montana. Initially brought by two individuals, for whom the State was later substituted, the federal lawsuit alleged that the beds of Montana's navigable rivers became state-owned trust property upon Montana's admission to statehood, and that the use of them should, under a 1931 regulatory scheme enacted after all but one of the hydroelectric facilities in question were constructed, trigger lease payments for use of land beneath. In July 2006, the Montana state court approved a stipulation by the State of Montana that it was not seeking compensation for the period prior to PPL Montana's December 1999 acquisition of the hydroelectric facilities.

Following a number of adverse trial court rulings, in 2007 Pacificorp and Avista each entered into settlement agreements with the State of Montana providing, in pertinent part, that each company would make prospective lease payments for use of the State's navigable riverbeds (subject to certain future adjustments), resolving the State's claims for past and future compensation.

Following an October 2007 trial of this matter on damages, in June 2008, the Montana District Court awarded the State retroactive compensation of approximately \$35 million for the 2000-2006 period and approximately \$6 million for 2007 compensation. Those amounts continue to accrue interest at 10 percent per year. The Montana District Court also deferred determination of compensation for 2008 and future years to the Montana State Land Board. In October 2008, PPL Montana appealed the decision to the Montana Supreme Court, requesting a stay of judgment and a stay of the Land Board's authority to assess compensation for 2008 and future periods.

In 2009, PPL Montana adjusted its previously recorded accrual by \$8 million, \$5 million after tax. Of this total, \$5 million, \$3 million after tax, related to prior periods. In March 2010, the Montana Supreme Court substantially affirmed the June 2008 Montana District Court decision. As a result, in the first quarter of 2010, PPL Montana recorded a pre-tax charge of \$56 million (\$34 million after tax or \$0.08 per share, basic and diluted, for PPL), representing estimated rental compensation for the first quarter of 2010 and prior years, including interest. Rental compensation was estimated for periods subsequent to 2007, although such estimated amounts may differ from amounts ultimately determined by the Montana State Land Board. The portion of the pre-tax charge that related to prior years totaled \$54 million (\$32 million after tax). The pre-tax charge recorded on the Statement of Income was \$49 million in "Other operation and maintenance" and \$7 million in "Interest Expense." PPL Montana continues to accrue interest expense for the prior years and rent expense for the current year. PPL Montana's total loss accrual at December 31, 2010 was \$75 million.

In August 2010, PPL Montana filed a petition for a writ of certiorari with the U.S. Supreme Court requesting the Court's review of this matter. Several amicus briefs have been filed supporting PPL Montana's petition, including, among others, a combined brief by the Edison Electric Institute and National Hydropower Association. In October 2010, the State of Montana and PPL Montana filed respective reply briefs. In November 2010, the Supreme Court requested the U.S. Solicitor General to provide its views on behalf of the federal government whether the Court should grant or deny PPL Montana's petition. It is not known when that brief might be filed in 2011 or what the position of the Solicitor General will be. The stay of the judgment granted during the proceedings before the Montana Supreme Court has been extended by agreement with the State of Montana, to cover the anticipated period of the proceeding before the U.S. Supreme Court. PPL cannot predict the outcome of this matter.

#### PJM/MISO Billing Dispute (*PPL, PPL Energy Supply and PPL Electric*)

In 2009, PJM reported that it had discovered a modeling error in the market-to-market power flow calculations between PJM and the MISO. The error was a result of incorrect modeling of certain generation resources that have an impact on power flows across the PJM/MISO border. Informal settlement discussions on this issue terminated in March 2010. Also in March 2010, MISO filed two complaints with the FERC concerning the modeling error and related matters with a demand for \$130 million of principal plus interest. In April 2010, PJM filed answers to the complaints and filed a related complaint against MISO. In its answers and complaint, PJM denies that any compensation is due to MISO and seeks recovery in excess of \$25 million from MISO for alleged violations by MISO regarding market-to-market power flow calculations. PPL participates in markets in both PJM and MISO. The amount and timing of any payments by PJM to MISO or by MISO to PJM relating to these modeling errors is uncertain, as is the method by which PJM or MISO would allocate any such payments to PJM and MISO participants. In June 2010, the FERC ordered the complaints to be

consolidated and set for settlement discussions, followed by hearings if the discussions are unsuccessful. In January 2011, the parties to this dispute filed a settlement with the FERC under which no compensation would be paid to either PJM or MISO and providing for certain improvements in how the calculations are administered going forward. The settlement requires FERC approval. PPL cannot predict the outcome of this matter.

## **Regulatory Issues**

### Enactment of Financial Reform Legislation (*PPL and PPL Energy Supply*)

In July 2010, the Dodd-Frank Act was signed into law. Of particular relevance to PPL and PPL Energy Supply, the Dodd-Frank Act includes provisions that require most over-the-counter derivative transactions to be executed through an exchange and to be centrally cleared. The Dodd-Frank Act, however, provides an exemption from mandatory clearing and exchange trading requirements for over-the-counter derivative transactions used to hedge or mitigate commercial risk. Although the phrase "to hedge or mitigate commercial risk" is not defined in the Dodd-Frank Act, recent rules proposed by the Commodity Futures Trading Commission set forth an inclusive, multi-pronged definition for the phrase. Based on this proposed definition and other requirements in the proposed rule, it is anticipated that transactions utilized by PPL and PPL Energy Supply should qualify if they are not entered into for speculative purposes. The Dodd-Frank Act also provides that the Commodity Futures Trading Commission may impose collateral and margin requirements for over-the-counter derivative transactions, including those that are used to hedge commercial risk. However, during drafting of the Dodd-Frank Act, certain members of Congress adopted report language and issued a public letter stating that it was not their intention to impose margin and collateral requirements on counterparties that utilize these transactions to hedge commercial risk. Final rules on major provisions in the Dodd-Frank Act, including imposition of collateral and margin requirements, will be established through rulemakings and, in most cases, will not take effect until at least 12 months after the date of enactment. PPL and PPL Energy Supply may be required to post additional collateral if they are subject to margin requirements as ultimately adopted in the implementing regulations of the Dodd-Frank Act. PPL and PPL Energy Supply will continue to evaluate the provisions of the Dodd-Frank Act and monitor developments related to its implementation. At this time, PPL and PPL Energy Supply cannot predict the impact that the new law or its implementing regulations will have on their business or operations, or the markets in which they transact business.

(PPL)

### Utility Competition in Virginia

The Commonwealth of Virginia passed the Virginia Electric Utility Restructuring Act in 1999. This act gave customers the ability to choose their electric supplier and capped electric rates through December 2010. KU subsequently received a legislative exemption from the customer choice requirements of this law. In April 2007, however, the Virginia General Assembly amended the Virginia Electric Utility Restructuring Act, terminating the competitive market and commencing re-regulation of utility rates. The new act ended the cap on rates at the end of 2008. Pursuant to this legislation, the VSCC adopted regulations revising the rules governing utility rate increase applications. As of January 2009, a hybrid model of regulation is being applied in Virginia, under which utility rates are reviewed every two years. KU's exemption from the requirements of the Virginia Electric Utility Restructuring Act, however, discharges KU from the requirements of the new hybrid model of regulation. In lieu of submitting an annual information filing, KU has the option of requesting a change in base rates to recover prudently incurred costs by filing a traditional base rate case. KU is also subject to other utility regulations in Virginia, including, but not limited to, the recovery of prudently incurred fuel costs through an annual fuel factor charge and the submission of integrated resource plans.

### Kentucky Activities

#### *Home Energy Assistance Program*

During September 2007, the KPSC approved a five-year Home Energy Assistance program effective in October 2007. The program was scheduled to terminate in September 2012, and is funded through a \$0.15 per month meter charge. This program was extended through September 2015 in the KPSC Order approving PPL's acquisition of LKE.

#### *Gas Customer Choice Study*

In April 2010, the KPSC commenced a proceeding to investigate natural gas retail competition programs, their regulatory, financial and operational aspects and potential benefits, if any, of such programs to Kentucky consumers. A number of entities, including LG&E, are parties to the proceeding. In December 2010, the KPSC issued an Order in the proceeding declining to endorse gas competition at the retail level, noting the existence of a number of transition or oversight costs and an uncertain level of economic benefits in such programs. With respect to existing gas transportation programs available to large commercial or industrial users, the Order indicates that the KPSC will review utilities' current tariff structures, user thresholds and other terms and conditions of such programs, as part of such companies' next regular gas rate cases.

#### *Integrated Resource Planning*

Integrated resource planning ("IRP") regulations in Kentucky require major utilities to make triennial IRP filings with the KPSC. In April 2008, LG&E and KU filed their 2008 joint IRP with the KPSC. The IRP provides historical and projected demand, resource and financial data, and other operating performance and system information. The KPSC issued a staff report and Order closing this proceeding in December 2009. Pursuant to the VSCC's December 2008 Order, KU filed its IRP in July 2009. The filing consisted of the 2008 Joint IRP filed by LG&E and KU with the KPSC along with additional data. The VSCC issued an Order in August 2010 finding the IRP was reasonable and in the public interest. LG&E and KU anticipate filing a joint IRP with the KPSC in April 2011.

#### *Green Energy Riders*

In February 2007, LG&E and KU filed a Joint Application and Testimony for Proposed Green Energy Riders. In May 2007, a KPSC Order was issued authorizing LG&E and KU to establish Small and Large Green Energy Riders, allowing customers to contribute funds to be used for the purchase of renewable energy credits. During November 2009, LG&E and KU filed an application to both continue and modify the existing Green Energy Programs. In February 2010, the KPSC approved the application, as filed.

#### *Other*

In February 2006, the KPSC initiated an administrative proceeding to consider the requirements of the federal Energy Policy Act of 2005 (Energy Act), Subtitle E Section 1252, Smart Metering, which concerns time-based metering and demand response, and Section 1254, Interconnections. The Energy Act requires each state regulatory authority to conduct a formal investigation and issue a decision on whether or not it is appropriate to implement certain Section 1252 standards within eighteen months after the enactment of the Energy Act and to commence consideration of Section 1254 standards within a year after the enactment of the Energy Act. Following a public hearing with all Kentucky jurisdictional electric utilities, in December 2006, the KPSC issued an Order in this proceeding indicating that the 2005 Energy Act Section 1252 and Section 1254 standards should not be adopted. However, all the KPSC jurisdictional utilities are required to file real-time pricing pilot programs for their large commercial and industrial customers. LG&E and KU developed real-time pricing pilots for large industrial and commercial customers and filed the details of the plan with the KPSC in April 2007. In February 2008, the KPSC issued an Order approving the real-time pricing pilot programs proposed by LG&E and KU for implementation for their large commercial and industrial customers. The tariff was filed in October 2008, with an effective date of December 1, 2008. LG&E and KU file annual reports on the program within 90 days of each plan year-end for the three-year pilot period.

Pursuant to a LG&E 2004 rate case settlement agreement, and as referred to in the Energy Act Administrative Order, LG&E made its responsive pricing and smart metering pilot program filing, which addresses real-time pricing for residential and general service customers, in March 2007. In July 2007, the KPSC approved the application as filed for a small number of residential customers and a sampling of other customers, and authorized LG&E to establish the responsive pricing and smart metering pilot program, recovery of non-specific customer costs through the DSM billing mechanism and the filing of annual reports by April 1, 2009, 2010 and 2011. LG&E must also file an evaluation of the program by July 1, 2011.

#### Pennsylvania Activities (*PPL and PPL Electric*)

Act 129 requires electric utilities to meet specified goals for reduction in customer electricity usage and peak demand by specified dates. Utilities not meeting the requirements of Act 129 are subject to significant penalties.

Under Act 129, Electric Distribution Companies (EDCs) must develop and file an energy efficiency and conservation plan (EE&C Plan) with the PUC and contract with conservation service providers to implement all or a portion of the EE&C Plan. Act 129 requires EDCs to cause reduced electricity consumption of 1% by 2011 and 3% by 2013, and reduced peak demand of 4.5% by 2013. EDCs will be able to recover the costs (capped at 2% of the EDC's 2006 revenue) of implementing their EE&C Plans. In October 2009, the PUC approved PPL Electric's EE&C Plan. The plan includes 14 programs, all of which are voluntary for customers. The plan includes a proposed rate mechanism for recovery of all costs incurred by PPL Electric to implement the plan. In September 2010, PPL Electric filed its Program Year 1 Annual Report and Process Evaluation Report. PPL Electric also filed a petition requesting permission to modify two components of its EE&C Plan. Various responses were filed to that petition which the PUC has assigned to two Administrative Law Judges for hearings and a recommended decision. In December 2010, the Administrative Law Judges issued a recommended decision approving PPL Electric's request. Parties have filed exceptions and reply exceptions to the recommended decision. The PUC issued its final order in January 2011, approving the changes proposed by PPL Electric and directing PPL Electric to re-file its plan to reflect all changes made since it was initially approved.

Act 129 also requires installation of smart meters for new construction, upon the request of consumers at their cost, or on a depreciation schedule not exceeding 15 years. Under Act 129, EDCs will be able to recover the costs of providing smart metering technology. In August 2009, PPL Electric filed its proposed smart meter technology procurement and installation plan with the PUC. All of PPL Electric's metered customers currently have smart meters installed at their service locations, and PPL Electric's current advanced metering technology generally satisfies the requirements of Act 129 and does not need to be replaced. In June 2010, the PUC entered its order approving PPL Electric's smart meter plan with several modifications. In compliance with the order, in the third quarter of 2010, PPL Electric submitted a revised plan with a cost estimate of \$38 million to be incurred over a five-year period, beginning in 2009, and filed a rider to recover these costs beginning January 1, 2011. In December 2010, the PUC approved PPL Electric's rate rider to recover the costs of its smart meter program.

Act 129 also requires the Default Service Provider (DSP) to provide electric generation supply service to customers pursuant to a PUC-approved competitive procurement plan through auctions, requests for proposal and bilateral contracts at the sole discretion of the DSP. Act 129 requires a mix of spot market purchases, short-term contracts and long-term contracts (4 to 20 years, with long-term contracts limited to up to 25% of the load unless otherwise approved by the PUC). The DSP will be able to recover the costs associated with a competitive procurement plan.

Under Act 129, the DSP competitive procurement plan must ensure adequate and reliable service "at least cost to customers" over time. Act 129 grants the PUC authority to extend long-term power contracts up to 20 years, if necessary, to achieve the "least cost" standard. The PUC has approved PPL Electric's procurement plan for the period January 1, 2011 through May 31, 2013, and PPL Electric has begun purchasing under that plan. In December 2010, the PUC approved PPL Electric's rate rider to recover the costs of providing default service.

#### New Jersey Capacity Legislation (*PPL, PPL Energy Supply and PPL Electric*)

In January 2011, New Jersey enacted a law that intervenes in the wholesale capacity market exclusively regulated by the FERC: S. No. 2381, 214th Leg. (N.J. 2011) (the Act). To create incentives for the development of new, in-state electric generation facilities, the Act implements a "long-term capacity agreement pilot program" (LCAPP). The Act requires New Jersey utilities to pay a guaranteed fixed price for wholesale capacity, imposed by the New Jersey Board of Public Utilities (BPU), to certain new generators participating in PJM, with the ultimate costs of that guarantee to be borne by New Jersey ratepayers. PPL believes the intent and effect of the LCAPP is to encourage the construction of new generation in New Jersey even when, under the FERC-approved PJM economic model, such new generation would not be economic. The Act could depress capacity prices in PJM in the short term, impacting PPL Energy Supply's revenues, and harm the long-term ability of the PJM capacity market to incent necessary generation investment throughout PJM. In February 2011, the PJM Power Providers Group (P3), an organization in which PPL is a member, filed a complaint before the FERC seeking changes in PJM's capacity market rules designed to ensure that subsidized generation, such as



may result from the implementation of the LCAPP, will not be able to set capacity prices artificially low as a result of their exercise of buyer market power. PPL cannot predict the outcome of this proceeding.

Also in February 2011, PPL, with several other generating companies and utilities, filed a complaint in Federal Court in New Jersey challenging the Act on the grounds that the Act violates well-established principles under the Supremacy Clause and the Commerce Clause of the United States Constitution. In this action, the Plaintiffs request declaratory and injunctive relief barring implementation of the Act by the Commissioners of the BPU. PPL cannot predict the outcome of this proceeding.

#### FERC Formula Rates (*PPL and PPL Electric*)

In August 2008, PPL Electric asked the FERC to change the method for calculating its transmission rates to formula-based rates to support continued investment in its transmission system.

In October 2008, the FERC accepted the proposed rate for filing, effective November 1, 2008, subject to refund, and set the matter for hearing, but held the hearings in abeyance to establish settlement judge procedures. In May 2009, a settlement was reached by all interested parties which, among other things, reduced PPL Electric's return on equity to approximately 11.70%. PPL Electric was granted approval to implement the formula-based rate as established in the settlement, effective June 1, 2009. In August 2009, the FERC approved the settlement. See Note 3 for information on a true-up of these revenues.

In May 2010, PPL Electric initiated the 2010 Annual Update of its formula rate. In November 2010, a group of municipal customers taking transmission service in PPL Electric's zone filed a preliminary challenge to the update, and in December, they filed a formal challenge. In January 2011, PPL Electric filed a motion to dismiss a number of the challenges and submitted responses to all of the challenges. PPL Electric cannot predict the outcome of this proceeding which remains pending before the FERC.

In September 2008, KU filed an application with the FERC for increases in electric base rates applicable to wholesale power sales contracts or interchange agreements involving, collectively, 12 Kentucky municipalities. The application requested a shift from an all-in stated unit charge rate to an unbundled formula rate, including an annual adjustment mechanism. In May 2009, the FERC issued an Order approving a settlement among the parties in the case, incorporating increases of approximately 3% from prior rates and a return on equity of 11%. In May 2010, KU submitted to the FERC the proposed current annual adjustment to the formula rate. This updated rate became effective on July 1, 2010, subject to certain review procedures by the wholesale requirements customers and the FERC, including potential refunds in the case of disallowed costs or charges.

By mutual agreement, the parties' settlement of the 2008 application left outstanding the issue of whether KU must allocate the municipal customers a portion of renewable resources that it may be required to procure on behalf of its retail ratepayers. An Order was issued by the FERC in July 2010, indicating that KU is not required to allocate a portion of any renewable resources to the 12 municipalities, thus resolving the remaining issue.

#### California ISO and Western U.S. Markets (*PPL and PPL Energy Supply*)

Through its subsidiaries, PPL made \$18 million of sales to the California ISO during the period October 2000 through June 2001, \$17 million of which has not been paid to PPL subsidiaries. Also, as previously reported, there has been further litigation about additional claims of refunds for periods prior to October 2000. In January 2011, PPL and the "California Parties" (collectively, three California utility companies, the California Public Utility Commission and certain California state authorities) filed a settlement under which PPL would receive approximately \$2 million of its \$17 million claim, together with interest. The FERC must approve the settlement. At December 31, 2010, PPL has reserved all of the non-payment exposure related to these sales.

In June 2003, the FERC took several actions as a result of several related investigations beyond the California ISO litigation. The FERC terminated proceedings to consider whether to order refunds for spot market bilateral sales made in the Pacific Northwest, including sales made by PPL Montana, during the period December 2000 through June 2001. In August 2007, the U.S. Court of Appeals for the Ninth Circuit reversed the FERC's decision and ordered the FERC to consider additional evidence. The FERC also commenced additional investigations relating to "gaming" and bidding

practices during 2000 and 2001, but neither PPL EnergyPlus nor PPL Montana believes it is a subject of these investigations.

Although PPL and its subsidiaries believe that they have not engaged in any improper trading or marketing practices affecting the western markets, PPL cannot predict the outcome of the above-described investigations, lawsuits and proceedings or whether any PPL subsidiaries will be the subject of any additional governmental investigations or named in other lawsuits or refund proceedings.

#### PJM RPM Litigation (*PPL, PPL Energy Supply and PPL Electric*)

In May 2008, a group of state public utility commissions, state consumer advocates, municipal entities and electric cooperatives, industrial end-use customers and a single electric distribution company (collectively, the RPM Buyers) filed a complaint before the FERC objecting to the prices for capacity under the PJM Reliability Pricing Model (RPM) that were set in the 2008-09, 2009-10 and 2010-11 RPM base residual auctions. The RPM Buyers requested that the FERC reset the rates paid to generators for capacity in those periods to a significantly lower level. Thus, the complaint requests that generators be paid less for those periods through refunds and/or prospective changes in rates. The relief requested in the complaint, if granted, could have a material effect on PPL, PPL Energy Supply and PPL Electric. PJM, PPL and numerous other parties have responded to the complaint, strongly opposing the relief sought by the RPM Buyers. In September 2008, the FERC entered an order denying the complaint. In August 2009, the RPM Buyers appealed the FERC's decision to the U.S. Court of Appeals for the Fourth Circuit, and the appeal was subsequently transferred to the U.S. Court of Appeals for the District of Columbia Circuit. In February 2011, the U.S. Court of Appeals for the District of Columbia Circuit issued an order denying the appeal. PPL cannot predict the outcome of this proceeding.

In December 2008, PJM submitted amendments to certain provisions governing its RPM capacity market. The amendments were intended to permit the compensation available to suppliers that provide capacity, including PPL Energy Supply, to increase. PJM sought approval of the amendments in time for them to be implemented for the May 2009 capacity auction (for service in June 2012 through May 2013). Numerous parties, including PPL, protested PJM's filing. Certain of the protesting parties proposed changes to the capacity market auction that would result in a reduction in compensation to capacity suppliers. The changes proposed by PJM and by other parties in response to PJM proposals could significantly affect the compensation available to suppliers of capacity participating in future RPM auctions. In March 2009, the FERC entered an order approving in part and disapproving in part the changes proposed by PJM. In August 2009, the FERC issued an order granting rehearing in part, denying rehearing in part and clarifying its March 2009 order. No request for rehearing or appeal of the August 2009 order was timely filed. In October 2010, the August 2009 Order became final and will not have a material impact on PPL, PPL Energy Supply or PPL Electric. As a result, the remaining issues in this matter are those referred to in the paragraph above.

#### FERC Market-Based Rate Authority

(*PPL*)

In July 2006, the FERC issued an Order in LG&E's and KU's market-based rate proceedings accepting their further proposal to address certain market power issues the FERC had claimed would arise upon an exit from the MISO. In particular, LG&E and KU received permission to sell power at market-based rates at the interface of control areas in which it may be deemed to have market power, subject to a restriction that such power not be intentionally re-sold back into such control areas. However, restrictions exist on sales by LG&E and KU of power at market-based rates in the LG&E/KU and Big Rivers Electric Corporation control areas. In June 2007, the FERC issued Order No. 697 implementing certain reforms to market-based rate regulations, including restrictions similar to those previously in place for LG&E's and KU's power sales at control area interfaces. In December 2008, the FERC issued Order No. 697-B potentially placing additional restrictions on certain power sales involving areas where market power is deemed to exist. As a condition of receiving and retaining market-based rate authority, LG&E and KU must comply with applicable affiliate restrictions set forth in the FERC regulation.

In June 2009, the FERC issued Order No. 697-C which generally clarified certain interpretations relating to power sales and purchases at control area interfaces or into control areas involving market power. In July 2009, the FERC issued an order approving LG&E's and KU's September 2008 tri-annual application for updated market-based rate authority.

During July 2009, affiliates of LG&E and KU completed a transaction terminating certain prior generation and power marketing activities in the Big Rivers Electric Corporation control area, which termination should ultimately allow a filing to request a determination that LG&E and KU are no longer deemed to have market power in such control area.

LG&E and KU conduct certain of their wholesale power sales activities in accordance with existing market-based rate authority principles and interpretations. Future FERC proceedings relating to Orders 697 or market-based rate authority could alter the amount of sales made at market-based versus cost-based rates.

*(PPL and PPL Energy Supply)*

In December 1998, the FERC authorized PPL EnergyPlus to make wholesale sales of electric power and related products at market-based rates. In that order, the FERC directed PPL EnergyPlus to file an updated market analysis within three years after the order, and every three years thereafter. Since then, periodic market-based rate filings with the FERC have been made by PPL EnergyPlus, PPL Electric, PPL Montana and most of PPL Generation's subsidiaries. These filings consisted of a Northwest market-based rate filing for PPL Montana and a Northeast market-based rate filing for most of the other PPL subsidiaries in PJM's region. In December 2010, PPL filed its market-based rate update for the Eastern region. In January 2011, PPL filed the market-based rate update for the Western region.

Currently, a seller granted market-based rate authority by the FERC may enter into power contracts during an authorized time period. If the FERC determines that the market is not workably competitive or that the seller possesses market power or is not charging "just and reasonable" rates, it may institute prospective action, but any contracts entered into pursuant to the FERC's market-based rate authority remain in effect and are generally subject to a high standard of review before the FERC can order changes. Recent court decisions by the U.S. Court of Appeals for the Ninth Circuit have raised issues that may make it more difficult for the FERC to continue its program of promoting wholesale electricity competition through market-based rate authority. These court decisions permit retroactive refunds and a lower standard of review by the FERC for changing power contracts, and could have the effect of requiring the FERC in advance to review most, if not all, power contracts. In June 2008, the U.S. Supreme Court reversed one of the decisions of the U.S. Court of Appeals for the Ninth Circuit, thereby upholding the higher standard of review for modifying contracts. The FERC has not yet taken action in response to these court decisions. At this time, PPL cannot predict the impact of these court decisions on the FERC's future market-based rate authority program or on PPL's business.

#### MISO Revenue Sufficiency Guarantee (PPL)

In August 2010, the FERC issued Orders accepting most facets of several MISO Revenue Sufficiency Guarantee ("RSG") compliance filings. The FERC ordered the MISO to issue refunds for RSG charges that were imposed by the MISO on the assumption that there were rate mismatches for the period beginning November 2007 through the present. There is no financial statement impact to LG&E and KU from this Order, as the MISO had anticipated that the FERC would require these refunds and had preemptively included them in resettlements paid in 2009. The FERC denied the MISO's proposal to exempt certain resources from RSG charges, effective prospectively. The FERC accepted portions and rejected portions of the MISO's proposed RSG rate Redesign Proposal, which will be effective when certain software is ready for implementation subject to further compliance filings. The impact of the Redesign Proposal on LG&E and KU cannot be estimated at this time.

In August 2009, the FERC determined that the MISO had failed to demonstrate that its proposed exemptions to real-time RSG charges were just and reasonable. In November 2009, the MISO made a compliance filing incorporating the rulings of the FERC orders and a related task-force, with a primary open issue being whether certain of the tariff changes are applied prospectively only or retroactively to approximately January 2009. The conclusion of the RSG matter, including the retroactivity decision, may result in refunds to LG&E and KU. PPL cannot presently predict the outcome of this matter.

*(PPL and PPL Energy Supply)*

#### IRS Synthetic Fuels Tax Credits

PPL, through its subsidiaries, had interests in two synthetic fuel production facilities: the Somerset facility, located in Pennsylvania, and the Tyrone facility, located in Kentucky. PPL received tax credits pursuant to Section 29/45K of the

Internal Revenue Code based on the sale of synthetic fuel from these facilities. The Section 29/45K tax credit program expired at the end of 2007, and production of synthetic fuel at these facilities and all other synthetic fuel operations ceased as of December 31, 2007. The facilities were dismantled and retired in 2008.

In April 2008, the IRS published the domestic first purchase price (DFPP) for 2007 indicating that the DFPP reference price increased above PPL's estimated price levels for 2007 and the inflation-adjusted phase-out range decreased from PPL's estimate for 2007. Therefore, PPL recorded an expense of \$13 million (\$0.04 per share, basic and diluted, for PPL) in 2008, to "Income Taxes" on the Statement of Income to account for this difference.

*(PPL, PPL Energy Supply and PPL Electric)*

### IRS Tax Litigation

In January 2011, the IRS appealed, to the U.S. Court of Appeals for the Third Circuit, the U.S. Tax Court's decision that the 1997 U.K. Windfall Profits Tax (WPT) is a creditable tax for U.S. Federal income tax purposes. In its decision, the Tax Court ruled on two issues: (1) the 1997 U.K. WPT imposed on all U.K. privatized utilities, including PPL's U.K. subsidiary, was creditable against the Company's U.S. income taxes; and (2) PPL Electric's street lighting assets could be depreciated for tax purposes over seven years as permitted for "property without a class life" instead of the 20-year depreciation recovery period argued by the IRS. While not certain, it appears that the IRS has recommended not to prosecute an appeal of the street lighting decision. PPL filed its tax returns for 1997 and all intervening years on the basis that the WPT was creditable and that the appropriate tax depreciable life for its street lighting assets was seven years. Therefore, the cash benefit resulting from these items has already been realized. Prior to the Tax Court decision, the Company had accrued a tax reserve equivalent to the full amount of the tax and interest exposure for these two items. See Note 5 for additional information on the release of tax reserves based on this favorable Tax Court decision. PPL cannot predict the outcome of this matter.

### Energy Policy Act of 2005 - Reliability Standards *(PPL, PPL Energy Supply and PPL Electric)*

NERC is responsible for establishing and enforcing mandatory reliability standards (Reliability Standards) regarding the bulk power system. The FERC oversees this process and independently enforces the Reliability Standards.

The Reliability Standards have the force and effect of law and apply to certain users of the bulk power electricity system, including electric utility companies, generators and marketers. The FERC has indicated it intends to enforce vigorously the Reliability Standards using, among other means, civil penalty authority. Under the Federal Power Act, the FERC may assess civil penalties of up to \$1 million per day, per violation, for certain violations. The first group of Reliability Standards approved by the FERC became effective in June 2007.

Since 2007, LG&E, KU, PPL Electric and certain subsidiaries of PPL Energy Supply have self-reported potential violations of certain applicable reliability requirements and submitted accompanying mitigation plans. The resolution of certain of these potential violation reports is pending. In April 2010, a PPL Electric settlement with the RFC resolving four self-reported potential violations became final. PPL Electric agreed to pay a settlement amount of \$290,000 and, among other things, to engage in additional vegetation clearing at a cost of approximately \$7 million over the next three years. The settlement amount was paid in May 2010. Any regional reliability entity determination concerning the resolution of violations of the Reliability Standards remains subject to the approval of the NERC and the FERC. PPL and its subsidiaries cannot predict the outcome of these matters.

In the course of implementing its program to ensure compliance with the Reliability Standards by those PPL affiliates subject to the standards, certain other instances of potential non-compliance may be identified from time to time. PPL cannot predict the fines or penalties that may be imposed.

*(PPL and PPL Energy Supply)*

### U.K. Overhead Electricity Networks

In 2002, for safety reasons, the U.K. Government issued guidance that low voltage overhead electricity networks within three meters horizontal clearance of a building should either be insulated or relocated. This imposed a retroactive requirement on existing assets that were built with lower clearances. In 2008, the U.K. Government determined that the U.K. electricity network should comply with the guidance issued. WPD estimates that the cost of compliance will be \$87 million. The projected expenditures over the next five years have been allowed to be recovered through rates, and it is expected that expenditures beyond this five-year period will also be recovered through rates. The U.K. Government has determined that WPD (South Wales) should comply by 2015 and WPD (South West) by 2018.

To improve network reliability, in 2009, the U.K. Government enforced a regulation requiring network operators to implement a risk-based program over 25 years to clear trees within falling distance of key high-voltage overhead lines. WPD estimates that the cost of compliance will be \$100 million over the 25-year period. The projected expenditures over the next five years have been allowed to be recovered through rates, and it is expected that expenditures beyond this five-year period will also be recovered through rates.

### **Environmental Matters - Domestic**

*(PPL, PPL Energy Supply and PPL Electric)*

Due to the environmental issues discussed below or other environmental matters, PPL subsidiaries may be required to modify, curtail, replace or cease operating certain facilities or operations to comply with statutes, regulations and other requirements of regulatory bodies or courts.

*(PPL and PPL Energy Supply)*

#### Air

To comply with air related requirements described below, PPL's forecast for capital expenditures reflects a best estimate projection of expenditures that may be required within the next five years. Such projections are a combined \$2.1 billion for LG&E and KU and \$400 million for PPL Energy Supply. Actual costs may be significantly lower or higher depending on the final requirements. Environmental compliance costs incurred by LG&E and KU are subject to recovery through a rate recovery mechanism. See Note 3 for additional information.

The Clean Air Act addresses, among other things, emissions causing acid deposition, installation of best available control technologies for new or substantially modified sources, attainment of national ambient air quality standards, toxic air emissions and visibility standards in the U.S. Amendments to the Clean Air Act requiring additional emission reductions are likely to continue to be proposed in the U.S. Congress. The Clean Air Act allows states to develop more stringent regulations and in some instances, as discussed below, Kentucky, Pennsylvania and Montana have done so.

#### *Clean Air Transport Rule (formerly CAIR)*

The EPA has proposed a new Clean Air Transport Rule (Transport Rule) to replace the EPA's previous rule called CAIR, which was struck down by the U.S. Court of Appeals for the District of Columbia Circuit (the Court). CAIR subsequently was effectively reinstated by the Court pending finalization of the Transport Rule. The final Transport Rule is expected in 2011.

CAIR and the new Transport Rule are meant to facilitate attainment of ambient air quality standards for ozone and fine particulates by requiring reductions in sulfur dioxide and nitrogen oxides. The Transport Rule would establish a new sulfur dioxide emission allowance cap and trade program that is completely independent of the current Acid Rain Program, and a new nitrogen oxide emission allowance cap and trade program. The EPA is seeking comment on several different approaches that would allow varying degrees of trading, but all trading would be more restrictive than under the previous CAIR rule. The first phase of the Transport Rule that would cap sulfur dioxide and nitrogen oxide emissions would become effective in 2012. The second phase, lowering the sulfur dioxide cap, would become effective in 2014.

PPL's preliminary review of the allocations proposed by the EPA in the Transport Rule indicates that, starting in 2012, greater reductions in sulfur dioxide would likely be required for PPL than were required under CAIR starting in 2015,

because the number of allowances allocated to PPL will be lower than what was allocated to PPL under CAIR and the more restrictive trading under the Transport Rule reduces compliance flexibility. PPL may look at more aggressive operation of existing scrubbers, fuel switching and/or dual fuel capability. All of these options could impose significant costs. The EPA has developed alternative proposals for allowance allocations which may reduce the impact.

With respect to nitrogen oxide, the Transport Rule proposes a slightly higher amount of allowances for PPL's Pennsylvania plants but a lower amount for PPL's Kentucky plants compared to those allocated under CAIR. However, due to the more restrictive trading program, the purchase of nitrogen oxide allowances may not be a reliable compliance option. Therefore, other compliance options, such as the installation of additional SCRs or SNCRs at one or more PPL units, are being evaluated.

In addition to the reductions in sulfur dioxide and nitrogen oxide required for PPL's Pennsylvania and Kentucky plants due to the Transport Rule, PPL's plants may face further reductions in sulfur dioxide and nitrogen oxide emissions as a result of more stringent national ambient air quality standards for ozone, nitrogen oxide, sulfur dioxide or fine particulates. The EPA has recently finalized a new one-hour standard for sulfur dioxide, and states are required to identify areas that meet those standards and areas that are in non-attainment. For non-attainment areas, states are required to develop plans by 2014 to bring those areas into attainment by 2017. For areas in attainment or unclassifiable, states are required to develop maintenance plans by mid-2013 that demonstrate continued attainment. If additional reductions were to be required, the costs to PPL could be significant.

#### *Mercury and other Hazardous Air Pollutants*

Citing its authority under the Clean Air Act, in 2005, the EPA issued the Clean Air Act Mercury Regulations (CAMR) affecting coal-fired power plants. Since CAMR was overturned in a 2008 U.S. Circuit Court decision, the EPA is now proceeding to develop standards imposing MACT for mercury emissions and other hazardous air pollutants from electric generating units. Under a recent approved settlement, the EPA is required to issue final MACT standards by November 2011 and compliance is statutorily required three years later. In order to develop these standards, the EPA has collected information from coal- and oil-fired electric utility steam generating units.

#### *Regional Haze and Visibility*

The Clean Air Visibility Rule was issued by the EPA in June 2005 to address regional haze or regionally-impaired visibility caused by multiple sources over a wide area. The rule requires Best Available Retrofit Technology (BART) for certain electric generating units. Under the BART rule, PPL submitted to the Pennsylvania DEP its analyses of the visibility impacts of particulate matter emissions from Martins Creek Units 3 and 4, Brunner Island Units 2 and 3 and Montour Units 1 and 2. No analysis was submitted for sulfur dioxide or nitrogen oxides, because the EPA determined that meeting the requirements for CAIR also meets the BART requirements for those pollutants. Although the EPA has not yet expressly stated that a similar approach will be taken under the Transport Rule, the EPA has not requested any further studies. PPL's analyses have shown that because PPL had already upgraded its particulate emissions controls at Montour Units 1 and 2 and Brunner Island Units 2 and 3, further controls are not justified as there would be little corresponding visibility improvement. PPL has not received comments from the Pennsylvania DEP on these submissions.

Also under the BART rule, PPL submitted to the EPA its analyses of the visibility impacts of sulfur dioxide, nitrogen oxides and particulate matter emissions for Colstrip Units 1 and 2 and Corette. PPL's analyses concluded that further reductions are not needed. The EPA responded to PPL's reports for Colstrip and Corette and requested further information and analysis. PPL completed further analysis and submitted addendums to its initial reports for Colstrip and Corette. In February 2009, PPL received an information request for additional data related to the Colstrip generating plant non-BART-affected emission sources. PPL responded to this request in March 2009. PPL has not received comments from the EPA on these submissions.

In November 2010, PPL Montana received a request from EPA Region 8, under EPA's Reasonable Further Progress goals of the Regional Haze Rules to provide further analysis with respect to Colstrip Units 3 and 4. Colstrip's Units 3 and 4 are not BART eligible units and are already well controlled. PPL completed a high level analysis of various control options to reduce emissions of sulfur dioxide, and particulate matter and submitted that analysis to EPA in January 2011. The analysis shows that these units are well controlled that any incremental reductions would not be cost

effective and that further analysis would not be warranted. PPL also concluded that further analysis for nitrogen oxides was not justifiable as these units installed controls under a Consent Decree in which the EPA had previously agreed that, when implemented, would satisfy the requirements for installing BART for nitrogen oxides.

PPL cannot predict whether any additional reductions will be required in Pennsylvania or Montana. If additional reductions are required, the costs could be significant depending on what is required.

LG&E and KU also submitted analyses of the visibility impacts of its Kentucky BART-eligible sources to the Kentucky Division for Air Quality (KDAQ). Only LG&E's Mill Creek plant was determined to have a significant regional haze impact. The KDAQ has submitted a regional haze state implementation plan (SIP) to the EPA which requires the Mill Creek plant to reduce its sulfuric acid mist emissions from Units 3 and 4. After approval of the Kentucky SIP by EPA and revision of the Mill Creek plant's Title V air permit, sorbent injection controls will be installed at the plant to reduce sulfuric acid mist emissions.

#### *New Source Review (NSR)*

The EPA has reinitiated its NSR enforcement efforts. This initiative targets coal-fired power plants. The EPA has asserted that modification of these plants has increased their emissions, and consequently they are subject to more stringent NSR requirements under the Clean Air Act. In April 2009, PPL received EPA information requests for its Montour and Brunner Island plants. The requests are similar to those that PPL received several years ago for its Colstrip, Corette and Martins Creek plants. PPL and the EPA have exchanged certain information regarding this matter. In January 2009, PPL and other companies that own or operate the Keystone plant in Pennsylvania received a notice of violation from the EPA alleging that certain projects were undertaken without proper NSR compliance. PPL cannot predict the outcome of this matter.

In addition, in August 2007, LG&E and KU received information requests for their Mill Creek, Trimble County, and Ghent plants, but have received no further communications from the EPA since providing their responses. PPL cannot predict the outcome of these matters.

In March 2009, KU received a notice of violation alleging that flue gas desulfurization and SCR controls were installed at the Ghent plant without proper NSR compliance. In December 2009, the EPA issued an information request seeking additional information on this matter. KU has exchanged settlement proposals and other information with the EPA regarding imposition of additional permit limits and emission controls and anticipates continued settlement negotiations. In addition, any settlement or future litigation could potentially encompass a September 2007 notice of violation alleging opacity violations at the plant. Depending on the provisions of a final settlement or the results of litigation, if any, resolution of this matter could involve significant increased operating and capital expenditures. PPL is currently unable to predict the final outcome of this matter.

KU has entered a consent decree, approved by the federal district court in March 2009, which resolved notices of violation issued by the EPA which alleged NSR and state air permit violations at the Brown plant. The consent decree includes provisions for the surrender of excess ozone season nitrogen oxide allowances estimated at 650 allowances annually for eight years; installation of flue gas desulfurization systems (sulfur dioxide removal systems, or scrubbers), by December 31, 2010; installation of an SCR by December 31, 2012 and compliance with specified emission limits and operational restrictions. KU is currently implementing compliance measures as required by the consent decree.

If PPL subsidiaries are found to have violated NSR regulations, PPL would, among other things, be required to meet permit limits reflecting Best Available Control Technology (BACT) for the emissions of any pollutant found to have significantly increased due to a major plant modification. The costs to meet such limits, including installation of technology at certain units, could be significant.

States and environmental groups also have initiated enforcement actions and litigation alleging violations of the NSR regulations by coal-fired plants, and PPL is unable to predict whether such actions will be brought against any of PPL's plants.

Pursuant to the 2007 U.S. Supreme Court decision on global climate change, as discussed below, the EPA has announced that it will regulate carbon dioxide emissions from new or modified stationary sources under its NSR

regulations beginning January 2011. The NSR regulations require major new or modified sources of regulated pollutants to receive pre-construction and operation permits with limits that prevent the significant deterioration of air pollution in areas that are in attainment of the ambient air quality standards for these pollutants. In May 2010, the EPA published a final rule establishing thresholds for regulating GHG emissions from major new or modified sources. Combined carbon dioxide emissions or carbon dioxide equivalent emissions of 100,000 tons or more per year will classify a source as major for permitting applicability purposes. The threshold for a major modification of a major source is an increase of carbon dioxide or carbon dioxide equivalent emissions of 75,000 tons per year. If the modifications result in emissions increases exceeding 75,000 tons per year, the plant will need to conduct an analysis of best available control technology for GHG and meet limits based on best available control technology. To date, the EPA has not provided final guidance on what constitutes best available control technology for GHG emissions, but has indicated in draft guidance that it may consider efficiency projects and other options as possible best available control technology for carbon dioxide emissions from power plants. In addition, in December 2010, the EPA announced that it intends to promulgate New Source Performance Standards addressing GHG emissions from new and existing power plants, with a proposed rule anticipated in July 2011 and a final rule in May 2012. The implications of these developments, including the outcome of any litigation challenging the regulation, are uncertain.

### *Opacity*

*(PPL and PPL Energy Supply)*

From time to time, emissions from PPL's power plants may cause opacity issues, which may raise environmental concerns. PPL addresses these issues on a case-by-case basis. If it is determined that actions must be taken to address opacity issues, such actions could result in costs that are not now determinable, but could be significant.

### *Trimble County Unit 2 Air Permit*

The Sierra Club and other environmental groups petitioned the Kentucky Environmental and Public Protection Cabinet to overturn the air permit issued for the TC2 baseload generating unit, but the agency upheld the permit in an order issued in September 2007. In response to subsequent petitions by environmental groups, the EPA ordered certain non-material changes to the permit which were incorporated into a final revised permit issued by the KDAQ in January 2010. In March 2010, the environmental groups petitioned the EPA to object to the revised state permit. Until the EPA issues a final ruling on the pending petition and all available appeals have been exhausted, PPL cannot predict the final outcome of this matter.

*(PPL and PPL Energy Supply)*

### *Global Climate Change*

There is concern nationally and internationally about global climate change and the possible contribution of GHG emissions including, most significantly, carbon dioxide from the combustion of fossil fuels. This has resulted in increased demands for carbon dioxide emission reductions from investors, environmental organizations, government agencies and the international community. These demands and concerns have led to federal legislative proposals, actions at regional, state and local levels, litigation relating to GHG emissions and the EPA regulations on GHGs.

### *Greenhouse Gas Legislation*

Climate change legislation was being considered by Congress last year, but debate on such legislation has been halted given other competing legislative priorities and the November 2010 elections. The timing and elements of any future legislation addressing GHG emission reductions are uncertain and may depend on the 2011 Congressional agenda. At the state level, the 2010 elections have also reduced the likelihood of GHG legislation in the near term.

### *Greenhouse Gas Regulations and Tort Litigation*

As a result of the April 2007 U.S. Supreme Court decision that the EPA has the authority to regulate GHG emissions from new motor vehicles under the Clean Air Act, in April 2010, the EPA and the U.S. Department of Transportation issued new light-duty vehicle emissions standards that will apply beginning with 2012 model year vehicles. The EPA



has also clarified that this standard triggers regulation of GHG emissions from stationary sources under the NSR and Title V operating permit provisions of the Clean Air Act starting in 2011. This means that any new sources or major modifications to existing sources causing a net significant emissions increase requires BACT permit limits for GHGs. The EPA recently proposed guidance for conducting a BACT analysis for projects that trigger such a review. In addition, New Source Performance Standards for new and existing power plants are expected to be proposed in July 2011 and finalized in May 2012. See NSR discussion above.

At the regional level, ten northeastern states signed a Memorandum of Understanding (MOU) agreeing to establish a GHG emission cap-and-trade program, called the Regional Greenhouse Gas Initiative (RGGI). The program commenced in January 2009 and calls for stabilizing carbon dioxide emissions, at base levels established in 2005, from electric power plants with capacity greater than 25 MW. The MOU also provides for a 10% reduction in carbon dioxide emissions from base levels by 2019.

Pennsylvania has not stated an intention to join RGGI, but has enacted the Pennsylvania Climate Change Act of 2008 (PCCA). The PCCA established a Climate Change Advisory Committee to advise the DEP on the development of a Climate Change Action Plan. In December 2009, the Advisory Committee finalized its Climate Change Action Report which identifies specific actions that could result in reducing GHG emissions by 30% by 2020. Some of the proposed actions, such as a mandatory 5% efficiency improvement at power plants, could be technically unachievable. To date, there have been no regulatory or legislative actions taken to implement the recommendations of the report. In addition, legislation has been introduced and amendments filed to several bills that would, if enacted, significantly increase renewable and solar supply requirements. It is highly unlikely that this legislation will achieve passage in the 2011 legislative session.

Eleven Western states, including Montana and certain Canadian provinces, are members of the Western Climate Initiative (WCI). The WCI has established a goal of reducing carbon dioxide emissions 15% below 2005 levels by 2020 and is currently developing GHG emission allocations, offsets, and reporting recommendations.

In November 2008, the Governor of Kentucky issued a comprehensive energy plan including non-binding targets aimed at promoting improved energy efficiency, development of alternative energy, development of carbon capture and sequestration projects, and other actions to reduce GHG emissions. In December 2009, the Kentucky Climate Action Plan Council was established to develop an action plan addressing potential GHG reductions and related measures. A final plan is expected in early 2011. The impact of any such plan is not now determinable. It is highly unlikely that legislation requiring mandatory GHG reductions will be adopted in Kentucky in 2011.

A number of lawsuits have been filed asserting common law claims including nuisance, trespass and negligence against various companies with GHG emitting facilities, and the law remains unsettled on these claims. In September 2009, the U.S. Court of Appeals for the Second Circuit in the case of *AEP v. Connecticut* reversed a federal district court's decision and ruled that several states and public interest groups, as well as the City of New York, could sue five electric utility companies under federal common law for allegedly causing a public nuisance as a result of their emissions of GHGs. In December 2010, the U.S. Supreme Court announced that it will review this decision. In *Comer v. Murphy Oil*, the U.S. Court of Appeals for the Fifth Circuit recently declined to overturn a district court ruling that plaintiffs did not have standing to pursue common law claims against companies that emit GHGs. The complaint in the *Comer* case named the previous indirect parent of LG&E and KU as a defendant based upon emissions from the Kentucky plants. In January 2011, the Supreme Court denied a pending petition for review which has effectively brought the case to an end. Notwithstanding, additional litigation in federal and state courts over these issues is continuing.

PPL continues to evaluate options for reducing, avoiding, off-setting or sequestering its carbon dioxide emissions. In 2010, PPL's power plants (based on PPL's equity share of these assets) emitted approximately 37 million tons of carbon dioxide (including 6 million tons of emissions from the LKE plants after their acquisition on November 1, 2010) compared to 29 million tons in 2009.

### *Renewable Energy Legislation*

There has been interest in renewable energy legislation at both the state and federal levels. At the federal level, House and Senate bills proposed last year would have imposed mandatory renewable energy supply and energy efficiency

requirements in the 15% to 20% range by approximately 2020. At this time, PPL does not expect similar legislation to progress at the federal or state levels (beyond what is otherwise already required in Pennsylvania) in the near term.

PPL believes there are financial, regulatory and logistical uncertainties related to GHG reductions and the implementation of renewable energy mandates. These will need to be resolved before the impact of such requirements on PPL can be meaningfully estimated. Such uncertainties, among others, include the need to provide back-up supply to augment intermittent renewable generation, potential generation oversupply that could result from such renewable generation and back-up, impacts to PJM's capacity market and the need for substantial changes to transmission and distribution systems to accommodate renewable energy. These uncertainties are not directly addressed by the proposed legislation. PPL cannot predict at this time the effect on its future competitive position, results of operation, cash flows and financial position, of any GHG emissions, renewable energy mandate or other global climate change requirements that may be adopted, although the costs to implement and comply with any such requirements could be significant.

#### Water/Waste (PPL and PPL Energy Supply)

##### *Coal Combustion Residuals (CCRs)*

In June 2010, the EPA proposed two approaches to regulating the disposal and management of coal combustion residuals under the Resource Conservation and Recovery Act (RCRA). CCRs include fly ash, bottom ash and scrubber wastes. In the one approach, the EPA would regulate CCRs as a hazardous waste under Subtitle C of RCRA. This approach would have very significant impacts on any coal-fired plant, and would require plants to retrofit their operations to comply with full hazardous waste requirements from the generation of CCRs and associated waste waters through transportation and disposal. This would also have a negative impact on the beneficial use of CCRs and could eliminate the current markets. The second approach would regulate CCRs as a solid waste under Subtitle D of RCRA. This approach would only affect disposal and most significantly affect any wet disposal operations. Under this approach, many of the current markets for beneficial uses would not be affected. Currently, PPL expects that several of its plants in Kentucky and Montana could be significantly impacted by the requirements of Subtitle D of RCRA, as these plants are using surface impoundments for management and disposal of CCRs.

The EPA has issued information requests on CCR management practices at numerous plants throughout the power industry as it considers whether or not to regulate CCRs as hazardous waste. PPL has provided information on CCR management practices at most of its plants in response to the EPA's requests. In addition, the EPA has conducted follow-up inspections to evaluate the structural stability of CCR management facilities at several PPL plants and PPL has implemented certain actions in response to recommendations from these inspections.

In June 2009, the EPA's Office of Enforcement and Compliance Assurance issued a much broader information request to Colstrip and 18 other non-affiliated plants, seeking information under the RCRA, the Clean Water Act and the Emergency Planning and Community Right-to-Know Act. PPL responded to the EPA's broader information request. Although the EPA's enforcement office issued the request, the EPA has not necessarily concluded that the plants are in violation of any EPA requirements. The EPA conducted a multi-media inspection at Colstrip in August 2009 and issued a report in December 2010 stating that the EPA did not identify any violations of the applicable compliance standards for the Colstrip facility.

PPL cannot predict at this time the final requirements of the EPA's CCR regulations and what impact, if any, they would have on PPL's facilities, but the costs to PPL could be significant.

##### *Martins Creek Fly Ash Release*

In 2005, there was a release of approximately 100 million gallons of water containing fly ash from a disposal basin at the Martins Creek plant used in connection with the operation of the plant's two 150 MW coal-fired generating units. This resulted in ash being deposited onto adjacent roadways and fields, and into a nearby creek and the Delaware River. PPL determined that the release was caused by a failure in the disposal basin's discharge structure. PPL conducted extensive clean-up and completed studies, in conjunction with a group of natural resource trustees and the Delaware River Basin Commission, evaluating the effects of the release on the river's sediment, water quality and ecosystem.

The Pennsylvania DEP filed a complaint in Pennsylvania Commonwealth Court against PPL Martins Creek and PPL Generation, alleging violations of various state laws and regulations and seeking penalties and injunctive relief. PPL and the Pennsylvania DEP have settled this matter. The settlement also required PPL to submit a report on the completed studies of possible natural resource damages. PPL subsequently submitted the assessment report to the Pennsylvania and New Jersey regulatory agencies and has continued discussing potential natural resource damages and mitigation options with the agencies.

Through December 31, 2010, PPL Energy Supply has spent \$28 million for remediation and related costs and an immaterial remediation liability remained. PPL and PPL Energy Supply cannot be certain of the outcome of the natural resource damage assessment or the associated costs, the outcome of any lawsuit that may be brought by citizens or businesses or the exact nature of any other regulatory or other legal actions that may be initiated against PPL, PPL Energy Supply or their subsidiaries as a result of the disposal basin release.

#### *Basin Seepage – Pennsylvania and Kentucky*

Seepages have been detected at active and retired wastewater basins at various PPL plants. PPL has completed or is completing assessments of seepages at various facilities and is working with agencies to implement abatement measures for those seepages, where required. The potential cost to address identified seepages or other seepages at PPL plants is not now determinable, but could be significant.

#### *Basin Seepage - Montana*

In May 2003, approximately 50 plaintiffs brought an action against PPL Montana and the other owners of the Colstrip plant alleging property damage from seepage from the freshwater and wastewater ponds at Colstrip. In July 2008, the plaintiffs and the owner-defendants remaining after dismissal of NorthWestern, due to its bankruptcy, executed a settlement agreement. PPL Montana's share of the settlement was approximately \$8 million (\$5 million after tax). In 2008, PPL Montana recorded an insignificant reserve for its share of potential additional settlements with three property owners living near the original plaintiffs but who were not parties to the lawsuit. In the fourth quarter of 2009, PPL Montana settled with two of these property owners for an insignificant amount.

In 2007, six plaintiffs filed a separate lawsuit in the Montana Sixteenth Judicial District Court against the Colstrip plant owners asserting similar property damage claims as were asserted by the plaintiffs in the May 2003 complaint. A tentative settlement agreement was reached in July 2010. The settlement is not yet final, and may not be honored by the plaintiffs, but PPL Montana's share is not expected to be significant.

#### *Other Issues*

In 2006, the EPA significantly decreased to 10 parts per billion (ppb) the drinking water standards related to arsenic. In Pennsylvania, Montana and Kentucky, this arsenic standard has been incorporated into the states' water quality standards and could result in more stringent limits in NPDES permits for its Pennsylvania, Montana and Kentucky plants. Recently, the EPA developed a draft risk assessment for arsenic that increases the cancer risk exposure by more than 20 times, which would lower the current standard from 10 ppb to 0.1 ppb. If the lower standard becomes effective, costly treatment would be required to attempt to meet the standard and, at this time, there is no assurance that it could be achieved.

The EPA is reassessing its polychlorinated biphenyls (PCB) regulations under the Toxics Substance Control Act, which currently allow certain PCB articles to remain in use. In April 2010, the EPA issued an Advanced Notice of Proposed Rulemaking for changes to these regulations. This rulemaking could lead to a phase-out of all PCB-containing equipment. PPL cannot predict at this time the outcome of these proposed EPA regulations and what impact, if any, they would have on PPL's facilities, but the costs to PPL could be significant.

The EPA finalized requirements in 2004 for new or modified cooling water intake structures. These requirements affect where generating facilities are built, establish intake design standards and could lead to requirements for cooling towers at new and modified power plants. Another rule, finalized in 2004, that addressed existing structures was withdrawn following a 2007 decision by the U.S. Court of Appeals for the Second Circuit. In 2008, however, the U.S. Supreme Court ruled that the EPA has discretion to use cost-benefit analysis in determining the best technology available for

minimizing adverse environmental impact. The EPA is developing a new rule which is expected to be finalized in 2012. How the cost-benefit analysis will be employed, if incorporated, as well as other issues raised by the Second Circuit Court decision (not reviewed by the U.S. Supreme Court) and actions the states may take on their own could result in stricter standards for existing structures that could impose significant costs on PPL plants.

In October 2009, the EPA released its Final Detailed Study of the Steam Electric Power Generating effluent limitations guidelines and standards. Final regulations are expected to be effective in 2013. PPL expects the revised guidelines and standards to be more stringent than the current standards, which could result in more stringent discharge permit limits.

PPL has signed a Consent Order and Agreement (COA) with the Pennsylvania DEP under which it agreed, under certain conditions, to take further actions to minimize the possibility of fish kills at its Brunner Island plant. Fish are attracted to warm water in the power plant discharge channel, especially during cold weather. Debris at intake pumps can result in a unit trip or reduction in load, causing a sudden change in water temperature. PPL has committed to construct a barrier to prevent debris from entering the river water intake area, pending receipt of regulatory permits, at a cost of approximately \$4 million.

PPL has also investigated alternatives to exclude fish from the discharge channel and submitted three alternatives to the DEP. According to the COA, once the cooling towers at Brunner Island became operational, PPL must implement one of these fish exclusion alternatives if a fish kill occurs in the discharge channel due to thermal impacts from the plant. Following start-up of the cooling towers in April 2010, several hundred dead fish were found in the cooling tower intake basket although there were no sudden changes in water temperature. In the third quarter of 2010, PPL discussed this matter with the DEP and both agreed that this condition was not one anticipated by the COA, thereby concluding it did not trigger a need to implement a fish exclusion project. At this time, no fish exclusion project is planned.

In May 2010, the Kentucky Waterways Alliance and other environmental groups filed a petition with the Kentucky Energy and Environment Cabinet challenging the Kentucky Pollutant Discharge Elimination System permit issued in April 2010, which covers water discharges from the Trimble County station. In November 2010, the Cabinet issued a final order upholding the permit. In December 2010, the environmental groups appealed the order to Trimble Circuit Court. Until such time as all available appeals are exhausted, PPL is unable to predict the outcome or impact of this matter.

#### Superfund and Other Remediation (PPL, PPL Energy Supply and PPL Electric)

PPL is a potentially responsible party at several sites listed by the EPA under the federal Superfund program, including the Columbia Gas Plant Site, the Metal Bank site and the Ward Transformer site. Clean-up actions have been or are being undertaken at all of these sites, the costs of which have not been significant to PPL. However, should the EPA require different or additional measures in the future, or should PPL's share of costs at multi-party sites increase significantly more than currently expected, the costs to PPL could be significant.

PPL is remediating or has completed the remediation of several sites that were not addressed under a regulatory program such as Superfund, but for which PPL may be liable for remediation. These include a number of former coal gas manufacturing facilities in Pennsylvania and Kentucky previously owned or operated or currently owned by predecessors or affiliates of PPL. There are additional sites, formerly owned or operated by PPL predecessors or affiliates, for which PPL lacks information on current site conditions and is therefore unable to predict what, if any, potential liability it may have.

Depending on the outcome of investigations at sites where investigations have not begun or been completed or developments at sites for which PPL currently lacks information, the costs of remediation and other liabilities could be substantial. PPL and its subsidiaries also could incur other non-remediation costs at sites included in current consent orders or other contaminated sites, the costs of which are not now determinable but could be significant.

The EPA is evaluating the risks associated with polycyclic aromatic hydrocarbons and naphthalene, chemical by-products of coal gas manufacturing. As a result of the EPA's evaluation, individual states may establish stricter standards for water quality and soil cleanup. This could require several PPL subsidiaries to take more extensive assessment and remedial actions at former coal gas manufacturing facilities. The costs to PPL of complying with any such requirements are not now determinable, but could be significant.

Under the Pennsylvania Clean Streams Law, subsidiaries of PPL Generation are obligated to remediate acid mine drainage at former mine sites and may be required to take additional steps to prevent potential acid mine drainage at previously capped refuse piles. One PPL Generation subsidiary is pumping mine water at two mine sites and treating water at one of these sites. Another PPL Generation subsidiary has installed a passive wetlands treatment system at a third site. At December 31, 2010, PPL Energy Supply had accrued a discounted liability of \$25 million to cover the costs of pumping and treating groundwater at the two mine sites for 50 years and for operating and maintaining passive wetlands treatment at the third site. PPL Energy Supply discounted this liability based on risk-free rates at the time of the mine closures. The weighted-average rate used was 8.16%. Expected undiscounted payments are estimated at \$2 million for 2011, \$1 million each of the years from 2012 through 2014, \$2 million for 2015, and \$137 million for work after 2015.

From time to time, PPL undertakes remedial action in response to spills or other releases at various on-site and off-site locations, negotiates with the EPA and state and local agencies regarding actions necessary for compliance with applicable requirements, negotiates with property owners and other third parties alleging impacts from PPL's operations, and undertakes similar actions necessary to resolve environmental matters which arise in the course of normal operations. Based on analyses to date, resolution of these general environmental matters is not expected to have a material adverse impact on PPL's operations.

Future cleanup or remediation work at sites currently under review, or at sites not currently identified, may result in material additional operating costs for PPL subsidiaries that cannot be estimated at this time.

#### *Electric and Magnetic Fields (PPL, PPL Energy Supply and PPL Electric)*

Concerns have been expressed by some members of the public regarding potential health effects of power frequency EMFs, which are emitted by all devices carrying electricity, including electric transmission and distribution lines and substation equipment. Government officials in the U.S. and the U.K. have reviewed this issue. The U.S. National Institute of Environmental Health Sciences concluded in 2002 that, for most health outcomes, there is no evidence that EMFs cause adverse effects. The agency further noted that there is some epidemiological evidence of an association with childhood leukemia, but that the evidence is difficult to interpret without supporting laboratory evidence. The U.K. National Radiological Protection Board (part of the U.K. Health Protection Agency) concluded in 2004 that, while the research on EMFs does not provide a basis to find that EMFs cause any illness, there is a basis to consider precautionary measures beyond existing exposure guidelines. The Stakeholder Group on Extremely Low Frequency EMF, set up by the U.K. Government, has issued two reports, one in April 2007 and one in June 2010, describing options for reducing public exposure to EMF. The U.K. Government responded to the first report in 2009, agreeing to some of the proposals, including a proposed voluntary code to optimally phase 132 kilovolt overhead lines to reduce public exposure to EMF where it is cost effective to do so. The U.K. Government is currently considering the second report which concentrates on EMF exposure from distribution systems. PPL and its subsidiaries believe the current efforts to determine whether EMFs cause adverse health effects should continue and are taking steps to reduce EMFs, where practical, in the design of new transmission and distribution facilities. PPL and its subsidiaries are unable to predict what effect, if any, the EMF issue might have on their operations and facilities either in the U.S. or the U.K., and the associated cost, or what, if any, liabilities they might incur related to the EMF issue.

#### **Environmental Matters - WPD** *(PPL and PPL Energy Supply)*

WPD's distribution businesses are subject to environmental regulatory and statutory requirements. PPL believes that WPD has taken and continues to take measures to comply with the applicable laws and governmental regulations for the protection of the environment.

The U.K. Government has implemented a project to alleviate the impact of flooding on the U.K. utility infrastructure, including major electricity substations. WPD has agreed with the Ofgem to spend \$27 million on flood prevention, which will be recovered through rates during the five-year period commencing April 2010. WPD is currently liaising on site-specific proposals with local offices of a U.K. Government agency.

U.K. legislation has been passed that imposes a duty on certain companies, including WPD, to report on climate change adaptation. The first information request was received by WPD in March 2010, with reports due for submission by June 2011. WPD has worked with other U.K. electricity network operators to undertake research with the internationally recognized U.K. Met Office and to report using common agreed methodology.

There are no other material legal or administrative proceedings pending against or related to WPD with respect to environmental matters. See "Electric and Magnetic Fields," above, for a discussion of EMFs.

## Other

### Nuclear Insurance (PPL and PPL Energy Supply)

PPL Susquehanna is a member of certain insurance programs that provide coverage for property damage to members' nuclear generating plants. Facilities at the Susquehanna plant are insured against property damage losses up to \$2.75 billion under these programs. PPL Susquehanna is also a member of an insurance program that provides insurance coverage for the cost of replacement power during prolonged outages of nuclear units caused by certain specified conditions.

Under the property and replacement power insurance programs, PPL Susquehanna could be assessed retroactive premiums in the event of the insurers' adverse loss experience. At December 31, 2010, this maximum assessment was \$40 million.

In the event of a nuclear incident at the Susquehanna plant, PPL Susquehanna's public liability for claims resulting from such incident would be limited to \$12.6 billion under provisions of The Price-Anderson Act Amendments under the Energy Policy Act of 2005. PPL Susquehanna is protected against this liability by a combination of commercial insurance and an industry assessment program.

In the event of a nuclear incident at any of the reactors covered by The Price-Anderson Act Amendments under the Energy Policy Act of 2005, PPL Susquehanna could be assessed up to \$235 million per incident, payable at \$35 million per year.

At December 31, 2010, the property, replacement power and nuclear incident insurers maintained an A.M. Best financial strength rating of A ("Excellent").

### Guarantees and Other Assurances

(PPL, PPL Energy Supply and PPL Electric)

In the normal course of business, PPL, PPL Energy Supply and PPL Electric enter into agreements that provide financial performance assurance to third parties on behalf of certain subsidiaries. Such agreements include, for example, guarantees, stand-by letters of credit issued by financial institutions and surety bonds issued by insurance companies. These agreements are entered into primarily to support or enhance the creditworthiness attributed to a subsidiary on a stand-alone basis or to facilitate the commercial activities in which these subsidiaries enter.

(PPL)

PPL fully and unconditionally guarantees all of the debt securities of PPL Capital Funding.

(PPL, PPL Energy Supply and PPL Electric)

The table below details guarantees provided as of December 31, 2010. The total recorded liability at December 31, 2010 was \$14 million and at December 31, 2009 was \$3 million. Other than as noted in the descriptions for "WPD guarantee of pension and other obligations of unconsolidated entities," the probability of expected payment/performance under each of these guarantees is remote.

<u>Exposure at December 31, 2010 (a)</u>	<u>Expiration Date</u>
--	----------------------------

**PPL**

Indemnifications for sale of PPL Gas Utilities	\$	300 (c)	
Indemnifications of LKE		300 (d)	2021 to 2023

**PPL Energy Supply (b)**

Letters of credit issued on behalf of affiliates		20 (e)	2011 to 2012
Retrospective premiums under nuclear insurance programs		40 (f)	
Nuclear claims under The Price-Anderson Act Amendments under The Energy Policy Act of 2005		235 (g)	
Indemnifications for entities in liquidation and sales of assets		515 (h)	2012 to 2017
Indemnification to operators of jointly owned facilities		6 (i)	
WPD guarantee of pension and other obligations of unconsolidated entities		64 (j)	2015
Tax indemnification related to unconsolidated WPD affiliates		8 (k)	2012
Guarantee of a portion of an unconsolidated entity's debt		22 (l)	2018

- (a) Represents the estimated maximum potential amount of future payments that could be required to be made under the guarantee.
- (b) Other than the letters of credit, all guarantees of PPL Energy Supply, on a consolidated basis, also apply to PPL on a consolidated basis. Neither PPL nor PPL Energy Supply is liable for obligations under guarantees provided by WPD, as the beneficiaries of the guarantees do not have recourse to such entities.
- (c) PPL has provided indemnification to the purchaser of PPL Gas Utilities and Penn Fuel Propane, LLC for damages arising out of any breach of the representations, warranties and covenants under the related transaction agreement and for damages arising out of certain other matters, including certain pre-closing unknown environmental liabilities relating to former manufactured gas plant properties or off-site disposal sites, if any, outside of Pennsylvania. The indemnification provisions for most representations and warranties, including tax and environmental matters, are capped at \$45 million, in the aggregate, and are triggered (i) only if the individual claim exceeds \$50,000, and (ii) only if, and only to the extent that, in the aggregate, total claims exceed \$4.5 million. The indemnification provisions for most representations and warranties expired on September 30, 2009 without any claims having been made. Certain representations and warranties, including those having to do with transaction authorization and title, survive indefinitely, are capped at the purchase price and are not subject to the above threshold or deductible. The indemnification provision for the tax matters representations survives for the duration of the applicable statute of limitations, and the indemnification provision for the environmental matters representations survives for a period of three years after the transaction closing. The indemnification relating to unknown environmental liabilities for manufactured gas plants and disposal sites outside of Pennsylvania could survive more than three years, but only with respect to applicable property or sites identified by the purchaser prior to the third anniversary of the transaction closing. The indemnification for covenants survives until the applicable covenant is performed and is not subject to any cap.
- (d) LKE provides certain indemnifications, the most significant of which relate to the termination of the WKE lease in July 2009. These guarantees cover the due and punctual payment, performance and discharge by each party of its respective present and future obligations. The most comprehensive of these guarantees is the LKE guarantee covering operational, regulatory and environmental commitments and indemnifications made by WKE under the WKE Transaction Termination Agreement. This guarantee has a term of 12 years ending July 2021, and a cumulative maximum exposure of \$200 million. Certain items such as non-excluded government fines and penalties fall outside the cumulative cap. Another guarantee with a maximum exposure of \$100 million covering other indemnifications expires in 2023. LKE is not aware of claims made by any party at this time, although one matter is currently in arbitration, the outcome of which cannot be predicted at this time. See Note 9 for additional information. Additionally, LKE has indemnified various third parties related to historical obligations for other divested subsidiaries and affiliates, including certain indemnifications of current officers with respect to its former Argentine businesses, for which LKE has received a cross-indemnity from a third party. The indemnifications vary by entity and the maximum amount limits range from being capped at the sale price to no specified maximum; however, LKE is not aware of formal claims made by any party at this time. LKE could be required to perform on these indemnifications in the event of covered losses or liabilities being claimed by an indemnified party. No additional material loss is anticipated by reason of such indemnification.
- (e) Standby letter of credit arrangements under PPL Energy Supply's credit facilities for the purposes of protecting various third parties against nonperformance by PPL. This is not a guarantee by PPL on a consolidated basis.
- (f) PPL Susquehanna is contingently obligated to pay this amount related to potential retrospective premiums that could be assessed under its nuclear insurance programs. See "Nuclear Insurance," above, for additional information.
- (g) This is the maximum amount PPL Susquehanna could be assessed for each incident at any of the nuclear reactors covered by this Act. See "Nuclear Insurance," above for additional information.
- (h) PPL Energy Supply's maximum exposure with respect to certain indemnifications and the expiration of the indemnifications cannot be estimated because, in the case of certain indemnification provisions, the maximum potential liability is not capped by the transaction documents and the expiration date is based on the applicable statute of limitations. The exposure and expiration dates noted are only for those cases in which the agreements provide for specific limits.

In connection with the liquidation of wholly owned subsidiaries that have been deconsolidated upon turning the entities over to the liquidators, certain affiliates of PPL Global have agreed to indemnify the liquidators, directors and/or the entities themselves for any liabilities or expenses arising during the liquidation process, including liabilities and expenses of the entities placed into liquidation. In some cases, the indemnifications are limited to a maximum amount that is based on distributions made from the subsidiary to its parent either prior or subsequent to being placed into liquidation. In other cases, the maximum amount of the indemnifications is not explicitly stated in the agreements. The indemnifications generally expire two to seven years subsequent to the date of dissolution of the entities. The exposure noted only includes those cases in which the agreements provide for a specific limit on the amount of the indemnification, and the expiration date was based on an estimate of the dissolution date of the entities.

In connection with their sales of various businesses, WPD and its affiliates have provided the purchasers with indemnifications that are standard for such transactions, including indemnifications for certain pre-existing liabilities and environmental and tax matters. In addition, in connection with certain of these sales, WPD and its affiliates have agreed to continue their obligations under existing third-party guarantees, either for a set

period of time following the transactions or upon the condition that the purchasers make reasonable efforts to terminate the guarantees. Finally, WPD and its affiliates remain secondarily responsible for lease payments under certain leases that they have assigned to third parties.

A subsidiary of PPL Energy Supply has agreed to provide indemnification to the purchaser of the Long Island generation business for damages arising out of any breach of the representations, warranties and covenants under the related transaction agreement and for damages arising out of certain other matters, including liabilities relating to certain renewable energy facilities which were previously owned by one of the PPL subsidiaries sold in the transaction but which were unrelated to the Long Island generation business. The indemnification provisions are subject to certain customary limitations, including thresholds for allowable claims, caps on aggregate liability, and time limitations for claims arising out of breaches of most representations and warranties.

A subsidiary of PPL Energy Supply has agreed to provide indemnifications to the purchasers of the Maine hydroelectric facilities for damages arising out of any breach of the representations, warranties and covenants under the respective transaction agreements and for damages arising out of certain other matters, including liabilities of the PPL Energy Supply subsidiary relating to the pre-closing ownership or operation of those hydroelectric facilities. The indemnification obligations are subject to certain customary limitations, including thresholds for allowable claims, caps on aggregate liability, and time limitations for claims arising out of breaches of representations and warranties.

- (i) In December 2007, a subsidiary of PPL Energy Supply executed revised owners agreements for two jointly owned facilities, the Keystone and Conemaugh generating stations. The agreements require that in the event of any default by an owner, the other owners fund contributions for the operation of the generating stations, based upon their ownership percentages. The maximum obligation among all owners, for each station, is currently \$20 million. The non-defaulting owners, who make up the defaulting owner's obligations, are entitled to the generation entitlement of the defaulting owner, based upon their ownership percentage. The agreements do not have an expiration date.
- (j) As a result of the privatization of the utility industry in the U.K., certain electric associations' roles and responsibilities were discontinued or modified. As a result, certain obligations, primarily pension-related, associated with these organizations have been guaranteed by the participating members. Costs are allocated to the members based on predetermined percentages as outlined in specific agreements. However, if a member becomes insolvent, costs can be reallocated to and are guaranteed by the remaining members. At December 31, 2010, WPD has recorded an estimated discounted liability based on its current allocated percentage of the total expected costs for which the expected payment/performance is probable. Neither the expiration date nor the maximum amount of potential payments for certain obligations is explicitly stated in the related agreements. Therefore, they have been estimated based on the types of obligations.
- (k) Two WPD unconsolidated affiliates were refinanced during 2005. Under the terms of the refinancing, WPD has indemnified the lender against certain tax and other liabilities.
- (l) Reflects principal payments only.

PPL, PPL Energy Supply and PPL Electric and their subsidiaries provide other miscellaneous guarantees through contracts entered into in the normal course of business. These guarantees are primarily in the form of indemnification or warranties related to services or equipment and vary in duration. The amounts of these guarantees often are not explicitly stated, and the overall maximum amount of the obligation under such guarantees cannot be reasonably estimated. Historically, PPL, PPL Energy Supply and PPL Electric and their subsidiaries have not made any significant payments with respect to these types of guarantees and the probability of payment/performance under these guarantees is remote.

PPL, on behalf of itself and certain of its subsidiaries, maintains insurance that covers liability assumed under contract for bodily injury and property damage. The coverage requires a \$4 million deductible per occurrence and provides maximum aggregate coverage of \$200 million. This insurance may be applicable to obligations under certain of these contractual arrangements.

## 16. Related Party Transactions

*(PPL Energy Supply and PPL Electric)*

### PLR Contracts

PPL Electric had power purchase contracts with PPL EnergyPlus in which PPL EnergyPlus supplied PPL Electric's entire PLR load. These contracts expired on December 31, 2009. Under these contracts, PPL EnergyPlus provided electricity at the predetermined capped prices that PPL Electric was authorized to charge its PLR customers. These purchases totaled \$1.8 billion in 2009 and 2008 which are included in the Statements of Income as "Wholesale energy marketing to affiliate" by PPL Energy Supply, and as "Energy purchases from affiliate" by PPL Electric. These purchases included nuclear decommissioning recovery and amortization of an up-front contract payment.

Under one of the PLR contracts, PPL Electric was required to make performance assurance deposits with PPL EnergyPlus when the market price of electricity was less than the contract price by more than its contract collateral threshold. Conversely, PPL EnergyPlus was required to make performance assurance deposits with PPL Electric when the market price of electricity was greater than the contract price by more than its contract collateral threshold. PPL



Electric paid interest equal to one-month LIBOR plus 0.5% on the deposit, which is included in "Interest Expense with Affiliate" on the Statements of Income. PPL Energy Supply recorded the receipt of the interest as affiliated interest income, which is included in "Interest Income from Affiliates" on the Statements of Income. Interest related to the required deposits was \$2 million and \$10 million for 2009 and 2008.

PPL Electric held competitive solicitations in prior years for PLR generation supply for 2010 and beyond. PPL EnergyPlus has been awarded a portion of this supply. These purchases totaled \$320 million in 2010, and are included in the Statements of Income as "Wholesale energy marketing to affiliate" by PPL Energy Supply, and as "Energy purchases from affiliate" by PPL Electric.

See Note 1 for additional information regarding PPL Electric's purchases of accounts receivable from PPL EnergyPlus.

Under the standard Supply Master Agreement for the competitive solicitation process, PPL Electric requires all suppliers to post collateral once credit exposures exceed defined credit limits. In no instance is PPL Electric required to post collateral to suppliers under these supply contracts. PPL EnergyPlus is required to post collateral with PPL Electric: (a) when the market price of electricity to be delivered by PPL EnergyPlus exceeds the contract price for the forecasted quantity of electricity to be delivered and (b) when this market price exposure exceeds a contractual credit limit. Based on the current credit rating of PPL Energy Supply, as guarantor, this credit limit is \$35 million.

PPL Energy Supply has credit exposure to PPL Electric under these energy supply contracts. See Note 18 for additional information on this credit exposure.

### NUG Purchases

PPL Electric has a reciprocal contract with PPL EnergyPlus to sell electricity purchased under contracts with NUGs. PPL Electric purchases electricity from the NUGs at contractual rates and then sells the electricity at the same price to PPL EnergyPlus. These purchases totaled \$3 million in 2010, \$70 million in 2009 and \$108 million in 2008. These amounts are included in the Statements of Income as "Wholesale electric to affiliate" by PPL Electric, and as "Energy purchases from affiliate" by PPL Energy Supply. Most of the NUG contracts have expired, with the final NUG contract to expire in 2014.

### Allocations of Corporate Service Costs

PPL Services provides corporate functions such as financial, legal, human resources and information technology services. PPL Services charges the respective PPL subsidiaries for the cost of such services when they can be specifically identified. The cost of these services that is not directly charged to PPL subsidiaries is allocated to certain subsidiaries based on an average of the subsidiaries' relative invested capital, operation and maintenance expenses, and number of employees. PPL Services allocated the following amounts, which PPL management believes are reasonable, to PPL Energy Supply and PPL Electric, including amounts applied to accounts that are further distributed between capital and expense.

	2010		2009 (a)		2008
PPL Energy Supply	\$ 232	\$	214	\$	209
PPL Electric	134		121		116

(a) Excludes allocated costs associated with the February 2009 workforce reduction. See Note 13 for additional information.

### Intercompany Borrowings

*(PPL Energy Supply)*

A PPL Energy Supply subsidiary holds revolving demand notes from certain affiliates. There were no balances outstanding at December 31, 2010 and 2009. In 2010, the interest rates were equal to 1-month LIBOR plus 1% and 1-month LIBOR plus 3.50%. Interest earned on these notes is included in "Interest Income from Affiliates" on the

Statements of Income. In addition, in November 2010, this subsidiary held term notes with certain LKE subsidiaries. These notes were subsequently repaid and therefore no balances were outstanding at December 31, 2010. Interest on these notes was due monthly at interest rates between 4.24% and 7.04%. While balances were outstanding, interest earned on all these affiliate note receivables were \$9 million, insignificant and \$4 million for 2010, 2009 and 2008.

*(PPL Electric)*

A PPL Electric subsidiary holds revolving demand notes from an affiliate. There were no outstanding balances at December 31, 2010 and 2009. In 2010, the interest rates were equal to 1-month LIBOR plus 3.50% and 3-month LIBOR plus 3.50%. Interest earned on these notes is included in "Interest Income from Affiliate" on the Statements of Income, and was \$2 million, \$4 million and \$9 million for 2010, 2009 and 2008.

*(PPL Energy Supply)*

### **Intercompany Derivatives**

In 2010, 2009 and 2008, a subsidiary of PPL Energy Supply entered into a combination of average rate forwards and average rate options with PPL to sell British pounds sterling. These hedging instruments have terms identical to average rate forwards and average rate options entered into by PPL with third parties to protect the translation of expected income denominated in British pounds sterling to U.S. dollars. Gains and losses, both realized and unrealized, on these types of hedging instruments are included in "Other Income (Expense) - net" on the Statement of Income. PPL Energy Supply recorded a net gain of \$3 million during 2010, a net loss of \$9 million during 2009 and a net gain of \$9 million during 2008 related to average rate forwards and average rate options. Contracts outstanding at December 31, 2010 hedged a total exposure of £89 million related to the translation of expected income in 2011. Contracts outstanding at December 31, 2009 hedged a total exposure of £48 million related to the translation of expected income in 2010. The fair value of these positions, primarily reflected in "Current Assets - Price risk management assets" on the Balance Sheet, was a net asset of \$4 million and \$2 million at December 31, 2010 and 2009.

A subsidiary of PPL Energy Supply is also party to forward contracts with PPL to sell British pounds sterling to protect the value of a portion of its net investment in WPD. These hedging instruments have terms identical to forward sales contracts entered into by PPL with third parties. The total amount of the contracts outstanding at December 31, 2010 and 2009 was £35 million and £40 million (\$62 million and \$78 million based on contracted rates). The fair value of these positions at December 31, 2010 was an asset of \$7 million, which is included in "Current Assets - Price risk management assets," with an offsetting after-tax amount included in the foreign currency translation adjustment component of AOCI on the Balance Sheet. The fair value of these positions at December 31, 2009 was an asset of \$13 million, of which \$8 million was included in "Current Assets - Price risk management assets" and \$5 million was included in "Other Noncurrent Assets - Price risk management assets," with an offsetting after-tax amount included in the foreign currency translation adjustment component of AOCI on the Balance Sheet.

### **Trademark Royalties**

A PPL subsidiary owns PPL trademarks and bills certain affiliates for their use. PPL Energy Supply was allocated \$40 million of license fees in 2010 and 2009 and \$48 million in 2008. These allocations are primarily included in "Other operation and maintenance" on the Statements of Income.

*(PPL, PPL Energy Supply and PPL Electric)*

### **Transmission**

PPL Energy Supply owns no domestic transmission or distribution facilities, other than facilities to interconnect its generation with the electric transmission system. Therefore, PPL EnergyPlus and other PPL Generation subsidiaries must pay PJM, the operator of the transmission system, to deliver the energy these subsidiaries supply to retail and wholesale customers in PPL Electric's franchised territory in eastern and central Pennsylvania. PJM in turn pays PPL Electric for the use of its transmission system. PPL eliminates the impact of these revenues and expenses on its Statements of Income.

**Other**

See Notes 1 and 5 for discussions regarding the intercompany tax sharing policy and intercompany allocations of stock-based compensation expense. See Note 7 for a discussion regarding capital transactions between PPL and its affiliates. See Note 13 for discussions regarding intercompany allocations of defined benefits.

**17. Other Income (Expense) - net**

(PPL, PPL Energy Supply and PPL Electric)

The breakdown of "Other Income (Expense) - net" was:

	PPL			PPL Energy Supply			PPL Electric		
	2010	2009	2008	2010	2009	2008	2010	2009	2008
<b>Other Income</b>									
Gains related to the extinguishment of notes (a)		\$ 29			\$ 25				
Earnings on securities in NDT funds	\$ 20	20	\$ 10	\$ 20	20	\$ 10			
Interest income	8	14	33	6	6	23	\$ 2	\$ 8	\$ 7
AFUDC	5	1	1				5	1	1
Mine remediation liability adjustment			11			11			
Miscellaneous - Domestic	5	9	5	4	3	5	1		
Miscellaneous - International	1	1	4	1	1	4			
Total Other Income	39	74	64	31	55	53	8	9	8
<b>Other Expense</b>									
Economic foreign currency exchange contracts	(3)	9	(9)	(3)	9	(9)			
Charitable contributions	4	6	5	1					
Cash flow hedges (b)	29								
LKE acquisition costs (Note 10)	31								
Miscellaneous - Domestic	7	8	9	5	9	10	3	3	3
Miscellaneous - International	2	4	6	2	4	6			
Total Other Expense	70	27	11	5	22	7	3	3	3
<b>Other Income (Expense) - net</b>	<u>\$ (31)</u>	<u>\$ 47</u>	<u>\$ 53</u>	<u>\$ 26</u>	<u>\$ 33</u>	<u>\$ 46</u>	<u>\$ 5</u>	<u>\$ 6</u>	<u>\$ 5</u>

- (a) In 2009, PPL Energy Supply completed tender offers to purchase up to \$250 million aggregate principal amount of certain of its outstanding senior notes for \$220 million, resulting in a \$25 million net gain. PPL recorded an additional net gain of \$4 million as a result of reclassifying gains and losses on related cash flow hedges from AOCI into earnings.
- (b) As a result of the expected net proceeds from the sale of certain non-core generation facilities, coupled with the monetization of full-requirement sales contracts, debt that had been planned to be issued by PPL Energy Supply was no longer needed. As a result, hedge accounting associated with interest rate swaps entered into by PPL in anticipation of a debt issuance by PPL Energy Supply was discontinued. Associated net losses were reclassified from AOCI into earnings.

**18. Fair Value Measurements and Credit Concentration**

(PPL, PPL Energy Supply and PPL Electric)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). PPL and its subsidiaries use, as appropriate, a market approach (generally, data from market transactions), an income approach (generally, present value techniques and option-pricing models), and/or a cost approach (generally, replacement cost) to measure the fair value of an asset or liability. These valuation approaches incorporate inputs such as observable, independent market data and/or unobservable data that management believes are predicated on the assumptions market participants would use to price an asset or liability. These inputs may incorporate, as applicable, certain risks such as nonperformance risk, which includes credit risk.

**Recurring Fair Value Measurements**

The assets and liabilities measured at fair value were:

	December 31, 2010				December 31, 2009			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
<b>PPL</b>								
<b>Assets</b>								
Cash and cash equivalents	\$ 925	\$ 925			\$ 801	\$ 801		
Short-term investments - municipal debt securities	163	163						
Restricted cash and cash equivalents (a)	66	66			129	129		
Price risk management assets:								
Energy commodities	2,503		\$ 2,452	\$ 51	3,354	3	\$ 3,234	\$ 117
Interest rate swaps	15		15		50		50	
Foreign currency exchange contracts	11		11		15		15	
Cross-currency swaps	44		44		12		12	
Total price risk management assets	2,573		2,522	51	3,431	3	3,311	117
NDT funds:								
Cash and cash equivalents	10	10			7	7		
Equity securities:								
U.S. large-cap	303	207	96		259	176	83	
U.S. mid/small-cap	119	89	30		101	75	26	
Debt securities:								
U.S. Treasury	75	75			74	74		
U.S. government sponsored agency	7		7		9		9	
Municipality	69		69		65		65	
Investment-grade corporate	33		33		29		29	
Residential mortgage-backed securities					1		1	
Other	1		1					
Receivables (payables), net	1	(1)	2		3		3	
Total NDT funds	618	380	238		548	332	216	
Auction rate securities (b)	25			25	25			25
Total assets	\$ 4,370	\$ 1,534	\$ 2,760	\$ 76	\$ 4,934	\$ 1,265	\$ 3,527	\$ 142
<b>Liabilities</b>								
Price risk management liabilities:								
Energy commodities	\$ 1,552		\$ 1,498	\$ 54	\$ 2,080	\$ 2	\$ 2,068	\$ 10
Interest rate swaps	53		53					
Cross-currency swaps	9		9		4		4	
Total price risk management liabilities	\$ 1,614		\$ 1,560	\$ 54	\$ 2,084	\$ 2	\$ 2,072	\$ 10
<b>PPL Energy Supply</b>								
<b>Assets</b>								
Cash and cash equivalents	\$ 661	\$ 661			\$ 245	\$ 245		
Restricted cash and cash equivalents (a)	26	26			111	111		
Price risk management assets:								
Energy commodities	2,503		\$ 2,452	\$ 51	3,354	3	\$ 3,234	\$ 117
Foreign currency exchange contracts	11		11		15		15	
Cross-currency swaps	44		44		12		12	
Total price risk management assets	2,558		2,507	51	3,381	3	3,261	117
NDT funds:								
Cash and cash equivalents	10	10			7	7		
Equity securities:								
U.S. large-cap	303	207	96		259	176	83	
U.S. mid/small-cap	119	89	30		101	75	26	
Debt securities:								
U.S. Treasury	75	75			74	74		
U.S. government sponsored agency	7		7		9		9	
Municipality	69		69		65		65	
Investment-grade corporate	33		33		29		29	
Residential mortgage-backed securities					1		1	
Other	1		1					
Receivables (payables), net	1	(1)	2		3		3	
Total NDT funds	618	380	238		548	332	216	
Auction rate securities (b)	20			20	20			20
Total assets	\$ 3,883	\$ 1,067	\$ 2,745	\$ 71	\$ 4,305	\$ 691	\$ 3,477	\$ 137
<b>December 31, 2010</b>								
<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>December 31, 2009</b>								
<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	

## Liabilities

## Price risk management liabilities:

Energy commodities	\$ 1,541	\$ 1,487	\$ 54	\$ 2,080	\$ 2	\$ 2,068	\$ 10
Cross-currency swaps	9	9		4		4	
Total price risk management liabilities	<u>\$ 1,550</u>	<u>\$ 1,496</u>	<u>\$ 54</u>	<u>\$ 2,084</u>	<u>\$ 2</u>	<u>\$ 2,072</u>	<u>\$ 10</u>

**PPL Electric**

## Assets

Cash and cash equivalents	\$ 204	\$ 204		\$ 485	\$ 485		
Restricted cash and cash equivalents (a)	14	14		14	14		
Total assets	<u>\$ 218</u>	<u>\$ 218</u>		<u>\$ 499</u>	<u>\$ 499</u>		

(a) Current portion is included in "Restricted cash and cash equivalents" and long-term portion is included in "Other noncurrent assets" on the Balance Sheets.

(b) Included in "Other investments" on the Balance Sheets.

A reconciliation of net assets and liabilities classified as Level 3 is as follows.

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)					
	December 31, 2010			December 31, 2009		
	Energy Commodities, net	Auction Rate Securities	Total	Energy Commodities, net	Auction Rate Securities	Total
<b>PPL</b>						
Balance at beginning of period	\$ 107	\$ 25	\$ 132	\$ 188	\$ 24	\$ 212
Total realized/unrealized gains (losses)						
Included in earnings	(137)		(137)	(136)		(136)
Included in OCI (a)	11		11	18	5	23
Purchases, sales, issuances and settlements, net	(16)		(16)	104	(4)	100
Transfers into Level 3 (b)	(15)		(15)	(67)		(67)
Transfers out of Level 3	47		47			
Balance at end of period	<u>\$ (3)</u>	<u>\$ 25</u>	<u>\$ 22</u>	<u>\$ 107</u>	<u>\$ 25</u>	<u>\$ 132</u>
<b>PPL Energy Supply</b>						
Balance at beginning of period	\$ 107	\$ 20	\$ 127	\$ 188	\$ 19	\$ 207
Total realized/unrealized gains (losses)						
Included in earnings	(137)		(137)	(136)		(136)
Included in OCI (a)	11		11	18	5	23
Purchases, sales, issuances and settlements, net	(16)		(16)	104	(4)	100
Transfers into Level 3 (b)	(15)		(15)	(67)		(67)
Transfers out of Level 3	47		47			
Balance at end of period	<u>\$ (3)</u>	<u>\$ 20</u>	<u>\$ 17</u>	<u>\$ 107</u>	<u>\$ 20</u>	<u>\$ 127</u>

(a) Included in "Qualifying derivatives" and "Available-for-sale securities" on the Statements of Comprehensive Income.

(b) Transfers into and out of Level 3 are presented on a net basis in 2009. Accounting guidance effective January 1, 2010 requires transfers into and out of Level 3 be presented on a gross basis. See Note 1 for additional information.

Net gains and losses on assets and liabilities classified as Level 3 and included in earnings are reported in the Statements of Income as follows.

	December 31, 2010			
	Energy Commodities, net			
	Unregulated Retail Electric and Gas	Wholesale Energy Marketing	Energy Purchases	
<b>PPL and PPL Energy Supply</b>				
Total gains (losses) included in earnings for the period	\$ 11	\$ 14	\$	(162)
Change in unrealized gains (losses) relating to positions still held at the reporting date	4	6		(119)
	December 31, 2009			
	Energy Commodities, net			
	Unregulated Retail Electric	Wholesale Energy	Net Energy Trading	Energy

	<u>and Gas</u>	<u>Marketing</u>	<u>Margins</u>	<u>Purchases</u>
<b><u>PPL and PPL Energy Supply</u></b>				
Total gains (losses) included in earnings for the period	\$ 13	\$ 22	\$ (16)	\$ (155)
Change in unrealized gains (losses) relating to positions still held at the reporting date	8	12	1	(83)

### Cash and Cash Equivalents, Short-term Investments, and Restricted Cash and Cash Equivalents

*(PPL, PPL Energy Supply and PPL Electric)*

The fair value measurements of cash and cash equivalents and restricted cash and cash equivalents are based on the amount on deposit.

*(PPL)*

The fair value measurements of short-term investments are based on quoted prices.

*(PPL and PPL Energy Supply)*

### Price Risk Management Assets/Liabilities - Energy Commodities

Energy commodity contracts are generally valued using the income approach, except for exchange-traded derivative gas and oil contracts, which are valued using the market approach and are classified as Level 1. When observable inputs are used to measure all or most of the value of a contract, the contract is classified as Level 2. Over-the-counter (OTC) contracts are valued using quotes obtained from an exchange, binding and non-binding broker quotes, prices posted by ISOs or published tariff rates. Furthermore, PPL obtains independent quotes from the market to validate the forward price curves. OTC contracts include forwards, swaps, options and structured deals for electricity, gas, oil, and/or emission allowances and may be offset with similar positions in exchange-traded markets. To the extent possible, fair value measurements utilize various inputs that include quoted prices for similar contracts or market-corroborated inputs. In certain instances, these instruments may be valued using models, including standard option valuation models and standard industry models. For example, the fair value of a structured deal that delivers power to an illiquid delivery point may be measured by valuing the nearest liquid trading point plus the value of the basis between the two points. The basis input may be from market quotes, FTR prices, or historical prices.

When unobservable inputs are significant to the fair value measurement, a contract is classified as Level 3. Additionally, Level 2 and Level 3 fair value measurements include adjustments for credit risk based on PPL's own creditworthiness (for net liabilities) and its counterparties' creditworthiness (for net assets). PPL's credit department assesses all reasonably available market information and uses probabilities of default to calculate the credit adjustment. PPL assumes that observable market prices include sufficient adjustments for liquidity and modeling risks, but for Level 3 fair value measurements, PPL also assesses the need for additional adjustments for liquidity or modeling risks. The contracts classified as Level 3 represent contracts for which the delivery dates are beyond the dates for which independent prices are available or for certain power basis positions, which PPL generally values using historical settlement prices to project forward prices.

In certain instances, PPL transfers energy commodity contracts between Level 2 and Level 3. The primary reasons for the transfers during 2010 and 2009 were changes in the availability of market information and changes in the significance of the unobservable portion of the contract. As the delivery period of a contract becomes closer, market information may become available. When this occurs, the model's unobservable inputs are replaced with observable market information.

### Price Risk Management Assets/Liabilities - Interest Rate Swaps/Foreign Currency Exchange Contracts/Cross-Currency Swaps

To manage their interest rate and foreign currency exchange risk, PPL and PPL Energy Supply generally use interest rate contracts such as forward-starting swaps, floating-to-fixed swaps and fixed-to-floating swaps, foreign currency exchange contracts such as forwards and options, and cross-currency swaps that contain characteristics of both interest rate and

foreign currency exchange contracts. PPL and PPL Energy Supply use an income approach to measure the fair value of these contracts, utilizing readily observable inputs, such as forward interest rates (e.g., LIBOR and government security rates) and forward foreign currency exchange rates (e.g., GBP and Euro), as well as inputs that may not be observable, such as credit valuation adjustments. In certain cases, PPL and PPL Energy Supply cannot practicably obtain market information to value credit risk and therefore rely on their own models. These models use projected probabilities of default based on historical observances. When the credit valuation adjustment is significant to the overall valuation, the contracts are classified as Level 3.

### NDT Funds

The fair value measurements of cash and cash equivalents are based on the amount on deposit.

PPL and PPL Energy Supply generally use the market approach to measure the fair value of equity securities held in the NDT funds.

- The fair value measurements of equity securities classified as Level 1 are based on quoted prices in active markets and are comprised of securities that are representative of the Wilshire 5000 index, which is invested in approximately 70% large-cap stocks and 30% mid/small-cap stocks.
- Investments in commingled equity funds are classified as Level 2 and represent securities that track the S&P 500 index and the Wilshire 4500 index. These fair value measurements are based on firm quotes of net asset values per share, which are not obtained from a quoted price in an active market.

Debt securities are generally measured using a market approach, including the use of matrix pricing. Common inputs include reported trades, broker/dealer bid/ask prices, benchmark securities and credit valuation adjustments. When necessary, the fair value of debt securities is measured using the income approach, which incorporates similar observable inputs as well as benchmark yields, credit valuation adjustments, reference data from market research publications, monthly payment data, collateral performance and new issue data. The debt securities held by the NDT funds at December 31, 2010 have a weighted-average coupon of 4.59% and a weighted-average duration of five years.

### Auction Rate Securities

PPL's and PPL Energy Supply's auction rate securities include Federal Family Education Loan Program guaranteed student loan revenue bonds, as well as various municipal bond issues. At December 31, 2010, contractual maturities for these auction rate securities were a weighted average of approximately 25 years. PPL and PPL Energy Supply do not have significant exposure to realize losses on these securities; however, auction rate securities are classified as Level 3 because failed auctions limit the amount of observable market data that is available for measuring the fair value of these securities.

The fair value of auction rate securities is estimated using an income approach with inputs for the underlying structure and credit quality of each security; the present value of future interest payments, estimated based on forward rates of the SIFMA Index, and principal payments discounted using interest rates for bonds with a credit rating and remaining term to maturity similar to the stated maturity of the auction rate securities; and the impact of auction failures or redemption at par.

### **Nonrecurring Fair Value Measurements** (*PPL and PPL Energy Supply*)

The following nonrecurring fair value measurements occurred during the reporting periods, resulting in asset impairments.

	Carrying Amount (a)	Fair Value Measurements Using		Loss (b)
		Level 2	Level 3	
Sulfur dioxide emission allowances (c): December 31, 2010	\$ 2		\$ 1	\$ 1

September 30, 2010	6		2	4
June 30, 2010	11		3	8
March 31, 2010	13		10	3
December 31, 2009	20		13	7
March 31, 2009	45		15	30
Certain non-core generation facilities:				
September 30, 2010	473	\$	381	96
Long Island generation business:				
December 31, 2009	132		128	5
September 30, 2009	137		133	5
June 30, 2009	189		138	52

- (a) Represents carrying value before fair value measurement.
- (b) Losses on sulfur dioxide emission allowances were recorded in the Supply segment and included in "Other operation and maintenance" on the Statements of Income. Losses on certain non-core generation facilities and the Long Island generation business were recorded in the Supply segment and included in "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income.
- (c) Current and long-term sulfur dioxide emission allowances are included in "Other intangibles" in their respective areas on the Balance Sheets.

### Sulfur Dioxide Emission Allowances

Due to declines in market prices in 2010 and 2009, PPL Energy Supply assessed the recoverability of sulfur dioxide emission allowances not expected to be consumed. When available, observable market prices were used to value the sulfur dioxide emission allowances. When observable market prices were not available, fair value was modeled using prices from observable transactions and appropriate discount rates. The modeled values were significant to the overall fair value measurement.

### Certain Non-Core Generation Facilities

Certain non-core generation facilities met the held for sale criteria at September 30, 2010. As a result, net assets held for sale were written down to their estimated fair value less cost to sell. The fair value in the table above excludes \$4 million of estimated costs to sell and was based on the negotiated sales price (achieved through an active auction process). See Note 9 for additional information on the anticipated sale.

### Long Island Generation Business

The Long Island generation business met the held for sale criteria at June 30, 2009. As a result, net assets held for sale were written down to their estimated fair value less cost to sell. The fair value in the table above excludes \$1 million of estimated costs to sell and was based on the negotiated sales price (achieved through an active auction process). See Note 9 for additional information on the completed sale.

### Nitrogen Oxide Allowances

In July 2008, the United States Court of Appeals for the D.C. Circuit issued a ruling that invalidated the CAIR in its entirety, including its cap-and-trade program. As a result of this decision, in 2008, PPL determined that all of the annual nitrogen oxide allowances purchased by PPL EnergyPlus pursuant to the CAIR were no longer required, had no value and, therefore, recorded a pre-tax impairment charge of \$33 million (\$20 million after tax). Further, in 2008, PPL EnergyPlus recorded an additional charge and corresponding reserve of \$9 million pre-tax (\$5 million after tax) related to its sale of certain annual nitrogen oxide allowance put options. These charges, recorded in PPL and PPL Energy Supply's Supply segment, are included in "Other operation and maintenance" expense on the Statement of Income.

### **Financial Instruments Not Recorded at Fair Value**

*(PPL, PPL Energy Supply and PPL Electric)*

### NPNS



PPL and PPL Energy Supply enter into full-requirement sales contracts, power purchase agreements and certain retail energy and physical capacity contracts that range in maturity through 2023 and qualify for NPNS. PPL Electric also enters into contracts that qualify for NPNS. See "Energy Purchase Commitments" in Note 15 for information about PPL Electric's competitive solicitations. All of these contracts are accounted for using accrual accounting; therefore, there were no amounts recorded on the Balance Sheets at December 31, 2010 and 2009. The estimated fair value of these contracts, calculated using similar inputs and valuation techniques as those described above within "Price Risk Management Assets/Liabilities - Energy Commodities," was:

	Net Asset (Liability)	
	December 31, 2010	December 31, 2009
PPL	\$ 229	\$ 122
PPL Energy Supply	240	334
PPL Electric	(8)	(216)

### Other

The carrying amounts of contract adjustment payments related to the Purchase Contract component of the Equity Units and long-term debt on the Balance Sheets and their estimated fair value are set forth below. The fair value of these instruments was estimated using an income approach by discounting future cash flows at estimated current cost of funding rates. The effect of third-party credit enhancements is not included in the fair value measurement.

	December 31, 2010		December 31, 2009	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>PPL</b>				
Contract adjustment payments (a)	\$ 146	\$ 148		
Long-term debt	12,663	12,868	\$ 7,143	\$ 7,280
<b>PPL Energy Supply</b>				
Long-term debt	5,589	5,919	5,031	5,180
<b>PPL Electric</b>				
Long-term debt	1,472	1,578	1,472	1,567

(a) Reflected in current and long-term other liabilities on the balance sheet. See Note 7 for additional information.

*(PPL and PPL Energy Supply)*

The carrying value of "Short-term debt" at December 31, 2010 and 2009 on the Balance Sheets represented or approximated fair value due to the liquid nature of the instruments or variable interest rates associated with the financial instruments.

### **Credit Concentration Associated with Financial Instruments**

*(PPL, PPL Energy Supply and PPL Electric)*

PPL and its subsidiaries enter into contracts with many entities for the purchase and sale of energy. Many of these contracts are considered a normal part of doing business and, as such, the fair value of these contracts is not reflected in the financial statements. However, the fair value of these contracts is considered when committing to new business from a credit perspective. See Note 19 for information on credit policies used by PPL and its subsidiaries to manage credit risk, including master netting arrangements and collateral requirements.

*(PPL)*

At December 31, 2010, PPL had credit exposure of \$2.8 billion to energy trading partners, excluding the effects of netting arrangements and collateral. As a result of netting arrangements and collateral, PPL's credit exposure was reduced to \$749 million. One of the counterparties accounted for 12% of this exposure, and the next highest counterparty accounted for 11% of the exposure. Ten counterparties accounted for \$445 million, or 59%, of the net

exposure. Nine of these counterparties had an investment grade credit rating from S&P and accounted for 89% of the top ten exposure. The remaining counterparty has not been rated by S&P, but is current on its obligations.

*(PPL Energy Supply)*

At December 31, 2010, PPL Energy Supply had credit exposure of \$2.8 billion to energy trading partners, excluding exposure from related parties and the effects of netting arrangements and collateral. As a result of netting arrangements and collateral, this credit exposure was reduced to \$749 million. One of the counterparties accounted for 12% of this exposure, and the next highest counterparty accounted for 11% of the exposure. Ten counterparties accounted for \$445 million, or 59%, of the net exposure. Nine of these counterparties had an investment grade credit rating from S&P and accounted for 89% of the top ten exposure. The remaining counterparty has not been rated by S&P, but is current on its obligations.

At December 31, 2010, PPL Energy Supply's credit exposure under certain energy supply contracts to PPL Electric was \$42 million. Netting arrangements had an insignificant change on this credit exposure.

*(PPL Electric)*

At December 31, 2010, PPL Electric had no credit exposure under energy supply contracts (including its supply contracts with its affiliate PPL EnergyPlus).

## **19. Derivative Instruments and Hedging Activities**

### **Risk Management Objectives** *(PPL, PPL Energy Supply and PPL Electric)*

PPL has a risk management policy approved by the Board of Directors to manage market risk and counterparty credit risk. The RMC, comprised of senior management and chaired by the Chief Risk Officer, oversees the risk management function. Key risk control activities designed to ensure compliance with the risk policy and detailed programs include, but are not limited to, credit review and approval, validation of transactions and market prices, verification of risk and transaction limits, VaR analyses, portfolio stress tests, gross margin at risk analyses, sensitivity analyses, and daily portfolio reporting, including open positions, determinations of fair value, and other risk management metrics. PPL completed its acquisition of LKE in November 2010. Due to the timing of the acquisition, PPL is evaluating changes to processes, including risk management, as part of its ongoing integration activities. LKE continues to operate under its existing policies, which have been reviewed by PPL and have been deemed adequate to minimize risk until this evaluation and integration process is complete.

Market risk is the potential loss PPL and its subsidiaries may incur as a result of price changes associated with a particular financial or commodity instrument.

PPL and PPL Energy Supply are exposed to market risk from:

- commodity price, basis and volumetric risks for energy and energy-related products associated with the sale of electricity from its generating assets and other electricity marketing activities (including full-requirement sales contracts) and the purchase of fuel and fuel-related commodities for generating assets, as well as for proprietary trading activities;
- interest rate and price risk associated with debt used to finance operations, as well as debt and equity securities in NDT funds and defined benefit plans; and
- foreign currency exchange rate risk associated with investments in U.K. affiliates, as well as purchases of equipment in currencies other than U.S. dollars.

PPL and PPL Energy Supply utilize forward contracts, futures contracts, options, swaps and structured deals such as tolling agreements as part of the risk management strategy to minimize unanticipated fluctuations in earnings caused by changes in commodity prices, volumes of full-requirement sales contracts, basis prices, interest rates and foreign currency exchange rates. All derivatives are recognized on the balance sheet at their fair value, unless they qualify for NPNS.

PPL and PPL Electric are exposed to market price and volumetric risks from PPL Electric's obligation as PLR. The PUC has approved a cost recovery mechanism that allows PPL Electric to pass through to customers the cost associated with fulfilling its PLR obligation. This cost recovery mechanism substantially eliminates PPL Electric's exposure to market price risk. PPL Electric also mitigates its exposure to volumetric risk by entering into full-requirement supply agreements for its customers. These supply agreements transfer the volumetric risk associated with the PLR obligation to the energy suppliers.

Credit risk is the potential loss PPL and its subsidiaries may incur due to a counterparty's non-performance, including defaults on payments and energy commodity deliveries.

PPL is exposed to credit risk from interest rate derivatives with financial institutions.

PPL and PPL Energy Supply are exposed to credit risk from commodity derivatives with their energy trading partners, which include other energy companies, fuel suppliers and financial institutions and from foreign currency derivatives with financial institutions.

PPL and PPL Electric are exposed to credit risk from PPL Electric's supply agreements for its PLR obligation.

The majority of PPL's, PPL Energy Supply's and PPL Electric's credit risk stems from PPL subsidiaries' commodity derivatives for multi-year contracts for energy sales and purchases. If PPL Energy Supply's counterparties fail to perform their obligations under such contracts and PPL Energy Supply could not replace the sales or purchases at the same prices as those under the defaulted contracts, PPL Energy Supply would incur financial losses. Those losses would be recognized immediately or through lower revenues or higher costs in future years, depending on the accounting treatment for the defaulted contracts. In the event an LG&E, KU or PPL Electric supplier defaults on its obligation, those entities would be required to seek replacement power in the market. In general, incremental costs incurred by these entities would be recoverable from customers in future rates.

PPL and its subsidiaries have credit policies to manage their credit risk, including the use of an established credit approval process, daily monitoring of counterparty positions, and the use of master netting agreements. These agreements generally include credit mitigation provisions, such as margin, prepayment or collateral requirements. PPL and its subsidiaries may request the additional credit assurance, in certain circumstances, in the event that the counterparties' credit ratings fall below investment grade or their exposures exceed an established credit limit. See Note 18 for credit concentration associated with financial instruments.

PPL's and PPL Energy Supply's obligation to return counterparty cash collateral under master netting arrangements was \$338 million and \$355 million at December 31, 2010 and December 31, 2009.

PPL Electric had no obligation to return cash collateral under master netting arrangements at December 31, 2010 and December 31, 2009.

PPL, PPL Energy Supply and PPL Electric had not posted any cash collateral under master netting arrangements at December 31, 2010 and December 31, 2009.

*(PPL and PPL Energy Supply)*

### **Commodity Price Risk (Non-trading)**

Commodity price and basis risks are among PPL's and PPL Energy Supply's most significant risks due to the level of investment that PPL and PPL Energy Supply maintain in their generation assets, as well as the extent of their marketing and proprietary trading activities. Several factors influence price levels and volatilities. These factors include, but are not limited to, seasonal changes in demand, weather conditions, available generating assets within regions, transportation/transmission availability and reliability within and between regions, market liquidity, and the nature and extent of current and potential federal and state regulations.

PPL and PPL Energy Supply enter into financial and physical derivative contracts, including forwards, futures, swaps and options, to hedge the price risk associated with electricity, gas, oil and other commodities. Certain contracts qualify for NPNS or are non-derivatives and are therefore not reflected in the financial statements until delivery. See Note 18 for additional information on NPNS. PPL and PPL Energy Supply segregate their remaining non-trading activities into two categories: cash flow hedge activity and economic activity.

#### Monetization of Certain Full-Requirement Sales Contracts

In July 2010, in order to raise additional cash for the LKE acquisition, PPL Energy Supply monetized certain full-requirement sales contracts that resulted in cash proceeds of \$249 million and triggered certain accounting:

- A portion of these sales contracts had previously been accounted for as NPNS and received accrual accounting treatment. PPL Energy Supply could no longer assert that it was probable that any contracts with these counterparties would result in physical delivery. Therefore, the fair value of the NPNS contracts of \$160 million was recorded on the Balance Sheet in "Price risk management assets," with a corresponding gain of \$144 million recorded to "Wholesale energy marketing - Realized" on the Statement of Income, and \$16 million recorded to "Wholesale energy marketing - Unrealized economic activity," related to full-requirement sales contracts that have not been monetized.
- The related purchases to supply these sales contracts were accounted for as cash flow hedges, with the effective portion of the change in fair value being recorded in AOCI and the ineffective portion recorded in "Energy purchases - Unrealized economic activity." The corresponding cash flow hedges were redesignated and all amounts previously recorded in AOCI were reclassified to earnings. This resulted in a pre-tax reclassification of \$(173) million of losses from AOCI into "Energy purchases - Unrealized economic activity" on the Statement of Income. An additional charge of \$(39) million was also recorded in "Wholesale energy marketing - Unrealized economic activity" on the Statement of Income to reflect the fair value of the sales contracts previously accounted for as economic activity.
- The net result of these transactions, excluding the full-requirement sales contracts that have not been monetized, was a loss of \$(68) million, or \$(40) million after tax.

The proceeds of \$249 million from these monetizations are reflected in the Statement of Cash Flows as a component of "Net cash provided by operating activities."

#### Cash Flow Hedges

Many derivative contracts have qualified for hedge accounting so that the effective portion of a derivative's gain or loss is deferred in AOCI and reclassified into earnings when the forecasted transaction occurs. The cash flow hedges that existed at December 31, 2010 range in maturity through 2015. At December 31, 2010, the accumulated net unrealized after-tax gains that are expected to be reclassified into earnings during the next 12 months were \$300 million for PPL and PPL Energy Supply. Cash flow hedges are discontinued if it is no longer probable that the original forecasted transaction will occur by the end of the originally specified time periods and any amounts previously recorded in AOCI are reclassified into earnings. For 2010, such reclassifications were after-tax losses of \$(89) million, primarily due to the monetization of certain full-requirement sales contracts, for which the associated hedges are no longer required, as discussed above. For 2009 and 2008, such reclassifications were an after-tax gain of \$9 million and an after-tax loss of \$(8) million.

For 2010, 2009 and 2008, hedge ineffectiveness associated with energy derivatives was, after-tax, a loss of \$(30) million, a gain of \$41 million and a gain of \$12 million.

In addition, when cash flow hedge positions fail hedge effectiveness testing, hedge accounting is not permitted in the quarter in which this occurs and, accordingly, the entire change in fair value for the periods that failed is recorded to the income statement. Certain power and gas cash flow hedge positions failed effectiveness testing during 2008 and the first quarter of 2009. However, these positions were not redesignated as hedges, as prospective regression analysis demonstrated that these hedges were expected to be highly effective over their term. For 2008, an after-tax gain of \$298 million was recognized in earnings as a result of these hedge failures. During 2009, fewer power and gas cash flow hedges failed hedge effectiveness testing; therefore, a portion of the previously recognized unrealized gains recorded in

2008 associated with these hedges were reversed. For 2009, after-tax losses of \$(215) million were recognized in earnings as a result of these reversals. During the first quarter of 2010, after-tax losses of \$(82) million were recognized in earnings as a result of these reversals continuing. Effective April 1, 2010, clarifying accounting guidance was issued that precludes the reversal of previously recognized gains/losses resulting from hedge failures. By the end of the first quarter of 2010, all previously recorded hedge ineffectiveness gains resulting from hedge failures were reversed, thus the new accounting guidance did not have a significant impact at adoption on April 1, 2010. See Note 1 for more information on this accounting change.

### Economic Activity

Certain derivative contracts economically hedge the price and volumetric risk associated with electricity, gas, oil and other commodities but do not receive hedge accounting treatment. These derivatives hedge a portion of the economic value of PPL and PPL Energy Supply's generation assets and full-requirement and retail contracts, which are subject to changes in fair value due to market price volatility and volume expectations. Additionally, economic activity includes the ineffective portion of qualifying cash flow hedges, including the entire change in fair value of certain cash flow hedges that failed retrospective effectiveness testing (see "Cash Flow Hedges" above). The derivative contracts in this category that existed at December 31, 2010 range in maturity through 2017.

Examples of economic activity include certain purchase contracts used to supply full-requirement sales contracts; FTRs or basis swaps used to hedge basis risk associated with the sale of generation or supplying full-requirement sales contracts; spark spreads (sale of electricity with the simultaneous purchase of fuel); retail gas activities; and fuel oil swaps used to hedge price escalation clauses in coal transportation and other fuel-related contracts. PPL Energy Supply also uses options, which include the sale of call options and the purchase of put options tied to a particular generating unit. Since the physical generating capacity is owned, the price exposure is limited to the cost of the particular generating unit and does not expose PPL Energy Supply to uncovered market price risk. PPL Energy Supply also purchases call options or sells put options to create a net purchase position to cover an overall short position in the non-trading portfolio.

Unrealized activity associated with monetizing certain full-requirement sales contracts was also included in economic activity during 2010.

The unrealized gains (losses) for economic activity are as follows.

	PPL			PPL Energy Supply		
	2010	2009	2008	2010	2009	2008
Operating Revenues						
Utility	\$ (2)					
Unregulated retail electric and gas	1	\$ 6	\$ 5	1	\$ 6	\$ 5
Wholesale energy marketing	(805)	(229)	1,056	(805)	(229)	1,056
Operating Expenses						
Fuel	29	49	(79)	29	49	(79)
Energy purchases	286	(155)	(553)	286	(155)	(553)

The net gains (losses) recorded in "Wholesale energy marketing" resulted primarily from certain full-requirement sales contracts for which PPL Energy Supply did not elect NPNS, from hedge ineffectiveness, including hedges that failed effectiveness testing, as discussed in "Cash Flow Hedges" above, and from the monetization of certain full-requirement sales contracts. The net gains (losses) recorded in "Energy purchases" resulted primarily from certain purchase contracts to supply the full-requirement sales contracts noted above for which PPL Energy Supply did not elect hedge treatment, from hedge ineffectiveness, including hedges that failed effectiveness testing, and from purchase contracts that no longer hedge the full-requirement sales contracts that have been monetized as discussed above in "Monetization of Certain Full-Requirement Sales Contracts."

### Commodity Price Risk (Trading)

PPL Energy Supply also executes energy contracts to take advantage of market opportunities. As a result, PPL Energy Supply may at times create a net open position in its portfolio that could result in significant losses if prices do not move in the manner or direction anticipated. PPL Energy Supply's trading activity is shown in "Net energy trading margins" on the Statements of Income.

### Commodity Volumetric Activity

PPL Energy Supply currently employs four primary strategies to maximize the value of its wholesale energy portfolio. As further discussed below, these strategies include the sales of baseload generation, optimization of intermediate and peaking generation, marketing activities, and proprietary trading activities. The tables within this section present the volumes of PPL Energy Supply's derivative activity, excluding those that qualify for NPNS, unless otherwise noted.

#### Sales of Baseload Generation

PPL Energy Supply has a formal hedging program for its competitive baseload generation fleet, which includes 7,408 MW of nuclear, coal and hydro generating capacity. The objective of this program is to provide a reasonable level of near-term cash flow and earnings certainty while preserving upside potential of power price increases over the medium term. PPL Energy Supply sells its expected generation output on a forward basis using both derivative and non-derivative instruments. Both are included in the following tables.

The following table presents the expected sales, in GWh, of baseload generation based on current forecasted assumptions for 2011-2013. These expected sales could be impacted by several factors, including plant availability.

<u>2011 (a)</u>	<u>2012 (a)</u>	<u>2013 (a)</u>
51,435	54,675	54,364

(a) Excludes expected sales from the Safe Harbor hydroelectric facility that has been classified as held for sale. See Note 9 for additional information.

The following table presents the percentage of expected baseload generation sales shown above that has been sold forward under fixed-price contracts and the related percentage of fuel that has been purchased or committed at December 31, 2010.

<u>Year</u>	<u>Derivative</u>	<u>Total Power</u>	<u>Fuel Purchases (d)</u>	
	<u>Sales (a) (b)</u>	<u>Sales (c)</u>	<u>Coal</u>	<u>Nuclear</u>
2011	91%	99%	99%	100%
2012	58%	68%	96%	100%
2013	7%	15%	87%	100%

(a) Excludes non-derivative contracts and contracts that qualify for NPNS. Volumes for option contracts factor in the probability of an option being exercised and may be less than the notional amount of the option.

(b) Volumes for derivative sales contracts that deliver between 2014 and 2015 are 1,180 GWh.

(c) Amount represents derivative and non-derivative contracts. Volumes for option contracts factor in the probability of an option being exercised and may be less than the notional amount of the option.

(d) Coal and nuclear contracts receive accrual accounting treatment, as they are not derivative contracts. Percentages are based on both fixed- and variable-priced contracts.

In addition to the fuel purchases above, PPL Energy Supply attempts to economically hedge the fuel price risk that is within its fuel-related contracts and coal transportation contracts, which are tied to changes in crude oil or diesel prices. The following table presents the volumes (in thousands of barrels) of derivative contracts used in support of this strategy at December 31, 2010.

<u>Contract Type</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Oil Swaps	6,822	6,167	300

Optimization of Intermediate and Peaking Generation

In addition to its competitive baseload generation activities, PPL Energy Supply attempts to optimize the overall value of its competitive intermediate and peaking fleet, which includes 4,321 MW of gas and oil-fired generation. The following table presents the volumes of derivative contracts used in support of this strategy at December 31, 2010.

	<u>Units</u>	<u>2011</u>	<u>2012</u>
Net Power Sales:			
Options (a)	GWh	(69)	
Non-option contracts (b)	GWh	(1,969)	(408)
Net Fuel Purchases:			
Non-option contracts	Bcf	15.9	2.7

- (a) Volumes for option contracts factor in the probability of an option being exercised and may be less than the notional amount of the option.  
(b) Included in these volumes are exercised option contracts that converted to non-option derivative contracts.

Marketing Activities

PPL Energy Supply's marketing portfolio is comprised of full-requirement sales contracts and their related supply contracts, retail gas and electricity sales contracts and other marketing activities. The full-requirement sales contracts and their related supply contracts make up a significant component of the marketing portfolio. The obligations under the full-requirement sales contracts include supplying a bundled product of energy, capacity, RECs, and other ancillary products. The full-requirement sales contracts PPL Energy Supply is awarded do not provide for specific levels of load, and actual load could vary significantly from forecasted amounts. PPL Energy Supply uses a variety of strategies to hedge its full-requirement sales contracts, including purchasing energy at a liquid trading hub or directly at the load delivery zone, purchasing capacity and RECs in the market and supplying the energy, capacity and RECs with its generation. RECs are not derivatives and are excluded from the table below. The following table presents the volumes of (sales)/purchase contracts, excluding FTRs, basis and capacity contracts, used in support of these activities at December 31, 2010.

	<u>Units</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Energy sales contracts (a) (b)	GWh	(15,613)	(8,387)	(3,057)
Related energy supply contracts (b)				
Energy purchases	GWh	9,042	3,974	186
Volumetric hedges (c)	GWh	419	(16)	
Generation supply	GWh	2,909	3,589	2,848
Retail gas sales contracts	Bcf	(5.7)	(5.3)	(0.1)
Retail gas purchase contracts	Bcf	5.7	5.2	0.1

- (a) Includes NPNS and contracts that are not derivative, which are the majority of PPL Energy Supply's full-requirement sales contracts and receive accrual accounting. Also included in these volumes are the sales from PPL EnergyPlus to PPL Electric to supply PPL Electric's PLR load obligation.  
(b) Net volumes for derivative contracts, excluding contracts that qualify for NPNS that deliver between 2014 and 2015 are insignificant.  
(c) PPL Energy Supply uses power and gas options, swaps and futures to hedge the volumetric risk associated with full-requirement sales contracts since the demand for power varies hourly. Volumes for option contracts factor in the probability of an option being exercised and may be less than the notional amount of the option.

FTRs and Other Basis Positions

PPL Energy Supply buys and sells FTRs and other basis positions to mitigate the basis risk between delivery points related to the sales of its generation, the supply of its full-requirement sales contracts and retail contracts, as well as for proprietary trading purposes. The following table presents the volumes of derivative FTR and basis (sales)/purchase contracts at December 31, 2010.

<u>Commodity</u>	<u>Units</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
------------------	--------------	-------------	-------------	-------------

FTRs	GWh	23,283	47	
Power Basis Positions	GWh	(7,481)	(230)	(216)
Gas Basis Positions (a)	Bcf	14.9	3.2	

(a) Net volumes that deliver in 2014 are insignificant.

### Capacity Positions

PPL Energy Supply buys and sells capacity related to the sales of its generation and the supply of its full-requirement sales contracts, as well as for proprietary trading purposes. The following table presents the volumes of derivative capacity (sales)/purchase contracts at December 31, 2010.

<u>Commodity</u>	<u>Units</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Capacity (a)	MW-months	(6,634)	(177)	(1,005)

(a) Net volumes that deliver between 2014 and 2016 are 647 MW-months.

### Proprietary Trading Activity

At December 31, 2010, PPL Energy Supply's proprietary trading positions, excluding FTR, basis and capacity contract activity that has already been included in the tables above, were not significant.

### Sales of Excess Regulated Generation (PPL)

PPL manages the price risk of its expected excess regulated generation capacity using market-traded forward contracts. At December 31, 2010, PPL's net volume of electricity based financial derivatives outstanding to hedge excess regulated generation was 998 GWh for LKE.

### Interest Rate Risk (PPL and PPL Energy Supply)

PPL and its subsidiaries have issued debt to finance their operations, which exposes them to interest rate risk. PPL and its subsidiaries utilize various financial derivative instruments to adjust the mix of fixed and floating interest rates in their debt portfolio, adjust the duration of their debt portfolio and lock in benchmark interest rates in anticipation of future financing, when appropriate. Risk limits under the risk management program are designed to balance risk exposure to volatility in interest expense and changes in the fair value of PPL's and its subsidiaries' debt portfolio due to changes in benchmark interest rates.

### Cash Flow Hedges

Interest rate risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financings. PPL and PPL Energy Supply may enter into financial interest rate swap contracts that qualify as cash flow hedges to hedge floating interest rate risk associated with both existing and anticipated debt issuances. For PPL, these interest rate swap contracts range in maturity through 2041 and had a notional value of \$500 million at December 31, 2010. For 2010, hedge ineffectiveness associated with these derivatives resulted in a net after-tax loss of \$(9) million. For 2009 and 2008, hedge ineffectiveness associated with these derivatives was not significant. No contracts were outstanding at PPL Energy Supply at December 31, 2010.

In anticipation of debt issuances that occurred in March 2010, WPD (South West) and WPD (South Wales) entered into forward starting interest rate swaps to hedge the change in benchmark interest rates up through the date of the debt issuances. See Note 7 for information on the debt issued. For 2010, WPD (South Wales) recorded hedge ineffectiveness of \$3 million in "Interest Expense" on the Statement of Income related to the forward-starting interest rate swaps.

At December 31, 2010, WPDH Limited holds a net notional position in cross-currency swaps totaling \$302 million to hedge the interest payments and principal of its U.S. dollar-denominated senior notes with maturity dates ranging from December 2017 to December 2028. For 2010, 2009 and 2008, no amounts were recorded related to hedge ineffectiveness.



Cash flow hedges are discontinued if it is no longer probable that the original forecasted transaction will occur by the end of the originally specified time periods and any amounts previously recorded in AOCI are reclassified to earnings. As a result of the expected net proceeds from the anticipated sale of certain non-core generation facilities, coupled with the monetization of certain full-requirement sales contracts, debt that had been planned to be issued by PPL Energy Supply in 2010 was no longer needed. As a result, hedge accounting associated with interest rate swaps entered into by PPL in anticipation of a debt issuance by PPL Energy Supply was discontinued. PPL reclassified a net after-tax loss of \$(19) million in 2010 and a net after-tax gain of \$1 million in 2009. PPL had no such reclassifications in 2008. PPL Energy Supply had no such reclassifications in 2010, 2009 and 2008.

At December 31, 2010, the accumulated net unrealized after-tax losses on qualifying derivatives that are expected to be reclassified into earnings during the next 12 months were \$(7) million for PPL and insignificant for PPL Energy Supply. Amounts are reclassified as the hedged interest payments are made.

### Economic Activity

LG&E has entered into interest rate swap contracts that economically hedge interest payments on variable debt. As discussed in Note 3, realized gains and losses from the swaps are recoverable through regulated rates. Therefore, the change in fair value of these derivatives is included in regulatory assets and liabilities. Realized gains and losses are recognized in "Interest Expense" on the Statements of Income when the hedged transaction occurs. At December 31, 2010, LG&E held contracts with a notional amount of \$179 million that range in maturity through 2033.

### Fair Value Hedges

PPL and PPL Energy Supply are exposed to changes in the fair value of their domestic and international debt portfolios. To manage this risk, PPL and PPL Energy Supply may enter into financial contracts to hedge fluctuations in the fair value of existing debt issuances due to changes in benchmark interest rates. At December 31, 2010, PPL held contracts that range in maturity through 2047 and had a notional value of \$349 million. PPL Energy Supply did not hold any such contracts at December 31, 2010. PPL and PPL Energy Supply did not recognize any gains or losses resulting from the ineffective portion of fair value hedges or from a portion of the hedging instrument being excluded from the assessment of hedge effectiveness for 2010, 2009 and 2008. Additionally, PPL recognized net after-tax gains of \$4 million from hedges of debt that no longer qualified as fair value hedges for 2009, while the amounts were not significant for 2010 and 2008. PPL Energy Supply did not recognize any gains or losses resulting from hedges of debt issuances that no longer qualified as fair value hedges for 2010, 2009 and 2008.

### **Foreign Currency Risk** (*PPL and PPL Energy Supply*)

PPL and PPL Energy Supply are exposed to foreign currency risk, primarily through investments in U.K. affiliates. In addition, PPL's and PPL Energy Supply's domestic operations may make purchases of equipment in currencies other than U.S. dollars.

PPL and PPL Energy Supply have adopted a foreign currency risk management program designed to hedge certain foreign currency exposures, including firm commitments, recognized assets or liabilities, anticipated transactions and net investments. In addition, PPL and PPL Energy Supply enter into financial instruments to protect against foreign currency translation risk of expected earnings.

### Cash Flow Hedges

PPL and PPL Energy Supply may enter into foreign currency derivatives associated with foreign currency-denominated debt and the exchange rate associated with firm commitments denominated in foreign currencies; however, at December 31, 2010, there were no existing contracts of this nature. Amounts previously classified in AOCI are reclassified as the hedged interest payments are made and as the related equipment is depreciated.

Cash flow hedges are discontinued if it is no longer probable that the original forecasted transaction will occur by the end of the originally specified time periods and any amounts previously recorded in AOCI are reclassified to earnings. There were no such reclassifications during 2010, 2009 and 2008.

Fair Value Hedges

PPL and PPL Energy Supply enter into foreign currency forward contracts to hedge the exchange rates associated with firm commitments denominated in foreign currencies; however, at December 31, 2010, there were no existing contracts of this nature. PPL and PPL Energy Supply did not recognize any gains or losses resulting from the ineffective portion of fair value hedges or from a portion of the hedging instrument being excluded from the assessment of hedge effectiveness for 2010, 2009 and 2008. Additionally, PPL and PPL Energy Supply did not recognize any gains or losses resulting from hedges of firm commitments that no longer qualified as fair value hedges for 2010, 2009 and 2008.

Net Investment Hedges

PPL and PPL Energy Supply may enter into foreign currency contracts to protect the value of a portion of their net investment in WPD. The total notional amount of the contracts outstanding at December 31, 2010 was £35 million (approximately \$62 million based on contracted rates). These contracts were settled in January 2011. At December 31, 2010, the fair value of these positions was a net asset of \$7 million. At December 31, 2009, the fair value of these positions was a net asset of \$13 million. For 2010, 2009 and 2008, PPL and PPL Energy Supply recognized after tax net investment hedge gains of \$4 million, after-tax losses of \$(5) million and after-tax gains of \$20 million in the foreign currency translation adjustment component of AOCI. At December 31, 2010, PPL and PPL Energy Supply had \$15 million of accumulated net investment hedge gains, after tax, that were included in the foreign currency translation adjustment component of AOCI compared with \$11 million of gains, after tax, at December 31, 2009. See Note 16 for additional information.

Economic Activity

PPL and PPL Energy Supply may enter into foreign currency contracts as an economic hedge of anticipated earnings denominated in British pounds sterling. At December 31, 2010, the total exposure hedged was £89 million and the net fair value of these positions was a net asset of \$4 million. These contracts had termination dates ranging from January 2011 to December 2011. The net fair value of similar hedging instruments outstanding at December 31, 2009 was a net asset of \$2 million. Gains and losses, both realized and unrealized, on these contracts are included in "Other Income (Expense) - net" on the Statements of Income. For 2010, PPL and PPL Energy Supply recorded net gains of \$3 million. For 2009 and 2008, PPL and PPL Energy Supply recorded net losses of \$(9) million and net gains of \$9 million related to similar average rate forwards and average rate options. See Note 16 for additional information.

**Accounting and Reporting**

*(PPL, PPL Energy Supply and PPL Electric)*

All derivative instruments are recorded at fair value on the balance sheet as an asset or liability (unless they qualify for NPNS; See Note 18 for additional information). Changes in the derivatives' fair value are recognized currently in earnings unless specific hedge accounting criteria are met. However, the change in fair value of LG&E's interest rate swaps is recognized in a regulatory asset. See Note 3 for additional information.

See Note 1 for additional information on accounting policies related to derivative instruments.

*(PPL)*

The following tables present the fair value and location of derivative instruments recorded on the Balance Sheets.

December 31, 2010				December 31, 2009			
Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments (a)		Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments (a)	
Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities

Current:

Price Risk Management

Assets/Liabilities (b):

Interest rate swaps	\$ 11	\$ 19	\$ 2	\$ 10				
Cross-currency swaps	7	9		1	\$ 4			
Foreign currency exchange contracts	7	\$ 4		8		\$ 2		
Commodity contracts	878	19	1,011	1,095	741	219	1,395	\$ 1,279
Total current	903	47	1,015	1,097	760	223	1,397	1,279
Noncurrent:								
Price Risk Management								
Assets/Liabilities (b):								
Interest rate swaps	4			32	40			
Cross-currency swaps	37				11			
Foreign currency exchange contracts					5			
Commodity contracts	169	7	445	431	578	118	640	464
Total noncurrent	210	7	445	463	634	118	640	464
Total derivatives	\$ 1,113	\$ 54	\$ 1,460	\$ 1,560	\$ 1,394	\$ 341	\$ 2,037	\$ 1,743

(a) \$326 million and \$375 million of net gains associated with derivatives that were no longer designated as hedging instruments are recorded in AOCI at December 31, 2010 and 2009.

(b) Represents the location on the Balance Sheet.

The after-tax balances of accumulated net gains (losses) (excluding net investment hedges) in AOCI were \$695 million, \$602 million and \$(21) million at December 31, 2010, 2009 and 2008.

The following tables present the pre-tax effect of derivative instruments recognized in income, OCI or regulatory assets.

Derivatives in Fair Value Hedging Relationships	Hedged Items in Fair Value Hedging Relationships	Location of Gain (Loss) Recognized in Income	Gain (Loss) Recognized in Income on Derivative		Gain (Loss) Recognized in Income on Related Item	
			2010	2009	2010	2009
Interest rate swaps	Fixed rate debt	Interest expense Other Income - net	\$ 48	\$ 12	\$ (6)	\$ 29 7
			<b>2010</b>		<b>2009</b>	
				<b>Gain (Loss) Recognized in Income on Derivative</b>	<b>Gain (Loss) Recognized in Income on Derivative</b>	<b>Gain (Loss) Recognized in Income on Derivative</b>
			<b>Gain (Loss) Reclassified from AOCI into Income (Effective Portion)</b>	<b>(Ineffective Portion and Amount Excluded from Effectiveness Testing)</b>	<b>Reclassified from AOCI into Income (Effective Portion)</b>	<b>(Ineffective Portion and Amount Excluded from Effectiveness Testing)</b>
	<b>Derivative Gain (Loss) Recognized in OCI (Effective Portion)</b>	<b>Location of Gain (Loss) Recognized in Income</b>				
	<b>2010</b>					
	<b>2009</b>					
Cash Flow Hedges:						
Interest rate swaps	\$ (145)	\$ 64	Interest expense	\$ (4)	\$ (17)	\$ (2)
			Other income			
			(expense) - net	(30)		1
Cross-currency swaps	25	(45)	Interest expense	2		2
			(expense) - net	16		(20)
Commodity contracts	487	829	Wholesale energy marketing	680	(201)	358
			Fuel	2		(20)
			Depreciation	2		1
			Energy purchases	(458)	3	(544)
			Other O&M			1
Total	\$ 367	\$ 848		\$ 210	\$ (215)	\$ (223)
Net Investment Hedges:						
Foreign exchange contracts	\$ 5	\$ (9)				

Derivatives Not Designated as Hedging Instruments:	Location of Gain (Loss) Recognized in Income on Derivatives	2010	2009
--	---	------	------

Foreign exchange contracts	Other income (expense) - net	\$	3	\$	(9)
Commodity contracts	Utility		(2)		
	Unregulated retail electric and gas		11		13
	Wholesale energy marketing		(70)		588
	Net energy trading margins (a)		1		
	Fuel		12		12
	Energy purchases		(405)		(808)
	Total	\$	(450)	\$	(204)
<b>Derivatives Not Designated as Hedging Instruments:</b>	<b>Location of Gain (Loss) Recognized as Regulatory Liabilities/Assets</b>		<b>2010</b>		<b>2009</b>
Interest rate swaps	Regulatory asset	\$	(11)		
		\$	(11)		

(a) Differs from the Statement of Income due to intra-month transactions that PPL defines as spot activity, which is not accounted for as a derivative.

(PPL Energy Supply)

The following tables present the fair value and location of derivative instruments recorded on the Balance Sheets.

	December 31, 2010				December 31, 2009			
	Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments (a)		Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments (a)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Current:								
Price Risk Management								
Assets/Liabilities (b):								
Cross-currency swaps	\$ 7	\$ 9			\$ 1	\$ 4		
Foreign currency exchange contracts	7		\$ 4		8		\$ 2	
Commodity contracts	878	19	1,011	1,084	741	219	1,395	1,279
Total current	892	28	1,015	1,084	750	223	1,397	1,279
Noncurrent:								
Price Risk Management								
Assets/Liabilities (b):								
Cross-currency swaps	37				11			
Foreign currency exchange contracts					5			
Commodity contracts	169	7	445	431	578	118	640	464
Total noncurrent	206	7	445	431	594	118	640	464
Total derivatives	\$ 1,098	\$ 35	\$ 1,460	\$ 1,515	\$ 1,344	\$ 341	\$ 2,037	\$ 1,743

(a) \$326 million and \$375 million of net gains associated with derivatives that were no longer designated as hedging instruments are recorded in AOCI at December 31, 2010 and 2009.

(b) Represents the location on the balance sheet.

The after-tax balances of accumulated net gains (losses) (excluding net investment hedges) in AOCI were \$733 million, \$573 million and \$(12) million at December 31, 2010, 2009 and 2008.

The following tables present the pre-tax effect of derivative instruments recognized in income or OCI.

Derivatives in Fair Value Hedging Relationships	Hedged Items in Fair Value Hedging Relationships	Location of Gain (Loss) Recognized in Income	Gain (Loss) Recognized in Income on Derivative		Gain (Loss) Recognized in Income on Related Item	
			2010	2009	2010	2009
Interest rate swaps	Fixed rate debt	Interest expense	\$	1	\$	2
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Derivative Relationships	Derivative Gain (Loss) Recognized in OCI (Effective Portion)		Location of Gains (Losses) Recognized in Income	2010		2009	
	2010	2009		Gain (Loss) Recognized in Income (Effective Portion)	Gain (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Gain (Loss) Recognized in Income (Effective Portion)	Gain (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)
	Cash Flow Hedges:						
Cross-currency swaps	\$ 25	\$ (45)	Interest expense	\$ 2		\$ 2	
			Other income (expense) - net	16		(20)	
Commodity contracts	487	829	Wholesale energy marketing	680	\$ (201)	358	\$ (296)
			Fuel	2		(20)	2
			Depreciation	2		1	
			Energy purchases	(458)	3	(544)	(7)
			Other O&M			1	
Interest rate swaps			Interest expense		(3)		
Total	\$ 512	\$ 784		\$ 244	\$ (201)	\$ (222)	\$ (301)
Net Investment Hedges:							
Foreign exchange contracts	\$ 5	\$ (9)					

Derivatives Not Designated as Hedging Instruments:	Location of Gain (Loss) Recognized in Income on Derivatives	2010		2009	
Foreign exchange contracts	Other income (expense) - net	\$ 3	\$ (9)		
Commodity contracts	Unregulated retail electric and gas	11	13		
	Wholesale energy marketing	(70)	588		
	Net energy trading margins (a)	1			
	Fuel	12	12		
	Energy purchases	(405)	(808)		
Total	Total	\$ (448)	\$ (204)		

(a) Differs from the Statement of Income due to intra-month transactions that PPL Energy Supply defines as spot activity, which is not accounted for as a derivative.

### Credit Risk-Related Contingent Features (PPL and PPL Energy Supply)

Certain of PPL's and PPL Energy Supply's derivative contracts contain credit contingent provisions which would permit the counterparties with which PPL or PPL Energy Supply is in a net liability position to require the transfer of additional collateral upon a decrease in the credit ratings of PPL, PPL Energy Supply or certain of their subsidiaries. Most of these provisions would require PPL or PPL Energy Supply to transfer additional collateral or permit the counterparty to terminate the contract if the applicable credit rating were to fall below investment grade. Some of these provisions also would allow the counterparty to require additional collateral upon each decrease in the credit rating at levels that remain above investment grade. In either case, if the applicable credit rating were to fall below investment grade (i.e., below BBB- for S&P or Fitch, or Baa3 for Moody's), and assuming no assignment to an investment grade affiliate were allowed, most of these credit contingent provisions require either immediate payment of the net liability as a termination payment or immediate and ongoing full collateralization by PPL or PPL Energy Supply on derivative instruments in net liability positions.

Additionally, certain of PPL's and PPL Energy Supply's derivative contracts contain credit contingent provisions that require PPL or PPL Energy Supply to provide "adequate assurance" of performance if the other party has reasonable grounds for insecurity regarding PPL's or PPL Energy Supply's performance of its obligation under the contract. A counterparty demanding adequate assurance could require a transfer of additional collateral or other security, including

letters of credit, cash and guarantees from a creditworthy entity. This would typically involve negotiations among the parties. However, amounts disclosed below represent assumed immediate payment or immediate and ongoing full collateralization for derivative instruments in net liability positions with "adequate assurance" provisions.

To determine net liability positions, PPL and PPL Energy Supply use the fair value of each contract. The aggregate fair value of all derivative instruments with the credit contingent provisions described above that were in a net liability position at December 31, 2010 was \$121 million for PPL and \$78 million for PPL Energy Supply, of which PPL and PPL Energy Supply had posted collateral of \$37 million and \$18 million in the normal course of business. At December 31, 2010, if the credit contingent provisions underlying these derivative instruments were triggered due to a credit downgrade below investment grade, PPL and PPL Energy Supply would have been required to prepay or post additional collateral of \$186 million and \$171 million to their counterparties including net receivables and payables already recorded on the balance sheet.

## 20. Goodwill and Other Intangible Assets

### Goodwill (PPL and PPL Energy Supply)

The changes in the carrying amount of goodwill by segment were:

	Kentucky Regulated		International Regulated		Supply		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
<b>PPL</b>								
Balance at beginning of period (a)			\$ 715	\$ 669	\$ 91	\$ 94	\$ 806	\$ 763
Goodwill recognized during the period (b)	\$ 662				334		996	
Allocation to discontinued operations (c)					(5)	(3)	(5)	(3)
Effect of foreign currency exchange rates			(36)	46			(36)	46
Balance at end of period (a)	\$ 662		\$ 679	\$ 715	\$ 420	\$ 91	\$ 1,761	\$ 806
<b>PPL Energy Supply</b>								
Balance at beginning of period (a)			\$ 715	\$ 669	\$ 91	\$ 94	\$ 806	\$ 763
Allocation to discontinued operations (c)					(5)	(3)	(5)	(3)
Effect of foreign currency exchange rates			(36)	46			(36)	46
Balance at end of period (a)			\$ 679	\$ 715	\$ 86	\$ 91	\$ 765	\$ 806

(a) There were no accumulated impairment losses recorded.

(b) Recognized as a result of the 2010 acquisition of LKE. See Note 10 for additional information.

(c) 2010 represents goodwill allocated to certain non-core generation facilities and written off. 2009 represents goodwill allocated to the Long Island and the majority of the Maine hydroelectric generation businesses and written off.

### Other Intangibles

(PPL)

The gross carrying amount and the accumulated amortization of other intangible assets were:

	December 31, 2010		December 31, 2009	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
<b>Subject to amortization:</b>				
Contracts	\$ 597 (a)	\$ 49	\$ 203	\$ 23
Land and transmission rights	256 (b)	110	272	114
Emission allowances/RECs (c) (d)	37 (e)		56	
Licenses and other (f)	242	30	172	18
<b>Total subject to amortization</b>	<b>1,132 (g)</b>	<b>189</b>	<b>703</b>	<b>155</b>
<b>Not subject to amortization due to indefinite life:</b>				
Land and transmission rights	16		16	
Easements	77		76	

<b>Total not subject to amortization due to indefinite life</b>	93	92
<b>Total</b>	<u>\$ 1,225</u>	<u>\$ 795</u>

- (a) Includes \$394 million, which represents the fair value of contracts with terms favorable to market recognized as a result of the 2010 acquisition of LKE. The weighted-average amortization period of these contracts was five years at the acquisition date. An offsetting regulatory liability was recorded related to these contracts, which will be amortized over the same weighted average amortization period as the intangible assets, eliminating any income statement impact. See Note 3 for additional information.
- (b) Includes \$14 million, which represents the fair value of land and transmission rights recognized as a result of the 2010 acquisition of LKE. The weighted-average amortization period of these rights was 14 years at the acquisition date.
- (c) Removed from the Balance Sheets and expensed when consumed or sold. Consumption expense was \$47 million, \$32 million, and \$25 million in 2010, 2009 and 2008. Consumption expense is estimated at \$24 million for 2011, \$4 million for 2012 and \$2 million for 2013 through 2015.
- (d) During 2010 and 2009, PPL recorded \$17 million and \$37 million of impairment charges. See Note 18 for additional information.
- (e) Includes \$16 million, which represents the fair value of emission allowances recognized as a result of the 2010 acquisition of LKE. The weighted-average consumption period of these emission allowances was three years at the acquisition date. An offsetting regulatory liability was recorded related to these emission allowances, which will be amortized over the same weighted-average consumption period as the emission allowances, eliminating any income statement impact. See Note 3 for additional information.
- (f) "Other" includes costs for the development of licenses, the most significant of which is the COLA. Amortization of these costs begins when the related asset is placed in service. See Note 8 for additional information on the COLA.
- (g) Includes \$424 million of intangible assets resulting from the 2010 acquisition of LKE. See Note 10 for additional information regarding the acquisition.

Current intangible assets and long-term intangible assets are included in "Other intangibles" in their respective areas on the Balance Sheets.

Amortization expense, excluding consumption of emission allowances/RECs, was \$24 million, \$22 million and \$13 million in 2010, 2009 and 2008, and is estimated to be \$24 million for 2011, and \$23 million per year for 2012 through 2015.

*(PPL Energy Supply)*

The gross carrying amount and the accumulated amortization of other intangible assets were:

	December 31, 2010		December 31, 2009	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
<b>Subject to amortization:</b>				
Contracts	\$ 203	\$ 38	\$ 203	\$ 23
Land and transmission rights	19	16	59	23
Emission allowances/RECs (a) (b)	20		56	
Licenses and other (c)	239	29	172	18
<b>Total subject to amortization</b>	<u>481</u>	<u>83</u>	<u>490</u>	<u>64</u>
<b>Not subject to amortization due to indefinite life:</b>				
Easements	77		76	
<b>Total</b>	<u>\$ 558</u>	<u>\$ 83</u>	<u>\$ 566</u>	<u>\$ 64</u>

- (a) Removed from the Balance Sheets and expensed when consumed or sold. Consumption expense was \$46 million, \$32 million, and \$25 million in 2010, 2009, and 2008. Consumption expense is estimated at \$13 million for 2011, \$3 million for 2012 and \$2 million for 2013 through 2015.
- (b) During 2010 and 2009, PPL Energy Supply recorded \$16 million and \$37 million of impairment charges. See Note 18 for additional information.
- (c) "Other" includes costs for the development of licenses, the most significant of which is the COLA. Amortization of these costs begins when the related asset is placed in service. See Note 8 for additional information on the COLA.

Current intangible assets and long-term intangible assets are presented as "Other intangibles" in their respective areas on the Balance Sheets.

Amortization expense, excluding consumption of emission allowances/RECs, was \$20 million, \$19 million and \$10 million in 2010, 2009 and 2008, and is estimated to be \$20 million per year for 2011 through 2015.

*(PPL Electric)*

The gross carrying amount and the accumulated amortization of other intangible assets were:

	December 31, 2010		December 31, 2009	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
<b>Subject to amortization:</b>				
Land and transmission rights	\$ 222	\$ 93	\$ 214	\$ 91
Licenses and other	3	1		
<b>Total subject to amortization</b>	<b>225</b>	<b>94</b>	<b>214</b>	<b>91</b>
<b>Not subject to amortization due to indefinite life:</b>				
Land and transmission rights	16		16	
<b>Total</b>	<b>\$ 241</b>	<b>\$ 94</b>	<b>\$ 230</b>	<b>\$ 91</b>

Intangible assets are shown as "Intangibles" on the Balance Sheets.

Amortization expense was \$3 million for 2010, 2009 and 2008, and is estimated to be \$3 million per year for 2011 and 2012, and \$2 million per year for 2013 through 2015.

*(PPL, PPL Energy Supply and PPL Electric)*

Following are the weighted-average rates of amortization at December 31.

	PPL		PPL Energy Supply		PPL Electric	
	2010	2009	2010	2009	2010	2009
Contracts	20.24% (a)	7.41%	7.41%	7.41%		
Land and transmission rights	1.40%	1.23%			1.40%	1.23%
Emission allowances/RECs (b)						
Licenses and other	4.16%	4.07%	4.16%	4.07%		

- (a) For PPL, the 2010 weighted-average amortization rate was impacted by the acquisition of LKE. The intangible assets associated with contracts recorded in purchase accounting are being amortized over a significantly shorter life as compared to PPL's preexisting intangible assets associated with contracts, resulting in a significantly higher weighted-average amortization rate compared to PPL's historical rates. Excluding LKE, PPL's 2010 weighted-average amortization rate was 7.41%.
- (b) Expensed when consumed or sold.

*(PPL and PPL Energy Supply)*

In November 2009, NRC approved PPL Susquehanna's application for 20-year license renewals for each of the Susquehanna nuclear units. Costs of \$17 million were capitalized related to these license renewals. The weighted-average period prior to the next PPL Susquehanna license renewal is 33 years.

## 21. Asset Retirement Obligations

*(PPL)*

The fair value of LG&E's and KU's liabilities were recorded in the financial statements as of the acquisition date to reflect various legal obligations associated with the retirement of long-lived assets, primarily related to the retirement of assets associated with its generating units and natural gas wells. See Note 10 for additional information on the acquisition.

As described in Notes 1 and 3, the accretion recorded by LG&E and KU is offset with a regulatory asset, such that there is no income statement impact.

*(PPL and PPL Energy Supply)*



PPL and PPL Energy Supply have recorded liabilities in the financial statements to reflect various legal obligations associated with the retirement of long-lived assets, the largest of which relates to the decommissioning of the Susquehanna plant. Other AROs recorded relate to various environmental requirements for coal piles, ash basins and other waste basin retirements.

PPL and PPL Energy Supply have recorded several conditional AROs, the most significant of which related to the removal and disposal of asbestos-containing material.

In addition to the AROs that were recorded for asbestos-containing material, PPL and PPL Energy Supply identified other asbestos-related obligations, but were unable to reasonably estimate their fair values. PPL and PPL Energy Supply management were unable to reasonably estimate a settlement date or range of settlement dates for the remediation of all of the asbestos-containing material at certain of the generation plants. If economic events or other circumstances change that enable PPL and PPL Energy Supply to reasonably estimate the fair value of these retirement obligations, they will be recorded at that time.

Other conditional AROs that were recorded related to treated wood poles, gas-filled switchgear and fluid-filled cables. These obligations, required by U.K. law, had an insignificant impact on the financial statements.

PPL and PPL Energy Supply also identified legal retirement obligations associated with the retirement of a reservoir and certain transmission assets that could not be reasonably estimated due to indeterminable settlement dates.

The most significant ARO recorded by PPL and PPL Energy Supply relates to the decommissioning of the Susquehanna nuclear plant. In the third quarter of 2010, PPL Susquehanna completed a site-specific study to update the estimated cost to dismantle and decommission each Susquehanna nuclear unit immediately following final shutdown. This estimate included decommissioning the radiological portions of the station and the cost of removal of non-radiological structures and materials. Based on this study, which used a methodology consistent with the prior site-specific study done in 2002, the decommissioning ARO liability and the associated long-lived asset were reduced by \$103 million. The primary factor for this decline was the lower estimated inflation rate assumption used in the 2010 ARO calculation.

The accrued nuclear decommissioning obligation was \$270 million and \$348 million at December 31, 2010 and 2009, and is included in "Asset retirement obligations" on the Balance Sheets. The fair value of investments that are legally restricted for the decommissioning of the Susquehanna nuclear plant was \$618 million and \$548 million at December 31, 2010 and 2009, and is included in "Nuclear plant decommissioning trust funds" on the Balance Sheets. See Notes 18 and 23 for additional information on the nuclear decommissioning trust funds.

The changes in the carrying amounts of AROs were:

	PPL		PPL Energy Supply	
	2010	2009	2010	2009
ARO at beginning of period	\$ 426	\$ 389	\$ 426	\$ 389
Accretion expense	32	31	31	31
Obligations assumed in acquisition of LKE	103			
New obligations incurred	4	9	4	9
Changes in estimated cash flow or settlement date	(100)	16	(100)	16
Obligations settled	(17)	(19)	(16)	(19)
ARO at end of period	<u>\$ 448</u>	<u>\$ 426</u>	<u>\$ 345</u>	<u>\$ 426</u>

In addition to periodically updating the nuclear decommissioning ARO as described above, changes to other ARO costs and settlement dates, which affect the carrying value of various AROs, are reviewed periodically to ensure that any material changes are incorporated into the latest estimates of the obligation. In 2010, PPL Energy Supply revised cost estimates at several plants, the most significant being the Susquehanna nuclear plant discussed above and the ash basins at Montour and Martins Creek. In 2009, PPL Energy Supply revised cost estimates for several AROs and recognized additional asbestos liabilities at several plants, the most significant being the asbestos AROs at the Montour plant. The effect of these new and revised liabilities was to increase the ARO liability and related plant balances by \$7 million in 2010 and \$25 million in 2009. The 2010 and 2009 income statement impact of these changes was insignificant.

The classification of AROs on the Balance Sheets was as follows.

	PPL		PPL Energy Supply	
	2010	2009	2010	2009
Current portion (a)	\$ 13	\$ 10	\$ 13	\$ 10
Long-term portion (b)	435	416	332	416
Total	\$ 448	\$ 426	\$ 345	\$ 426

(a) Included in "Other current liabilities."

(b) Included in "Asset retirement obligations."

*(PPL and PPL Electric)*

PPL Electric has identified legal retirement obligations for the retirement of certain transmission assets that could not be reasonably estimated due to indeterminable settlement dates. These assets are located on rights-of-way that allow the grantor to require PPL Electric to relocate or remove the assets. Since this option is at the discretion of the grantor of the right-of-way, PPL Electric is unable to determine when these events may occur.

## 22. Variable Interest Entities

*(PPL and PPL Energy Supply)*

In December 2001, a subsidiary of PPL Energy Supply entered into a \$455 million operating lease arrangement, as lessee, for the development, construction and operation of a gas-fired combined-cycle generation facility located in Lower Mt. Bethel Township, Northampton County, Pennsylvania. The owner/lessor of this generation facility, LMB Funding, LP, was created to own/lease the facility and incur the related financing costs. The initial lease term commenced on the date of commercial operation, which occurred in May 2004, and ends in December 2013. Under a residual value guarantee, if the generation facility is sold at the end of the lease term and the cash proceeds from the sale are less than the original acquisition cost, the subsidiary of PPL Energy Supply is obligated to pay up to 70.52% of the original acquisition cost. This residual value guarantee protects the other variable interest holders from losses related to their investments. LMB Funding, LP cannot extend or cancel the lease or sell the facility without the prior consent of the PPL Energy Supply subsidiary. As a result, LMB Funding, LP was determined to be a VIE and the subsidiary of PPL Energy Supply was considered the primary beneficiary that consolidates this VIE.

The lease financing, which includes \$437 million of "Long-term Debt" and \$18 million of "Noncontrolling Interests" at December 31, 2010 and December 31, 2009, is secured by, among other things, the generation facility, the carrying amount of which is disclosed on the Balance Sheets. The debt matures at the end of the initial lease term. As a result of the consolidation, PPL Energy Supply has recorded interest expense in lieu of rent expense. For 2010, 2009 and 2008, additional depreciation on the generation facility of \$16 million, \$11 million and \$11 million was recorded.

## 23. Available-for-Sale Securities

*(PPL and PPL Energy Supply)*

PPL and its subsidiaries classify certain short-term investments, securities held by the NDT funds and auction rate securities as available-for-sale. Available-for-sale securities are carried on the balance sheet at fair value. Unrealized gains and losses on these securities are reported, net of tax, in OCI or are recognized currently in earnings when a decline in fair value is determined to be other-than-temporary. The specific identification method is used to calculate realized gains and losses.

The following table shows the amortized cost of available-for-sale securities and the gross unrealized gains recorded in AOCI. See Note 18 for information regarding the fair value of these securities.

	2010		2009	
	Amortized Cost	Gross Unrealized Gains	Amortized Cost	Gross Unrealized Gains
<b><u>PPL</u></b>				
Short-term investments - municipal debt securities	\$ 163			
NDT funds:				
Cash and cash equivalents	10		\$ 7	
Equity securities:				
U.S. large-cap	180	\$ 123	170	\$ 89
U.S. mid/small-cap	67	52	65	36
Debt securities:				
U.S. Treasury	71	4	72	2
U.S. government sponsored agency	6	1	9	
Municipality	69		63	2
Investment-grade corporate	31	2	28	1
Residential mortgage-backed securities			1	
Other	1			
Receivables/payables, net	1		3	
Total NDT funds	436	182	418	130
Auction rate securities	25		25	
Total	\$ 624	\$ 182	\$ 443	\$ 130
<b><u>PPL Energy Supply</u></b>				
NDT funds:				
Cash and cash equivalents	\$ 10		\$ 7	
Equity securities:				
U.S. large-cap	180	\$ 123	170	\$ 89
U.S. mid/small-cap	67	52	65	36
Debt securities:				
U.S. Treasury	71	4	72	2
U.S. government sponsored agency	6	1	9	
Municipality	69		63	2
Investment-grade corporate	31	2	28	1
Residential mortgage-backed securities			1	
Other	1			
Receivables/payables, net	1		3	
Total NDT funds	436	182	418	130
Auction rate securities	20		20	
Total	\$ 456	\$ 182	\$ 438	\$ 130

There were no securities with credit losses at December 31, 2010 and 2009.

The following table shows the scheduled maturity dates of debt securities held at December 31, 2010.

	Maturity Less Than 1 Year	Maturity 1-5 Years	Maturity 5-10 Years	Maturity in Excess of 10 Years	Total
<b><u>PPL</u></b>					
Amortized cost	\$ 14	\$ 61	\$ 60	\$ 231	\$ 366
Fair value	14	63	63	233	373
<b><u>PPL Energy Supply</u></b>					
Amortized cost	\$ 14	\$ 61	\$ 60	\$ 63	\$ 198
Fair value	14	63	63	65	205

The following table shows proceeds from and realized gains and losses on sales of available-for-sale securities.

	2010	2009	2008
<b><u>PPL</u></b>			
Proceeds from sales of NDT securities (a)	\$ 114	\$ 201	\$ 197
Other proceeds from sales		154	126
Gross realized gains (b)	13	27	19

Gross realized losses (b)		(5)	(20)	(23)
<b><u>PPL Energy Supply</u></b>				
Proceeds from sales of NDT securities (a)	\$	114	\$ 201	\$ 197
Other proceeds from sales			154	33
Gross realized gains (b)		13	27	19
Gross realized losses (b)		(5)	(20)	(23)

- (a) These proceeds, along with deposits of amounts collected from customers, are used to pay income taxes and fees related to managing the trust. Remaining proceeds are reinvested in the trust. Collections from customers ended in December 2009.
- (b) Excludes the impact of other-than-temporary impairment charges recognized in the Statements of Income.

### Short-term Investments

*(PPL)*

As discussed in Note 7, at December 31, 2010, LG&E held \$163 million aggregate principal amount of tax-exempt revenue bonds issued by Louisville/Jefferson County, Kentucky on behalf of LG&E that were purchased from the remarketing agent in 2008. At December 31, 2010, these investments were reflected in "Short-term investments" on the Balance Sheet. In January 2011, LG&E received \$163 million for its investments in these bonds when they were remarketed to unaffiliated investors. No realized or unrealized gains (losses) were recorded on these securities, as the difference between carrying value and fair value was insignificant.

*(PPL and PPL Energy Supply)*

In December 2008, the PEDFA issued \$150 million aggregate principal amount of Exempt Facilities Revenue Bonds, Series 2008A and 2008B due 2038 (Series 2008 Bonds) on behalf of PPL Energy Supply. PPL Investment Corp. acted as the initial purchaser of the Series 2008 Bonds upon issuance. In April 2009, PPL Investment Corp. received \$150 million for its investment in the Series 2008 bonds when they were refunded by the PEDFA. See "Long-term Debt and Equity Securities" in Note 7 for more information on the refundings. No realized or unrealized gains (losses) were recorded on these securities, as the difference between carrying value and fair value was insignificant.

*(PPL and PPL Electric)*

In October 2008, the PEDFA issued \$90 million aggregate principal amount of Pollution Control Revenue Refunding Bonds, Series 2008 (PPL Electric Utilities Corporation Project) due 2023 (PPL Electric Series 2008 Bonds) on behalf of PPL Electric. PPL Electric acted as the initial purchaser of the PPL Electric Series 2008 Bonds upon issuance. PPL Electric remarketed the PPL Electric Series 2008 Bonds to unaffiliated investors in November 2008. No realized or unrealized gains (losses) were recorded in 2008 related to these securities, as the difference between carrying value and fair value was insignificant.

### NDT Funds

*(PPL and PPL Energy Supply)*

Beginning in January 1999 and ending in December 2009, in accordance with the PUC Final Order, approximately \$130 million of decommissioning costs were recovered from PPL Electric's customers through the CTC over the 11-year life of the CTC rather than the remaining life of the Susquehanna nuclear plant. The recovery included a return on unamortized decommissioning costs. Under the power supply agreements between PPL Electric and PPL EnergyPlus, these revenues were passed on to PPL EnergyPlus. Similarly, these revenues were passed on to PPL Susquehanna under a power supply agreement between PPL EnergyPlus and PPL Susquehanna.

Amounts collected from PPL Electric's customers for decommissioning, less applicable taxes, were deposited in external trust funds for investment and can only be used for future decommissioning costs. To the extent that the actual costs for decommissioning exceed the amounts in the nuclear decommissioning trust funds, PPL Susquehanna would be obligated to fund 90% of the shortfall.

When the fair value of a security is less than amortized cost, PPL and PPL Energy Supply must make certain assertions to avoid recording an other-than-temporary impairment that requires a current period charge to earnings. The NRC requires that nuclear decommissioning trusts be managed by independent investment managers, with discretion to buy and sell securities in the trusts. As a result, PPL and PPL Energy Supply have been unable to demonstrate the ability to hold an impaired security until it recovers its value; therefore, unrealized losses on debt securities through March 31, 2009 and unrealized losses on equity securities for all periods presented, represented other-than-temporary impairments that required a current period charge to earnings. PPL and PPL Energy Supply recorded impairments for certain securities invested in the NDT funds of \$3 million, \$18 million and \$36 million for 2010, 2009 and 2008. These impairments are reflected on the Statements of Income in "Other-Than-Temporary Impairments."

Effective April 1, 2009, when PPL and PPL Energy Supply intend to sell a debt security or more likely than not will be required to sell a debt security before recovery, then the other-than-temporary impairment recognized in earnings will equal the entire difference between the security's amortized cost basis and its fair value. However, if there is no intent to sell a debt security and it is not more likely than not that they will be required to sell the security before recovery, but the security has suffered a credit loss, the other-than-temporary impairment will be separated into the credit loss component, which is recognized in earnings, and the remainder of the other-than-temporary impairment, which is recorded in OCI. Temporary impairments of debt securities and unrealized gains on both debt and equity securities are recorded to OCI. There were no credit losses on debt securities held in the NDT funds at December 31, 2010 or December 31, 2009.

## 24. Subsequent Events

*(PPL Energy Supply)*

On January 31, 2011, PPL Energy Supply distributed its membership interest in PPL Global, representing 100% of the outstanding membership interests of PPL Global, to PPL Energy Supply's parent, PPL Energy Funding. The distribution was made based on the book value of the assets and liabilities of PPL Global with financial effect as of January 1, 2011. The purpose of the distribution is to better align PPL's organizational structure with the manner in which it manages these businesses and reports segment information in its consolidated financial statements.

The distribution, and related presentation as discontinued operations, will be reflected in PPL Energy Supply's March 31, 2011 Quarterly Report to the SEC on Form 10-Q. Following the distribution, PPL Energy Supply retained its core business, the generation and marketing of power, primarily in the northeastern and northwestern power markets of the U.S.

The unaudited pro forma 2010 and 2009 operating revenues and income (loss) from continuing operations after income taxes attributable to PPL Energy Supply, excluding PPL Global, as if the distribution had occurred January 1, 2009, are as follows.

	<u>Operating Revenues</u>	<u>Income (Loss) from Continuing Operations After Income Taxes Attributable to PPL Energy Supply</u>
Pro forma for 2010 (unaudited)	\$ 5,128	\$ 595
Pro forma for 2009 (unaudited)	5,309	(17)

The pro forma financial information presented above was derived from the historical consolidated financial statements of PPL Energy Supply and PPL Global. There were no significant pro forma adjustments.

The unaudited pro forma December 31, 2010 balance sheet amounts, excluding PPL Global, as if the distribution had occurred December 31, 2010, are as follows.

Current Assets	\$ 3,736
Investments	655
PPE, net	6,133

Other Noncurrent Assets	1,442
Total Assets	<u>\$ 11,966</u>
Current Liabilities	\$ 3,489
Long-term Debt	2,776
Deferred Credits and Other Noncurrent Liabilities	2,480
Equity	<u>3,221</u>
Total Liabilities and Equity	<u>\$ 11,966</u>

The pro forma financial information has been presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have been achieved had the distribution been completed on the dates indicated, or the future consolidated results of operations or financial position of PPL Energy Supply.

**SCHEDULE I - PPL CORPORATION  
CONDENSED UNCONSOLIDATED STATEMENTS OF INCOME  
FOR THE YEARS ENDED DECEMBER 31,**

*(Millions of Dollars)*

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Operating Revenues</b> .....	\$	\$	\$
<b>Operating Expenses</b>			
Other operation and maintenance .....	4		5
Total Operating Expenses .....	4		5
<b>Operating Loss</b> .....	(4)		(5)
Other Income - net			
Equity in earnings of subsidiaries .....	1,038	378	929
Other income (expense) .....	(60)	3	
Total .....	978	381	929
Interest Expense - net .....	80	(39)	(7)
<b>Income Before Income Taxes</b> .....	894	420	931
Income Tax Expense (Benefit) .....	(44)	13	1
<b>Net Income Attributable to PPL Corporation</b> .....	<u>\$ 938</u>	<u>\$ 407</u>	<u>\$ 930</u>

*The accompanying Notes to Condensed Unconsolidated Financial Statements are an integral part of the financial statements.*

**SCHEDULE I - PPL CORPORATION  
CONDENSED UNCONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31,**

(Millions of Dollars)

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Cash Flows from Operating Activities</b>			
Net cash provided by (used in) operating activities .....	\$ 713	\$ 995	\$ 200
<b>Cash Flows from Investing Activities</b>			
Capital contributions to equity investees .....	(2,709)	(642)	(120)
Proceeds from the sale of an equity investee .....			303
Acquisition of LKE .....	(6,842)		
Net cash (used in) investing activities .....	<u>(9,551)</u>	<u>(642)</u>	<u>183</u>
<b>Cash Flows from Financing Activities</b>			
Issuance of equity, net of issuance costs .....	2,441	60	19
Return of capital from equity investees .....	150	100	120
Net increase (decrease) in short-term debt with affiliates .....	6,826	5	
Payment of common stock dividends .....	(566)	(517)	(491)
Repurchase of common stock .....			(38)
Other .....	(13)	(1)	7
Net cash provided by (used in) financing activities .....	<u>8,838</u>	<u>(353)</u>	<u>(383)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>			
Cash and Cash Equivalents at Beginning of Period .....			
Cash and Cash Equivalents at End of Period .....	<u>\$</u>	<u>\$</u>	<u>\$</u>
<b>Supplemental Disclosures of Cash Flow Information:</b>			
Cash Dividends Received from Equity Investees .....	\$ 507	\$ 717	\$ 493
Non-cash transactions:			
Reduction in "Short-term debt with affiliates" and "Affiliated companies at equity" .....	\$ 2,784		
Present value of contract adjustment payments .....	157		

*The accompanying Notes to Condensed Unconsolidated Financial Statements are an integral part of the financial statements.*



**SCHEDULE I - PPL CORPORATION  
CONDENSED UNCONSOLIDATED BALANCE SHEETS AT DECEMBER 31,**

(Millions of Dollars)

	<u>2010</u>	<u>2009</u>
<b>Assets</b>		
<b>Current Assets</b>		
Accounts Receivable		
Other .....	\$ 6	\$ 7
Affiliates .....	29	28
Prepayments.....	121	5
Deferred income taxes .....	11	
Price risk management assets .....	15	11
Total Current Assets .....	<u>182</u>	<u>51</u>
<b>Investments</b>		
Affiliated companies at equity .....	13,406	6,086
<b>Other Noncurrent Assets .....</b>	<u>32</u>	<u>46</u>
<b>Total Assets .....</b>	<u>\$ 13,620</u>	<u>\$ 6,183</u>
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Short-term debt with affiliates .....	\$ 4,062	\$ 20
Accounts payable with affiliates.....	958	471
Dividends.....	170	132
Other current liabilities .....	85	8
Total Current Liabilities .....	<u>5,275</u>	<u>631</u>
<b>Deferred Credits and Other Noncurrent Liabilities .....</b>	135	56
<b>Equity</b>		
PPL Corporation Shareowners' Common Equity		
Common stock - \$0.01 par value .....	5	4
Capital in excess of par value .....	4,602	2,280
Earnings reinvested.....	4,082	3,749
Accumulated other comprehensive loss.....	(479)	(537)
Total PPL Corporation Shareowners' Common Equity .....	<u>8,210</u>	<u>5,496</u>
<b>Total Liabilities and Equity .....</b>	<u>\$ 13,620</u>	<u>\$ 6,183</u>

The accompanying Notes to Condensed Unconsolidated Financial Statements are an integral part of the financial statements.

## Schedule I - PPL Corporation

### Notes to Condensed Unconsolidated Financial Statements

#### 1. Basis of Presentation

PPL Corporation (PPL) is a holding company and conducts substantially all of its business operations through its subsidiaries. These condensed financial statements and related footnotes have been prepared in accordance with Reg. §210.12-04 of Regulation S-X. These statements should be read in conjunction with the consolidated financial statements and notes thereto of PPL.

PPL indirectly or directly owns all of the ownership interests of its significant subsidiaries. PPL does not own the preferred securities of PPL Electric Utilities Corporation. PPL relies on dividends or loans from its subsidiaries to fund PPL's dividends to its common shareholders and to meet its other cash requirements.

#### 2. Commitments and Contingencies

See Note 15 to PPL's consolidated financial statements for commitments and contingencies of its subsidiaries.

##### Guarantees and Other Assurances

PPL has provided indemnification to the purchaser of PPL Gas Utilities and Penn Fuel Propane, LLC for damages arising out of any breach of the representations, warranties and covenants under the related transaction agreement and for damages arising out of certain other matters, including certain pre-closing unknown environmental liabilities relating to former manufactured gas plant properties or off-site disposal sites, if any, outside of Pennsylvania. The estimated maximum potential amount of future payments that could be required to be made under the indemnifications at December 31, 2010 was \$300 million. The indemnification provisions for most representations and warranties, including tax and environmental matters, are capped at \$45 million, in the aggregate, and are triggered (i) only if the individual claim exceeds \$50,000, and (ii) only if, and only to the extent that, in the aggregate, total claims exceed \$4.5 million. The indemnification provisions for most representations and warranties expired on September 30, 2009 without any claims having been made. Certain representations and warranties, including those having to do with transaction authorization and title, survive indefinitely, are capped at the purchase price and are not subject to the above threshold or deductible. The indemnification provision for the tax matters representations survives for the duration of the applicable statute of limitations, and the indemnification provision for the environmental matters representations survives for a period of three years after the transaction closing. The indemnification relating to unknown environmental liabilities for manufactured gas plants and disposal sites outside of Pennsylvania could survive more than three years, but only with respect to applicable property or sites identified by the purchaser prior to the third anniversary of the transaction closing. The indemnification for covenants survives until the applicable covenant is performed and is not subject to any cap.

## QUARTERLY FINANCIAL, COMMON STOCK PRICE AND DIVIDEND DATA (Unaudited) PPL Corporation and Subsidiaries

(Millions of Dollars, except per share data)

	For the Quarters Ended (a)			
	March 31	June 30	Sept. 30	Dec. 31
<b>2010</b>				
Operating revenues as previously reported .....	\$ 3,033	\$ 1,503		
Reclassification of discontinued operations (b) .....	(27)	(30)		
Operating revenues .....	3,006	1,473	\$ 2,179	\$ 1,863
Operating income as previously reported .....	492	238		
Reclassification of discontinued operations (b) .....	(16)	(12)		
Operating income .....	476	226	522	642
Income from continuing operations after income taxes as previously reported .....	255	92		
Reclassification of discontinued operations (b) .....	(8)	(7)		
Income from continuing operations after income taxes .....	247	85	306	338
Income (loss) from discontinued operations as previously reported .....				
Reclassification of discontinued operations (b) .....	8	7		
Income (loss) from discontinued operations .....	8	7	(53)	21
Net income .....	255	92	253	359
Net income attributable to PPL Corporation .....	250	85	248	355
Income from continuing operations after income taxes available to PPL Corporation common shareowners: (c)				
Basic EPS .....	0.66	0.22	0.62	0.69
Diluted EPS .....	0.66	0.22	0.62	0.69
Net income available to PPL Corporation common shareowners: (c)				
Basic EPS .....	0.66	0.22	0.51	0.73
Diluted EPS .....	0.66	0.22	0.51	0.73
Dividends declared per share of common stock (d) .....	0.350	0.350	0.350	0.350
Price per common share:				
High .....	\$ 32.77	\$ 28.80	\$ 28.00	\$ 28.14
Low .....	27.47	23.75	24.83	25.13
<b>2009</b>				
Operating revenues as previously reported .....	\$ 2,344	\$ 1,671		
Reclassification of discontinued operations (b) .....	(30)	(28)		
Operating revenues .....	2,314	1,643	\$ 1,782	\$ 1,710
Operating income as previously reported .....	412	104		
Reclassification of discontinued operations (b) .....	(21)	(18)		
Operating income .....	391	86	171	248
Income from continuing operations after income taxes as previously reported .....	243	29		
Reclassification of discontinued operations (b) .....	(11)	(8)		
Income from continuing operations after income taxes .....	232	21	51	129
Income (loss) from discontinued operations as previously reported .....	3	(32)		
Reclassification of discontinued operations (b) .....	11	8		
Income (loss) from discontinued operations .....	14	(24)	(25)	28
Net income (loss) .....	246	(3)	26	157
Net income (loss) attributable to PPL Corporation .....	241	(7)	20	153
Income from continuing operations after income taxes available to PPL Corporation common shareowners: (c)				
Basic EPS .....	0.63	0.07	0.12	0.37
Diluted EPS .....	0.63	0.07	0.12	0.37
Net income (loss) available to PPL Corporation common shareowners: (c)				

Basic EPS .....	0.64	(0.02)	0.05	0.40
Diluted EPS .....	0.64	(0.02)	0.05	0.40
Dividends declared per share of common stock (d) .....	0.345	0.345	0.345	0.345
Price per common share:				
High .....	\$ 33.54	\$ 34.42	\$ 34.21	\$ 33.05
Low .....	24.25	27.40	28.27	28.82

- (a) Quarterly results can vary depending on, among other things, weather and the forward pricing of power. In addition, earnings in 2010 and 2009 were affected by special items. Accordingly, comparisons among quarters of a year may not be indicative of overall trends and changes in operations. These special items include \$24 million of tax expense recorded in the third quarter of 2009 for the correction to the previously computed tax bases of the Latin American businesses that were sold in 2007. See Note 9 to the Financial Statements for additional information.
- (b) In 2010, certain PPL Energy Supply subsidiaries signed definitive agreements to sell their entire interests in certain non-core generation facilities. In 2009, PPL Generation signed a definitive agreement to sell its Long Island generation business and PPL Maine sold the majority of its hydroelectric generation business. See Note 9 to the Financial Statements for additional information on these transactions and other completed sales.
- (c) The sum of the quarterly amounts may not equal annual earnings per share due to changes in the number of common shares outstanding during the year or rounding.
- (d) PPL has paid quarterly cash dividends on its common stock in every year since 1946. Future dividends, declared at the discretion of the Board of Directors, will be dependent upon future earnings, cash flows, financial requirements and other factors.

**QUARTERLY FINANCIAL DATA (Unaudited)**  
**PPL Energy Supply, LLC and Subsidiaries**

(Millions of Dollars)

	For the Quarters Ended (a)			
	March 31	June 30	Sept. 30	Dec. 31
<b>2010</b>				
Operating revenues as previously reported .....	\$ 2,334	\$ 1,043		
Reclassification of discontinued operations (b) .....	(27)	(30)		
Operating revenues .....	<u>2,307</u>	<u>1,013</u>	\$ 1,680	\$ 889
Operating income as previously reported .....	391	179		
Reclassification of discontinued operations (b) .....	(16)	(12)		
Operating income .....	<u>375</u>	<u>167</u>	435	477
Income from continuing operations after income taxes as previously reported .....	200	86		
Reclassification of discontinued operations (b) .....	(8)	(8)		
Income from continuing operations after income taxes .....	<u>192</u>	<u>78</u>	320	291
Income (loss) from discontinued operations as previously reported .				
Reclassification of discontinued operations (b) .....	8	8		
Income (loss) from discontinued operations .....	<u>8</u>	<u>8</u>	(54)	19
Net income.....	<u>200</u>	<u>86</u>	266	310
Net income attributable to PPL Energy Supply .....	<u>200</u>	<u>86</u>	265	310
<b>2009</b>				
Operating revenues as previously reported .....	\$ 1,949	\$ 1,354		
Reclassification of discontinued operations (b) .....	(30)	(28)		
Operating revenues .....	<u>1,919</u>	<u>1,326</u>	\$ 1,433	\$ 1,347
Operating income as previously reported .....	295	34		
Reclassification of discontinued operations (b) .....	(21)	(19)		
Operating income .....	<u>274</u>	<u>15</u>	82	152
Income from continuing operations after income taxes as previously reported .....	188	1		
Reclassification of discontinued operations (b) .....	(11)	(8)		
Income from continuing operations after income taxes .....	<u>177</u>	<u>(7)</u>	13	71
Income (loss) from discontinued operations as previously reported .	3	(32)		
Reclassification of discontinued operations (b) .....	11	8		
Income (loss) from discontinued operations .....	<u>14</u>	<u>(24)</u>	(28)	31
Net income (loss) .....	<u>191</u>	<u>(31)</u>	(15)	102
Net income (loss) attributable to PPL Energy Supply .....	<u>191</u>	<u>(31)</u>	(16)	102

- (a) Quarterly results can vary depending on, among other things, weather and the forward pricing of power. In addition, earnings in 2010 and 2009 were affected by special items. Accordingly, comparisons among quarters of a year may not be indicative of overall trends and changes in operations. These special items include \$24 million of tax expense recorded in the third quarter of 2009 by for the correction to the previously computed tax bases of the Latin American businesses that were sold in 2007. See Note 9 to the Financial Statements for additional information.
- (b) In 2010, certain PPL Energy Supply subsidiaries signed definitive agreements to sell their entire interests in certain non-core generation facilities. In 2009, PPL Generation signed a definitive agreement to sell its Long Island generation business and PPL Maine sold the majority of its hydroelectric generation business. See Note 9 to the Financial Statements for additional information on these transactions and other completed sales.

**ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS  
ON ACCOUNTING AND FINANCIAL DISCLOSURE****PPL Corporation, PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

None.

**ITEM 9A. CONTROLS AND PROCEDURES**

- (a) Evaluation of disclosure controls and procedures.

**PPL Corporation, PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

The registrants' principal executive officers and principal financial officers, based on their evaluation of the registrants' disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934) have concluded that, as of December 31, 2010, the registrants' disclosure controls and procedures are effective to ensure that material information relating to the registrants and their consolidated subsidiaries is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms, particularly during the period for which this annual report has been prepared. The aforementioned principal officers have concluded that the disclosure controls and procedures are also effective to ensure that information required to be disclosed in reports filed under the Exchange Act is accumulated and communicated to management, including the principal executive and principal financial officers, to allow for timely decisions regarding required disclosure.

**PPL Corporation**

PPL acquired LKE on November 1, 2010. These companies are included in our 2010 financial statements as of the date of the acquisition and accounted for 5.0% of net income and 32.6% and 47.3% of consolidated total assets and net assets, respectively, of PPL Corporation for the year ended December 31, 2010. Because of the size and complexity of these companies as well as the timing of the acquisition, the internal controls over financial reporting of LKE were excluded from a formal evaluation of effectiveness of PPL Corporation's disclosure controls and procedures. PPL is evaluating changes to processes, information technology systems and other components of internal controls over financial reporting as part of its ongoing integration activities.

- (b) Changes in internal control over financial reporting.

**PPL Corporation**

Except for the LKE acquisition discussed above, PPL's principal executive officer and principal financial officer have concluded that there were no other changes in the registrant's internal control over financial reporting during the registrant's fourth fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

**PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

PPL Energy Supply and PPL Electric's principal executive officers and principal financial officers have concluded that there were no changes in the registrants' internal control over financial reporting during the registrants' fourth fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrants' internal control over financial reporting.

**Management's Report on Internal Control over Financial Reporting****PPL Corporation**

PPL's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). PPL's internal control over financial reporting is a process designed to provide reasonable assurance to PPL's management and Board of Directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally

accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in "Internal Control - Integrated Framework," our management concluded that our internal control over financial reporting was effective as of December 31, 2010. The effectiveness of our internal control over financial reporting has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report contained on page 111.

In accordance with SEC rules, management excluded LKE from its evaluation of internal controls over financial reporting due to the size and complexity of the acquired companies as well as the timing of the acquisition. LKE accounted for 5.0% of net income and 32.6% and 47.3% of consolidated total assets and net assets, respectively, of PPL Corporation for the year ended December 31, 2010. As discussed above, PPL Corporation is evaluating changes to processes, information technology systems and other components of internal controls over financial reporting as part of its ongoing integration activities.

#### **PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

Management of PPL's non-accelerated filer companies, PPL Energy Supply and PPL Electric, is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). PPL's internal control over financial reporting is a process designed to provide reasonable assurance to PPL's management and Board of Directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements.

Under the supervision and with the participation of our management, including our principal executive officers and principal financial officers, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in "Internal Control - Integrated Framework," our management concluded that our internal control over financial reporting was effective as of December 31, 2010. This annual report does not include an attestation report of Ernst & Young LLP, the companies' independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the companies' registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit the companies to provide only management's report in this annual report.

### **ITEM 9B. OTHER INFORMATION**

#### **PPL Corporation, PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

None.

### **PART III**

### **ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

#### **PPL Corporation**

Additional information for this item will be set forth in the sections entitled "Nominees for Directors," "Board Committees - Audit Committee" and "Section 16(a) Beneficial Ownership Reporting Compliance" in PPL's 2011 Notice of Annual Meeting and Proxy Statement, which will be filed with the SEC not later than 120 days after December 31,

2010, and which information is incorporated herein by reference. There have been no changes to the procedures by which shareowners may recommend nominees to PPL's board of directors since the filing with the SEC of PPL's 2010 Notice of Annual Meeting and Proxy Statement. Information required by this item concerning the executive officers of PPL is set forth at the end of Part I of this report.

PPL has adopted a code of ethics entitled "Standards of Conduct and Integrity" that applies to all directors, managers, trustees, officers (including the principal executive officers, principal financial officers and principal accounting officers (each, a "principal officer")), employees and agents of PPL and PPL's subsidiaries for which it has operating control (including PPL Energy Supply and PPL Electric). The "Standards of Conduct and Integrity" are posted on PPL's Internet website: [www.pplweb.com/about/corporate+governance](http://www.pplweb.com/about/corporate+governance). A description of any amendment to the "Standards of Conduct and Integrity" (other than a technical, administrative or other non-substantive amendment) will be posted on PPL's Internet website within four business days following the date of the amendment. In addition, if a waiver constituting a material departure from a provision of the "Standards of Conduct and Integrity" is granted to one of the principal officers, a description of the nature of the waiver, the name of the person to whom the waiver was granted and the date of the waiver will be posted on PPL's Internet website within four business days following the date of the waiver.

PPL also has adopted its "Guidelines for Corporate Governance," which address, among other things, director qualification standards and director and board committee responsibilities. These guidelines, and the charters of each of the committees of PPL's board of directors, are posted on PPL's Internet website: [www.pplweb.com/about/corporate+governance](http://www.pplweb.com/about/corporate+governance).

**PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

Item 10 is omitted as PPL Energy Supply and PPL Electric meet the conditions set forth in General Instruction (I)(1)(a) and (b) of Form 10-K.



**EXECUTIVE OFFICERS OF THE REGISTRANTS**

Officers of PPL, PPL Energy Supply and PPL Electric are elected annually by their Boards of Directors (or Board of Managers for PPL Energy Supply) to serve at the pleasure of the respective Boards. There are no family relationships among any of the executive officers, nor is there any arrangement or understanding between any executive officer and any other person pursuant to which the officer was selected.

There have been no events under any bankruptcy act, no criminal proceedings and no judgments or injunctions material to the evaluation of the ability and integrity of any executive officer during the past five years.

Listed below are the executive officers at December 31, 2010.

**PPL Corporation**

<u>Name</u>	<u>Age</u>	<u>Positions Held During the Past Five Years</u>	<u>Dates</u>
James H. Miller	62	Chairman, President and Chief Executive Officer President President and Chief Operating Officer	October 2006 - present June 2006 - September 2006 August 2005 - June 2006
William H. Spence	53	Executive Vice President and Chief Operating Officer President-PPL Generation Senior Vice President-Pepco Holdings, Inc. Senior Vice President-Conectiv Holdings	June 2006 - present June 2008 - present August 2002 - June 2006 September 2000 - June 2006
Paul A. Farr	43	Executive Vice President and Chief Financial Officer Senior Vice President-Financial Senior Vice President-Financial and Controller	April 2007 - present January 2006 - March 2007 August 2005 - January 2006
Robert J. Grey	60	Senior Vice President, General Counsel and Secretary	March 1996 - present
David G. DeCampi (a)	53	President-PPL Electric Senior Vice President-Transmission and Distribution Engineering and Operations-PPL Electric Vice President-Asset Investment Strategy and Development- Exelon Energy Delivery-Exelon Corporation	April 2007 - present December 2006 - April 2007 April 2004 - December 2006
Robert D. Gabbard (a)	51	President-PPL EnergyPlus Senior Vice President-Trading-PPL EnergyPlus Senior Vice President Merchant Trading Operations-Conectiv Energy	June 2008 - present June 2008 - June 2008 June 2005 - May 2008
Rick L. Klingensmith (a)	50	President-PPL Global	August 2004 - present
Victor A. Staffieri (a) (b)	55	Chairman, President and Chief Executive Officer-LKE	May 2001 - present
James E. Abel	59	Senior Vice President-Finance and Treasurer Vice President-Finance and Treasurer	August 2010 - present June 1999 - August 2010
J. Matt Simmons, Jr. (a) (c)	45	Vice President-Risk Management and Chief Risk Officer Vice President and Controller Vice President-Finance and Controller-Duke Energy Americas	September 2009 - present January 2006 - March 2010 October 2003 - January 2006
Vincent Sorgi (d)	39	Vice President and Controller Controller-Supply Accounting Controller-PPL EnergyPlus Financial Director-Supply-PPL Generation Director of Business Operations-PSEG Fossil, LLC	March 2010 - present June 2008 - March 2010 April 2007 - June 2008 April 2006 - April 2007 March 2004 - March 2006

- (a) Designated an executive officer of PPL by virtue of their respective positions at a PPL subsidiary.
- (b) Victor A. Staffieri was designated an executive officer of PPL following the acquisition of LKE on November 1, 2010.
- (c) On March 28, 2010, J. Matt Simmons, Jr. resigned as Vice President and Controller.
- (d) On March 29, 2010, Vincent Sorgi was elected as Vice President and Controller.

**ITEM 11. EXECUTIVE COMPENSATION****PPL Corporation**

Information for this item will be set forth in the sections entitled "Compensation of Directors," "Compensation Committee Interlocks and Insider Participation" and "Executive Compensation" in PPL's 2011 Notice of Annual Meeting and Proxy Statement, which will be filed with the SEC not later than 120 days after December 31, 2010, and which information is incorporated herein by reference.

**PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

Item 11 is omitted as PPL Energy Supply and PPL Electric meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS****PPL Corporation**

Information for this item will be set forth in the section entitled "Stock Ownership" in PPL's 2011 Notice of Annual Meeting and Proxy Statement, which will be filed with the SEC not later than 120 days after December 31, 2010, and which information is incorporated herein by reference. In addition, provided below in tabular format is information as of December 31, 2010, with respect to compensation plans (including individual compensation arrangements) under which equity securities of PPL are authorized for issuance.

**Equity Compensation Plan Information**

	Number of securities to be issued upon exercise of outstanding options, warrants and rights (3)	Weighted-average exercise price of outstanding options, warrants and rights (3)	Number of securities remaining available for future issuance under equity compensation plans (4)
Equity compensation plans approved by security holders (1)	3,394,915 - ICP <u>2,209,066</u> - ICPKE 5,603,981 - Total	\$ 32.67 - ICP \$ 31.77 - ICPKE \$ 32.31 - Combined	2,484,121 - ICP 9,025,897 - ICPKE <u>14,518,081</u> - DDCP 26,028,099 - Total
Equity compensation plans not approved by security holders (2)			

- (1) Includes (a) the Amended and Restated Incentive Compensation Plan (ICP), under which stock options, restricted stock, restricted stock units, performance units, dividend equivalents and other stock-based awards may be awarded to executive officers of PPL; (b) the Amended and Restated Incentive Compensation Plan for Key Employees (ICPKE), under which stock options, restricted stock, restricted stock units, performance units, dividend equivalents and other stock-based awards may be awarded to non-executive key employees of PPL and its subsidiaries; and (c) the Directors Deferred Compensation Plan (DDCP), under which stock units may be awarded to directors of PPL. See Note 12 to the financial statements for additional information.
- (2) All of PPL's current compensation plans under which equity securities of PPL are authorized for issuance have been approved by PPL's shareowners.
- (3) Relates to common stock issuable upon the exercise of stock options awarded under the ICP and ICPKE as of December 31, 2010. In addition, as of December 31, 2010, the following other securities had been awarded and are outstanding under the ICP, ICPKE and DDCP: 45,400 shares of restricted stock, 511,190 restricted stock units and 173,774 performance units under the ICP; 24,600 shares of restricted stock, 1,081,932 restricted stock units and

112,266 performance units under the ICPKE; and 424,170 stock units under the DDCP.

- (4) Based upon the following aggregate award limitations under the ICP, ICPKE and DDCP: (a) under the ICP, 15,769,431 awards (i.e., 5% of the total PPL common stock outstanding as of April 23, 1999) granted after April 23, 1999; (b) under the ICPKE, 16,573,608 awards (i.e., 5% of the total PPL common stock outstanding as of January 1, 2003) granted after April 25, 2003, reduced by outstanding awards for which common stock was not yet issued as of such date of 2,373,812 resulting in a limit of 14,199,796; and (c) under the DDCP, 15,052,856 securities. In addition, each of the ICP and ICPKE includes an annual award limitation of 2% of total PPL common stock outstanding as of January 1 of each year.

#### **PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

Item 12 is omitted as PPL Energy Supply and PPL Electric meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

### **ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

#### **PPL Corporation**

Information for this item will be set forth in the sections entitled "Transactions with Related Persons" and "Independence of Directors" in PPL's 2011 Notice of Annual Meeting and Proxy Statement, which will be filed with the SEC not later than 120 days after December 31, 2010, and is incorporated herein by reference.

#### **PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

Item 13 is omitted as PPL Energy Supply and PPL Electric meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

### **ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES**

#### **PPL Corporation**

Information for this item will be set forth in the section entitled "Fees to Independent Auditor for 2010 and 2009" in PPL's 2011 Notice of Annual Meeting and Proxy Statement, which will be filed with the SEC not later than 120 days after December 31, 2010, and which information is incorporated herein by reference.

#### **PPL Energy Supply, LLC**

The following table presents an allocation of fees billed, including expenses, by Ernst & Young LLP (EY) to PPL for the fiscal years ended December 31, 2010 and 2009, for professional services rendered for the audit of PPL Energy Supply's annual financial statements and for fees billed for other services rendered by EY.

	<u>2010</u>		<u>2009</u>
	(in thousands)		
Audit fees (a)	\$ 2,526	\$	2,769
Audit-related fees (b)	16		31
Tax fees (c)	375		
All other fees (d)	118		8

- (a) Includes estimated fees for audit of annual financial statements and review of financial statements included in PPL Energy Supply's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.
- (b) Fees for performance of specific agreed-upon procedures and a review of eXtensible Business Reporting Language tags assigned to financial statement line items.
- (c) Includes fees for tax advice in connection with the funding of the Western Power Utilities Pension Scheme, review and consultation related to PPL's recognition of tax benefits resulting from favorable U.S. Court decisions, consultation and analysis related to non-income tax process improvements initiated by PPL and review, consultation and analysis related to investment tax credits and related capital expenditures on certain hydro-electric plant upgrades.
- (d) Fees related to access to an EY online accounting research tool and an International Financial Reporting Standards diagnostic readiness assessment.

Approval of Fees The Audit Committee of PPL has procedures for pre-approving audit and non-audit services to be provided by the independent auditor. These procedures are designed to ensure the continued independence of the independent auditor. More specifically, the use of the independent auditor to perform either audit or non-audit services is prohibited unless specifically approved in advance by the Audit Committee of PPL. As a result of this approval process, the Audit Committee of PPL has established specific categories of services and authorization levels. All services outside of the specified categories and all amounts exceeding the authorization levels are reviewed by the Chair of the Audit Committee of PPL, who serves as the Committee designee to review and approve audit and non-audit related services during the year. A listing of the approved audit and non-audit services is reviewed with the full Audit Committee of PPL no later than its next meeting.

The Audit Committee of PPL approved 100% of the 2010 and 2009 services provided by EY.

#### **PPL Electric Utilities Corporation**

The following table presents an allocation of fees billed, including expenses, by EY to PPL for the fiscal years ended December 31, 2010 and 2009, for professional services rendered for the audit of PPL Electric's annual financial statements and for fees billed for other services rendered by EY.

	2010		2009
	(in thousands)		
Audit fees (a)	\$	791	\$ 865
Audit-related fees (b)		21	18
Tax fees (c)		58	
All other fees (d)		42	3

- (a) Includes estimated fees for audit of annual financial statements and review of financial statements included in PPL Electric's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.
- (b) Fees for performance of specific agreed-upon procedures and a review of eXtensible Business Reporting Language tags assigned to financial statement line items.
- (c) Fees for consultation and analysis related to non-income tax process improvements initiated by PPL and review and consultation related to PPL's recognition of tax benefits resulting from favorable U.S. Court decisions.
- (d) Fees related to access to an EY online accounting research tool and an International Financial Reporting Standards diagnostic readiness assessment.

Approval of Fees The Audit Committee of PPL has procedures for pre-approving audit and non-audit services to be provided by the independent auditor. These procedures are designed to ensure the continued independence of the independent auditor. More specifically, the use of the independent auditor to perform either audit or non-audit services is prohibited unless specifically approved in advance by the Audit Committee of PPL. As a result of this approval process, the Audit Committee of PPL has pre-approved specific categories of services and authorization levels. All services outside of the specified categories and all amounts exceeding the authorized levels are reviewed and pre-

approved by the Chair of the Audit Committee of PPL, who serves as the Committee designee to review and pre-approve audit and non-audit related services during the year. A listing of the approved audit and non-audit services is reviewed with the full Audit Committee of PPL no later than its next meeting.

The Audit Committee of PPL approved 100% of the 2010 and 2009 services provided by EY.

**PART IV**

**ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES**

**PPL Corporation, PPL Energy Supply, LLC and PPL Electric Utilities Corporation**

(a) The following documents are filed as part of this report:

1. Financial Statements - Refer to the "Table of Contents" for an index of the financial statements included in this report.
2. Supplementary Data and Supplemental Financial Statement Schedule - included in response to Item 8.

Schedule I - PPL Corporation Condensed Unconsolidated Financial Statements.

All other schedules are omitted because of the absence of the conditions under which they are required or because the required information is included in the financial statements or notes thereto.

3. Exhibits

See Exhibit Index immediately following the signature pages.

**SHAREOWNER AND INVESTOR INFORMATION**

**Annual Meetings:** The 2011 annual meeting of shareowners of PPL will be held on Wednesday, May 18, 2011, at the Zoellner Arts Center, on the campus of Lehigh University in Bethlehem, Pennsylvania, in Lehigh County.

**Proxy and Information Statement Material:** A proxy statement and notice of PPL's annual meeting is mailed to all shareowners of record as of February 28, 2011.

**PPL Annual Report:** The report is published and mailed in the beginning of April to all shareowners of record. The latest annual report can be accessed at [www.pplweb.com](http://www.pplweb.com). If you have more than one account, or if there is more than one investor in your household, you may call the PPL Shareowner Information Line to request that only one annual report be delivered to your address. Please provide account numbers for all duplicate mailings.

**Dividends:** Subject to the declaration of dividends on PPL common stock by the PPL Board of Directors or its Executive Committee and PPL Electric preference stock by the PPL Electric Board of Directors, dividends are paid on the first business day of April, July, October and January. The 2011 record dates for dividends are expected to be March 10, June 10, September 9, and December 9.

**Direct Deposit of Dividends:** Shareowners may choose to have their dividend checks deposited directly into their checking or savings account.

**PPL Shareowner Information Line (1-800-345-3085):** Shareowners can get detailed corporate and financial information 24 hours a day using the PPL Shareowner Information Line. They can hear timely recorded messages about earnings, dividends and other company news releases; request information by fax; and request printed materials in the mail. Other PPL publications, such as the annual and quarterly reports to the Securities and Exchange Commission (Forms 10-K and 10-Q), will be mailed upon request, or write to:

Manager - PPL Investor Services  
Two North Ninth Street (GENTW13)  
Allentown, PA 18101

FAX: 610-774-5106  
Via email: [invserv@pplweb.com](mailto:invserv@pplweb.com)

**PPL's Website ([www.pplweb.com](http://www.pplweb.com)):** Shareowners can access PPL Securities and Exchange Commission filings, corporate governance materials, news releases, stock quotes and historical performance. Visitors to our website can provide their email address and indicate their desire to receive future earnings or news releases automatically.

**Shareowner Inquiries:**

PPL Shareowner Services  
Wells Fargo Bank, N.A.  
161 North Concord Exchange  
South St. Paul, MN 55075-1139

Toll Free: 1-800-345-3085  
Outside U.S.: 651-453-2129  
FAX: 651-450-4085  
[www.wellsfargo.com/shareownerservices](http://www.wellsfargo.com/shareownerservices)

**Online Account Access:** Registered shareowners can access account information by visiting [www.shareowneronline.com](http://www.shareowneronline.com).

**Dividend Reinvestment and Direct Stock Purchase Plan (Plan):** PPL offers its existing shareholders, employees and new investors the opportunity to acquire shares of PPL common stock through its Plan. Shareowners may choose to have dividends on their PPL common stock fully or partially reinvested in PPL common stock or can



receive full payment of cash dividends by check or EFT. Participants in the Plan may choose to have their common stock certificates deposited into their Plan account.

**Direct Registration System:** PPL participates in the Direct Registration System (DRS). Shareowners may choose to have their common stock certificates deposited into the DRS.

**Listed Securities:**

**New York Stock Exchange**

**PPL Corporation:**

Common Stock (Code: PPL)

Corporate Units (Code: PPLPRU)

**PPL Energy Supply, LLC:**

7.0% Senior Unsecured Notes due 2046 (Code: PLS)

**PPL Capital Funding, Inc.:**

2007 Series A Junior Subordinated Notes due 2067 (Code: PPL/67)

6.85% Senior Notes due 2047 (Code: PLV)

**Fiscal Agents:**

**Stock Transfer Agent and Registrar; Dividend Reinvestment Plan Agent**

Wells Fargo Bank, N.A.  
Shareowner Services  
161 North Concord Exchange  
South St. Paul, MN 55075-1139

Toll Free: 1-800-345-3085  
Outside U.S.: 651-453-2129

**Dividend Disbursing Office**

PPL Investor Services  
Two North Ninth Street (GENTW13)  
Allentown, PA 18101

FAX: 610-774-5106  
Via email: [invserv@pplweb.com](mailto:invserv@pplweb.com)

Or call the PPL Shareowner Information Line  
Toll Free: 1-800-345-3085

**1945 Mortgage Bond Trustee, Transfer and Bond Interest Paying Agent**

Deutsche Bank Trust Company Americas  
648 Grassmere Park Road  
Nashville, TN 37211

Toll Free: 1-800-735-7777  
FAX: 615-835-2727

**Indenture Trustee**

The Bank of New York Mellon  
101 Barclay Street

New York, NY 10286

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**PPL Corporation**  
(Registrant)

By /s/ James H. Miller

James H. Miller -  
Chairman, President and  
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

TITLE

By /s/ James H. Miller

James H. Miller -  
Chairman, President and  
Chief Executive Officer

Principal Executive Officer and Director

By /s/ Paul A. Farr

Paul A. Farr -  
Executive Vice President and  
Chief Financial Officer

Principal Financial Officer

By /s/ Vincent Sorgi

Vincent Sorgi -  
Vice President and Controller

Principal Accounting Officer

Directors:

Frederick M. Bernthal  
John W. Conway  
E. Allen Deaver  
Steven G. Elliott  
Louise K. Goeser

Stuart E. Graham  
Stuart Heydt  
Craig A. Rogerson  
Natica von Althann  
Keith H. Williamson

By /s/ James H. Miller

James H. Miller, Attorney-in-fact

Date: February 25, 2011

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**PPL Energy Supply, LLC**

(Registrant)

By /s/ James H. Miller

James H. Miller -

President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

TITLE

By /s/ James H. Miller

James H. Miller -

President

Principal Executive Officer and Manager

By /s/ Paul A. Farr

Paul A. Farr -

Executive Vice President

Principal Financial Officer and Manager

By /s/ Vincent Sorgi

Vincent Sorgi -

Vice President and Controller

Principal Accounting Officer

Managers:

/s/ Robert J. Grey

Robert J. Grey

/s/ William H. Spence

William H. Spence

/s/ James E. Abel

James E. Abel

Date: February 25, 2011

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**PPL Electric Utilities Corporation**

(Registrant)

By /s/ David G. DeCampli

David G. DeCampli -

President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

TITLE

By /s/ David G. DeCampli

David G. DeCampli -

President

Principal Executive Officer and Director

By /s/ Vincent Sorgi

Vincent Sorgi -

Vice President and Controller

Principal Financial Officer and  
Principal Accounting Officer

Directors:

/s/ James H. Miller

James H. Miller

/s/ William H. Spence

William H. Spence

/s/ Paul A. Farr

Paul A. Farr

/s/ Dean A. Christiansen

Dean A. Christiansen

/s/ Robert J. Grey

Robert J. Grey

Date: February 25, 2011

## EXHIBIT INDEX

The following Exhibits indicated by an asterisk preceding the Exhibit number are filed herewith. The balance of the Exhibits has heretofore been filed with the Commission and pursuant to Rule 12(b)-32 are incorporated herein by reference. Exhibits indicated by a [ ] are filed or listed pursuant to Item 601(b)(10)(iii) of Regulation S-K.

- 3(a) - Amended and Restated Articles of Incorporation of PPL Corporation effective May 21, 2008 (Exhibit 3(i) to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 21, 2008)
- 3(b) - Amended and Restated Articles of Incorporation of PPL Electric Utilities Corporation (Exhibit 3(a) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended March 31, 2006)
- 3(c) - Certificate of Formation of PPL Energy Supply, LLC (Exhibit 3.1 to PPL Energy Supply, LLC Form S-4 (Registration Statement No. 333-74794))
- 3(d) - Amended and Restated Bylaws of PPL Corporation, effective May 19, 2010 (Exhibit 99.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 24, 2010)
- 3(e) - Bylaws of PPL Electric Utilities Corporation, as amended and restated effective March 30, 2006 (Exhibit 3.2 to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated March 30, 2006)
- 3(f) - Limited Liability Company Agreement of PPL Energy Supply, LLC, dated March 20, 2001 (Exhibit 3.2 to PPL Energy Supply, LLC Form S-4 (Registration Statement No. 333-74794))
- 4(a) - Pollution Control Facilities Loan Agreement, dated as of May 1, 1973, between PPL Electric Utilities Corporation and the Lehigh County Industrial Development Authority (Exhibit 5(z) to Registration Statement No. 2-60834)
- 4(b)-1 - Amended and Restated Employee Stock Ownership Plan, dated January 12, 2007 (Exhibit 4(a) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- 4(b)-2 - Amendment No. 1 to said Amended and Restated Employee Stock Ownership Plan, dated July 2, 2007 (Exhibit 4(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2007)
- 4(b)-3 - Amendment No. 2 to said Amended and Restated Employee Stock Ownership Plan, dated December 13, 2007 (Exhibit 4(a)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2007)
- 4(b)-4 - Amendment No. 3 to said Amended and Restated Employee Stock Ownership Plan, dated August 19, 2009 (Exhibit 4(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for quarter ended September 30, 2009)
- 4(b)-5 - Amendment No. 4 to said Amended and Restated Employee Stock Ownership Plan, dated December 2, 2009 (Exhibit 4(a) -5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2009)
- \*4(b)-6 - Amendment No. 5 to said Amended and Restated Employee Stock Ownership Plan, dated November 17, 2010
- 4(c) - Trust Deed constituting £150 million 9 ¼ percent Bonds due 2020, dated November 9, 1995, between

South Wales Electric plc and Bankers Trustee Company Limited (Exhibit 4(k) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2004)

- 4(d)-1 - Indenture, dated as of November 1, 1997, among PPL Corporation, PPL Capital Funding, Inc. and JPMorgan Chase Bank (formerly The Chase Manhattan Bank), as Trustee (Exhibit 4.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated November 12, 1997)
- 4(d)-2 - Supplement, dated as of May 18, 2004, to said Indenture (Exhibit 4.7 to Registration Statement Nos. 333-116478, 333-116478-01 and 333-116478-02)
- 4(d)-3 - Supplement, dated as of July 1, 2007, to said Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated July 16, 2007)
- 4(e) - Indenture, dated as of March 16, 2001, among WPD Holdings UK, Bankers Trust Company, as Trustee, Principal Paying Agent, and Transfer Agent and Deutsche Bank Luxembourg, S.A., as Paying and Transfer Agent (Exhibit 4(g) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2009)
- 4(f)-1 - Indenture, dated as of August 1, 2001, by PPL Electric Utilities Corporation and JPMorgan Chase Bank (formerly The Chase Manhattan Bank), as Trustee (Exhibit 4.1 to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 21, 2001)
- 4(f)-2 - Supplement, dated as of February 1, 2005, to said Indenture (Exhibit 4(g)-5 to PPL Electric Utilities Corporation Form 10-K Report (File No. 1-905) for the year ended December 31, 2004)
- 4(f)-3 - Supplement, dated as of May 1, 2005, to said Indenture (Exhibit 4(b) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended June 30, 2005)
- 4(f)-4 - Supplement, dated as of December 1, 2005, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated December 22, 2005)
- 4(f)-5 - Supplement, dated as of August 1, 2007, to said Indenture (Exhibit 4(b) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 14, 2007)
- 4(f)-6 - Supplement, dated as of October 1, 2008, to said Indenture (Exhibit 4(b) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated October 20, 2008)
- 4(f)-7 - Supplement, dated as of October 1, 2008, to said Indenture (Exhibit 4(c) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated October 31, 2008)
- 4(f)-8 - Supplement, dated as of May 1, 2009, to said Indenture (Exhibit 4(b) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated May 22, 2009)
- 4(g)-1 - Indenture, dated as of October 1, 2001, by PPL Energy Supply, LLC and JPMorgan Chase Bank (formerly The Chase Manhattan Bank), as Trustee (Exhibit 4.1 to PPL Energy Supply, LLC Form S-4 (Registration Statement No. 333-74794))
- 4(g)-2 - Supplement, dated as of October 1, 2001, to said Indenture (Exhibit 4.2 to PPL Energy Supply, LLC Form S-4 (Registration Statement No. 333-74794))
- 4(g)- 3 - Supplement, dated as of August 15, 2004, to said Indenture (Exhibit 4(h)-4 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2004)

- 4(g)-4 - Supplement, dated as of October 15, 2005, to said Indenture (Exhibit 4(a) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated October 28, 2005)
- 4(g)-5 - Form of Note for PPL Energy Supply, LLC's \$300 million aggregate principal amount of 5.70% REset Put Securities due 2035 (REPS<sup>SM</sup>) (Exhibit 4(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated October 28, 2005)
- 4(g)-6 - Supplement, dated as of May 1, 2006, to said Indenture (Exhibit 4(a) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended June 30, 2006)
- 4(g)-7 - Supplement, dated as of July 1, 2006, to said Indenture (Exhibit 4(b) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended June 30, 2006)
- 4(g)-8 - Supplement, dated as of July 1, 2006, to said Indenture (Exhibit 4(c) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended June 30, 2006)
- 4(g)-9 - Supplement, dated as of December 1, 2006, to said Indenture (Exhibit 4(f)-10 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2006)
- 4(g)-10 - Supplement, dated as of December 1, 2007, to said Indenture (Exhibit 4(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated December 18, 2007)
- 4(g)-11 - Supplement, dated as of March 1, 2008, to said Indenture (Exhibit 4(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated March 14, 2008)
- 4(g)-12 - Supplement, dated as of July 1, 2008, to said Indenture (Exhibit 4(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated July 21, 2008)
- 4(h)-1 - Trust Deed constituting £200 million 5.875 percent Bonds due 2027, dated March 25, 2003, between Western Power Distribution (South West) plc and J.P. Morgan Corporate Trustee Services Limited (Exhibit 4(o)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2004)
- 4(h)-2 - Supplement, dated May 27, 2003, to said Trust Deed, constituting £50 million 5.875 percent Bonds due 2027 (Exhibit 4(o)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2004)
- 4(i)-1 - Pollution Control Facilities Loan Agreement, dated as of February 1, 2005, between PPL Electric Utilities Corporation and the Lehigh County Industrial Development Authority (Exhibit 10(ff) to PPL Electric Utilities Corporation Form 10-K Report (File No. 1-905) for the year ended December 31, 2004)
- 4(i)-2 - Pollution Control Facilities Loan Agreement, dated as of May 1, 2005, between PPL Electric Utilities Corporation and the Lehigh County Industrial Development Authority (Exhibit 10(a) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended June 30, 2005)
- 4(i)-3 - Pollution Control Facilities Loan Agreement, dated as of October 1, 2008, between Pennsylvania Economic Development Financing Authority and PPL Electric Utilities Corporation (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated October 31, 2008)
- 4(j) - Trust Deed constituting £105 million 1.541 percent Index-Linked Notes due 2053, dated December 1, 2006, between Western Power Distribution (South West) plc and HSBC Trustee (CI) Limited (Exhibit 4(i) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)



- 4(k) - Trust Deed constituting £120 million 1.541 percent Index-Linked Notes due 2056, dated December 1, 2006, between Western Power Distribution (South West) plc and HSBC Trustee (CI) Limited (Exhibit 4(j) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- 4(l) - Trust Deed constituting £225 million 4.80436 percent Notes due 2037, dated December 21, 2006, between Western Power Distribution (South Wales) plc and HSBC Trustee (CI) Limited (Exhibit 4(k) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- 4(m)-1 - Subordinated Indenture, dated as of March 1, 2007, between PPL Capital Funding, Inc., PPL Corporation and The Bank of New York, as Trustee (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 20, 2007)
- 4(m)-2 - Supplement, dated as of March 1, 2007, to said Subordinated Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 20, 2007)
- 4(m)-3 - Supplement, dated as of June 28, 2010, to said Subordinated Indenture (Exhibit 4.3 to PPL Corporation Form 8-K Report (File No. 1-11459) dated June 28, 2010)
- 4(n)-1 - Series 2009A Exempt Facilities Loan Agreement, dated as of April 1, 2009, between PPL Energy Supply, LLC and Pennsylvania Economic Development Financing Authority (Exhibit 4(a) to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated April 9, 2009)
- 4(n)-2 - Series 2009B Exempt Facilities Loan Agreement, dated as of April 1, 2009, between PPL Energy Supply, LLC and Pennsylvania Economic Development Financing Authority (Exhibit 4(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated April 9, 2009)
- 4(n)-3 - Series 2009C Exempt Facilities Loan Agreement, dated as of April 1, 2009, between PPL Energy Supply, LLC and Pennsylvania Economic Development Financing Authority (Exhibit 4(c) to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated April 9, 2009)
- 4(o) - Trust Deed constituting £200 million 5.75 percent Notes due 2040, dated March 23, 2010, between Western Power Distribution (South Wales) plc and HSBC Corporate Trustee Company (UK) Limited (Exhibit 4(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2010)
- 4(p) - Trust Deed constituting £200 million 5.75 percent Notes due 2040, dated March 23, 2010, between Western Power Distribution (South West) plc and HSBC Corporate Trustee Company (UK) Limited (Exhibit 4(b) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2010)
- \*4(q)-1 - Indenture, dated as of October 1, 2010, between Kentucky Utilities Company and The Bank of New York Mellon, as Trustee
- \*4(q)-2 - Supplemental Indenture No. 1, dated as of October 15, 2010, to said Indenture
- \*4(q)-3 - Supplemental Indenture No. 2, dated as of November 1, 2010, to said Indenture
- \*4(r)-1 - Indenture, dated as of October 1, 2010, between Louisville Gas and Electric Company and The Bank of New York Mellon, as Trustee
- \*4(r)-2 - Supplemental Indenture No. 1, dated as of October 15, 2010, to said Indenture

- \*4(r)-3 - Supplemental Indenture No. 2, dated as of November 1, 2010, to said Indenture
- \*4(s)-1 - Indenture, dated as of November 1, 2010, between LG&E and KU Energy LLC and The Bank of New York Mellon, as Trustee
- \*4(s)-2 - Supplemental Indenture No. 1, dated as of November 1, 2010, to said Indenture
- \*4(t) - Registration Rights Agreement, dated November 12, 2010, between LG&E and KU Energy LLC and the Initial Purchasers
- \*4(u) - Registration Rights Agreement, dated November 16, 2010, between Louisville Gas and Electric Company and the Initial Purchasers
- \*4(v) - Registration Rights Agreement, dated November 16, 2010, between Kentucky Utilities Company and the Initial Purchasers
- \*4(w)-1 - 2002 Series A Carroll County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(w)-2 - Amendment No. 1 dated as of September 1, 2010 to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(x)-1 - 2002 Series B Carroll County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(x)-2 - Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(y)-1 - 2002 Series C Carroll County Loan Agreement, dated July 1, 2002, by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(y)-2 - Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(z)-1 - 2004 Series A Carroll County Loan Agreement, dated October 1, 2004 and amended and restated as of September 1, 2008, by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(z)-2 - Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(aa)-1 - 2006 Series B Carroll County Loan Agreement, dated October 1, 2006 and amended and restated September 1, 2008, by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(aa)-2 - Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(bb)-1 - 2007 Series A Carroll County Loan Agreement, dated March 1, 2007, by and between Kentucky Utilities Company and County of Carroll, Kentucky
- \*4(bb)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(cc)-1 - 2008 Series A Carroll County Loan Agreement, dated August 1, 2008 by and between Kentucky

Utilities Company, and County of Carroll, Kentucky

- \*4(cc)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky
- \*4(dd)-1 - 2000 Series A Mercer County Loan Agreement, dated May 1, 2000 and amended and restated as of September 1, 2008, by and between Kentucky Utilities Company, and County of Mercer, Kentucky
- \*4(dd)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Mercer, Kentucky
- \*4(ee)-1 - 2002 Series A Mercer County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Mercer, Kentucky
- \*4(ee)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Mercer, Kentucky
- \*4(ff)-1 - 2002 Series A Muhlenberg County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Muhlenberg, Kentucky
- \*4(ff)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Muhlenberg, Kentucky
- \*4(gg)-1 - 2007 Series A Trimble County Loan Agreement, dated March 1, 2007, by and between Kentucky Utilities Company, and County of Trimble, Kentucky
- \*4(gg)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Trimble, Kentucky
- \*4(hh)-1 - 2000 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated May 1, 2000 and amended and restated as of September 1, 2008, by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky
- \*4(hh)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky
- \*4(ii)-1 - 2001 Series A Jefferson County Loan Agreement, dated July 1, 2001, by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky
- \*4(ii)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky
- \*4(jj)-1 - 2001 Series A Jefferson County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky
- \*4(jj)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky
- \*4(kk)-1 - 2001 Series B Jefferson County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky
- \*4(kk)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky

- \*4(ll)-1 - 2003 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated October 1, 2003, by and between Louisville Gas and Electric Company and Louisville/Jefferson County Metro Government, Kentucky
- \*4(ll)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky
- \*4(mm)-1 - 2005 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated February 1, 2005 and amended and restated as of September 1, 2008, by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky
- \*4(mm)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky
- \*4(nn)-1 - 2007 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated as of March 1, 2007 and amended and restated as of September 1, 2008, by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky
- \*4(nn)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky
- \*4(oo) - 2007 Series B Louisville/Jefferson County Metro Government Amended and Restated Loan Agreement, dated November 1, 2010, by and between Louisville Gas and Electric Company and Louisville/Jefferson County Metro Government, Kentucky
- \*4(pp)-1 - 2000 Series A Trimble County Loan Agreement, dated August 1, 2000, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky
- \*4(pp)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky
- \*4(qq)-1 - 2001 Series A Trimble County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky
- \*4(qq)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and the County of Trimble, Kentucky
- \*4(rr)-1 - 2001 Series B Trimble County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky
- \*4(rr)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky
- \*4(ss)-1 - 2002 Series A Trimble County Loan Agreement, dated July 1, 2002, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky
- \*4(ss)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky
- \*4(tt)-1 - 2007 Series A Trimble County Loan Agreement, dated March 1, 2007, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky

- \*4(t)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky
- 10(a) - Generation Supply Agreement, dated as of June 20, 2001, between PPL Electric Utilities Corporation and PPL EnergyPlus, LLC (Exhibit 10.5 to PPL Energy Supply, LLC Form S-4 (Registration Statement No. 333-74794))
- 10(b)-1 - Master Power Purchase and Sale Agreement, dated as of October 15, 2001, between NorthWestern Energy Division (successor in interest to The Montana Power Company) and PPL Montana, LLC (Exhibit 10(g) to PPL Montana, LLC Form 10-K Report (File No. 333-50350) for the year ended December 31, 2001)
- 10(b)-2 - Confirmation Letter dated July 5, 2006, between PPL Montana, LLC and NorthWestern Corporation (PPL Corporation and PPL Energy Supply, LLC Form 8-K Reports (File Nos. 1-11459 and 333-74794) dated July 6, 2006)
- 10(c) - Guaranty, dated as of December 21, 2001, from PPL Energy Supply, LLC in favor of LMB Funding, Limited Partnership (Exhibit 10(j) to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2001)
- 10(d)-1 - Agreement for Lease, dated as of December 21, 2001, between LMB Funding, Limited Partnership and Lower Mt. Bethel Energy, LLC (Exhibit 10(m) to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2003)
- 10(d)-2 - Amendment No. 1 to Agreement for Lease, dated as of September 16, 2002, between LMB Funding, Limited Partnership and Lower Mt. Bethel Energy, LLC (Exhibit 10(m)-1 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2003)
- 10(e)-1 - Lease Agreement, dated as of December 21, 2001, between LMB Funding, Limited Partnership and Lower Mt. Bethel Energy, LLC (Exhibit 10(n) to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2003)
- 10(e)-2 - Amendment No. 1 to Lease Agreement, dated as of September 16, 2002, between LMB Funding, Limited Partnership and Lower Mt. Bethel Energy, LLC (Exhibit 10(n)-1 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2003)
- 10(f) - Facility Lease Agreement (BA 1/2) between PPL Montana, LLC and Montana OL3, LLC (Exhibit 4.7a to PPL Montana, LLC Form S-4 (Registration Statement No. 333-50350))
- 10(g) - Facility Lease Agreement (BA 3) between PPL Montana, LLC and Montana OL4, LLC (Exhibit 4.8a to PPL Montana, LLC Form S-4 (Registration Statement No. 333-50350))
- 10(h) - Services Agreement, dated as of July 1, 2000, among PPL Corporation, PPL Energy Funding Corporation and its direct and indirect subsidiaries in various tiers, PPL Capital Funding, Inc., PPL Gas Utilities Corporation, PPL Services Corporation and CEP Commerce, LLC (Exhibit 10.20 to PPL Energy Supply, LLC Form S-4 (Registration Statement No. 333-74794))
- 10(i)-1 - Asset Purchase Agreement, dated as of June 1, 2004, by and between PPL Sundance Energy, LLC, as Seller, and Arizona Public Service Company, as Purchaser (Exhibit 10(a) to PPL Corporation and PPL Energy Supply, LLC Form 10-Q Reports (File Nos. 1-11459 and 333-74794) for the quarter ended June 30, 2004)
- 10(i)-2 - Amendment No. 1, dated December 14, 2004, to said Asset Purchase Agreement (Exhibit 99.1 to PPL Corporation and PPL Energy Supply, LLC Form 8-K Reports (File Nos. 1-11459 and 333-74794) dated

December 15, 2004)

- 10(j)-1 - Receivables Sale Agreement, dated as of August 1, 2004, between PPL Electric Utilities Corporation, as Originator, and PPL Receivables Corporation, as Buyer (Exhibit 10(d) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended June 30, 2004)
- 10(j)-2 - Amendment No. 1 to Receivables Sale Agreement, dated as of August 5, 2008, between PPL Electric Utilities Corporation, as Originator, and PPL Receivables Corporation, as Buyer (Exhibit 10(b) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 6, 2008)
- 10(j)-3 - Credit and Security Agreement, dated as of August 5, 2008, among PPL Receivables Corporation, PPL Electric Utilities Corporation, Victory Receivables Corporation, the Liquidity Banks from time to time party thereto and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch (Exhibit 10(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 6, 2008)
- 10(j)-4 - Amendment No. 1 to said Credit and Security Agreement, dated as of July 28, 2009, among PPL Receivables Corporation, as Borrower, PPL Electric Utilities Corporation, as Servicer, Victory Receivables Corporation, as a Lender, and The Bank of Tokyo-Mitsubishi UFJ, Ltd, New York Branch, as Liquidity Bank and as Agent (Exhibit 10(a) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended September 30, 2009)
- 10(j)-5 - Amendment No. 2 to said Credit and Security Agreement, dated as of July 27, 2010, among PPL Receivables Corporation, as Borrower, PPL Electric Utilities Corporation, as Servicer, Victory Receivables Corporation, as a Lender and The Bank of Tokyo – Mitsubishi UFJ, Ltd., New York Branch, as Liquidity Bank and as Agent (Exhibit 10(g) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended June 30, 2010)
- \*10(j)-6 - Amendment No. 3 to said Credit and Security Agreement, dated as of December 23, 2010, among PPL Receivables Corporation, as Borrower, PPL Electric Utilities Corporation, as Servicer, Victory Receivables Corporation, as a Lender and The Bank of Tokyo - Mitsubishi UFJ, Ltd., New York Branch, as Liquidity Bank and as Agent
- 10(k) - \$300 Million Demand Loan Agreement, dated as of August 20, 2004, among CEP Lending, Inc. and PPL Energy Funding Corporation (Exhibit 10(dd) to PPL Electric Utilities Corporation Form 10-K Report (File No. 1-905) for the year ended December 31, 2004)
- 10(l)-1 - Reimbursement Agreement, dated as of March 31, 2005, among PPL Energy Supply, LLC, The Bank of Nova Scotia, as Issuer and Administrative Agent, and the Lenders party thereto from time to time (Exhibit 10(a) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended March 31, 2005)
- 10(l)-2 - First Amendment to said Reimbursement Agreement, dated as of June 16, 2005 (Exhibit 10(b) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended June 30, 2005)
- 10(l)-3 - Second Amendment to said Reimbursement Agreement, dated as of September 1, 2005 (Exhibit 10(a) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended September 30, 2005)
- 10(l)-4 - Third Amendment to said Reimbursement Agreement, dated as of March 30, 2006 (Exhibit 10(a) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated April 5, 2006)
- 10(l)-5 - Fourth Amendment to said Reimbursement Agreement, dated as of April 12, 2006 (Exhibit 10(b) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended September 30, 2006)

- 10(l)-6 - Fifth Amendment to said Reimbursement Agreement, dated as of November 1, 2006 (Exhibit 10(q)-6 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2006)
- 10(l)-7 - Sixth Amendment to said Reimbursement Agreement, dated as of March 29, 2007 (Exhibit 10(q)-7 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2007)
- 10(l)-8 - Seventh Amendment to said Reimbursement Agreement, dated as of March 1, 2008 (Exhibit 10(a) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended March 31, 2008)
- 10(l)-9 - Eighth Amendment to said Reimbursement Agreement, dated as of March 30, 2009 (Exhibit 10(a) to PPL Energy Supply, LLC Form 10-Q Report (File No. 1-32944) for the quarter ended March 31, 2009)
- 10(l)-10 - Ninth Amendment to said Reimbursement Agreement, dated as of March 31, 2010 (Exhibit 99.1 to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated April 6, 2010)
- 10(m)-1 - \$300 Million Five-Year Letter of Credit and Revolving Credit Agreement, dated as of December 15, 2005, among PPL Energy Supply, LLC and the banks named therein (Exhibit 10(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated December 21, 2005)
- 10(m)-2 - First Amendment to said Letter of Credit and Revolving Credit Agreement, dated as of December 29, 2006 (Exhibit 10(t)-2 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2006)
- 10(n)-1 - \$300 Million Five-Year Letter of Credit and Reimbursement Agreement, dated as of December 15, 2005, among PPL Energy Supply and the banks named therein (Exhibit 10(c) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated December 21, 2005)
- 10(n)-2 - First Amendment to said Letter of Credit and Reimbursement Agreement, dated as of December 29, 2006 (Exhibit 10(u)-2 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2006)
- 10(o) - \$200,000,000 Revolving Credit Agreement, dated as of December 31, 2010, among PPL Electric Utilities Corporation, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and Issuing Lender (Exhibit 10.1 to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated January 6, 2011)
- 10(p)-1 - \$4,000,000,000 Revolving Credit Agreement, dated as of October 19, 2010, among PPL Energy Supply, LLC, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and Issuing Lender (Exhibit 10.1 to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated October 21, 2010)
- \*10(p)-2 - Notice of Reduction to said Revolving Credit Agreement, dated November 17, 2010, effective as of December 1, 2010.
- 10(q) - £150 million Credit Agreement, dated as of January 24, 2007, among Western Power Distribution Holdings Limited and the banks named therein (Exhibit 10(y) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- 10(r) - £210 million Multicurrency Revolving Facility Agreement, dated July 7, 2009, between Western Power Distribution (South West) plc and HSBC Bank plc, Lloyds TSB Bank plc and Clydesdale Bank plc (Exhibit 10(c) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30,

2009)

- 10(s) - Purchase and Sale Agreement, dated as of April 28, 2010, by and between E.ON US Investments Corp., PPL Corporation and E.ON AG (Exhibit No. 99.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 28, 2010)
- 10(t) - \$500 million Facility Agreement, dated as of May 14, 2010, among PPL Energy Supply, LLC, as Borrower, and Morgan Stanley Bank, as Issuer (Exhibit 10(b) to PPL Energy Supply, LLC Form 10-Q Report (File No. 1-32944) for the quarter ended June 30, 2010)
- 10(u) - Purchase and Sale Agreement, dated as of September 9, 2010, by and between PPL Holtwood, LLC and LSP Safe Harbor Holdings, LLC (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated September 13, 2010)
- 10(v) - Purchase and Sale Agreement, dated as of September 9, 2010, by and between PPL Generation, LLC and Harbor Gen Holdings, LLC (Exhibit 10.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated September 13, 2010)
- \*10(w) - Open-End Mortgage, Security Agreement and Fixture Filing from PPL Montour, LLC to Wilmington Trust FSB, as Collateral Agent, dated as of October 26, 2010
- \*10(x) - Open-End Mortgage, Security Agreement and Fixture Filing from PPL Brunner Island, LLC to Wilmington Trust FSB, as Collateral Agent, dated as of October 26, 2010
- \*10(y) - Guaranty of PPL Montour, LLC and PPL Brunner Island, LLC, dated as of November 3, 2010, in favor of Wilmington Trust FSB, as Collateral Agent, for itself as Beneficiary and for the Secured Counterparties described therein
- 10(z) - \$400,000,000 Revolving Credit Agreement, dated as of November 1, 2010, among Kentucky Utilities Company, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and Issuing Lender (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated November 1, 2010)
- 10(aa) - \$400,000,000 Revolving Credit Agreement, dated as of November 1, 2010, among Louisville Gas and Electric Company, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and Issuing Lender (Exhibit 10.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated November 1, 2010)
- [\_]10(bb)-1 - Amended and Restated Directors Deferred Compensation Plan, dated June 12, 2000 (Exhibit 10(h) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2000)
- [\_]10(bb)-2 - Amendment No. 1 to said Amended and Restated Directors Deferred Compensation Plan, dated December 18, 2002 (Exhibit 10(m)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2002)
- [\_]10(bb)-3 - Amendment No. 2 to said Amended and Restated Directors Deferred Compensation Plan, dated December 4, 2003 (Exhibit 10(q)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2003)
- [\_]10(bb)-4 - Amendment No. 3 to said Amended and Restated Directors Deferred Compensation Plan, dated as of January 1, 2005 (Exhibit 10(cc)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2005)



- [ ]10(bb)-5 - Amendment No. 4 to said Amended and Restated Directors Deferred Compensation Plan, dated as of May 1, 2008 (Exhibit 10(x)-5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)
- [ ]10(bb)-6 - Amendment No. 5 to said Amended and Restated Directors Deferred Compensation Plan, dated May 28, 2010 (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2010)
- [ ]10(cc)-1 - Trust Agreement, dated as of April 1, 2001, between PPL Corporation and Wachovia Bank, N.A. (as successor to First Union National Bank), as Trustee
- [ ]10(cc)-2 - Trust Agreement, dated as of March 20, 2007, between PPL Corporation and Wachovia Bank, N.A., as Trustee (Exhibit 10(c) to PPL Corporation Form 10-Q Report (File No. 1-1149) for the quarter ended March 31, 2007)
- [ ]10(cc)-3 - Trust Agreement, dated as of March 20, 2007, between PPL Corporation and Wachovia Bank, N.A., as Trustee (Exhibit 10(d) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
- [ ]10(cc)-4 - Trust Agreement, dated as of March 20, 2007, between PPL Corporation and Wachovia Bank, N.A., as Trustee (Exhibit 10(e) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
- [ ]10(dd)-1 - Amended and Restated Officers Deferred Compensation Plan, dated December 8, 2003 (Exhibit 10(r) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2003)
- [ ]10(dd)-2 - Amendment No. 1 to said Amended and Restated Officers Deferred Compensation Plan, dated as of January 1, 2005 (Exhibit 10(ee)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2005)
- [ ]10(dd)-3 - Amendment No. 2 to said Amended and Restated Officers Deferred Compensation Plan, dated as of January 22, 2007 (Exhibit 10(bb)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [ ]10(dd)-4 - Amendment No. 3 to said Amended and Restated Officers Deferred Compensation Plan, dated as of June 1, 2008 (Exhibit 10(z)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)
- [ ]10(ee)-1 - Amended and Restated Supplemental Executive Retirement Plan, dated December 8, 2003 (Exhibit 10(s) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2003)
- [ ]10(ee)-2 - Amendment No. 1 to said Supplemental Executive Retirement Plan, dated December 16, 2004 (Exhibit 99.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated December 17, 2004)
- [ ]10(ee)-3 - Amendment No. 2 to said Supplemental Executive Retirement Plan, dated as of January 1, 2005 (Exhibit 10(ff)-3 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2005)
- [ ]10(ee)-4 - Amendment No. 3 to said Supplemental Executive Retirement Plan, dated as of January 22, 2007 (Exhibit 10(cc)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [ ]10(ee)-5 - Amendment No. 4 to said Supplement Executive Retirement Plan, dated as of December 9, 2008 (Exhibit 10(aa)-5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)

- [\_]10(ff)-1 - Incentive Compensation Plan, amended and restated effective January 1, 2003 (Exhibit 10(p) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2002)
- [\_]10(ff)-2 - Amendment No. 1 to said Incentive Compensation Plan, dated as of January 1, 2005 (Exhibit 10(gg)-2 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2005)
- [\_]10(ff)-3 - Amendment No. 2 to said Incentive Compensation Plan, dated as of January 26, 2007 (Exhibit 10(dd)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [\_]10(ff)-4 - Amendment No. 3 to said Incentive Compensation Plan, dated as of March 21, 2007 (Exhibit 10(f) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
- [\_]10(ff)-5 - Amendment No. 4 to said Incentive Compensation Plan, effective December 1, 2007 (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September, 30, 2008)
- [\_]10(ff)-6 - Amendment No. 5 to said Incentive Compensation Plan, dated as of December 16, 2008 (Exhibit 10(bb)-6 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2008)
- [\_]10(ff)-7 - Form of Stock Option Agreement for stock option awards under the Incentive Compensation Plan (Exhibit 10(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated February 1, 2006)
- [\_]10(ff)-8 - Form of Restricted Stock Unit Agreement for restricted stock unit awards under the Incentive Compensation Plan (Exhibit 10(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated February 1, 2006)
- [\_]10(ff)-9 - Form of Restricted Stock Unit Agreement for restricted stock unit awards under the Incentive Compensation Plan pursuant to PPL Corporation Cash Incentive Premium Exchange Program (Exhibit 10(c) to PPL Corporation Form 8-K Report (File No. 1-11459) dated February 1, 2006)
- [\_]10(gg)-1 - Incentive Compensation Plan for Key Employees, amended and restated effective January 1, 2003 (Schedule B to Proxy Statement of PPL Corporation, dated March 17, 2003)
- [\_]10(gg)-2 - Amendment No. 1 to said Incentive Compensation Plan for Key Employees, dated as of January 1, 2005 (Exhibit 10(hh)-1 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2005)
- [\_]10(gg)-3 - Amendment No. 2 to said Incentive Compensation Plan for Key Employees, dated as of January 26, 2007 (Exhibit 10(ee)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [\_]10(gg)-4 - Amendment No. 3 to said Incentive Compensation Plan for Key Employees, dated as of March 21, 2007 (Exhibit 10(q) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
- [\_]10(gg)-5 - Amendment No. 4 to said Incentive Compensation Plan for Key Employees, dated as of December 15, 2008 (Exhibit 10(cc)-5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)
- [\_]10(hh) - Short-term Incentive Plan (Schedule A to Proxy Statement of PPL Corporation, dated March 20, 2006)
- [\_]10(ii) - Agreement dated January 15, 2003 between PPL Corporation and Mr. Miller regarding Supplemental Pension Benefits (Exhibit 10(u) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year

ended December 31, 2002)

- [\_]10(jj) - Employment letter dated December 19, 2005 between PPL Services Corporation and Jerry Matthews Simmons, Jr. (Exhibit 10(jj) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [\_]10(kk) - Employment letter dated May 31, 2006 between PPL Services Corporation and William H. Spence (Exhibit 10(pp) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [\_]10(ll) - Employment letter dated August 29, 2006, between PPL Services Corporation and David G. DeCampi (Exhibit 10(qq) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [\_]10(mm) - Amendments to certain compensation programs and arrangements for Named Executive Officers of PPL Corporation and PPL Electric Utilities Corporation and compensation arrangement changes for non-employee Directors of PPL Corporation (PPL Corporation and PPL Electric Utilities Corporation Form 8-K Reports (File Nos. 1-11459 and 1-905) dated November 1, 2006)
- [\_]10(nn) - Form of Retention Agreement entered into between PPL Corporation and Messrs. Champagne, Farr, Miller and Shriver (Exhibit 10(h) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
- [\_]10(oo)-1 - Form of Severance Agreement entered into between PPL Corporation and the Named Executive Officers (Exhibit 10(i) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
- [\_]10(oo)-2 - Amendment to said Severance Agreement (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2009)
- [\_]10(pp) - Form of Performance Unit Agreement entered into between PPL Corporation and the Named Executive Officers (Exhibit 10(ss) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2007)
- [\_]10(qq) - Employment letter dated May 22, 2009, between PPL Services Corporation and Gregory W. Dudkin (Exhibit 10(b) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2009)
- \*[\_]10(rr) - Retention Agreement, effective as of December 1, 2010, entered into between PPL Corporation and Victor A. Staffieri
- \*[\_]10(ss) - Amended and Restated Employment and Severance Agreement, dated as of October 29, 2010, between E.ON U.S. LLC and Victor A. Staffieri
- \*12(a) - PPL Corporation and Subsidiaries Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends
- \*12(b) - PPL Energy Supply, LLC and Subsidiaries Computation of Ratio of Earnings to Fixed Charges
- \*12(c) - PPL Electric Utilities Corporation and Subsidiaries Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends
- \*21 - Subsidiaries of PPL Corporation

- \*23(a) - Consent of Ernst & Young LLP - PPL Corporation
- \*23(b) - Consent of Ernst & Young LLP - PPL Energy Supply, LLC
- \*23(c) - Consent of Ernst & Young LLP - PPL Electric Utilities Corporation
- \*23(d) - Consent of PricewaterhouseCoopers LLP - PPL Corporation
- \*24 - Power of Attorney
- \*31(a) - Certificate of PPL's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(b) - Certificate of PPL's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(c) - Certificate of PPL Energy Supply's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(d) - Certificate of PPL Energy Supply's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(e) - Certificate of PPL Electric's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(f) - Certificate of PPL Electric's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*32(a) - Certificate of PPL's principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(b) - Certificate of PPL's principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(c) - Certificate of PPL Energy Supply's principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(d) - Certificate of PPL Energy Supply's principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(e) - Certificate of PPL Electric's principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(f) - Certificate of PPL Electric's principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*99(a) - Examples of Wholesale Energy, Fuel and Emission Allowance Price Fluctuations - 2006 through 2010
- \*\*101.INS - XBRL Instance Document for PPL Corporation

- \*\*101.SCH - XBRL Taxonomy Extension Schema for PPL Corporation
- \*\*101.CAL - XBRL Taxonomy Extension Calculation Linkbase for PPL Corporation
- \*\*101.DEF - XBRL Taxonomy Extension Definition Linkbase for PPL Corporation
- \*\*101.LAB - XBRL Taxonomy Extension Label Linkbase for PPL Corporation
- \*\*101.PRE - XBRL Taxonomy Extension Presentation Linkbase for PPL Corporation

\*\* - XBRL information will be considered to be furnished, not filed, for the first two years of a company's submission of XBRL information.

Exhibit 12(a)

## PPL CORPORATION AND SUBSIDIARIES

COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND  
PREFERRED STOCK DIVIDENDS

(Millions of Dollars)

	2010	2009	2008	2007	2006
Earnings, as defined:					
Income from Continuing Operations Before Income Taxes .....	\$ 1,239	\$ 538	\$ 1,273	\$ 1,230	\$ 1,061
Less earnings of equity method investments .....				1	2
Distributed income from equity method investments ..	7	1		3	1
	<u>1,246</u>	<u>539</u>	<u>1,273</u>	<u>1,232</u>	<u>1,060</u>
Total fixed charges as below	698	513	568	609	559
Less:					
Capitalized interest .....	30	43	57	55	23
Preferred security distributions of subsidiaries on a pre-tax basis .....	21	24	27	23	24
Interest expense and fixed charges related to discontinued operations .....	12	15	16	39	38
Total fixed charges included in Income from Continuing Operations Before Income Taxes .....	<u>635</u>	<u>431</u>	<u>468</u>	<u>492</u>	<u>474</u>
Total earnings .....	<u>\$ 1,881</u>	<u>\$ 970</u>	<u>\$ 1,741</u>	<u>\$ 1,724</u>	<u>\$ 1,534</u>
Fixed charges, as defined:					
Interest on long-term debt .....	\$ 481	\$ 397	\$ 478	\$ 522	\$ 482
Interest on short-term debt and other interest .....	46	34	28	35	13
Amortization of debt discount, expense and premium - net .....	110	15	12	8	11
Estimated interest component of operating rentals	39	42	22	21	29
Preferred securities distributions of subsidiaries on a pre-tax basis .....	21	24	27	23	24
Fixed charges of majority-owned share of 50% or less-owned persons .....	1	1	1		
Total fixed charges (a) .....	<u>\$ 698</u>	<u>\$ 513</u>	<u>\$ 568</u>	<u>\$ 609</u>	<u>\$ 559</u>
Ratio of earnings to fixed charges .....	<u>2.7</u>	<u>1.9</u>	<u>3.1</u>	<u>2.8</u>	<u>2.7</u>
Ratio of earnings to combined fixed charges and preferred stock dividends (b) .....	<u>2.7</u>	<u>1.9</u>	<u>3.1</u>	<u>2.8</u>	<u>2.7</u>

(a) Interest on unrecognized tax benefits is not included in fixed charges.

(b) PPL, the parent holding company, does not have any preferred stock outstanding; therefore, the ratio of earnings to combined fixed charges and preferred stock dividends is the same as the ratio of earnings to fixed charges.

Exhibit 12(b)

**PPL ENERGY SUPPLY, LLC AND SUBSIDIARIES**  
**COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES**

(Millions of Dollars)

	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Earnings, as defined:					
Income from Continuing Operations Before					
Income Taxes .....	\$ 1,143	\$ 277	\$ 1,000	\$ 1,044	\$ 803
Less earnings of equity method investments .....				1	3
Distributed income from equity method investments ..	7	1		3	1
	<b>1,150</b>	278	1,000	1,046	801
 Total fixed charges as below	 <b>426</b>	 364	 390	 388	 326
Less:					
Capitalized interest .....	33	44	57	54	21
Interest expense and fixed charges related to discontinued operations .....	12	15	12	34	32
Total fixed charges included in Income from Continuing Operations Before Income Taxes .....	<b>381</b>	305	321	300	273
 Total earnings .....	<b>\$ 1,531</b>	\$ 583	\$ 1,321	\$ 1,346	\$ 1,074
 Fixed charges, as defined:					
Interest on long-term debt .....	\$ 330	\$ 284	\$ 345	\$ 353	\$ 296
Interest on short-term debt and other interest .....	37	29	27	24	16
Amortization of debt discount, expense and premium - net .....	20	8	2	(3)	(1)
Estimated interest component of operating rentals .....	38	42	15	14	15
Fixed charges of majority-owned share of 50% or less-owned persons .....	1	1	1		
 Total fixed charges (a) .....	<b>\$ 426</b>	\$ 364	\$ 390	\$ 388	\$ 326
 Ratio of earnings to fixed charges .....	<b>3.6</b>	1.6	3.4	3.5	3.3

(a) Interest on unrecognized tax benefits is not included in fixed charges.

Exhibit 12(c)

**PPL ELECTRIC UTILITIES CORPORATION AND SUBSIDIARIES**  
**COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND**  
**PREFERRED STOCK DIVIDENDS**  
*(Millions of Dollars)*

	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Earnings, as defined:					
Income Before Income Taxes .....	\$ <b>192</b>	\$ 221	\$ 278	\$ 246	\$ 298
Total fixed charges as below .....	<b>102</b>	121	114	143	159
Total earnings .....	<b>\$ 294</b>	\$ 342	\$ 392	\$ 389	\$ 457
Fixed charges, as defined:					
Interest on long-term debt.....	\$ <b>89</b>	\$ 105	\$ 94	\$ 109	\$ 131
Interest on short-term debt and other interest .....	<b>4</b>	9	13	23	13
Amortization of debt discount, expense and premium - net .....	<b>8</b>	6	6	7	8
Estimated interest component of operating rentals .....	<b>1</b>	1	1	4	7
Total fixed charges (a) .....	<b>\$ 102</b>	\$ 121	\$ 114	\$ 143	\$ 159
Ratio of earnings to fixed charges .....	<b>2.9</b>	2.8	3.4	2.7	2.9
Preferred stock dividend requirements on a pre-tax basis ..	\$ <b>23</b>	\$ 28	\$ 28	\$ 27	\$ 24
Fixed charges, as above .....	<b>102</b>	121	114	143	159
Total fixed charges and preferred stock dividends .....	<b>\$ 125</b>	\$ 149	\$ 142	\$ 170	\$ 183
Ratio of earnings to combined fixed charges and preferred stock dividends .....	<b>2.4</b>	2.3	2.8	2.3	2.5

(a) Interest on unrecognized tax benefits is not included in fixed charges.



Exhibit 31(a)

CERTIFICATION

I, JAMES H. MILLER, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Corporation (the "registrant") for the year ended December 31, 2010;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2011

/s/ James H. Miller  
\_\_\_\_\_  
James H. Miller

Chairman, President and Chief Executive Officer  
PPL Corporation

Exhibit 31(b)

CERTIFICATION

I, PAUL A. FARR, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Corporation (the "registrant") for the year ended December 31, 2010;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2011

/s/ Paul A. Farr  
\_\_\_\_\_  
Paul A. Farr

Executive Vice President and Chief Financial Officer  
PPL Corporation

Exhibit 31(c)

CERTIFICATION

I, JAMES H. MILLER, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Energy Supply, LLC (the "registrant") for the year ended December 31, 2010;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2011

/s/ James H. Miller  
James H. Miller

President  
PPL Energy Supply, LLC

Exhibit 31(d)

CERTIFICATION

I, PAUL A. FARR, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Energy Supply, LLC (the "registrant") for the year ended December 31, 2010;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2011

/s/ Paul A. Farr

Paul A. Farr  
Executive Vice President  
PPL Energy Supply, LLC



Exhibit 31(e)

CERTIFICATION

I, DAVID G. DECAMPLI, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Electric Utilities Corporation (the "registrant") for the year ended December 31, 2010;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2011

/s/ David G. DeCampli

David G. DeCampli  
President  
PPL Electric Utilities Corporation

CERTIFICATION

I, VINCENT SORGI, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Electric Utilities Corporation (the "registrant") for the year ended December 31, 2010;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2011

/s/ Vincent Sorgi

Vincent Sorgi

Vice President and Controller

PPL Electric Utilities Corporation

Exhibit 32(a)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL CORPORATION'S 10-K FOR THE YEAR ENDED DECEMBER 31, 2010

In connection with the annual report on Form 10-K of PPL Corporation (the "Company") for the year ended December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal executive officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 25, 2011

/s/ James H. Miller

\_\_\_\_\_  
James H. Miller  
Chairman, President and Chief Executive Officer  
PPL Corporation

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(b)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL CORPORATION'S 10-K FOR THE YEAR ENDED DECEMBER 31, 2010

In connection with the annual report on Form 10-K of PPL Corporation (the "Company") for the year ended December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal financial officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 25, 2011

/s/ Paul A. Farr  
\_\_\_\_\_  
Paul A. Farr  
Executive Vice President and Chief Financial Officer  
PPL Corporation

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(c)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL ENERGY SUPPLY, LLC'S 10-K FOR THE YEAR ENDED DECEMBER 31, 2010

In connection with the annual report on Form 10-K of PPL Energy Supply, LLC (the "Company") for the year ended December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal executive officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 25, 2011

/s/ James H. Miller

\_\_\_\_\_  
James H. Miller

President

PPL Energy Supply, LLC

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(d)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL ENERGY SUPPLY, LLC'S 10-K FOR THE YEAR ENDED DECEMBER 31, 2010

In connection with the annual report on Form 10-K of PPL Energy Supply, LLC (the "Company") for the year ended December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal financial officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 25, 2011

/s/ Paul A. Farr  
\_\_\_\_\_  
Paul A. Farr  
Executive Vice President  
PPL Energy Supply, LLC

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.



Exhibit 32(e)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL ELECTRIC UTILITIES CORPORATION'S 10-K FOR THE YEAR ENDED DECEMBER 31, 2010

In connection with the annual report on Form 10-K of PPL Electric Utilities Corporation (the "Company") for the year ended December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal executive officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 25, 2011

/s/ David G. DeCampli

David G. DeCampli

President

PPL Electric Utilities Corporation

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(f)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL ELECTRIC UTILITIES CORPORATION'S 10-K FOR THE YEAR ENDED DECEMBER 31, 2010

In connection with the annual report on Form 10-K of PPL Electric Utilities Corporation (the "Company") for the year ended December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal financial officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 25, 2011

/s/ Vincent Sorgi

Vincent Sorgi

Vice President and Controller

PPL Electric Utilities Corporation

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99(a)

### Examples of Wholesale Energy, Fuel and Emission Allowance Price Fluctuations 2006 through 2010

#### Wholesale Energy:

##### PJM West Hub\* Power Price - \$/MWh

Year	High	Month	Low	Month
2006	\$ 769.90	August	\$ (17.11)**	May
2007	\$ 571.60	August	\$ (12.67)**	May
2008	\$ 475.58	June	\$ (43.19)**	September
2009	\$ 246.61	February	\$ (12.48)**	September
2010	\$ 362.90	December	\$ (26.25)**	May

\* A common trading hub for PJM.

\*\* Occurs during times of low demand for electricity when generation levels of generating units are reduced to their normal minimums.

##### Mid-C\* Power Price - \$/MWh

Year	High	Month	Low	Month
2006	\$ 189.87	July	\$ (2.00)**	May
2007	\$ 197.79	July	\$ 0.86	March
2008	\$ 101.29	April	\$ (7.50)**	June
2009	\$ 111.53	December	\$ 0.28	June
2010	\$ 53.41	November	\$ (2.00)**	June

\* A common trading hub for Northwestern U.S.

\*\* Occurs when generation levels from hydroelectric units exceed demand due to excess water runoff.

#### Fuel:

##### NYMEX Coal (1% sulfur content, 12,000 Btu) Price - \$/ton

Year	High	Month	Low	Month
2006	\$ 57.75	February	\$ 37.50	November
2007	\$ 56.80	November	\$ 38.75	January
2008	\$ 143.25	July	\$ 56.17	January
2009	\$ 68.25	January	\$ 42.25	April
2010	\$ 79.98	December	\$ 49.38	February

##### NYMEX Natural Gas Price - \$/million Btu

Year	High	Month	Low	Month
2006	\$ 10.63	January	\$ 4.20	September
2007	\$ 9.90	May	\$ 5.20	September
2008	\$ 13.69	August	\$ 5.28	December
2009	\$ 6.24	February	\$ 2.41	October
2010	\$ 6.11	February	\$ 3.21	November

##### Residual Oil (1% sulfur content) Price @ NY Harbor - \$/barrel

Year	High	Month	Low	Month
2006	\$ 54.25	April	\$ 35.00	October
2007	\$ 72.52	December	\$ 37.23	January
2008	\$ 119.70	July	\$ 28.40	December
2009	\$ 44.95	December	\$ 33.70	March
2010	\$ 79.85	May	\$ 62.75	May

#### Sulfur Dioxide Emission Allowances:

##### SO2 Emission Allowance Price - \$/allowance

Year	High	Month	Low	Month
2006	\$ 1,598	January	\$ 445	November
2007	\$ 715	June	\$ 405	January
2008	\$ 535	January	\$ 88	July
2009	\$ 215	January	\$ 56	April
2010	\$ 80	February	\$ 5	July, November

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-K**

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the fiscal year ended December 31, 2011
- OR
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the transition period from \_\_\_\_\_ to \_\_\_\_\_

<u>Commission File Number</u>	<u>Registrant; State of Incorporation; Address and Telephone Number</u>	<u>IRS Employer Identification No.</u>
1-11459	<b>PPL Corporation</b> (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-2758192
1-32944	<b>PPL Energy Supply, LLC</b> (Exact name of Registrant as specified in its charter) (Delaware) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-3074920
1-905	<b>PPL Electric Utilities Corporation</b> (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-0959590
333-173665	<b>LG&amp;E and KU Energy LLC</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, Kentucky 40202-1377 (502) 627-2000	20-0523163
1-2893	<b>Louisville Gas and Electric Company</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, Kentucky 40202-1377 (502) 627-2000	61-0264150
1-3464	<b>Kentucky Utilities Company</b> (Exact name of Registrant as specified in its charter) (Kentucky and Virginia) One Quality Street Lexington, Kentucky 40507-1462 (502) 627-2000	61-0247570

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Common Stock of PPL Corporation	New York Stock Exchange
Corporate Units issued 2011 of PPL Corporation	New York Stock Exchange
Corporate Units issued 2010 of PPL Corporation	New York Stock Exchange
Junior Subordinated Notes of PPL Capital Funding, Inc. 2007 Series A due 2067	New York Stock Exchange
Senior Notes of PPL Capital Funding, Inc. 6.85% due 2047	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

Common Stock of PPL Electric Utilities Corporation

Indicate by check mark whether the registrants are well-known seasoned issuers, as defined in Rule 405 of the Securities Act.

PPL Corporation	Yes <u>X</u>	No <u>   </u>
PPL Energy Supply, LLC	Yes <u>   </u>	No <u>X</u>
PPL Electric Utilities Corporation	Yes <u>   </u>	No <u>X</u>
LG&E and KU Energy LLC	Yes <u>   </u>	No <u>X</u>
Louisville Gas and Electric Company	Yes <u>   </u>	No <u>X</u>
Kentucky Utilities Company	Yes <u>   </u>	No <u>X</u>

Indicate by check mark if the registrants are not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

PPL Corporation	Yes <u>   </u>	No <u>X</u>
PPL Energy Supply, LLC	Yes <u>   </u>	No <u>X</u>
PPL Electric Utilities Corporation	Yes <u>   </u>	No <u>X</u>
LG&E and KU Energy LLC	Yes <u>   </u>	No <u>X</u>
Louisville Gas and Electric Company	Yes <u>   </u>	No <u>X</u>
Kentucky Utilities Company	Yes <u>   </u>	No <u>X</u>

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days.

PPL Corporation	Yes <u>X</u>	No <u>   </u>
PPL Energy Supply, LLC	Yes <u>X</u>	No <u>   </u>
PPL Electric Utilities Corporation	Yes <u>X</u>	No <u>   </u>
LG&E and KU Energy LLC	Yes <u>X</u>	No <u>   </u>
Louisville Gas and Electric Company	Yes <u>X</u>	No <u>   </u>
Kentucky Utilities Company	Yes <u>X</u>	No <u>   </u>

Indicate by check mark whether the registrants have submitted electronically and posted on their corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrants were required to submit and post such files).

PPL Corporation	Yes <u>X</u>	No <u>   </u>
PPL Energy Supply, LLC	Yes <u>X</u>	No <u>   </u>
PPL Electric Utilities Corporation	Yes <u>X</u>	No <u>   </u>
LG&E and KU Energy LLC	Yes <u>X</u>	No <u>   </u>
Louisville Gas and Electric Company	Yes <u>X</u>	No <u>   </u>
Kentucky Utilities Company	Yes <u>X</u>	No <u>   </u>

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrants' knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

PPL Corporation	<input type="checkbox"/>
PPL Energy Supply, LLC	<input checked="" type="checkbox"/>
PPL Electric Utilities Corporation	<input checked="" type="checkbox"/>
LG&E and KU Energy LLC	<input checked="" type="checkbox"/>
Louisville Gas and Electric Company	<input checked="" type="checkbox"/>
Kentucky Utilities Company	<input checked="" type="checkbox"/>

Indicate by check mark whether the registrants are large accelerated filers, accelerated filers, non-accelerated filers, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

	Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company
PPL Corporation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PPL Energy Supply, LLC	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PPL Electric Utilities Corporation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LG&E and KU Energy LLC	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Louisville Gas and Electric Company	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Kentucky Utilities Company	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Act).

PPL Corporation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
PPL Energy Supply, LLC	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
PPL Electric Utilities Corporation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
LG&E and KU Energy LLC	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Louisville Gas and Electric Company	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Kentucky Utilities Company	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

As of June 30, 2011, PPL Corporation had 577,265,119 shares of its \$.01 par value Common Stock outstanding. The aggregate market value of these common shares (based upon the closing price of these shares on the New York Stock Exchange on that date) held by non-affiliates was \$16,065,288,262. As of January 31, 2012, PPL Corporation had 579,234,837 shares of its \$.01 par value Common Stock outstanding.

As of January 31, 2012, PPL Corporation held all 66,368,056 outstanding common shares, no par value, of PPL Electric Utilities Corporation.

PPL Corporation indirectly holds all of the membership interests in PPL Energy Supply, LLC.

PPL Corporation directly holds all of the membership interests in LG&E and KU Energy LLC.

As of January 31, 2012, LG&E and KU Energy LLC held all 21,294,223 outstanding common shares, no par value, of Louisville Gas and Electric Company.

As of January 31, 2012, LG&E and KU Energy LLC held all 37,817,878 outstanding common shares, no par value, of Kentucky Utilities Company.

**PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K and are therefore filing this form with the reduced disclosure format.**

Documents incorporated by reference:

PPL Corporation has incorporated herein by reference certain sections of PPL Corporation's 2012 Notice of Annual Meeting and Proxy Statement, which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2011. Such Statements will provide the information required by Part III of this Report.

**PPL CORPORATION**  
**PPL ENERGY SUPPLY, LLC**  
**PPL ELECTRIC UTILITIES CORPORATION**  
**LG&E AND KU ENERGY LLC**  
**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**KENTUCKY UTILITIES COMPANY**

FORM 10-K ANNUAL REPORT TO  
 THE SECURITIES AND EXCHANGE COMMISSION  
FOR THE YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

This combined Form 10-K is separately filed by PPL Corporation, PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company. Information contained herein relating to PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company is filed by PPL Corporation and separately by PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company on their own behalf. No registrant makes any representation as to information relating to any other registrant, except that information relating to the five PPL Corporation subsidiaries is also attributed to PPL Corporation and the information relating to Louisville Gas and Electric Company and Kentucky Utilities Company is also attributed to LG&E and KU Energy LLC.

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**GLOSSARY OF TERMS AND ABBREVIATIONS****PPL Corporation and its current and former subsidiaries**

**Central Networks** - collectively Central Networks East plc, Central Networks Limited and certain other related assets and liabilities. On April 1, 2011, PPL WEM Holdings plc (formerly WPD Investment Holdings Limited) purchased all of the outstanding ordinary share capital of these companies from E.ON AG subsidiaries. Central Networks West plc (subsequently renamed Western Power Distribution (West Midlands) plc), wholly owned by Central Networks Limited (subsequently renamed WPD Midlands Holdings Limited), and Central Networks East plc (subsequently renamed Western Power Distribution (East Midlands) plc) are British regional electricity distribution utility companies.

**KU** - Kentucky Utilities Company, a public utility subsidiary of LKE engaged in the regulated generation, transmission, distribution and sale of electricity, primarily in Kentucky. The subsidiary was acquired by PPL through the acquisition of LKE in November 2010.

**LG&E** - Louisville Gas and Electric Company, a public utility subsidiary of LKE engaged in the regulated generation, transmission, distribution and sale of electricity and the distribution and sale of natural gas in Kentucky. The subsidiary was acquired by PPL through the acquisition of LKE in November 2010.

**LKE** - LG&E and KU Energy LLC (formerly E.ON U.S. LLC), a subsidiary of PPL and the parent of LG&E, KU and other subsidiaries. PPL acquired E.ON U.S. LLC in November 2010 and changed the name to LG&E and KU Energy LLC. Within the context of this document, references to LKE also relate to the consolidated entity.

**LKS** - LG&E and KU Services Company, a subsidiary of LKE that provides services for LKE and its subsidiaries. The subsidiary was acquired by PPL through the acquisition of LKE in November 2010.

**PPL** - PPL Corporation, the parent holding company of PPL Electric, PPL Energy Funding, LKE and other subsidiaries.

**PPL Capital Funding** - PPL Capital Funding, Inc., a wholly owned financing subsidiary of PPL.

**PPL Electric** - PPL Electric Utilities Corporation, a public utility subsidiary of PPL that transmits and distributes electricity in its Pennsylvania service area and provides electric supply to retail customers in this area as a PLR.

**PPL Energy Funding** - PPL Energy Funding Corporation, a subsidiary of PPL and the parent holding company of PPL Energy Supply, PPL Global (effective January 2011) and other subsidiaries.

**PPL EnergyPlus** - PPL EnergyPlus, LLC, a subsidiary of PPL Energy Supply that markets and trades wholesale and retail electricity and gas, and supplies energy and energy services in competitive markets.

**PPL Energy Supply** - PPL Energy Supply, LLC, a subsidiary of PPL Energy Funding and the parent company of PPL Generation, PPL EnergyPlus and other subsidiaries. In January 2011, PPL Energy Supply distributed its membership interest in PPL Global, representing 100% of the outstanding membership interests of PPL Global, to PPL Energy Supply's parent, PPL Energy Funding.

**PPL Gas Utilities** - PPL Gas Utilities Corporation, which was a regulated utility subsidiary of PPL until its sale in October 2008, provided natural gas distribution, transmission and storage services, and the competitive sale of propane.

**PPL Generation** - PPL Generation, LLC, a subsidiary of PPL Energy Supply that owns and operates U.S. generating facilities through various subsidiaries.

**PPL Global** - PPL Global, LLC, a subsidiary of PPL Energy Funding that primarily owns and operates a business in the U.K., WPD, that is focused on the regulated distribution of electricity. In January 2011, PPL Energy Supply, PPL Global's former parent, distributed its membership interest in PPL Global, representing 100% of the outstanding membership interest of PPL Global, to its parent, PPL Energy Funding.

**PPL Holtwood** - PPL Holtwood, LLC, a subsidiary of PPL Generation that owns hydroelectric generating operations in Pennsylvania.

**PPL Investment Corp.** - PPL Investment Corporation, a subsidiary of PPL Energy Supply.

**PPL Martins Creek** - PPL Martins Creek, LLC, a subsidiary of PPL Generation that owns generating operations in Pennsylvania.

**PPL Montana** - PPL Montana, LLC, an indirect subsidiary of PPL Generation that generates electricity for wholesale sales in Montana and the Pacific Northwest.

**PPL Services** - PPL Services Corporation, a subsidiary of PPL that provides services for PPL and its subsidiaries.

**PPL Susquehanna** - PPL Susquehanna, LLC, the nuclear generating subsidiary of PPL Generation.

**PPL WEM** - PPL WEM Holdings plc (formerly WPD Investment Holdings Limited), an indirect, wholly owned U.K. subsidiary of PPL Global. PPL WEM indirectly wholly owns both WPD (East Midlands) and WPD (West Midlands).

**PPL WW** - PPL WW Holdings Limited (formerly Western Power Distribution Holdings Limited), an indirect, wholly owned U.K. subsidiary of PPL Global. PPL WW Holdings indirectly wholly owns WPD (South Wales) and WPD (South West).

**WPD** - refers to PPL WW and PPL WEM and their subsidiaries.

**WPD (East Midlands)** - Western Power Distribution (East Midlands) plc, a British regional electricity distribution utility company. The company (formerly Central Networks East plc) was acquired and renamed in April 2011.

**WPD Midlands** - refers to Central Networks, which was renamed after the acquisition.

**WPD (South Wales)** - Western Power Distribution (South Wales) plc, a British regional electricity distribution utility company.

**WPD (South West)** - Western Power Distribution (South West) plc, a British regional electricity distribution utility company.

**WPD (West Midlands)** - Western Power Distribution (West Midlands) plc, a British regional electricity distribution utility company. The company (formerly Central Networks West plc) was acquired and renamed in April 2011.

**WKE** - Western Kentucky Energy Corp., a subsidiary of LKE that leased certain non-utility generating plants in western Kentucky until July 2009. The subsidiary was acquired by PPL through the acquisition of LKE in November 2010.

#### **Other terms and abbreviations**

£ - British pound sterling.

**1945 First Mortgage Bond Indenture** - PPL Electric's Mortgage and Deed of Trust, dated as of October 1, 1945, to Deutsche Bank Trust Company Americas, as trustee, as supplemented.

**2001 Mortgage Indenture** - PPL Electric's Indenture, dated as of August 1, 2001, to The Bank of New York Mellon (as successor to JPMorgan Chase Bank), as trustee, as supplemented.

**2010 Bridge Facility** - an up to \$6.5 billion Senior Bridge Term Loan Credit Agreement between PPL Capital Funding, as borrower, and PPL, as guarantor, and a group of banks syndicated in June 2010, to serve as a funding backstop in the event alternative financing was not available prior to the closing of PPL's acquisition of E.ON U.S. LLC.

**2010 Equity Unit(s)** - a PPL equity unit, issued in June 2010, consisting of a 2010 Purchase Contract and, initially, a 5.0% undivided beneficial ownership interest in \$1,000 principal amount of PPL Capital Funding 4.625% Junior Subordinated Notes due 2018.

**2010 Purchase Contract(s)** - a contract that is a component of a 2010 Equity Unit that requires holders to purchase shares of PPL common stock on or prior to July 1, 2013.

**2011 Bridge Facility** - the £3.6 billion Senior Bridge Term Loan Credit Agreement between PPL Capital Funding and PPL WEM, as borrowers, and PPL, as guarantor, and lenders party thereto, used to fund the April 1, 2011 acquisition of Central Networks, as amended by Amendment No. 1 thereto dated April 15, 2011.

**2011 Equity Unit(s)** - a PPL equity unit, issued in April 2011, consisting of a 2011 Purchase Contract and, initially, a 5.0% undivided beneficial ownership interest in \$1,000 principal amount of PPL Capital Funding 4.32% Junior Subordinated Notes due 2019.

**2011 Purchase Contract(s)** - a contract that is a component of a 2011 Equity Unit that requires holders to purchase shares of PPL common stock on or prior to May 1, 2014.

**2011 Registration Statement(s)** - refers to the registration statements on Form S-4 filed with the SEC by each of LKE (Registration No. 333-173665) on April 21, 2011, LG&E (Registration No 333-173676) on April 22, 2011 and KU (Registration No. 333-173675) on April 22, 2011, each as amended by Amendment No. 1 filed with the SEC on May 26, 2011 and effective June 1, 2011.

**401(h) account** - A sub-account established within a qualified pension trust to provide for the payment of retiree medical costs.

**Acid Rain Program** - allowance trading system established by the Clean Air Act to reduce levels of sulfur dioxide. Under this program, affected power plants are allocated allowances based on their fuel consumption during specified baseline years and a specific emissions rate.

**Act 129** - became effective in October 2008. The law amends the Pennsylvania Public Utility Code and creates an energy efficiency and conservation program and smart metering technology requirements, adopts new PLR electricity supply procurement rules, provides remedies for market misconduct and makes changes to the existing Alternative Energy Portfolio Standard.

**AFUDC** - Allowance for Funds Used During Construction. The cost of equity and debt funds used to finance construction projects of regulated businesses, which is capitalized as part of construction costs.

**A.M. Best** - A.M. Best Company, a company that reports on the financial condition of insurance companies.

**AMT** - alternative minimum tax.

**AOCI** - accumulated other comprehensive income or loss.

**ARO** - asset retirement obligation.

**Baseload generation** - includes the output provided by PPL's nuclear, coal, hydroelectric and qualifying facilities.

**Basis** - when used in the context of derivatives and commodity trading, the commodity price differential between two locations, products or time periods.

**Bcf** - billion cubic feet.

**Black Lung Trust** - a trust account maintained under federal and state Black Lung legislation for the payment of claims related to disability or death due to pneumoconiosis.

**Bluegrass CTs** - Three natural gas combustion turbines owned by Bluegrass Generation. LG&E and KU entered into an Asset Purchase Agreement with Bluegrass Generation for the purchase of these combustion turbines, subject to certain conditions including receipt of applicable regulatory approvals and clearances.

**Bluegrass Generation** - Bluegrass Generation Company, L.L.C., an exempt wholesale electricity generator in LaGrange, Kentucky.

**BREC** - Big Rivers Electric Corporation, a power-generating rural electric cooperative in western Kentucky.

**CAIR** - the EPA's Clean Air Interstate Rule.

**Clean Air Act** - federal legislation enacted to address certain environmental issues related to air emissions, including acid rain, ozone and toxic air emissions.

**COLA** - license application for a combined construction permit and operating license from the NRC for a nuclear plant.

**CPCN** - Certificate of Public Convenience and Necessity. Authority granted by the KPSC pursuant to Kentucky Revised Statute 278.020 to provide utility service to or for the public or the construction of any plant, equipment, property or facility for furnishing of utility service to the public.

**CSAPR** - Cross-State Air Pollution Rule, the CSAPR implements Clean Air Act requirements concerning the transport of air pollution from power plants across state boundaries. The CSAPR replaces the 2005 CAIR, which the U.S. Court of Appeals for the D.C. Circuit ordered the EPA to revise in 2008. The court has granted a stay allowing CAIR to remain in place pending a ruling on the legal challenges to the CSAPR.

**CTC** - competitive transition charge on customer bills to recover allowable transition costs under the Customer Choice Act.

**Customer Choice Act** - the Pennsylvania Electricity Generation Customer Choice and Competition Act, legislation enacted to restructure the state's electric utility industry to create retail access to a competitive market for generation of electricity.

**DDCP** - Directors Deferred Compensation Plan.

**Depreciation not normalized** - the flow-through income tax impact related to the state regulatory treatment of depreciation-related timing differences.

**Dodd-Frank Act** - the Dodd-Frank Wall Street Reform and Consumer Protection Act that was signed into law in July 2010.

**DOE** - Department of Energy, a U.S. government agency.

**DPCR4** - Distribution Price Control Review 4, the U.K. 5-year rate review period applicable to WPD that commenced April 1, 2005.

**DPCR5** - Distribution Price Control Review 5, the U.K. 5-year rate review period applicable to WPD that commenced April 1, 2010.

**DRIP** - Dividend Reinvestment and Direct Stock Purchase Plan.

**DSM** - Demand Side Management. Pursuant to Kentucky Revised Statute 278.285, the KPSC may determine the reasonableness of DSM plans proposed by any utility under its jurisdiction. Proposed DSM mechanisms may seek full recovery of DSM programs and revenues lost by implementing those programs and/or incentives designed to provide financial rewards to the utility for implementing cost-effective DSM programs. The cost of such programs shall be assigned only to the class or classes of customers which benefit from the programs.

**DUoS** - Distribution Use of System. This forms the majority of WPD's revenues and is the charge to electricity suppliers who are WPD's customers and use WPD's network to transmit electricity.

**EBPB** - Employee Benefit Plan Board. The administrator of PPL's U.S. qualified retirement plans, which is charged with the fiduciary responsibility to oversee and manage those plans and the investments associated with those plans.

**Economic Stimulus Package** - The American Recovery and Reinvestment Act of 2009, generally referred to as the federal economic stimulus package, which was signed into law in February 2009.

**ECR** - Environmental Cost Recovery. Pursuant to Kentucky Revised Statute 278.183, effective January 1993, Kentucky electric utilities are entitled to the current recovery of costs of complying with the Clean Air Act, as amended, and those federal, state or local environmental requirements which apply to coal combustion and by-products from the production of energy from coal.

**EEI** - Electric Energy, Inc., which owns and operates a coal-fired plant and a natural gas facility in southern Illinois.

**EMF** - electric and magnetic fields.

**E.ON AG** - a German corporation and the parent of E.ON UK plc, the former parent of Central Networks, and the indirect parent of E.ON US Investments Corp., the former parent of LKE.

**EPA** - Environmental Protection Agency, a U.S. government agency.

**EPS** - earnings per share.

**Equity Units** - refers collectively to the 2011 and 2010 Equity Units.

**ESOP** - Employee Stock Ownership Plan.

**Euro** - the basic monetary unit among participating members of the European Union.

**EWG** - exempt wholesale generator.

**FERC** - Federal Energy Regulatory Commission, the federal agency that regulates, among other things, interstate transmission and wholesale sales of electricity, hydroelectric power projects and related matters.

**Fitch** - Fitch, Inc., a credit rating agency.

**FTR** - financial transmission rights, which are financial instruments established to manage price risk related to electricity transmission congestion. They entitle the holder to receive compensation or require the holder to remit payment for certain congestion-related transmission charges based on the level of congestion in the transmission grid.

**Fundamental Change** - as it relates to the terms of the 2011 and 2010 Equity Units, will be deemed to have occurred if any of the following occurs with respect to PPL, subject to certain exceptions: (i) a change of control; (ii) a consolidation with or merger into any other entity; (iii) common stock ceases to be listed or quoted; or (iv) a liquidation, dissolution or termination.

**GAAP** - Generally Accepted Accounting Principles in the U.S.

**GBP** - British pound sterling.

**GHG** - greenhouse gas(es).

**GWh** - gigawatt-hour, one million kilowatt-hours.

**Health Care Reform** - The Patient Protection and Affordable Care Act (HR 3590) and the Health Care and Education Reconciliation Act of 2010 (HR 4872), signed into law in March 2010.

**IBEW** - International Brotherhood of Electrical Workers.

**ICP** - Incentive Compensation Plan.

**ICPKE** - Incentive Compensation Plan for Key Employees.

**Intermediate and peaking generation** - includes the output provided by PPL's oil- and natural gas-fired units.

**Ironwood** - a natural gas-fired power plant in Lebanon, Pennsylvania with a summer rating of 657 MW.

**IRP** - Integrated Resource Plan. Pursuant to Kentucky Administrative Regulation 807 5:058, Kentucky electric utilities are required to file triennially an IRP with the KPSC. The filing is to provide the utilities' load forecasts and resource plans to meet future demand with an adequate and reliable supply of electricity at the lowest possible cost for all customers while satisfying all related state and federal laws and regulations.

**IRS** - Internal Revenue Service, a U.S. government agency.

**IRC Sec. 481** - the Internal Revenue Code Section that identifies the tax year in which accounting method change differences are recognized in federal taxable income.

**ISO** - Independent System Operator.

**KPSC** - Kentucky Public Service Commission, the state agency that has jurisdiction over the regulation of rates and service of utilities in Kentucky.

**KU 2010 Mortgage Indenture** - KU's Indenture dated as of October 1, 2010, to The Bank of New York Mellon, as trustee, as supplemented.

**kVA** - kilovolt-ampere.

**kWh** - kilowatt-hour, basic unit of electrical energy.

**LCIDA** - Lehigh County Industrial Development Authority.

**LG&E 2010 Mortgage Indenture** - LG&E's Indenture, dated as of October 1, 2010, to The Bank of New York Mellon, as trustee, as supplemented.

**LIBOR** - London Interbank Offered Rate.

**Long Island generation business** - includes a 79.9 MW gas-fired plant in the Edgewood section of Brentwood, New York and a 79.9 MW oil-fired plant in Shoreham, New York and related tolling agreements. This business was sold in February 2010.

**MACT** - maximum achievable control technology.

**MATS** - Mercury and Air Toxics Standards.

**MISO** - Midwest Independent System Operator, an independent system operator and the regional transmission organization that provides open-access transmission service and monitors the high voltage transmission system in all or parts of Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin and Manitoba, Canada.

**MMBtu** - One million British Thermal Units.

**Montana Power** - The Montana Power Company, a Montana-based company that sold its generating assets to PPL Montana in December 1999. Through a series of transactions consummated during the first quarter of 2002, Montana Power sold its electricity delivery business to NorthWestern.



**Moody's** - Moody's Investors Service, Inc., a credit rating agency.

**MW** - megawatt, one thousand kilowatts.

**MWh** - megawatt-hour, one thousand kilowatt-hours.

**NDT** - PPL Susquehanna's nuclear plant decommissioning trust.

**NERC** - North American Electric Reliability Corporation.

**NGCC** - Natural gas-fired combined-cycle turbine.

**NorthWestern** - NorthWestern Corporation, a Delaware corporation, and successor in interest to Montana Power's electricity delivery business, including Montana Power's rights and obligations under contracts with PPL Montana.

**NPDES** - National Pollutant Discharge Elimination System.

**NPNS** - the normal purchases and normal sales exception as permitted by derivative accounting rules. Derivatives that qualify for this exception receive accrual accounting treatment.

**NRC** - Nuclear Regulatory Commission, the federal agency that regulates nuclear power facilities.

**NUGs** - non-utility generators, generating plants not owned by public utilities, whose electrical output must be purchased by utilities under the PURPA if the plant meets certain criteria.

**OCI** - other comprehensive income or loss.

**Ofgem** - Office of Gas and Electricity Markets, the British agency that regulates transmission, distribution and wholesale sales of electricity and related matters.

**Opacity** - The degree to which emissions reduce the transmission of light and obscure the view of an object in the background. There are emission regulations that limit the opacity in power plant stack gas emissions.

**OVEC** - Ohio Valley Electric Corporation, located in Piketon, Ohio, an entity in which LKE indirectly owns an 8.13% interest (consists of LG&E's 5.63% and KU's 2.50% interests), which is accounted for as a cost-method investment. OVEC owns and operates two coal-fired power plants, the Kyger Creek Plant in Ohio and the Clifty Creek Plant in Indiana, with combined nameplate capacities of 2,390 MW.

**PADEP** - the Pennsylvania Department of Environmental Protection, a state government agency.

**PEDFA** - Pennsylvania Economic Development Financing Authority.

**PJM** - PJM Interconnection, L.L.C., operator of the electric transmission network and electric energy market in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia.

**PLR** - Provider of Last Resort, the role of PPL Electric in providing default electricity supply to retail customers within its delivery area who have not chosen to select an alternative electricity supplier under the Customer Choice Act.

**PP&E** - property, plant and equipment.

**Predecessor** - refers to the LKE, LG&E and KU pre-acquisition activity covering the time period prior to November 1, 2010.

**PUC** - Pennsylvania Public Utility Commission, the state agency that regulates certain ratemaking, services, accounting and operations of Pennsylvania utilities.

**PUC Final Order** - final order issued by the PUC on August 27, 1998, approving the settlement of PPL Electric's restructuring proceeding.

**PUHCA** - Public Utility Holding Company Act of 1935, repealed effective February 2006 by the Energy Policy Act of 2005 and replaced with the Public Utility Holding Company Act of 2005.

**Purchase Contracts** - refers collectively to the 2010 and 2011 Purchase Contracts.

**PURPA** - Public Utility Regulatory Policies Act of 1978, legislation passed by the U.S. Congress to encourage energy conservation, efficient use of resources and equitable rates.

**PURTA** - The Pennsylvania Public Utility Realty Tax Act.

**RAV** - regulatory asset value. This term is also commonly known as RAB or regulatory asset base.

**RECs** - renewable energy credits.

**Regional Transmission Expansion Plan** - PJM conducts a long-range Regional Transmission Expansion Planning process that identifies what changes and additions to the grid are needed to ensure future needs are met for both the reliability and the economic performance of the grid. Under PJM agreements, transmission owners are obligated to build transmission projects that are needed to maintain reliability standards and that are reviewed and approved by the PJM Board.

**Registrants** - PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU, collectively.

**Regulation S-X** - SEC regulation governing the form and content of and requirements for financial statements required to be filed pursuant to the federal securities laws.

**Rev. Proc(s)** - Revenue Procedure(s), an official published statement by the IRS of a matter of procedural importance to both taxpayers and the IRS concerning administration of the tax laws.

**RMC** - Risk Management Committee.

**RTO** - Regional Transmission Organization.

**S&P** - Standard & Poor's Ratings Services, a credit rating agency.

**Sarbanes-Oxley** - Sarbanes-Oxley Act of 2002, which sets requirements for management's assessment of internal controls for financial reporting. It also requires an independent auditor to make its own assessment.

**SCR** - selective catalytic reduction, a pollution control process for the removal of nitrogen oxide from exhaust gases.

**Scrubber** - an air pollution control device that can remove particulates and/or gases (such as sulfur dioxide) from exhaust gases.

**SEC** - the U.S. Securities and Exchange Commission, a U.S. government agency whose primary mission is to protect investors and maintain the integrity of the securities markets.

**Securities Act of 1933** - the Securities Act of 1933, 15 U.S. Code, Sections 77a-77aa, as amended.

**SIFMA Index** - the Securities Industry and Financial Markets Association Municipal Swap Index.

**Smart meter** - an electric meter that utilizes smart metering technology.

**Smart metering technology** - technology that can measure, among other things, time of electricity consumption to permit offering rate incentives for usage during lower cost or demand intervals. The use of this technology also strengthens network reliability.

**SMGT** - Southern Montana Electric Generation & Transmission Cooperative, Inc., a Montana cooperative and purchaser of electricity under a long-term supply contract with PPL EnergyPlus expiring in June 2019.

**Successor** - refers to the LKE, LG&E and KU post-acquisition activity covering the time period after October 31, 2010.

**Superfund** - federal environmental legislation that addresses remediation of contaminated sites; states also have similar statutes.

**TC2** - Trimble County Unit 2, a coal-fired plant located in Kentucky with a net summer capacity of 732 MW. LKE indirectly owns a 75% interest (consists of LG&E's 14.25% and KU's 60.75% interests) in TC2, or 549 MW of the capacity.

**Tolling agreement** - agreement whereby the owner of an electric generating facility agrees to use that facility to convert fuel provided by a third party into electricity for delivery back to the third party.

**Total shareowner return** - increase in market value of a share of the Company's common stock plus the value of all dividends paid on a share of the common stock during the applicable performance period, divided by the price of the common stock as of the beginning of the performance period.

**TRA** - Tennessee Regulatory Authority, the state agency that has jurisdiction over the regulation of rates and service of utilities in Tennessee.

**VaR** - value-at-risk, a statistical model that attempts to estimate the value of potential loss over a given holding period under normal market conditions at a given confidence level.

**VEBA** - Voluntary Employee Benefit Association Trust, accounts for health and welfare plans for future benefit payments for employees, retirees or their beneficiaries.

**VIE** - variable interest entity.

**Volumetric risk** - the risk that the actual load volumes provided under full-requirement sales contracts could vary significantly from forecasted volumes.

**VSCC** - Virginia State Corporation Commission, the state agency that has jurisdiction over the regulation of Virginia corporations, including utilities.

**VWAP** - as it relates to the 2011 and 2010 Equity Units issued by PPL, the per share volume-weighted-average price as displayed under the heading Bloomberg VWAP on Bloomberg page "PPL <EQUITY> AQR" (or its equivalent successor if such page is not available) in respect of the period from the scheduled open of trading on the relevant trading day until the scheduled close of trading on the relevant trading day (or if such volume-weighted-average price is unavailable, the market price of one share of PPL common stock on such trading day determined, using a volume-weighted-average method, by a nationally recognized independent investment banking firm retained for this purpose by PPL).

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**FORWARD-LOOKING INFORMATION**

Statements contained in this Form 10-K concerning expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements which are other than statements of historical fact are "forward-looking statements" within the meaning of the federal securities laws. Although the Registrants believe that the expectations and assumptions reflected in these statements are reasonable, there can be no assurance that these expectations will prove to be correct. Forward-looking statements are subject to many risks and uncertainties, and actual results may differ materially from the results discussed in forward-looking statements. In addition to the specific factors discussed in "Item 1A. Risk Factors" and in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Form 10-K report, the following are among the important factors that could cause actual results to differ materially from the forward-looking statements.

- fuel supply cost and availability;
- continuing ability to recover fuel costs and environmental expenditures in a timely manner at LG&E and KU, and natural gas supply costs at LG&E;
- weather conditions affecting generation, customer energy use and operating costs;
- operation, availability and operating costs of existing generation facilities;
- the length of scheduled and unscheduled outages at our generating facilities;
- transmission and distribution system conditions and operating costs;
- potential expansion of alternative sources of electricity generation;
- potential laws or regulations to reduce emissions of "greenhouse" gases or the physical effects of climate change;
- collective labor bargaining negotiations;
- the outcome of litigation against the Registrants and their subsidiaries;
- potential effects of threatened or actual terrorism, war or other hostilities, or natural disasters;
- the commitments and liabilities of the Registrants and their subsidiaries;
- market demand and prices for energy, capacity, transmission services, emission allowances, RECs and delivered fuel;
- competition in retail and wholesale power and natural gas markets;
- liquidity of wholesale power markets;
- defaults by counterparties under energy, fuel or other power product contracts;
- market prices of commodity inputs for ongoing capital expenditures;
- capital market conditions, including the availability of capital or credit, changes in interest rates and certain economic indices, and decisions regarding capital structure;
- stock price performance of PPL;
- volatility in the fair value of debt and equity securities and its impact on the value of assets in the NDT funds and in defined benefit plans, and the potential cash funding requirements if fair value declines;
- interest rates and their effect on pension, retiree medical and nuclear decommissioning liabilities, and interest payable on certain debt securities;
- volatility in or the impact of other changes in financial or commodity markets and economic conditions;
- the profitability and liquidity, including access to capital markets and credit facilities, of the Registrants and their subsidiaries;
- new accounting requirements or new interpretations or applications of existing requirements;
- changes in securities and credit ratings;
- foreign currency exchange rates;
- current and future environmental conditions, regulations and other requirements and the related costs of compliance, including environmental capital expenditures, emission allowance costs and other expenses;
- legal, regulatory, political, market or other reactions to the 2011 incident at the nuclear generating facility at Fukushima, Japan, including additional NRC requirements;
- political, regulatory or economic conditions in states, regions or countries where the Registrants or their subsidiaries conduct business;
- receipt of necessary governmental permits, approvals and rate relief;
- new state, federal or foreign legislation, including new tax, environmental, healthcare or pension-related legislation;
- state, federal and foreign regulatory developments;
- the outcome of any rate cases by PPL Electric at the PUC or the FERC, by LG&E at the KPSC; by KU at the KPSC, VSCC, TRA or the FERC, or by WPD at Ofgem in the U.K.;
- the impact of any state, federal or foreign investigations applicable to the Registrants and their subsidiaries and the energy industry;

- the effect of any business or industry restructuring;
- development of new projects, markets and technologies;
- performance of new ventures; and
- business dispositions or acquisitions and our ability to successfully operate such acquired businesses and realize expected benefits from business acquisitions, including PPL's 2011 acquisition of WPD Midlands and 2010 acquisition of LKE.

Any such forward-looking statements should be considered in light of such important factors and in conjunction with other documents of the Registrants on file with the SEC.

New factors that could cause actual results to differ materially from those described in forward-looking statements emerge from time to time, and it is not possible for the Registrants to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. Any forward-looking statement speaks only as of the date on which such statement is made, and the Registrants undertake no obligation to update the information contained in such statement to reflect subsequent developments or information.

**PART I****ITEM 1. BUSINESS****BACKGROUND**

*PPL Corporation*, headquartered in Allentown, Pennsylvania, is an energy and utility holding company that was incorporated in 1994. Through its subsidiaries, PPL generates electricity from power plants in the northeastern, northwestern and southeastern U.S.; markets wholesale or retail energy primarily in the northeastern and northwestern portions of the U.S.; delivers electricity to customers in Pennsylvania, Kentucky, Virginia, Tennessee and the U.K. and natural gas to customers in Kentucky.

In 2011 and 2010, PPL completed two acquisitions:

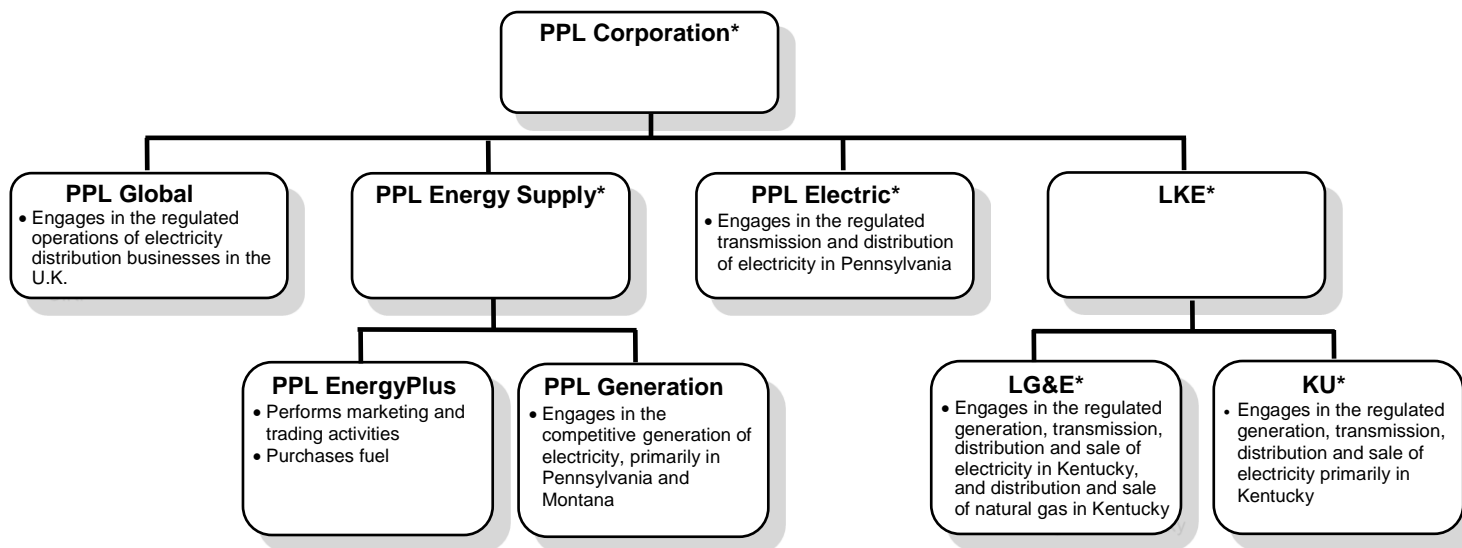
- On April 1, 2011, PPL, through its indirect, wholly owned subsidiary, PPL WEM, completed its acquisition of all the outstanding ordinary share capital of Central Networks East plc and Central Networks Limited, the sole owner of Central Networks West plc, together with certain other related assets and liabilities (collectively referred to as Central Networks and subsequently renamed WPD Midlands), from subsidiaries of E.ON AG. The consideration for the acquisition consisted of cash of \$5.8 billion, including the repayment of \$1.7 billion of affiliate indebtedness owed to subsidiaries of E.ON AG and \$800 million of long-term debt assumed through consolidation. WPD Midlands operates two regulated distribution networks that serve five million end-users in the Midlands area of England.
- On November 1, 2010, PPL acquired all of the limited liability company interests of E.ON U.S. LLC from a wholly owned subsidiary of E.ON AG. Upon completion of the acquisition, E.ON U.S. LLC was renamed LG&E and KU Energy LLC (LKE). LKE is engaged in regulated utility operations through its subsidiaries, LG&E and KU. The consideration for the acquisition consisted of cash of \$6.8 billion, including the repayment of \$4.3 billion of affiliate indebtedness owed to subsidiaries of E.ON AG, and \$800 million of debt assumed through consolidation.
- See Note 10 to the Financial Statements for additional information on both acquisitions.

The acquisitions of WPD Midlands and LKE: (1) substantially reappportion the mix of PPL's regulated and competitive businesses by increasing the regulated portion of its business; (2) strengthen PPL's credit profile; and (3) enhance rate-regulated growth opportunities as the regulated businesses make investments to meet environmental compliance requirements and improve infrastructure and customer reliability. The investment in regulated assets also provides earnings stability through regulated returns and the ability to recover prudently incurred capital investments, in contrast to the competitive supply business where earnings and cash flows are subject to market conditions. At December 31, 2011, PPL had:

- \$12.7 billion in operating revenues (including eight months from WPD Midlands, which are recorded on a one-month lag)
- 10.5 million end-users of its utility services (including 5 million end-users served by the WPD Midlands companies)
- Approximately 19,000 MW of generation
- Approximately 18,000 full-time employees

In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding (the parent holding company of PPL Energy Supply and PPL Global with no other material operations), to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements. The distribution separated the U.S.-based competitive energy marketing and supply business from the U.K.-based regulated electricity distribution business. See Note 9 to the Financial Statements for additional information.

At December 31, 2011 PPL's principal subsidiaries are shown below (\* denotes an SEC registrant; LKE, LG&E and KU became SEC registrants effective June 1, 2011):





In addition to PPL Corporation, the other SEC registrants included in this filing are:

*PPL Energy Supply, LLC*, headquartered in Allentown, Pennsylvania, is an indirect wholly owned subsidiary of PPL formed in 2000 and is an energy company engaged through its subsidiaries in the generation and marketing of electricity, primarily in the northeastern and northwestern power markets of the U.S. PPL Energy Supply's major operating subsidiaries are PPL EnergyPlus and PPL Generation. As noted above, in January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding. For 2010 and 2009, the operating results of PPL Global, which represents the International Regulated segment, are classified as Discontinued Operations. At December 31, 2011, PPL Energy Supply owned or controlled 10,508 MW of electric power generation capacity and is implementing capital projects at certain of its existing generation facilities in Pennsylvania and Montana to provide 191 MW of additional generating capacity by the end of 2013.

*PPL Electric Utilities Corporation*, headquartered in Allentown, Pennsylvania, is a direct subsidiary of PPL incorporated in 1920 and a regulated public utility. PPL Electric delivers electricity in its Pennsylvania service territory and provides electricity supply to retail customers in that territory as a PLR under the Customer Choice Act.

*LG&E and KU Energy LLC*, headquartered in Louisville, Kentucky, is a holding company with regulated utility operations through its subsidiaries, LG&E and KU, and is a wholly owned subsidiary of PPL. LKE, formed in 2003, is the successor to a Kentucky entity incorporated in 1989.

*Louisville Gas and Electric Company*, headquartered in Louisville, Kentucky, is a regulated utility engaged in the generation, transmission, distribution and sale of electricity and the distribution and sale of natural gas in Kentucky. LG&E was incorporated in Kentucky in 1913. At December 31, 2011, LG&E owned 3,352 MW of electric power generation capacity and, subject to certain regulatory approvals, is implementing capital projects at certain of its existing generation facilities to provide 483 MW of additional generating capacity by 2016. LG&E also anticipates retiring 563 MW of generating capacity by the end of 2015 to meet certain environmental regulations. LG&E and KU jointly dispatch their generation units with the lowest cost generation used to serve their retail native load.

*Kentucky Utilities Company*, headquartered in Lexington, Kentucky, is a regulated utility engaged in the generation, transmission, distribution and sale of electricity in Kentucky, Virginia and Tennessee. KU was incorporated in Kentucky in 1912 and Virginia in 1991. KU serves its Virginia customers under the Old Dominion Power name while its Kentucky and Tennessee customers are served under the KU name. At December 31, 2011, KU owned 4,833 MW of electric power generation capacity and, subject to certain regulatory approvals, is implementing capital projects at certain of its existing generation facilities to provide 652 MW of additional generating capacity by 2016. KU also anticipates retiring 234 MW of generating capacity by the end of 2015 to meet certain environmental regulations. KU and LG&E jointly dispatch their generation units with the lowest cost generation used to serve their retail native load.

PPL's utility subsidiaries, and to a lesser extent, certain of its competitive supply subsidiaries, are subject to extensive regulation by the FERC including: wholesale sales of power and related transactions, electric transmission service,

accounting practices, issuances and sales of securities, acquisitions and sales of utility properties and payments of dividends. PPL and LKE are subject to certain FERC regulations as holding companies under PUHCA and the Federal Power Act, including with respect to accounting and record-keeping, inter-system sales of non-power goods and services and acquisitions of securities in, or mergers with, certain types of electric utility companies.

Successor and Predecessor Financial Presentation (LKE, LG&E and KU)

LKE's, LG&E's and KU's Financial Statements and related financial and operating data include the periods before and after PPL's acquisition of LKE on November 1, 2010 and have been segregated to present pre-acquisition activity as the Predecessor and post-acquisition activity as the Successor. Predecessor activity covers the time period prior to November 1, 2010. Successor activity covers the time period after October 31, 2010. Certain accounting and presentation methods were changed to acceptable alternatives to conform to PPL's accounting policies, and the cost bases of certain assets and liabilities were changed as of November 1, 2010 as a result of the application of push-down accounting. Consequently, the financial position, results of operations and cash flows for the Successor periods are not comparable to the Predecessor periods; however, the core operations of LKE, LG&E and KU have not changed as a result of the acquisition.

Segment Information

(PPL)

Following the November 1, 2010 acquisition of LKE, PPL is organized into four reportable segments: Kentucky Regulated, International Regulated, Pennsylvania Regulated and Supply. There were no changes to reportable segments in 2011.

(PPL Energy Supply)

In 2011, PPL Energy Supply operated in a single reportable segment. Prior to 2011, PPL Energy Supply's segments consisted of Supply and International Regulated. In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding, to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements. For 2010 and 2009, the operating results of PPL Global, which represent the International Regulated segment, are classified as discontinued operations.

(PPL Electric, LKE, LG&E and KU)

PPL Electric, LKE, LG&E and KU each operate in a single reportable segment.

(PPL and PPL Energy Supply)

See Note 2 to the Financial Statements for financial information about the segments and geographic financial data.

- **Kentucky Regulated Segment (PPL)**

*Consists of the operations of LKE, which owns and operates regulated public utilities engaged in the generation, transmission, distribution and sale of electricity and the distribution and sale of natural gas, representing primarily the activities of LG&E and KU. The Kentucky Regulated segment also includes interest expense related to the 2010 Equity Units that were issued to partially finance the acquisition of LKE.*

(PPL, LKE, LG&E and KU)

LKE became a wholly owned subsidiary of PPL on November 1, 2010. LG&E and KU are engaged in the regulated generation, transmission, distribution and sale of electricity in Kentucky and, in KU's case, Virginia and Tennessee. LG&E also engages in the distribution and sale of natural gas in Kentucky. LG&E provides electric service to approximately 394,000 customers in Louisville and adjacent areas in Kentucky, covering approximately 700 square miles in 9 counties. LG&E provides natural gas service to approximately 319,000 customers in its electric service area

and 7 additional counties in Kentucky. KU provides electric service to approximately 512,000 customers in 77 counties in central, southeastern and western Kentucky; approximately 29,000 customers in 5 counties in southwestern Virginia; and fewer than 10 customers in Tennessee, covering approximately 4,800 non-contiguous square miles. KU also sells wholesale electricity to 12 municipalities in Kentucky under load following contracts. In Virginia, KU operates under the name Old Dominion Power Company.

#### Acquisition by PPL

In September 2010, the KPSC approved a settlement agreement among PPL and all of the intervening parties to PPL's joint application to the KPSC for approval of its acquisition of ownership and control of LKE. In the settlement agreement, the parties agreed that LG&E and KU would commit that no base rate increases would take effect before January 1, 2013. The rate increases for LG&E and KU that took effect on August 1, 2010 (as described below) are not impacted by the settlement. Under the terms of the settlement, LG&E and KU retain the right to seek approval for the deferral of "extraordinary and uncontrollable costs." Interim rate adjustments will continue to be permissible during that period through existing fuel, environmental and demand side management recovery mechanisms. The agreement also substitutes an acquisition savings shared deferral mechanism for the previous commitment that LG&E and KU file a synergies plan with the KPSC post-closing. This mechanism, which will be in place until the earlier of five years or the first day of the year in which a base rate increase becomes effective, permits LG&E and KU to each earn up to a 10.75% return on equity. Any earnings above a 10.75% return on equity will be shared with customers on a 50%/50% basis. The KPSC Order and the settlement agreement contained a number of other commitments by LG&E and KU with regard to operations, workforce, community involvement and other matters.

In October 2010, both the VSCC and the TRA approved the transfer of control of LKE to PPL. Certain of these Orders contained additional commitments with regard to operations, workforce, community involvement and other matters.

Also in October 2010, the FERC approved the application for the transfer of control of the utilities. The approval includes various conditional commitments, such as a continuation of certain existing undertakings with intervenors in prior cases, an agreement not to terminate certain KU municipal customer contracts prior to January 2017, an exclusion of any transaction-related costs from wholesale energy and tariff customer rates to the extent that LG&E and KU have agreed not to seek recovery of the same transaction-related cost from retail customers and agreements to coordinate with intervenors in certain open or ongoing matters.

See Note 6 to the Financial Statements for additional information on regulatory matters related to the acquisition.

#### Franchises and Licenses

LG&E and KU provide electric delivery service, and LG&E provides natural gas distribution service, in their various service territories pursuant to certain franchises, licenses, statutory service areas, easements and other rights or permissions granted by state legislatures, cities or municipalities or other entities.

#### Competition

There are currently no other electric public utilities operating within the electric service areas of LKE. Neither the Kentucky General Assembly nor the KPSC has adopted or approved a plan or timetable for retail electric industry competition in Kentucky. The nature or timing of any legislative or regulatory actions regarding industry restructuring and their impact on LKE, which may be significant, cannot currently be predicted. Virginia, formerly a deregulated jurisdiction, has enacted legislation which implemented a hybrid model of cost-based regulation. KU's operations in Virginia have been and remain regulated.

Alternative energy sources such as electricity, oil, propane and other fuels provide indirect competition for natural gas revenues of LKE. Marketers may also compete to sell natural gas to certain large end-users. LG&E's natural gas tariffs include gas price pass-through mechanisms relating to its sale of natural gas as a commodity; therefore, customer natural gas purchases from alternative suppliers do not generally impact profitability. However, some large industrial and commercial customers may physically bypass LG&E's facilities and seek delivery service directly from interstate pipelines or other natural gas distribution systems.

In April 2010, the KPSC commenced a proceeding to investigate the regulatory, financial and operational aspects of natural gas retail competition programs and the potential benefits to Kentucky consumers. A number of entities, including LG&E, were parties to the proceeding. In December 2010, the KPSC issued an Order in the proceeding declining to endorse natural gas competition at the retail level, noting the existence of a number of transition or oversight costs and an uncertain level of economic benefits in such programs. With respect to existing natural gas transportation programs available to large commercial or industrial users, the Order indicates that the KPSC will review utilities' current tariff structures, user thresholds and other terms and conditions of such programs, as part of such utilities' next regular natural gas rate cases.

### Operating Revenues

LG&E serves approximately 394,000 electricity customers, and its electric transmission and distribution system territory covers more than 700 square miles in 9 counties. KU serves approximately 541,000 electricity customers, and its transmission and distribution system territory covers more than 4,800 non-contiguous square miles in 82 counties. LG&E purchases, transports, distributes or stores natural gas for approximately 319,000 customers in Kentucky. LG&E's natural gas service area covers more than 3,600 square miles in 16 counties. In 2011, 27% of LG&E's annual natural gas throughput was purchased by large commercial and industrial customers directly from alternate suppliers for delivery through LG&E's distribution system.

(PPL)

Details of operating revenues for the Kentucky Regulated segment by customer class for the year ended December 31, 2011 and the two months ended December 31, 2010 are shown below.

	2011		2010	
	Revenue	% of Revenue	Revenue	% of Revenue
Industrial and commercial	\$ 1,252	45	\$ 209	42
Residential	1,087	39	219	44
Retail - other	269	9	42	9
Wholesale - municipal	104	4	15	3
Wholesale - other	81	3	8	2
Total	<u>\$ 2,793</u>	<u>100</u>	<u>\$ 493</u>	<u>100</u>

(LKE, LG&E and KU)

Details of operating revenues by customer class are shown below.

	Successor				Predecessor			
	Year Ended December 31, 2011		Two Months Ended December 31, 2010		Ten Months Ended October 31, 2010		Year Ended December 31, 2009	
	Revenue	% of Revenue	Revenue	% of Revenue	Revenue	% of Revenue	Revenue	% of Revenue
<b><u>LKE</u></b>								
Industrial and commercial	\$ 1,252	45	\$ 209	42	\$ 997	45	\$ 1,112	44
Residential	1,087	39	219	44	886	40	1,020	41
Retail - other	269	9	43	9	212	10	227	9
Wholesale - municipal	104	4	15	3	88	4	91	4
Wholesale - other (a)	81	3	8	2	31	1	51	2
Total	<u>\$ 2,793</u>	<u>100</u>	<u>\$ 494</u>	<u>100</u>	<u>\$ 2,214</u>	<u>100</u>	<u>\$ 2,501</u>	<u>100</u>
<b><u>LG&amp;E</u></b>								
Industrial and commercial	\$ 524	38	\$ 92	36	\$ 409	39	\$ 475	37
Residential	561	41	113	44	446	42	540	42
Retail - other	130	10	22	9	98	9	109	9
Wholesale - other (a) (b)	149	11	27	11	104	10	148	12
Total	<u>\$ 1,364</u>	<u>100</u>	<u>\$ 254</u>	<u>100</u>	<u>\$ 1,057</u>	<u>100</u>	<u>\$ 1,272</u>	<u>100</u>
<b><u>KU</u></b>								
Industrial and commercial	\$ 728	47	\$ 117	44	\$ 588	47	\$ 637	47
Residential	526	34	106	40	440	35	480	35
Retail - other	139	9	21	8	114	9	118	9
Wholesale - municipal	104	7	15	6	88	7	91	7

Wholesale - other (a) (b)	51	3	4	2	18	2	29	2
Total	\$ 1,548	100	\$ 263	100	\$ 1,248	100	\$ 1,355	100

(a) Includes wholesale and transmission revenues.

(b) Includes intercompany power sales and transmission revenues, which are eliminated upon consolidation at LKE.

(PPL, LKE, LG&E and KU)

#### Power Supply

At December 31, 2011, LKE owned, controlled or had an ownership interest in generating capacity (summer rating) of 8,185 MW, of which 3,352 MW related to LG&E and 4,833 MW related to KU, in Kentucky, Indiana, and Ohio. See "Item 2. Properties - Kentucky Regulated Segment" for a complete list of LKE's generating facilities.

The system capacity of LKE's owned or controlled generation is based upon a number of factors, including the operating experience and physical condition of the units, and may be revised periodically to reflect changes in circumstances.

During 2011, LKE's power plants generated the following amounts of electricity.

Fuel Source	Thousands of MWs					
	LKE		LG&E		KU	
	Southeastern	Midwestern	Southeastern	Midwestern	Southeastern	Midwestern
Coal (a)	33,897	1,132	15,291	783	18,606	349
Oil / Gas	497		175		322	
Hydro	290		208		82	
Total	34,684	1,132	15,674	783	19,010	349
Overall total (b)		35,816		16,457		19,359

(a) The Midwestern generation represents power generated by and purchased from OVEC.

(b) This generation represents a 1% increase for LKE, a 7% decrease for LG&E and an 8% increase for KU from 2010 output.

A significant portion of LG&E's and KU's generated electricity was used to supply its retail and municipal customer base.

LG&E and KU jointly dispatch their generation units with the lowest cost generation used to serve their retail native load. When LG&E has excess generation capacity after serving its own retail native load and its generation cost is lower than that of KU, KU purchases electricity from LG&E. When KU has excess generation capacity after serving its own retail native load and its generation cost is lower than that of LG&E, LG&E purchases electricity from KU.

See "Item 2. Properties - Kentucky Regulated Segment" for additional information regarding LG&E's and KU's plans for capital projects, subject to certain regulatory approvals, that are expected to provide 483 MW and 652 MW of additional electric generating capacity by 2016. LG&E and KU also anticipate retiring 563 MW and 234 MW of generating capacity by the end of 2015 to meet certain environmental regulations.

#### Fuel Supply

Coal is expected to be the predominant fuel used by LG&E and KU for baseload generation for the foreseeable future, with natural gas and oil being used for intermediate and peaking capacity and flame stabilization in coal-fired boilers.

Fuel inventory is maintained at levels estimated to be necessary to avoid operational disruptions at coal-fired generating units. Reliability of coal deliveries can be affected from time to time by a number of factors including fluctuations in demand, coal mine production issues and other supplier or transporter operating difficulties.

LG&E and KU have entered into coal supply agreements with various suppliers for coal deliveries through 2016 and normally augment their coal supply agreements with spot market purchases.

For their existing units, LG&E and KU expect for the foreseeable future to purchase most of their coal from western Kentucky, southern Indiana, southern Illinois and Ohio. The use of high sulfur coal will increase in 2012 due to the

installation of scrubbers at KU's E.W. Brown plant. In 2012 and beyond, LG&E and KU may purchase certain quantities of ultra-low sulfur content coal from Wyoming for blending at TC2. Coal is delivered to the generating plants by barge, truck and rail.

*(PPL, LKE and LG&E)*

Natural Gas Supply

Five underground natural gas storage fields, with a current working natural gas capacity of approximately 15 Bcf, are used in providing natural gas service to LG&E's firm sales customers. By using natural gas storage facilities, LG&E avoids the costs typically associated with more expensive pipeline transportation capacity to serve peak winter heating loads. Natural gas is stored during the summer season for withdrawal during the following winter heating season. Without this storage capacity, LG&E would be required to purchase additional natural gas and pipeline transportation services during winter months when customer demand increases and the prices for natural gas supply and transportation services are typically at their highest. Several suppliers under contracts of varying duration provide competitively priced natural gas. At December 31, 2011, LG&E had an 11 Bcf inventory balance of natural gas stored underground with a carrying value of \$53 million.

LG&E has a portfolio of supply arrangements of varying terms with a number of suppliers designed to meet its firm sales obligations. These natural gas supply arrangements include pricing provisions that are market-responsive. In tandem with pipeline transportation services, these natural gas supplies provide the reliability and flexibility necessary to serve LG&E's natural gas customers.

LG&E purchases natural gas supply transportation services from two pipelines. LG&E has contracts with one pipeline that are subject to termination by LG&E between 2013 and 2018. Total winter capacity under these contracts is 195,000 MMBtu/day and summer capacity is 88,000 MMBtu/day. LG&E has a contract with the other pipeline that expires in October 2012. Total winter and summer capacity under this contract is 51,000 MMBtu/day during both seasons. That contract has been renegotiated through 2014 for a total capacity of 20,000 MMBtu/day during both the winter and summer seasons beginning in November 2012.

*(PPL, LKE, LG&E and KU)*

Rates and Regulation

LG&E is subject to the jurisdiction of the KPSC and the FERC, and KU is subject to the jurisdiction of the KPSC, the FERC, the VSCC and the TRA. LG&E and KU operate under a FERC-approved open access transmission tariff. LG&E and KU contract with the Tennessee Valley Authority, to act as their transmission reliability coordinator, and Southwest Power Pool, Inc. (SPP), to function as their independent transmission operator, pursuant to FERC requirements. The contract with SPP expires on August 31, 2012. LG&E and KU have received FERC approval to transfer from SPP to TranServ International, Inc. as their independent transmission operator beginning September 1, 2012. Approval from the KPSC is also required, and an application requesting approval was filed in January 2012.

LG&E's and KU's Kentucky base rates are calculated based on a return on capitalization (common equity, long-term debt and notes payable) including certain adjustments to exclude non-regulated investments and environmental compliance costs recovered separately through the ECR mechanism. As such, regulatory assets generally earn a return.

KU's Virginia base rates are calculated based on a return on rate base (net utility plant plus working capital less deferred taxes and miscellaneous deductions). All regulatory assets and liabilities, except the levelized fuel factor, are excluded from the return on rate base utilized in the calculation of Virginia base rates; therefore, no return is earned on the related assets.

KU's rates to municipal customers for wholesale requirements are calculated based on annual updates to a rate formula that utilizes a return on rate base (net utility plant plus working capital less deferred taxes and miscellaneous deductions). All regulatory assets and liabilities are excluded from the return on rate base utilized in the development of municipal rates; therefore, no return is earned on the related assets.

See Note 6 to the Financial Statements for additional information on cost recovery mechanisms.

### Kentucky Rate Case

In January 2010, LG&E and KU filed applications with the KPSC requesting increases in electric base rates of approximately 12%, or \$95 million for LG&E and \$135 million for KU annually. In addition, LG&E requested an increase in its natural gas base rates of approximately 8%, or \$23 million annually. In June 2010, LG&E and KU and all of the intervenors, except the Attorney General, agreed to a stipulation providing for increases in LG&E's electric base rates of \$74 million annually, LG&E's natural gas base rates of \$17 million annually and KU's electric base rates of \$98 million annually. All parties, except the Attorney General, jointly filed a request with the KPSC to approve such stipulation. An Order in the proceeding was issued in July 2010, approving all of the provisions in the stipulation. The KPSC Order determined a return on equity range of 9.75% to 10.75% to be reasonable and noted that the stipulation was within such range. The new rates became effective on August 1, 2010.

*(PPL, LKE and KU)*

### Virginia Rate Case

In April 2011, KU filed an application with the VSCC requesting an increase in electric base rates for its Virginia jurisdictional customers of \$9 million annually, or 14%. In September 2011, a settlement stipulation was reached between KU and the VSCC Staff and filed with the VSCC for consideration. In October 2011, the VSCC approved the stipulation with two modifications that were accepted by KU. The VSCC issued an Order closing the proceeding in October 2011. The approved revenue increase was \$7 million annually, based on a return on equity of 10.3%, with new base rates effective November 1, 2011.

### FERC Wholesale Rate Case

In September 2008, KU filed an application with the FERC for increases in electric base rates applicable to wholesale power sales contracts or interchange agreements involving, collectively, 12 Kentucky municipalities. The application requested a shift from an all-in stated unit charge rate to an unbundled formula rate. This application was approved by the FERC, and annual adjustments are made to the rates charged to the Kentucky municipalities with applications being submitted each May and revised rates taking effect on July 1. In May 2011, KU submitted to the FERC the annual adjustments to the formula rate which incorporated certain proposed decreases. These rates became effective as of July 1, 2011, with no issues raised by the wholesale requirements customers or the FERC.

- **International Regulated Segment** *(PPL)*

*Includes WPD, a regulated electricity distribution company in the U.K.*

WPD, through indirect wholly owned subsidiaries, operates four of the 15 distribution networks providing electricity service in the U.K. With the April 2011 acquisition of WPD Midlands, the total number of end-users served has more than doubled totaling 7.8 million across 21,585 square miles in Wales, southwest and central England. See Note 10 to the Financial Statements for additional information on the acquisition.

Details of revenue by category for the years ended December 31 are shown below.

	2011		2010		2009	
	Revenue	% of Revenue	Revenue	% of Revenue	Revenue	% of Revenue
Utility revenues (a)	\$ 1,618	98	\$ 727	96	\$ 684	96
Energy-related businesses	35	2	34	4	32	4
Total	<u>\$ 1,653</u>	<u>100</u>	<u>\$ 761</u>	<u>100</u>	<u>\$ 716</u>	<u>100</u>

(a) The amounts for 2011 are not comparable to 2010 or 2009 as WPD Midlands was acquired in April 2011. 2011 includes eight months of activity as WPD Midlands' results are recorded on a one-month lag.

WPD's energy-related businesses revenues include ancillary activities that support the distribution business, including telecommunications and real estate. WPD's telecommunication revenues are from the rental of fiber optic cables

primarily attached to WPD's overhead electricity distribution network. WPD also provides meter services to businesses across the U.K.

#### Franchise and Licenses

WPD is authorized by Ofgem to provide electric distribution services within its concession areas and service territories, subject to certain conditions and obligations. For instance, WPD is subject to Ofgem regulation of the prices it can charge and the quality of service it must provide, and WPD can be fined or have its licenses revoked if it does not meet the mandated standard of service.

#### Competition

Although WPD operates in non-exclusive concession areas in the U.K., it currently faces little competition with respect to end-users connected to its network. WPD's four distribution businesses, WPD (South West), WPD (South Wales), WPD (West Midlands) and WPD (East Midlands), are thus regulated monopolies which operate under regulatory price controls.

#### Revenue and Regulation

The operations of WPD (South West), WPD (South Wales), WPD (East Midlands) and WPD (West Midlands) are regulated by Ofgem under the direction of the Gas and Electricity Markets Authority. The Electricity Act 1989 provides the fundamental legal framework of electricity companies and established licenses that required each of the Distribution Network Operators (DNOs) to develop, maintain and operate efficient distribution networks. Ofgem has established a price control mechanism that restricts the amount of revenue that can be earned by regulated business and provides for an increase or reduction in revenues based on incentives or penalties for exceeding or underperforming against pre-established targets.

This regulatory structure is an incentive-based regulatory structure in comparison to the U.S. utility businesses which operate under a cost-based regulatory framework. Under the UK regulatory structure, electricity distribution revenues are currently set every five years, but extending to eight years in the next price control period beginning in April 2015. The revenue that DNOs can earn in each of the five years is the sum of: i) the regulator's view of efficient operating costs, ii) a return on the capital from the RAV plus an annual adjustment for the inflation determined by Retail Price Index (RPI) for the prior calendar year, iii) a return of capital from the RAV (i.e. depreciation), and iv) certain pass-through costs over which the DNO has no control. Additionally, incentives are provided for a range of activities including exceeding certain reliability and customer service targets.

WPD is currently operating under DPCR5 which was completed in December 2009 and is effective for the period from April 1, 2010 through March 31, 2015. Ofgem allowed WPD (South West) and WPD (South Wales) an average increase in total revenues, before inflationary adjustments, of 6.9% in each of the five years and WPD Midlands an average increase in total revenues, before inflationary adjustments, of 4.5% in each of the five years. The revenue increase includes reimbursement for higher operating and capital costs to be incurred driven by additional requirements. In DPCR5, Ofgem decoupled WPD's allowed revenue from volume delivered over the five-year price control period. However, in any fiscal period WPD's revenue could be negatively affected if its tariffs and the volume delivered do not fully recover the allowed revenue for a given period. Any under recovery would be recovered in the next regulatory year, but would not be recorded as a receivable in the current period. Any over recovery would be reflected in the current period as a liability and would not be included in revenue.

In addition to providing a base revenue allowance, Ofgem has established incentive mechanisms to provide significant opportunities to enhance overall returns by improving network efficiency, reliability and customer service. Some of the more significant incentive mechanisms under DPCR5 include:

- Interruptions Incentive Scheme (IIS) - This incentive has two major components: 1) Customer interruptions and 2) Customer minutes lost and is designed to incentivize the DNOs to invest and operate their networks to manage and reduce both the frequency and duration of power outages experienced by customers. The target for each DNO is based on an average of the data from the prior price control period.



Beginning April 1, 2012, an additional customer satisfaction incentive mechanism will be implemented that will include a customer satisfaction survey, a complaints metric and a measure of stakeholder engagement. This incentive will replace the customer response telephone performance incentive that was effective April 1, 2010.

- **Line Loss Incentive** - This incentive existed in the prior price control review and is designed to incentivize DNOs to invest in lower loss equipment, to change the way they operate their systems to reduce losses, and to detect theft and unregistered meters. The targets for each of WPD's four DNOs are set based on their performance during DPCR4. In DPCR5, Ofgem introduced a two year lag in reporting losses to allow for all settlement data to be received. WPD has a \$170 million liability recorded at December 31, 2011, calculated in accordance with an accepted methodology, related to the close-out of line losses for the prior price control period, DPCR4. Ofgem is currently consulting on the methodology used to calculate the final line loss incentive/penalty for DPCR4. In October 2011, Ofgem issued a consultation paper citing two potential changes to the methodology, both of which would result in a reduction of the liability; however, it is uncertain at this time whether any changes will be made. Ofgem is expected to make a decision before the end of 2012.
- **Information Quality Incentive (IQI)** - The IQI is designed to incentivize the DNOs to provide good quality information when they submit their business plans to Ofgem during the price control process and to execute the plan they submitted. The IQI eliminates the distinction between capital expenditure and operating expense and instead looks at total expenditure. Total expenditure is allocated 85% to "slow pot" which is added to RAV and recovered over 20 years through the regulatory depreciation of the RAV and 15% to "fast pot" which is recovered during the current price control review period. The IQI then provides for incentives or penalties at the end of DPCR5 based on the ratio of actual expenditures to the expenditures submitted to Ofgem that were the basis for the revenues allowed during the five-year price control review period.

At the beginning of DPCR5, WPD was awarded \$301 million in incentive revenue of which \$222 million will be included in revenue throughout the current price control period with the balance recovered over subsequent price control periods. Additional incentive revenue primarily from the IIS of \$30 million related to performance for the regulatory year ended March 31, 2011 and will be included in revenues for the 2012-2013 regulatory year.

In October 2010, Ofgem announced a new pricing model that will be effective for the U.K. electricity distribution sector, including WPD, beginning April 2015. The model, known as RIIO (Revenues = Incentives + Innovation + Outputs), is intended to encourage investment in regulated infrastructure. Key components of the model are: an extension of the price review period to eight years, increased emphasis on outputs and incentives, enhanced stakeholder engagement including network customers, a stronger incentive framework to encourage more efficient investment and innovation, expansion of the current Low Carbon Network Fund to stimulate innovation and continued use of a single weighted average cost of capital. Ofgem has also indicated that the depreciation of the RAV for RAV additions after April 1, 2015 will change from 20 years to 45 years. At this time, management does not expect the effect of RIIO to be significant to WPD's financial results. See "Item 1A. Risk Factors - Risks Related to International Regulated Segment."

#### Customers

The majority of WPD's revenue is known as DUoS and is derived from charging energy suppliers for the delivery of electricity to end-users and thus its customers are the suppliers to those end-users. Ofgem requires that all licensed electricity distributors and suppliers become parties to the Distribution Connection and Use of System Agreement. This agreement sets out how creditworthiness will be determined and, as a result, whether the supplier needs to provide collateral.

- **Pennsylvania Regulated Segment (PPL)**

*Includes the regulated electric delivery operations of PPL Electric.*

*(PPL and PPL Electric)*

PPL Electric is subject to regulation as a public utility by the PUC, and certain of its transmission activities are subject to the jurisdiction of the FERC under the Federal Power Act. PPL Electric delivers electricity to approximately 1.4 million customers in a 10,000-square mile territory in 29 counties of eastern and central Pennsylvania. PPL Electric also provides electricity supply in this territory as a PLR.

Details of electric revenues by customer class for the years ended December 31, are shown below.

	2011		2010		2009	
	Revenue	% of Revenue	Revenue	% of Revenue	Revenue	% of Revenue
Residential	\$ 1,266	67	\$ 1,469	60	\$ 1,473	45
Industrial	62	3	123	5	519	16
Commercial	431	23	588	24	1,173	35
Other (a) (b)	133	7	275	11	127	4
Total	<u>\$ 1,892</u>	<u>100</u>	<u>\$ 2,455</u>	<u>100</u>	<u>\$ 3,292</u>	<u>100</u>

- (a) Includes regulatory over- or under-recovery reconciliation mechanisms, pole attachment revenues, street lighting and net transmission revenues.  
 (b) Included in these amounts for 2011, 2010 and 2009 are \$11 million, \$7 million and \$74 million of retail and wholesale electric to affiliate revenue which is eliminated in consolidation for PPL.

#### Franchise, Licenses and Other Regulations

PPL Electric is authorized to provide electric public utility service throughout its service area as a result of grants by the Commonwealth of Pennsylvania in corporate charters to PPL Electric and companies to which it has succeeded and as a result of certification by the PUC. PPL Electric is granted the right to enter the streets and highways by the Commonwealth subject to certain conditions. In general, such conditions have been met by ordinance, resolution, permit, acquiescence or other action by an appropriate local political subdivision or agency of the Commonwealth.

#### Competition

Pursuant to authorizations from the Commonwealth of Pennsylvania and the PUC, PPL Electric operates a regulated transmission and distribution monopoly in its service area. Accordingly, PPL Electric does not face competition in its electricity transmission and distribution businesses.

#### Rates and Regulation

##### Transmission and Distribution

PPL Electric's transmission facilities are within PJM, which operates the electric transmission network and electric energy market in the Mid-Atlantic and Midwest regions of the U.S.

PJM serves as a FERC-approved RTO to promote greater participation and competition in the region it serves. In addition to operating the electric transmission network, PJM also administers regional markets for energy, capacity and ancillary services. A primary objective of any RTO is to separate the operation of, and access to, the transmission grid from market participants that buy or sell electricity in the same markets. Electric utilities continue to own the transmission assets and to receive their share of transmission revenues, but the RTO directs the control and operation of the transmission facilities. PPL Electric is entitled to fully recover from customers the charges that it pays to PJM for transmission-related services.

PPL Electric's transmission revenues are billed in accordance with a FERC tariff that allows recovery of transmission costs incurred, a return on transmission-related plant and an automatic annual update.

PPL Electric's distribution base rates are calculated based on a return on rate base (net utility plant plus a cash working capital allowance less plant-related deferred taxes and other miscellaneous additions and deductions). In November 2004, Pennsylvania enacted the Alternative Energy Portfolio Standard Act (the AEPS), which requires electricity distribution companies and electricity generation suppliers, to obtain a portion of the electricity sold to retail customers in Pennsylvania from alternative energy sources. Under the default service procurement plans approved by the PUC, PPL Electric purchases all of the alternative energy generation supply it needs to comply with the AEPS.

Act 129 became effective in October 2008. The law creates an energy efficiency and conservation program, a demand side management program, smart metering technology requirements, new PLR generation supply procurement rules, remedies for market misconduct, and changes to the existing AEPS.

See "Regulatory Matters - Pennsylvania Activities" in Note 6 to the Financial Statements for additional information regarding Act 129, other legislative and regulatory impacts and PPL Electric's actions to provide default electricity supply for periods after 2009.

### PLR

The Customer Choice Act requires electric distribution companies, including PPL Electric, to act as a PLR of electricity supply and provides that electricity supply costs will be recovered by such companies pursuant to regulations established by the PUC. As part of the PUC Final Order, PPL Electric agreed to supply this electricity at predetermined capped rates through 2009. To mitigate the risk that PPL Electric would not be able to obtain adequate energy supply at the "capped" rates, PPL Electric entered into full-requirement energy supply contracts with PPL EnergyPlus sufficient for PPL Electric to meet its PLR obligation through the end of 2009. Under these contracts, PPL EnergyPlus supplied PPL Electric's entire PLR load at predetermined prices equal to the capped generation rates that PPL Electric was authorized to charge its customers. Prior to the expiration of the rate caps, PPL Electric's customers had limited incentive to purchase generation supply from other providers because the contracts between PPL Electric and PPL EnergyPlus provided a below-market price for these customers. As a result, a limited amount of "shopping" occurred. Since the expiration of the rate caps, shopping has increased and as of December 31, 2011, the following percentages of PPL Electric's customer load were shopping: 43% of residential, 82% of small commercial and industrial and 99% of large commercial and industrial customers. The PUC continues to be interested in the competitive market for electricity. See "Regulatory Matters - Pennsylvania Activities" in Note 6 to the Financial Statements for additional information.

PPL Electric's PLR obligation after 2009 is governed by the PUC pursuant to the Public Utility Code as amended by Act 129, PLR regulations and a policy statement regarding interpretation and implementation of those regulations. Effective January 1, 2010, PPL Electric's cost of electric generation is based on a competitive solicitation process. The PUC has approved PPL Electric's default service plan for the period January 2011 through May 2013, which includes 14 solicitations for supply beginning January 1, 2011 with a portion extending beyond May 2013. Pursuant to this plan, PPL Electric contracts for all of the electricity supply for residential, small commercial and small industrial customers, large commercial and large industrial customers who elect to take that service from PPL Electric. These solicitations include a mix of spot market purchases and long-term and short-term purchases ranging from five months to ten years to fulfill PPL Electric's obligation to provide customer supply as a PLR. To date, PPL Electric has conducted ten of its 14 planned competitive solicitations. See "Energy Purchase Commitments" in Note 15 to the Financial Statements for additional information regarding PPL Electric's solicitations for 2011 and its actions to provide default electricity supply for periods after 2011.

In addition, alternative suppliers have offered to provide generation supply in PPL Electric's service territory. Whether its customers purchase supply from these alternative suppliers or from PPL Electric as a PLR, the purchase of such supply has no impact on the financial results of PPL Electric. The cost to purchase PLR supply is passed directly by PPL Electric to its customers without markup.

### 2010 Rate Case

In March 2010, PPL Electric filed a request with the PUC to increase distribution rates by approximately \$115 million or approximately 2.4% over PPL Electric's projected 2010 revenues, to be effective January 1, 2011. In December 2010, the PUC approved a settlement filed by the parties that provides for a rate increase of \$77.5 million, or 1.6%, over PPL Electric's projected 2010 revenues. The approved rates became effective for service rendered on and after January 1, 2011. In January 2011, the PP&L Industrial Customers Alliance (PPLICA) filed a Petition for Reconsideration of the PUC's order regarding PPLICA's proposal for a special rate schedule for certain large commercial and industrial customers. The PUC granted reconsideration and assigned the case to an Administrative Law Judge. Hearings were held in September 2011. In January 2012, the Administrative Law Judge issued a recommended decision that the PUC deny PPLICA's proposal. PPLICA filed exceptions to the recommended decision. PPL Electric will file reply exceptions.

### FERC Formula Rates

In March 2012, PPL Electric plans to file a request with the FERC seeking recovery, over a 34-year period beginning in June 2012, of its unrecovered regulatory asset related to the deferred state tax liability that existed at the time of the transition from the flow-through treatment of state income taxes to full normalization. This change in tax treatment occurred in 2008 as a result of prior FERC initiatives which transferred regulatory jurisdiction of certain transmission assets from the PUC to the FERC. A regulatory asset of \$51 million related to this transition, classified as taxes recoverable through future rates, is included in "Other Noncurrent Assets - Regulatory assets" on the Balance Sheet. PPL Electric believes recoverability of this regulatory asset is probable based on FERC precedent in similar cases; however, it is reasonably possible that the FERC may limit the recovery of all or part of the claimed asset.

See Note 6 to the Financial Statements for additional information on rate mechanisms.

(PPL and PPL Energy Supply)

- **Supply Segment**

*Owns and operates competitive domestic power plants to generate electricity; markets and trades this electricity, purchased power, and other energy-related products to competitive wholesale and retail markets; and acquires and develops competitive domestic generation projects. Consists primarily of the activities of PPL Generation and PPL EnergyPlus.*

PPL Energy Supply has generation assets that are located in the northeastern and northwestern U.S. markets. The northeastern generating capacity is located primarily in Pennsylvania within PJM and northwestern generating capacity is located in Montana. PPL Energy Supply enters into energy and energy-related contracts to hedge the variability of expected cash flows associated with their generating units and marketing activities, as well as for trading purposes. PPL EnergyPlus sells the electricity produced by PPL Energy Supply's generation plants based on prevailing market rates.

Details of revenue by category for the years ended December 31, are shown below.

	2011		2010		2009	
	Revenue	% of Revenue	Revenue	% of Revenue	Revenue	% of Revenue
Energy						
Wholesale (a)	\$ 5,240	82	\$ 4,347	85	\$ 4,761	90
Retail	727	11	415	8	152	3
Trading	(2)		2		17	
Total energy	5,965	93	4,764	93	4,930	93
Energy-related businesses (b)	464	7	364	7	379	7
Total	\$ 6,429	100	\$ 5,128	100	\$ 5,309	100

(a) Included in these amounts for 2011, 2010, and 2009 are \$26 million, \$320 million and \$1.8 billion of wholesale electric sales to an affiliate which are eliminated in consolidation for PPL.

(b) Energy-related businesses revenues include activities that primarily support the generation, marketing and trading businesses. These activities include developing renewable energy projects and providing energy-related products and services to commercial and industrial customers through its mechanical contracting and services subsidiaries. In addition to these amounts, for 2011, 2010, and 2009, PPL has \$8 million, \$11 million and \$12 million of revenue which is not applicable to PPL Energy Supply.

**Power Supply**

PPL Energy Supply owned or controlled generating capacity (summer rating) of 10,508 MW at December 31, 2011. The system capacity of PPL Energy Supply's owned or controlled generation is based upon a number of factors, including the operating experience and physical condition of the units, and may be revised periodically to reflect changes in circumstances. Generating capacity controlled by PPL Generation and other PPL Energy Supply subsidiaries includes power obtained through PPL EnergyPlus' tolling or power purchase agreements (including Ironwood and other facilities that consist of NUGs, wind farms and landfill gas facilities). See "Item 2. Properties - Supply Segment" for a complete listing of PPL Energy Supply's generating capacity.

During 2011, PPL Energy Supply's power plants, excluding renewable facilities that are discussed separately below, generated the following amounts of electricity.

Fuel Source	Thousands of MWhs		
	Northeastern	Northwestern	Total

Nuclear	15,627		15,627
Oil / Gas (a)	9,033		9,033
Coal	21,612	3,842	25,454
Hydro (a)	682	3,697	4,379
Total (b)	46,954	7,539	54,493

- (a) Northeastern includes generation from certain non-core generation facilities that were sold in March 2011. See Note 9 to the Financial Statements for additional information.
- (b) This generation represents a 4% decrease from 2010 output, largely attributable to PPL Susquehanna's dual-unit turbine blade replacement outages and economic reductions in coal unit output in the western U.S. in 2011.

PPL Energy Supply's generation subsidiaries are EWGs that sell electricity into wholesale markets. EWGs are subject to regulation by the FERC, which has authorized these EWGs to sell the electricity generated at market-based prices. This electricity is sold to PPL EnergyPlus under FERC-jurisdictional power purchase agreements. PPL Susquehanna is subject to the jurisdiction of the NRC in connection with the operation of the Susquehanna nuclear units. Certain of PPL Energy Supply's other subsidiaries are subject to the jurisdiction of the NRC in connection with the operation of their fossil plants with respect to certain level and density monitoring devices. Certain operations of PPL Generation's subsidiaries are also subject to OSHA and comparable state statutes.

See Note 9 to the Financial Statements for information on the 2011 sale of certain non-core generation facilities consisting of natural gas-fired facilities in Wallingford, Connecticut and University Park, Illinois and an equity interest in Safe Harbor Water Power Corporation, which owns a hydroelectric facility in Conestoga, Pennsylvania, the 2010 sale of the Long Island Generation business, consisting of plants in New York and the 2010 and 2009 sales of hydroelectric facilities located in Maine.

Substantially all of PPL Energy Supply's total expected generation in 2012 is anticipated to be used to meet its committed contractual sales. PPL Energy Supply has also entered into commitments of varying quantities and terms for the years 2013 and beyond. PPL EnergyPlus purchases the capacity, energy and RECs from two wind farms in Pennsylvania with a combined installed capacity of 50 MW. These contracts extend through 2027.

PPL Energy Supply subsidiaries own or control renewable energy projects located in Pennsylvania, New Jersey, Vermont, Connecticut and New Hampshire with a generating capacity (summer rating) of 65 MW. PPL EnergyPlus sells the energy, capacity and RECs produced by these plants into the wholesale market as well as to commercial, industrial and institutional customers. During 2011, the projects owned and operated by these PPL Energy Supply subsidiaries generated 166,000 MWhs.

See "Item 2. Properties - Supply Segment" for additional information regarding PPL Generation's plans for capital projects in Pennsylvania, Montana, and New Jersey that are expected to provide 191 MW of additional electric generating capacity by 2013.

#### Fuel Supply

PPL EnergyPlus acts as agent for PPL Generation to procure and optimize its various fuels.

#### Coal

##### *Pennsylvania*

PPL EnergyPlus actively manages PPL's coal requirements by purchasing coal principally from mines located in central and northern Appalachia.

During 2011, PPL Generation purchased 7.1 million tons of coal required for its wholly owned Pennsylvania plants under short-term and long-term contracts. Contracts currently in place are expected to provide 7.9 million tons of coal in 2012. The amount of coal in inventory varies from time to time depending on market conditions and plant operations.

PPL Generation, by and through its agent PPL EnergyPlus, has agreements in place that will provide more than 31 million tons of PPL Generation's projected annual coal needs for the Pennsylvania power plants from 2012 through 2018.

A PPL Generation subsidiary owns a 12.34% interest in the Keystone plant and a 16.25% interest in the Conemaugh plant. PPL Generation owns a 12.34% interest in Keystone Fuels, LLC and a 16.25% interest in Conemaugh Fuels, LLC. The Keystone plant contracts with Keystone Fuels, LLC for its coal requirements, which provided 4.4 million tons of coal to the Keystone plant in 2011. The Conemaugh plant requirements are purchased under contract from Conemaugh Fuels, LLC, which provided 4.5 million tons of coal to the Conemaugh plant in 2011.

All PPL Generation Pennsylvania coal plants have scrubbers installed. Limestone is necessary to operate the scrubbers. Acting as agent for PPL Brunner Island, LLC and PPL Montour, LLC, PPL EnergyPlus has entered into long-term contracts with limestone suppliers that will provide for those plants' limestone requirements through 2014. During 2011, 529,000 tons of limestone were delivered to Brunner Island and Montour under long-term contracts. Annual limestone requirements approximate 600,000 tons.

#### *Montana*

PPL Montana has a 50% leasehold interest in Colstrip Units 1 and 2, and a 30% leasehold interest in Colstrip Unit 3. NorthWestern owns a 30% leasehold interest in Colstrip Unit 4. PPL Montana and NorthWestern have a sharing agreement to govern each party's responsibilities regarding the operation of Colstrip Units 3 and 4, and each party is responsible for 15% of the respective operating and construction costs, regardless of whether a particular cost is specified to Colstrip Unit 3 or 4. However, each party is responsible for its own fuel-related costs. PPL Montana, along with the other owners, is party to contracts to purchase 100% of its coal requirements with defined coal quality characteristics and specifications. PPL Montana, along with the other owners, has a long-term purchase and supply agreement with the current supplier for Units 1 and 2, which provides these units 100% of their coal requirements through December 2014, and at least 85% of such requirements from January 2015 through December 2019. The coal supply contract for Unit 3's requirements is in effect through December 2019.

These units were built with scrubbers and PPL Montana has entered into a long-term contract to purchase the lime requirements for these units. The contract extends through December 2030.

Coal supply contracts are in place to purchase low-sulfur coal with defined quality characteristics and specifications for PPL Montana's Corette plant. The contracts covered 100% of the plant's coal requirements in 2011, and similar contracts are in place to supply 100% of the expected coal requirements through 2012.

#### Oil and Natural Gas

##### *Pennsylvania*

PPL Generation's Martins Creek Units 3 and 4 burn both oil and natural gas. During 2011, 100% of the physical gas requirements for the Martins Creek units were purchased on the spot market while oil requirements were supplied from inventory. At December 31, 2011, there were no long-term agreements for oil or natural gas for these units.

Short-term and long-term gas transportation contracts are in place for approximately 38% of the maximum daily requirements of the Lower Mt. Bethel facility. During 2011, 100% of the physical gas requirements for Lower Mt. Bethel were purchased on the spot market.

In 2008, PPL EnergyPlus acquired the rights to an existing long-term tolling agreement associated with the capacity and energy of the Ironwood facility. PPL EnergyPlus has long-term transportation contracts to serve approximately 25% of Ironwood's maximum daily requirements, which began in the fourth quarter of 2010. Ironwood will be served through a combination of transportation capacity release transactions and delivered supply to the plant. PPL EnergyPlus currently has no long-term physical supply agreements to purchase natural gas for Ironwood. During 2011, 100% of the physical gas requirements for Ironwood were purchased on the spot market.

#### Nuclear

The nuclear fuel cycle consists of several material and service components: the mining and milling of uranium ore to produce uranium concentrates; the conversion of these concentrates into uranium hexafluoride, a gas component; the enrichment of the hexafluoride gas; the fabrication of fuel assemblies for insertion and use in the reactor core; and the temporary storage and final disposal of spent nuclear fuel.

PPL Susquehanna has a portfolio of supply contracts, with varying expiration dates, for nuclear fuel materials and services. These contracts are expected to provide sufficient fuel to permit Unit 1 to operate into the first quarter of 2016 and Unit 2 to operate into the first quarter of 2017. PPL Susquehanna anticipates entering into additional contracts to ensure continued operation of the nuclear units.

Federal law requires the U.S. government to provide for the permanent disposal of commercial spent nuclear fuel, but there is no definitive date by which a repository will be operational. As a result, it was necessary to expand Susquehanna's on-site spent fuel storage capacity. To support this expansion, PPL Susquehanna contracted for the design and construction of a spent fuel storage facility employing dry cask fuel storage technology. The facility is modular, so that additional storage capacity can be added as needed. The facility began receiving spent nuclear fuel in 1999. PPL Susquehanna estimates that there is sufficient storage capacity in the spent nuclear fuel pools and the on-site spent fuel storage facility at Susquehanna to accommodate spent fuel discharged through approximately 2017 under current operating conditions. If necessary, the on-site spent fuel storage facility can be expanded, assuming appropriate regulatory approvals are obtained, such that, together, the spent fuel pools and the expanded dry fuel storage facility will accommodate all of the spent fuel expected to be discharged through the current licensed life of the plant.

In 1996, the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit Court) ruled that the Nuclear Waste Policy Act imposed on the DOE an unconditional obligation to begin accepting spent nuclear fuel on or before January 31, 1998. In 1997, the D.C. Circuit Court ruled that the contracts between the utilities and the DOE provide a potentially adequate remedy if the DOE failed to begin accepting spent nuclear fuel by January 31, 1998. The DOE did not, in fact, begin to accept spent nuclear fuel by that date. The DOE continues to contest claims that its breach of contract resulted in recoverable damages. In January 2004, PPL Susquehanna filed suit in the U.S. Court of Federal Claims for unspecified damages suffered as a result of the DOE's breach of its contract to accept and dispose of spent nuclear fuel. In May 2011, the parties entered into a settlement agreement which resolved all claims of PPL Susquehanna through December 2013. Under the settlement agreement, PPL Susquehanna received \$50 million for its share of claims to recover costs to store spent nuclear fuel at the Susquehanna plant through September 30, 2009, and recognized a credit to "Fuel" expense in the Statement of Income in the second quarter of 2011. PPL Susquehanna also will be eligible to receive payment of annual claims for allowed costs, as set forth in the settlement agreement, that are incurred thereafter through the December 31, 2013 termination date of the settlement agreement. In exchange, PPL Susquehanna has waived any claims against the United States government for costs paid or injuries sustained related to storing spent nuclear fuel at the Susquehanna plant through December 31, 2013.

#### Energy Marketing

PPL EnergyPlus sells the capacity and electricity produced by PPL Generation subsidiaries, along with purchased power, FTRs, natural gas, oil, uranium, emission allowances and RECs in competitive wholesale and competitive retail markets.

Purchases and sales at the wholesale level are made at competitive prices under FERC market-based prices. PPL EnergyPlus is licensed to provide retail electric supply to customers in Delaware, Maryland, Montana, New Jersey and Pennsylvania and provides retail natural gas supply to customers in Pennsylvania, New Jersey, Delaware and Maryland. Within the constraints of its hedging policy, PPL EnergyPlus actively manages its portfolios of energy and energy-related products to optimize their value and to limit exposure to price fluctuations. See "Commodity Volumetric Activity" in Note 19 to the Financial Statements for the strategies PPL Energy Supply employs to optimize the value of its wholesale and retail energy portfolio.

#### Competition

Since the early 1990s, there has been increased competition in U.S. energy markets because of federal and state competitive market initiatives. While some states, such as Pennsylvania and Montana, have created a competitive market for electricity generation, other states continue to consider different types of regulatory initiatives concerning

competition in the power and gas industry. Some states that were considering creating competitive markets have slowed their plans or postponed further consideration. In addition, states that have created competitive markets have, from time to time, considered new market rules and re-regulation measures that could result in more limited opportunities for competitive energy suppliers. The activity around re-regulation, however, has slowed due to the current environment of declining power prices. As such, the markets in which PPL Energy Supply participates are highly competitive.

PPL Energy Supply faces competition in wholesale markets for available energy, capacity and ancillary services. Competition is impacted by electricity and fuel prices, congestion along the power grid, new market entrants, construction by others of generating assets, technological advances in power generation, the actions of environmental and other regulatory authorities and other factors. PPL Energy Supply primarily competes with other electricity suppliers based on its ability to aggregate generation supply at competitive prices from different sources and to efficiently utilize transportation from third-party pipelines and transmission from electric utilities and ISOs. Competitors in wholesale power markets include regulated utilities, industrial companies, NUGs, competitive subsidiaries of regulated utilities and other energy marketers. See "Item 1A. Risk Factors - Risks Related to Supply Segment" and PPL's and PPL Energy Supply's "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Overview" for more information concerning the risks faced with respect to competitive energy markets.

#### Franchise and Licenses

See "Energy Marketing" above for a discussion of PPL EnergyPlus' licenses in various states. PPL EnergyPlus also has an export license from the DOE to sell capacity and/or energy to electric utilities in Canada.

PPL Susquehanna operates Units 1 and 2 pursuant to NRC operating licenses that expire in 2042 for Unit 1 and in 2044 for Unit 2.

In 2008, a PPL Energy Supply subsidiary, PPL Bell Bend, LLC, submitted a COLA to the NRC for a new nuclear generating unit (Bell Bend) to be built adjacent to the Susquehanna plant. Also in 2008, the COLA was accepted for review by the NRC. PPL Bell Bend, LLC does not expect the NRC review of the Bell Bend project to be completed prior to 2014. See Note 8 to Financial Statements for additional information.

PPL Holtwood operates the Holtwood hydroelectric generating plant pursuant to a FERC-granted license that expires in 2030. In October 2009, the FERC approved the request to expand the Holtwood plant. See Note 8 to the Financial Statements for additional information. PPL Holtwood operates the Wallenpaupack hydroelectric generating plant pursuant to a FERC-granted license that expires in 2044.

In 2010, PPL Holtwood owned one-third of the capital stock of Safe Harbor Water Power Corporation (Safe Harbor), which held a project license that would extend operation of its hydroelectric generating plant until 2030. In March 2011, PPL Energy Supply subsidiaries completed the sale of their ownership interests in Safe Harbor and two other non-core generating facilities. See Note 9 to the Financial Statements for additional information.

The 11 hydroelectric facilities and one storage reservoir in Montana are licensed by the FERC. The Thompson Falls and Kerr licenses expire in 2025 and 2035, the licenses for the nine Missouri-Madison facilities expire in 2040, and the license for the Mystic facility expires in 2050.

In connection with the relicensing of these generating facilities, applicable law permits the FERC to relicense the original licensee or license a new licensee or allow the U.S. government to take over the facility. If the original licensee is not relicensed, it is compensated for its net investment in the facility, not to exceed the fair value of the property taken, plus reasonable damages to other property affected by the lack of relicensing. See Note 15 to the Financial Statements for additional information on the Kerr Dam license.

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

#### **SEASONALITY**

The demand for and market prices of electricity and natural gas are affected by weather. As a result, the Registrants' operating results in the future may fluctuate substantially on a seasonal basis, especially when more severe weather



conditions such as heat waves or winter storms make such fluctuations more pronounced. The pattern of this fluctuation may change depending on the type and location of the facilities owned and the terms of contracts to purchase or sell electricity.

## FINANCIAL CONDITION

See the Registrant's "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" for this information.

## CAPITAL EXPENDITURE REQUIREMENTS

See "Financial Condition - Liquidity and Capital Resources - Forecasted Uses of Cash - Capital Expenditures" in the Registrants' "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" for information concerning projected capital expenditure requirements for 2012 through 2016. See Note 15 to the Financial Statements for additional information concerning the potential impact on capital expenditures from environmental matters.

## ENVIRONMENTAL MATTERS

The Registrants are subject to certain existing and developing federal, regional, state and local laws and regulations with respect to air and water quality, land use and other environmental matters. The EPA is in the process of proposing and finalizing an unprecedented number of environmental regulations that will directly affect the electric industry. These initiatives cover air, water and waste. See PPL's, PPL Energy Supply's, LKE's, LG&E's and KU's "Financial Condition - Liquidity and Capital Resources" in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Forecasted Uses of Cash - Capital Expenditures" for information concerning environmental capital expenditures during 2011 and projected environmental capital expenditures for the years 2012-2016. Also, see "Environmental Matters" in Note 15 to the Financial Statements for additional information. To comply with primarily air-related environmental requirements, PPL's forecast for capital expenditures reflects a best estimate projection of expenditures that may be required within the next five years. Such projections are \$1.6 billion for LG&E, \$1.5 billion for KU and \$130 million for PPL Energy Supply. Actual costs (including capital, allowance purchases and operational modifications) may be significantly lower or higher depending on the final requirements and market conditions. Environmental compliance costs incurred by LG&E and KU are subject to recovery through a rate recovery mechanism. See Note 6 to the Financial Statements for additional information.

The Registrants are unable to predict the ultimate effect of evolving environmental laws and regulations upon their existing and proposed facilities and operations and competitive positions. In complying with statutes, regulations and actions by regulatory bodies involving environmental matters, including, among other things, air and water quality, GHG emissions, hazardous and solid waste management and disposal, and regulation of toxic substances, PPL's and LKE's subsidiaries may be required to modify, replace or cease operating certain of their facilities. PPL's and LKE's subsidiaries may also incur significant capital expenditures and operating expenses in amounts which are not now determinable, but could be significant.

## EMPLOYEE RELATIONS

At December 31, 2011, PPL and its subsidiaries had the following full-time employees.

PPL Energy Supply	
PPL Generation	2,812
PPL EnergyPlus (a)	1,864
Total PPL Energy Supply	4,676
PPL Electric	2,304
LKE	
KU	940
LG&E	966
LKS	1,285
Total LKE	3,191
PPL Global (primarily WPD)	6,264
PPL Services and other	1,287
Total PPL	17,722

(a) Includes labor union employees of mechanical contracting subsidiaries, whose numbers tend to fluctuate due to the nature of this business.

Approximately 5,600 employees, or 49%, of PPL's domestic workforce are members of labor unions, with four International Brotherhood of Electrical Workers (IBEW) labor unions representing approximately 4,300 employees. The bargaining agreement with the largest IBEW labor union, which expires in May 2014, covers approximately 1,500 PPL Electric, 1,600 PPL Energy Supply and 400 other employees. Approximately 700 employees of LG&E and 70 employees of KU are represented by an IBEW labor union. Both LG&E and KU have three-year labor agreements with the IBEW, which expire in November 2014 and August 2012. KU's agreement includes annual wage reopeners. Approximately 80 employees of KU are represented by a United Steelworkers of America (USWA) labor union. KU and the USWA have agreed in principle on a labor agreement effective through August 2014, which was ratified by the members in February 2012. PPL Montana's largest bargaining unit, an IBEW labor union, represents approximately 270 employees at the Colstrip plant. The four-year labor agreement expires in April 2012. PPL Montana's second largest bargaining unit, also an IBEW labor union, represents approximately 80 employees at hydroelectric facilities and the Corette plant. In 2011, this four-year labor agreement was extended one year and expires in April 2013.

Approximately 4,100 or 65%, of PPL's U.K. workforce are members of labor unions. WPD recognizes four unions, the largest of which represents 26% of its union workforce. WPD's Electricity Business Agreement, which covers approximately 4,000 union employees, may be amended by agreement between WPD and the unions and is terminable with 12 months notice by either side.

See "Separation Benefits - International Regulated Segment" in Note 10 to the Financial Statements for information on a 2011 reorganization designed to transition the WPD Midlands companies to the same operating structure as WPD (South West) and WPD (South Wales). See "Separation Benefits" in Note 13 to the Financial Statements for information on a 2009 cost reduction initiative, which resulted in the elimination of approximately 200 domestic management and staff positions at PPL.

#### **AVAILABLE INFORMATION**

PPL's Internet website is [www.pplweb.com](http://www.pplweb.com). On the Investor Center page of that website, PPL provides access to all SEC filings of the Registrants (including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to these reports filed or furnished pursuant to Section 13(d) or 15(d)) free of charge, as soon as reasonably practicable after filing with the SEC. Additionally, the Registrants' filings are available at the SEC's website ([www.sec.gov](http://www.sec.gov)) and at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549, or by calling 1-800-SEC-0330.

## **ITEM 1A. RISK FACTORS**

The Registrants face various risks associated with their businesses. Our businesses, financial condition, cash flows or results of operations could be materially adversely affected by any of these risks. In addition, this report also contains forward-looking and other statements about our businesses that are subject to numerous risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 15 to the Financial Statements for more information concerning the risks described below and for other risks, uncertainties and factors that could impact our businesses and financial results.

As used in this Item 1A., the terms "we," "our" and "us" generally refer to PPL and its consolidated subsidiaries taken as a whole, or to PPL Energy Supply and its consolidated subsidiaries taken as a whole within the Supply segment discussions, or PPL Electric and its consolidated subsidiaries taken as a whole within the Pennsylvania Regulated segment discussion, or LKE and its consolidated subsidiaries taken as a whole within the Kentucky Regulated segment discussion.

### **Risks Related to All Segments**

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

***We plan to selectively pursue growth of generation, transmission and distribution capacity, which involves a number of uncertainties and may not achieve the desired financial results.***

We plan to pursue expansion of our generation, transmission and distribution capacity over the next several years through power uprates at certain of our existing power plants, the potential construction of new power plants, the potential acquisition of existing plants, the potential construction or acquisition of transmission and distribution projects and capital investments to upgrade transmission and distribution infrastructure. We will rigorously scrutinize opportunities to expand our generating capability and may determine not to proceed with any expansion. These types of projects involve numerous risks. Any planned power uprates could result in cost overruns, reduced plant efficiency and higher operating and other costs. With respect to the construction of new plants, the acquisition of existing plants, or the construction or acquisition of transmission and distribution projects, we may be required to expend significant sums for preliminary engineering, permitting, resource exploration, legal and other expenses before it can be established whether a project is feasible, economically attractive or capable of being financed. Expansion in our regulated businesses is dependent on future load or service requirements and subject to applicable regulatory processes. The success of both a new or acquired project would likely be contingent, among other things, upon the negotiation of satisfactory operating contracts, obtaining acceptable financing and maintaining acceptable credit ratings, as well as receipt of required and appropriate governmental approvals. If we were unable to complete construction or expansion of a project, we may not be able to recover our investment in the project. Furthermore, we might be unable to operate any new or acquired plants as efficiently as projected, which could result in higher than projected operating and other costs and reduced earnings.

***Adverse conditions in the economic and financial markets in which we operate could adversely affect our financial condition and results of operations.***

Adverse conditions in the financial markets during 2008 and the associated contraction of liquidity in the wholesale energy markets contributed significantly to declines in wholesale energy prices, significantly impacting our earnings during the second half of 2008 and the first half of 2009. The breadth and depth of these negative economic conditions had a wide-ranging impact on the U.S. and international business environment, including our businesses. As a result of the economic downturn, demand for energy commodities has declined significantly. This reduced demand will continue to impact the key domestic wholesale energy markets we serve (such as PJM) and our Pennsylvania and Kentucky utility businesses. The combination of lower demand for power and natural gas and other fuels has put downward price pressure on wholesale energy markets in general, further impacting our energy marketing results. In general, current economic and commodity market conditions will continue to challenge predictability regarding our unhedged future energy margins, liquidity and overall financial condition.

Our businesses are heavily dependent on credit and capital, among other things, for capital expenditures and providing collateral to support hedging in our energy marketing business. Global bank credit capacity declined and the cost of renewing or establishing new credit facilities increased significantly in 2008, primarily as a result of general credit

concerns nationwide, thereby introducing uncertainties as to our businesses' ability to enter into long-term energy commitments or reliably estimate the longer-term cost and availability of credit. Although bank credit conditions have improved since mid-2009, and we currently expect to have adequate access to needed credit and capital based on current conditions, deterioration in the financial markets could adversely affect our financial condition and liquidity. Additionally, regulations to be adopted to implement the Dodd-Frank Act may impose requirements on our businesses and the businesses of others with whom we contract such as banks or other counterparties, or simply result in increased costs to conduct our business or access sources of capital and liquidity upon which the conduct of our businesses is dependent.

***Our operating revenues could fluctuate on a seasonal basis, especially as a result of extreme weather conditions.***

Our businesses are subject to seasonal demand cycles. For example, in some markets demand for, and market prices of, electricity peak during hot summer months, while in other markets such peaks occur in cold winter months. As a result, our overall operating results in the future may fluctuate substantially on a seasonal basis if weather conditions such as heat waves, extreme cold, unseasonably mild weather or severe storms occur. The patterns of these fluctuations may change depending on the type and location of our facilities and the terms of our contracts to sell electricity.

***Operating expenses could be affected by weather conditions, including storms, as well as by significant man-made or accidental disturbances, including terrorism or natural disasters.***

Weather and these other factors can significantly affect our profitability or operations by causing outages, damaging infrastructure and requiring significant repair costs. Storm outages and damage often directly decrease revenues or increase expenses, due to reduced usage and higher restoration charges. In addition, weather and other disturbances may affect capital markets and general economic conditions and impact future growth.

***Our businesses are subject to physical, market and economic risks relating to potential effects of climate change.***

Climate change may produce changes in weather or other environmental conditions, including temperature or precipitation levels, and thus may impact consumer demand for electric power. Temperature increases could result in increased overall electricity consumption or peaks and precipitation changes could result in altered availability of water for hydro generation or plant cooling operations. These or other meteorological changes could lead to increased operating costs, capital expenses or power purchase costs. Greenhouse gas regulation could increase the cost of electric power, particularly power generated by fossil-fuels, and such increases could have a depressive effect on regional economies. Reduced economic and consumer activity in our service areas -- both generally and specific to certain industries and consumers accustomed to previously lower cost power -- could reduce demand for the power we generate, market and deliver. Also, demand for our energy-related services could be similarly lowered should consumers' preferences or market factors move toward favoring energy efficiency, low-carbon power sources or reduced electric usage generally.

***We cannot predict the outcome of the legal proceedings and investigations currently being conducted with respect to our current and past business activities. An adverse determination could have a material adverse effect on our financial condition, results of operations or cash flows.***

We are involved in legal proceedings, claims and litigation and subject to ongoing state and federal investigations arising out of our business operations, the most significant of which are summarized in "Legal Matters," "Regulatory Issues" and "Environmental Matters - Domestic" in Note 15 to the Financial Statements. We cannot predict the ultimate outcome of these matters, nor can we reasonably estimate the costs or liabilities that could potentially result from a negative outcome in each case.

***We could be negatively affected by rising interest rates, downgrades to our bond credit ratings or other negative developments in our ability to access capital markets.***

In the ordinary course of business, we are reliant upon adequate long-term and short-term financing means to fund our significant capital expenditures, debt interest or maturities and operating needs. As a capital-intensive business, we are sensitive to developments in interest rate levels; credit rating considerations; insurance, security or collateral requirements; market liquidity and credit availability and refinancing opportunities necessary or advisable to respond to

credit market changes. Changes in these conditions could result in increased costs and decreased liquidity to our regulated utility businesses.

***A downgrade in our credit ratings could negatively affect our ability to access capital and increase the cost of maintaining our credit facilities and any new debt.***

Credit ratings assigned by Moody's, Fitch and S&P to our businesses and their financial obligations have a significant impact on the cost of capital incurred by our businesses. Although we do not expect these ratings to limit our ability to fund short-term liquidity needs or access new long-term debt, any ratings downgrade could increase our short-term borrowing costs and negatively affect our ability to fund short-term liquidity needs and access new long-term debt. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition - Liquidity and Capital Resources - Ratings Triggers" for additional information on the impact of a downgrade in our credit rating.

***Significant increases in our operation and maintenance expenses, including health care and pension costs, could adversely affect our future earnings and liquidity.***

We continually focus on limiting and reducing where possible our operation and maintenance expenses. However, we expect to continue to face increased cost pressures in our operations. Increased costs of materials and labor may result from general inflation, increased regulatory requirements (especially in respect of environmental regulations), the need for higher-cost expertise in the workforce or other factors. In addition, pursuant to collective bargaining agreements, we are contractually committed to provide specified levels of health care and pension benefits to certain current employees and retirees. We provide a similar level of benefits to our management employees. These benefits give rise to significant expenses. Due to general inflation with respect to such costs, the aging demographics of our workforce and other factors, we have experienced significant health care cost inflation in recent years, and we expect our health care costs, including prescription drug coverage, to continue to increase despite measures that we have taken and expect to take to require employees and retirees to bear a higher portion of the costs of their health care benefits. In addition, we expect to continue to incur significant costs with respect to the defined benefit pension plans for our employees and retirees. The measurement of our expected future health care and pension obligations, costs and liabilities is highly dependent on a variety of assumptions, most of which relate to factors beyond our control. These assumptions include investment returns, interest rates, health care cost trends, benefit improvements, salary increases and the demographics of plan participants. If our assumptions prove to be inaccurate, our future costs and cash contribution requirements to fund these benefits could increase significantly.

***We may be required to record impairment charges in the future for certain of our investments, which could adversely affect our earnings.***

Under GAAP, we are required to test our recorded goodwill for impairment on an annual basis, or more frequently if events or circumstances indicate that these assets may be impaired. Although no goodwill impairments were recorded based on our annual review in the fourth quarter of 2011, we are unable to predict whether future impairment charges may be necessary.

We also review our long-lived assets, including equity investments, for impairment when events or circumstances indicate that the carrying value of these assets may not be recoverable. See Notes 9 and 18 to the Financial Statements for additional information on impairment charges taken during the reporting periods. We are unable to predict whether impairment charges, or other losses on sales of other assets or businesses, may occur in future years.

***We may incur liabilities in connection with discontinued operations.***

In connection with various divestitures, we have indemnified or guaranteed parties against certain liabilities and with respect to certain transactions. These indemnities and guarantees relate to, among other things, liabilities which may arise with respect to the period during which we or our subsidiaries operated the divested business, and to certain ongoing contractual relationships and entitlements with respect to which we or our subsidiaries made commitments in connection with the divestiture.

***We are subject to liability risks relating to our generation, transmission and distribution businesses.***

The conduct of our physical and commercial operations subjects us to many risks, including risks of potential physical injury, property damage or other financial liability, caused to or caused by employees, customers, contractors, vendors, contractual or financial counterparties and other third parties.

***Our facilities may not operate as planned, which may increase our expenses or decrease our revenues and, thus, have an adverse effect on our financial performance.***

Operation of power plants, transmission and distribution facilities, information technology systems and other assets and activities subjects us to a variety of risks, including the breakdown or failure of equipment, accidents, security breaches, viruses or outages affecting information technology systems, labor disputes, obsolescence, delivery/transportation problems and disruptions of fuel supply and performance below expected levels. These events may impact our ability to conduct our businesses efficiently or lead to increased costs, expenses or losses. Operation of our delivery systems below our expectations may result in lost revenue or increased expense, including higher maintenance costs which may not be recoverable from customers. Planned and unplanned outages at our power plants may require us to purchase power at then-current market prices to satisfy our commitments or, in the alternative, pay penalties and damages for failure to satisfy them. Although we maintain customary insurance coverage for certain of these risks, no assurance can be given that such insurance coverage will be sufficient to compensate us fully in the event losses occur.

***The operation of our businesses is subject to cyber-based security and integrity risk.***

Numerous functions affecting the efficient operation of our businesses are dependent on the secure and reliable storage, processing and communication of electronic data and the use of sophisticated computer hardware and software systems. The operation of our generation plants, including the Susquehanna nuclear plant, and of our energy and fuel trading businesses, as well as our transmission and distribution operations are all reliant on cyber-based technologies and, therefore, subject to the risk that such systems could be the target of disruptive actions, principally by terrorists or vandals, or otherwise be compromised by unintentional events. As a result, operations could be interrupted, property could be damaged and customer information lost or stolen, causing us to incur significant losses of revenues, other substantial liabilities and damages and costs to replace or repair damaged equipment.

***We are subject to risks associated with federal and state tax laws and regulations.***

Changes in tax law as well as the inherent difficulty in quantifying potential tax effects of business decisions could negatively impact our results of operations. We are required to make judgments in order to estimate our obligations to taxing authorities. These tax obligations include income, property, sales and use and employment-related taxes. We also estimate our ability to utilize tax benefits and tax credits. Due to the revenue needs of the jurisdictions in which our businesses operate, various tax and fee increases may be proposed or considered. We cannot predict whether such tax legislation or regulation will be introduced or enacted or the effect of any such changes on our businesses. If enacted, any changes could increase tax expense and could have a significant negative impact on our results of operations and cash flows.

***We are subject to the risk that our workforce and its knowledge base may become depleted in coming years.***

PPL is experiencing an increase in attrition due primarily to the number of retiring employees. Over the next five years, 38% of PPL's workforce is projected to leave the company, with the risk that critical knowledge will be lost and that it may be difficult to replace departed personnel due to a declining trend in the number of available workers and an increase in competition for such workers.

*(PPL, PPL Energy Supply and LKE)*

### **Risk Related to Registrant Holding Companies**

***PPL's, PPL Energy Supply's and LKE's cash flows and ability to meet their obligations with respect to indebtedness and under guarantees, and PPL's ability to pay dividends, largely depends on the financial performance of their subsidiaries and, as a result, is effectively subordinated to all existing and future liabilities of those subsidiaries.***

PPL, PPL Energy Supply and LKE are holding companies and conduct their operations primarily through subsidiaries. Substantially all of the consolidated assets of these Registrants are held by such subsidiaries. Accordingly, their cash flows and ability to meet their debt and guaranty obligations, as well as PPL's ability to pay dividends, are largely dependent upon the earnings of those subsidiaries and the distribution or other payment of such earnings in the form of dividends, distributions, loans or advances or repayment of loans and advances. The subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due from their parents or to make any funds available for such a payment. The ability of the subsidiaries of the Registrants to pay dividends or distributions to such Registrants in the future will depend on the subsidiaries' future earnings and cash flows and the needs of their businesses, and may be restricted by their obligations to holders of their outstanding debt and other creditors, as well as any contractual or legal restrictions in effect at such time, including the requirements of state corporate law applicable to payment of dividends and distributions, and regulatory requirements, including restrictions on the ability of PPL Electric, LG&E and KU to pay dividends under Section 305(a) of the Federal Power Act.

Because PPL, PPL Energy Supply and LKE are holding companies, their debt and guaranty obligations are effectively subordinated to all existing and future liabilities of their subsidiaries. Therefore, PPL's, PPL Energy Supply's and LKE's rights and the rights of their creditors, including rights of any debt holders, to participate in the assets of any of their subsidiaries, in the event that such a subsidiary is liquidated or reorganized, will be subject to the prior claims of such subsidiary's creditors. Although certain agreements to which certain subsidiaries are parties limit their ability to incur additional indebtedness, PPL, PPL Energy Supply and LKE and their subsidiaries retain the ability to incur substantial additional indebtedness and other liabilities. In addition, if PPL elects to receive distributions of earnings from its foreign operations, PPL may incur U.S. income taxes, net of any available foreign tax credits, on such amounts. Distributions to PPL from its international projects are, in some countries, also subject to withholding taxes.

*(PPL, PPL Electric, LKE, LG&E and KU)*

### **Risks Related to Domestic Regulated Utility Operations**

Our domestic regulated utility businesses face many of the same risks, in addition to those risks that are unique to the Kentucky Regulated segment and the Pennsylvania Regulated segment. Set forth below are risk factors common to both domestic regulated segments, followed by sections identifying separately the risks specific to each of these segments.

***Our profitability is highly dependent on our ability to recover the costs of providing energy and utility services to our customers and earn an adequate return on our capital investments. Regulators may not approve the rates we request.***

We currently provide services to our utility customers at rates approved by one or more federal or state regulatory commissions, including those commissions referred to below. While such regulation is generally premised on the recovery of prudently incurred costs and a reasonable rate of return on invested capital, the rates that we may charge our regulated generation, transmission and distribution customers are subject to authorization of the applicable regulatory authorities. There can be no assurance that such regulatory authorities will consider all of our costs to have been prudently incurred or that the regulatory process by which rates are determined will always result in rates that achieve full recovery of our costs or an adequate return on our capital investments. While our rates are generally regulated based on an analysis of our costs incurred in a base year, the rates we are allowed to charge may or may not match our costs at any given time. With respect to PPL's November 1, 2010 acquisition of LKE, each of LG&E and KU has agreed with the KPSC, subject to certain limited exceptions such as fuel and environmental cost recoveries, that no base rate increases would take effect for their Kentucky retail customers before January 1, 2013. Our regulated utility businesses are subject to substantial capital expenditure requirements over the next several years, which will require rate increase requests to the regulators. If our costs are not adequately recovered through rates, it could have an adverse affect on our business, results of operations, cash flows or financial condition.

***Our domestic utility businesses are subject to significant and complex governmental regulation.***

Various federal and state entities, including but not limited to the FERC, KPSC, VSCC, TRA and PUC regulate many aspects of the domestic utility operations of PPL, including:

- the rates that we may charge and the terms and conditions of our service and operations;
- financial and capital structure matters;

- siting, construction and operation of facilities;
- mandatory reliability and safety standards and other standards of conduct;
- accounting, depreciation and cost allocation methodologies;
- tax matters;
- affiliate restrictions;
- acquisition and disposal of utility assets and securities; and
- various other matters.

Such regulations or changes thereto may subject us to higher operating costs or increased capital expenditures and failure to comply could result in sanctions or possible penalties. In any rate-setting proceedings, federal or state agencies, intervenors and other permitted parties may challenge our rate requests, and ultimately reduce, alter or limit the rates we seek.

*We could be subject to higher costs and/or penalties related to mandatory reliability standards.*

Under the Energy Policy Act of 2005, owners and operators of the bulk power transmission system are now subject to mandatory reliability standards promulgated by the NERC and enforced by the FERC. Compliance with reliability standards may subject us to higher operating costs and/or increased capital expenditures, and violations of these standards could result in substantial penalties which may not be recoverable from customers.

*Changes in transmission and wholesale power market structures could increase costs or reduce revenues.*

Wholesale revenues fluctuate with regional demand, fuel prices and contracted capacity. Changes to transmission and wholesale power market structures and prices may occur in the future, are not predictable and may result in unforeseen effects on energy purchases and sales, transmission and related costs or revenues. These can include commercial or regulatory changes affecting power pools, exchanges or markets in which PPL participates.

*Our domestic regulated businesses undertake significant capital projects and these activities are subject to unforeseen costs, delays or failures, as well as risk of inadequate recovery of resulting costs.*

The domestic regulated utility businesses are capital intensive and require significant investments in energy generation (in the case of LG&E and KU) and transmission, distribution and other infrastructure projects, such as projects for environmental compliance and system reliability. The completion of these projects without delays or cost overruns is subject to risks in many areas, including:

- approval, licensing and permitting;
- land acquisition and the availability of suitable land;
- skilled labor or equipment shortages;
- construction problems or delays, including disputes with third party intervenors;
- increases in commodity prices or labor rates;
- contractor performance;
- environmental considerations and regulations;
- weather and geological issues; and
- political, labor and regulatory developments.

Failure to complete our capital projects on schedule or on budget, or at all, could adversely affect our financial performance, operations and future growth if such expenditures are not granted rate recovery by our regulators.

### **Risks Specific to Kentucky Regulated Segment**

*(PPL, LKE, LG&E and KU)*

*The costs of compliance with, and liabilities under, environmental laws are significant and are subject to continuing changes.*



Extensive federal, state and local environmental laws and regulations are applicable to LG&E's and KU's generation business, including its air emissions, water discharges and the management of hazardous and solid waste, among other business-related activities; and the costs of compliance or alleged non-compliance cannot be predicted but could be material. In addition, our costs may increase significantly if the requirements or scope of environmental laws, regulations or similar rules are expanded or changed. Costs may take the form of increased capital or operating and maintenance expenses, monetary fines, penalties or forfeitures or other restrictions. Many of these environmental law considerations are also applicable to the operations of our key suppliers, or customers, such as coal producers and industrial power users, and may impact the costs of their products or demand for our services.

***On-going changes in environmental regulations or their implementation requirements and our compliance strategies relating thereto entail a number of uncertainties.***

The environmental standards governing LG&E's and KU's businesses, particularly as applicable to coal-fired generation and related activities, continue to be subject to uncertainties due to ongoing rulemakings and other regulatory developments, legislative activities, and litigation. The uncertainties associated with these developments introduce risks to our management of operations and regulatory compliance. Environmental developments, including revisions to applicable standards, changes in compliance deadlines, and invalidation of rules on appeal may require major changes in compliance strategies, operations or assets or adjustments to prior plans. Depending on the extent, frequency and timing of such changes, the companies may be subject to inconsistent requirements under multiple regulatory programs, compressed windows for decision-making and short compliance deadlines that may require aggressive schedules for construction, permitting, and other regulatory approvals. Under such circumstances, the companies may face higher risks of unsuccessful implementation of environmental-related business plans, noncompliance with applicable environmental rules, or increased costs of implementation.

### **Risks Specific to Pennsylvania Regulated Segment**

*(PPL and PPL Electric)*

***We may be subject to higher transmission costs and other risks as a result of PJM's regional transmission expansion plan (RTEP) process.***

PJM and the FERC have the authority to require upgrades or expansion of the regional transmission grid, which can result in substantial expenditures for transmission owners. As discussed in Note 8 to the Financial Statements, we expect to make substantial expenditures to construct the Susquehanna-Roseland transmission line that PJM has determined is necessary for the reliability of the regional transmission grid. Although the FERC has granted our request for incentive rate treatment of such facilities, we cannot be certain that all costs that we may incur will be recoverable. In addition, the date when these facilities will be in service, which can be significantly impacted by delays related to public opposition or other factors, is subject to the outcome of future events that are not all within our control. As a result, we cannot predict the ultimate financial or operational impact of this project or other RTEP projects on PPL Electric.

***We could be subject to higher costs and/or penalties related to Pennsylvania Conservation and Energy Efficiency Programs.***

Act 129 became effective in October 2008. This law created requirements for energy efficiency and conservation programs and for the use of smart metering technology, imposed new PLR electricity supply procurement rules, provided remedies for market misconduct, and made changes to the existing Alternative Energy Portfolio Standard. The law also requires electric utilities to meet specified goals for reduction in customer electricity usage and peak demand by specified dates (2011 and 2013). Utilities not meeting these requirements of Act 129 are subject to significant penalties that cannot be recovered in rates. Numerous factors outside of our control could prevent compliance with these requirements and result in penalties to us. See "Regulatory Issues - Energy Policy Act of 2005 - Reliability Standards" in Note 15 to the Financial Statements for additional information.

***Cost recovery remains subject to political risks.***

Although prior initiatives have not resulted in the enactment of such legislation, the possibility remains that certain Pennsylvania legislators could introduce legislation to reinstate generation rate caps or otherwise limit cost recovery

through rates for Pennsylvania utilities. If such legislation were introduced and ultimately enacted, PPL Electric could face severe financial consequences including operating losses and significant cash flow shortfalls. In addition, continuing uncertainty regarding PPL Electric's ability to recover its market supply and other costs of operating its business could adversely affect its credit quality, financing costs and availability of credit facilities necessary to operate its business.

(PPL)

### **Risks Related to International Regulated Segment**

*Our U.K. delivery business is subject to risks with respect to rate regulation and operational performance.*

Our U.K. delivery business is rate regulated and operates under an incentive-based regulatory framework. In addition, its ability to manage operational risk is critical to its financial performance. Disruption to the distribution network could reduce profitability both directly through the higher costs for network restoration and also through the system of penalties and rewards that Ofgem has in place relating to customer service levels.

In December 2009, Ofgem completed its rate review for the five-year period from April 1, 2010 through March 31, 2015, thus reducing regulatory rate risk in the International Regulated segment until the next rate review which will be effective April 1, 2015. The regulated income of the International Regulated segment and also the RAV are to some extent linked to movements in the Retail Price Index (RPI). Reductions in the RPI would adversely impact revenues and the debt/RAV ratio.

*Our U.K. distribution business exposes us to risks related to U.K. laws and regulations, taxes, economic conditions, foreign currency exchange rate fluctuations, and political conditions and policies of the U.K. government. These risks may reduce the results of operations from our U.K. distribution business.*

The acquisition, financing, development and operation of projects in the U.K. entail significant financial risks including:

- changes in laws or regulations relating to U.K. operations, including tax laws and regulations;
- changes in government policies, personnel or approval requirements;
- changes in general economic conditions affecting the U.K.;
- regulatory reviews of tariffs for distribution companies;
- severe weather and natural disaster impacts on the electric sector and our assets;
- changes in labor relations;
- limitations on foreign investment or ownership of projects and returns or distributions to foreign investors;
- limitations on the ability of foreign companies to borrow money from foreign lenders and lack of local capital or loans;
- fluctuations in foreign currency exchange rates and in converting U.K. revenues to U.S. dollars, which can increase our expenses and/or impair our ability to meet such expenses, and difficulty moving funds out of the country in which the funds were earned; and
- compliance with U.S. foreign corrupt practices laws.

*The WPD Midlands acquisition may not achieve its intended results, including anticipated cost savings, efficiencies and other benefits.*

Although we completed the WPD Midlands acquisition with the expectation that it will result in various benefits, including a significant amount of cost savings and other financial and operational benefits, there can be no assurance regarding the extent to which we will be able to realize these cost-savings or other benefits. Achieving the anticipated benefits, including cost savings, is subject to a number of uncertainties, including whether the businesses acquired can be operated in the manner we intend. Events outside of our control, including but not limited to regulatory changes or developments in the U.K., could also adversely affect our ability to realize the anticipated benefits from the WPD Midlands acquisition. Thus, the integration process may be unpredictable, subject to delays or changed circumstances, and we can give no assurance that the acquired businesses will perform in accordance with our expectations. Additional unanticipated costs may also arise during the integration process. The integration of the WPD (East Midlands) and WPD

(West Midlands) businesses may place an additional burden on our management and internal resources, and the diversion of management's attention during the integration and restructuring process could have an adverse effect on our business, financial condition and expected operating results.

***The WPD Midlands acquisition exposes us to additional risks and uncertainties with respect to the acquired businesses and their operations.***

The WPD Midlands acquisition will rebalance our business mix to a greater percentage of regulated operations. While we believe this should help mitigate our exposure to downturns in the wholesale power markets, it will increase our dependence on rate-of-return regulation. Although we are already exposed to risks relating to rate-of-return regulation, the WPD Midlands acquisition will increase these risks.

The acquired businesses will generally be subject to risks similar to those to which we are subject to in our pre-acquisition U.K. businesses. These include:

- There are various changes being contemplated by Ofgem to the current electricity distribution, gas transmission and gas distribution regulatory frameworks in the U.K. and there can be no assurance as to the effects such changes will have on our U.K. regulated businesses in the future, including the acquired businesses. In particular, in October 2010, Ofgem announced a new regulatory framework that is expected to become effective in April 2015 for the electricity distribution sector in the U.K. The framework, known as RIIO (Revenues = Incentives + Innovation + Outputs), focuses on sustainability, environmental-focused output measures, promotion of low carbon energy networks and financing of new investments. The new regulatory framework is expected to have a wide-ranging effect on electricity distribution companies operating in the U.K., including changes to price controls and price review periods. Our U.K. regulated businesses' compliance with this new regulatory framework may result in significant additional capital expenditures, increases in operating and compliance costs and adjustments to our pricing models.
- Ofgem has formal powers to propose modifications to each distribution license. We are not currently aware of any planned modification to any of our U.K. regulated businesses distribution licenses that would result in a material adverse change to the U.K. regulated businesses and PPL. There can, however, be no assurance that a restrictive modification will not be introduced in the future, which could have an adverse effect on the operations and financial condition of the U.K. regulated businesses and PPL.
- A failure to operate our U.K. networks properly could lead to compensation payments or penalties, or a failure to make capital expenditures in line with agreed investment programs could lead to deterioration of the network. While our U.K. regulated businesses' investment programs are targeted to maintain asset conditions over a five-year period and reduce customer interruptions and customer minutes lost over that period, no assurance can be provided that these regulatory requirements will be met.
- A failure by any of our U.K. regulated businesses to comply with the terms of a distribution license may lead to the issuance of an enforcement order by Ofgem that could have an adverse impact on PPL. Ofgem has powers to levy fines of up to 10 percent of revenue for any breach of a distribution license or, in certain circumstances, such as insolvency, the distribution license itself may be revoked. Unless terminated in the circumstances mentioned above, a distribution license continues indefinitely until revoked by Ofgem following no less than 25 years' written notice.
- We will be subject to increased foreign currency exchange rate risks because a greater portion of our cash flows and reported earnings will be generated by our U.K. business operations. These risks relate primarily to changes in the relative value of the British pound sterling and the U.S. dollar between the time we initially invest U.S. dollars in our U.K. businesses and the time that cash is repatriated to the U.S. from the U.K., including cash flows from our U.K. businesses that may be distributed as future dividends to our shareholders. In addition, our consolidated reported earnings on a U.S. GAAP basis may be subject to increased earnings translation risk, which is the result of the conversion of earnings as reported in our U.K. businesses on a British pound sterling basis to a U.S. dollar basis in accordance with U.S. GAAP requirements.
- Environmental costs and liabilities associated with aspects of the acquired businesses may differ from those of our existing business.

## Risks Related to Supply Segment

*(PPL and PPL Energy Supply)*

***We face intense competition in our energy supply business, which may adversely affect our ability to operate profitably.***

Unlike our regulated utility businesses, our energy supply business is dependent on our ability to operate in a competitive environment and is not assured of any rate of return on capital investments through a predetermined rate structure. Competition is impacted by electricity and fuel prices, new market entrants, construction by others of generating assets and transmission capacity, technological advances in power generation, the actions of environmental and other regulatory authorities and other factors. These competitive factors may negatively impact our ability to sell electricity and related products and services, as well as the prices that we may charge for such products and services, which could adversely affect our results of operations and our ability to grow our business.

We sell our available energy and capacity into the competitive wholesale markets through contracts of varying duration. Competition in the wholesale power markets occurs principally on the basis of the price of products and, to a lesser extent, on the basis of reliability and availability. We believe that the commencement of commercial operation of new electric facilities in the regional markets where we own or control generation capacity and the evolution of demand side management resources will continue to increase competition in the wholesale electricity market in those regions, which could have an adverse effect on the prices we receive for electricity.

We also face competition in the wholesale markets for electricity capacity and ancillary services. We primarily compete with other electricity suppliers based on our ability to aggregate supplies at competitive prices from different sources and to efficiently utilize transportation from third-party pipelines and transmission from electric utilities and ISOs. We also compete against other energy marketers on the basis of relative financial condition and access to credit sources, and our competitors may have greater financial resources than we have.

Competitors in the wholesale power markets in which PPL Generation subsidiaries and PPL EnergyPlus operate include regulated utilities, industrial companies, non-utility generators and competitive subsidiaries of regulated utilities. In the past, the PUHCA significantly restricted mergers and acquisitions and other investments in the electric utility sector. Entirely new competitors, including financial institutions, have entered the energy markets as a result of the repeal of the original PUHCA in 2006. The repeal of the original PUHCA also may lead to consolidation in our industry, resulting in competitors with significantly greater financial resources than we have.

***Adverse changes in commodity prices and related costs may decrease our future energy margins, which could adversely affect our earnings and cash flows.***

Our energy margins, or the amount by which our revenues from the sale of power exceed our costs to supply power, are impacted by changes in market prices for electricity, fuel, fuel transportation, emission allowances, RECs, electricity transmission and related congestion charges and other costs. Unlike most commodities, the limited ability to store electric power requires that it must be consumed at the time of production. As a result, wholesale market prices for electricity may fluctuate substantially over relatively short periods of time and can be unpredictable. Among the factors that influence such prices are:

- supply and demand for electricity available from current or new generation resources;
- variable production costs, primarily fuel (and the associated fuel transportation costs) and emission allowance expense for the generation resources used to meet the demand for electricity;
- transmission capacity and service into, or out of, markets served;
- changes in the regulatory framework for wholesale power markets;
- liquidity in the wholesale electricity market, as well as general creditworthiness of key participants in the market; and
- weather and economic conditions impacting demand for or the price of electricity or the facilities necessary to deliver electricity.

***We do not always hedge against risks associated with electricity and fuel price volatility.***

We attempt to mitigate risks associated with satisfying our contractual electricity sales obligations by either reserving generation capacity to deliver electricity or purchasing the necessary financial or physical products and services through competitive markets to satisfy our net firm sales contracts. We also routinely enter into contracts, such as fuel and electricity purchase and sale commitments, to hedge our exposure to fuel requirements and other electricity-related commodities. However, based on economic and other considerations, we may decide not to hedge the entire exposure of our operations from commodity price risk. To the extent we do not hedge against commodity price risk, our results of operations and financial position may be adversely affected.

***We are exposed to operational, price and credit risks associated with selling and marketing products in the wholesale and retail electricity markets.***

We purchase and sell electricity in wholesale markets under market-based tariffs authorized by FERC throughout the U.S. and also enter into short-term agreements to market available electricity and capacity from our generation assets with the expectation of profiting from market price fluctuations. If we are unable to deliver firm capacity and electricity under these agreements, we could be required to pay damages. These damages would generally be based on the difference between the market price to acquire replacement capacity or electricity and the contract price of any undelivered capacity or electricity. Depending on price volatility in the wholesale electricity markets, such damages could be significant. Extreme weather conditions, unplanned generation facility outages, environmental compliance costs, transmission disruptions, and other factors could affect our ability to meet our obligations, or cause significant increases in the market price of replacement capacity and electricity.

Our wholesale power agreements typically include provisions requiring us to post collateral for the benefit of our counterparties if the market price of energy varies from the contract prices in excess of certain pre-determined amounts. We currently believe that we have sufficient credit to fulfill our potential collateral obligations under these power contracts. Our obligation to post collateral could exceed the amount of our facilities or our ability to increase our facilities could be limited by financial markets or other factors. See Note 7 to the Financial Statements for a discussion of PPL's credit facilities.

We also face credit risk that parties with whom we contract in both the wholesale and retail markets will default in their performance, in which case we may have to sell our electricity into a lower-priced market or make purchases in a higher-priced market than existed at the time of contract. Whenever feasible, we attempt to mitigate these risks using various means, including agreements that require our counterparties to post collateral for our benefit if the market price of energy varies from the contract price in excess of certain pre-determined amounts. However, there can be no assurance that we will avoid counterparty nonperformance risk, which could adversely impact our ability to meet our obligations to other parties, which could in turn subject us to claims for damages.

***The load following contracts that PPL EnergyPlus is awarded do not provide for specific levels of load and actual load significantly below or above our forecasts could adversely affect our energy margins.***

We generally hedge our load following obligations with energy purchases from third parties, and to a lesser extent with our own generation. If the actual load is significantly lower than the expected load, we may be required to resell power at a lower price than was contracted for to supply the load obligation, resulting in a financial loss. Alternatively, a significant increase in load could adversely affect our energy margins because we are required under the terms of the load following contracts to provide the energy necessary to fulfill increased demand at the contract price, which could be lower than the cost to procure additional energy on the open market. Therefore, any significant decrease or increase in load compared with our forecasts could have a material adverse effect on our results of operations or financial position.

***We may experience disruptions in our fuel supply, which could adversely affect our ability to operate our generation facilities.***

We purchase fuel from a number of suppliers. Disruption in the delivery of fuel and other products consumed during the production of electricity (such as coal, natural gas, oil, water, uranium, lime, limestone and other chemicals), including disruptions as a result of weather, transportation difficulties, global demand and supply dynamics, labor relations, environmental regulations or the financial viability of our fuel suppliers, could adversely affect our ability to operate our facilities, which could result in lower sales and/or higher costs and thereby adversely affect our results of operations.

***Our risk management policy and programs relating to electricity and fuel prices, interest rates, foreign currency and counterparty credit and non-performance risks may not work as planned, and we may suffer economic losses despite such programs.***

We actively manage the market risk inherent in our generation and energy marketing activities, as well as our debt, foreign currency and counterparty credit positions. We have implemented procedures to monitor compliance with our risk management policy and programs, including independent validation of transaction and market prices, verification of risk and transaction limits, portfolio stress tests, sensitivity analyses and daily portfolio reporting of various risk management metrics. Nonetheless, our risk management programs may not work as planned. For example, actual electricity and fuel prices may be significantly different or more volatile than the historical trends and assumptions upon which we based our risk management calculations. Additionally, unforeseen market disruptions could decrease market depth and liquidity, negatively impacting our ability to enter into new transactions. We enter into financial contracts to hedge commodity basis risk, and as a result are exposed to the risk that the correlation between delivery points could change with actual physical delivery. Similarly, interest rates or foreign currency exchange rates could change in significant ways that our risk management procedures were not designed to address. As a result, we cannot always predict the impact that our risk management decisions may have on us if actual events result in greater losses or costs than our risk models predict or greater volatility in our earnings and financial position.

In addition, our trading, marketing and hedging activities are exposed to counterparty credit risk and market liquidity risk. We have adopted a credit risk management policy and program to evaluate counterparty credit risk. However, if counterparties fail to perform, the risk of which has increased due to the economic downturn, we may be forced to enter into alternative arrangements at then-current market prices. In that event, our financial results are likely to be adversely affected.

***Our costs to comply with existing and new environmental laws are expected to continue to be significant, and we plan to incur significant capital expenditures for pollution control improvements that, if delayed, would adversely affect our profitability and liquidity.***

Our business is subject to extensive federal, state and local statutes, rules and regulations relating to environmental protection. To comply with existing and future environmental requirements and as a result of voluntary pollution control measures we may take, we have spent and expect to spend substantial amounts in the future on environmental control and compliance.

In order to comply with existing and proposed federal and state environmental laws and regulations primarily governing air emissions from coal-fired plants, in 2005 PPL began a program to install scrubbers and other pollution control equipment (primarily aimed at sulfur dioxide, particulate matter and nitrogen oxides with co-benefits for mercury emissions reduction). The cost to install this equipment was approximately \$1.6 billion. The scrubbers at our Montour and Brunner Island plants are now in service. Many states and environmental groups have challenged certain federal laws and regulations relating to air emissions as not being sufficiently strict. As a result, it is possible that state and federal regulations will be adopted that would impose more stringent restrictions than are currently in effect, which could require us to significantly increase capital expenditures for additional pollution control equipment.

We may not be able to obtain or maintain all environmental regulatory approvals necessary for our planned capital projects which are necessary to our business. If there is a delay in obtaining any required environmental regulatory approval or if we fail to obtain, maintain or comply with any such approval, operations at our affected facilities could be halted, reduced or subjected to additional costs. Furthermore, at some of our older generating facilities it may be uneconomic for us to install necessary pollution control equipment, which could cause us to retire those units.

For more information regarding environmental matters, including existing and proposed federal, state and local statutes, rules and regulations to which we are subject, see "Environmental Matters - Domestic" in Note 15 to the Financial Statements.

***We rely on transmission and distribution assets that we do not own or control to deliver our wholesale electricity. If transmission is disrupted, or not operated efficiently, or if capacity is inadequate, our ability to sell and deliver power may be hindered.***

We depend on transmission and distribution facilities owned and operated by utilities and other energy companies to deliver the electricity and natural gas we sell in the wholesale market, as well as the natural gas we purchase for use in our electric generation facilities. If transmission is disrupted (as a result of weather, natural disasters or other reasons) or not operated efficiently by ISOs and RTOs, in applicable markets, or if capacity is inadequate, our ability to sell and deliver products and satisfy our contractual obligations may be hindered, or we may be unable to sell products at the most favorable terms.

The FERC has issued regulations that require wholesale electric transmission services to be offered on an open-access, non-discriminatory basis. Although these regulations are designed to encourage competition in wholesale market transactions for electricity, there is the potential that fair and equal access to transmission systems will not be available or that transmission capacity will not be available in the amounts we require. We cannot predict the timing of industry changes as a result of these initiatives or the adequacy of transmission facilities in specific markets or whether ISOs and RTOs in applicable markets will efficiently operate transmission networks and provide related services.

***Despite federal and state deregulation initiatives, our supply business is still subject to extensive regulation, which may increase our costs, reduce our revenues, or prevent or delay operation of our facilities.***

Our generation subsidiaries sell electricity into the wholesale market. Generally, our generation subsidiaries and our marketing subsidiaries are subject to regulation by the FERC. The FERC has authorized us to sell generation from our facilities and power from our marketing subsidiaries at market-based prices. The FERC retains the authority to modify or withdraw our market-based rate authority and to impose "cost of service" rates if it determines that the market is not competitive, that we possess market power or that we are not charging just and reasonable rates. Any reduction by the FERC in the rates we may receive or any unfavorable regulation of our business by state regulators could materially adversely affect our results of operations. See "FERC Market-Based Rate Authority" in Note 15 to the Financial Statements for information regarding recent court decisions that could impact the FERC's market-based rate authority program.

In addition, the acquisition, construction, ownership and operation of electricity generation facilities require numerous permits, approvals, licenses and certificates from federal, state and local governmental agencies. We may not be able to obtain or maintain all required regulatory approvals. If there is a delay in obtaining any required regulatory approvals or if we fail to obtain or maintain any required approval or fail to comply with any applicable law or regulation, the operation of our assets and our sales of electricity could be prevented or delayed or become subject to additional costs.

***If market deregulation is reversed or discontinued, our business prospects and financial condition could be materially adversely affected.***

In some markets, state legislators, government agencies and other interested parties have made proposals to change the use of market-based pricing, re-regulate areas of these markets that have previously been competitive or permit electricity delivery companies to construct or acquire generating facilities. The ISOs that oversee the transmission systems in certain wholesale electricity markets have from time to time been authorized to impose price limitations and other mechanisms to address extremely high prices in the power markets. These types of price limitations and other mechanisms may reduce profits that our wholesale power marketing and trading business would have realized under competitive market conditions absent such limitations and mechanisms. Although we generally expect electricity markets to continue to be competitive, other proposals to re-regulate our industry may be made, and legislative or other actions affecting the electric power restructuring process may cause the process to be delayed, discontinued or reversed in states in which we currently, or may in the future, operate. See "New Jersey Capacity Legislation" in Note 15 to the Financial Statements.

***Changes in technology may negatively impact the value of our power plants.***

A basic premise of our generation business is that generating electricity at central power plants achieves economies of scale and produces electricity at relatively low prices. There are alternate technologies to produce electricity, most notably fuel

cells, micro turbines, windmills and photovoltaic (solar) cells, the development of which has been expanded due to global climate change concerns. Research and development activities are ongoing to seek improvements in alternate technologies. It is possible that advances will reduce the cost of alternate methods of electricity production to a level that is equal to or below that of certain central station production. Also, as new technologies are developed and become available, the quantity and pattern of electricity usage (the "demand") by customers could decline, with a corresponding decline in revenues derived by generators. These alternative energy sources could result in a decline to the dispatch and capacity factors of our plants. As a result of all of these factors, the value of our generation facilities could be significantly reduced.

*We are subject to certain risks associated with nuclear generation, including the risk that our Susquehanna nuclear plant could become subject to increased security or safety requirements that would increase capital and operating expenditures, uncertainties regarding spent nuclear fuel, and uncertainties associated with decommissioning our plant at the end of its licensed life.*

Nuclear generation accounted for about 28% of our 2011 generation output. The risks of nuclear generation generally include:

- the potential harmful effects on the environment and human health from the operation of nuclear facilities and the storage, handling and disposal of radioactive materials;
- limitations on the amounts and types of insurance commercially available to cover losses and liabilities that might arise in connection with nuclear operations; and
- uncertainties with respect to the technological and financial aspects of decommissioning nuclear plants at the end of their licensed lives. The licenses for our two nuclear units expire in 2042 and 2044. See Note 21 to the Financial Statements for additional information on the ARO related to the decommissioning.

The NRC has broad authority under federal law to impose licensing requirements, including security, safety and employee-related requirements for the operation of nuclear generation facilities. In the event of noncompliance, the NRC has authority to impose fines or shut down a unit, or both, depending upon its assessment of the severity of the situation, until compliance is achieved. In addition, revised security or safety requirements promulgated by the NRC could necessitate substantial capital or operating expenditures at our Susquehanna nuclear plant. There also remains substantial uncertainty regarding the temporary storage and permanent disposal of spent nuclear fuel, which could result in substantial additional costs to PPL that cannot be predicted. In addition, although we have no reason to anticipate a serious nuclear incident at our Susquehanna plant, if an incident did occur, any resulting operational loss, damages and injuries could have a material adverse effect on our results of operations, cash flows or financial condition. See Note 15 to the Financial Statements for a discussion of nuclear insurance.

#### **ITEM 1B. UNRESOLVED STAFF COMMENTS**

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

None.



**ITEM 2. PROPERTIES**

(PPL, LKE, LG&E and KU)

**Kentucky Regulated Segment**

LG&E's and KU's properties consist primarily of regulated generation facilities, electric transmission and distribution assets and natural gas transmission and distribution assets in Kentucky. The electric generating capacity at December 31, 2011 was:

Primary Fuel/Plant (a)	Total MW Capacity (b) Summer	LKE	LG&E		KU	
		Ownership or Lease Interest in MW	% Ownership	Ownership or Lease Interest in MW	% Ownership	Ownership or Lease Interest in MW
<b>Coal</b>						
Ghent .....	1,932	1,932			100.00	1,932
Mill Creek.....	1,472	1,472	100.00	1,472		
E.W. Brown - Units 1-3.....	684	684			100.00	684
Cane Run - Units 4-6 .....	563	563	100.00	563		
Trimble County - Unit 1 (c) .....	511	383	75.00	383		
Trimble County - Unit 2 (c)(d) .....	732	549	14.25	104	60.75	445
Green River .....	163	163			100.00	163
OVEC - Clifty Creek (e) .....	1,304	106	5.63	73	2.50	33
OVEC - Kyger Creek (e) .....	1,086	88	5.63	61	2.50	27
Tyrone .....	71	71			100.00	71
	<u>8,518</u>	<u>6,011</u>		<u>2,656</u>		<u>3,355</u>
<b>Natural Gas/Oil</b>						
Trimble County Units 7-10.....	628	628	37.00	232	63.00	396
E.W. Brown Units 8-11 (g).....	486	486			100.00	486
E.W. Brown Units 6-7 (f) .....	292	292	38.00	111	62.00	181
Trimble County Units 5-6.....	314	314	29.00	91	71.00	223
Paddy's Run Unit 13 .....	147	147	53.00	78	47.00	69
E.W. Brown Unit 5 (f)(g).....	132	132	53.00	69	47.00	63
Paddy's Run Units 11-12.....	35	35	100.00	35		
Haefling .....	36	36			100.00	36
Zorn .....	14	14	100.00	14		
Cane Run Unit 11 .....	14	14	100.00	14		
	<u>2,098</u>	<u>2,098</u>		<u>644</u>		<u>1,454</u>
<b>Hydro</b>						
Ohio Falls .....	52	52	100.00	52		
Dix Dam .....	24	24			100.00	24
	<u>76</u>	<u>76</u>		<u>52</u>		<u>24</u>
Total.....	<u>10,692</u>	<u>8,185</u>		<u>3,352</u>		<u>4,833</u>

- (a) LG&E and KU's properties are primarily located in Kentucky, with the exception of the units owned by OVEC. Clifty Creek is located in Indiana and Kyger Creek is located in Ohio.
- (b) The capacity of generation units is based on a number of factors, including the operating experience and physical conditions of the units, and may be revised periodically to reflect changed circumstances.
- (c) TC1 and TC2 are jointly owned with Illinois Municipal Electric Agency and Indiana Municipal Power Agency. Each owner is entitled to its proportionate share of the units' total output and funds its proportionate share of capital, fuel and other operating costs. See Note 14 to the Financial Statements for additional information.
- (d) LKE took care, custody and control of TC2 on January 22, 2011, and has dispatched the unit to meet customer demand since that date. See Note 15 to the Financial Statements for additional information.
- (e) This unit is owned by OVEC. LKE has a power purchase agreement that entitles LKE to its proportionate share of the unit's total output and LKE funds its proportionate share of fuel and other operating costs. See Note 15 to the Financial Statements for additional information.
- (f) Includes a leasehold interest. See Note 11 to the Financial Statements for additional information.
- (g) There is an inlet air cooling system attributable to these units. This inlet air cooling system is not jointly owned; however, it is used to increase production on the units to which it relates, resulting in an additional 10 MW of capacity for LG&E and an additional 88 MW of capacity for KU.

For a description of LG&E's and KU's service areas, see "Item 1. Business - Background." At December 31, 2011, LG&E's transmission system included in the aggregate, 45 substations (32 of which are shared with the distribution

system) with a total capacity of 7 million kVA and 916 circuit miles of lines. The distribution system included 97 substations (32 of which are shared with the transmission system) with a total capacity of 5 million kVA, 3,887 miles of overhead lines and 2,371 miles of underground wires. KU's transmission system included 133 substations (55 of which are shared with the distribution system) with a total capacity of 13 million kVA and 4,078 circuit miles of lines. The distribution system included 478 substations (55 of which are shared with the transmission system) with transformer capacity of 7 million kVA, 14,112 miles of overhead lines and 2,265 miles of underground conduit.

LG&E's natural gas transmission system includes 4,290 miles of gas distribution mains and 386 miles of gas transmission mains, consisting of 254 miles of gas transmission pipeline, 123 miles of gas transmission storage lines, 6 miles of gas combustion turbine lines, and 3 miles of gas transmission pipeline in regulator facilities. Five underground natural gas storage fields, with a total working natural gas capacity of approximately 15 Bcf, are used in providing natural gas service to ultimate consumers. KU's service area includes an additional 11 miles of gas transmission pipeline providing gas supply to natural gas combustion turbine electrical generating units.

Substantially all of LG&E's and KU's respective real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity and, in the case of LG&E, the storage and distribution of natural gas, is subject to the lien of either the LG&E 2010 Mortgage Indenture or the KU 2010 Mortgage Indenture. See Note 7 to the Financial Statements for additional information.

LG&E and KU continuously reexamine development projects based on market conditions and other factors to determine whether to proceed with the projects, sell, cancel or expand them or pursue other options. At December 31, 2011, LG&E and KU planned to implement the following incremental capacity increases and decreases at the following plants located in Kentucky.

Primary Fuel/Plant	Total Net Summer MW Capacity Increase / (Decrease) (a)	LG&E		KU		Date of Incremental Capacity Increase / Decrease (b)
		% Ownership	Ownership or Lease Interest in MW	% Ownership	Ownership or Lease Interest in MW	
<b>Coal</b>						
Cane Run - Units 4-6 - (c).....	(563)	100.00	(563)			2015
Green River - (c) .....	(163)			100.00	(163)	2015
Tyrone - (c) .....	(71)			100.00	(71)	2015
Total Capacity Decreases .....	<u>(797)</u>		<u>(563)</u>		<u>(234)</u>	
<b>Natural Gas/Oil</b>						
Cane Run - Unit 7 (d).....	640	22.00	141	78.00	499	2016
Bluegrass CTs (e).....	495	69.00	342	31.00	153	2012
Total Capacity Increases .....	<u>1,135</u>		<u>483</u>		<u>652</u>	
<b>Total</b> .....	<u>338</u>		<u>(80)</u>		<u>418</u>	

- (a) The capacity of generating units is based on a number of factors, including the operating experience and physical condition of the units, and may be revised periodically to reflect changed circumstances.
- (b) The expected in-service dates are subject to receipt of required approvals, permits and other contingencies.
- (c) LG&E and KU anticipate retiring these units at the end of 2015. See Notes 8 and 15 to the Financial Statements for additional information.
- (d) In September 2011, LG&E and KU requested approval to build this unit at the existing Cane Run site. See Note 8 to the Financial Statements for additional information.
- (e) In September 2011, LG&E and KU requested approval to purchase three existing natural gas combustion units. See Note 8 to the Financial Statements for additional information.

(PPL)

### International Regulated Segment

For a description of WPD's service territory, see "Item 1. Business - Background." At December 31, 2011, WPD had electric distribution lines in public streets and highways pursuant to legislation and rights-of-way secured from property owners. WPD's distribution system in the U.K. includes 1,602 substations with a total capacity of 61 million kVA, 57,472 circuit miles of overhead lines and 79,755 cable miles of underground conductors.

(PPL and PPL Electric)

**Pennsylvania Regulated Segment**

For a description of PPL Electric's service territory, see "Item 1. Business - Background." At December 31, 2011, PPL Electric had electric transmission and distribution lines in public streets and highways pursuant to franchises and rights-of-way secured from property owners. PPL Electric's transmission system included 60 substations with a total capacity of 17 million kVA and 6,727 pole miles. PPL Electric's distribution system included 321 substations with a total capacity of 15 million kVA, 33,145 circuit miles of overhead lines and 7,407 cable miles of underground conductors. All of PPL Electric's facilities are located in Pennsylvania. Substantially all of PPL Electric's distribution properties and certain transmission properties are subject to the lien of the PPL Electric 2001 Mortgage Indenture.

See Note 8 to the Financial Statements for information on the construction of the Susquehanna-Roseland 500-kilovolt transmission line.

(PPL and PPL Energy Supply)

**Supply Segment**

PPL Energy Supply's electric generating capacity (summer rating) at December 31, 2011 was:

<u>Primary Fuel/Plant</u>	<u>Total MW Capacity (a)</u>	<u>% Ownership</u>	<u>PPL Energy Supply's Ownership or Lease Interest in MW (a)</u>	<u>Location</u>
<b>Natural Gas/Oil</b>				
Martins Creek .....	1,685	100.00	1,685	Pennsylvania
Ironwood (b) .....	657	100.00	657	Pennsylvania
Lower Mt. Bethel .....	552	100.00	552	Pennsylvania
Combustion turbines .....	362	100.00	362	Pennsylvania
	3,256		3,256	
<b>Coal</b>				
Montour .....	1,515	100.00	1,515	Pennsylvania
Brunner Island .....	1,445	100.00	1,445	Pennsylvania
Colstrip Units 1 & 2 (c) .....	614	50.00	307	Montana
Conemaugh (d) .....	1,717	16.25	279	Pennsylvania
Colstrip Unit 3 (c) .....	740	30.00	222	Montana
Keystone (d) .....	1,717	12.34	212	Pennsylvania
Corette .....	153	100.00	153	Montana
	7,901		4,133	
<b>Nuclear</b>				
Susquehanna (d) .....	2,528	90.00	2,275	Pennsylvania
<b>Hydro</b>				
Various .....	604	100.00	604	Montana
Various .....	175	100.00	175	Pennsylvania
	779		779	
<b>Qualifying Facilities</b>				
Renewables (e) .....	57	100.00	57	Pennsylvania
Renewables .....	8	100.00	8	Various
	65		65	
Total .....	14,529		10,508	

- (a) The capacity of generation units is based on a number of factors, including the operating experience and physical conditions of the units, and may be revised periodically to reflect changed circumstances.  
(b) Facility not owned by PPL Energy Supply, but there is a tolling agreement in place through 2021.  
(c) Represents the leasehold interest held by PPL Montana. See Note 11 to the Financial Statements for additional information.

- (d) This unit is jointly owned. Each owner is entitled to their proportionate share of the unit's total output and funds their proportionate share of fuel and other operating costs. See Note 14 to the Financial Statements for additional information.
- (e) Includes facilities owned, controlled or for which PPL Energy Supply has the rights to the output.

Amounts guaranteed by PPL Montour and PPL Brunner Island in connection with an \$800 million secured energy marketing and trading facility are secured by liens on the generating facilities owned by PPL Montour and PPL Brunner Island. See Note 7 to the Financial Statements for additional information.

PPL Energy Supply continuously reexamines development projects based on market conditions and other factors to determine whether to proceed with the projects, sell, cancel or expand them, execute tolling agreements or pursue other options. At December 31, 2011, PPL Energy Supply subsidiaries planned to implement the following incremental capacity increases.

Primary Fuel/Plant	Location	Total MW Capacity (a)	PPL Energy Supply Ownership or Lease Interest in MW	Expected In-Service Date (b)
<b>Hydro</b>				
Holtwood (c).....	Pennsylvania	128	128 (100%)	2012 - 2013
Lower Mt. Bethel (d) .....	Pennsylvania	33	33 (100%)	2012
Great Falls (e) .....	Montana	28	28 (100%)	2012
<b>Solar</b>				
Warren County.....	New Jersey	<u>2</u>	<u>2</u> (100%)	2012
<b>Total</b> .....		<u>191</u>	<u>191</u>	

- (a) The capacity of generating units is based on a number of factors, including the operating experience and physical condition of the units, and may be revised periodically to reflect changed circumstances.
- (b) The expected in-service dates are subject to receipt of required approvals, permits and other contingencies.
- (c) This project includes installation of two additional large turbine-generators and the replacement of four existing runners.
- (d) This project includes installation of enhanced compressor and turbine hardware and control logic optimization that will increase output and improve heat rate.
- (e) This project involves the reconstruction of a powerhouse.

### **ITEM 3. LEGAL PROCEEDINGS**

See Notes 5, 6 and 15 to the Financial Statements for information regarding legal, tax litigation, regulatory and environmental proceedings and matters.

### **ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**PART II****ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY,  
RELATED STOCKHOLDER MATTERS AND  
ISSUER PURCHASES OF EQUITY SECURITIES**

See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition - Liquidity and Capital Resources - Forecasted Uses of Cash" for information regarding certain restrictions on the ability to pay dividends for PPL, PPL Electric, LKE, LG&E and KU.

**PPL Corporation**

Additional information for this item is set forth in the sections entitled "Quarterly Financial, Common Stock Price and Dividend Data," "Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" and "Shareowner and Investor Information" of this report. At January 31, 2012, there were 68,702 common stock shareowners of record.

In 2011, PPL terminated the program to repurchase its common stock in open market purchases, pre-arranged trading plans or privately negotiated transactions. There were no purchases by PPL of its common stock during the fourth quarter of 2011.

**PPL Energy Supply, LLC**

There is no established public trading market for PPL Energy Supply's membership interests. PPL Energy Funding, a direct wholly owned subsidiary of PPL, owns all of PPL Energy Supply's outstanding membership interests. Distributions on the membership interests will be paid as determined by PPL Energy Supply's Board of Managers.

PPL Energy Supply made cash distributions to PPL Energy Funding of \$316 million in 2011 and \$4.7 billion in 2010. In 2010, PPL Energy Supply received cash contributions of \$3.6 billion and distributed \$4.7 billion to PPL Energy Funding. The cash contributions received from its parent related primarily to the funds received by PPL in June 2010 from the issuance of common stock and 2010 Equity Units. These funds were invested by a subsidiary of PPL Energy Supply until they were returned to PPL Energy Funding in October 2010 to be available to partially fund PPL's acquisition of LKE and pay certain acquisition-related fees and expenses. See Note 9 to the Financial Statements regarding the distribution, including \$325 million of cash, of PPL Energy Supply's membership interests in PPL Global to PPL Energy Funding in January 2011.

**PPL Electric Utilities Corporation**

There is no established public trading market for PPL Electric's common stock, as PPL owns 100% of the outstanding common shares. Dividends paid to PPL on those common shares are determined by PPL Electric's Board of Directors. PPL Electric paid common stock dividends to PPL of \$92 million in 2011 and \$71 million in 2010.

**LG&E and KU Energy LLC**

There is no established public trading market for LKE's membership interests. PPL owns all of LKE's outstanding membership interests. Distributions on the membership interests will be paid as determined by LKE's Board of Directors. LKE made cash distributions to PPL of \$533 million in 2011 (including \$248 million from the proceeds of a note issuance) and \$100 million in 2010. LKE made cash distributions to E.ON US Investments Corp. of \$87 million in 2010.

**Louisville Gas and Electric Company**

There is no established public trading market for LG&E's common stock, as LKE owns 100% of the outstanding common shares. Dividends paid to LKE on those common shares are determined by LG&E's Board of Directors. LG&E paid common stock dividends to LKE of \$83 million in 2011 and \$55 million in 2010.

**Kentucky Utilities Company**

There is no established public trading market for KU's common stock, as LKE owns 100% of the outstanding common shares. Dividends paid to LKE on those common shares are determined by KU's Board of Directors. KU paid common stock dividends to LKE of \$124 million in 2011 and \$50 million in 2010.

**ITEM 6. SELECTED FINANCIAL AND OPERATING DATA**

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

Item 6 is omitted as PPL Energy Supply, PPL Electric, LKE, LG&E and KU meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

**ITEM 6. SELECTED FINANCIAL AND OPERATING DATA**

<b>PPL Corporation (a) (b)</b>	<b>2011 (c)</b>	<b>2010 (c)</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Income Items - millions</b>					
Operating revenues .....	\$ 12,737	\$ 8,521	\$ 7,449	\$ 7,857	\$ 6,327
Operating income .....	3,101	1,866	896	1,703	1,606
Income from continuing operations after income taxes attributable to PPL .....	1,493	955	414	857	973
Net income attributable to PPL.....	1,495	938	407	930	1,288
<b>Balance Sheet Items - millions (d)</b>					
Total assets .....	42,648	32,837	22,165	21,405	19,972
Short-term debt .....	578	694	639	679	92
Long-term debt (e).....	17,993	12,663	7,143	7,838	7,568
Noncontrolling interests .....	268	268	319	319	320
Common equity .....	10,828	8,210	5,496	5,077	5,556
Total capitalization (e).....	29,667	21,835	13,597	13,913	13,536
<b>Financial Ratios</b>					
Return on average common equity - % .....	14.93	13.26	7.48	16.88	24.47
Ratio of earnings to fixed charges (f) .....	3.1	2.7	1.9	3.1	2.8
<b>Common Stock Data</b>					
Number of shares outstanding - Basic (in thousands)					
Year-end .....	578,405	483,391	377,183	374,581	373,271
Weighted-average .....	550,395	431,345	376,082	373,626	380,563
Income from continuing operations after income taxes available to PPL common shareowners - Basic EPS ....	\$ 2.70	\$ 2.21	\$ 1.10	\$ 2.28	\$ 2.53
Income from continuing operations after income taxes available to PPL common shareowners - Diluted EPS .	\$ 2.70	\$ 2.20	\$ 1.10	\$ 2.28	\$ 2.51
Net income available to PPL common shareowners - Basic EPS .....	\$ 2.71	\$ 2.17	\$ 1.08	\$ 2.48	\$ 3.37
Net income available to PPL common shareowners - Diluted EPS .....	\$ 2.70	\$ 2.17	\$ 1.08	\$ 2.47	\$ 3.34
Dividends declared per share of common stock .....	\$ 1.40	\$ 1.40	\$ 1.38	\$ 1.34	\$ 1.22
Book value per share (d) .....	\$ 18.72	\$ 16.98	\$ 14.57	\$ 13.55	\$ 14.88
Market price per share (d) .....	\$ 29.42	\$ 26.32	\$ 32.31	\$ 30.69	\$ 52.09
Dividend payout ratio - % (g) .....	52	65	128	54	37
Dividend yield - % (h).....	4.76	5.32	4.27	4.37	2.34
Price earnings ratio (g) (h).....	10.89	12.13	29.92	12.43	15.60
<b>Sales Data - GWh</b>					
Domestic - Electric energy supplied - retail (i).....	40,147	14,595	38,912	40,374	40,074
Domestic - Electric energy supplied - wholesale (i) (j) ...	65,681	75,489	38,988	42,712	33,515
Domestic - Electric energy delivered (i).....	68,063	42,341	36,717	38,058	37,950
International - Electric energy delivered (k).....	58,245	26,820	26,358	27,724	31,652

- (a) The earnings each year were affected by several items that management considers special. See "Results of Operations - Segment Results" in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" for a description of special items in 2011, 2010 and 2009.
- (b) See "Item 1A. Risk Factors" and Notes 6 and 15 to the Financial Statements for a discussion of uncertainties that could affect PPL's future financial condition. Also see Note 9 to the Financial Statements for a discussion of discontinued operations for activity recorded in 2011, 2010 and 2009. In addition, years 2008 and 2007 were also impacted by the sales of the Latin American and gas and propane businesses.
- (c) Includes WPD Midlands activity since its April 1, 2011 acquisition date. Includes LKE activity since its November 1, 2010 acquisition date.
- (d) As of each respective year-end.
- (e) Year 2007 excludes amounts related to PPL's natural gas distribution and propane businesses that had been classified as held for sale at December 31, 2007.
- (f) Computed using earnings and fixed charges of PPL and its subsidiaries. Fixed charges consist of interest on short- and long-term debt, amortization of debt discount, expense and premium - net, other interest charges, the estimated interest component of operating rentals and preferred securities distributions of subsidiaries. See Exhibit 12(a) for additional information.
- (g) Based on diluted EPS.
- (h) Based on year-end market prices.
- (i) The domestic trends for 2010 reflect the expiration of the PLR contract between PPL EnergyPlus and PPL Electric as of December 31, 2009. See Note 16 to the Financial Statements for additional information.



- (j) GWh are included until the transaction closing for facilities that were sold.
- (k) Year 2007 includes the deliveries associated with the Latin American businesses, until the date of their sale in 2007. Year 2011 includes eight months of deliveries associated with the acquisition of WPD Midlands as volumes are reported on a one-month lag.

**PPL CORPORATION AND SUBSIDIARIES****Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The information provided in this Item 7 should be read in conjunction with PPL's Consolidated Financial Statements and the accompanying Notes. Capitalized terms and abbreviations are explained in the glossary. Dollars are in millions unless otherwise noted.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" includes the following information:

- "Overview" provides a description of PPL and its business strategy. "Financial and Operational Developments" includes a review of Net Income Attributable to PPL Corporation and discusses certain events that are important to understanding PPL's results of operations and financial condition.
- "Results of Operations" provides a summary of PPL's earnings, a review of results by reportable segment and a description of key factors by segment expected to impact future earnings. This section ends with "Statement of Income Analysis," which includes explanations of significant changes in principal items on PPL's Statements of Income, comparing 2011, 2010 and 2009.
- "Financial Condition - Liquidity and Capital Resources" provides an analysis of PPL's liquidity position and credit profile. This section also includes a discussion of rating agency decisions and capital expenditure projections.
- "Financial Condition - Risk Management - Energy Marketing & Trading and Other" provides an explanation of PPL's risk management programs relating to market and credit risk.
- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of PPL and that require its management to make significant estimates, assumptions and other judgments of matters inherently uncertain.

**Overview****Introduction**

PPL is an energy and utility holding company with headquarters in Allentown, Pennsylvania. Through subsidiaries, PPL generates electricity from power plants in the northeastern, northwestern and southeastern U.S., markets wholesale and retail energy primarily in the northeastern and northwestern portions of the U.S., delivers electricity to customers in Pennsylvania, Kentucky, Virginia, Tennessee and the U.K. and delivers natural gas to customers in Kentucky.

In 2011 and 2010, PPL completed two acquisitions.

\* On April 1, 2011, PPL, through its indirect, wholly owned subsidiary PPL WEM, completed its acquisition of all of the outstanding ordinary share capital of Central Networks East plc and Central Networks Limited, the sole owner of Central Networks West plc, together with certain other related assets and liabilities (collectively referred to as Central Networks and subsequently renamed WPD Midlands), from subsidiaries of E.ON AG. The consideration for the acquisition consisted of cash of \$5.8 billion, including the repayment of \$1.7 billion of affiliate indebtedness owed to subsidiaries of E.ON AG, and \$800 million of long-term debt assumed through consolidation. WPD Midlands operates two regulated distribution networks that serve five million end-users in the Midlands area of England.

\* On November 1, 2010, PPL completed the acquisition of all of the limited liability company interests of E.ON U.S. LLC from a wholly owned subsidiary of E.ON AG. Upon completion of the acquisition, E.ON U.S. LLC was renamed LG&E and KU Energy LLC (LKE). LKE is engaged in regulated utility operations through its subsidiaries, LG&E and KU. The consideration for the acquisition consisted of cash of \$6.8 billion, including the repayment of \$4.3 billion of affiliate indebtedness owed to subsidiaries of E.ON AG, and \$800 million of debt assumed through consolidation.

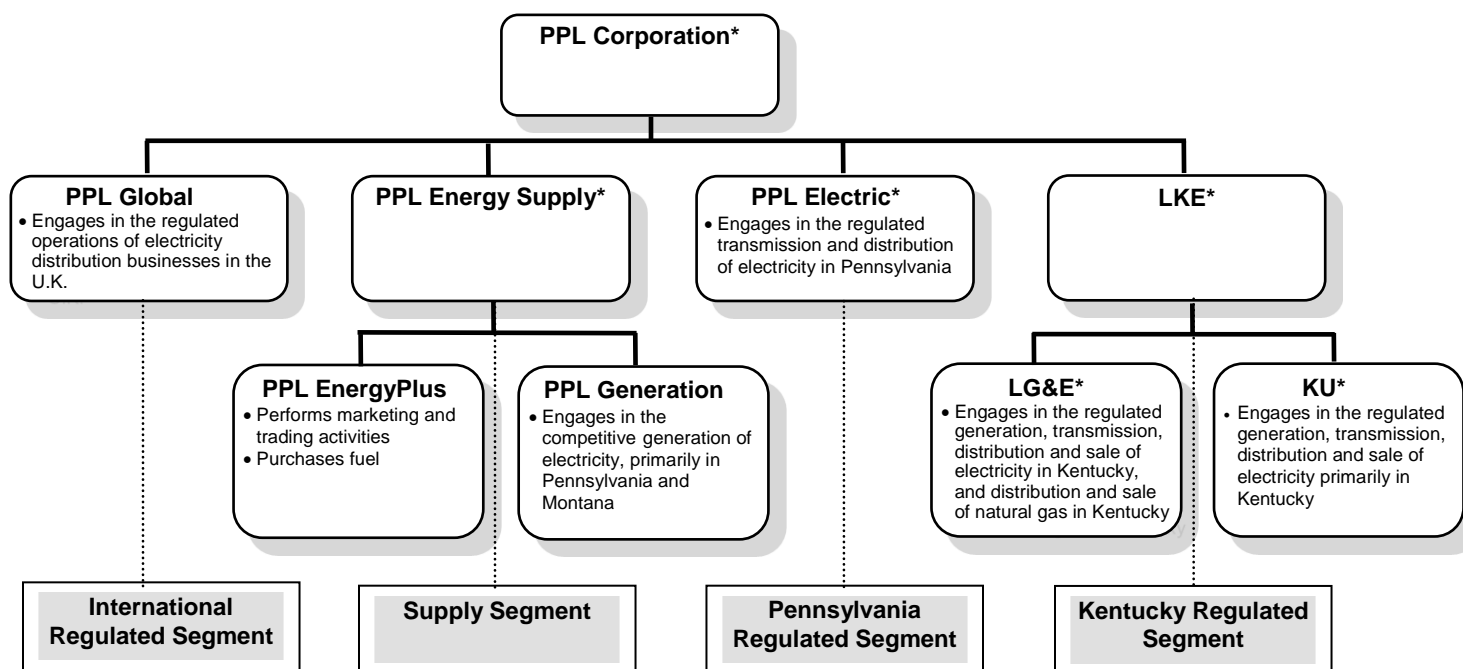
See Note 10 to the Financial Statements for additional information on the acquisitions.

At December 31, 2011, PPL had:

- 12.7 billion in operating revenues (including eight months from WPD Midlands, which are recorded on a one-month lag)
- 10.5 million end-users of its utility services (including five million end-users served by the WPD Midlands companies)
- Approximately 19,000 MW of generation
- Approximately 18,000 full-time employees

In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding (the parent holding company of PPL Energy Supply and PPL Global with no other material operations), to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements. The distribution separated the U.S.-based competitive energy marketing and supply business from the U.K.-based regulated electricity distribution business.

PPL's principal subsidiaries are shown below (\* denotes an SEC registrant; LKE, LG&E and KU became SEC registrants effective June 1, 2011):



## Business Strategy

PPL's overall strategy is to achieve stable, long-term growth in its regulated electricity delivery businesses through efficient operations and strong customer and regulatory relations, and disciplined optimization of energy supply margins while mitigating volatility in both cash flows and earnings. In pursuing this strategy, PPL acquired LKE in November 2010 and WPD Midlands in April 2011. These acquisitions have reduced PPL's overall business risk profile and reapportioned the mix of PPL's regulated and competitive businesses by increasing the regulated portion of its business and enhancing rate-regulated growth opportunities as the regulated businesses make investments to improve infrastructure and customer reliability.

The increase in regulated assets is expected to provide earnings stability through regulated returns and the ability to recover costs of capital investments, in contrast to the competitive energy supply business where earnings and cash flows are subject to commodity market volatility. Following the LKE and WPD Midlands acquisitions, approximately 70% of

PPL's assets are in its regulated businesses. The pro forma impacts of the acquisitions of LKE and WPD Midlands on income from continuing operations (after income taxes) attributable to PPL for 2011 and 2010 are as follows.

	2011				2010			
	Pro forma		Actual		Pro forma		Actual	
Regulated	\$ 1,027	57%	\$ 912	54%	\$ 831	57%	\$ 398	39%
Competitive	773	43%	773	46%	631	43%	631	61%
	<u>\$ 1,800</u>		<u>\$ 1,685</u>		<u>\$ 1,462</u>		<u>\$ 1,029</u>	

Note: Pro forma and actual amounts exclude non-recurring items identified in Note 10 to the Financial Statements.

Results for periods prior to the acquisitions of LKE and WPD Midlands are not comparable with, or indicative of, results for periods subsequent to the acquisitions.

With the purchase of WPD Midlands and the related growth of the portion of PPL's overall earnings translated from British pounds sterling, the related foreign currency risk is more substantial. The U.K. subsidiaries also have currency exposure to the U.S. dollar to the extent they have U.S. dollar denominated debt. To manage these risks, PPL generally uses contracts such as forwards, options and cross currency swaps that contain characteristics of both interest rate and foreign currency exchange contracts.

PPL's strategy for its competitive energy supply business is to optimize the value from its unregulated generation and marketing portfolio. PPL endeavors to do this by matching energy supply with load, or customer demand, under contracts of varying durations with creditworthy counterparties to capture profits while effectively managing exposure to energy and fuel price volatility, counterparty credit risk and operational risk.

To manage financing costs and access to credit markets, a key objective of PPL's business strategy is to maintain a strong credit profile. PPL continually focuses on maintaining an appropriate capital structure and liquidity position. In addition, PPL has adopted financial and operational risk management programs that, among other things, are designed to monitor and manage its exposure to earnings and cash flow volatility related to changes in energy and fuel prices, interest rates, counterparty credit quality and the operating performance of its generating units.

## Financial and Operational Developments

### Net Income Attributable to PPL Corporation

Net Income Attributable to PPL Corporation for 2011, 2010 and 2009 was \$1.5 billion, \$938 million and \$407 million. Earnings in 2011 increased 59% over 2010 and earnings in 2010 increased 130% over 2009. These changes reflect the following after-tax impacts by segment:

	2011 vs. 2010	2010 vs. 2009
Kentucky Regulated Segment earnings	\$ 195	\$ 26
International Regulated Segment		
WPD Midlands earnings	281	
WPD Midlands acquisition-related costs	(192)	
Reduction in U.K. tax rate related to PPL WW	16	18
Pennsylvania Regulated Segment		
Distribution base rate increase effective January 2011	40	
Supply Segment		
Net unrealized gains/(losses) on energy-related economic activity	193	104
Losses on the monetization of certain full-requirement sales contracts in 2010	125	(125)
Litigation settlement in 2011 related to spent nuclear fuel	33	
LKE acquisition-related costs (a)	96	(98)
State valuation allowance adjustments	(101)	52
Change in "Unregulated Gross Energy Margins" (b)	(240)	608
Unallocated costs - LKE acquisition-related costs in 2010	76	(76)
Other	35	22
	<u>\$ 557</u>	<u>\$ 531</u>

(a) Primarily consists of an impairment charge recorded related to the sale of certain non-core generation facilities and discontinued cash flow hedges and ineffectiveness.

- (b) See "Statement of Income Analysis - Margins" for additional information, including a reconciliation of this non-GAAP financial measure to operating income.

See "Results of Operations" below for further discussion and analysis of the consolidated results of operations, as well as a discussion of each of PPL's business segments.

#### Acquisition of WPD Midlands

On April 1, 2011, PPL completed its acquisition of WPD Midlands. The service territories of PPL WW and WPD Midlands are contiguous and cost savings, efficiencies and other benefits are expected from the combined operation of these entities.

The cash consideration of \$5.8 billion was primarily funded by borrowings under the 2011 Bridge Facility. Permanent financing was completed in the second quarter of 2011 to repay 2011 Bridge Facility borrowings, pay certain acquisition-related fees and raise additional capital for general corporate purposes. See Note 7 to the Financial Statements for additional information related to the financings.

Pursuant to WPD's previously described intention to combine the operations of PPL WW and WPD Midlands, approximately 740 employees of WPD Midlands will receive separation benefits from the companies as a new regional structure is implemented. The total separation benefits payable in connection with the reorganization are \$104 million, including \$58 million of severance compensation, \$45 million of early retirement deficiency costs (ERDC) and \$1 million in outplacement services.

In connection with the reorganization, WPD Midlands recorded \$93 million of the total separation benefits in 2011, of which \$48 million relates to severance compensation and \$45 million relates to ERDC. Based on the expected timing of when employees will separate from the companies, WPD Midlands expects to record the remaining portion of severance compensation in 2012. The separation benefits recorded in 2011 are included in "Other operation and maintenance" on the Statement of Income. Severance compensation costs of \$21 million are accrued in "Other current liabilities" and ERDC costs of \$45 million reduced "Other noncurrent assets" on the Balance Sheet at December 31, 2011.

Goodwill of \$2.4 billion was recorded as a result of the purchase price allocation. PPL incurred acquisition-related costs of \$258 million, pre-tax, for 2011 which includes, among other items, the separation benefits discussed above, employee relocation costs, contract termination costs, advisory, accounting and legal fees, taxes and certain financing costs, including gains on hedges and foreign currency losses on the 2011 Bridge Facility.

See Note 10 to the Financial Statements for additional information related to the acquisition.

#### Susquehanna Turbine Blade Replacement

In April 2011, during the PPL Susquehanna Unit 2 refueling and generation uprate outage, a planned inspection of the Unit 2 turbine revealed cracks in certain of its low pressure turbine blades. Replacement of these blades was required, but was not anticipated as part of the original scope of this outage. The necessary replacement work extended the Unit 2 outage by six weeks. As a precaution, PPL Susquehanna also took Unit 1 out of service in mid-May to inspect the turbine blades in that unit. This inspection revealed cracks in blades similar to those found in Unit 2. The duration of the Unit 1 outage, in which turbine blades were replaced, was also about six weeks. The after-tax earnings impact, including reduced energy-sales margins and repair expense for both units, was \$63 million.

#### Spent Nuclear Fuel Litigation

In May 2011, PPL Susquehanna entered into a settlement agreement with the U.S. Government relating to PPL Susquehanna's lawsuit, seeking damages for the Department of Energy's failure to accept spent nuclear fuel from the PPL Susquehanna plant. Under the settlement agreement, PPL Susquehanna received \$50 million, pre-tax, for its share of claims to partially offset its expenses incurred to store spent nuclear fuel at the Susquehanna plant through September 2009, and recognized a credit to "Fuel" expense in 2011. PPL Susquehanna also will be eligible to receive payment of annual claims for allowed costs that are incurred through the December 2013 termination of the settlement agreement. In exchange, PPL Susquehanna has waived any claims against the U.S. Government for costs paid or injuries sustained

related to storing spent nuclear fuel at the Susquehanna plant through December 31, 2013. See Note 15 to the Financial Statements for additional information.

#### Tax Rate Change

In July 2011, the U.K.'s Finance Act of 2011 was enacted. The most significant change to the law was a reduction in the U.K.'s statutory income tax rate. The statutory tax rate was changed from 27% to 26%, effective April 1, 2011 and from 26% to 25%, effective April 1, 2012. As a result of these changes, in 2011, PPL reduced its net deferred tax liabilities and recognized a \$69 million deferred tax benefit to reflect both rate decreases.

#### Bankruptcy of SMGT

In October 2011, SMGT, a Montana cooperative and purchaser of electricity under a long-term supply contract with PPL EnergyPlus expiring in June 2019 (SMGT Contract), filed for protection under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court in Montana. At December 31, 2011, damages related to SMGT accepting less power than provided in the SMGT Contract totaled approximately \$11 million, all of which has been fully reserved. No assurance can be given as to the collectability of these damages.

The SMGT Contract provides for fixed volume purchases on a monthly basis at established prices. A trustee has been appointed for SMGT's estate in the bankruptcy proceeding and PPL EnergyPlus has been involved in preliminary discussions with the trustee concerning possible modifications to the SMGT Contract as part of the bankruptcy reorganization. Pursuant to a stipulation entered into by SMGT and PPL EnergyPlus, since the date of its Chapter 11 filing through January 2012, SMGT has continued to purchase electricity from PPL EnergyPlus at the price specified in the SMGT Contract, and has made timely payments for such purchases, but at lower volumes than as prescribed in the SMGT Contract. In January 2012, the trustee notified PPL EnergyPlus that SMGT would not purchase electricity under the SMGT Contract for the month of February. In addition, the trustee requested PPL EnergyPlus to leave the SMGT Contract in place to permit SMGT to purchase electricity in the event its requirements were not met by third-party providers from whom the trustee intends to purchase power on behalf of SMGT, at prices more favorable than under the SMGT Contract, for future periods. PPL EnergyPlus is evaluating the trustee's request.

At the present time, PPL cannot predict whether SMGT will be successful in its attempts to reorganize its business under Chapter 11 of the U.S. Bankruptcy Code or the extent to which the SMGT Contract may be modified as part of a successful Chapter 11 reorganization and, in either case, PPL cannot presently predict the extent to which it will be able to market to third parties any amount of power that SMGT ultimately does not continue to purchase from PPL EnergyPlus.

#### Storm Recovery

PPL Electric experienced several PUC-reportable storms during 2011 resulting in total restoration costs of \$84 million, of which \$54 million were recorded in "Other operation and maintenance" on the Statement of Income. However, a PPL subsidiary has a \$10 million reinsurance policy with a third party insurer, for which a receivable was recorded with an offsetting credit to "Other operation and maintenance" on the Statement of Income. In December 2011, PPL Electric received orders from the PUC granting permission to defer qualifying storm costs in excess of insurance recoveries associated with Hurricane Irene and a late October snowstorm. Based on the PUC orders, PPL Electric recorded a regulatory asset of \$25 million in December 2011. PPL Electric will seek recovery of these costs in its next general base rate proceeding.

#### Tax Litigation

In 1997, the U.K. imposed a Windfall Profits Tax (WPT) on privatized utilities, including WPD. PPL filed its tax returns for years subsequent to its 1997 and 1998 claims for refund on the basis that the U.K. WPT was creditable. In September 2010, the U.S. Tax Court (Tax Court) ruled in PPL's favor in a dispute with the IRS, concluding that the U.K. WPT is a creditable tax for U.S. tax purposes. As a result and with the finalization of other issues, PPL recorded a \$42 million tax benefit in 2010. In January 2011, the IRS appealed the Tax Court's decision to the U.S. Court of Appeals for the Third Circuit (Third Circuit). In December 2011, the Third Circuit issued its opinion reversing the Tax Court's decision and holding that the U.K. WPT is not a creditable tax. As a result of the Third Circuit's adverse determination,

PPL recorded a \$39 million expense in 2011. On February 27, 2012, PPL filed with the Third Circuit a petition for rehearing of its opinion on this matter.

### CSAPR

In July 2011, the EPA signed the CSAPR, which finalizes and renames the Clean Air Transport Rule (Transport Rule) proposed in August 2010, and made revisions to the rule on February 7, 2012. This rule applies to PPL's Pennsylvania and Kentucky coal plants. The CSAPR is meant to facilitate attainment of ambient air quality standards for ozone and fine particulates by requiring reductions in sulfur dioxide and nitrogen oxide emissions.

In December 2011, the U.S. Court of Appeals for the District of Columbia (Court) stayed implementation of the CSAPR and left CAIR in effect pending a final resolution on the merits of the validity of the rule. Oral argument on the various challenges to the CSAPR is scheduled for April 2012, and a final decision on the validity of the rule could be issued as early as May 2012.

With respect to the Kentucky coal-fired generating plants, the stay of the CSAPR will initially only impact the unit dispatch order. With the return of the CAIR and the Kentucky companies' significant number of sulfur dioxide allowances, those units will be dispatched with lower operating cost, but slightly higher sulfur dioxide and nitrogen oxide emissions. However, a key component of the Court's final decision, even if the CSAPR is upheld, will be whether the ruling delays the implementation of the CSAPR by one year for both Phases I and II, or instead still requires the significant sulfur dioxide and nitrogen oxide reductions associated with Phase II to begin in 2014. LG&E's and KU's CSAPR compliance strategy is based on over-compliance during Phase I to generate allowances sufficient to cover the expected shortage during the first two years of Phase II (2014 and 2015) when additional pollution control equipment will be installed. Should Phase I of the CSAPR be shortened to one year, it will be more difficult and costly to provide enough excess allowances in one year to meet the shortage projected for 2014 and 2015.

PPL's Pennsylvania coal-fired generating plants can meet both the CAIR and the proposed CSAPR sulfur dioxide emission requirements with the existing scrubbers that went in-service in 2008 and 2009. For nitrogen oxide, under both the CAIR and the proposed CSAPR, PPL would need to buy allowances or make operational changes, the cost of which is not anticipated to be significant.

See Note 15 to the Financial Statements for additional information on the CSAPR.

### Pending Bluegrass CTs Acquisition and NGCC Construction

In September 2011, LG&E and KU filed a CPCN with the KPSC requesting approval to build a 640 MW NGCC at the existing Cane Run plant site. In conjunction with this request and to meet new, stricter EPA regulations, LG&E and KU anticipate retiring six older coal-fired electric generating units. These units are located at the Cane Run, Green River and Tyrone plants, which have a combined summer rating of 797 MW. LG&E and KU also requested approval to purchase the Bluegrass CTs, which are expected to provide up to 495 MW of peak generation supply.

LG&E and KU anticipate that the NGCC construction and the acquisition of the Bluegrass CTs could require up to \$800 million in capital costs including related transmission projects. Formal requests for recovery of the costs associated with the NGCC construction and the acquisition of the Bluegrass CTs were not included in the CPCN filing with the KPSC but are expected to be included in future rate proceedings. The KPSC issued an Order on the procedural schedule in the CPCN filing that has discovery scheduled through early February 2012. A KPSC order on the CPCN filing is anticipated in the second quarter of 2012. See Note 8 to the Financial Statements for additional information.

### ECR Filing - Environmental Upgrades

In June 2011, in order to achieve compliance with new and pending mandated federal EPA regulations, LG&E and KU filed ECR plans with the KPSC requesting approval to install environmental upgrades for certain of their coal-fired plants and for recovery of the expected \$2.5 billion in associated capital costs, as well as operating expenses incurred. The ECR plans detailed upgrades that will be made to certain of their coal-fired generating plants to continue to be compliant with EPA regulations. In November 2011, LG&E and KU filed a unanimous settlement agreement, stipulation, and recommendation with the KPSC. In December 2011, LG&E and KU received KPSC approval in their

proceedings relating to the ECR plans. The KPSC Order approved the terms of the November 2011 settlement agreement entered into between LG&E and KU and the parties to the ECR proceedings. The KPSC Order authorized the installation of environmental upgrades at certain plants during 2012-2016 representing approximate capital costs of \$2.3 billion. In connection with the approved projects, the KPSC Order allowed recovery through the ECR rate mechanism of the capital costs and operating expenses of the projects and granted CPCNs for their construction. The KPSC Order also confirmed an existing 10.63% authorized return on equity for projects remaining from earlier ECR plans and provided for an authorized return on equity of 10.10% for the approved projects in the 2011 ECR proceedings. The KPSC Order noted KU's consent to defer the requested approval for certain environmental upgrades at its E.W. Brown generating plant, which represented approximately \$200 million in capital costs. KU retained the right to operate and dispatch the E.W. Brown generating plant in accordance with applicable environmental standards and the right to request approval of the deferred projects and related costs in future regulatory proceedings. See Note 6 to the Financial Statements for additional information.

#### Legislation - Regulatory Procedures and Mechanisms

In June 2011, the Pennsylvania House Consumer Affairs Committee approved legislation that would authorize the PUC to approve regulatory procedures and mechanisms to provide for more timely recovery of a utility's costs. Such alternative ratemaking procedures and mechanisms are important to PPL Electric as it begins a period of significant increasing capital investment related to the asset optimization program focused on the replacement of aging distribution assets. Those procedures and mechanisms include, but are not limited to, the use of a fully projected future test year and an automatic adjustment clause to recover certain capital costs and related operating expenses. In October 2011, the legislation was passed by the Pennsylvania House of Representatives (Pennsylvania House). In January 2012, the Senate Consumer Affairs Committee adopted significant amendments to the legislation. The amended legislation authorizes the PUC to approve only two specific ratemaking mechanisms -- a fully projected future test year and a distribution system improvement charge. In addition, the amendments impose a number of conditions on the use of such a charge. In January 2012, the Pennsylvania Senate passed the amended legislation and in February 2012, the Pennsylvania House agreed to those amendments. The Governor signed the bill (Act 11 of 2012), which will become effective April 14, 2012. Utilities cannot file a petition with the PUC before January 1, 2013 requesting permission to establish the charge.

#### FERC Formula Rates

In March 2012, PPL Electric plans to file a request with the FERC seeking recovery, over a 34-year period beginning in June 2012, of its unrecovered regulatory asset related to the deferred state tax liability that existed at the time of the transition from the flow-through treatment of state income taxes to full normalization. This change in tax treatment occurred in 2008 as a result of prior FERC initiatives that transferred regulatory jurisdiction of certain transmission assets from the PUC to the FERC. A regulatory asset of \$51 million related to this transition, classified as taxes recoverable through future rates, is included in "Other Noncurrent Assets - Regulatory assets" on the Balance Sheet. PPL Electric believes recoverability of this regulatory asset is probable based on FERC precedent in similar cases; however, it is reasonably possible that the FERC may limit the recovery of all or part of the claimed asset.

#### Montana Hydroelectric Litigation

In June 2011, the U.S. Supreme Court granted PPL Montana's petition to review the March 2010 Montana Supreme Court decision, which substantially affirmed the June 2008 Montana District Court decision to award the State of Montana retroactive compensation for PPL Montana's hydroelectric facilities' use and occupancy of certain Montana riverbeds. Oral argument was held in December 2011. On February 22, 2012, the U.S. Supreme Court issued a decision overturning the Montana Supreme Court decision and remanded the case to the Montana Supreme Court for further proceedings consistent with the U.S. Supreme Court's opinion. As a result, PPL Montana reversed its total loss accrual of \$89 million, which had been recorded prior to the U.S. Supreme Court decision. PPL Montana believes the U.S. Supreme Court decision resolves certain questions of liability in this case in favor of PPL Montana and leaves open for reconsideration by Montana courts, consistent with the findings of the U.S. Supreme Court, certain other questions. The State of Montana has 30 days from February 22, 2012 to petition the U.S. Supreme Court for a rehearing. PPL Montana has concluded it is no longer probable, but it remains reasonably possible, that a loss has been incurred. While unable to estimate a range of loss, PPL Montana believes that any such amount would not be material. See Note 15 to the Financial Statements for additional information.

#### Ofgem Pricing Model



In October 2010, Ofgem announced a pricing model that will be effective for the U.K. electricity distribution sector, including WPD, beginning April 2015. The model, known as RIIO (Revenues = Incentives + Innovation + Outputs), is intended to encourage investment in regulated infrastructure. Key components of the model are: an extension of the price review period from five to eight years, increased emphasis on outputs and incentives, enhanced stakeholder engagement including network customers, a stronger incentive framework to encourage more efficient investment and innovation, expansion of the current Low Carbon Network Fund to stimulate innovation and continued use of a single weighted average cost of capital. At this time, management does not expect the impact of this pricing model to be significant to WPD's operating results.

#### Ofgem Review of Line Loss Calculation

WPD has a \$170 million liability recorded at December 31, 2011, calculated in accordance with an accepted methodology, related to the close-out of line losses for the prior price control period, DPCR4. Ofgem is currently consulting on the methodology used to calculate the final line loss incentive/penalty for the DPCR4. In October 2011, Ofgem issued a consultation paper citing two potential changes to the methodology, both of which would result in a reduction of the liability; however, it is uncertain at this time whether any changes will be made. Ofgem is expected to make a decision before the end of 2012.

#### Results of Operations

The "Statement of Income Analysis" explains the year-to-year changes in significant earnings components, including certain income statement line items, Kentucky Gross Margins, Pennsylvania Gross Delivery Margins by component and Unregulated Gross Energy Margins by region.

On April 1, 2011, PPL completed its acquisition of WPD Midlands. As PPL is consolidating WPD Midlands on a one-month lag, consistent with its accounting policy on consolidation of foreign subsidiaries, eight months of WPD Midlands' results of operations are included in PPL's results for 2011, with no comparable amounts for 2010. When discussing PPL's results of operations for 2011 compared with 2010, the results of WPD Midlands are isolated for purposes of comparability. WPD Midlands' results are included within "Segment Results - International Regulated Segment." See Note 10 to the Financial Statements for additional information regarding the acquisition.

On November 1, 2010, PPL completed its acquisition of LKE. LKE's results of operations are included in PPL's results for the full year of 2011, while 2010 includes LKE's operating results for the two months ended December 31, 2010. When discussing PPL's results of operations for 2011 compared with 2010 and 2010 compared with 2009, the results of LKE are isolated for purposes of comparability. LKE's results are shown separately within "Segment Results - Kentucky Regulated Segment." See Note 10 to the Financial Statements for additional information regarding the acquisition.

Tables analyzing changes in amounts between periods within "Segment Results" and "Statement of Income Analysis" are presented on a constant U.K. foreign currency exchange rate basis, where applicable, in order to isolate the impact of the change in the exchange rate on the item being explained. Results computed on a constant U.K. foreign currency exchange rate basis are calculated by translating current year results at the prior year weighted-average U.K. foreign currency exchange rate.

When comparing 2011 and 2010 with 2009, certain line items on PPL's financial statements were impacted by the Customer Choice Act, Act 129 and other related issues. Overall, the expiration at the end of 2009 of generation rate caps and the PLR contracts between PPL EnergyPlus and PPL Electric had a significant positive impact on PPL's 2010 results of operations, financial condition and cash flows.

The primary impacts of the expiration of the generation rate caps and the PLR contracts are reflected in PPL's Unregulated Gross Energy Margins. See "Statement of Income Analysis - Margins - Non-GAAP Financial Measures" for an explanation of this non-GAAP financial measure. In 2010, PPL sold the majority of its generation supply to unaffiliated parties under various wholesale and retail contracts at prevailing market rates at the time the contracts were executed. In 2009, the majority of generation produced by PPL's generation plants was sold to PPL Electric as PLR supply under predetermined capped rates.

Regarding PPL's Pennsylvania regulated electric delivery operations, the expiration of generation rate caps, the resulting competitive solicitations for power supply, the migration of customers to alternative suppliers, the Customer Choice Act

and Act 129 had minimal impact on Pennsylvania Gross Delivery Margins, as approved recovery mechanisms allow for cost recovery of associated expenses, including the cost of energy provided as a PLR. However, PPL Electric's 2010 Pennsylvania Gross Delivery Margins were negatively impacted by the expiration of CTC recovery in December 2009. PPL Electric remains the delivery provider for all customers in its service territory and charges a regulated rate for its electricity delivery service. See "Statement of Income Analysis - Margins - Reconciliation of Non-GAAP Financial Measures" for additional information.

## Earnings

	2011	2010	2009
Net Income Attributable to PPL Corporation	\$ 1,495	\$ 938	\$ 407
EPS - basic	\$ 2.71	\$ 2.17	\$ 1.08
EPS - diluted	\$ 2.70	\$ 2.17	\$ 1.08

The changes in Net Income Attributable to PPL Corporation from year to year were, in part, attributable to the acquisition of LKE and WPD Midlands and certain items that management considers special. Details of these special items are provided within the review of each segment's earnings.

## Segment Results

Net Income Attributable to PPL Corporation by segment and for "Unallocated Costs" was:

	2011	2010	2009
Kentucky Regulated (a)	\$ 221	\$ 26	
International Regulated (b)	325	261	\$ 243
Pennsylvania Regulated	173	115	124
Supply	776	612	40
Unallocated Costs (c)		(76)	
Total	<u>\$ 1,495</u>	<u>\$ 938</u>	<u>\$ 407</u>

- (a) As a result of the LKE acquisition on November 1, 2010, the Kentucky Regulated segment includes two months of results in 2010.
- (b) As a result of the WPD Midlands acquisition on April 1, 2011, the International Regulated segment includes eight months of WPD Midlands' results in 2011. Similar to PPL WW, WPD Midlands' results are recorded on a one-month lag.
- (c) 2010 includes \$22 million, after tax (\$31 million, pre-tax), of certain third-party acquisition-related costs, including advisory, accounting, and legal fees associated with the acquisition of LKE that are recorded in "Other Income (Expense) - net" on the Statement of Income. 2010 also includes \$52 million, after tax (\$80 million, pre-tax), of 2010 Bridge Facility costs that are recorded in "Interest Expense" on the Statement of Income. These costs are considered special items by management. See Notes 7 and 10 to the Financial Statements for additional information on the acquisition and related financing.

## Kentucky Regulated Segment

The Kentucky Regulated segment consists primarily of LKE's results from the operation of regulated electricity generation, transmission and distribution assets, primarily in Kentucky, as well as in Virginia and Tennessee. This segment also includes LKE's results from the regulated distribution and sale of natural gas in Kentucky.

Net Income Attributable to PPL Corporation includes the following results:

	2011	2010 (a)
Operating revenues	\$ 2,793	\$ 493
Fuel and energy purchases	1,104	207
Other operation and maintenance	751	139
Depreciation	334	49
Taxes, other than income	37	2
Total operating expenses	<u>2,226</u>	<u>397</u>
Other Income (Expense) - net	(1)	(1)
Interest Expense (b)	217	55
Income Taxes	127	16
Income (Loss) from Discontinued Operations	(1)	2
Net Income Attributable to PPL Corporation	<u>\$ 221</u>	<u>\$ 26</u>

- (a) Represents the results of operations for the two-month period from acquisition through December 31, 2010.  
 (b) Includes interest expense of \$70 million in 2011 and \$31 million in 2010, pre-tax, related to the 2010 Equity Units and certain interest rate swaps.

The following after-tax amounts, which management considers special items, also impacted the Kentucky Regulated segment's results.

	Income Statement	
	Line Item	
	2011	2010
Special items gains (losses), net of tax benefit (expense):		
Adjusted energy-related economic activity, net, net of tax of (\$1), \$1	Utility Revenues \$ 1	\$ (1)
Other:		
LKE discontinued operations, net of tax of \$1, (\$2)	Disc. Operations (1)	2
Total	\$	\$ 1

### 2012 Outlook

Excluding special items, PPL projects lower segment earnings in 2012 compared with 2011, primarily driven by higher operation and maintenance expense and higher depreciation, which are expected to be partially offset by higher margins.

Earnings beyond 2011 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Notes 6 and 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings.

### International Regulated Segment

The International Regulated segment consists primarily of the electric distribution operations in the U.K. As a result of the WPD Midlands acquisition on April 1, 2011, the International Regulated segment includes eight months of WPD Midlands' results in 2011. Similar to PPL WW, WPD Midlands' results are recorded on a one-month lag.

Net Income Attributable to PPL Corporation includes the following results:

	2011	2010	% Change	2010	2009	% Change
Utility revenues	\$ 828	\$ 727	14	\$ 727	\$ 684	6
Energy-related businesses	35	34	3	34	32	6
Total operating revenues	863	761	13	761	716	6
Other operation and maintenance	198	182	9	182	140	30
Depreciation	122	117	4	117	115	2
Taxes, other than income	53	52	2	52	57	(9)
Energy-related businesses	17	17		17	16	6
Total operating expenses	390	368	6	368	328	12
Other Income (Expense) - net	12	3	300	3	(11)	(127)
Interest Expense (a)	193	135	43	135	87	55
Income Taxes	56		n/a		20	(100)
WPD Midlands, net of tax (b)	281		n/a			n/a
WPD Midlands acquisition-related costs, net of tax	(192)		n/a			n/a
Income (Loss) from Discontinued Operations			n/a		(27)	(100)
Net Income Attributable to PPL Corporation	\$ 325	\$ 261	25	\$ 261	\$ 243	7

- (a) 2011 includes allocated interest expense of \$38 million (pre-tax) related primarily to the 2011 Equity Units.  
 (b) Represents the operations of WPD Midlands since the acquisition date, recorded on a one-month lag, including revenue from external customers of \$790 million (pre-tax). This amount excludes acquisition-related costs incurred by WPD Midlands.

The changes in the components of the International Regulated segment's results between these periods were due to the following factors. The segment's results are adjusted for certain items that management considers special. See additional detail of these special items in the table below. The amounts for PPL WW are presented on a constant U.K. foreign currency exchange rate basis in order to isolate the impact of the change in the exchange rate.

	2011 vs. 2010	2010 vs. 2009
PPL WW		
Utility revenues	\$ 77	\$ 42
Other operation and maintenance	(10)	(47)
Interest expense	(14)	(50)

Other	3	6
Income taxes	(55)	26
WPD Midlands, after-tax	240	
U.S.		
Interest expense and other	(41)	(1)
Income taxes	37	(32)
Foreign currency exchange rates, after-tax	15	14
Special items, after-tax	(188)	60
Total	<u>\$ 64</u>	<u>\$ 18</u>

## PPL WW

- Utility revenues increased in 2011 compared with 2010, primarily reflecting the impact of the April 2011 and 2010 price increases that resulted in \$76 million of additional revenue.

Utility revenues increased in 2010 compared with 2009, reflecting the impact of the April 2010 and 2009 price increases that resulted in \$52 million of additional revenue and an increase in volume that resulted in \$7 million of additional revenue. These amounts were partially offset by \$17 million of lower regulatory recovery due to a revised estimate of network electricity line losses.

- Other operation and maintenance expense increased in 2011 compared with 2010, primarily due to \$10 million of higher pension expense resulting from an increase in amortization of actuarial losses and \$9 million of higher network maintenance expense, partially offset by \$8 million of internal PPL WW costs billed to WPD Midlands.

Other operation and maintenance expense increased in 2010 compared with 2009, primarily due to \$32 million of higher pension expense resulting from an increase in amortization of actuarial losses, \$5 million of higher network maintenance expense and \$3 million of higher direct costs.

- Interest expense increased in 2011 compared with 2010, primarily due to \$11 million of higher interest expense arising from a March 2010 debt issuance and \$5 million of higher interest expense related to higher inflation rates on index-linked Senior Unsecured Notes.

Interest expense increased in 2010 compared with 2009, primarily due to \$25 million of higher interest expense arising from a March 2010 debt issuance and \$23 million of higher interest expense related to higher inflation rates on index-linked Senior Unsecured Notes.

- Income taxes increased in 2011 compared with 2010, primarily due to a \$46 million benefit recorded in 2010 for realized capital losses that offset a gain relating to a business activity sold in 1999 and \$15 million due to higher pre-tax income.

Income taxes decreased in 2010 compared with 2009, primarily due to \$46 million of realized capital losses that offset a gain relating to a business activity sold in 1999 and \$14 million of lower income taxes due to lower pre-tax income, partially offset by a \$29 million foreign tax benefit related to the resolution of a tax dispute and foreign currency exchange losses.

## U.S.

- Interest expense increased in 2011 compared with 2010, due to \$34 million of interest expense on the 2011 Equity Units and \$4 million on the 2011 Bridge Facility.
- Income taxes decreased in 2011 compared with 2010, primarily due to a \$41 million tax benefit resulting from changes in the taxable amount of planned U.K. cash repatriations, a tax benefit of \$28 million from U.K. pension plan contributions and lower income taxes due to lower pre-tax income. These tax benefits were partially offset by \$24 million of favorable 2010 adjustments to uncertain tax benefits primarily related to Windfall Profits Tax and \$11 million of higher income taxes on interest income related to acquisition financing.

Income taxes increased in 2010 compared with 2009, primarily due to \$60 million of income tax resulting from changes in the taxable amount of planned U.K. cash repatriations, partially offset by \$23 million of adjustments to uncertain tax benefits, primarily related to Windfall Profits Tax.

#### Foreign Currency Exchange Rates

- Changes in foreign currency exchange rates positively impacted the segment's earnings for 2011 compared with 2010 and 2010 compared with 2009. The weighted-average exchange rates for the British pound sterling, including the effects of currency hedges, were approximately \$1.60 in 2011, \$1.57 in 2010 and \$1.49 in 2009.

The following after-tax amounts, which management considers special items, also impacted the International Regulated segment's results.

	Income Statement			
	Line Item	2011	2010	2009
Special items gains (losses), net of tax benefit (expense):				
Foreign currency-related economic hedges, net of tax of (\$2), \$0, \$0 (a)	Other Income-net	\$ 5	\$ 1	\$ 1
Sales of assets:				
Latin American business	Disc. Operations			(27)
Impairments:				
Other asset impairments, net of tax of \$0, \$0, \$1	Other O&M			(1)
WPD Midlands acquisition-related costs:				
2011 Bridge Facility costs, net of tax of \$14, \$0, \$0 (b)	Interest Expense	(30)		
Foreign currency loss on 2011 Bridge Facility, net of tax of \$19, \$0, \$0 (c)	Other Income-net	(38)		
Net hedge gains, net of tax of (\$17), \$0, \$0 (c)	Other Income-net	38		
Hedge ineffectiveness, net of tax of \$3, \$0, \$0 (d)	Interest Expense	(9)		
U.K. stamp duty tax, net of tax of \$0, \$0, \$0 (e)	Other Income-net	(21)		
Separation benefits, net of tax of \$26, \$0, \$0 (f)	Other O&M	(75)		
Other acquisition-related costs, net of tax of \$20, \$0, \$0	(g)	(57)		
Workforce reduction, net of tax of \$0, \$0, \$1 (h)	Other O&M			(2)
Other:				
Change in U.K. tax rate (i)	Income Taxes	69	18	
Windfall profits tax litigation (j)	Income Taxes	(39)	12	
Total		<u>\$ (157)</u>	<u>\$ 31</u>	<u>\$ (29)</u>

- (a) Represents unrealized gains (losses) on contracts that economically hedge anticipated earnings denominated in GBP.
- (b) Represents fees incurred in connection with establishing the 2011 Bridge Facility. See Note 7 to the Financial Statements for additional information.
- (c) Represents the foreign currency loss on the repayment of the 2011 Bridge Facility, including a pre-tax foreign currency loss of \$15 million associated with proceeds received on the U.S. dollar-denominated senior notes issued by PPL WEM in April 2011 that were used to repay a portion of PPL WEM's borrowing under the 2011 Bridge Facility. The foreign currency risk was economically hedged with forward contracts to purchase GBP, which resulted in pre-tax gains of \$55 million.
- (d) Represents a combination of ineffectiveness associated with closed out interest rate swaps and a charge recorded as a result of certain interest rate swaps failing hedge effectiveness testing.
- (e) Tax on the transfer of ownership of property in the U.K., which is not tax deductible for income tax purposes.
- (f) Primarily represents severance compensation, early retirement deficiency costs and outplacement services for employees separating from the WPD Midlands companies as a result of a reorganization to transition the WPD Midlands companies to the same operating structure as WPD (South West) and WPD (South Wales). Also includes severance compensation and early retirement deficiency costs associated with certain employees who separated from the WPD Midlands companies, but were not part of the reorganization.
- (g) Includes \$34 million, pre-tax, of advisory, accounting and legal fees which are reflected in "Other Income (Expense) - net" on the Statements of Income. Includes \$37 million, pre-tax, of costs, primarily related to the termination of certain contracts, rebranding costs and relocation costs that were recorded to "Other operation and maintenance" expense on the Statements of Income, and \$6 million, pre-tax, of costs associated with the integration of certain information technology assets, that were recorded in "Depreciation" on the Statements of Income.
- (h) Relates primarily to enhanced pension and severance benefits as a result of a 2009 workforce reduction.
- (i) The U.K.'s Finance Act of 2011, enacted in July 2011, reduced the U.K. statutory income tax rate from 27% to 26% retroactive to April 1, 2011 and will further reduce the rate from 26% to 25% effective April 1, 2012. As a result, PPL reduced its net deferred tax liabilities and recognized a deferred tax benefit during 2011 related to both rate decreases. WPD Midlands' portion of the deferred tax benefit is \$35 million. The U.K.'s Finance Act of 2010, enacted in July 2010, reduced the U.K. statutory income tax rate from 28% to 27% effective April 1, 2011. As a result, WPD reduced its net deferred tax liabilities and recognized a deferred tax benefit during 2010.
- (j) In 2010, the U.S. Tax Court ruled in PPL's favor in a pending dispute with the IRS concluding that the 1997 U.K. Windfall Profits Tax (WPT) imposed on all U.K. privatized utilities, including PPL's U.K. subsidiary, is a creditable tax for U.S. Federal income tax purposes. As a result, PPL recorded an income tax benefit in 2010. In January 2011, the IRS appealed the U.S. Tax Court's decision to the Court of Appeals for the Third Circuit (Third Circuit). In December 2011, the Third Circuit issued its opinion reversing the Tax Court's decision and holding that the WPT is not a creditable tax. As a result of the Third Circuit's adverse determination, PPL recorded a \$39 million expense in 2011. On February 27, 2012, PPL filed with the Third Circuit a petition for rehearing of its opinion on this matter.

*2012 Outlook*

Excluding special items, PPL projects higher segment earnings in 2012 compared with 2011, primarily driven by a full year of earnings from WPD Midlands and higher electricity delivery revenue. Partially offsetting these positive earnings factors are higher income taxes, higher operation and maintenance expense, higher depreciation, higher financing costs and a less favorable currency exchange rate.

Earnings beyond 2011 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Notes 6 and 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings.

Pennsylvania Regulated Segment

The Pennsylvania Regulated segment includes the regulated electric delivery operations of PPL Electric.

Net Income Attributable to PPL Corporation includes the following results:

	<u>2011</u>	<u>2010</u>	<u>% Change</u>	<u>2010</u>	<u>2009</u>	<u>% Change</u>
Operating revenues						
External	\$ 1,881	\$ 2,448	(23)	\$ 2,448	\$ 3,218	(24)
Intersegment	11	7	57	7	74	(91)
Total operating revenues	<u>1,892</u>	<u>2,455</u>	<u>(23)</u>	<u>2,455</u>	<u>3,292</u>	<u>(25)</u>
Energy purchases						
External	738	1,075	(31)	1,075	114	843
Intersegment	26	320	(92)	320	1,806	(82)
Other operation and maintenance	530	502	6	502	417	20
Amortization of recoverable transition costs			n/a		304	(100)
Depreciation	146	136	7	136	128	6
Taxes, other than income	104	138	(25)	138	194	(29)
Total operating expenses	<u>1,544</u>	<u>2,171</u>	<u>(29)</u>	<u>2,171</u>	<u>2,963</u>	<u>(27)</u>
Other Income (Expense) - net	7	7		7	10	(30)
Interest Expense	98	99	(1)	99	118	(16)
Income Taxes	68	57	19	57	79	(28)
Net Income	189	135	40	135	142	(5)
Net Income Attributable to Noncontrolling Interests (Note 3)	16	20	(20)	20	18	11
Net Income Attributable to PPL Corporation	<u>\$ 173</u>	<u>\$ 115</u>	<u>50</u>	<u>\$ 115</u>	<u>\$ 124</u>	<u>(7)</u>

The changes in the components of the Pennsylvania Regulated segment's results between these periods were due to the following factors. The segment's results are adjusted for certain items that management considers special. See additional detail of these special items in the table below.

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Pennsylvania gross delivery margins	\$ 66	\$ 3
Other operation and maintenance	4	(49)
Depreciation	(10)	(8)
Interest Expense	1	19
Other	4	(4)
Income Taxes	(11)	23
Noncontrolling Interests	4	(2)
Special Items, after-tax		9
Total	<u>\$ 58</u>	<u>\$ (9)</u>

- See "Statement of Income Analysis - Margins - Changes in Non-GAAP Financial Measures" for an explanation of Pennsylvania Gross Delivery Margins.
- Other operation and maintenance increased in 2010 compared with 2009, primarily due to \$18 million in higher payroll-related costs and \$20 million in higher contractor costs, primarily related to vegetation management.
- Depreciation was higher in 2011 compared with 2010 and 2010 compared with 2009, primarily due to PP&E additions as a part of ongoing efforts to replace aging infrastructure.

- Interest expense decreased in 2010 compared with 2009, primarily due to a \$16 million reduction driven by lower average debt balances in 2010 compared with 2009.
- Income taxes were higher in 2011 compared with 2010, due to the \$26 million impact of higher pre-tax income, partially offset by a \$14 million tax benefit related to the impact of flow-through regulated tax depreciation that is primarily related to the Pennsylvania Department of Revenue interpretive guidance regarding 100% bonus depreciation.

Income taxes were lower in 2010 compared with 2009, due to the \$14 million impact of lower pre-tax income and a \$7 million tax benefit relating to a favorable 2010 U.S. Tax Court ruling regarding street lighting assets.

The following after-tax amounts, which management considers special items, also impacted the Pennsylvania Regulated segment's results.

	Income Statement Line Item	2009
Special items gains (losses), net of tax benefit (expense):		
Impairments:		
Other asset impairments, net of tax of \$1	Other O&M	\$ (1)
Workforce reduction, net of tax of \$3 (a)	Other O&M	(5)
Other:		
Change in tax accounting method related to repairs (b)	Income Taxes	(3)
Total		<u>\$ (9)</u>

- (a) Charge related to a workforce reduction, mainly consisting of enhanced pension and severance benefits.
- (b) During 2009, PPL Electric received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL Electric deducted the resulting IRC Sec. 481 amount on its 2008 federal income tax return and recorded a \$3 million adjustment to federal and state income tax expense resulting from the reversal of prior years' state income tax benefits related to regulated depreciation.

### 2012 Outlook

Excluding special items, PPL projects lower segment earnings in 2012 compared with 2011, primarily driven by higher operation and maintenance expenses, higher income taxes, and higher depreciation, which are expected to be partially offset by higher delivery revenue.

In late March 2012, PPL Electric expects to file a request with the PUC seeking an increase in its distribution rates beginning in January 2013. PPL Electric cannot predict the outcome of this matter.

Earnings beyond 2011 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Notes 6 and 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings.

### Supply Segment

The Supply segment primarily consists of the energy marketing and trading activities, as well as the competitive generation and development operations of PPL Energy Supply. In 2011, 2010 and 2009, PPL Energy Supply subsidiaries completed the sale of several businesses, which have been classified as Discontinued Operations. See Note 9 to the Financial Statements for additional information.

Net Income Attributable to PPL Corporation includes the following results:

	2011	2010	% Change	2010	2009	% Change
Energy revenues						
External (a)	\$ 5,938	\$ 4,444	34	\$ 4,444	\$ 3,124	42
Intersegment	26	320	(92)	320	1,806	(82)
Energy-related businesses	472	375	26	375	391	(4)
Total operating revenues	<u>6,436</u>	<u>5,139</u>	<u>25</u>	<u>5,139</u>	<u>5,321</u>	<u>(3)</u>
Fuel and energy purchases						
External (a)	3,357	2,440	38	2,440	3,586	(32)
Intersegment	4	3	33	3	70	(96)

Other operation and maintenance	882	934	(6)	934	865	8
Depreciation	262	254	3	254	212	20
Taxes, other than income	72	46	57	46	29	59
Energy-related businesses	467	366	28	366	380	(4)
Total operating expenses	<u>5,044</u>	<u>4,043</u>	<u>25</u>	<u>4,043</u>	<u>5,142</u>	<u>(21)</u>
Other Income (Expense) - net	43	(9)	(578)	(9)	48	(119)
Other-Than-Temporary Impairments	6	3	100	3	18	(83)
Interest Expense	192	224	(14)	224	182	23
Income Taxes	463	228	103	228	6	3,700
Income (Loss) from Discontinued Operations	3	(19)	(116)	(19)	20	(195)
Net Income	<u>777</u>	<u>613</u>	<u>27</u>	<u>613</u>	<u>41</u>	<u>1,395</u>
Net Income Attributable to Noncontrolling Interests	1	1		1	1	
Net Income Attributable to PPL Corporation	<u>\$ 776</u>	<u>\$ 612</u>	<u>27</u>	<u>\$ 612</u>	<u>\$ 40</u>	<u>1,430</u>

(a) Includes the impact from energy-related economic activity. See "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements for additional information.

The changes in the components of the Supply segment's results between these periods were due to the following factors. The segment's results are adjusted for certain items that management considers special. See additional detail of these special items in the table below.

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Unregulated gross energy margins	\$ (405)	\$ 1,039
Other operation and maintenance	(63)	(55)
Depreciation	(8)	(42)
Taxes other than income	(10)	(2)
Other Income (Expense) - net	25	(15)
Interest Expense	(12)	(8)
Other	(7)	(3)
Income Taxes	107	(270)
Discontinued operations, after-tax - excluding certain revenues and expenses included in margins	17	13
Special items, after-tax	520	(85)
Total	<u>\$ 164</u>	<u>\$ 572</u>

- See "Statement of Income Analysis - Margins - Changes in Non-GAAP Financial Measures" for an explanation of Unregulated Gross Energy Margins.
- Other operation and maintenance increased in 2011 compared with 2010, primarily due to higher costs at PPL Susquehanna of \$27 million, largely due to unplanned outages, the refueling outage and payroll, higher costs at eastern fossil and hydro units of \$23 million, largely due to outages, and higher costs at western fossil and hydro units of \$12 million, largely resulting from insurance recoveries received in 2010.

Other operation and maintenance increased in 2010 compared with 2009, primarily due to higher costs at PPL Susquehanna of \$34 million largely due to higher payroll-related costs, higher outage costs, and higher project costs.

- Depreciation increased in 2010 compared with 2009, primarily due to the \$21 million impact from environmental equipment at Brunner Island that was placed in service in 2009 and early 2010.
- Other income (expense) - net was higher in 2011 compared with 2010, due to a \$22 million gain on the accelerated amortization of the fair value adjustment to the debt recorded in connection with previously settled fair value hedges. The accelerated amortization was the result of the July 2011 redemption of Senior Secured Bonds.

Other income (expense) - net was lower in 2010 compared with 2009, due to a \$29 million gain recognized in 2009 related to the tender offers to purchase debt that resulted from reclassifying net gains on related cash flow hedges from AOCI into earnings, partially offset by a \$15 million decrease in other-than-temporary impairment charges, primarily due to stronger returns on investments in NDT funds in 2010.

- Income taxes decreased in 2011 compared with 2010, primarily due to the \$204 million impact of lower pre-tax income and a \$26 million reduction in deferred tax liabilities related to a change in the Pennsylvania estimated state tax rate. These decreases were partially offset by \$101 million in Pennsylvania net operating loss valuation allowance



adjustments, primarily related to lower projected future taxable income, driven in part by the impact of bonus depreciation, \$16 million in favorable adjustments to uncertain tax benefits recorded in 2010 and an \$11 million decrease in the domestic manufacturing deduction tax benefit resulting from revised bonus depreciation estimates.

Income taxes increased in 2010 compared with 2009, primarily due to the \$348 million impact of higher pre-tax income, partially offset by a \$52 million in Pennsylvania net operating loss valuation allowance adjustments, primarily related to higher projected future taxable income, \$10 million in investment tax credits associated with the Holtwood and Rainbow projects, \$11 million in favorable adjustments to uncertain tax benefits recorded in 2010 and \$8 million of higher tax benefits from the domestic manufacturing deduction.

The following after-tax amounts, which management considers special items, also impacted the Supply segment's results.

	Income Statement Line Item	2011	2010	2009
Special items gains (losses), net of tax benefit (expense):				
Adjusted energy-related economic activity, net, net of tax of (\$52), \$85, \$158	(a)	\$ 72	\$ (121)	\$ (225)
Sales of assets:				
Maine hydroelectric generation business, net of tax of \$0, (\$9), (\$16) (b)	Disc. Operations		15	22
Sundance indemnification, net of tax of \$0, \$0, \$0	Other Income-net		1	
Long Island generation business, net of tax of \$0, \$0, \$19 (c)	Disc. Operations			(33)
Interest in Wyman Unit 4, net of tax of \$0, \$0, \$2	Disc. Operations			(4)
Impairments:				
Emission allowances, net of tax of \$1, \$6, \$14 (d)	Other O&M	(1)	(10)	(19)
Renewable energy credits, net of tax of \$2, \$0, \$0 (Note 13)	Other O&M	(3)		
Other asset impairments, net of tax of \$1, \$0, \$2	Other O&M			(4)
Workforce reduction, net of tax of \$0, \$0, \$4 (e)	Other O&M			(6)
LKE acquisition-related costs:				
Monetization of certain full-requirement sales contracts, net of tax of \$0, \$89, \$0	(f)		(125)	
Sale of certain non-core generation facilities, net of tax of \$0, \$37, \$0 (c)	Disc. Operations	(2)	(64)	
Discontinued cash flow hedges and ineffectiveness, net of tax of \$0, \$15, \$0 (g)	Other Income-net		(28)	
Reduction of credit facility, net of tax of \$0, \$4, \$0 (h)	Interest Expense		(6)	
Other:				
Montana hydroelectric litigation, net of tax of (\$30), \$22, \$2	(i)	45	(34)	(3)
Litigation settlement - spent nuclear fuel storage, net of tax of (\$24), \$0, \$0 (j)	Fuel	33		
Health care reform - tax impact (k)	Income Taxes		(8)	
Montana basin seepage litigation, net of tax of \$0, (\$1), \$0	Other O&M		2	
Change in tax accounting method related to repairs (l)	Income Taxes			(21)
Counterparty bankruptcy, net of tax of \$5, \$0, \$0 (m)	Other O&M	(6)		
Wholesale supply cost reimbursement, net of tax of (\$3), \$0, \$0	(n)	4		
Total		<u>\$ 142</u>	<u>\$ (378)</u>	<u>\$ (293)</u>

- (a) See "Reconciliation of Economic Activity" below.
- (b) Gains recorded on the sale of the Maine hydroelectric generation business. See Note 9 to the Financial Statements for additional information.
- (c) Consists primarily of the initial impairment charge recorded when the business was classified as held for sale. See Note 9 to the Financial Statements for additional information.
- (d) Primarily represents impairment charges of sulfur dioxide emission allowances.
- (e) Relates primarily to enhanced pension and severance benefits as a result of a 2009 workforce reduction.
- (f) In July 2010, in order to raise additional cash for the LKE acquisition, certain full-requirement sales contracts were monetized that resulted in cash proceeds of \$249 million. See "Monetization of Certain Full-Requirement Sales Contracts" in Note 19 to the Financial Statements for additional information. \$343 million of pre-tax gains were recorded to "Wholesale energy marketing" and \$557 million of pre-tax losses were recorded to "Energy purchases" on the Statements of Income.
- (g) As a result of the expected net proceeds from the anticipated sale of certain non-core generation facilities, coupled with the monetization of certain full-requirement sales contracts, debt that had been planned to be issued by PPL Energy Supply in 2010 was no longer needed. As a result, hedge accounting associated with interest rate swaps entered into by PPL in anticipation of a debt issuance by PPL Energy Supply was discontinued.
- (h) In October 2010, PPL Energy Supply made borrowings under its Syndicated Credit Facility in order to enable a subsidiary to make loans to certain affiliates to provide interim financing of amounts required by PPL to partially fund PPL's acquisition of LKE. Subsequent to the repayment of such borrowing, the capacity was reduced, and as a result, PPL Energy Supply wrote off deferred fees in 2010.
- (i) In 2009, PPL Montana adjusted its previously recorded accrual related to hydroelectric litigation, of which \$5 million, pre-tax, related to prior periods. In March 2010, the Montana Supreme Court substantially affirmed a June 2008 Montana District Court decision regarding lease payments for the use of certain Montana streambeds. In 2010, PPL Montana recorded a pre-tax charge of \$56 million, representing estimated rental compensation for years prior to 2010, including interest. Of this total charge \$47 million, pre-tax, was recorded to "Other operation and maintenance" and \$9 million, pre-tax, was recorded to "Interest Expense" on the Statements of Income. In August 2010, PPL Montana filed a petition for a writ of certiorari with the U.S. Supreme Court requesting the Court's review of this matter. In June 2011, the U.S. Supreme Court granted PPL Montana's petition. In February 2012, the U.S. Supreme Court overturned the Montana Supreme Court decision and remanded the case to the Montana Supreme Court for further proceedings consistent with the U.S. Supreme Court's opinion. Prior to the U.S. Supreme Court decision, \$4 million, pre-tax, of interest expense on the rental compensation covered by the court decision was accrued in 2011. As a result of the

U.S. Supreme Court decision, PPL Montana reversed its total pre-tax loss accrual of \$89 million, which had been recorded prior to the U.S. Supreme Court decision, of which \$79 million pre-tax is considered a special item because it represented \$65 million of rent for periods prior to 2011 and \$14 million of interest accrued on the portion covered by the prior court decision. These amounts were credited to "Other operation and maintenance" and "Interest Expense" on the Statement of Income.

- (j) In May 2011, PPL Susquehanna entered into a settlement agreement with the U.S. Government relating to PPL Susquehanna's lawsuit, seeking damages for the Department of Energy's failure to accept spent nuclear fuel from the PPL Susquehanna plant. PPL Susquehanna recorded credits to fuel expense to recognize recovery, under the settlement agreement, of certain costs to store spent nuclear fuel at the Susquehanna plant. This special item represents amounts recorded in 2011 to cover the costs incurred from 1998 through December 2010.
- (k) Represents income tax expense recorded as a result of the provisions within Health Care Reform which eliminated the tax deductibility of retiree health care costs to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D Coverage.
- (l) During 2009, PPL Energy Supply received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL Energy Supply deducted the resulting IRC Sec. 481 amount on its 2008 federal income tax return and recorded a \$21 million adjustment to federal and state income tax expense resulting from the reduction in federal income tax benefits related to the domestic manufacturing deduction and certain state tax benefits related to state net operating losses.
- (m) In October 2011, a wholesale customer, SMTG, filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy code. The customer has continued to purchase electricity at the price specified in the supply contract, and has made timely payments for such purchases, but at lower volumes than as prescribed in the contract. As of December 31, 2011, the damage claim totaled \$11 million pre-tax, which was fully reserved.
- (n) In January 2012, PPL received \$7 million pre-tax, related to electricity delivered to a wholesale customer in 2008 and 2009, recorded in "Wholesale energy marketing-Realized." The additional revenue results from several transmission projects approved at PJM for recovery that were not initially anticipated at the time of the electricity auctions and therefore were not included in the auction pricing. A FERC order was issued in 2011 approving the disbursement of these supply costs by the wholesale customer to the suppliers, therefore, PPL accrued its share of this additional revenue in 2011.

#### Reconciliation of Economic Activity

The following table reconciles unrealized pre-tax gains (losses) from the table within "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements to the special item identified as "Adjusted energy-related economic activity, net."

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Operating Revenues			
Unregulated retail electric and gas	\$ 31	\$ 1	\$ 6
Wholesale energy marketing	1,407	(805)	(229)
Operating Expenses			
Fuel	6	29	49
Energy Purchases	(1,123)	286	(155)
Energy-related economic activity (a)	321	(489)	(329)
Option premiums (b)	19	32	(54)
Adjusted energy-related economic activity	340	(457)	(383)
Less: Unrealized economic activity associated with the monetization of certain full-requirement sales contracts in 2010 (c)		(251)	
Less: Economic activity realized, associated with the monetization of certain full-requirement sales contracts in 2010	216		
Adjusted energy-related economic activity, net, pre-tax	<u>\$ 124</u>	<u>\$ (206)</u>	<u>\$ (383)</u>
Adjusted energy-related economic activity, net, after-tax	<u>\$ 72</u>	<u>\$ (121)</u>	<u>\$ (225)</u>

- (a) See Note 19 to the Financial Statements for additional information.
- (b) Adjustment for the net deferral and amortization of option premiums over the delivery period of the item that was hedged or upon realization. Option premiums are recorded in "Wholesale energy marketing - Realized" and "Energy purchases - Realized" on the Statements of Income.
- (c) See "Components of Monetization of Certain Full-Requirement Sales Contracts" below.

#### Components of Monetization of Certain Full-Requirement Sales Contracts

The following table provides the components of the "Monetization of Certain Full-Requirement Sales Contracts" special item.

	<u>2010</u>
Full-requirement sales contracts monetized (a)	\$ (68)
Economic activity related to the full-requirement sales contracts monetized	(146)
Monetization of certain full-requirement sales contracts, pre-tax (b)	<u>\$ (214)</u>
Monetization of certain full-requirement sales contracts, after-tax	<u>\$ (125)</u>

- (a) See "Commodity Price Risk (Non-trading) - Monetization of Certain Full-Requirement Sales Contracts" in Note 19 to the Financial Statements for additional information.
- (b) Includes unrealized losses of \$251 million, which are reflected in "Wholesale energy marketing - Unrealized economic activity" and "Energy purchases - Unrealized economic activity" on the Statement of Income. Also includes net realized gains of \$37 million, which are reflected in "Wholesale energy marketing - Realized" and "Energy purchases - Realized" on the Statement of Income. This economic activity will continue to be realized through May 2013.

### 2012 Outlook

Excluding special items, PPL projects lower segment earnings in 2012 compared with 2011. The decrease is primarily driven by lower energy margins as a result of further declines in energy and capacity prices and higher fuel costs, higher operation and maintenance expenses and higher depreciation, which are partially offset by higher baseload generation.

Earnings beyond 2011 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Note 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings.

## Statement of Income Analysis --

### Margins

#### Non-GAAP Financial Measures

The following discussion includes financial information prepared in accordance with GAAP, as well as three non-GAAP financial measures: "Kentucky Gross Margins," "Pennsylvania Gross Delivery Margins" and "Unregulated Gross Energy Margins." These measures are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. Other companies may use different measures to analyze and to report on the results of their operations. PPL believes that these measures provide additional criteria to make investment decisions. These performance measures are used, in conjunction with other information, internally by senior management and the Board of Directors to manage the Kentucky Regulated, Pennsylvania Regulated and Supply segment operations, analyze each respective segment's actual results compared with budget and, in certain cases, to measure certain corporate financial goals used in determining variable compensation.

PPL's three non-GAAP financial measures include:

- "Kentucky Gross Margins" is a single financial performance measure of the Kentucky Regulated segment's electricity generation, transmission and distribution operations as well as its distribution and sale of natural gas. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expense and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. These mechanisms allow for recovery of certain expenses, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from the Kentucky Regulated segment's operations.
- "Pennsylvania Gross Delivery Margins" is a single financial performance measure of the Pennsylvania Regulated segment's electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance-" expense, which is primarily Act 129 costs, and in "Taxes, other than income," which is primarily gross receipts tax. These mechanisms allow for recovery of certain expenses; therefore, certain expenses and revenues offset with minimal impact on earnings. This performance measure includes PLR energy purchases by PPL Electric from PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)" in the table below. As a result, this measure represents the net revenues from the Pennsylvania Regulated segment's electric delivery operations.
- "Unregulated Gross Energy Margins" is a single financial performance measure of the Supply segment's competitive energy non-trading and trading activities. In calculating this measure, the Supply segment's energy revenues, which

include operating revenues associated with certain Supply segment businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain Supply segment businesses that are classified as discontinued operations. This performance measure is relevant to PPL due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are reflected in "PLR intersegment Utility revenue (expense)" in the table below. PPL excludes from "Unregulated Gross Energy Margins" the Supply segment's energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization.

### Reconciliation of Non-GAAP Financial Measures

The following tables reconcile "Operating Income" to PPL's three non-GAAP financial measures.

	2011					2010				
	Kentucky Gross Margins	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)	Kentucky Gross Margins (c)	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)
<b>Operating Revenues</b>										
Utility	\$ 2,791	\$ 1,881		\$ 1,620 (d)	\$ 6,292		\$ 2,448		\$ 1,220 (d)	\$ 3,668
PLR intersegment Utility revenue (expense) (e)		(26)	\$ 26				(320)	\$ 320		
Unregulated retail electric and gas			696	30	726			414	1	415
Wholesale energy marketing Realized			3,745	62 (f)	3,807			4,511	321 (f)	4,832
Unrealized economic activity				1,407 (g)	1,407				(805) (g)	(805)
Net energy trading margins			(2)		(2)			2		2
Energy-related businesses				507	507				409	409
Total Operating Revenues	2,791	1,855	4,465	3,626	12,737		2,128	5,247	1,146	8,521
<b>Operating Expenses</b>										
Fuel	866		1,151	(71) (h)	1,946			1,132	103 (h)	1,235
Energy purchases Realized	238	738	912	242 (f)	2,130		1,075	1,389	309 (f)	2,773
Unrealized economic activity				1,123 (g)	1,123				(286) (g)	(286)
Other operation and maintenance	90	108	16	2,453	2,667		76	23	1,657	1,756
Depreciation	49			911	960				556	556
Taxes, other than income		99	30	197	326		129	14	95	238
Energy-related businesses				484	484				383	383
Intercompany eliminations		(11)	3	8			(7)	3	4	
Total Operating Expenses	1,243	934	2,112	5,347	9,636		1,273	2,561	2,821	6,655
Discontinued operations			12	(12) (i)				84	(84) (i)	
Total	\$ 1,548	\$ 921	\$ 2,365	\$ (1,733)	\$ 3,101		\$ 855	\$ 2,770	\$ (1,759)	\$ 1,866

	2009			Operating Income (b)
	PA Gross Delivery Margins	Unregulated Gross Energy Margins	Other (a)	
<b>Operating Revenues</b>				
Utility	\$ 3,218		\$ 684 (d)	\$ 3,902
PLR intersegment Utility revenue (expense) (e)	(1,806)	\$ 1,806		
Unregulated retail electric and gas		146	6	152
Wholesale energy marketing				
Realized		3,235	(51) (f)	3,184
Unrealized economic activity			(229) (g)	(229)
Net energy trading margins		17		17
Energy-related businesses			423	423
Total Operating Revenues	<u>1,412</u>	<u>5,204</u>	<u>833</u>	<u>7,449</u>
<b>Operating Expenses</b>				
Fuel		977	(57) (h)	920
Energy purchases				
Realized	114	2,509	2 (f)	2,625
Unrealized economic activity			155 (g)	155
Other operation and maintenance	30	30	1,358	1,418
Amortization of recoverable transition costs	304			304
Depreciation			455	455
Taxes, other than income	186		94	280
Energy-related businesses			396	396
Intercompany eliminations	(74)	70	4	
Total Operating Expenses	<u>560</u>	<u>3,586</u>	<u>2,407</u>	<u>6,553</u>
Discontinued operations		113	(113) (i)	
Total	<u>\$ 852</u>	<u>\$ 1,731</u>	<u>\$ (1,687)</u>	<u>\$ 896</u>

- (a) Represents amounts excluded from Margins.
- (b) As reported on the Statement of Income.
- (c) LKE was acquired on November 1, 2010. Kentucky Gross Margins were not used to measure the financial performance of the Kentucky Regulated segment in 2010.
- (d) Primarily represents WPD's utility revenue. 2010 also includes LKE's utility revenues for the two-month period subsequent to the November 1, 2010 acquisition.
- (e) Primarily related to PLR supply sold by PPL EnergyPlus to PPL Electric.
- (f) Represents energy-related economic activity, as described in "Commodity Price Risk (Non-trading) - Economic Activity" within Note 19 to the Financial Statements. For 2011, "Wholesale energy marketing - Realized" and "Energy purchases - Realized" include a net pre-tax gain of \$19 million related to the amortization of option premiums and a net pre-tax loss of \$216 million related to the monetization of certain full-requirement sales contracts. 2010 includes a net pre-tax gain of \$32 million related to the amortization of option premiums and a net pre-tax gain of \$37 million related to the monetization of certain full-requirement sales contracts. 2009 includes a net pre-tax loss of \$54 million related to the amortization of option premiums.
- (g) Represents energy-related economic activity, which is subject to wide swings in value due to market price volatility, as described in "Commodity Price Risk (Non-trading) - Economic Activity" within Note 19 to the Financial Statements.
- (h) Includes economic activity related to fuel. 2011 includes credits of \$57 million for the spent nuclear fuel litigation settlement.
- (i) Represents the net of certain revenues and expenses associated with certain businesses that are classified as discontinued operations. These revenues and expenses are not reflected in "Operating Income" on the Statements of Income.

### Changes in Non-GAAP Financial Measures

The following table shows PPL's three non-GAAP financial measures, as well as the change between periods. The factors that gave rise to the changes are described below the table.

	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2010</u>	<u>2009</u>	<u>Change</u>
Kentucky Gross Margins (a)	\$ 1,548		\$ 1,548			
PA Gross Delivery Margins by Component						
Distribution	\$ 741	\$ 679	\$ 62	\$ 679	\$ 702	\$ (23)
Transmission	180	176	4	176	150	26
Total	<u>\$ 921</u>	<u>\$ 855</u>	<u>\$ 66</u>	<u>\$ 855</u>	<u>\$ 852</u>	<u>\$ 3</u>
Unregulated Gross Energy Margins by Region						
Non-trading						
Eastern U.S.	\$ 2,018	\$ 2,429	\$ (411)	\$ 2,429	\$ 1,391	\$ 1,038
Western U.S.	349	339	10	339	323	16
Net energy trading	(2)	2	(4)	2	17	(15)
Total	<u>\$ 2,365</u>	<u>\$ 2,770</u>	<u>\$ (405)</u>	<u>\$ 2,770</u>	<u>\$ 1,731</u>	<u>\$ 1,039</u>

(a) LKE was acquired on November 1, 2010. Kentucky Gross Margins were not used to measure the financial performance of the Kentucky Regulated segment in 2010.

### *Kentucky Gross Margins*

PPL acquired LKE on November 1, 2010. Margins for 2011 are included in PPL's results without comparable amounts for 2010.

### *Pennsylvania Gross Delivery Margins*

#### Distribution

The PPL Electric distribution rate case increased rates by approximately 1.6% effective January 1, 2011, which improved residential distribution margins by \$68 million. Residential volume variances increased margins by an additional \$4 million for 2011, compared with the same period in 2010. Weather had a \$3 million unfavorable impact for residential customers for 2011 compared with 2010. Weather-related variances for PPL Electric are calculated based on a ten-year historical average. Lastly, lower demand charges and increased efficiency as a result of Act 129 programs resulted in a \$5 million decrease in margins for commercial and industrial customers.

The decrease in 2010 compared with 2009 was primarily due to margins realized in 2009 related to the collection of CTC that ended in December 2009 of \$37 million, partially offset by favorable recovery mechanisms for certain energy-related costs of \$16 million.

#### Transmission

The increase in 2010 compared with 2009 was primarily due to increased investment in rate base, an increase in the cost of capital due to an increase in equity and the recovery of additional costs through the FERC formula-based rates.

### *Unregulated Gross Energy Margins*

#### Eastern U.S.

The changes in Eastern U.S. non-trading margins were:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Baseload energy, capacity and ancillaries (a)	\$ (199)	\$ 1,143
Coal and hydroelectric generation volume (b)	(72)	21
Impact of non-core generation facilities sold in the first quarter of 2011	(48)	
Monetization of certain deals that rebalanced the business and portfolio	(41)	(48)
Higher coal prices	(40)	(38)
Margins on the intermediate and peaking units (c)	(34)	17
Nuclear generation volume (d)	(29)	(32)
Higher nuclear fuel prices	(10)	(8)
Retail electric business	(7)	23
Full-requirement sales contracts (e)	70	(46)
Other	(1)	6
	<u>\$ (411)</u>	<u>\$ 1,038</u>

- (a) Baseload energy and capacity prices were lower in 2011 than 2010; however, prices in 2010 for baseload generation were significantly higher than prices realized under the PLR contract with PPL Electric that expired at the end of 2009.
- (b) Volumes were lower in 2011 compared with 2010 as a result of unplanned outages, economic reductions in coal unit output and the sale of our interest in Safe Harbor Water Power Corporation. Volumes were higher in 2010 compared with 2009 as a result of planned overhauls.
- (c) Lower margins in 2011 compared with 2010 were driven by lower capacity prices, partially offset by higher generation volumes in the first half of 2011. Higher margins in 2010 compared with 2009 were due to higher energy and capacity prices.
- (d) Volumes were lower in 2011 compared with 2010 primarily as a result of the dual-unit turbine blade replacement outages beginning in May 2011. Volumes were lower in 2010 compared with 2009 primarily due to an unplanned outage in July 2010.
- (e) Higher margins in 2011 compared with 2010 were driven by contracts monetized in 2010 and lower customer migration to alternative suppliers in 2011. Lower margins in 2010 compared with 2009 were driven by lower customer demand and higher customer migration to alternative suppliers.

### Western U.S.

Western U.S. non-trading margins were higher in 2011 compared with 2010, due to higher net wholesale prices of \$58 million, partially offset by lower wholesale volumes of \$45 million, primarily due to economic reductions in coal unit output.

Western U.S. non-trading margins were higher in 2010 compared with 2009, primarily due to higher net wholesale prices of \$11 million and higher wholesale volumes of \$14 million, due to unplanned outages in 2009.

### Net Energy Trading Margins

Net energy trading margins decreased during 2011 compared with 2010, as a result of lower margins on power positions of \$16 million, partially offset by higher margins on gas positions of \$12 million.

Net energy trading margins decreased during 2010 compared with 2009, as a result of lower margins on power and gas positions of \$40 million, partially offset by higher trading margins related to FTRs of \$22 million.

### **Utility Revenues**

The changes in utility revenues were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Domestic:		
PPL Electric		
Revenue related to delivery (a)	\$ 73	\$ (3)
Revenue related to PLR energy supply (b)	(640)	(767)
Total PPL Electric	(567)	(770)
LKE (c)	2,300	493
Total Domestic	1,733	(277)
U.K.:		
PPL WW		
Price (d)	76	52
Volume (e)	(15)	7
Recovery of allowed revenues (f)	7	(17)
Foreign currency exchange rates	25	2
Other	8	(1)
Total PPL WW	101	43
WPD Midlands (g)	790	
Total U.K.	891	43
Total	\$ 2,624	\$ (234)

- (a) The increase in 2011 compared with 2010 is primarily due to the January 1, 2011 increase in distribution rates. See "Pennsylvania Gross Delivery Margins" for further information.
- (b) These changes in revenue had a minimal impact on earnings as the cost of supplying this energy as a PLR is passed through to the customer with no additional mark-up. These revenues are offset primarily with energy purchases in "Pennsylvania Gross Delivery Margins."
- (c) Amounts in each period are not comparable. 2010 includes two months of activity as LKE was acquired in November 2010.
- (d) The increase in 2011 compared with 2010 is due to price increases effective April 1, 2011 and April 1, 2010. The increase in 2010 compared with 2009 is due to price increases effective April 1, 2010 and April 1, 2009.
- (e) The decrease in 2011 compared with 2010 is primarily due to the downturn in the economy and weather. The increase in 2010 compared with 2009 is primarily due to weather.
- (f) Primarily due to a revised estimate of network electricity line losses.

- (g) There are no comparable amounts in 2010 as WPD Midlands was acquired in April 2011. 2011 includes eight months of activity as WPD Midlands' results are recorded on a one-month lag.

### Other Operation and Maintenance

The changes in other operation and maintenance expenses were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Domestic:		
LKE (a)	\$ 612	\$ 139
Act 129 costs incurred (b)	26	54
Montana hydroelectric litigation (c)	(121)	48
Vegetation management costs (d)	(8)	13
Payroll-related costs - PPL Electric	4	18
Susquehanna nuclear plant costs (e)	27	34
Costs at Western fossil and hydroelectric plants (f)	12	(4)
Costs at Eastern fossil and hydroelectric plants (g)	23	(4)
Workforce reductions (h)		(22)
Impacts from emission allowances (i)	(15)	(16)
Uncollectible accounts (j)	21	6
Other	2	27
U.K.:		
PPL WW (k)	15	45
WPD Midlands (l) (m)	313	
	<u>\$ 911</u>	<u>\$ 338</u>

- (a) Amounts in each period are not comparable. 2010 includes two months of activity as LKE was acquired in November 2010.
- (b) Relates to costs associated with a PUC-approved energy efficiency and conservation plan. These costs are recovered in customer rates. There are currently 15 Act 129 programs which began in 2010 and continued to ramp up in 2011.
- (c) In March 2010, the Montana Supreme Court substantially affirmed a June 2008 Montana District Court decision regarding lease payments for the use of certain Montana streambeds. As a result, in the first quarter of 2010, PPL Montana recorded a charge of \$56 million, representing estimated rental compensation for the first quarter of 2010 and prior years, including interest. The portion of the total charge recorded to "Other operation and maintenance" on the Statement of Income totaled \$49 million. In August 2010, PPL Montana filed a petition for a writ of certiorari with the U.S. Supreme Court requesting the Court's review of this matter. In June 2011, the U.S. Supreme Court granted PPL Montana's petition. In February 2012, the U.S. Supreme Court overturned the Montana Supreme Court decision and remanded the case to the Montana Supreme Court for further proceedings consistent with the U.S. Supreme Court's opinion. As a result, PPL Montana reversed its total loss accrual of \$89 million, which had been recorded prior to the U.S. Supreme Court decision, of which \$75 million was credited to "Other operation and maintenance" on the Statement of Income.
- (d) In 2010, PPL Electric increased its vegetation management around its 230- and 500-kV transmission lines in response to federal reliability requirements for transmission vegetation management.
- (e) 2011 compared with 2010 was higher primarily due to \$11 million of higher payroll-related costs, \$10 million of higher outage costs and \$8 million of higher costs from the refueling outage. 2010 compared with 2009 was higher primarily due to \$10 million of higher payroll-related costs, \$8 million of higher outage costs and \$5 million of higher project costs.
- (f) 2011 compared with 2010 was higher primarily due to \$8 million of lower insurance proceeds. 2010 compared with 2009 was lower primarily due to \$10 million of higher insurance proceeds.
- (g) 2011 compared with 2010 was higher primarily due to plant outage costs of \$13 million.
- (h) Represents the charge related to the February 2009, announcement of workforce reductions that resulted in the elimination of certain management and staff positions.
- (i) 2011 compared with 2010 was lower due to lower impairment charges of sulfur dioxide emission allowances. 2010 compared with 2009 was lower primarily due to lower impairment charges of sulfur dioxide emission allowances.
- (j) 2011 compared with 2010 was higher primarily due to SMGT filing for protection under Chapter 11 of the U.S. Bankruptcy Code, \$11 million of damages billed to SMGT were fully reserved.
- (k) Both periods were higher due to higher pension costs resulting primarily from increased amortization of actuarial losses.
- (l) 2011 includes \$93 million of severance compensation, early retirement deficiency costs and outplacement services for employees separating from the WPD Midlands companies as a result of a reorganization to transition the WPD Midlands companies to the same operating structure as WPD (South West) and WPD (South Wales) and \$35 million of other acquisition related costs.
- (m) There are no comparable amounts in the 2010 period as WPD Midlands was acquired in April 2011. 2011 includes eight months of activity as WPD Midlands' results are recorded on a one-month lag.

### Depreciation

The changes in depreciation expense were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Additions to PP&E (a)	\$ 20	\$ 52
LKE (b) (c)	285	49
WPD Midlands (d)	95	



U.K. foreign currency exchange rates

Total

	4	
\$	404	\$ 101

- (a) For 2011 compared with 2010, the \$20 million increase was partially due to PP&E additions as part of PPL Electric's ongoing efforts to replace aging infrastructure. For 2010 compared with 2009, \$21 million of the increase was primarily due to the completion of environmental projects at Brunner Island in 2009 and 2010.
- (b) For 2011 compared with 2010, \$32 million of depreciation expense related to TC2, which began to dispatch in January 2011.
- (c) Amounts in each period are not comparable. 2010 includes two months of activity for LKE as it was acquired in November 2010.
- (d) There are no comparable amounts in 2010 for WPD Midlands as it was acquired in April 2011. 2011 includes eight months of activity for WPD Midlands, as its results are recorded on a one-month lag.

### Taxes, Other Than Income

The changes in taxes, other than income were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Pennsylvania gross receipts tax (a)	\$ (5)	\$ (42)
Domestic property tax expense (b)	(10)	1
Domestic sales and use tax	(2)	2
Pennsylvania capital stock tax (c)	11	
LKE (d)	35	2
WPD Midlands (e)	60	
Other (f)	(1)	(5)
Total	<u>\$ 88</u>	<u>\$ (42)</u>

- (a) The decrease in 2010 compared with 2009 was primarily due to a decrease in electricity revenue as customers chose alternative suppliers in 2010. This tax is included in "Unregulated Gross Energy Margins" and "Pennsylvania Gross Delivery Margins" above.
- (b) The decrease in 2011 compared with 2010 was primarily due to the amortization of the PURTA refund. This tax is included in "Pennsylvania Gross Delivery Margins" above.
- (c) The increase in 2011 compared with 2010 was due in part to the expiration of the Keystone Opportunity Zone credit in 2010 and an agreed to change in a capital stock filing position with the state.
- (d) Amounts in each period are not comparable. 2010 includes two months of activity as LKE was acquired in November 2010.
- (e) There are no comparable amounts in the 2010 period as WPD Midlands was acquired in April 2011. 2011 includes 8 months of activity as WPD Midlands' results are recorded on a one-month lag.
- (f) The decrease in 2010 compared with 2009 primarily relates to lower WPD real estate tax expense due to reductions in tax rates.

### Other Income (Expense) - net

The \$35 million increase in other income (expense) - net in 2011 compared with 2010 was primarily attributable to:

- a \$22 million gain on the accelerated amortization of the fair value adjustment to the debt recorded in connection with previously settled fair value hedges. The accelerated amortization was the result of the July 2011 redemption of PPL Electric's 7.125% Senior Secured Bonds due 2013;
- \$29 million of net losses reclassified from AOCI into earnings in 2010 resulting from the discontinuation of interest rate swaps entered into in anticipation of a debt issuance by PPL Energy Supply;
- \$7 million of increases in gains from economic foreign currency exchange contracts;
- \$31 million of LKE other acquisition-related costs recorded in 2010;
- \$55 million of WPD Midlands other acquisition-related costs recorded in 2011, including U.K. stamp duty tax; and
- a \$57 million foreign currency loss related to the repayment of the 2011 Bridge Facility borrowing, offset by a \$55 million gain on foreign currency forward contracts that hedged the repayment of such borrowings.

The \$78 million decrease in other income (expense) - net in 2010 compared with 2009 was primarily attributable to:

- \$29 million of net losses reclassified from AOCI into earnings in 2010 resulting from the discontinuation of interest rate swaps entered into in anticipation of a debt issuance by PPL Energy Supply;
- \$31 million of LKE other acquisition-related costs recorded in 2010;
- a \$29 million gain on PPL Energy Supply's tender offers to purchase up to \$250 million aggregate principal amount of certain of its outstanding senior notes including net gains on related cash flow hedges that were reclassified from AOCI into earnings in 2009; and
- a \$12 million increase in gains from economic foreign currency exchange contracts.

### Other-Than-Temporary Impairments

Other-than-temporary impairments decreased by \$15 million in 2010 compared with 2009, primarily due to stronger returns on NDT investments caused by market fluctuations within the financial markets.

### Interest Expense

The changes in interest expense were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
2011 Bridge Facility costs related to the acquisition of WPD Midlands (Notes 7 and 10)	\$ 44	
2010 Bridge Facility costs related to the acquisition of LKE (Notes 7 and 10)	(80)	\$ 80
2010 Equity Units (a)	28	31
2011 Equity Units (b)	34	
Interest expense on the March 2010 WPD (South Wales) and WPD (South West) debt issuance	11	25
Inflation adjustment on U.K. Index-linked Senior Unsecured Notes	5	23
LKE (c)	126	20
WPD Midlands (d)	154	
Hedging activities	11	15
Capitalized interest	(17)	14
Net amortization of debt discounts, premiums and issuance costs	3	13
Montana hydroelectric litigation (e)	(20)	10
Other short-term and long-term debt interest expense	11	(20)
Other	(5)	(5)
Total	<u>\$ 305</u>	<u>\$ 206</u>

- (a) Interest related to the June 2010 issuance to support the November 2010 LKE acquisition.
- (b) Interest related to the April 2011 issuance to support the April 2011 WPD Midlands acquisition.
- (c) Amounts in each period are not comparable. 2010 includes two months of activity as LKE was acquired in November 2010.
- (d) There are no comparable amounts in 2010 as WPD Midlands was acquired in April 2011. 2011 includes eight months of activity as WPD Midlands' results are recorded on a one-month lag. 2011 Bridge Facility costs of \$23 million are included in "2011 Bridge Facility costs related to the acquisition of WPD Midlands" above.
- (e) In March 2010, the Montana Supreme Court substantially affirmed a June 2008 Montana District Court decision regarding lease payments for the use of certain Montana streambeds. As a result, in the first quarter of 2010, PPL Montana recorded \$7 million of interest expense on rental compensation covered by the court decision. In August 2010, PPL Montana filed a petition for a writ of certiorari with the U.S. Supreme Court requesting the Court's review of this matter. In June 2011, the U.S. Supreme Court granted PPL Montana's petition. Oral argument was held in December 2011. PPL Montana continued to accrue interest expense on the rental compensation covered by the court decision. In February 2012, the U.S. Supreme Court overturned the Montana Supreme Court decision and remanded the case to the Montana Supreme Court for further proceedings consistent with the U.S. Supreme Court's opinion. As a result, PPL Montana reversed its total loss accrual of \$89 million, which had been recorded prior to the U.S. Supreme Court decision, of which \$14 million was credited to "Interest Expense" on the Statement of Income.

### Income Taxes

The changes in income taxes were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Higher pre-tax book income	\$ 168	\$ 258
State valuation allowance adjustments (a)	101	(52)
State deferred tax rate change (b)	(26)	
Federal income tax credits	(2)	(10)
Domestic manufacturing deduction (c)	11	(8)
Federal and state tax reserve adjustments (d)	99	(55)
Federal and state tax return adjustments	(14)	(25)
U.S. income tax on foreign earnings net of foreign tax credit (e)	(59)	50
U.K. Finance Act adjustments (f)	(17)	(18)
Foreign valuation allowance adjustments (g)	(68)	215
Foreign tax reserve adjustments (g)	(141)	(17)
U.K. capital loss benefit (g)	261	(215)
Health care reform	(8)	8
LKE (h)	125	27
Depreciation not normalized (a)	(14)	
WPD Midlands (i)	(2)	
Other	14	
Total	<u>\$ 428</u>	<u>\$ 158</u>

- (a) Reflects the impact of Pennsylvania Department of Revenue interpretive guidance issued during 2011 on the treatment of bonus depreciation for Pennsylvania income tax purposes. In accordance with Corporation Tax Bulletin 2011-01, Pennsylvania allows 100% bonus depreciation for qualifying assets in the same year bonus depreciation is allowed for federal income tax purposes. Due to the decrease in taxable income related to bonus depreciation and a decrease in projected future taxable income, PPL recorded a \$43 million state deferred income tax expense related to deferred tax valuation allowances during 2011.

Additionally, the 100% Pennsylvania bonus depreciation deduction created a current state income tax benefit for the flow-through impact of Pennsylvania regulated state tax depreciation.

Pennsylvania H.B. 1531, enacted during 2009, increased the net operating loss limitation to 20% of taxable income for tax years beginning in 2010. During 2009, based on the projected revenue increase due to the expiration of the Pennsylvania generation rate caps in 2010, PPL recorded a \$13 million state deferred income tax benefit related to the reversal of deferred tax valuation allowances for a portion of its Pennsylvania net operating losses. During 2010, PPL recorded an additional \$72 million state deferred income tax benefit related to the reversal of deferred tax valuation allowances related to the future projections of taxable income over the remaining carryforward period of the net operating losses.

- (b) During 2011, PPL completed the sale of certain non-core generating assets (see Note 9 to the Financial Statements for additional information). Due to changes in state apportionment resulting in the reduction in the future estimated state tax rate, PPL recorded a deferred tax benefit related to its December 31, 2011 state deferred tax liabilities.
- (c) In December 2010, Congress enacted legislation allowing for 100% bonus depreciation on qualified property. The increased tax depreciation eliminated the income tax benefit related to the domestic manufacturing deduction in 2011.
- (d) In 1997, the U.K. imposed a Windfall Profits Tax on privatized utilities, including WPD. In September 2010, the U.S. Tax Court ruled in PPL's favor in a dispute with the IRS, concluding that the U.K. Windfall Profits Tax is a creditable tax for U.S. tax purposes. As a result and with the finalization of other issues, PPL recorded a \$42 million tax benefit in 2010. In January 2011, the IRS appealed the U.S. Tax Court's decision to the U.S. Court of Appeals for the Third Circuit. In December 2011, the Third Circuit issued its opinion reversing the Tax Court's decision and holding that the Windfall Profits Tax is not a creditable tax. As a result of the Third Circuit's adverse determination, PPL recorded a \$39 million expense in 2011. On February 27, 2012, PPL filed with the Third Circuit a petition for rehearing of its opinion on this matter.

In 2010, the U.S. Tax Court ruled in PPL's favor in a dispute with the IRS, concluding that street lighting assets are depreciable for tax purposes over seven years. As a result, PPL recorded a \$7 million tax benefit to federal and state income tax reserves and related deferred income taxes during 2010.

During 2011, 2010 and 2009 PPL recorded a \$6 million, \$7 million and \$6 million tax benefit to federal and state income tax reserves related to stranded cost securitization.

- (e) During 2011, PPL recorded a \$28 million federal income tax benefit related to U.K. pension contributions.

During 2010, PPL recorded additional U.S. income tax expense resulting from increased taxable dividends and certain restructuring of U.K. entities.

- (f) The U.K.'s Finance Act of 2011, enacted during 2011, included reductions in the U.K. statutory income tax rate. The statutory income tax rate was reduced from 27% to 26% retroactive to April 1, 2011 and will be reduced from 26% to 25% effective April 1, 2012. As a result, PPL reduced its net deferred tax liabilities and recognized a deferred tax benefit of \$69 million in 2011. WPD Midlands' portion of the deferred tax benefit is \$34 million.

The U.K.'s Finance Act of 2010, enacted during 2010, included a reduction in the U.K. statutory income tax rate. Effective April 1, 2011, the statutory income tax rate was reduced from 28% to 27%. As a result, PPL reduced its net deferred tax liabilities and recognized a deferred tax benefit of \$18 million during 2010.

- (g) During 2011, WPD reached an agreement with the HM Revenue & Customs, the U.K. tax authority, related to the amount of the capital losses that resulted from prior years' restructuring in the U.K. and recorded a \$147 million foreign tax benefit for the reversal of tax reserves related to the capital losses. Additionally, WPD recorded a \$147 million valuation allowance for the amount of capital losses that, more likely than not, will not be realized.

During 2010, PPL recorded a \$261 million foreign tax benefit in conjunction with losses resulting from restructuring in the U.K. A portion of these losses offset tax on a deferred gain from a prior year sale of WPD's supply business. WPD recorded a \$215 million valuation allowance for the amount of capital losses that, more likely than not, will not be realized.

During 2009, PPL recorded a \$46 million foreign tax benefit and a related \$46 million tax reserve related to losses resulting from restructuring in the U.K. Additionally, PPL recorded a \$29 million foreign tax benefit related to the resolution of a tax dispute and foreign currency exchange losses.

- (h) Amounts in each period are not comparable. 2010 includes two months of activity as LKE was acquired in November 2010.
- (i) There are no comparable amounts in 2010 as WPD Midlands was acquired in April 2011. 2011 includes eight months of activity as WPD Midlands' results are recorded on a one-month lag.

See Note 5 to the Financial Statements for additional information on income taxes.

## Discontinued Operations

Income (Loss) from Discontinued Operations (net of income taxes) increased by \$19 million in 2011 compared with 2010 and decreased by \$10 million in 2010 compared with 2009. Both periods were impacted by after-tax impairment charges recorded in 2010 totaling \$62 million related to assets associated with certain non-core generation facilities sold in 2011 that were written down to their estimated fair value (less cost to sell). The impacts of these charges were offset

by the net results of certain other discontinued operations. See Note 9 to the Financial Statements for additional information.

### Financial Condition

#### Liquidity and Capital Resources

PPL expects to continue to have adequate liquidity available through operating cash flows, cash and cash equivalents and its credit facilities. Additionally, subject to market conditions, PPL currently plans to access capital markets in 2012.

PPL's cash flows from operations and access to cost-effective bank and capital markets are subject to risks and uncertainties including, but not limited to:

- changes in electricity, fuel and other commodity prices;
- operational and credit risks associated with selling and marketing products in the wholesale power markets;
- potential ineffectiveness of the trading, marketing and risk management policy and programs used to mitigate PPL's risk exposure to adverse changes in electricity and fuel prices, interest rates, foreign currency exchange rates and counterparty credit;
- unusual or extreme weather that may damage PPL's transmission and distribution facilities or affect energy sales to customers;
- reliance on transmission and distribution facilities that PPL does not own or control to deliver its electricity and natural gas;
- unavailability of generating units (due to unscheduled or longer-than-anticipated generation outages, weather and natural disasters) and the resulting loss of revenues and additional costs of replacement electricity;
- the ability to recover and the timeliness and adequacy of recovery of costs associated with regulated utility businesses;
- costs of compliance with existing and new environmental laws and with new security and safety requirements for nuclear facilities;
- any adverse outcome of legal proceedings and investigations with respect to PPL's current and past business activities;
- deterioration in the financial markets that could make obtaining new sources of bank and capital markets funding more difficult and more costly; and
- a downgrade in PPL's or its rated subsidiaries' credit ratings that could adversely affect their ability to access capital and increase the cost of credit facilities and any new debt.

See "Item 1A. Risk Factors" for further discussion of risks and uncertainties affecting PPL's cash flows.

At December 31, PPL had the following:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Cash and cash equivalents	\$ 1,202	\$ 925	\$ 801
Short-term investments (a)	16	163	
	<u>\$ 1,218</u>	<u>\$ 1,088</u>	<u>\$ 801</u>
Short-term debt	<u>\$ 578</u>	<u>\$ 694</u>	<u>\$ 639</u>

- (a) 2010 amount represents tax-exempt bonds issued by Louisville/Jefferson County, Kentucky on behalf of LG&E that were subsequently purchased by LG&E. Such bonds were remarketed to unaffiliated investors in January 2011. See Note 7 to the Financial Statements for further discussion.

At December 31, 2011, \$411 million of cash and cash equivalents and \$16 million of short-term investments were denominated in GBP. If these amounts would be remitted as dividends, PPL may be subject to additional U.S. taxes, net of allowable foreign tax credits. Historically, dividends paid by foreign subsidiaries have been distributions of the current year's earnings. See Note 5 to the Financial Statements for additional information on undistributed earnings of WPD.

The changes in PPL's cash and cash equivalents position resulted from:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
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Net cash provided by operating activities	\$ 2,507	\$ 2,033	\$ 1,852
Net cash provided by (used in) investing activities	(7,952)	(8,229)	(880)
Net cash provided by (used in) financing activities	5,767	6,307	(1,271)
Effect of exchange rates on cash and cash equivalents	(45)	13	
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 277	\$ 124	\$ (299)

### Operating Activities

Net cash provided by operating activities increased by 23%, or \$474 million, in 2011 compared with 2010. The increase was the net effect of:

- operating cash provided by LKE, \$743 million, and WPD Midlands, \$234 million;
- cash from components of working capital, \$435 million, primarily related to changes in prepaid income and gross receipts taxes; partially offset by
- reduction in cash from counter party collateral, \$172 million:
- lower gross energy margins, \$240 million after-tax:
- proceeds from monetizing certain full-requirement sales contracts in 2010, \$249 million:
- higher interest payments of \$44 million; and
- increases in other operating outflows of \$233 million (including \$90 million of higher operation and maintenance expenses and defined benefits funding).

Net cash provided by operating activities increased by 10%, or \$181 million in 2010 compared with 2009. The expiration of the long-term power purchase agreements between PPL Electric and PPL EnergyPlus at the end of 2009 enabled PPL EnergyPlus to sell power at higher market prices and had a positive impact on net income, and specifically on "unregulated gross energy margins" which increased over \$600 million, after-tax, in 2010 compared with 2009, and therefore, was the primary driver to the above increase. The positive impact of additional earnings was partially offset by a reduction in the amount of counterparty collateral received and by additional defined benefit plan contributions.

A significant portion of PPL's Supply segment operating cash flows is derived from its competitive baseload generation business activities. PPL employs a formal hedging program for its baseload generation fleet, the primary objective of which is to provide a reasonable level of near-term cash flow and earnings certainty while preserving upside potential of power price increases over the medium term. See Note 19 to the Financial Statements for further discussion. Despite PPL's hedging practices, future cash flows from operating activities from its Supply segment are influenced by commodity prices and therefore, will fluctuate from period to period.

PPL's contracts for the sale and purchase of electricity and fuel often require cash collateral or other credit enhancements, or reductions or terminations of a portion of the entire contract through cash settlement, in the event of a downgrade of PPL's or its subsidiaries' credit ratings or adverse changes in market prices. For example, in addition to limiting its trading ability, if PPL's or its subsidiaries' ratings were lowered to below "investment grade" and there was a 10% adverse movement in energy prices, PPL estimates that, based on its December 31, 2011 positions, it would have had to post additional collateral of approximately \$435 million with respect to electricity and fuel contracts. PPL has in place risk management programs that are designed to monitor and manage its exposure to volatility of cash flows related to changes in energy and fuel prices, interest rates, foreign currency exchange rates, counterparty credit quality and the operating performance of its generating units.

### Investing Activities

The primary use of cash in investing activities in 2011 was for the acquisition of WPD Midlands. In 2010, the primary use of cash in investing activities was for the acquisition of LKE. In 2009, the primary use of cash in investing activities was for capital expenditures. See "Forecasted Uses of Cash" for detail regarding projected capital expenditures for the years 2012 through 2016.

Net cash used in investing activities was \$7.9 billion in 2011 compared with \$8.2 billion in 2010. The 2011 amount includes the use of \$5.8 billion of cash for the acquisition of WPD Midlands, while 2010 includes \$6.8 billion for the acquisition of LKE. See Note 10 to the Financial Statements for additional information regarding the acquisitions. Excluding the impact of the acquisitions, net cash used in investing activities increased by \$772 million in 2011

compared with 2010. This increase reflects \$890 million of higher capital expenditures and a \$228 million net change in restricted cash, partially offset by \$219 million of additional proceeds from the sale of certain businesses or facilities and \$163 million of proceeds from the sale of investments, other than securities in the nuclear plant decommissioning trust funds. PPL received proceeds of \$381 million in 2011 from the sale of certain non-core generation facilities compared with proceeds of \$162 million in 2010 from the sale of the Long Island generation business and certain Maine hydroelectric generation facilities. See Note 9 to the Financial Statements for additional information on the sale of these businesses or facilities.

Net cash used in investing activities was \$8.2 billion in 2010 compared with \$880 million in 2009. The 2010 amount includes the use of \$6.8 billion of cash for the acquisition of LKE. See Note 10 to the Financial Statements for additional information regarding this acquisition. Excluding the impact of the acquisition, net cash used in investing activities increased by \$537 million in 2010 compared with 2009. This increase reflects \$372 million of higher capital expenditures, \$133 million net change in restricted cash and \$154 million of lower proceeds from the sale of investments, other than securities in the nuclear plant decommissioning trust funds, partially offset by \$81 million of additional proceeds from the sale of certain businesses or facilities. PPL received proceeds of \$162 million in 2010 for the sale of the Long Island generation business and certain Maine hydroelectric generation facilities compared with proceeds of \$81 million in 2009 from the sale of the majority of its Maine hydroelectric generation businesses. See Note 9 to the Financial Statements for additional information on the sale of these businesses or facilities.

### Financing Activities

Net cash provided by financing activities was \$5.8 billion in 2011 compared with \$6.3 billion in 2010, primarily as a result of the issuances of long-term debt and equity related to the acquisition of WPD Midlands in 2011 and the acquisition of LKE in 2010. The change from 2011 to 2010 primarily reflects increased issuances of long-term debt and equity related to the acquisition of WPD Midlands in 2011.

Net cash provided by financing activities was \$6.3 billion in 2010 compared with \$1.3 billion of cash used in financing activities in 2009. The change from 2009 to 2010 primarily reflects increased issuances of long-term debt and equity related to the acquisition of LKE in 2010 as well as fewer retirements of long-term debt in 2010.

In 2011, cash provided by financing activities primarily consisted of net debt issuances of \$4.4 billion and \$2.3 billion of net proceeds from the issuance of common stock, partially offset by common stock dividends paid of \$746 million and debt issuance and credit facility costs paid of \$102 million.

In 2010, cash provided by financing activities primarily consisted of net debt issuances of \$4.7 billion and \$2.4 billion of net proceeds from the issuance of common stock, partially offset by common stock dividends paid of \$566 million and debt issuance and credit facility costs paid of \$175 million.

In 2009, cash used in financing activities primarily consisted of net debt retirements of \$770 million and common stock dividends paid of \$517 million, partially offset by \$60 million of common stock sale proceeds.

See "Forecasted Sources of Cash" for a discussion of PPL's plans to issue debt and equity securities, as well as a discussion of credit facility capacity available to PPL. Also see "Forecasted Uses of Cash" for a discussion of plans to pay dividends on common and preferred securities in the future, as well as maturities of long-term debt.

### *Long-term Debt and Equity Securities*

PPL's long-term debt and equity securities activity through December 31, 2011 was:

	<u>Debt</u>		<u>Equity</u>
	<u>Issuances (a)</u>	<u>Retirements</u>	
PPL Common Stock			\$ 2,328
PPL Capital Funding Junior Subordinated Notes	\$ 978		
PPL Energy Supply Senior Unsecured Notes (b)	500	\$ (750)	
PPL Electric First Mortgage Bonds (c)	645	(458)	
LKE Senior Unsecured Notes	250		

LG&E and KU Capital LLC Medium Term Notes (d)			(2)
PPL WEM Senior Unsecured Notes	959		
WPD (West Midlands) Senior Unsecured Notes	1,282		
WPD (East Midlands) Senior Unsecured Notes	967		
WPD (East Midlands) Index-linked Notes	164		
Total Cash Flow Impact	\$ 5,745	\$ (1,210)	\$ 2,328
Assumed through consolidation - WPD Midlands acquisition:			
WPD (East Midlands) Senior Unsecured Notes (e)	\$ 418		
WPD (West Midlands) Senior Unsecured Notes (e)	412		
Total Assumed	\$ 830		
Non-cash Exchanges (f):			
LKE Senior Unsecured Notes	\$ 875	\$ (875)	
LG&E First Mortgage Bonds	535	(535)	
KU First Mortgage Bonds	1,500	(1,500)	
Total Exchanged	\$ 2,910	\$ (2,910)	
Net Increase	\$ 5,365		\$ 2,328

- (a) Issuances are net of pricing discounts, where applicable and exclude the impact of debt issuance costs.
- (b) Senior unsecured notes of \$250 million were redeemed at par prior to their 2046 maturity date and the remaining \$500 million were retired upon maturity.
- (c) Retirement reflects amount paid to redeem \$400 million aggregate principal amount of first mortgage bonds prior to their 2013 maturity date.
- (d) Notes were retired upon maturity.
- (e) Reflects fair value adjustments resulting from the preliminary purchase price allocation. The principal amount of each issuance is £250 million, which equated to approximately \$400 million at the time of closing.
- (f) In April 2011, LKE, LG&E and KU each filed a 2011 Registration Statement with the SEC related to offers to exchange securities issued in November 2010 in transactions not registered under the Securities Act of 1933 with similar but registered securities. The 2011 Registration Statements became effective in June 2011 and the exchanges were completed in July 2011, with substantially all securities being exchanged.

See Note 7 to the Financial Statements for additional information about long-term debt and equity securities.

### Forecasted Sources of Cash

PPL expects to continue to have sufficient sources of cash available in the near term, including various credit facilities, a commercial paper program and operating leases. PPL and its subsidiaries currently plan to incur, subject to market conditions, up to \$300 million of long-term indebtedness in 2012, the proceeds of which will be used for general corporate purposes. Additionally, PPL's cash flows will include a full year of WPD Midlands' cash flows in 2012 and forward.

### Credit Facilities

At December 31, 2011, PPL's total committed borrowing capacity under credit facilities and the use of this borrowing capacity were:

	Committed Capacity	Borrowed	Letters of Credit Issued and Commercial Paper Backstop	Unused Capacity
PPL Energy Supply Credit Facilities (a)	\$ 3,200		\$ 630	\$ 2,570
PPL Electric Credit Facilities (b)	350		1	349
LG&E Credit Facility (c)	400			400
KU Credit Facilities (c)(d)	598		198	400
Total Domestic Credit Facilities (e)	\$ 4,548		\$ 829	\$ 3,719
PPL WW Credit Facility	£ 150	£ 111	n/a	£ 39
WPD (South West) Credit Facility (f)	210		n/a	210
WPD (East Midlands) Credit Facility (g)	300		£ 70	230
WPD (West Midlands) Credit Facility (g)	300		71	229
Total WPD Credit Facilities (h)	£ 960	£ 111	£ 141	£ 708

- (a) In March 2011, PPL Energy Supply's \$300 million Structured Credit Facility expired. PPL Energy Supply's obligations under this facility were supported by a \$300 million letter of credit issued on PPL Energy Supply's behalf under a separate, but related \$300 million 5-year credit agreement, which also expired in March 2011.

PPL Energy Supply's Syndicated Credit Facility contains a financial covenant requiring PPL Energy Supply's debt to total capitalization not to exceed 65%, as calculated in accordance with the facility, and other customary covenants.

- (b) Committed capacity includes a \$150 million credit facility related to an asset-backed commercial paper program through which PPL Electric obtains financing by selling and contributing its eligible accounts receivable and unbilled revenue to a special purpose, wholly owned subsidiary on an ongoing basis. The subsidiary pledges these assets to secure loans of up to an aggregate of \$150 million from a commercial paper conduit sponsored by a financial institution. At December 31, 2011, based on accounts receivable and unbilled revenue pledged, the amount available for borrowing under the facility was limited to \$103 million. In July 2011, PPL Electric and the subsidiary extended the expiration date of the credit agreement related to the asset-backed commercial paper program to July 2012.

PPL Electric's Syndicated Credit Facility contains a financial covenant requiring PPL Electric's debt to total capitalization not to exceed 70%, as calculated in accordance with the credit facility, and other customary covenants.

- (c) In June 2011, LG&E and KU each amended its respective Syndicated Credit Facility such that the fees and the spread to benchmark interest rates for borrowings depend upon the respective company's senior secured long-term debt rating rather than the senior unsecured debt rating. LG&E and KU's Syndicated Credit Facilities each contain a financial covenant requiring LG&E and KU's debt to capitalization not to exceed 70%, as calculated in accordance with the facilities, and other customary covenants.
- (d) In April 2011, KU entered into a new \$198 million letter of credit facility that has been used to issue letters of credit to support outstanding tax exempt bonds. The facility contains a financial covenant requiring KU's debt to total capitalization not to exceed 70%, as calculated in accordance with the credit facility. KU pays customary commitment and letter of credit fees under the new facility. The facility matures in April 2014. In August 2011, KU amended its letter of credit facility such that the fees depend upon KU's senior secured long-term debt rating rather than the senior unsecured debt rating.
- (e) In October 2011, PPL Energy Supply, PPL Electric, LG&E and KU each amended its respective Syndicated Credit Facility. The amendments included extending the expiration dates from December 2014 to October 2016. Under these facilities, PPL Energy Supply, PPL Electric, LG&E and KU each continue to have the ability to make cash borrowings and to request the lenders to issue letters of credit.

The commitments under PPL's domestic credit facilities are provided by a diverse bank group, with no one bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity.

- (f) In January 2012, WPD (South West) entered into a new £245 million syndicated credit facility to replace its existing £210 million syndicated credit facility. Under the new facility, WPD (South West) has the ability to make cash borrowings but cannot request the lenders to issue letters of credit. WPD (South West) pays customary commitment fees under this facility, and borrowings bear interest at LIBOR-based rates plus a margin. The facility contains financial covenants that require WPD (South West) to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before income taxes, depreciation and amortization and total net debt not in excess of 85% of its RAV, in each case calculated in accordance with the credit facility.
- (g) In April 2011, following the completion of the acquisition of WPD Midlands, WPD (East Midlands) and WPD (West Midlands) each entered into a £300 million 5-year syndicated credit facility. Under the facilities, WPD (East Midlands) and WPD (West Midlands) each have the ability to make cash borrowings and to request the lenders to issue up to £80 million of letters of credit in lieu of borrowing.
- (h) At December 31, 2011, the unused capacity of WPD's committed credit facilities was approximately \$1.1 billion. The commitments under WPD's credit facilities are provided by a diverse bank group with no one bank providing more than 17% of the total committed capacity.

In addition to the financial covenants noted in the table above, the credit agreements governing the above credit facilities contain various other covenants. Failure to comply with the covenants after applicable grace periods could result in acceleration of repayment of borrowings and/or termination of the agreements. PPL monitors compliance with the covenants on a regular basis. At December 31, 2011, PPL was in compliance with these covenants. At this time, PPL believes that these covenants and other borrowing conditions will not limit access to these funding sources.

See Note 7 to the Financial Statements for further discussion of PPL's credit facilities.

#### *Commercial Paper*

In October 2011, PPL Energy Supply re-activated its \$500 million commercial paper program to provide an additional financing source to fund its short-term liquidity needs, if and when necessary. Commercial paper issuances are supported by PPL Energy Supply's Syndicated Credit Facility. At December 31, 2011, PPL Energy Supply had \$400 million of commercial paper outstanding at a weighted-average interest rate of approximately 0.53%.

PPL Electric maintains a commercial paper program for up to \$200 million to provide an additional financing source to fund its short-term liquidity needs, if and when necessary. Commercial paper issuances are currently supported by PPL Electric's Syndicated Credit Facility, which expires in October 2016, based on available capacity.

PPL Electric did not issue any commercial paper during 2011. Based on its current cash position and anticipated cash flows, PPL Electric currently does not plan to issue any commercial paper during 2012, but it may do so from time to time, subject to market conditions, to facilitate short-term cash flow needs.



In February 2012, LG&E and KU each established a commercial paper program for up to \$250 million to provide an additional financing source to fund their short-term liquidity needs. Commercial paper issuances will be supported by LG&E and KU's Syndicated Credit Facilities.

#### *2011 Bridge Facility*

In March 2011, in connection with entering into the agreement to acquire WPD Midlands, PPL entered into a 364-day unsecured bridge financing of up to £3.6 billion solely to (i) fund the acquisition and (ii) pay certain fees and expenses in connection with the acquisition. On April 1, 2011, concurrent with the closing of the WPD Midlands acquisition, PPL Capital Funding borrowed an aggregate of £1.75 billion and PPL WEM borrowed £1.85 billion under the 2011 Bridge Facility. The borrowings bore interest at approximately 2.62%. See Note 10 to the Financial Statements for additional information on the acquisition.

In accordance with the terms of the 2011 Bridge Facility, PPL Capital Funding's borrowings of £1.75 billion were repaid with approximately \$2.8 billion of proceeds received from PPL's issuance of common stock and 2011 Equity Units in April 2011, as discussed in "Long-term Debt and Equity Securities" below. Also in April 2011, PPL WEM repaid £650 million of its 2011 Bridge Facility borrowing. Such repayment was funded primarily with proceeds received from PPL WEM's issuance of senior notes, which is also discussed below. In May 2011, PPL WEM repaid the remaining £1.2 billion of borrowings outstanding under the 2011 Bridge Facility, primarily with the proceeds from senior notes issued by WPD (East Midlands) and WPD (West Midlands), also discussed below.

In anticipation of the repayment of a portion of the GBP-denominated borrowings under the 2011 Bridge Facility with U.S. dollar-denominated proceeds received from PPL's issuance of common stock and 2011 Equity Units and PPL WEM's issuance of U.S. dollar-denominated senior notes, PPL entered into forward contracts to purchase GBP in order to economically hedge the foreign currency exchange rate risk related to the repayment. See Note 19 to the Financial Statements for further discussion.

#### *Operating Leases*

PPL and its subsidiaries also have available funding sources that are provided through operating leases. PPL's subsidiaries lease office space, land, buildings and certain equipment. These leasing structures provide PPL additional operating and financing flexibility. The operating leases contain covenants that are typical for these agreements, such as maintaining insurance, maintaining corporate existence and timely payment of rent and other fees.

PPL, through its subsidiary PPL Montana, leases a 50% interest in Colstrip Units 1 and 2 and a 30% interest in Unit 3, under four 36-year, non-cancelable operating leases. These operating leases are not recorded on PPL's Balance Sheets. The leases place certain restrictions on PPL Montana's ability to incur additional debt, sell assets and declare dividends. At this time, PPL believes that these restrictions will not limit access to these funding sources or cause acceleration or termination of the leases. See Note 7 to the Financial Statements for a discussion of other dividend restrictions related to PPL subsidiaries.

See Note 11 to the Financial Statements for further discussion of the operating leases.

#### *Long-term Debt and Equity Securities*

PPL and its subsidiaries currently plan to incur, subject to market conditions, up to \$300 million of long-term indebtedness in 2012, the proceeds of which will be used for general corporate purposes.

PPL currently plans to issue new shares of common stock in 2012 in an aggregate amount up to \$350 million under its DRIP and various employee stock-based compensation and other plans.

#### Forecasted Uses of Cash

In addition to expenditures required for normal operating activities, such as purchased power, payroll, fuel and taxes, PPL currently expects to incur future cash outflows for capital expenditures, various contractual obligations, payment of dividends on its common and preferred securities and possibly the purchase or redemption of a portion of debt securities.

*Capital Expenditures*

The table below shows PPL's current capital expenditure projections for the years 2012 through 2016.

	Projected				
	2012	2013	2014	2015	2016
Construction expenditures (a) (b)					
Generating facilities (c)	\$ 803	\$ 636	\$ 607	\$ 530	\$ 402
Distribution facilities	1,632	1,689	1,658	1,666	1,678
Transmission facilities (d)	417	624	591	474	373
Environmental	695	963	918	730	122
Other	133	147	121	128	120
Total Construction Expenditures	3,680	4,059	3,895	3,528	2,695
Nuclear fuel (e)	159	172	170	173	174
Total Capital Expenditures	<u>\$ 3,839</u>	<u>\$ 4,231</u>	<u>\$ 4,065</u>	<u>\$ 3,701</u>	<u>\$ 2,869</u>

- (a) Construction expenditures include capitalized interest and AFUDC, which are expected to be approximately \$209 million for the years 2012 through 2016.
- (b) Includes expenditures for certain intangible assets.
- (c) Includes approximately \$700 million of currently estimable costs related to LKE's replacement of generation units due to EPA regulations not recoverable through the ECR mechanism. LKE expects to recover these costs over a period equivalent to the related depreciable lives of the assets through future rate proceedings.
- (d) Includes approximately \$100 million of currently estimable transmission costs related to LKE's replacement of generation units. LKE expects to recover these costs over a period equivalent to the related depreciable lives of the assets through future rate proceedings.
- (e) Nuclear fuel expenditures include capitalized interest, which is expected to be approximately \$25 million for the years 2012 through 2016.

PPL's capital expenditure projections for the years 2012 through 2016 total approximately \$18.7 billion. Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions. For the years presented, this table includes projected costs related to the planned 1,326 MW of incremental capacity increases for both PPL Energy Supply and LKE, PPL Electric's asset optimization program focused on the replacement of aging transmission and distribution assets and the PJM-approved regional transmission line expansion project. This table also includes LKE's environmental projects related to new and anticipated EPA compliance standards (actual costs may be significantly lower or higher depending on the final requirements; certain environmental compliance costs incurred by LG&E and KU in serving KPSC jurisdictional customers are generally eligible for recovery through the ECR mechanism). See Notes 6 and 8 to the Financial Statements for information on LG&E's and KU's ECR plans and the PJM-approved regional transmission line expansion project and the other significant development projects.

PPL plans to fund its capital expenditures in 2012 with cash on hand, cash from operations and proceeds from the issuance of common stock and debt securities.

*Contractual Obligations*

PPL has assumed various financial obligations and commitments in the ordinary course of conducting its business. At December 31, 2011, the estimated contractual cash obligations of PPL were:

	Total	2012	2013 - 2014	2015 - 2016	After 2016
Long-term Debt (a)	\$ 17,982		\$ 1,047	\$ 2,110	\$ 14,825
Interest on Long-term Debt (b)	14,731	\$ 863	1,721	1,650	10,497
Operating Leases (c)	789	125	250	162	252
Purchase Obligations (d)	8,703	2,307	2,791	1,533	2,072
Other Long-term Liabilities Reflected on the Balance Sheet under GAAP (e) (f)	842	412	230	58	142
Total Contractual Cash Obligations	<u>\$ 43,047</u>	<u>\$ 3,707</u>	<u>\$ 6,039</u>	<u>\$ 5,513</u>	<u>\$ 27,788</u>

- (a) Reflects principal maturities only based on stated maturity dates, except for PPL Energy Supply's 5.70% REset Put Securities (REPS). See Note 7 to the Financial Statements for a discussion of the remarketing feature related to the REPS, as well as discussion of variable-rate remarketable bonds issued on behalf of PPL Energy Supply, LG&E and KU. PPL does not have any significant capital lease obligations.
- (b) Assumes interest payments through stated maturity, except for the REPS, for which interest is reflected to the put date. The payments herein are subject to change, as payments for debt that is or becomes variable-rate debt have been estimated and payments denominated in British pounds sterling have been translated to U.S. dollars at a current foreign currency exchange rate.
- (c) See Note 11 to the Financial Statements for additional information.

- (d) The amounts include agreements to purchase goods or services that are enforceable and legally binding and specify all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. Primarily includes PPL's purchase obligations of electricity, coal, nuclear fuel and limestone as well as certain construction expenditures, which are also included in the Capital Expenditures table presented above. Financial swaps and open purchase orders that are provided on demand with no firm commitment are excluded from the amounts presented. In prior years, PPL included certain energy purchase obligations based on forecasted amounts to be purchased. The amounts presented herein are based on actual contract terms.
- (e) The amounts include WPD's contractual deficit pension funding requirements arising from an actuarial valuation performed in March 2010. The U.K. electricity regulator currently allows a recovery of a substantial portion of the contributions relating to the plan deficit; however, WPD cannot be certain that this will continue beyond the current review period, which extends to March 31, 2015. The amounts also include contributions made or committed to be made for 2012 for PPL's and LKE's U.S. pension plans. See Note 13 to the Financial Statements for a discussion of expected contributions.

Also included in the amounts are contract adjustment payments related to the Purchase Contract component of the Equity Units. See Note 7 to the Financial Statements for additional information on the Equity Units.

- (f) At December 31, 2011, total unrecognized tax benefits of \$145 million were excluded from this table as PPL cannot reasonably estimate the amount and period of future payments. See Note 5 to the Financial Statements for additional information.

### *Dividends*

PPL views dividends as an integral component of shareowner return and expects to continue to pay dividends in amounts that are within the context of maintaining a capitalization structure that supports investment grade credit ratings. In 2011, PPL declared the annualized dividend rate on its common stock at \$1.40 per share. In February 2012, PPL declared an increase to its annualized dividend rate on its common stock to \$1.44 per share. Future dividends will be declared at the discretion of the Board of Directors and will depend upon future earnings, cash flows, financial and legal requirements and other relevant factors at the time. As discussed in Note 7 to the Financial Statements, subject to certain exceptions, PPL may not declare or pay any cash dividend on its common stock during any period in which PPL Capital Funding defers interest payments on its 2007 Series A Junior Subordinated Notes due 2067, its 4.625% Junior Subordinated Notes due 2018, or its 4.32% Junior Subordinated Notes due 2019 or until deferred contract adjustment payments on PPL's Purchase Contracts have been paid. No such deferrals have occurred or are currently anticipated.

PPL Electric expects to continue to pay quarterly dividends on its outstanding preference securities, if and as declared by its Board of Directors.

See Note 7 to the Financial Statements for other restrictions related to distributions on capital interests for PPL subsidiaries.

### *Purchase or Redemption of Debt Securities*

PPL will continue to evaluate its outstanding debt securities and may decide to purchase or redeem these securities depending upon prevailing market conditions and available cash.

### Rating Agency Decisions

Moody's, S&P and Fitch periodically review the credit ratings on the debt and preferred securities of PPL and its subsidiaries. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of PPL and its subsidiaries are based on information provided by PPL and other sources. The ratings of Moody's, S&P and Fitch are not a recommendation to buy, sell or hold any securities of PPL or its subsidiaries. Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities. A downgrade in PPL's or its subsidiaries' credit ratings could result in higher borrowing costs and reduced access to capital markets.

As a result of the passage of the Dodd-Frank Act PPL is limiting its credit rating disclosure to a description of the actions taken by the rating agencies with respect to PPL's ratings, but without stating what ratings have been assigned to PPL or its subsidiaries, or their securities. The ratings assigned by the rating agencies to PPL and its subsidiaries and their respective securities may be found, without charge, on each of the respective ratings agencies' websites, which ratings

together with all other information contained on such rating agency websites is hereby explicitly not incorporated by reference in this report.

The rating agencies took the following actions related to PPL and its subsidiaries in 2011.

Following the announcement of the then-pending acquisition of WPD Midlands in March 2011, the rating agencies took the following actions:

Moody's affirmed all of the ratings for PPL and all of its rated subsidiaries.

S&P revised the outlook for PPL, PPL Capital Funding, PPL Energy Supply, PPL Electric, LKE, LG&E, KU, PPL WW, WPD (South West) and WPD (South Wales); affirmed the issuer and senior unsecured ratings of PPL WW; and lowered the following ratings:

- the issuer rating of PPL;
- the senior unsecured and junior subordinated ratings of PPL Capital Funding;
- the issuer and senior unsecured ratings of PPL Energy Supply;
- the issuer, senior secured, preference stock, and commercial paper ratings of PPL Electric;
- the issuer and senior unsecured ratings of LKE;
- the issuer, senior secured ratings, and short-term ratings of LG&E;
- the issuer, senior secured ratings, and short-term ratings of KU;
- the issuer and senior unsecured ratings of WPD (South West); and
- the issuer and senior unsecured ratings of WPD (South Wales).

Fitch affirmed all of the ratings for PPL, PPL Capital Funding, PPL Energy Supply, PPL Electric, LKE, LG&E and KU.

In April 2011, Moody's and S&P took the following actions following the completion of the acquisition of WPD Midlands.

*Moody's:*

- lowered the issuer and senior unsecured debt ratings of WPD (East Midlands) and WPD (West Midlands);
- affirmed the short-term issuer rating of WPD (East Midlands); and
- assigned a senior unsecured rating and an outlook to PPL WEM.

*S&P:*

- lowered the issuer and senior unsecured debt ratings of WPD (East Midlands) and WPD (West Midlands);
- assigned issuer ratings to PPL WEM;
- raised the issuer rating of PPL WW;
- revised the outlook for PPL and all of its rated subsidiaries;
- raised the short-term ratings of LG&E, KU, WPD (East Midlands), WPD (West Midlands), PPL WEM, PPL WW, WPD (South West), WPD (South Wales) and PPL Electric; and
- affirmed all of the long-term ratings for PPL and its rated subsidiaries.

In May 2011, S&P downgraded the long-term rating of four series of pollution control bonds issued on behalf of KU by one notch in connection with the substitution of the letters of credit enhancing these four bonds.

Also in May 2011, Fitch affirmed its rating and maintained its outlook for PPL Montana's Pass Through Certificates due 2020.

In July 2011, S&P upgraded the senior secured rating for PPL Electric's first mortgage bonds following the execution of a supplemental indenture that provided for prospective amendments to PPL Electric's 2001 Mortgage Indenture, as discussed in "Long-term Debt and Equity Securities" above.

In September 2011, Moody's affirmed the following ratings:

- the issuer ratings for PPL, LG&E, and KU;
- the senior unsecured ratings for PPL Energy Supply and PPL Capital Funding; and
- all of the ratings for LKE.

Also in September 2011, S&P assigned a short-term rating to PPL Energy Supply's commercial paper program.

In October 2011, Moody's and Fitch also assigned a short-term rating to PPL Energy Supply's commercial paper program in support of PPL Energy Supply's re-opening of the program.

In October 2011, Fitch affirmed all of the ratings for PPL WW, WPD (South West), and WPD (South Wales).

In November 2011, Fitch affirmed its rating and revised its outlook to negative from stable for PPL Montana's Pass Through Certificates due 2020.

In December 2011, Fitch affirmed the Issuer Default Ratings and individual security ratings of PPL Corp. and each of its domestic subsidiaries.

In January 2012, S&P affirmed its rating and revised its outlook to stable from positive for PPL Montana's Pass Through Certificates due 2020.

### Ratings Triggers

As discussed in Note 7 to the Financial Statements, certain of WPD's senior unsecured notes may be put by the holders back to the issuer for redemption if the long-term credit ratings assigned to the notes by Moody's, S&P or Fitch are withdrawn by any of the rating agencies or reduced to a non-investment grade rating of Ba1 or BB+ in connection with a restructuring event. A restructuring event includes the loss of, or a material adverse change to, the distribution license under which WPD (East Midlands), WPD (South West), WPD (South Wales) and WPD (West Midlands) operate. These notes totaled £3.3 billion (approximately \$5.1 billion) at December 31, 2011.

PPL and PPL Energy Supply have various derivative and non-derivative contracts, including contracts for the sale and purchase of electricity and fuel, commodity transportation and storage, tolling agreements, and interest rate and foreign currency instruments, which contain provisions requiring PPL and PPL Energy Supply to post additional collateral, or permit the counterparty to terminate the contract, if PPL's or PPL Energy Supply's credit rating were to fall below investment grade. See Note 19 to the Financial Statements for a discussion of "Credit Risk-Related Contingent Features," including a discussion of the potential additional collateral that would have been required for derivative contracts in a net liability position at December 31, 2011. At December 31, 2011, if PPL's and PPL Energy Supply's credit ratings had been below investment grade, PPL would have been required to prepay or post an additional \$475 million of collateral to counterparties for both derivative and non-derivative commodity and commodity-related contracts used in its generation, marketing and trading operations and interest rate and foreign currency contracts.

### Guarantees for Subsidiaries

PPL guarantees certain consolidated affiliate financing arrangements that enable certain transactions. Some of the guarantees contain financial and other covenants that, if not met, would limit or restrict the consolidated affiliates' access to funds under these financing arrangements, require early maturity of such arrangements or limit the consolidated affiliates' ability to enter into certain transactions. At this time, PPL believes that these covenants will not limit access to relevant funding sources. See Note 15 to the Financial Statements for additional information about guarantees.

### **Off-Balance Sheet Arrangements**

PPL has entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 15 to the Financial Statements for a discussion of these agreements.

## Risk Management - Energy Marketing & Trading and Other

### Market Risk

See Notes 1, 18, and 19 to the Financial Statements for information about PPL's risk management objectives, valuation techniques and accounting designations.

The forward-looking information presented below provides estimates of what may occur in the future, assuming certain adverse market conditions and model assumptions. Actual future results may differ materially from those presented. These disclosures are not precise indicators of expected future losses, but only indicators of possible losses at a given confidence level.

### Commodity Price Risk (Non-trading)

PPL segregates its non-trading activities into two categories: hedge activity and economic activity. Transactions that are accounted for as hedge activity qualify for hedge accounting treatment. The economic activity category includes transactions that address a specific risk, but were not eligible for hedge accounting or for which hedge accounting was not elected. This activity includes the changes in fair value of positions used to hedge a portion of the economic value of PPL's competitive generation assets and full-requirement sales and retail contracts. This economic activity is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Although they do not receive hedge accounting treatment, these transactions are considered non-trading activity. The net fair value of economic positions at December 31, 2011 and 2010 was a net liability of \$63 million and \$391 million. See Note 19 to the Financial Statements for additional information on economic activity.

To hedge the impact of market price volatility on PPL's energy-related assets, liabilities and other contractual arrangements, PPL both sells and purchases physical energy at the wholesale level under FERC market-based tariffs throughout the U.S. and enters into financial exchange-traded and over-the-counter contracts. PPL's non-trading commodity derivative contracts mature at various times through 2019.

The following table sets forth the changes in net fair value of PPL's non-trading commodity derivative contracts. See Notes 18 and 19 to the Financial Statements for additional information.

	Gains (Losses)	
	2011	2010
Fair value of contracts outstanding at the beginning of the period	\$ 947	\$ 1,280
Contracts realized or otherwise settled during the period	(517)	(478)
Fair value of new contracts entered into during the period (a)	13	(5)
Changes in fair value attributable to changes in valuation techniques (b)		(23)
Fair value of LKE derivative contracts at the acquisition date		(24)
Other changes in fair value	639	197
Fair value of contracts outstanding at the end of the period	<u>\$ 1,082</u>	<u>\$ 947</u>

(a) Represents the fair value of contracts at the end of the quarter of their inception.

(b) In June 2010, PPL Energy Supply received market bids for certain full-requirement sales contracts that were monetized in early July. See Note 19 to the Financial Statements for additional information. At June 30, 2010, these contracts were valued based on the bids received (the market approach). In prior periods, the fair value of these contracts was measured using the income approach.

The following table segregates the net fair value of PPL's non-trading commodity derivative contracts at December 31, 2011 based on whether the fair value was determined by prices quoted in active markets for identical instruments or other more subjective means.

Net Asset (Liability)				
Maturity Less Than 1 Year	Maturity 1-3 Years	Maturity 4-5 Years	Maturity in Excess of 5 Years	Total Fair Value

<b>Source of Fair Value</b>										
Prices quoted in active markets for identical instruments	\$	1			\$	1				
Prices based on significant other observable inputs		713	\$	342	\$	(1)	\$	15	\$	1,069
Prices based on significant unobservable inputs		13		(3)		2				12
Fair value of contracts outstanding at the end of the period		<u>727</u>		<u>339</u>		<u>1</u>		<u>15</u>		<u>1,082</u>

PPL sells electricity, capacity and related services and buys fuel on a forward basis to hedge the value of energy from its generation assets. If PPL were unable to deliver firm capacity and energy or to accept the delivery of fuel under its agreements, under certain circumstances it could be required to pay liquidating damages. These damages would be based on the difference between the market price and the contract price of the commodity. Depending on price changes in the wholesale energy markets, such damages could be significant. Extreme weather conditions, unplanned power plant outages, transmission disruptions, nonperformance by counterparties with which it has energy contracts and other factors could affect PPL's ability to meet its obligations, or cause significant increases in the market price of replacement energy. Although PPL attempts to mitigate these risks, there can be no assurance that it will be able to fully meet its firm obligations, that it will not be required to pay damages for failure to perform, or that it will not experience counterparty nonperformance in the future.

#### *Commodity Price Risk (Trading)*

PPL's trading contracts mature at various times through 2015. The following table sets forth changes in the net fair value of PPL's trading commodity derivative contracts. See Notes 18 and 19 to the Financial Statements for additional information.

	<b>Gains (Losses)</b>	
	<b>2011</b>	<b>2010</b>
Fair value of contracts outstanding at the beginning of the period	\$ 4	\$ (6)
Contracts realized or otherwise settled during the period	(14)	(12)
Fair value of new contracts entered into during the period	10	39
Other changes in fair value	(4)	(17)
Fair value of contracts outstanding at the end of the period	<u>\$ (4)</u>	<u>\$ 4</u>

PPL will reverse unrealized losses of approximately \$2 million over the next three months as the transactions are realized.

The following table segregates the net fair value of PPL's trading commodity derivative contracts at December 31, 2011 based on whether the fair value was determined by prices quoted in active markets for identical instruments or other more subjective means.

<b>Source of Fair Value</b>	<b>Net Asset (Liability)</b>				
	<b>Maturity Less Than 1 Year</b>	<b>Maturity 1-3 Years</b>	<b>Maturity 4-5 Years</b>	<b>Maturity in Excess of 5 Years</b>	<b>Total Fair Value</b>
Prices quoted in active markets for identical instruments	\$ 1				\$ 1
Prices based on significant other observable inputs	(18)	\$ 11	\$ 1		(6)
Prices based on significant unobservable inputs	1				1
Fair value of contracts outstanding at the end of the period	<u>\$ (16)</u>	<u>\$ 11</u>	<u>\$ 1</u>		<u>\$ (4)</u>

#### *VaR Models*

PPL utilizes a VaR model to measure commodity price risk in unregulated gross energy margins for its non-trading and trading portfolios. VaR is a statistical model that attempts to estimate the value of potential loss over a given holding period under normal market conditions at a given confidence level. PPL calculates VaR using a Monte Carlo simulation technique based on a five-day holding period at a 95% confidence level. Given the company's conservative hedging program, PPL's non-trading VaR exposure is expected to be limited in the short term. At December 31, 2011 and December 31, 2010, the VaR for PPL's portfolios using end-of-month results for the period was as follows.

<b>Trading VaR</b>	<b>Non-Trading VaR</b>
--------------------	------------------------

	2011		2010	
95% Confidence Level, Five-Day Holding Period				
Period End	\$	1	\$	1
Average for the Period		3		4
High		6		9
Low		1		1

The trading portfolio includes all speculative positions, regardless of the delivery period. All positions not considered speculative are considered non-trading. PPL's non-trading portfolio includes PPL's entire portfolio, including generation, with delivery periods through the next 12 months. Both the trading and non-trading VaR computations exclude FTRs due to the absence of reliable spot and forward markets. The fair value of the non-trading and trading FTR positions was insignificant at December 31, 2011.

### Interest Rate Risk

PPL and its subsidiaries have issued debt to finance their operations, which exposes them to interest rate risk. PPL utilizes various financial derivative instruments to adjust the mix of fixed and floating interest rates in its debt portfolio, adjust the duration of its debt portfolio and lock in benchmark interest rates in anticipation of future financing, when appropriate. Risk limits under the risk management program are designed to balance risk exposure to volatility in interest expense and changes in the fair value of PPL's debt portfolio due to changes in the absolute level of interest rates.

At December 31, 2011 and 2010, PPL's potential annual exposure to increased interest expense, based on a 10% increase in interest rates, was not significant.

PPL is also exposed to changes in the fair value of its domestic and international debt portfolios. PPL estimated that a 10% decrease in interest rates at December 31, 2011 would increase the fair value of its debt portfolio by \$635 million, compared with \$420 million at December 31, 2010.

PPL had the following interest rate hedges outstanding at:

	December 31, 2011			December 31, 2010		
	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates (b)	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates (b)
Cash flow hedges						
Interest rate swaps (c)	\$ 150	\$ (3)	\$ (3)	\$ 500	\$ (19)	\$ (28)
Cross-currency swaps (d)	1,262	22	(187)	302	35	(18)
Fair value hedges						
Interest rate swaps (e)	99	4		349	20	(3)
Economic hedges						
Interest rate swaps (f)	179	(60)	(4)	179	(34)	(7)

- (a) Includes accrued interest, if applicable.
- (b) Effects of adverse movements decrease assets or increase liabilities, as applicable, which could result in an asset becoming a liability.
- (c) PPL utilizes various risk management instruments to reduce its exposure to the expected future cash flow variability of its debt instruments. These risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financing. While PPL is exposed to changes in the fair value of these instruments, any changes in the fair value of such cash flow hedges are recorded in equity. The changes in fair value of these instruments are then reclassified into earnings in the same period during which the item being hedged affects earnings. Sensitivities represent a 10% adverse movement in interest rates. The positions outstanding at December 31, 2011 mature in 2022.
- (d) PPL WEM, through PPL, and PPL WW use cross-currency swaps to hedge the interest payments and principal of their U.S. dollar-denominated senior notes with maturity dates ranging from May 2016 to December 2028. While PPL is exposed to changes in the fair value of these instruments, any change in the fair value of these instruments is recorded in equity and reclassified into earnings in the same period during which the item being hedged affects earnings. Sensitivities represent a 10% adverse movement in both interest rates and foreign currency exchange rates.
- (e) PPL utilizes various risk management instruments to adjust the mix of fixed and floating interest rates in its debt portfolio. The change in fair value of these instruments, as well as the offsetting change in the value of the hedged exposure of the debt, is reflected in earnings. Sensitivities represent a 10% adverse movement in interest rates. The positions outstanding at December 31, 2011 mature in 2047.
- (f) PPL utilizes various risk management instruments to reduce its exposure to the expected future cash flow variability of its debt instruments. These risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financing. While PPL is exposed to changes in the fair value of these instruments, any realized changes in the fair value of such economic hedges are recoverable.



through regulated rates and any subsequent changes in fair value of these derivatives are included in regulatory assets or liabilities. Sensitivities represent a 10% adverse movement in interest rates. The positions outstanding at December 31, 2011 mature through 2033.

### Foreign Currency Risk

PPL is exposed to foreign currency risk, primarily through investments in U.K. affiliates. In addition, PPL's domestic operations may make purchases of equipment in currencies other than U.S. dollars. See Note 1 to the Financial Statements for additional information regarding foreign currency translation.

PPL has adopted a foreign currency risk management program designed to hedge certain foreign currency exposures, including firm commitments, recognized assets or liabilities, anticipated transactions and net investments. In addition, PPL enters into financial instruments to protect against foreign currency translation risk of expected earnings.

PPL had the following foreign currency hedges outstanding at:

	December 31, 2011			December 31, 2010		
	Exposure Hedged	Fair Value, Net - Asset (Liability)	Effect of a 10% Adverse Movement in Foreign Currency Exchange Rates (a)	Exposure Hedged	Fair Value, Net - Asset (Liability)	Effect of a 10% Adverse Movement in Foreign Currency Exchange Rates (a)
Net investment hedges (b)	£ 92	\$ 7	\$ (13)	£ 35	\$ 7	\$ (5)
Economic hedges (c)	288	11	(37)	89	4	(10)

(a) Effects of adverse movements decrease assets or increase liabilities, as applicable, which could result in an asset becoming a liability.

(b) To protect the value of a portion of its net investment in WPD, PPL executes forward contracts to sell GBP.

(c) To economically hedge the translation of expected income denominated in GBP to U.S. dollars, PPL enters into a combination of average rate forwards and average rate options to sell GBP. The forwards and options outstanding at December 31, 2011 have termination dates ranging from January 2012 through November 2012.

### NDT Funds - Securities Price Risk

In connection with certain NRC requirements, PPL Susquehanna maintains trust funds to fund certain costs of decommissioning the Susquehanna nuclear plant. At December 31, 2011, these funds were invested primarily in domestic equity securities and fixed-rate, fixed-income securities and are reflected at fair value on PPL's Balance Sheet. The mix of securities is designed to provide returns sufficient to fund Susquehanna's decommissioning and to compensate for inflationary increases in decommissioning costs. However, the equity securities included in the trusts are exposed to price fluctuation in equity markets, and the values of fixed-rate, fixed-income securities are exposed to changes in interest rates. PPL actively monitors the investment performance and periodically reviews asset allocation in accordance with its nuclear decommissioning trust policy statement. At December 31, 2011, a hypothetical 10% increase in interest rates and a 10% decrease in equity prices would have resulted in an estimated \$43 million reduction in the fair value of the trust assets, compared with \$45 million at December 31, 2010. See Notes 18 and 23 to the Financial Statements for additional information regarding the NDT funds.

### Defined Benefit Plans - Securities Price Risk

See "Application of Critical Accounting Policies - Defined Benefits" for additional information regarding the effect of securities price risk on plan assets.

### Credit Risk

Credit risk is the risk that PPL would incur a loss as a result of nonperformance by counterparties of their contractual obligations. PPL maintains credit policies and procedures with respect to counterparty credit (including requirements that counterparties maintain specified credit ratings) and requires other assurances in the form of credit support or collateral in certain circumstances in order to limit counterparty credit risk. However, PPL has concentrations of suppliers and customers among electric utilities, financial institutions and other energy marketing and trading companies. These concentrations may impact PPL's overall exposure to credit risk, positively or negatively, as counterparties may be similarly affected by changes in economic, regulatory or other conditions.

PPL includes the effect of credit risk on its fair value measurements to reflect the probability that a counterparty will default when contracts are out of the money (from the counterparty's standpoint). In this case, PPL would have to sell into a lower-priced market or purchase from a higher-priced market. When necessary, PPL records an allowance for doubtful accounts to reflect the probability that a counterparty will not pay for deliveries PPL has made but not yet billed, which are reflected in "Unbilled revenues" on the Balance Sheets. PPL also has established a reserve with respect to certain receivables from SMGT, which is reflected in accounts receivable on the Balance Sheets. See Note 15 to the Financial Statements for additional information.

In 2009, the PUC approved PPL Electric's PLR procurement plan for the period January 2011 through May 2013. To date, PPL Electric has conducted ten of its 14 planned competitive solicitations.

Under the standard Supply Master Agreement (the Agreement) for the competitive solicitation process, PPL Electric requires all suppliers to post collateral if their credit exposure exceeds an established credit limit. In the event a supplier defaults on its obligation, PPL Electric would be required to seek replacement power in the market. All incremental costs incurred by PPL Electric would be recoverable from customers in future rates. At December 31, 2011, substantially all of the successful bidders under all of the solicitations had an investment grade credit rating from S&P, and were not required to post collateral under the Agreement. There is no instance under the Agreement in which PPL Electric is required to post collateral to its suppliers.

See "Overview" in this Item 7 and Notes 15, 16, 18 and 19 to the Financial Statements for additional information on the competitive solicitations, the Agreement, credit concentration and credit risk.

### **Foreign Currency Translation**

The value of the British pound sterling fluctuates in relation to the U.S. dollar. In 2011, changes in these exchange rates resulted in a foreign currency translation loss of \$51 million, which primarily reflected a \$69 million reduction to PP&E offset by a reduction of \$18 million to net liabilities. In 2010, changes in these exchange rates resulted in a foreign currency translation loss of \$63 million, which primarily reflected a \$180 million reduction to PP&E offset by a reduction of \$117 million to net liabilities. In 2009, changes in these exchange rates resulted in a foreign currency translation gain of \$106 million, which primarily reflected a \$225 million increase in PP&E offset by an increase of \$119 million to net liabilities. The impact of foreign currency translation is recorded in AOCI.

### **Related Party Transactions**

PPL is not aware of any material ownership interests or operating responsibility by senior management of PPL, PPL Energy Supply, PPL Electric, LKE, LG&E or KU in outside partnerships, including leasing transactions with variable interest entities, or other entities doing business with PPL. See Note 16 to the Financial Statements for additional information on related party transactions.

### **Acquisitions, Development and Divestitures**

PPL continuously evaluates potential acquisitions, divestitures and development. Development projects are continuously reexamined based on market conditions and other factors to determine whether to proceed with the projects, sell, cancel or expand them, execute tolling agreements or pursue other options.

In April 2011, PPL, through its indirect, wholly owned subsidiary PPL WEM, completed its acquisition of WPD Midlands. In November 2010, PPL completed its acquisition of LKE. See Note 10 to the Financial Statements for additional information.

See Notes 8, 9 and 10 to the Financial Statements for additional information on the more significant activities.

### **Environmental Matters**

Protection of the environment is a priority for PPL and a significant element of its business activities. Extensive federal, state and local environmental laws and regulations are applicable to PPL's air emissions, water discharges and the management of hazardous and solid waste, among other areas; and the cost of compliance or alleged non-compliance

cannot be predicted with certainty but could be material. In addition, costs may increase significantly if the requirements or scope of environmental laws or regulations, or similar rules, are expanded or changed from prior versions by the relevant agencies. Costs may take the form of increased capital or operating and maintenance expenses; monetary fines, penalties or forfeitures or other restrictions. Many of these environmental law considerations are also applicable to the operations of key suppliers, or customers, such as coal producers, industrial power users, etc., and may impact the cost for their products or their demand for PPL's services. See "Item 1. Business - Environmental Matters" and Note 15 to the Financial Statements for a discussion of environmental matters.

### **Competition**

See "Competition" under each of PPL's reportable segments in "Item 1. Business - Segment Information" and "Item 1A. Risk Factors" for a discussion of competitive factors affecting PPL.

### **New Accounting Guidance**

See Notes 1 and 24 to the Financial Statements for a discussion of new accounting guidance adopted and pending adoption.

### **Application of Critical Accounting Policies**

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to the financial condition or results of operations, and require estimates or other judgments of matters inherently uncertain. Changes in the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in the Financial Statements (these accounting policies are also discussed in Note 1 to the Financial Statements). PPL's senior management has reviewed these critical accounting policies, the following disclosures regarding their application and the estimates and assumptions regarding them, with PPL's Audit Committee.

#### **1) Price Risk Management**

See "Price Risk Management" in Note 1 to the Financial Statements, as well as "Risk Management - Energy Marketing & Trading and Other" above.

#### **2) Defined Benefits**

Certain PPL subsidiaries sponsor various qualified funded and non-qualified unfunded defined benefit pension plans. Certain PPL subsidiaries also sponsor both funded and unfunded other postretirement plans. These plans are applicable to the majority of the employees of PPL. PPL and certain of its subsidiaries record an asset or liability to recognize the funded status of all defined benefit plans with an offsetting entry to OCI or regulatory assets and liabilities for amounts that are expected to be recovered through regulated customer rates. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets. See Note 13 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

PPL and its subsidiaries make certain assumptions regarding the valuation of benefit obligations and the performance of plan assets. When accounting for defined benefits, delayed recognition in earnings of differences between actual results and expected or estimated results is a guiding principle. Annual net periodic defined benefit costs are recorded in current earnings based on estimated results. Any differences between actual and estimated results are recorded in OCI or regulatory assets and liabilities for amounts that are expected to be recovered through regulated customer rates. These amounts in AOCI or regulatory assets and liabilities are amortized to income over future periods. The delayed recognition allows for a smoothed recognition of costs over the working lives of the employees who benefit under the plans. The primary assumptions are:

- **Discount Rate** - The discount rate is used in calculating the present value of benefits, which is based on projections of benefit payments to be made in the future. The objective in selecting the discount rate is to measure the single amount that, if invested at the measurement date in a portfolio of high-quality debt instruments, would provide the necessary future cash flows to pay the accumulated benefits when due.

- Expected Return on Plan Assets - Management projects the long-term rates of return on plan assets based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. These projected returns reduce the net benefit costs PPL records currently.
- Rate of Compensation Increase - Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement.
- Health Care Cost Trend Rate - Management projects the expected increases in the cost of health care.

In selecting a discount rate for its U.S. defined benefit plans, PPL starts with a cash flow analysis of the expected benefit payment stream for its plans. For 2010, these plan-specific cash flows were matched against a spot-rate yield curve to determine the assumed discount rate. To develop the spot-rate yield curve, the full universe of Aa-rated non-callable (or callable with make-whole provisions) bonds, served as the base from which those with the lowest and highest yields were eliminated to develop an appropriate subset of bonds from which the ultimate yield curve would be built. At that time, Management believed this plan-specific cash flow matching model represented the best available tool for estimating the discount rate. Beginning in 2011, PPL utilized a new tool that enhanced this plan-specific cash flow matching methodology by primarily matching the plan-specific cash flows against the coupons and expected maturity values of individually selected bonds. This bond matching process begins with the same subset of the universe of Aa-rated corporate bonds from which those with the lowest and highest yields were eliminated, similar to the yield curve approach. Individual bonds were then selected based on the timing of each plan's cash flows and parameters were established as to the percentage of each individual bond issue that could be hypothetically purchased and the surplus reinvestment rates to be assumed. This process more accurately approximated the process of settlement of the obligations, which better aligns with the objective of selecting the discount rate. At December 31, 2011, PPL decreased the discount rate for its U.S. pension plans from 5.42% to 5.06% and decreased the discount rate for its other postretirement benefit plans from 5.14% to 4.80%.

In 2011 and 2010, a similar process to the 2010 approach described above was used to select the discount rate for the U.K. pension plans, which used an iBoxx British pounds sterling denominated corporate bond index as its base. This discount rate selection methodology was not modified for the U.K. pension plans because the universe of bonds in the U.K. is not deep enough to adequately support a bond matching process. At December 31, 2011, the discount rate for the U.K. pension plans was decreased from 5.54% to 5.24% as a result of this assessment.

The expected long-term rates of return for PPL's U.S. defined benefit pension and other postretirement benefit plans have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. PPL management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption.

Based on PPL's change to a liability-driven investment strategy, PPL's U.S. defined benefit pension assets have shifted into a greater proportion of fixed-income investments. Based on this change in investment strategy, at December 31, 2011, PPL's expected return on plan assets decreased from 7.25% to 7.07% for its U.S. pension plans and decreased from 6.57% to 5.93% for its other postretirement benefit plans. The expected long-term rates of return for PPL's U.K. pension plans have been developed by PPL management with assistance from an independent actuary using a best-estimate of expected returns, volatilities and correlations for each asset class. For the U.K. plans, PPL's expected return on plan assets decreased from 7.86% to 7.17% at December 31, 2011. This decrease was primarily the result of the acquisition of WPD Midlands and its pension plan, which has a greater portion of assets invested in fixed income securities resulting in a lower rate of return.

In selecting a rate of compensation increase, PPL considers past experience in light of movements in inflation rates. At December 31, 2011, PPL's rate of compensation increase changed from 4.88% to 4.02% for its U.S. pension plans and 4.90% to 4.00% for its other postretirement benefit plans. For the U.K. plans, PPL's rate of compensation increase remained at 4.00% at December 31, 2011.

In selecting health care cost trend rates, PPL considers past performance and forecasts of health care costs. At December 31, 2011, PPL's health care cost trend rates were 8.50% for 2012, gradually declining to 5.50% for 2019.

A variance in the assumptions listed above could have a significant impact on accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and OCI or regulatory assets and liabilities for LG&E, KU and PPL Electric. While the charts below reflect either an increase or decrease in each assumption, the inverse of this change would impact the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and OCI or regulatory assets and liabilities for LG&E, KU and PPL Electric by a similar amount in the opposite direction. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption and does not include income tax effects.

At December 31, 2011, the defined benefit plans were recorded as follows.

Pension assets	\$	130
Pension liabilities		(1,327)
Other postretirement benefit liabilities		(296)

The following chart reflects the sensitivities in the December 31, 2011 Balance Sheet associated with a change in certain assumptions based on PPL's primary defined benefit plans.

Actuarial assumption	Change in assumption	Increase (Decrease)		
		Impact on defined benefit liabilities	Impact on OCI	Impact on regulatory assets
Discount Rate	(0.25)%	\$ 386	\$ (314)	\$ 72
Rate of Compensation Increase	0.25%	59	(48)	11
Health Care Cost Trend Rate (a)	1.00%	8	(2)	6

(a) Only impacts other postretirement benefits.

In 2011, PPL recognized net periodic defined benefit costs charged to operating expense of \$204 million. This amount represents a \$102 million increase from 2010. This increase in expense was primarily attributable to the pension costs of the newly acquired pension plans of WPD Midlands, including separation costs, and a full year of LKE pension costs for 2011.

The following chart reflects the sensitivities in the 2011 Statement of Income (excluding income tax effects) associated with a change in certain assumptions based on PPL's primary defined benefit plans.

Actuarial assumption	Change in assumption	Impact on defined benefit costs
Discount Rate	(0.25)%	\$ 23
Expected Return on Plan Assets	(0.25)%	21
Rate of Compensation Increase	0.25%	10
Health Care Cost Trend Rate (a)	1.00%	1

(a) Only impacts other postretirement benefits.

### 3) Asset Impairment

Impairment analyses are performed for long-lived assets that are subject to depreciation or amortization whenever events or changes in circumstances indicate that a long-lived asset's carrying value may not be recoverable. For these long-lived assets classified as held and used, such events or changes in circumstances are:

- a significant decrease in the market price of an asset;
- a significant adverse change in the manner in which an asset is being used or in its physical condition;
- a significant adverse change in legal factors or in the business climate;
- an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of an asset;

- a current period operating or cash flow loss combined with a history of losses or a forecast that demonstrates continuing losses; or
- a current expectation that, more likely than not, an asset will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

For a long-lived asset classified as held and used, an impairment is recognized when the carrying amount of the asset is not recoverable and exceeds its fair value. The carrying amount is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If the asset is impaired, an impairment loss is recorded to adjust the asset's carrying value to its estimated fair value. Management must make significant judgments to estimate future cash flows, including the useful lives of long-lived assets, the fair value of the assets and management's intent to use the assets. Alternate courses of action are considered to recover the carrying value of a long-lived asset, and estimated cash flows from the "most likely" alternative are used to assess impairment whenever one alternative is clearly the most likely outcome. If no alternative is clearly the most likely, then a probability-weighted approach is used taking into consideration estimated cash flows from the alternatives. For assets tested for impairment as of the balance sheet date, the estimates of future cash flows used in that test consider the likelihood of possible outcomes that existed at the balance sheet date, including the assessment of the likelihood of a future sale of the assets. That assessment is not revised based on events that occur after the balance sheet date. Changes in assumptions and estimates could result in significantly different results than those identified and recorded in the financial statements.

For a long-lived asset classified as held for sale, an impairment exists when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If the asset (disposal group) is impaired, an impairment loss is recorded to adjust the carrying amount to its fair value less cost to sell. A gain is recognized for any subsequent increase in fair value less cost to sell, but not in excess of the cumulative impairment previously recognized.

For determining fair value, quoted market prices in active markets are the best evidence. However, when market prices are unavailable, the Registrant considers all valuation techniques appropriate under the circumstances and for which market participant inputs can be obtained. Generally discounted cash flows are used to estimate fair value, which incorporates market participant inputs when available. Discounted cash flows are calculated by estimating future cash flow streams and applying appropriate discount rates to determine the present value of the cash flow streams.

See Note 18 to the Financial Statements for a discussion of impairments related to certain intangible assets in 2011.

Goodwill is tested for impairment at the reporting unit level. PPL's reporting units have been determined to be at the operating segment level. A goodwill impairment test is performed annually or more frequently if events or changes in circumstances indicate that the carrying value of the reporting unit may be greater than the unit's fair value. Additionally, goodwill is tested for impairment after a portion of goodwill has been allocated to a business to be disposed of.

Goodwill is tested for impairment using a two-step approach. In step one, PPL identifies a potential impairment by comparing the estimated fair value of a reporting unit with its carrying value, including goodwill, on the measurement date. If the estimated fair value of a reporting unit exceeds its carrying value, goodwill is not considered impaired. If the carrying value exceeds the estimated fair value, the second step is performed to measure the amount of impairment loss, if any.

The second step requires a calculation of the implied fair value of goodwill, which is determined in the same manner as the amount of goodwill in a business combination. That is, the estimated fair value of a reporting unit is allocated to all of the assets and liabilities of that reporting unit as if the reporting unit had been acquired in a business combination and the estimated fair value of the reporting unit was the price paid to acquire the reporting unit. The excess of the estimated fair value of a reporting unit over the amounts assigned to its assets and liabilities is the implied fair value of goodwill. The implied fair value of the reporting unit's goodwill is then compared with the carrying value of that goodwill. If the carrying value exceeds the implied fair value, an impairment loss is recognized in an amount equal to that excess. The loss recognized cannot exceed the carrying value of the reporting unit's goodwill.

PPL tested the goodwill of its reporting units for impairment in the fourth quarter of 2011 and no impairment was recognized. Management used both discounted cash flows and market multiples, which required significant assumptions, to estimate the fair value of each reporting unit. Applying an appropriate weighting to both the discounted

cash flow and market multiple valuations, a decrease in the forecasted cash flows of 10%, an increase in the discount rate by 25 basis points, or a 10% decrease in the multiples would not have resulted in an impairment of goodwill.

In 2010 and 2009, \$5 million and \$3 million of goodwill allocated to discontinued operations was written off.

#### 4) Loss Accruals

Losses are accrued for the estimated impacts of various conditions, situations or circumstances involving uncertain or contingent future outcomes. For loss contingencies, the loss must be accrued if (1) information is available that indicates it is probable that a loss has been incurred, given the likelihood of the uncertain future events, and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The accrual of contingencies that might result in gains is not recorded unless recovery is assured. Potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events are continuously assessed.

The accounting aspects of estimated loss accruals include (1) the initial identification and recording of the loss, (2) the determination of triggering events for reducing a recorded loss accrual, and (3) the ongoing assessment as to whether a recorded loss accrual is sufficient. All three of these aspects require significant judgment by management. Internal expertise and outside experts (such as lawyers and engineers) are used, as necessary, to help estimate the probability that a loss has been incurred and the amount (or range) of the loss.

No new significant loss accruals were recorded in 2011.

Certain other events have been identified that could give rise to a loss, but that do not meet the conditions for accrual. Such events are disclosed, but not recorded, when it is "reasonably possible" that a loss has been incurred. See Note 15 to the Financial Statements for disclosure of other potential loss contingencies that have not met the criteria for accrual.

When an estimated loss is accrued, the triggering events for subsequently reducing the loss accrual are identified, where applicable. The triggering events generally occur when the contingency has been resolved and the actual loss is paid or written off, or when the risk of loss has diminished or been eliminated. The following are some of the triggering events that provide for the reduction of certain recorded loss accruals:

- Allowances for uncollectible accounts are reduced when accounts are written off after prescribed collection procedures have been exhausted, a better estimate of the allowance is determined or underlying amounts are ultimately collected.
- Environmental and other litigation contingencies are reduced when the contingency is resolved and actual payments are made, a better estimate of the loss is determined or the loss is no longer considered probable.

Loss accruals are reviewed on a regular basis to assure that the recorded potential loss exposures are appropriate. This involves ongoing communication and analyses with internal and external legal counsel, engineers, operation management and other parties.

See Note 15 to the Financial Statements for a discussion of the Montana Hydroelectric Litigation, including the reversal of an \$89 million loss accrual, as a result of management's assessment of the February 2012 U.S. Supreme Court decision.

#### 5) Asset Retirement Obligations

PPL is required to recognize a liability for legal obligations associated with the retirement of long-lived assets. The initial obligation is measured at its estimated fair value. A conditional ARO must be recognized when incurred if the fair value of the ARO can be reasonably estimated. An equivalent amount is recorded as an increase in the value of the capitalized asset and allocated to expense over the useful life of the asset. Until the obligation is settled, the liability is increased, through the recognition of accretion expense in the income statement, for changes in the obligation due to the passage of time.

In the case of LG&E and KU, estimated costs of removal for all assets are recovered in rates as a component of depreciation. Since costs of removal are collected in rates prior to payment of such costs, the accrual for these costs of removal is classified as a regulatory liability. The regulatory liability is relieved as costs are incurred. The depreciation and accretion expense related to an ARO are offset with a regulatory credit on the income statement, such that there is no earnings impact. The regulatory asset created by the regulatory credit is relieved when the ARO has been settled.

See Note 21 to the Financial Statements for further discussion of AROs.

In determining AROs, management must make significant judgments and estimates to calculate fair value. Fair value is developed using an expected present value technique based on assumptions of market participants that considers estimated retirement costs in current period dollars that are inflated to the anticipated retirement date and then discounted back to the date the ARO was incurred. Changes in assumptions and estimates included within the calculations of the fair value of AROs could result in significantly different results than those identified and recorded in the financial statements. Estimated ARO costs and settlement dates, which affect the carrying value of the ARO and the related capitalized asset, are reviewed periodically to ensure that any material changes are incorporated into the latest estimate of the ARO. Any change to the capitalized asset, positive or negative, is amortized over the remaining life of the associated long-lived asset.

At December 31, 2011, AROs totaling \$497 million were recorded on the Balance Sheet, of which \$13 million is included in "Other current liabilities." Of the total amount, \$292 million, or 59%, relates to the nuclear decommissioning ARO. The most significant assumptions surrounding AROs are the forecasted retirement costs, the discount rates and the inflation rates. A variance in any of these inputs could have a significant impact on the ARO liabilities.

The following table reflects the sensitivities related to the nuclear decommissioning ARO liability associated with a change in these assumptions as of December 31, 2011. There is no significant change to the annual depreciation expense of the ARO asset or the annual accretion expense of the ARO liability as a result of changing the assumptions. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption.

	<u>Change in Assumption</u>	<u>Impact on ARO Liability</u>
Retirement Cost	10%	\$ 29
Discount Rate	(0.25)%	26
Inflation Rate	0.25%	30

## 6) Income Taxes

Significant management judgment is required in developing the provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is required to determine the amount of benefit recognized related to an uncertain tax position. Tax positions are evaluated following a two-step process. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization, upon settlement, that exceeds 50%. Management considers a number of factors in assessing the benefit to be recognized, including negotiation of a settlement.

On a quarterly basis, uncertain tax positions are reassessed by considering information known at the reporting date. Based on management's assessment of new information, a tax benefit may subsequently be recognized for a previously unrecognized tax position, a previously recognized tax position may be de-recognized, or the benefit of a previously recognized tax position may be remeasured. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in the future.



At December 31, 2011, it was reasonably possible that during the next 12 months the total amount of unrecognized tax benefits could increase by as much as \$43 million or decrease by up to \$129 million. This change could result from subsequent recognition, derecognition and/or changes in the measurement of uncertain tax positions related to the creditability of foreign taxes, the timing and utilization of foreign tax credits and the related impact on alternative minimum tax and other credits, the timing and/or valuation of certain deductions, intercompany transactions and unitary filing groups. The events that could cause these changes are direct settlements with taxing authorities, litigation, legal or administrative guidance by relevant taxing authorities and the lapse of an applicable statute of limitation.

The balance sheet classification of unrecognized tax benefits and the need for valuation allowances to reduce deferred tax assets also require significant management judgment. Unrecognized tax benefits are classified as current to the extent management expects to settle an uncertain tax position by payment or receipt of cash within one year of the reporting date. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers a number of factors in assessing the realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy utilized in this assessment must meet the recognition and measurement criteria utilized to account for an uncertain tax position. Management also considers the uncertainty posed by political risk and the effect of this uncertainty on the various factors that management takes into account in evaluating the need for valuation allowances. The amount of deferred tax assets ultimately realized may differ materially from the estimates utilized in the computation of valuation allowances and may materially impact the financial statements in the future. See Note 5 to the Financial Statements for income tax disclosures.

## 7) Regulatory Assets and Liabilities

Certain of PPL's subsidiaries are subject to cost-based rate regulation. As a result, the effects of regulatory actions are required to be reflected in the financial statements. Assets and liabilities are recorded that result from the regulated ratemaking process that may not be recorded under GAAP for non-regulated entities. Regulatory assets generally represent incurred costs that have been deferred because such costs are probable of future recovery in regulated customer rates. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. In certain cases, regulatory liabilities are recorded based on an understanding or agreement with the regulator that rates have been set to recover costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose.

Management continually assesses whether the regulatory assets are probable of future recovery by considering factors such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated rates, recent rate orders to other regulated entities, and the status of any pending or potential deregulation legislation. Based on this continual assessment, management believes the existing regulatory assets are probable of recovery. This assessment reflects the current political and regulatory climate at the state and federal levels, and is subject to change in the future. If future recovery of costs ceases to be probable, then asset write-offs would be required to be recognized in operating income. Additionally, the regulatory agencies can provide flexibility in the manner and timing of depreciation of PP&E and amortization of regulatory assets.

At December 31, 2011 and 2010, PPL had regulatory liabilities of \$1.1 billion. At December 31, 2011 and 2010, PPL had regulatory assets of \$1.4 billion and \$1.3 billion. All regulatory assets are either currently being recovered under specific rate orders, represent amounts that are expected to be recovered in future rates or benefit future periods based upon established regulatory practices.

In March 2012, PPL Electric plans to file a request with the FERC seeking recovery, over a 34-year period beginning in June 2012, of its unrecovered regulatory asset related to the deferred state tax liability that existed at the time of the transition from the flow-through treatment of state income taxes to full normalization. This change in tax treatment occurred in 2008 as a result of prior FERC initiatives that transferred regulatory jurisdiction of certain transmission assets from the PUC to the FERC. A regulatory asset of \$51 million related to this transition, classified as taxes recoverable through future rates, is included in "Other Noncurrent Assets - Regulatory assets" on the Balance Sheet. PPL Electric believes recoverability of this regulatory asset is probable based on FERC precedent in similar cases; however, it is reasonably possible that the FERC may limit the recovery of all or part of the claimed asset.

See Note 6 to the Financial Statements for additional information on regulatory assets and liabilities.

## 8) Business Combinations - Purchase Price Allocation

On April 1, 2011, PPL, through its indirect, wholly owned subsidiary, PPL WEM, completed its acquisition of all of the outstanding ordinary share capital of Central Networks East plc and Central Networks Limited, the sole owner of Central Networks West plc, together with certain other related assets and liabilities (collectively referred to as Central Networks and subsequently referred to as WPD Midlands). In accordance with accounting guidance on business combinations, the identifiable assets acquired and the liabilities assumed were measured at fair value at the acquisition date. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The excess of the purchase price over the estimated fair value of the identifiable net assets was recorded as goodwill.

The determination and allocation of fair value to the identifiable assets acquired and liabilities assumed was based on various assumptions and valuation methodologies requiring considerable management judgment, including estimates based on key assumptions of the acquisition, and historical and current market data. Significant variables in these valuations include the discount rates, the number of years on which to base cash flow projections, as well as the assumptions and estimates used to determine cash inflows and outflows.

The fair value of the majority of PP&E was determined utilizing a discounted cash flow approach and corroborated by the RAV, which is a measure of the unrecovered value of the regulated network business in the U.K. For purposes of measuring the fair value of the majority of PP&E, PPL determined that fair value should approximate the RAV at the acquisition date because WPD Midlands' operations are conducted in a regulated environment and the regulator allows for earning a rate of return on and recovery of RAV at rates determined to be fair and reasonable. As there is no current prospect for deregulation in WPD Midlands' operating area, it is expected that these operations will remain in a regulated environment for the foreseeable future; therefore, management has concluded that the use of these assets in the regulatory environment represents their highest and best use and a market participant would measure the fair value of these assets using the regulatory rate of return as the discount rate, thus resulting in fair value approximately equal to the RAV.

The purchase price allocation resulted in goodwill of \$2.4 billion that was assigned to the International Regulated segment. This reflects the expected continued growth of a rate-regulated business with a defined service area operating under a constructive regulatory framework, expected cost savings, efficiencies and other benefits resulting from a contiguous service area with WPD (South West) and WPD (South Wales) and the ability to leverage WPD (South West)'s and WPD (South Wales)'s existing management team's high level of performance in capital cost efficiency, system reliability and customer service.

See Note 10 to the Financial Statements for additional information regarding the acquisition.

### Other Information

PPL's Audit Committee has approved the independent auditor to provide audit and audit-related services, tax services and other services permitted by Sarbanes-Oxley and SEC rules. The audit and audit-related services include services in connection with statutory and regulatory filings, reviews of offering documents and registration statements, and internal control reviews.

**PPL ENERGY SUPPLY, LLC AND SUBSIDIARIES****Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The information provided in this Item 7 should be read in conjunction with PPL Energy Supply's Consolidated Financial Statements and the accompanying Notes. Capitalized terms and abbreviations are explained in the glossary. Dollars are in millions unless otherwise noted.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" includes the following information:

- "Overview" provides a description of PPL Energy Supply and its business strategy. "Financial and Operational Developments" includes a review of Net Income Attributable to PPL Energy Supply and discusses certain events that are important to understanding PPL Energy Supply's results of operations and financial condition.
- "Results of Operations" provides a summary of PPL Energy Supply's earnings and a description of key factors expected to impact future earnings. This section ends with "Statement of Income Analysis," which includes explanations of significant changes in principal items on PPL Energy Supply's Statements of Income, comparing 2011, 2010 and 2009.
- "Financial Condition - Liquidity and Capital Resources" provides an analysis of PPL Energy Supply's liquidity position and credit profile. This section also includes a discussion of rating agency decisions and capital expenditure projections.
- "Financial Condition - Risk Management - Energy Marketing & Trading and Other" provides an explanation of PPL Energy Supply's risk management programs relating to market and credit risk.
- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of PPL Energy Supply and that require its management to make significant estimates, assumptions and other judgments of matters inherently uncertain.

**Overview****Introduction**

PPL Energy Supply is an energy company with headquarters in Allentown, Pennsylvania. Through its subsidiaries, PPL Energy Supply is primarily engaged in the generation and marketing of electricity in two key markets - the northeastern and northwestern U.S.

In 2011, PPL Energy Supply operated in one reportable segment compared with two reportable segments in previous years - International Regulated and Supply. In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its direct parent, PPL Energy Funding, to better align PPL's organizational structure with the manner in which it manages its businesses and reports segment information in its consolidated financial statements. The distribution separated the U.S.-based competitive energy marketing and supply business from the U.K.-based regulated electricity distribution business. As a result, effective January 1, 2011, PPL Energy Supply operates in a single business segment. The 2010 and 2009 operating results of the International Regulated segment have been reclassified to "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income. See Note 9 to the Financial Statements for additional information on the January 2011 distribution.

**Business Strategy**

PPL Energy Supply's overall strategy is to achieve disciplined optimization of energy supply margins while mitigating volatility in both cash flows and earnings. More specifically, PPL Energy Supply's strategy is to optimize the value from its unregulated generation and marketing portfolio. PPL Energy Supply endeavors to do this by matching energy supply with load, or customer demand, under contracts of varying durations with creditworthy counterparties to capture profits while effectively managing exposure to energy and fuel price volatility, counterparty credit risk and operational risk.

To manage financing costs and access to credit markets, a key objective of PPL Energy Supply's business is to maintain a strong credit profile. PPL Energy Supply continually focuses on maintaining an appropriate capital structure and liquidity position. In addition, PPL Energy Supply has financial and operational risk management programs that, among other things, are designed to monitor and manage its exposure to earnings and cash flow volatility related to changes in energy and fuel prices, interest rates, counterparty credit quality and the operating performance of its generating units.

## Financial and Operational Developments

### Net Income Attributable to PPL Energy Supply

Net Income Attributable to PPL Energy Supply for 2011, 2010 and 2009 was \$768 million, \$861 million and \$246 million. Earnings in 2011 decreased 11% from 2010 and earnings in 2010 increased 250% over 2009. These changes reflect the following after-tax impacts:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Net unrealized gains (losses) on energy-related economic activity	\$ 193	\$ 104
Losses on the monetization of certain full-requirement sales contracts in 2010	125	(125)
Sales of generation facilities	46	(33)
Litigation settlement in 2011 related to spent nuclear fuel storage	33	
Montana hydroelectric litigation	84	(31)
State valuation allowance adjustments	(74)	52
Change in "Unregulated Gross Energy Margins" (a)	(240)	608
Results of PPL Global	(261)	18
Other	1	22
	<u>\$ (93)</u>	<u>\$ 615</u>

(a) See "Statement of Income Analysis - Margins" for additional information, including a reconciliation of this non-GAAP financial measure to operating income.

See "Results of Operations" below for further discussion and analysis of the consolidated results of operations, as well as a discussion of each of PPL's business segments.

### Susquehanna Turbine Blade Replacement

In April 2011, during the PPL Susquehanna Unit 2 refueling and generation uprate outage, a planned inspection of the Unit 2 turbine revealed cracks in certain of its low pressure turbine blades. Replacement of these blades was required, but was not anticipated as part of the original scope of this outage. The necessary replacement work extended the Unit 2 outage by six weeks. As a precaution, PPL Susquehanna also took Unit 1 out of service in mid-May to inspect the turbine blades in that unit. This inspection revealed cracks in blades similar to those found in Unit 2. The duration of the Unit 1 outage, in which turbine blades were replaced, was also about six weeks. The after-tax earnings impact, including reduced energy-sales margins and repair expense for both units, was \$63 million.

### Spent Nuclear Fuel Litigation

In May 2011, PPL Susquehanna entered into a settlement agreement with the U.S. Government relating to PPL Susquehanna's lawsuit, seeking damages for the Department of Energy's failure to accept spent nuclear fuel from the PPL Susquehanna plant. Under the settlement agreement, PPL Susquehanna received \$50 million, pre-tax, for its share of claims to partially offset its expenses incurred to store spent nuclear fuel at the Susquehanna plant through September 2009 and recognized a credit to "Fuel" expense in 2011. PPL Susquehanna will also be eligible to receive payment of annual claims for allowed costs that are incurred through the December 2013 termination of the settlement agreement. In exchange, PPL Susquehanna has waived any claims against the U.S. Government for costs paid or injuries sustained related to storing spent nuclear fuel at the Susquehanna plant through December 31, 2013. See Note 15 to the Financial Statements for additional information.

### Bankruptcy of SMGT

In October 2011, SMGT, a Montana cooperative and purchaser of electricity under a long-term supply contract with PPL EnergyPlus expiring in June 2019 (SMGT Contract), filed for protection under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court in Montana. At December 31, 2011, damages related to SMGT accepting less power than provided in the SMGT Contract totaled approximately \$11 million, all of which has been fully reserved. No assurance can be given as to the collectability of these damages. The SMGT Contract provides for fixed volume purchases on a monthly basis at established prices. A trustee has been appointed for SMGT's estate in the bankruptcy proceeding and PPL EnergyPlus has been involved in preliminary discussions with the trustee concerning possible modifications to the SMGT Contract as part of the bankruptcy reorganization. Pursuant to a stipulation entered into by SMGT and PPL EnergyPlus, since the date of its Chapter 11 filing through January 2012, SMGT has continued to purchase electricity from PPL EnergyPlus at the price specified in the SMGT Contract, and has made timely payments for such purchases, but at lower volumes than as prescribed in the SMGT Contract. In January 2012, the trustee notified PPL EnergyPlus that SMGT would not purchase electricity under the SMGT Contract for the month of February. In addition, the trustee requested PPL EnergyPlus to leave the SMGT Contract in place to permit SMGT to purchase electricity in the event its requirements were not met by third-party providers from whom the trustee intends to purchase power on behalf of SMGT, at prices more favorable than under the SMGT Contract, for future periods. PPL EnergyPlus is evaluating the trustee's request.

At the present time, PPL cannot predict whether SMGT will be successful in its attempts to reorganize its business under Chapter 11 of the U.S. Bankruptcy Code or the extent to which the SMGT Contract may be modified as part of a successful Chapter 11 reorganization and, in either case, PPL cannot presently predict the extent to which it will be able to market to third parties any amount of power that SMGT ultimately does not continue to purchase from PPL EnergyPlus.

#### CSAPR

In July 2011, the EPA signed the CSAPR, which finalizes and renames the Clean Air Transport Rule (Transport Rule) proposed in August 2010, and made revisions to the rule on February 7, 2012. This rule applies to PPL Energy Supply's coal plants in Pennsylvania. The CSAPR is meant to facilitate attainment of ambient air quality standards for ozone and fine particulates by requiring reductions in sulfur dioxide and nitrogen oxide emissions.

In December 2011, the U.S. Court of Appeals for the District of Columbia (Court) stayed implementation of the CSAPR and left CAIR in effect pending a final resolution on the merits of the validity of the rule. Oral argument on the various challenges to the CSAPR is scheduled for April 2012, and a final decision on the validity of the rule could be issued as early as May 2012.

PPL Energy Supply's coal fired power plants can meet both the CAIR and the proposed CSAPR sulfur dioxide emission requirements with the existing scrubbers that went in-service in 2008 and 2009. For nitrogen oxide, under both the CAIR and the proposed CSAPR, PPL Energy Supply would need to buy allowances or make operational changes, the cost of which is not anticipated to be significant.

See Note 15 to the Financial Statements for additional information on the CSAPR.

#### Montana Hydroelectric Litigation

In June 2011, the U.S. Supreme Court granted PPL Montana's petition to review the March 2010 Montana Supreme Court decision, which substantially affirmed the June 2008 Montana District Court decision to award the State of Montana retroactive compensation for PPL Montana's hydroelectric facilities' use and occupancy of certain Montana riverbeds. Oral argument was held in December 2011. On February 22, 2012, the U.S. Supreme Court issued a decision overturning the Montana Supreme Court decision and remanded the case to the Montana Supreme Court for further proceedings consistent with the U.S. Supreme Court's opinion. As a result, PPL Montana reversed its total loss accrual of \$89 million, which had been recorded prior to the U.S. Supreme Court decision. PPL Montana believes the U.S. Supreme Court decision resolves certain questions of liability in this case in favor of PPL Montana and leaves open for reconsideration by Montana courts, consistent with the findings of the U.S. Supreme Court, certain other questions. The State of Montana has 30 days from February 22, 2012 to petition the U.S. Supreme Court for a rehearing. PPL Montana has concluded it is no longer probable, but it remains reasonably possible, that a loss has been incurred. While unable to estimate a range of loss, PPL Montana believes that any such amount would not be material. See Note 15 to the Financial Statements for additional information.

**Results of Operations**

When comparing 2011 and 2010 with 2009, certain line items on PPL Energy Supply's financial statements were impacted by the expiration of the generation rate caps and the expiration of the PLR contracts between PPL EnergyPlus and PPL Electric at the end of 2009. Overall, they had a significant positive impact on PPL Energy Supply's results of operations, financial condition and cash flows during 2010.

The primary impact of the expiration of generation rate caps and these contracts is reflected in PPL Energy Supply's Unregulated Gross Energy Margins. See "Statement of Income Analysis - Margins - Non-GAAP Financial Measure" for an explanation of this non-GAAP financial measure. In 2011 and 2010, PPL Energy Supply sold the majority of its generation supply under various contracts at prevailing market rates at the time the contracts were executed. In 2009, the majority of generation produced by PPL Energy Supply's generation plants was sold to PPL Electric's customers as PLR supply under predetermined capped rates.

**Earnings**

Net Income Attributable to PPL Energy Supply includes the following results:

	<u>2011</u>	<u>2010</u>	<u>% Change</u>	<u>2010</u>	<u>2009</u>	<u>% Change</u>
Operating revenues	\$ 6,429	\$ 5,128	25	\$ 5,128	\$ 5,309	(3)
Fuel	1,080	1,096	(1)	1,096	920	19
Energy purchases	2,286	1,353	69	1,353	2,737	(51)
Other operation and maintenance	929	979	(5)	979	921	6
Depreciation	244	236	3	236	196	20
Taxes, other than income	71	46	54	46	29	59
Energy-related business	458	357	28	357	371	(4)
Total operating expenses	5,068	4,067	25	4,067	5,174	(21)
Other Income (Expense) - net	23	22	5	22	44	(50)
Other-Than-Temporary Impairments	6	3	100	3	18	(83)
Interest Income from Affiliates	8	9	(11)	9	2	350
Interest Expense	174	208	(16)	208	176	18
Income Taxes	445	261	70	261	3	8,600
Income (Loss) from Discontinued Operations	2	242	(99)	242	263	(8)
Net Income	769	862	(11)	862	247	249
Net Income Attributable to Noncontrolling Interests	1	1		1	1	
Net Income Attributable to PPL Energy Supply	<u>\$ 768</u>	<u>\$ 861</u>	<u>(11)</u>	<u>\$ 861</u>	<u>\$ 246</u>	<u>250</u>

The changes in the components of Net Income Attributable to PPL Energy Supply between these periods were due to the following factors. PPL Energy Supply's results are adjusted for certain items that management considers special. See additional detail of these special items in the tables below.

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Unregulated gross energy margins	\$ (405)	\$ 1,039
Other operation and maintenance	(65)	(44)
Depreciation	(8)	(41)
Taxes other than income	(9)	(3)
Other Income (Expense) - net	3	(1)
Interest Expense	4	(12)
Other	(3)	
Income Taxes	146	(300)
Discontinued operations - Domestic, after-tax - excluding certain revenues and expenses included in margins	16	13
Discontinued operations - International, after-tax	(261)	18
Special items, after-tax	489	(54)
Total	<u>\$ (93)</u>	<u>\$ 615</u>

- See "Statement of Income Analysis - Margins - Changes in Non-GAAP Financial Measures" for an explanation of margins.
- Other operation and maintenance increased in 2011 compared with 2010, primarily due to higher costs at PPL Susquehanna of \$30 million, largely due to unplanned outages, the refueling outage and payroll, higher costs at

eastern fossil and hydro units of \$20 million, largely due to outages, and higher costs at western fossil and hydro units of \$15 million, largely resulting from insurance recoveries received in 2010.

Other operation and maintenance increased in 2010 compared with 2009, primarily due to higher costs at PPL Susquehanna of \$31 million largely due to higher payroll-related costs, higher outage costs, and higher project costs.

- Depreciation increased in 2010 compared with 2009, primarily due to \$21 million impact from environmental equipment at Brunner Island that was placed in service in 2009 and early 2010.
- Other income (expense) - net was lower in 2010 compared with 2009, due to a \$25 million gain recognized in 2009 related to the tender offers to purchase debt that resulted from reclassifying net gains on related cash flow hedges from AOCI into earnings, partially offset by a \$15 million decrease in other-than-temporary impairment charges, primarily due to stronger returns on investments in NDT funds in 2010 and a \$7 million increase in interest income from affiliates, primarily due to loans to LKE subsidiaries in 2010.
- Income taxes decreased in 2011 compared with 2010, primarily due to the \$196 million impact of lower pre-tax income and a \$26 million reduction in deferred tax liabilities related to a change in the Pennsylvania estimated state tax rate. These decreases were partially offset by \$74 million in Pennsylvania net operating loss valuation allowance adjustments, primarily related to lower projected future taxable income, driven in part by the impact of bonus depreciation, \$13 million in favorable adjustments to uncertain tax benefits recorded in 2010 and an \$11 million decrease in the domestic manufacturing deduction tax benefit resulting from revised bonus depreciation estimates.

Income taxes increased in 2010 compared with 2009, primarily due to the \$364 million impact of higher pre-tax income, partially offset by a \$52 million in Pennsylvania net operating loss valuation allowance adjustments, primarily related to higher projected future taxable income, \$10 million in investment tax credits associated with the Holtwood and Rainbow projects, \$8 million in favorable adjustments to uncertain tax benefits recorded in 2010 and \$8 million of higher tax benefits from the domestic manufacturing deduction.

Income (loss) from International discontinued operations - International, represents the results of PPL Global which was distributed to PPL Energy Supply's parent, PPL Energy Funding in January 2011. See Note 9 to the Financial Statements for additional information. Income from discontinued operations, excluding special items, decreased in 2010 compared with 2009, primarily due to:

- U.K. utility revenues increased \$42 million in 2010 compared with 2009, primarily due to price increases in April 2010 and 2009, partially offset by lower regulatory recovery due to a revised estimate of network electricity losses.
- U.K. other operation and maintenance increased \$47 million in 2010 compared with 2009, primarily due to higher pension expense resulting from an increase in amortization of actuarial losses.
- U.K. interest expense increased \$50 million in 2010 compared with 2009, primarily due to the \$23 million impact from higher inflation rates on index-linked Senior Unsecured Notes and \$25 million in interest expense related to the March 2010 debt issuance.
- U.K. income taxes decreased \$26 million in 2010 compared with 2009, primarily due to \$45 million in realized capital losses that offset a gain relating to a business activity sold in 1999 and the \$14 million impact of lower pre-tax income, partially offset by \$31 million in favorable settlements of uncertain tax positions in 2009.
- U.S. income taxes increased in 2010 compared with 2009, primarily due to \$60 million in changes in the taxable amount of planned U.K. cash repatriations, partially offset by \$23 million in adjustments to uncertain tax benefits.

The following after-tax amounts, which management considers special items, also impacted the results.

	Income Statement Line Item	2011	2010	2009
Special items gains (losses), net of tax benefit (expense):				
Adjusted energy-related economic activity, net, net of tax of (\$52), \$85, \$158	(a)	\$ 72	\$ (121)	\$ (225)
Sales of assets:				

Maine hydroelectric generation business, net of tax of \$0, (\$9), (\$16) (b)	Disc. Operations	15	22
Sundance indemnification, net of tax of \$0, \$0, \$0	Other Income-net	1	
Long Island generation business, net of tax of \$0, \$0, \$19 (c)	Disc. Operations		(33)
Interest in Wyman Unit 4, net of tax of \$0, \$0, \$2	Disc. Operations		(4)
Impairments:			
Emission allowances, net of tax of \$1, \$6, \$14 (d)	Other O&M	(1)	(10)
Renewable energy credits, net of tax of \$2, \$0, \$0 (Note 13)	Other O&M	(3)	
Other asset impairments, net of tax of \$1, \$0, \$2	Other O&M		(4)
Workforce reduction, net of tax of \$0, \$0, \$4 (e)	Other O&M		(6)
LKE acquisition-related costs:			
Monetization of certain full-requirement sales contracts, net of tax of \$0, \$89, \$0	(f)		(125)
Sale of certain non-core generation facilities, net of tax of \$0, \$37, \$0 (c)	Disc. Operations	(2)	(64)
Reduction of credit facility, net of tax of \$0, \$4, \$0 (g)	Interest Expense		(6)
Other:			
Montana hydroelectric litigation, net of tax of (\$30), \$22, \$2	(h)	45	(34)
Litigation settlement - spent nuclear fuel storage, net of tax of (\$24), \$0, \$0 (i)	Fuel	33	
Health care reform - tax impact (j)	Income Taxes		(5)
Montana basin seepage litigation, net of tax of \$0, (\$1), \$0	Other O&M		2
Change in tax accounting method related to repairs (k)	Income Taxes		(21)
Counterparty bankruptcy, net of tax of \$5, \$0, \$0 (l)	Other O&M	(6)	
Wholesale supply cost reimbursement, net of tax of (\$3), \$0, \$0	(m)	4	
Total		<u>\$ 142</u>	<u>\$ (347)</u>
			<u>\$ (293)</u>

- (a) See "Reconciliation of Economic Activity" below.
- (b) Gains recorded on the sale of the Maine hydroelectric generation business. See Note 9 to the Financial Statements for additional information.
- (c) Consists primarily of the initial impairment charge recorded when the business was classified as held for sale. See Note 9 to the Financial Statements for additional information.
- (d) Primarily represents impairment charges of sulfur dioxide emission allowances.
- (e) Relates primarily to enhanced pension and severance benefits as a result of a 2009 workforce reduction.
- (f) In July 2010, in order to raise additional cash for the LKE acquisition, certain full-requirement sales contracts were monetized that resulted in cash proceeds of \$249 million. See "Monetization of Certain Full-Requirement Sales Contracts" in Note 19 to the Financial Statements for additional information. \$343 million of pre-tax gains were recorded to "Wholesale energy marketing" and \$557 million of pre-tax losses were recorded to "Energy purchases" on the Statements of Income.
- (g) In October 2010, PPL Energy Supply made borrowings under its Syndicated Credit Facility in order to enable a subsidiary to make loans to certain affiliates to provide interim financing of amounts required by PPL to partially fund PPL's acquisition of LKE. Subsequent to the repayment of such borrowing, the capacity was reduced, and as a result, PPL Energy Supply wrote off deferred fees in 2010.
- (h) In 2009, PPL Montana adjusted its previously recorded accrual related to hydroelectric litigation, of which \$5 million, pre-tax, related to prior periods. In March 2010, the Montana Supreme Court substantially affirmed a June 2008 Montana District Court decision regarding lease payments for the use of certain Montana streambeds. In 2010, PPL Montana recorded a pre-tax charge of \$56 million, representing estimated rental compensation for years prior to 2010, including interest. Of this total charge \$47 million, pre-tax, was recorded to "Other operation and maintenance" and \$9 million, pre-tax, was recorded to "Interest Expense" on the Statements of Income. In August 2010, PPL Montana filed a petition for a writ of certiorari with the U.S. Supreme Court requesting the Court's review of this matter. In June 2011, the U.S. Supreme Court granted PPL Montana's petition. In February 2012, the U.S. Supreme Court overturned the Montana Supreme Court decision and remanded the case to the Montana Supreme Court for further proceedings consistent with the U.S. Supreme Court's opinion. Prior to the U.S. Supreme Court decision, \$4 million, pre-tax, of interest expense on the rental compensation covered by the court decision was accrued in 2011. As a result of the U.S. Supreme Court decision, PPL Montana reversed its total pre-tax loss accrual of \$89 million, which had been recorded prior to the U.S. Supreme Court decision, of which \$79 million pre-tax is considered a special item because it represented \$65 million of rent for periods prior to 2011 and \$14 million of interest accrued on the portion covered by the prior court decision. These amounts were credited to "Other operation and maintenance" and "Interest Expense" on the Statement of Income.
- (i) In May 2011, PPL Susquehanna entered into a settlement agreement with the U.S. Government relating to PPL Susquehanna's lawsuit, seeking damages for the Department of Energy's failure to accept spent nuclear fuel from the PPL Susquehanna plant. PPL Susquehanna recorded credits to fuel expense to recognize recovery, under the settlement agreement, of certain costs to store spent nuclear fuel at the Susquehanna plant. This special item represents amounts recorded in 2011 to cover the costs incurred from 1998 through December 2010.
- (j) Represents income tax expense recorded as a result of the provisions within Health Care Reform which eliminated the tax deductibility of retiree health care costs to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D Coverage.
- (k) During 2009, PPL Energy Supply received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL Energy Supply deducted the resulting IRC Sec. 481 amount on its 2008 federal income tax return and recorded a \$21 million adjustment to federal and state income tax expense resulting from the reduction in federal income tax benefits related to the domestic manufacturing deduction and certain state tax benefits related to state net operating losses.
- (l) In October 2011, a wholesale customer, SMTG, filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy code. The customer has continued to purchase electricity at the price specified in the supply contract, and has made timely payments for such purchases, but at lower volumes than as prescribed in the contract. As of December 31, 2011, the damage claim totaled \$11 million pre-tax, which was fully reserved.
- (m) In January 2012, PPL received \$7 million pre-tax, related to electricity delivered to a wholesale customer in 2008 and 2009, recorded in "Wholesale energy marketing-Realized." The additional revenue results from several transmission projects approved at PJM for recovery that were not initially anticipated at the time of the electricity auctions and therefore were not included in the auction pricing. A FERC order was issued in 2011 approving the disbursement of these supply costs by the wholesale customer to the suppliers, therefore, PPL accrued its share of this additional revenue in 2011.



*Reconciliation of Economic Activity*

The following table reconciles unrealized pre-tax gains (losses) from the table within "Commodity Price Risk (Non-trading) - Economic Activity" in Note 19 to the Financial Statements to the special item identified as "Adjusted energy-related economic activity, net."

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Operating Revenues			
Unregulated retail electric and gas	\$ 31	\$ 1	\$ 6
Wholesale energy marketing	1,407	(805)	(229)
Operating Expenses			
Fuel	6	29	49
Energy Purchases	(1,123)	286	(155)
Energy-related economic activity (a)	321	(489)	(329)
Option premiums (b)	19	32	(54)
Adjusted energy-related economic activity	340	(457)	(383)
Less: Unrealized economic activity associated with the monetization of certain full-requirement sales contracts in 2010 (c)		(251)	
Less: Economic activity realized, associated with the monetization of certain full-requirement sales contracts in 2010	216		
Adjusted energy-related economic activity, net, pre-tax	<u>\$ 124</u>	<u>\$ (206)</u>	<u>\$ (383)</u>
Adjusted energy-related economic activity, net, after-tax	<u>\$ 72</u>	<u>\$ (121)</u>	<u>\$ (225)</u>

- (a) See Note 19 to the Financial Statements for additional information.  
(b) Adjustment for the net deferral and amortization of option premiums over the delivery period of the item that was hedged or upon realization. Option premiums are recorded in "Wholesale energy marketing - Realized" and "Energy purchases - Realized" on the Statements of Income.  
(c) See "Components of Monetization of Certain Full-Requirement Sales Contracts" below.

*Components of Monetization of Certain Full-Requirement Sales Contracts*

The following table provides the components of the "Monetization of Certain Full-Requirement Sales Contracts" special item.

	<u>2010</u>
Full-requirement sales contracts monetized (a)	\$ (68)
Economic activity related to the full-requirement sales contracts monetized	(146)
Monetization of certain full-requirement sales contracts, pre-tax (b)	<u>\$ (214)</u>
Monetization of certain full-requirement sales contracts, after-tax	<u>\$ (125)</u>

- (a) See "Commodity Price Risk (Non-trading) - Monetization of Certain Full-Requirement Sales Contracts" in Note 19 to the Financial Statements for additional information.  
(b) Includes unrealized losses of \$251 million, which are reflected in "Wholesale energy marketing - Unrealized economic activity" and "Energy purchases - Unrealized economic activity" on the Statement of Income. Also includes net realized gains of \$37 million, which are reflected in "Wholesale energy marketing - Realized" and "Energy purchases - Realized" on the Statement of Income. This economic activity will continue to be realized through May 2013.

*2012 Outlook*

Excluding special items, PPL Energy Supply projects lower earnings in 2012 compared with 2011. The decrease is primarily driven by lower energy margins as a result of further declines in energy and capacity prices and higher fuel costs, higher operation and maintenance expenses and higher depreciation, which are partially offset by higher baseload generation.

Earnings beyond 2011 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Note 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings.

**Statement of Income Analysis --****Margins**

Non-GAAP Financial Measure

The following discussion includes financial information prepared in accordance with GAAP, as well as a non-GAAP financial measure, "Unregulated Gross Energy Margins." "Unregulated Gross Energy Margins" is a single financial performance measure of PPL Energy Supply's competitive energy non-trading and trading activities. In calculating this measure, PPL Energy Supply's energy revenues, which include operating revenues associated with certain PPL Energy Supply businesses that are classified as discontinued operations, are offset by the cost of fuel, energy purchases, certain other operation and maintenance expenses, primarily ancillary charges, gross receipts tax, which is recorded in "Taxes, other than income," and operating expenses associated with certain PPL Energy Supply businesses that are classified as discontinued operations. This performance measure is relevant to PPL Energy Supply due to the volatility in the individual revenue and expense lines on the Statements of Income that comprise "Unregulated Gross Energy Margins." This volatility stems from a number of factors, including the required netting of certain transactions with ISOs and significant swings in unrealized gains and losses. Such factors could result in gains or losses being recorded in either "Wholesale energy marketing" or "Energy purchases" on the Statements of Income. This performance measure includes PLR revenues from energy sales to PPL Electric by PPL EnergyPlus, which are recorded in "Wholesale energy marketing to affiliate" revenue. PPL Energy Supply excludes from "Unregulated Gross Energy Margins" energy-related economic activity, which includes the changes in fair value of positions used to economically hedge a portion of the economic value of PPL Energy Supply's competitive generation assets, full-requirement sales contracts and retail activities. This economic value is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power) prior to the delivery period that was hedged. Also included in this energy-related economic activity is the ineffective portion of qualifying cash flow hedges, the monetization of certain full-requirement sales contracts and premium amortization associated with options. This economic activity is deferred, with the exception of the full-requirement sales contracts that were monetized, and included in unregulated gross energy margins over the delivery period that was hedged or upon realization. This measure is not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. Other companies may use different measures to analyze and to report on the results of their operations. PPL Energy Supply believes that "Unregulated Gross Energy Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and PPL's Board of Directors to manage PPL Energy Supply's operations, analyze actual results compared with budget and measure certain corporate financial goals used in determining variable compensation.

Reconciliation of Non-GAAP Financial Measures

The following table reconciles "Operating Income" to "Unregulated Gross Energy Margins" as defined by PPL Energy Supply for the period ended December 31.

	2011			2010		
	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)
<b>Operating Revenues</b>						
Wholesale energy marketing						
Realized	\$ 3,745	\$ 62 (c)	\$ 3,807	\$ 4,511	\$ 321 (c)	\$ 4,832
Unrealized economic activity		1,407 (d)	1,407		(805) (d)	(805)
Wholesale energy marketing to affiliate	26		26	320		320
Unregulated retail electric and gas	696	31	727	414	1	415
Net energy trading margins	(2)		(2)	2		2
Energy-related businesses		464	464		364	364
Total Operating Revenues	4,465	1,964	6,429	5,247	(119)	5,128
<b>Operating Expenses</b>						
Fuel	1,151	(71) (e)	1,080	1,132	(36) (e)	1,096
Energy purchases						
Realized	912	248 (c)	1,160	1,389	247 (c)	1,636
Unrealized economic activity		1,123 (d)	1,123		(286) (d)	(286)
Energy purchases from affiliate	3		3	3		3
Other operation and maintenance	16	913	929	23	956	979
Depreciation		244	244		236	236
Taxes, other than income	30	41	71	14	32	46
Energy-related businesses		458	458		357	357

Total Operating Expenses	2,112	2,956	5,068	2,561	1,506	4,067
Discontinued Operations	12	(12) (f)		84	(84) (f)	
Total	\$ 2,365	\$ (1,004)	\$ 1,361	\$ 2,770	\$ (1,709)	\$ 1,061

2009			
	Unregulated Gross Energy Margins	Other (a)	Operating Income (b)
<b>Operating Revenues</b>			
Wholesale energy marketing			
Realized	\$ 3,235	\$ (51) (c)	\$ 3,184
Unrealized economic activity		(229) (d)	(229)
Wholesale energy marketing to affiliate	1,806		1,806
Unregulated retail electric and gas	146	6	152
Net energy trading margins	17		17
Energy-related businesses		379	379
Total Operating Revenues	5,204	105	5,309
<b>Operating Expenses</b>			
Fuel	977	(57) (e)	920
Energy purchases			
Realized	2,509	3 (c)	2,512
Unrealized economic activity		155 (d)	155
Energy purchases from affiliate	70		70
Other operation and maintenance	30	891	921
Depreciation		196	196
Taxes, other than income		29	29
Energy-related businesses		371	371
Total Operating Expenses	3,586	1,588	5,174
Discontinued Operations	113	(113) (f)	
Total	\$ 1,731	\$ (1,596)	\$ 135

(a) Represents amounts excluded from Margins.

(b) As reported on the Statements of Income.

(c) Represents energy-related economic activity as described in "Commodity Price Risk (Non-trading) - Economic Activity" within Note 19 to the Financial Statements. For 2011, "Wholesale energy marketing - Realized" and "Energy purchases - Realized" include a net pre-tax gain of \$19 million related to the amortization of option premiums and a net pre-tax loss of \$216 million related to the monetization of certain full-requirement sales contracts. 2010 includes a net pre-tax gain of \$32 million related to the amortization of option premiums and a net pre-tax gain of \$37 million related to the monetization of certain full-requirement sales contracts. 2009 includes a net pre-tax loss of \$54 million related to the amortization of option premiums.

(d) Represents energy-related economic activity, which is subject to wide swings in value due to market price volatility, as described in "Commodity Price Risk (Non-trading) - Economic Activity" within Note 19 to the Financial Statements.

(e) Includes economic activity related to fuel. 2011 includes credits of \$57 million for the spent nuclear fuel litigation settlement.

(f) Represents the net of certain revenues and expenses associated with certain businesses that are classified as discontinued operations. These revenues and expenses are not reflected in "Operating Income" on the Statements of Income.

### Changes in Non-GAAP Financial Measures

Unregulated Gross Energy Margins are generated through PPL Energy Supply's competitive non-trading and trading activities. PPL Energy Supply's non-trading energy business is managed on a geographic basis that is aligned with its generation fleet. The following table shows PPL Energy Supply's non-GAAP financial measure, Unregulated Gross Energy Margins, for the periods ended December 31, as well as the change between periods. The factors that gave rise to the changes are described below the table.

	2011	2010	Change	2010	2009	Change
Non-trading						
Eastern U.S.	\$ 2,018	\$ 2,429	\$ (411)	\$ 2,429	\$ 1,391	\$ 1,038
Western U.S.	349	339	10	339	323	16
Net energy trading	(2)	2	(4)	2	17	(15)
Total	\$ 2,365	\$ 2,770	\$ (405)	\$ 2,770	\$ 1,731	\$ 1,039

### Unregulated Gross Energy Margins

#### Eastern U.S.

The changes in Eastern U.S. non-trading margins were:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Baseload energy, capacity and ancillaries (a)	\$ (199)	\$ 1,143
Coal and hydroelectric generation volume (b)	(72)	21
Impact of non-core generation facilities sold in the first quarter of 2011	(48)	
Monetization of certain deals that rebalanced the business and portfolio	(41)	(48)
Higher coal prices	(40)	(38)
Margins on the intermediate and peaking units (c)	(34)	17
Nuclear generation volume (d)	(29)	(32)
Higher nuclear fuel prices	(10)	(8)
Retail electric business	(7)	23
Full-requirement sales contracts (e)	70	(46)
Other	(1)	6
	<u>\$ (411)</u>	<u>\$ 1,038</u>

- (a) Baseload energy and capacity prices were lower in 2011 than 2010; however, prices in 2010 for baseload generation were significantly higher than prices realized under the PLR contract with PPL Electric that expired at the end of 2009.
- (b) Volumes were lower in 2011 compared with 2010 as a result of unplanned outages, economic reductions in coal unit output and the sale of our interest in Safe Harbor Water Power Corporation. Volumes were higher in 2010 compared with 2009 as a result of planned overhauls.
- (c) Lower margins in 2011 compared with 2010 were driven by lower capacity prices, partially offset by higher generation volumes in the first half of 2011. Higher margins in 2010 compared with 2009 were due to higher energy and capacity prices.
- (d) Volumes were lower in 2011 compared with 2010 primarily as a result of the dual-unit turbine blade replacement outages beginning in May 2011. Volumes were lower in 2010 compared with 2009 primarily due to an unplanned outage in July 2010.
- (e) Higher margins in 2011 compared with 2010 were driven by contracts monetized in 2010 and lower customer migration to alternative suppliers in 2011. Lower margins in 2010 compared with 2009 were driven by lower customer demand and higher customer migration to alternative suppliers.

### Western U.S.

Western U.S. non-trading margins were higher in 2011 compared with 2010, due to higher net wholesale prices of \$58 million, partially offset by lower wholesale volumes of \$45 million, primarily due to economic reductions in coal unit output.

Western U.S. non-trading margins were higher in 2010 compared with 2009, primarily due to higher net wholesale prices of \$11 million and higher wholesale volumes of \$14 million, due to unplanned outages in 2009.

### Net Energy Trading Margins

Net energy trading margins decreased during 2011 compared with 2010, as a result of lower margins on power positions of \$16 million, partially offset by higher margins on gas positions of \$12 million.

Net energy trading margins decreased during 2010 compared with 2009, as a result of lower margins on power and gas positions of \$40 million, partially offset by higher trading margins related to FTRs of \$22 million.

### **Other Operation and Maintenance**

The changes in other operation and maintenance expenses were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Montana hydroelectric litigation (a)	\$ (121)	\$ 48
Susquehanna nuclear plant costs (b)	30	31
Uncollectible accounts (c)	15	3
Costs at Western fossil and hydroelectric plants (d)	15	(7)
Costs at Eastern fossil and hydroelectric plants (e)	20	(4)
Impacts from emission allowances (f)	(15)	(16)
Workforce reductions (g)		(10)
Other	6	13
Total	<u>\$ (50)</u>	<u>\$ 58</u>

- (a) In March 2010, the Montana Supreme Court substantially affirmed a June 2008 Montana District Court decision regarding lease payments for the use of certain Montana streambeds. As a result, in the first quarter of 2010, PPL Montana recorded a charge of \$56 million, representing

estimated rental compensation for the first quarter of 2010 and prior years, including interest. The portion of the total charge recorded to "Other operation and maintenance" on the Statement of Income totaled \$49 million. In August 2010, PPL Montana filed a petition for a writ of certiorari with the U.S. Supreme Court requesting the Court's review of this matter. In June 2011, the U.S. Supreme Court granted PPL Montana's petition. In February 2012, the U.S. Supreme Court overturned the Montana Supreme Court decision and remanded the case to the Montana Supreme Court for further proceedings consistent with the U.S. Supreme Court's opinion. As a result, PPL Montana reversed its total loss accrual of \$89 million, which had been recorded prior to the U.S. Supreme Court decision, of which \$75 million was credited to "Other operation and maintenance" on the Statement of Income.

- (b) 2011 compared with 2010 was higher primarily due to \$11 million of higher payroll-related costs, \$10 million of higher outage costs and \$8 million of higher costs from the refueling outage. 2010 compared with 2009 was higher primarily due to \$10 million of higher payroll-related costs, \$8 million of higher outage costs and \$5 million higher project costs.
- (c) 2011 compared with 2010, was higher primarily due to SMGT filing for protection under Chapter 11 of the U.S. Bankruptcy Code, \$11 million of damages billed to SMGT were fully reserved.
- (d) 2011 compared with 2010 was higher primarily due to \$11 million of lower insurance proceeds. 2010 compared with 2009 was lower primarily due to \$13 million of higher insurance proceeds.
- (e) 2011 compared with 2010 was higher primarily due to plant outage costs of \$13 million.
- (f) 2011 compared with 2010 was lower due to lower impairment charges of sulfur dioxide emission allowances. 2010 compared with 2009 was lower primarily due to lower impairment charges of sulfur dioxide emission allowances.
- (g) Represents the charge related to the February 2009, announcement of workforce reductions that resulted in the elimination of certain management and staff positions.

### Depreciation

Depreciation increased by \$8 million in 2011 compared with 2010, primarily due to PP&E additions. Depreciation increased by \$40 million in 2010 compared with 2009. Of the \$40 million increase, \$21 million was primarily due to the completion of environmental projects at Brunner Island in 2009 and 2010.

### Taxes, Other Than Income

Taxes, other than income increased by \$25 million in 2011 compared with 2010 primarily due to \$16 million of higher Pennsylvania gross receipts tax expense as a result of an increase in retail electricity sales by PPL EnergyPlus. This tax is included in "Unregulated Gross Energy Margins." The increase also includes \$8 million of higher Pennsylvania capital stock tax due in part to the expiration of the Keystone Opportunity Zone credit in 2010 and an agreed to change in a capital stock tax filing position with the state.

Taxes, other than income increased by \$17 million in 2010 compared with 2009, primarily due to an increase in retail electricity sales by PPL EnergyPlus.

### Other Income (Expense) - net

The \$22 million decrease in other income (expense) - net in 2010 compared with 2009 was primarily attributable to PPL Energy Supply's \$25 million gain on tender offers to purchase up to \$250 million aggregate principal amount of certain of its outstanding senior notes including net gains on related cash flow hedges that were reclassified from AOCI into earnings in 2009.

### Other-Than-Temporary Impairments

Other-than-temporary impairments decreased by \$15 million in 2010 compared with 2009, primarily due to stronger returns on NDT investments caused by market fluctuations within the financial markets.

### Interest Income from Affiliates

Interest income from affiliates increased by \$7 million in 2010 compared with 2009, primarily due to loans to LKE subsidiaries, which have been fully repaid as of December 31, 2010.

### Interest Expense

The changes in interest expense were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Capitalized interest	\$ (16)	\$ 12
Net amortization of debt discounts, premiums and issuance costs	(3)	12
Montana hydroelectric litigation (a)	(20)	10
Short-term debt interest expense	7	
Other	(2)	(2)
Total	<u>\$ (34)</u>	<u>\$ 32</u>

- (a) In March 2010, the Montana Supreme Court substantially affirmed a June 2008 Montana District Court decision regarding lease payments for the use of certain Montana streambeds. As a result, in the first quarter of 2010, PPL Montana recorded \$7 million of interest expense on rental compensation covered by the court decision. In August 2010, PPL Montana filed a petition for a writ of certiorari with the U.S. Supreme Court requesting the Court's review of this matter. In June 2011, the U.S. Supreme Court granted PPL Montana's petition. Oral argument was held in December 2011. PPL Montana continued to accrue interest expense on the rental compensation covered by the court decision. In February 2012, the U.S. Supreme Court overturned the Montana Supreme Court decision and remanded the case to the Montana Supreme Court for further proceedings consistent with the U.S. Supreme Court's opinion. As a result, PPL Montana reversed its total loss accrual of \$89 million, which had been recorded prior to the U.S. Supreme Court decision, of which \$14 million was credited to "Interest Expense" on the Statement of Income.

## Income Taxes

The changes in income taxes were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Higher (lower) pre-tax book income	\$ 134	\$ 356
State valuation allowance adjustments (a)	74	(52)
State deferred tax rate change (b)	(26)	
Federal income tax credits	(2)	(10)
Domestic manufacturing deduction (c) (d)	11	(8)
Federal and state tax reserve adjustments	13	(8)
Federal and state tax return adjustments (d)	(16)	(29)
Health Care Reform (e)	(5)	5
Other	1	4
	<u>\$ 184</u>	<u>\$ 258</u>

- (a) During 2011, the Pennsylvania Department of Revenue issued interpretive guidance on the treatment of bonus depreciation for Pennsylvania income tax purposes. In accordance with Corporation Tax Bulletin 2011-01, Pennsylvania allows 100% bonus depreciation for qualifying assets in the same year bonus depreciation is allowed for Federal income tax purposes. Due to the decrease in taxable income related to bonus depreciation and a decrease in projected future taxable income, PPL Energy Supply recorded \$22 million in state deferred income tax expense related to deferred tax valuation allowances during 2011.

Pennsylvania H.B. 1531, enacted in October 2009, increased the net operating loss limitation to 20% of taxable income for tax years beginning in 2010. Based on the projected revenue increase related to the expiration of the generation rate caps, PPL Energy Supply recorded a \$52 million state deferred income tax benefit related to the reversal of deferred tax valuation allowances over the remaining carry forward period of the net operating losses during 2010.

- (b) During 2011, PPL Energy Supply completed the sale of certain non-core generating assets (see Note 9 to the Financial Statements for additional information). Due to changes in state apportionment resulting in the reduction in the future estimated state tax rate, PPL Energy Supply recorded a deferred tax benefit related to its December 31, 2011 state deferred tax liabilities.
- (c) During 2010, PPL Energy Supply recorded an increase in tax benefits related to domestic manufacturing deductions due to an increase in domestic taxable income resulting from the expiration of Pennsylvania generation rate caps in 2010. In December 2010, Congress enacted legislation allowing for 100% bonus depreciation on qualified property. The increased tax depreciation deduction related to bonus depreciation significantly reduced the tax benefits related to domestic manufacturing deductions during 2010 and eliminated the tax benefit in 2011.
- (d) During 2011, PPL recorded \$22 million in federal and state tax benefits related to the filing of the 2010 federal and state income tax returns. Of that amount, \$7 million in tax benefits relate to an additional domestic manufacturing deduction resulting from revised bonus depreciation amounts.

During 2009, PPL Energy Supply received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL Energy Supply deducted the resulting IRC Sec. 481 adjustment on its 2008 federal income tax return and recorded a \$21 million adjustment to federal and state income tax expense resulting from the reduction in federal income tax benefits related to the domestic manufacturing deduction and certain state tax benefits related to state net operating losses.

- (e) Beginning in 2013, provisions within Health Care Reform eliminated the tax deductibility of retiree health care costs to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D Coverage. As a result, PPL Energy Supply recorded deferred income tax expense during 2010.

See Note 5 to the Financial Statements for additional information on income taxes.

## Discontinued Operations

Income (Loss) from Discontinued Operations (net of income taxes) decreased by \$240 million in 2011 compared with 2010 and by \$21 million in 2010 compared with 2009. The decrease in 2011 compared with 2010 was primarily due to the presentation of PPL Global as Discontinued Operations as a result of the January 2011 distribution by PPL Energy Supply of its membership interest in PPL Global to its parent, PPL Energy Funding. In 2011, the results of PPL Global are no longer consolidated within PPL Energy Supply. The decrease in 2010 compared with 2009 was primarily attributable to after-tax impairment charges recorded in 2010 totaling \$62 million related to assets associated with certain non-core generation facilities, which were sold in 2011, that were written down to their estimated fair value (less cost to sell). The impacts of these charges were offset by the net results of certain other discontinued operations. See Note 9 to the Financial Statements for additional information.

### Financial Condition

#### Liquidity and Capital Resources

PPL Energy Supply expects to continue to have adequate liquidity available through operating cash flows, cash and cash equivalents and its credit facilities.

PPL Energy Supply's cash flows from operations and access to cost-effective bank and capital markets are subject to risks and uncertainties including, but not limited to:

- changes in electricity, fuel and other commodity prices;
- operational and credit risks associated with selling and marketing products in the wholesale power markets;
- potential ineffectiveness of the trading, marketing and risk management policy and programs used to mitigate PPL Energy Supply's risk exposure to adverse changes in electricity and fuel prices, interest rates and counterparty credit;
- reliance on transmission and distribution facilities that PPL Energy Supply does not own or control to deliver its electricity and natural gas;
- unavailability of generating units (due to unscheduled or longer-than-anticipated generation outages, weather and natural disasters) and the resulting loss of revenues and additional costs of replacement electricity;
- costs of compliance with existing and new environmental laws and with new security and safety requirements for nuclear facilities;
- any adverse outcome of legal proceedings and investigations with respect to PPL Energy Supply's current and past business activities;
- deterioration in the financial markets that could make obtaining new sources of bank and capital markets funding more difficult and more costly; and
- a downgrade in PPL Energy Supply's or its rated subsidiaries' credit ratings that could adversely affect their ability to access capital and increase the cost of credit facilities and any new debt.

See "Item 1A. Risk Factors" for further discussion of risks and uncertainties affecting PPL Energy Supply's cash flows.

At December 31, PPL Energy Supply had the following:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Cash and cash equivalents	\$ 379	\$ 661	\$ 245
Short-term debt	\$ 400	\$ 531	\$ 639

The changes in PPL Energy Supply's cash and cash equivalents position resulted from:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net cash provided by operating activities	\$ 776	\$ 1,840	\$ 1,413
Net cash provided by (used in) investing activities	(668)	(825)	(551)
Net cash provided by (used in) financing activities	(390)	(612)	(1,081)
Effect of exchange rates on cash and cash equivalents	13	13	13
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (282)	\$ 416	\$ (219)

#### Operating Activities

Net cash provided by operating activities decreased by 58%, or \$1.1 billion, in 2011 compared with 2010. This was primarily due to lower gross energy margins of \$240 million, after-tax, proceeds from monetizing certain full-requirements sales contracts in 2010 of \$249 million, a reduction in cash from counter party collateral of \$172 million, increases in other operating outflows of \$200 million (including higher operation and maintenance expenses and defined benefits funding of \$123 million) and the loss of operating cash from PPL Global (\$203 million for 2010). In January 2011, PPL Energy Supply distributed its membership interest in PPL Global to its parent, PPL Energy Funding. See Note 9 to the Financial Statements for additional information on the distribution.

Net cash provided by operating activities increased by 30%, or \$427 million, in 2010 compared with 2009. The expiration of the long-term power purchase agreements between PPL Electric and PPL EnergyPlus at the end of 2009 enabled PPL EnergyPlus to sell power at higher market prices and had a positive impact on net income, and specifically on "unregulated gross energy margins" which increased over \$600 million, after-tax, in 2010 compared with 2009, and therefore, was the primary driver to the above increase. The positive impact of additional earnings was partially offset by a reduction in the amount of counterparty collateral received and by additional defined benefit plan contributions. In addition, changes in working capital in 2010 compared with 2009 offset the \$300 million impact of cash collateral received from PPL Electric in 2009 as discussed below.

A significant portion of PPL Energy Supply's operating cash flows is derived from its baseload generation business activities. PPL Energy Supply employs a formal hedging program for its competitive baseload generation fleet, the primary objective of which is to provide a reasonable level of near-term cash flow and earnings certainty while preserving upside potential of power price increases over the medium term. See Note 19 to the Financial Statements for further discussion. Despite PPL Energy Supply's hedging practices, future cash flows from operating activities are influenced by commodity prices and therefore, will fluctuate from period to period.

PPL Energy Supply's contracts for the sale and purchase of electricity and fuel often require cash collateral or other credit enhancements, or reductions or terminations of a portion of the entire contract through cash settlement, in the event of a downgrade of PPL Energy Supply's or its subsidiary's credit ratings or adverse changes in market prices. For example, in addition to limiting its trading ability, if PPL Energy Supply's or its subsidiary's ratings were lowered to below "investment grade" and there was a 10% adverse movement in energy prices, PPL Energy Supply estimates that, based on its December 31, 2011 positions, it would have had to post additional collateral of approximately \$351 million with respect to electricity and fuel contracts. PPL Energy Supply has in place risk management programs that are designed to monitor and manage its exposure to volatility of cash flows related to changes in energy and fuel prices, interest rates, foreign currency exchange rates, counterparty credit quality and the operating performance of its generating units.

### Investing Activities

The primary use of cash in investing activities is capital expenditures. See "Forecasted Uses of Cash" for detail regarding projected capital expenditures for the years 2012 through 2016.

Net cash used in investing activities decreased \$157 million in 2011 compared with 2010, primarily as a result of a decrease of \$348 million in capital expenditures and a \$219 million increase in the proceeds received from the sale of businesses, which are discussed in Note 9 to the Financial Statements. The decrease in cash used in investing activities from the above items was partially offset by an increase of \$198 million related to notes receivable from affiliates and \$212 million from changes in restricted cash and cash equivalents.

Net cash used in investing activities increased \$274 million in 2010 compared with 2009, primarily as a result of a decrease of \$154 million from proceeds from the sale of other investments, a change of \$135 million from restricted cash and cash equivalents, and an increase of \$102 million in capital expenditures. The increase in cash used in investing activities from the above items was partially offset by \$81 million in proceeds received from the sale of businesses, which are discussed in Note 9 to the Financial Statements, and a change of \$28 million in other investing activities.

In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding. See Note 9 to the Financial Statements for additional information. Excluding PPL Global, PPL Energy Supply's net cash used in investing activities was \$544 million and \$308 million for 2010 and 2009.



Financing Activities

Net cash used in financing activities was \$390 million in 2011 compared with \$612 million in 2010 and \$1.1 billion in 2009. The decrease from 2010 to 2011 primarily reflects lower net distributions to Member, partially offset by lower net issuances of long-term debt and the distribution of cash included in the net assets of PPL Global to PPL Energy Funding. The change from 2009 to 2010 primarily reflects more long-term debt issuances, increased contributions from and distributions to Member, and less short-term borrowings in 2010.

In 2011, cash used in financing activities primarily consisted of a \$325 million distribution of cash included in the net assets of PPL Global to PPL Energy Funding, \$316 million in distributions to Member, and net debt retirements of \$200 million, partially offset by \$461 million in contributions from Member.

In 2010, cash used in financing activities primarily consisted of \$4.7 billion in distributions to Member, partially offset by \$3.6 billion in contributions from Member and net debt issuances of \$509 million. The distributions to and contributions from Member during 2010 primarily relate to the funds received by PPL in June 2010 from the issuance of common stock and 2010 Equity Units. These funds were invested by a subsidiary of PPL Energy Supply until they were returned to its Member in October 2010 to be available to partially fund PPL's acquisition of LKE and pay certain acquisition-related fees and expenses.

In 2009, cash used in financing activities primarily consisted of \$943 million in distributions to Member and net debt retirements of \$177 million, partially offset by \$50 million in contributions from Member.

See "Forecasted Sources of Cash" for a discussion of PPL Energy Supply's plans to issue debt securities, as well as a discussion of credit facility capacity available to PPL Energy Supply. Also see "Forecasted Uses of Cash" for information regarding maturities of PPL Energy Supply's long-term debt.

PPL Energy Supply's debt financing activity in 2011 was:

	<u>Issuances (a)</u>	<u>Retirements</u>
PPL Energy Supply Senior Unsecured Notes	\$ 500	\$ (750)
PPL Energy Supply short-term debt, net increase	50	
Total	<u>\$ 550</u>	<u>\$ (750)</u>
Net decrease	<u>\$ (200)</u>	

(a) Issuances are net of pricing discounts, where applicable and exclude the impact of debt issuance costs.

See Note 7 to the Financial Statements for more detailed information regarding PPL Energy Supply's financing activities in 2011.

Forecasted Sources of Cash

PPL Energy Supply expects to continue to have sufficient sources of cash available in the near term, including various credit facilities, operating leases and contributions from Member.

*Credit Facilities*

At December 31, 2011, PPL Energy Supply's total committed borrowing capacity under credit facilities and the use of this borrowing capacity were:

<u>Committed Capacity</u>	<u>Borrowed</u>	<u>Letters of Credit Issued and Commercial Paper Backup</u>	<u>Unused Capacity</u>
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Syndicated Credit Facility (a)	\$ 3,000	\$	\$ 541	\$ 2,459
Letter of Credit Facility	200	n/a	89	111
Total PPL Energy Supply Credit Facilities (b)	<u>\$ 3,200</u>	<u>\$</u>	<u>\$ 630</u>	<u>\$ 2,570</u>

- (a) In October 2011, PPL Energy Supply amended its Syndicated Credit Facility. The amendment included extending the expiration date from December 2014 to October 2016. Under this facility, PPL Energy Supply continues to have the ability to make cash borrowings and to request the lenders to issue letters of credit. This facility contains a financial covenant requiring PPL Energy Supply's debt to total capitalization not to exceed 65%, as calculated in accordance with the facility, and other customary covenants.
- (b) In March 2011, PPL Energy Supply's \$300 million Structured Credit Facility expired. PPL Energy Supply's obligations under this facility were supported by a \$300 million letter of credit issued on PPL Energy Supply's behalf under a separate, but related \$300 million 5-year credit agreement, which also expired in March 2011.

The commitments under PPL Energy Supply's credit facilities are provided by a diverse bank group, with no one bank and its affiliates providing an aggregate commitment of more than 11% of the total committed capacity.

In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global to its parent, PPL Energy Funding. See Note 9 to the Financial Statements for additional information.

In addition to the financial covenants noted above, the credit agreements governing the above credit facilities contain various other covenants. Failure to comply with the covenants after applicable grace periods could result in acceleration of repayment of borrowings and/or termination of the agreements. PPL Energy Supply monitors compliance with the covenants on a regular basis. At December 31, 2011, PPL Energy Supply was in compliance with these covenants. At this time, PPL Energy Supply believes that these covenants and other borrowing conditions will not limit access to these funding sources.

See Note 7 to the Financial Statements for further discussion of PPL Energy Supply's credit facilities.

#### *Commercial Paper*

In October 2011, PPL Energy Supply re-activated its \$500 million commercial paper program to provide an additional financing source to fund its short-term liquidity needs, if and when necessary. Commercial paper issuances are supported by PPL Energy Supply's Syndicated Credit Facility. At December 31, 2011, PPL Energy Supply had \$400 million of commercial paper outstanding at a weighted-average interest rate of approximately 0.53%.

#### *Operating Leases*

PPL Energy Supply and its subsidiaries also have available funding sources that are provided through operating leases. PPL Energy Supply's subsidiaries lease office space, land, buildings and certain equipment. These leasing structures provide PPL Energy Supply additional operating and financing flexibility. The operating leases contain covenants that are typical for these agreements, such as maintaining insurance, maintaining corporate existence and timely payment of rent and other fees.

PPL Energy Supply, through its subsidiary PPL Montana, leases a 50% interest in Colstrip Units 1 and 2 and a 30% interest in Unit 3, under four 36-year, non-cancelable operating leases. These operating leases are not recorded on PPL Energy Supply's Balance Sheets. The leases place certain restrictions on PPL Montana's ability to incur additional debt, sell assets and declare dividends. At this time, PPL Energy Supply believes that these restrictions will not limit access to these funding sources or cause acceleration or termination of the leases.

See Note 11 to the Financial Statements for further discussion of the operating leases.

#### *Long-term Debt Securities and Contributions from Member*

PPL Energy Supply does not currently plan to issue long-term debt securities in 2012.

From time to time, PPL Energy Supply's Member, PPL Energy Funding, makes capital contributions to PPL Energy Supply. PPL Energy Supply uses these contributions for general corporate purposes.

#### Forecasted Uses of Cash

In addition to expenditures required for normal operating activities, such as purchased power, payroll, fuel and taxes, PPL Energy Supply currently expects to incur future cash outflows for capital expenditures, various contractual obligations, distributions to its Member and possibly the purchase or redemption of a portion of its debt securities.

### Capital Expenditures

The table below shows PPL Energy Supply's current capital expenditure projections for the years 2012 through 2016.

	Projected				
	2012	2013	2014	2015	2016
Construction expenditures (a) (b)					
Generating facilities	\$ 528	\$ 357	\$ 262	\$ 234	\$ 285
Environmental	83	90	66	49	30
Other	37	40	36	33	32
Total Construction Expenditures	648	487	364	316	347
Nuclear fuel (c)	160	172	170	173	174
Total Capital Expenditures	<u>\$ 808</u>	<u>\$ 659</u>	<u>\$ 534</u>	<u>\$ 489</u>	<u>\$ 521</u>

(a) Construction expenditures include capitalized interest, which is expected to be approximately \$134 million for the years 2012 through 2016.

(b) Includes expenditures for certain intangible assets.

(c) Nuclear fuel expenditures include capitalized interest, which is expected to be approximately \$25 million for the years 2012 through 2016.

PPL Energy Supply's capital expenditure projections for the years 2012 through 2016 total approximately \$3.0 billion. Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions. This table includes projected costs related to the planned 191 MW of incremental capacity increases. See Note 8 to the Financial Statements for information regarding the significant development projects.

PPL Energy Supply plans to fund its capital expenditures in 2012 with cash on hand and cash from operations.

### Contractual Obligations

PPL Energy Supply has assumed various financial obligations and commitments in the ordinary course of conducting its business. At December 31, 2011, the estimated contractual cash obligations of PPL Energy Supply were:

	Total	2012	2013 - 2014	2015 - 2016	After 2016
Long-term Debt (a)	\$ 3,023		\$ 1,037	\$ 650	\$ 1,336
Interest on Long-term Debt (b)	1,206	\$ 178	300	185	543
Operating Leases (c)	709	104	218	149	238
Purchase Obligations (d)	4,010	1,014	1,217	681	1,098
Other Long-term Liabilities					
Reflected on the Balance Sheet under GAAP (e) (f)	74	74			
Total Contractual Cash Obligations	<u>\$ 9,022</u>	<u>\$ 1,370</u>	<u>\$ 2,772</u>	<u>\$ 1,665</u>	<u>\$ 3,215</u>

(a) Reflects principal maturities only based on stated maturity dates, except for the 5.70% REset Put Securities (REPS). See Note 7 to the Financial Statements for a discussion of the remarketing feature related to the REPS, as well as discussion of variable-rate remarketable bonds. PPL Energy Supply does not have any significant capital lease obligations.

(b) Assumes interest payments through stated maturity, except for the REPS, for which interest is reflected to the put date. The payments herein are subject to change, as payments for debt that is or becomes variable-rate debt have been estimated.

(c) See Note 11 to the Financial Statements for additional information.

(d) The amounts include agreements to purchase goods or services that are enforceable and legally binding and specify all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. Primarily includes PPL Energy Supply's purchase obligations of electricity, coal, nuclear fuel and limestone as well as certain construction expenditures, which are also included in the Capital Expenditures table presented above. Financial swaps and open purchase orders that are provided on demand with no firm commitment are excluded from the amounts presented. In prior years, PPL included certain energy purchase obligations based on forecasted amounts to be purchased. The amounts presented herein are based on actual contract terms.

(e) The amounts represent contributions made or committed to be made for 2012 for PPL's and PPL Energy Supply's U.S. pension plans. See Note 13 to the Financial Statements for a discussion of expected contributions.

(f) At December 31, 2011, total unrecognized tax benefits of \$28 million were excluded from this table as PPL Energy Supply cannot reasonably estimate the amount and period of future payments. See Note 5 to the Financial Statements for additional information.

*Distributions to Member*

From time to time, as determined by its Board of Managers, PPL Energy Supply makes return of capital distributions to its Member. In January 2011, PPL Energy Supply distributed its membership interest in PPL Global to PPL Energy Supply's parent at a book value of approximately \$1.3 billion, which included \$325 million of cash and cash equivalents. See Note 9 to the Financial Statements for additional information.

*Purchase or Redemption of Debt Securities*

PPL Energy Supply will continue to evaluate its outstanding debt securities and may decide to purchase or redeem these securities depending upon prevailing market conditions and available cash.

Rating Agency Decisions

Moody's, S&P and Fitch periodically review the credit ratings on the debt securities of PPL Energy Supply and its subsidiaries. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of PPL Energy Supply and its subsidiaries are based on information provided by PPL Energy Supply and other sources. The ratings of Moody's, S&P and Fitch are not a recommendation to buy, sell or hold any securities of PPL Energy Supply or its subsidiaries. Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities. A downgrade in PPL Energy Supply's or its subsidiaries' credit ratings could result in higher borrowing costs and reduced access to capital markets.

As a result of the passage of the Dodd-Frank Act PPL Energy Supply is limiting its credit rating disclosure to a description of the actions taken by the rating agencies with respect to PPL Energy Supply's ratings, but without stating what ratings have been assigned to PPL Energy Supply or its subsidiaries, or their securities. The ratings assigned by the rating agencies to PPL Energy Supply and its subsidiaries and their respective securities may be found, without charge, on each of the respective ratings agencies' websites, which ratings together with all other information contained on such rating agency websites is, hereby, explicitly not incorporated by reference in this report.

The rating agencies took the following actions related to PPL Energy Supply and its subsidiaries in 2011.

Following the announcement of PPL's then-pending acquisition of WPD Midlands in March 2011, the rating agencies took the following actions:

- Moody's affirmed its ratings for PPL Energy Supply;
- S&P revised the outlook and lowered the issuer and senior unsecured ratings of PPL Energy Supply; and
- Fitch affirmed its ratings for PPL Energy Supply.

In April 2011, following the completion of PPL's acquisition of WPD Midlands, S&P revised the outlook and affirmed its ratings for PPL Energy Supply.

In May 2011, Fitch affirmed its rating and maintained its outlook for PPL Montana's Pass Through Certificates due 2020.

In September 2011, Moody's affirmed its senior unsecured debt rating and outlook for PPL Energy Supply.

Also in September 2011, S&P assigned a short-term rating to PPL Energy Supply's commercial paper program.

In October 2011, Moody's and Fitch also assigned a short-term rating to PPL Energy Supply's commercial paper program in support of PPL Energy Supply's re-opening of the program.

In November 2011, Fitch affirmed its rating and revised its outlook to negative from stable for PPL Montana's Pass Through Certificates due 2020.

In December 2011, Fitch affirmed the Issuer Default Ratings and individual security ratings of PPL Energy Supply.

In January 2012, S&P affirmed its rating and revised its outlook to stable from positive for PPL Montana's Pass Through Certificates due 2020.

### Ratings Triggers

PPL Energy Supply has various derivative and non-derivative contracts, including contracts for the sale and purchase of electricity and fuel, commodity transportation and storage, tolling agreements and interest rate instruments, which contain provisions requiring PPL Energy Supply to post additional collateral, or permit the counterparty to terminate the contract, if PPL Energy Supply's credit rating were to fall below investment grade. See Note 19 to the Financial Statements for a discussion of "Credit Risk-Related Contingent Features," including a discussion of the potential additional collateral that would have been required for derivative contracts in a net liability position at December 31, 2011. At December 31, 2011, if PPL Energy Supply's credit rating had been below investment grade, PPL Energy Supply would have been required to prepay or post an additional \$391 million of collateral to counterparties for both derivative and non-derivative commodity and commodity-related contracts used in its generation, marketing and trading operations and interest rate contracts.

### Guarantees for Subsidiaries

PPL Energy Supply guarantees certain consolidated affiliate financing arrangements that enable certain transactions. Some of the guarantees contain financial and other covenants that, if not met, would limit or restrict the consolidated affiliates' access to funds under these financing arrangements, require early maturity of such arrangements or limit the consolidated affiliates' ability to enter into certain transactions. At this time, PPL Energy Supply believes that these covenants will not limit access to relevant funding sources. See Note 15 to the Financial Statements for additional information about guarantees.

### **Off-Balance Sheet Arrangements**

PPL Energy Supply has entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 15 to the Financial Statements for a discussion of these agreements.

### **Risk Management - Energy Marketing & Trading and Other**

#### Market Risk

See Notes 1, 18, and 19 to the Financial Statements for information about PPL Energy Supply's risk management objectives, valuation techniques and accounting designations.

The forward-looking information presented below provides estimates of what may occur in the future, assuming certain adverse market conditions and model assumptions. Actual future results may differ materially from those presented. These disclosures are not precise indicators of expected future losses, but only indicators of possible losses at a given confidence level.

#### *Commodity Price Risk (Non-trading)*

PPL Energy Supply segregates its non-trading activities into two categories: hedge activity and economic activity. Transactions that are accounted for as hedge activity qualify for hedge accounting treatment. The economic activity category includes transactions that address a specific risk, but were not eligible for hedge accounting or for which hedge accounting was not elected. This activity includes the changes in fair value of positions used to hedge a portion of the economic value of PPL Energy Supply's competitive generation assets and full-requirement sales and retail contracts. This economic activity is subject to changes in fair value due to market price volatility of the input and output commodities (e.g., fuel and power). Although they do not receive hedge accounting treatment, these transactions are

considered non-trading activity. The fair value of economic positions at December 31, 2011 and 2010 was a net liability of \$63 million and \$389 million. See Note 19 to the Financial Statements for additional information on hedge and economic activity.

To hedge the impact of market price volatility on PPL Energy Supply's energy-related assets, liabilities and other contractual arrangements, PPL Energy Supply both sells and purchases physical energy at the wholesale level under FERC market-based tariffs throughout the U.S. and enters into financial exchange-traded and over-the-counter contracts. PPL Energy Supply's non-trading commodity derivative contracts mature at various times through 2019.

The following table sets forth the changes in net fair value of PPL Energy Supply's non-trading commodity derivative contracts. See Notes 18 and 19 to the Financial Statements for additional information.

	Gains (Losses)	
	2011	2010
Fair value of contracts outstanding at the beginning of the period	\$ 958	\$ 1,280
Contracts realized or otherwise settled during the period	(523)	(490)
Fair value of new contracts entered into during the period (a)	13	(5)
Changes in fair value attributable to changes in valuation techniques (b)		(23)
Other changes in fair value	634	196
Fair value of contracts outstanding at the end of the period	<u>\$ 1,082</u>	<u>\$ 958</u>

(a) Represents the fair value of contracts at the end of the quarter of their inception.

(b) In June 2010, PPL Energy Supply received market bids for certain full-requirement sales contracts that were monetized in early July. See Note 19 to the Financial Statements for additional information. At June 30, 2010, these contracts were valued based on the bids received (the market approach). In prior periods, the fair value of these contracts was measured using the income approach.

The following table segregates the net fair value of PPL Energy Supply's non-trading commodity derivative contracts at December 31, 2011, based on whether the fair value was determined by prices quoted in active markets for identical instruments or other more subjective means.

Source of Fair Value	Net Asset (Liability)				
	Maturity Less Than 1 Year	Maturity 1-3 Years	Maturity 4-5 Years	Maturity in Excess of 5 Years	Total Fair Value
Prices quoted in active markets for identical instruments	\$ 1				\$ 1
Prices based on significant other observable inputs	713	\$ 342	\$ (1)	\$ 15	1,069
Prices based on significant unobservable inputs	13	(3)	2		12
Fair value of contracts outstanding at the end of the period	<u>\$ 727</u>	<u>\$ 339</u>	<u>\$ 1</u>	<u>\$ 15</u>	<u>\$ 1,082</u>

PPL Energy Supply sells electricity, capacity and related services and buys fuel on a forward basis to hedge the value of energy from its generation assets. If PPL Energy Supply were unable to deliver firm capacity and energy or to accept the delivery of fuel under its agreements, under certain circumstances it could be required to pay liquidating damages. These damages would be based on the difference between the market price and the contract price of the commodity.

Depending on price changes in the wholesale energy markets, such damages could be significant. Extreme weather conditions, unplanned power plant outages, transmission disruptions, nonperformance by counterparties with which it has energy contracts and other factors could affect PPL Energy Supply's ability to meet its obligations, or cause significant increases in the market price of replacement energy. Although PPL Energy Supply attempts to mitigate these risks, there can be no assurance that it will be able to fully meet its firm obligations, that it will not be required to pay damages for failure to perform, or that it will not experience counterparty nonperformance in the future.

#### *Commodity Price Risk (Trading)*

PPL Energy Supply's trading commodity derivative contracts mature at various times through 2015. The following table sets forth changes in the net fair value of PPL Energy Supply's trading commodity derivative contracts. See Notes 18 and 19 to the Financial Statements for additional information.

Gains (Losses)	
2011	2010

Fair value of contracts outstanding at the beginning of the period	\$	4	\$	(6)
Contracts realized or otherwise settled during the period		(14)		(12)
Fair value of new contracts entered into during the period (a)		10		39
Other changes in fair value		(4)		(17)
Fair value of contracts outstanding at the end of the period	\$	(4)	\$	4

(a) Represents the fair value of contracts at the end of the quarter of their inception.

Unrealized losses of approximately \$2 million will be reversed over the next three months as the transactions are realized.

The following table segregates the net fair value of PPL Energy Supply's trading commodity derivative contracts at December 31, 2011, based on whether the fair value was determined by prices quoted in active markets for identical instruments or other more subjective means.

Source of Fair Value	Net Asset (Liability)				Total Fair Value	
	Maturity Less Than 1 Year	Maturity 1-3 Years	Maturity 4-5 Years	Maturity in Excess of 5 Years		
Prices quoted in active markets for identical instruments	\$	1			\$	1
Prices based on significant other observable inputs		(18)	\$	11	\$	1
Prices based on significant unobservable inputs		1				1
Fair value of contracts outstanding at the end of the period	\$	(16)	\$	11	\$	(4)

#### *VaR Models*

PPL Energy Supply utilizes a VaR model to measure commodity price risk in unregulated gross energy margins for its non-trading and trading portfolios. VaR is a statistical model that attempts to estimate the value of potential loss over a given holding period under normal market conditions at a given confidence level. PPL Energy Supply calculates VaR using a Monte Carlo simulation technique based on a five-day holding period at a 95% confidence level. Given the company's conservative hedging program, PPL's non-trading VaR exposure is expected to be limited in the short term. At December 31, 2011 and December 31, 2010, the VaR for PPL Energy Supply's portfolios using end-of-month results for the period was as follows.

95% Confidence Level, Five-Day Holding Period	Trading VaR		Non-Trading VaR					
	2011	2010	2011	2010				
Period End	\$	1	\$	1	\$	6	\$	5
Average for the Period		3		4		5		7
High		6		9		7		12
Low		1		1		4		4

The trading portfolio includes all speculative positions, regardless of the delivery period. All positions not considered speculative are considered non-trading. PPL Energy Supply's non-trading portfolio includes PPL Energy Supply's entire portfolio, including generation, with delivery periods through the next 12 months. Both the trading and non-trading VaR computations exclude FTRs due to the absence of reliable spot and forward markets. The fair value of the non-trading and trading FTR positions was insignificant at December 31, 2011.

#### *Interest Rate Risk*

PPL Energy Supply and its subsidiaries have issued debt to finance their operations, which exposes them to interest rate risk. PPL and PPL Energy Supply utilize various financial derivative instruments to adjust the mix of fixed and floating interest rates in PPL Energy Supply's debt portfolio, adjust the duration of its debt portfolio and lock in benchmark interest rates in anticipation of future financing, when appropriate. Risk limits under the risk management program are designed to balance risk exposure to volatility in interest expense and changes in the fair value of PPL Energy Supply's debt portfolio due to changes in the absolute level of interest rates.

At December 31, 2011 and 2010, PPL Energy Supply's potential annual exposure to increased interest expense, based on a 10% increase in interest rates, was not significant.

PPL Energy Supply is also exposed to changes in the fair value of its debt portfolio. PPL Energy Supply estimated that a 10% decrease in interest rates at December 31, 2011 would increase the fair value of its debt portfolio by \$53 million, compared with \$198 million at December 31, 2010.

PPL Energy Supply had the following interest rate hedges outstanding at:

	December 31, 2011			December 31, 2010		
	Exposure Hedged	Fair Value, Net - Asset (a)	Effect of a 10% Adverse Movement in Rates (b)	Exposure Hedged	Fair Value, Net - Asset (a)	Effect of a 10% Adverse Movement in Rates (b)
Cash flow hedges						
Interest rate swaps (c)						
Cross-currency swaps (d)				\$ 302	\$ 35	\$ (18)
Fair value hedges						
Interest rate swaps (e)						

- (a) Includes accrued interest, if applicable.
- (b) Effects of adverse movements decrease assets or increase liabilities, as applicable, which could result in an asset becoming a liability.
- (c) PPL and PPL Energy Supply utilize various risk management instruments to reduce PPL Energy Supply's exposure to the expected future cash flow variability of PPL Energy Supply's debt instruments. These risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financing. While PPL Energy Supply is exposed to changes in the fair value of these instruments, any changes in the fair value of such cash flow hedges are recorded in equity. The changes in fair value of these instruments are then reclassified into earnings in the same period during which the item being hedged affects earnings. Sensitivities represent a 10% adverse movement in interest rates.
- (d) Represents cross-currency swaps used by PPL WW to hedge the interest payments and principal of its U.S. dollar-denominated senior notes with maturity dates ranging from December 2017 to December 2028. In 2010, these swaps were part of PPL Energy Supply's business. As a result of the distribution of PPL Energy Supply's membership interest in PPL Global to PPL Energy Funding, effective January 2011, these swaps are no longer part of PPL Energy Supply's business. While PPL Energy Supply was exposed to changes in the fair value of these instruments, any change in the fair value of these instruments was recorded in equity and reclassified into earnings in the same period during which the item being hedged affected earnings. Sensitivity represents a 10% adverse movement in both interest rates and foreign currency exchange rates.
- (e) PPL and PPL Energy Supply utilize various risk management instruments to adjust the mix of fixed and floating interest rates in PPL Energy Supply's debt portfolio. The change in fair value of these instruments, as well as the offsetting change in the value of the hedged exposure of the debt, is reflected in earnings. Sensitivities represent a 10% adverse movement in interest rates.

#### Foreign Currency Risk

PPL and PPL Energy Supply have adopted a foreign currency risk management program designed to hedge certain foreign currency exposures, including firm commitments, recognized assets or liabilities, anticipated transactions and net investments, as well as to protect against foreign currency translation risk of expected earnings.

Prior to 2011, PPL Energy Supply's exposure to foreign currency risk was through its investments in U.K. affiliates. In addition, PPL Energy Supply's domestic operations may make purchases of equipment in currencies other than U.S. dollars. See Note 1 to the Financial Statements for additional information regarding foreign currency translation.

PPL and PPL Energy Supply previously entered into contracts to protect the value of a portion of PPL Energy Supply's net investment in WPD and to economically hedge anticipated earnings denominated in GBP. In 2010, these contracts were included in PPL Energy Supply's business. As a result of the distribution of PPL Energy Supply's membership interest in PPL Global to PPL Energy Funding, effective January 2011, these contracts are no longer included in PPL Energy Supply's business.

At December 31, 2011, PPL Energy Supply did not have any foreign currency hedges outstanding. At December 31, 2010, PPL Energy Supply had the following foreign currency hedges outstanding:



	<u>Exposure Hedged</u>	<u>Fair Value, Net - Asset (Liability)</u>	<u>Effect of a 10% Adverse Movement in Foreign Currency Exchange Rates (a)</u>
Net investment hedges (b)	£ 35	\$ 7	\$ (5)
Economic hedges (c)	89	4	(10)

(a) Effects of adverse movements decrease assets or increase liabilities, as applicable, which could result in an asset becoming a liability.

(b) To protect the value of a portion of PPL Energy Supply's net investment in WPD, PPL executed forward contracts to sell GBP.

(c) To economically hedge the translation of expected income denominated in GBP to U.S. dollars, PPL entered into a combination of average rate forwards and average rate options to sell GBP.

#### *NDT Funds - Securities Price Risk*

In connection with certain NRC requirements, PPL Susquehanna maintains trust funds to fund certain costs of decommissioning the Susquehanna nuclear plant. At December 31, 2011, these funds were invested primarily in domestic equity securities and fixed-rate, fixed-income securities and are reflected at fair value on PPL Energy Supply's Balance Sheet. The mix of securities is designed to provide returns sufficient to fund Susquehanna's decommissioning and to compensate for inflationary increases in decommissioning costs. However, the equity securities included in the trusts are exposed to price fluctuation in equity markets, and the values of fixed-rate, fixed-income securities are exposed to changes in interest rates. PPL actively monitors the investment performance and periodically reviews asset allocation in accordance with its nuclear decommissioning trust policy statement. At December 31, 2011, a hypothetical 10% increase in interest rates and a 10% decrease in equity prices would have resulted in an estimated \$43 million reduction in the fair value of the trust assets, compared with \$45 million at December 31, 2010. See Notes 18 and 23 to the Financial Statements for additional information regarding the NDT funds.

#### *Defined Benefit Plans - Securities Price Risk*

See "Application of Critical Accounting Policies - Defined Benefits" for additional information regarding the effect of securities price risk on plan assets.

#### Credit Risk

Credit risk is the risk that PPL Energy Supply would incur a loss as a result of nonperformance by counterparties of their contractual obligations. PPL Energy Supply maintains credit policies and procedures with respect to counterparty credit (including requirements that counterparties maintain specified credit ratings) and requires other assurances in the form of credit support or collateral in certain circumstances in order to limit counterparty credit risk. However, PPL Energy Supply has concentrations of suppliers and customers among electric utilities, financial institutions and other energy marketing and trading companies. These concentrations may impact PPL Energy Supply's overall exposure to credit risk, positively or negatively, as counterparties may be similarly affected by changes in economic, regulatory or other conditions.

PPL Energy Supply includes the effect of credit risk on its fair value measurements to reflect the probability that a counterparty will default when contracts are out of the money (from the counterparty's standpoint). In this case, PPL Energy Supply would have to sell into a lower-priced market or purchase from a higher-priced market. When necessary, PPL Energy Supply records an allowance for doubtful accounts to reflect the probability that a counterparty will not pay for deliveries PPL Energy Supply has made but not yet billed, which are reflected in "Unbilled revenues" on the Balance Sheets. PPL Energy Supply also has established a reserve with respect to certain receivables from SMGT, which is reflected in accounts receivable on the Balance Sheets. See Note 15 to the Financial Statements for additional information.

See "Overview" in this Item 7 and Notes 16, 18 and 19 to the Financial Statements for additional information on credit concentration and credit risk.

#### **Foreign Currency Translation**

As noted previously, in January 2011, PPL Energy Supply distributed its interest in PPL Global to its parent, PPL Energy Funding. As a result, PPL Energy Supply no longer consolidates any foreign subsidiaries and has no foreign

currency translation component within AOCI. The value of the British pound sterling fluctuates in relation to the U.S. dollar. In 2010, changes in these exchange rates resulted in a foreign currency translation loss of \$63 million, which primarily reflected a \$180 million reduction to PP&E offset by a reduction of \$117 million to net liabilities. In 2009, changes in these exchange rates resulted in a foreign currency translation gain of \$106 million, which primarily reflected a \$225 million increase in PP&E offset by an increase of \$119 million to net liabilities. The impact of foreign currency translation was recorded in AOCI.

### **Related Party Transactions**

PPL Energy Supply is not aware of any material ownership interests or operating responsibility by senior management of PPL Energy Supply in outside partnerships, including leasing transactions with variable interest entities, or other entities doing business with PPL Energy Supply. See Note 16 to the Financial Statements for additional information on related party transactions.

### **Acquisitions, Development and Divestitures**

PPL Energy Supply continuously evaluates potential acquisitions, divestitures and development projects as opportunities arise or are identified. Development projects are continuously reexamined based on market conditions and other factors to determine whether to proceed with the projects, sell, cancel or expand them, execute tolling agreements or pursue other options.

In 2011, the final phase of the Susquehanna uprate project, a 50 MW Unit 2 uprate, was completed. In addition, incremental capacity increases of 191 MW are currently planned, primarily at existing PPL Energy Supply generating facilities. See "Item 2. Properties - Supply Segment" for additional information.

See Notes 8 and 9 to the Financial Statements for additional information on the more significant activities.

### **Environmental Matters**

Protection of the environment is a priority for PPL Energy Supply and a significant element of its business activities. Extensive federal, state and local environmental laws and regulations are applicable to PPL Energy Supply's air emissions, water discharges and the management of hazardous and solid waste, among other areas; and the cost of compliance or alleged non-compliance cannot be predicted with certainty but could be material. In addition, costs may increase significantly if the requirements or scope of environmental laws or regulations, or similar rules, are expanded or changed from prior versions by the relevant agencies. Costs may take the form of increased capital or operating and maintenance expenses; monetary fines, penalties or forfeitures or other restrictions. Many of these environmental law considerations are also applicable to the operations of key suppliers, or customers, such as coal producers, industrial power users, etc., and may impact the cost for their products or their demand for PPL Energy Supply's services. See "Item 1. Business - Environmental Matters" and Note 15 to the Financial Statements for a discussion of environmental matters.

### **Competition**

See "Competition" under the International Regulated and Supply segments in "Item 1. Business - Segment Information" and "Item 1A. Risk Factors" for a discussion of competitive factors affecting PPL Energy Supply.

### **New Accounting Guidance**

See Notes 1 and 24 to the Financial Statements for a discussion of new accounting guidance adopted and pending adoption.

### **Application of Critical Accounting Policies**

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to the financial condition or results of operations, and require estimates or other judgments of matters inherently uncertain. Changes in

the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in the Financial Statements (these accounting policies are also discussed in Note 1 to the Financial Statements). PPL's senior management has reviewed these critical accounting policies, the following disclosures regarding their application and the estimates and assumptions regarding them, with PPL's Audit Committee.

### 1) Price Risk Management

See "Price Risk Management" in Note 1 to the Financial Statements, as well as "Risk Management - Energy Marketing & Trading and Other" above.

### 2) Defined Benefits

PPL Energy Supply subsidiaries sponsor and participate in various qualified funded and non-qualified unfunded defined benefit pension plans. PPL Energy Supply subsidiaries also sponsor an unfunded other postretirement benefit plan. PPL Energy Supply records the liability and net periodic defined benefit costs of its plans and the allocated portion of those plans sponsored by PPL Services based on participation in those plans. PPL Energy Supply subsidiaries record an asset or liability to recognize the funded status of all defined benefit plans with an offsetting entry to OCI. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets. See Note 13 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

PPL Services and PPL Energy Supply make certain assumptions regarding the valuation of benefit obligations and the performance of plan assets. When accounting for defined benefits, delayed recognition in earnings of differences between actual results and expected or estimated results is a guiding principle. Annual net periodic defined benefit costs are recorded in current earnings based on estimated results. Any differences between actual and estimated results are recorded in OCI. These amounts in AOCI are amortized to income over future periods. The delayed recognition allows for a smoothed recognition of costs over the working lives of the employees who benefit under the plans. The primary assumptions are:

- Discount Rate - The discount rate is used in calculating the present value of benefits, which is based on projections of benefit payments to be made in the future. The objective in selecting the discount rate is to measure the single amount that, if invested at the measurement date in a portfolio of high-quality debt instruments, would provide the necessary future cash flows to pay the accumulated benefits when due.
- Expected Return on Plan Assets - Management projects the long-term rates of return on plan assets based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. These projected returns reduce the net benefit costs PPL records currently.
- Rate of Compensation Increase - Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement.
- Health Care Cost Trend Rate - Management projects the expected increases in the cost of health care.

In selecting a discount rate for their defined benefit plans, PPL Services and PPL Energy Supply start with a cash flow analysis of the expected benefit payment stream for its plans. For 2010, these plan-specific cash flows were matched against a spot-rate yield curve to determine the assumed discount rate. To develop the spot-rate yield curve, the full universe of Aa-rated non-callable (or callable with make-whole provisions) bonds, served as the base from which those with the lowest and highest yields were eliminated to develop an appropriate subset of bonds from which the ultimate yield curve would be built. At that time, Management believed this plan-specific cash flow matching model represented the best available tool for estimating the discount rate. Beginning in 2011, PPL Services and PPL Energy Supply utilized a new tool that enhanced this plan-specific cash flow matching methodology by primarily matching the plan-specific cash flows against the coupons and expected maturity values of individually selected bonds. This bond matching process begins with the same subset of the universe of Aa-rated corporate bonds from which those with the lowest and highest yields were eliminated, similar to the yield curve approach. Individual bonds were then selected based on the timing of each plan's cash flows and parameters were established as to the percentage of each individual bond issue that could be hypothetically purchased and the surplus reinvestment rates to be assumed. This process more accurately approximated the process of settlement of the obligations, which better aligns with the objective of selecting

the discount rate. At December 31, 2011, PPL Services decreased the discount rate for its U.S. pension plans from 5.41% to 5.07% and PPL Energy Supply decreased the discount rate for its pension plan from 5.47% to 5.12%. PPL Services decreased the discount rate for its other postretirement benefit plan from 5.16% to 4.81% and PPL Energy Supply decreased the discount rate for its other postretirement benefit plan from 4.95% to 4.60%.

The expected long-term rates of return for PPL Services and PPL Energy Supply's U.S. defined benefit pension and other postretirement benefit plans have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. PPL management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption. Based on PPL's change to a liability-driven investment strategy, PPL's U.S. defined benefit pension assets have shifted into a greater proportion of fixed-income investments. Based on this change in investment strategy, at December 31, 2011, PPL Services' and PPL Energy Supply's expected return on plan assets decreased from 7.25% to 7.00% for their U.S. pension plans and decreased from 6.45% to 5.70% for PPL Services' other postretirement benefit plan.

In selecting a rate of compensation increase, PPL Energy Supply considers past experience in light of movements in inflation rates. At December 31, 2011, PPL Services and PPL Energy Supply's rate of compensation decreased from 4.75% to 4.00% for their U.S. plans.

In selecting health care cost trend rates, PPL Services and PPL Energy Supply consider past performance and forecasts of health care costs. At December 31, 2011, PPL Services' and PPL Energy Supply's health care cost trend rates were 8.50% for 2012, gradually declining to 5.50% for 2019.

A variance in the assumptions listed above could have a significant impact on accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and OCI. While the charts below reflect either an increase or decrease in each assumption, the inverse of this change would impact the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and OCI by a similar amount in the opposite direction. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption and does not include income tax effects.

At December 31, 2011, the defined benefit plans were recorded as follows.

Pension liabilities	\$	(215)
Other postretirement benefit liabilities		(68)

The following chart reflects the sensitivities in the December 31, 2011 Balance Sheet associated with a change in certain assumptions based on PPL Services' and PPL Energy Supply's primary defined benefit plans.

Actuarial assumption	Change in assumption	Increase (Decrease)	
		Impact on defined benefit liabilities	Impact on OCI
Discount Rate	(0.25)%	\$ 46	\$ (46)
Rate of Compensation Increase	0.25%	8	(8)
Health Care Cost Trend Rate (a)	1.00%	1	(1)

(a) Only impacts other postretirement benefits.

In 2011, PPL Energy Supply was allocated and recognized net periodic defined benefit costs charged to operating expense of \$35 million. This amount represents a \$1 million decrease from 2010.

The following chart reflects the sensitivities in the 2011 Statement of Income (excluding income tax effects) associated with a change in certain assumptions based on PPL's and PPL Energy Supply's primary defined benefit plans.

Actuarial assumption	Change in assumption	Impact on defined benefit costs
Discount Rate	(0.25)%	\$ 4
Expected Return on Plan Assets	(0.25)%	3

Rate of Compensation Increase

0.25%

1

### 3) Asset Impairment

Impairment analyses are performed for long-lived assets that are subject to depreciation or amortization whenever events or changes in circumstances indicate that a long-lived asset's carrying value may not be recoverable. For these long-lived assets classified as held and used, such events or changes in circumstances are:

- a significant decrease in the market price of an asset;
- a significant adverse change in the manner in which an asset is being used or in its physical condition;
- a significant adverse change in legal factors or in the business climate;
- an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of an asset;
- a current period operating or cash flow loss combined with a history of losses or a forecast that demonstrates continuing losses; or
- a current expectation that, more likely than not, an asset will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

For a long-lived asset classified as held and used, an impairment is recognized when the carrying amount of the asset is not recoverable and exceeds its fair value. The carrying amount is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If the asset is impaired, an impairment loss is recorded to adjust the asset's carrying value to its estimated fair value. Management must make significant judgments to estimate future cash flows, including the useful lives of long-lived assets, the fair value of the assets and management's intent to use the assets. Alternate courses of action are considered to recover the carrying value of a long-lived asset, and estimated cash flows from the "most likely" alternative are used to assess impairment whenever one alternative is clearly the most likely outcome. If no alternative is clearly the most likely, then a probability-weighted approach is used taking into consideration estimated cash flows from the alternatives. For assets tested for impairment as of the balance sheet date, the estimates of future cash flows used in that test consider the likelihood of possible outcomes that existed at the balance sheet date, including the assessment of the likelihood of a future sale of the assets. That assessment is not revised based on events that occur after the balance sheet date. Changes in assumptions and estimates could result in significantly different results than those identified and recorded in the financial statements.

For a long-lived asset classified as held for sale, an impairment exists when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If the asset (disposal group) is impaired, an impairment loss is recorded to adjust the carrying amount to its fair value less cost to sell. A gain is recognized for any subsequent increase in fair value less cost to sell, but not in excess of the cumulative impairment previously recognized.

For determining fair value, quoted market prices in active markets are the best evidence. However, when market prices are unavailable, the Registrant considers all valuation techniques appropriate under the circumstances and for which market participant inputs can be obtained. Generally discounted cash flows are used to estimate fair value, which incorporates market participant inputs when available. Discounted cash flows are calculated by estimating future cash flow streams and applying appropriate discount rates to determine the present value of the cash flow streams.

See Note 18 to the Financial Statements for a discussion of impairments related to certain intangible assets in 2011.

Goodwill is tested for impairment at the reporting unit level. PPL Energy Supply's reporting unit has been determined to be at the operating segment level. A goodwill impairment test is performed annually or more frequently if events or changes in circumstances indicate that the carrying value of the reporting unit may be greater than the unit's fair value. Additionally, goodwill is tested for impairment after a portion of goodwill has been allocated to a business to be disposed of.

Goodwill is tested for impairment using a two-step approach. In step one, PPL Energy Supply identifies a potential impairment by comparing the estimated fair value of PPL Energy Supply (the goodwill reporting unit) with its carrying value, including goodwill, on the measurement date. If the estimated fair value exceeds its carrying value, goodwill is not considered impaired. If the carrying value exceeds the estimated fair value, the second step is performed to measure the amount of impairment loss, if any.

The second step requires a calculation of the implied fair value of goodwill, which is determined in the same manner as the amount of goodwill in a business combination. That is, the estimated fair value is allocated to all of PPL Energy Supply's assets and liabilities as if PPL Energy Supply had been acquired in a business combination and the estimated fair value of PPL Energy Supply was the price paid. The excess of the estimated fair value of PPL Energy Supply over the amounts assigned to its assets and liabilities is the implied fair value of goodwill. The implied fair value of PPL Energy Supply's goodwill is then compared with the carrying value of that goodwill. If the carrying value exceeds the implied fair value, an impairment loss is recognized in an amount equal to that excess. The loss recognized cannot exceed the carrying value of PPL Energy Supply's goodwill.

PPL Energy Supply tested goodwill for impairment in the fourth quarter of 2011 and no impairment was recognized. Management used both discounted cash flows and market multiples, which required significant assumptions, to estimate the fair value of PPL Energy Supply. Applying an appropriate weighting to both the discounted cash flow and market multiple valuations, a decrease in the forecasted cash flows of 10%, an increase in the discount rate by 25 basis points, or a 10% decrease in the multiples would not have resulted in an impairment of goodwill.

In 2010 and 2009, \$5 million and \$3 million of goodwill allocated to discontinued operations was written off.

#### 4) Loss Accruals

Losses are accrued for the estimated impacts of various conditions, situations or circumstances involving uncertain or contingent future outcomes. For loss contingencies, the loss must be accrued if (1) information is available that indicates it is probable that a loss has been incurred, given the likelihood of the uncertain future events, and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The accrual of contingencies that might result in gains is not recorded unless recovery is assured. Potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events are continuously assessed.

The accounting aspects of estimated loss accruals include (1) the initial identification and recording of the loss, (2) the determination of triggering events for reducing a recorded loss accrual, and (3) the ongoing assessment as to whether a recorded loss accrual is sufficient. All three of these aspects require significant judgment by management. Internal expertise and outside experts (such as lawyers and engineers) are used, as necessary, to help estimate the probability that a loss has been incurred and the amount (or range) of the loss.

No new significant loss accruals were recorded in 2011.

Certain other events have been identified that could give rise to a loss, but that do not meet the conditions for accrual. Such events are disclosed, but not recorded, when it is "reasonably possible" that a loss has been incurred. See Note 15 to the Financial Statements for disclosure of other potential loss contingencies that have not met the criteria for accrual.

When an estimated loss is accrued, the triggering events for subsequently reducing the loss accrual are identified, where applicable. The triggering events generally occur when the contingency has been resolved and the actual loss is paid or written off, or when the risk of loss has diminished or been eliminated. The following are some of the triggering events that provide for the reduction of certain recorded loss accruals:

- Allowances for uncollectible accounts are reduced when accounts are written off after prescribed collection procedures have been exhausted, a better estimate of the allowance is determined or underlying amounts are ultimately collected.
- Environmental and other litigation contingencies are reduced when the contingency is resolved and actual payments are made, a better estimate of the loss is determined or the loss is no longer considered probable.

Loss accruals are reviewed on a regular basis to assure that the recorded potential loss exposures are appropriate. This involves ongoing communication and analyses with internal and external legal counsel, engineers, operation management and other parties.

See Note 15 to the Financial Statements for a discussion of the Montana Hydroelectric Litigation, including the reversal of an \$89 million loss accrual, as a result of management's assessment of the February 2012 U.S. Supreme Court decision.

## 5) Asset Retirement Obligations

PPL Energy Supply is required to recognize a liability for legal obligations associated with the retirement of long-lived assets. The initial obligation should be measured at its estimated fair value. A conditional ARO must be recognized when incurred if the fair value of the ARO can be reasonably estimated. An equivalent amount should be recorded as an increase in the value of the capitalized asset and allocated to expense over the useful life of the asset. Until the obligation is settled, the liability is increased, through the recognition of accretion expense in the income statement, for changes in the obligation due to the passage of time. See Note 21 to the Financial Statements for further discussion of AROs.

In determining AROs, management must make significant judgments and estimates to calculate fair value. Fair value is developed using an expected present value technique based on assumptions of market participants that considers estimated retirement costs in current period dollars that are inflated to the anticipated retirement date and then discounted back to the date the ARO was incurred. Changes in assumptions and estimates included within the calculations of the fair value of AROs could result in significantly different results than those identified and recorded in the financial statements. Estimated ARO costs and settlement dates, which affect the carrying value of the ARO and the related capitalized asset, are reviewed periodically to ensure that any material changes are incorporated into the latest estimate of the ARO. Any change to the capitalized asset, positive or negative, is amortized over the remaining life of the associated long-lived asset.

At December 31, 2011, AROs totaling \$359 million were recorded on the Balance Sheet, of which \$10 million is included in "Other current liabilities." Of the total amount, \$292 million, or 81%, relates to the nuclear decommissioning ARO. The most significant assumptions surrounding AROs are the forecasted retirement costs, the discount rates and the inflation rates. A variance in any of these inputs could have a significant impact on the ARO liabilities.

The following table reflects the sensitivities related to the nuclear decommissioning ARO liability associated with a change in these assumptions as of December 31, 2011. There is no significant change to the annual depreciation expense of the ARO asset or the annual accretion expense of the ARO liability as a result of changing the assumptions. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption.

	<u>Change in Assumption</u>	<u>Impact on ARO Liability</u>
Retirement Cost	10%	\$ 29
Discount Rate	(0.25)%	26
Inflation Rate	0.25%	30

## 6) Income Taxes

Significant management judgment is required in developing the provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is required to determine the amount of benefit recognized related to an uncertain tax position. Tax positions are evaluated following a two-step process. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization, upon settlement, that exceeds 50%. Management considers a number of factors in assessing the benefit to be recognized, including negotiation of a settlement.

On a quarterly basis, uncertain tax positions are reassessed by considering information known at the reporting date. Based on management's assessment of new information, a tax benefit may subsequently be recognized for a previously

unrecognized tax position, a previously recognized tax position may be de-recognized, or the benefit of a previously recognized tax position may be remeasured. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in the future.

At December 31, 2011, it was reasonably possible that during the next 12 months the total amount of unrecognized tax benefits could increase by as much as \$1 million or decrease by up to \$27 million. This change could result from subsequent recognition, derecognition and/or changes in the measurement of uncertain tax positions related to the timing and utilization of tax credits and the related impact on alternative minimum tax, the timing and/or valuation of certain deductions, intercompany transactions and unitary filing groups. The events that could cause these changes are direct settlements with taxing authorities, litigation, legal or administrative guidance by relevant taxing authorities and the lapse of an applicable statute of limitation.

The balance sheet classification of unrecognized tax benefits and the need for valuation allowances to reduce deferred tax assets also require significant management judgment. Unrecognized tax benefits are classified as current to the extent management expects to settle an uncertain tax position by payment or receipt of cash within one year of the reporting date. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers a number of factors in assessing the realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy utilized in this assessment must meet the recognition and measurement criteria utilized to account for an uncertain tax position. Management also considers the uncertainty posed by political risk and the effect of this uncertainty on the various factors that management takes into account in evaluating the need for valuation allowances. The amount of deferred tax assets ultimately realized may differ materially from the estimates utilized in the computation of valuation allowances and may materially impact the financial statements in the future. See Note 5 to the Financial Statements for income tax disclosures.

#### **Other Information**

PPL's Audit Committee has approved the independent auditor to provide audit and audit-related services, tax services and other services permitted by Sarbanes-Oxley and SEC rules. The audit and audit-related services include services in connection with statutory and regulatory filings, reviews of offering documents and registration statements, and internal control reviews. See "Item 14. Principal Accounting Fees and Services" for more information.



**PPL ELECTRIC UTILITIES CORPORATION AND SUBSIDIARIES****Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The information provided in this Item 7 should be read in conjunction with PPL Electric's Consolidated Financial Statements and the accompanying Notes. Capitalized terms and abbreviations are explained in the glossary. Dollars are in millions unless otherwise noted.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" includes the following information:

- "Overview" provides a description of PPL Electric and its business strategy. "Financial and Operational Developments" includes a review of Net Income Available to PPL Corporation and discusses certain events that are important to understanding PPL Electric's results of operations and financial condition.
- "Results of Operations" provides a summary of PPL Electric's earnings and a description of key factors expected to impact future earnings. This section ends with "Statement of Income Analysis," which includes explanations of significant changes in principal items on PPL Electric's Statements of Income, comparing 2011, 2010 and 2009.
- "Financial Condition - Liquidity and Capital Resources" provides an analysis of PPL Electric's liquidity position and credit profile. This section also includes a discussion of rating agency decisions and capital expenditure projections.
- "Financial Condition - Risk Management" provides an explanation of PPL Electric's risk management programs relating to market and credit risk.
- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of PPL Electric and that require its management to make significant estimates, assumptions and other judgments of matters inherently uncertain.

**Overview****Introduction**

PPL Electric is an electricity delivery service provider in eastern and central Pennsylvania with headquarters in Allentown, Pennsylvania. PPL Electric is subject to regulation as a public utility by the PUC, and certain of its transmission activities are subject to the jurisdiction of FERC under the Federal Power Act. PPL Electric delivers electricity in its Pennsylvania service area and provides electricity supply to retail customers in that territory as a PLR under the Customer Choice Act.

**Business Strategy**

PPL Electric's strategy and principal challenge is to own and operate its electricity delivery business at the most efficient cost while maintaining high quality customer service and reliability. PPL Electric anticipates that it will have significant capital expenditure requirements in the future. In order to manage financing costs and access to credit markets, a key objective for PPL Electric's business is to maintain a strong credit profile. PPL Electric continually focuses on maintaining an appropriate capital structure and liquidity position.

Timely recovery of costs applicable to the replacement of aging distribution assets is required in order to maintain strong cash flows and a strong credit profile. Traditionally, such cost recovery would be pursued through periodic base rate case proceedings with the PUC. As such costs continue to increase, more frequent rate case proceedings may be required or an alternative rate making process would need to be implemented in order to achieve more timely recovery as discussed below in "Legislation - Regulatory Procedures and Mechanisms."

Transmission costs are recovered through a FERC Formula Rate mechanism which is updated annually for costs incurred and assets placed in service. Accordingly, increased costs including the replacement of aging transmission assets and the PJM-approved Regional Transmission Line Expansion Plan are recovered on a timely basis.

## Financial and Operational Developments

### Net Income Available to PPL Corporation

Net Income Available to PPL Corporation for 2011, 2010 and 2009 was \$173 million, \$115 million and \$124 million. Earnings in 2011 increased 50% over 2010 and earnings in 2010 decreased 7% from 2009. These changes reflect the following after tax impacts:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Distribution base rate increase effective in January 2011	\$ 40	
Interest expense on reduced debt balances	2	\$ 9
Payroll, contractor and vegetation management costs	1	(22)
Workforce reduction		5
Tax benefit related to flow-through regulated state tax depreciation	14	
Other	1	(1)
	<u>\$ 58</u>	<u>\$ (9)</u>

See "Results of Operations" below for further discussion and analysis of the consolidated results of operations.

### Storm Recovery

PPL Electric experienced several PUC-reportable storms during 2011 resulting in total restoration costs of \$84 million, of which \$54 million were recorded in "Other operation and maintenance" on the Statement of Income. Although PPL Electric has storm insurance with a PPL affiliate, the costs associated with the unusually high number of PUC-reportable storms has exceeded policy limits. Probable insurance recoveries recorded during 2011 were \$26.5 million, of which \$16 million were included in "Other operation and maintenance" on the Statement of Income. In December 2011, PPL Electric received orders from the PUC granting permission to defer qualifying storm costs in excess of insurance recoveries associated with Hurricane Irene and a late October snowstorm. Based on the PUC orders, PPL Electric recorded a regulatory asset of \$25 million in December 2011. PPL Electric will seek recovery of these costs in its next general base rate proceeding.

### PUC Investigation of Retail Market

In April 2011, the PUC opened an investigation of Pennsylvania's retail electricity market to be conducted in two phases. Phase one addressed the status of the current retail market and explored potential changes. Questions promulgated by the PUC for this phase of the investigation focus primarily on default service issues. In June 2011, interested parties filed comments and the PUC held a hearing in this phase of the investigation. In July 2011, the PUC entered an order initiating phase two of the investigation to study how best to address issues identified by the PUC as being most relevant to improving the current retail electricity market. The PUC issued a tentative order in October 2011 addressing issues associated with the timing and various other details of the EDCs' default service procurement plans. Parties filed comments to that tentative order. The PUC also held a hearing in this phase of the investigation in November 2011. In December 2011, the PUC issued a final order providing guidance to EDCs on the design of their next default service procurement plan filings. In December 2011, the PUC also issued a tentative order proposing an intermediate work plan to address issues raised in the investigation. Parties filed comments to that tentative order. PPL Electric cannot predict the outcome of the investigation.

### Regional Transmission Line Expansion Plan

In 2007, PJM directed the construction of a new 150-mile, 500-kilovolt transmission line between the Susquehanna substation in Pennsylvania and the Roseland substation in New Jersey that it identified as essential to long-term reliability of the Mid-Atlantic electricity grid. PJM determined that the line is needed to prevent potential overloads that could occur on several existing transmission lines in the interconnected PJM system. PJM has directed PPL Electric to construct the portion of the Susquehanna-Roseland line in Pennsylvania and has directed Public Service Electric & Gas

Company to construct the portion of the line in New Jersey, in each case by June 1, 2012. PPL Electric's estimated share of the project costs is approximately \$500 million.

PPL Electric has experienced delays in obtaining necessary National Park Service approvals for the Susquehanna-Roseland transmission line and anticipates a delay of the line's in-service date to 2015. In 2011, PJM issued an updated assessment of the new line within its 2010 Regional Transmission Expansion Plan, which confirms that the line is needed to prevent overloads on other power lines in the region. PJM has developed a strategy to manage potential reliability problems until the line is built. In October 2011, the project was placed on the initial list of projects for the Rapid Response Team for Transmission (RRTT), an initiative of the White House to facilitate coordination among federal agencies to improve the overall quality and timeliness of electric transmission infrastructure permitting, review and consultation. The RRTT has reaffirmed the issuance date of the National Park Service record of decision for the project. The National Park Service has stated that it will announce the preferred route for the transmission line in March 2012 with an expected Record of Decision in October 2012. PPL Electric cannot predict what additional actions, if any, PJM might take in the event of a continued delay to its scheduled in-service date for the new line. See Note 8 to the Financial Statements for additional information.

On December 30, 2011, PPL Electric filed a Petition for Declaratory Order requesting FERC to authorize incentive rates for a new 58-mile 230 kV transmission project referred to as the Northeast/Pocono Reliability Project. PPL Electric's request includes two incentives, a 100 basis point incentive adder to its return on equity of 11.68%, and inclusion of 100% prudently incurred construction work in progress costs in rate base with the incentive rate of return. These incentives are specifically tailored to address the risks and challenges PPL Electric will face in building the project. PPL Electric estimates the project costs to be approximately \$180 million. In January 2012, the PUC and the Joint Consumer Advocates each filed a protest opposing PPL Electric's request. American Municipal Power, Inc. filed comments. PPL Electric filed responses to the two protests and the comments. PPL Electric cannot predict the outcome of this proceeding.

#### Legislation - Regulatory Procedures and Mechanisms

In June 2011, the Pennsylvania House Consumer Affairs Committee approved legislation that would authorize the PUC to approve regulatory procedures and mechanisms to provide for more timely recovery of a utility's costs. Such alternative ratemaking procedures and mechanisms are important to PPL Electric as it begins a period of significant increasing capital investment related to the asset optimization program focused on the replacement of aging distribution assets. Those procedures and mechanisms include, but are not limited to, the use of a fully projected future test year and an automatic adjustment clause to recover certain capital costs and related operating expenses. In October 2011, the legislation was passed by the Pennsylvania House of Representatives (Pennsylvania House). In January 2012, the Senate Consumer Affairs Committee adopted significant amendments to the legislation. The amended legislation authorizes the PUC to approve only two specific ratemaking mechanisms -- a fully projected future test year and a distribution system improvement charge. In addition, the amendments impose a number of conditions on the use of such a charge. In January 2012, the Pennsylvania Senate passed the amended legislation and in February 2012, the Pennsylvania House agreed to those amendments. The Governor signed the bill (Act 11 of 2012), which will become effective April 14, 2012. Utilities cannot file a petition with the PUC before January 1, 2013 requesting permission to establish the charge.

#### FERC Formula Rates

In March 2012, PPL Electric plans to file a request with the FERC seeking recovery, over a 34-year period beginning in June 2012, of its unrecovered regulatory asset related to the deferred state tax liability that existed at the time of the transition from the flow-through treatment of state income taxes to full normalization. This change in tax treatment occurred in 2008 as a result of prior FERC initiatives that transferred regulatory jurisdiction of certain transmission assets from the PUC to the FERC. A regulatory asset of \$51 million related to this transition, classified as taxes recoverable through future rates, is included in "Other Noncurrent Assets - Regulatory assets" on the Balance Sheet. PPL Electric believes recoverability of this regulatory asset is probable based on FERC precedent in similar cases; however, it is reasonably possible that the FERC may limit the recovery of all or part of the claimed asset.

#### Results of Operations

When comparing 2011 and 2010 with 2009, certain line items on PPL Electric's financial statements were impacted by the Customer Choice Act, Act 129 and other related issues. The expiration of generation rate caps, the resulting competitive solicitations for power supply, the migration of customers to alternative suppliers, the Customer Choice Act and Act 129 had minimal impact on Pennsylvania Gross Delivery Margins, as approved recovery mechanisms allow for cost recovery of associated expenses, including the cost of energy provided as a PLR. However, PPL Electric's 2010 Pennsylvania Gross Delivery Margins were negatively impacted by the expiration of CTC recovery in December 2009. PPL Electric continues to remain the delivery provider for all customers in its service territory and charges a regulated rate for the service of delivering electricity.

See "Statement of Income Analysis - Pennsylvania Gross Delivery Margins" for additional information.

## Earnings

Net Income Available to PPL Corporation includes the following results:

	<u>2011</u>	<u>2010</u>	<u>% Change</u>	<u>2010</u>	<u>2009</u>	<u>% Change</u>
Operating revenue	\$ 1,892	\$ 2,455	(23)	\$ 2,455	\$ 3,292	(25)
Energy purchases	738	1,075	(31)	1,075	114	843
Energy purchases from affiliate	26	320	(92)	320	1,806	(82)
Other operation and maintenance	530	502	6	502	417	20
Amortization of recoverable transition costs					304	(100)
Depreciation	146	136	7	136	128	6
Taxes, other than income	104	138	(25)	138	194	(29)
Total operating expenses	<u>1,544</u>	<u>2,171</u>	<u>(29)</u>	<u>2,171</u>	<u>2,963</u>	<u>(27)</u>
Other Income (Expense) - net	5	5		5	6	(17)
Interest Income from Affiliate	2	2		2	4	(50)
Interest Expense	98	99	(1)	99	116	(15)
Interest Expense with Affiliate					2	(100)
Income Taxes	68	57	19	57	79	(28)
Net Income	<u>189</u>	<u>135</u>	<u>40</u>	<u>135</u>	<u>142</u>	<u>(5)</u>
Distributions on Preferred Securities	16	20	(20)	20	18	11
Net Income Available to PPL Corporation	<u>\$ 173</u>	<u>\$ 115</u>	<u>50</u>	<u>\$ 115</u>	<u>\$ 124</u>	<u>(7)</u>

The changes in the components of Net Income Available to PPL Corporation between these periods were due to the following factors. PPL Electric's results are adjusted for certain items that management considers special. See additional detail of these special items in the table below.

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Pennsylvania gross delivery margins	\$ 66	\$ 3
Other operation and maintenance	4	(49)
Depreciation	(10)	(8)
Interest Expense	1	19
Other	4	(4)
Income Taxes	(11)	23
Distributions on Preferred Securities	4	(2)
Special Items, after-tax		9
Total	<u>\$ 58</u>	<u>\$ (9)</u>

- See "Statement of Income Analysis - Margins - Changes in Non-GAAP Financial Measures" for an explanation of Pennsylvania Gross Delivery Margins.
- Other operation and maintenance increased in 2010 compared with 2009, primarily due to \$18 million in higher payroll-related costs and \$20 million in higher contractor costs, primarily related to vegetation management.
- Depreciation was higher in 2011 compared with 2010 and 2010 compared with 2009, primarily due to PP&E additions as a part of ongoing efforts to replace aging infrastructure.
- Interest expense decreased in 2010 compared with 2009, primarily due to a \$16 million reduction driven by lower average debt balances in 2010 compared with 2009.

- Income taxes were higher in 2011 compared with 2010, due to the \$26 million impact of higher pre-tax income, partially offset by a \$14 million tax benefit related to the impact of flow-through regulated tax depreciation that is primarily related to the Pennsylvania Department of Revenue interpretive guidance regarding 100% bonus depreciation.

Income taxes were lower in 2010 compared with 2009, due to the \$14 million impact of lower pre-tax income and a \$7 million tax benefit relating to a favorable 2010 U.S. Tax Court ruling regarding street lighting assets.

The following after-tax amounts, which management considers special items, also impacted the results.

	Income Statement Line Item	<u>2009</u>
Special items gains (losses), net of tax benefit (expense):		
Impairments:		
Other asset impairments, net of tax of \$1	Other O&M	\$ (1)
Workforce reduction, net of tax of \$3 (a)	Other O&M	(5)
Other:		
Change in tax accounting method related to repairs (b)	Income Taxes	(3)
Total		<u>\$ (9)</u>

- (a) Charge related to a workforce reduction, mainly consisting of enhanced pension and severance benefits.
- (b) During 2009, PPL Electric received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL Electric deducted the resulting IRC Sec. 481 amount on its 2008 federal income tax return and recorded a \$3 million adjustment to federal and state income tax expense resulting from the reversal of prior years' state income tax benefits related to regulated depreciation.

### 2012 Outlook

Excluding special items, PPL Electric projects lower earnings in 2012 compared with 2011, primarily driven by higher operation and maintenance expenses, higher income taxes, and higher depreciation, which are expected to be partially offset by higher delivery revenue.

In late March 2012, PPL Electric expects to file a request with the PUC seeking an increase in its distribution rates beginning in January 2013. PPL Electric cannot predict the outcome of this matter.

Earnings beyond 2011 are subject to various risks and uncertainties. See "Forward-Looking Information," "Item 1. Business," "Item 1A. Risk Factors," the rest of this Item 7 and Notes 6 and 15 to the Financial Statements for a discussion of the risks, uncertainties and factors that may impact future earnings.

## Statement of Income Analysis --

### Pennsylvania Gross Delivery Margins

#### Non-GAAP Financial Measure

The following discussion includes financial information prepared in accordance with GAAP, as well as a non-GAAP financial measure, "Pennsylvania Gross Delivery Margins." "Pennsylvania Gross Delivery Margins" is a single financial performance measure of PPL Electric's Pennsylvania regulated electric delivery operations, which includes transmission and distribution activities. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Energy purchases from affiliate," "Other operation and maintenance" expense, which is primarily Act 129 costs, and "Taxes, other than income", which is primarily gross receipts tax. As a result, this measure represents the net revenues from PPL Electric's Pennsylvania regulated electric delivery operations. This measure is not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. Other companies may use different measures to analyze and to report on the results of their operations. PPL Electric believes that "Pennsylvania Gross Delivery Margins" provides another criterion to make investment decisions. This performance measure is used, in conjunction with other information, internally by senior management and PPL's Board of Directors to manage PPL Electric's operations and analyze actual results to budget.

Reconciliation of Non-GAAP Financial Measures

The following tables reconcile "Operating Income" to "Pennsylvania Gross Delivery Margins" as defined by PPL Electric for the period ended December 31.

	2011			2010		
	PA Gross Delivery Margins	Other (a)	Operating Income (b)	PA Gross Delivery Margins	Other (a)	Operating Income (b)
<b>Operating Revenues</b>						
Retail electric	\$ 1,881		\$ 1,881	\$ 2,448		\$ 2,448
Electric revenue from affiliate	11		11	7		7
Total Operating Revenues	<u>1,892</u>		<u>1,892</u>	<u>2,455</u>		<u>2,455</u>
<b>Operating Expenses</b>						
Energy purchases	738		738	1,075		1,075
Energy purchases from affiliate	26		26	320		320
Other operation and maintenance	108	\$ 422	530	76	\$ 426	502
Depreciation		146	146		136	136
Taxes, other than income	99	5	104	129	9	138
Total Operating Expenses	<u>971</u>	<u>573</u>	<u>1,544</u>	<u>1,600</u>	<u>571</u>	<u>2,171</u>
Total	<u>\$ 921</u>	<u>\$ (573)</u>	<u>\$ 348</u>	<u>\$ 855</u>	<u>\$ (571)</u>	<u>\$ 284</u>

	2009		
	PA Gross Delivery Margins	Other (a)	Operating Income (b)
<b>Operating Revenues</b>			
Retail electric	\$ 3,218		\$ 3,218
Electric revenue from affiliate	74		74
Total Operating Revenues	<u>3,292</u>		<u>3,292</u>
<b>Operating Expenses</b>			
Energy purchases	114		114
Energy purchases from affiliate	1,806		1,806
Other operation and maintenance	30	\$ 387	417
Amortization of recoverable transition costs	304		304
Depreciation		128	128
Taxes, other than income	186	8	194
Total Operating Expenses	<u>2,440</u>	<u>523</u>	<u>2,963</u>
Total	<u>\$ 852</u>	<u>\$ (523)</u>	<u>\$ 329</u>

- (a) Represents amounts that are excluded from Margins.  
(b) As reported on the Statement of Income.

Changes in Non-GAAP Financial Measures

The following table shows PPL Electric's non-GAAP financial measure, "Pennsylvania Gross Delivery Margins" for the periods ended December 31, as well as the change between periods. The factors that gave rise to the change are described below the table.

	2011	2010	Change	2010	2009	Change
PA Gross Delivery Margins by Component						
Distribution	\$ 741	\$ 679	\$ 62	\$ 679	\$ 702	\$ (23)
Transmission	180	176	4	176	150	26
Total	<u>\$ 921</u>	<u>\$ 855</u>	<u>\$ 66</u>	<u>\$ 855</u>	<u>\$ 852</u>	<u>\$ 3</u>

Distribution

The PPL Electric distribution rate case increased rates by approximately 1.6% effective January 1, 2011, which improved residential distribution margins by \$68 million. Residential volume variances increased margins by an additional \$4 million for 2011, compared with the same period in 2010. Weather had a \$3 million unfavorable impact for residential customers for 2011 compared with 2010. Weather-related variances for PPL Electric are calculated based on a ten-year historical average. Lastly, lower demand charges and increased efficiency as a result of Act 129 programs resulted in a \$5 million decrease in margins for commercial and industrial customers.

The decrease in 2010 compared with 2009 was primarily due to margins realized in 2009 related to the collection of CTC that ended in December 2009 of \$37 million, partially offset by favorable recovery mechanisms for certain energy-related costs of \$16 million.

Transmission

The increase in 2010 compared with 2009 was primarily due to increased investment in rate base, an increase in the cost of capital due to an increase in equity and the recovery of additional costs through the FERC formula-based rates.

**Other Operation and Maintenance**

The changes in other operation and maintenance expenses were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Act 129 costs incurred (a)	\$ 26	\$ 54
Vegetation management costs (b)	(8)	13
Payroll-related costs	4	18
Contractor-related expenses	3	7
Allocation of certain corporate support group costs	3	6
Uncollectible accounts	7	3
Ancillary charges (c)		(11)
Environmental costs	(4)	5
Workforce reduction (Note 13)		(9)
Employee benefits	(5)	(4)
Other	2	3
Total	<u>\$ 28</u>	<u>\$ 85</u>

- (a) Relates to costs associated with a PUC-approved energy efficiency and conservation plan. These costs are recovered in customer rates. There are currently 15 Act 129 programs which began in 2010 and continued to ramp up in 2011.
- (b) In 2010, PPL Electric increased its vegetation management around its 230- and 500-kV major transmission lines in response to federal reliability requirements for transmission vegetation management.
- (c) Prior to 2010, these charges were assessed to load serving entities (LSE), and PPL Electric was considered the LSE. Beginning in 2010, PPL Electric incurred the bulk of these charges as part of the bundled price of PLR supply from the individual PLR generation suppliers and such costs are reflected in energy purchases.

**Taxes, Other Than Income**

Taxes, other than income decreased by \$34 million in 2011 compared with 2010. This decrease was primarily due to \$21 million of lower Pennsylvania gross receipts tax expense due to a decrease in retail electricity revenue as customers continue to select alternative suppliers in 2011. The decrease was also impacted by the amortization of a PURTA refund of \$10 million in 2011. Pennsylvania gross receipts tax and the PURTA refund are included in "Pennsylvania Gross Delivery Margins."

Taxes, other than income decreased by \$56 million in 2010 compared with 2009. The decrease was primarily due to lower Pennsylvania gross receipts tax expense due to a decrease in electricity revenue as customers chose alternate suppliers in 2010.

**Depreciation**

Depreciation increased by \$10 million in 2011 compared with 2010, primarily due to PP&E additions as part of ongoing efforts to replace aging infrastructure. Depreciation increased by \$8 million in 2010 compared with 2009, primarily due to PP&E additions.

### Financing Costs

The changes in financing costs, which includes "Interest Expense", "Interest Expense with Affiliate" and "Distributions on Preferred Securities," were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Long-term debt interest expense (a)	\$ (3)	\$ (16)
Interest on PLR contract collateral (Note 16)		(2)
Distributions on preferred securities (b)	(4)	2
Recoverable transition costs		(3)
Amortization of debt issuance costs (c)	5	2
Other	(3)	
Total	<u>\$ (5)</u>	<u>\$ (17)</u>

- (a) The decrease in 2011 compared with 2010 was due to the net impact of refinancing \$400 million of long-term debt at lower interest rates and issuing \$250 million of long-term debt in the third quarter of 2011. The decrease in 2010 compared with 2009 was primarily due to long-term debt retirements in the third quarter of 2009.
- (b) The decrease in 2011 compared with 2010 was primarily due to preferred stock redemption in 2010.
- (c) The increase in 2011 compared with 2010 was primarily due to amortization of loss on reacquired debt associated with the redemption of senior secured bonds in 2011.

### Income Taxes

The changes in income taxes were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Higher (Lower) pre-tax book income	\$ 26	\$ (13)
Federal and state tax reserve adjustments (a)	3	(5)
Federal and state tax return adjustments (b)	(3)	(5)
Depreciation not normalized (c)	(14)	
Other	(1)	1
	<u>\$ 11</u>	<u>\$ (22)</u>

- (a) In July 2010, the U.S. Tax Court ruled in PPL Electric's favor in a dispute with the IRS, concluding that street lighting assets are depreciable for tax purposes over seven years. As a result, PPL Electric recorded a \$7 million tax benefit to federal and state income tax reserves and related deferred income taxes during 2010.

During 2011, 2010 and 2009 PPL Electric recorded a \$6 million, \$7 million and \$6 million tax benefit to federal and state income tax reserves related to stranded cost securitization.

- (b) During 2009, PPL Electric received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL Electric deducted the resulting IRC Sec. 481 amount on its 2008 federal income tax return and recorded a \$3 million adjustment to federal and state income tax expense resulting from the reversal of prior years' state income tax benefits related to regulated depreciation.
- (c) In February 2011, the Pennsylvania Department of Revenue issued interpretive guidance on the treatment of bonus depreciation for Pennsylvania income tax purposes. In accordance with Corporation Tax Bulletin 2011-01, Pennsylvania allows 100% bonus depreciation for qualifying assets in the same year bonus depreciation is allowed for Federal income tax purposes. The 100% Pennsylvania bonus depreciation deduction created a current state income tax benefit for the flow-through impact of Pennsylvania regulated state tax depreciation.

See Note 5 to the Financial Statements for additional information on income taxes.

### Financial Condition

#### Liquidity and Capital Resources

PPL Electric continues to focus on maintaining a strong credit profile and liquidity position. PPL Electric expects to continue to have adequate liquidity available through operating cash flows, cash and cash equivalents and its credit facilities.



PPL Electric's cash flows from operations and access to cost-effective bank and capital markets are subject to risks and uncertainties including, but not limited to:

- unusual or extreme weather that may damage PPL Electric's transmission and distribution facilities or affect energy sales to customers;
- the ability to recover and the timeliness and adequacy of recovery of costs associated with regulated utility businesses;
- any adverse outcome of legal proceedings and investigations with respect to PPL Electric's current and past business activities;
- deterioration in the financial markets that could make obtaining new sources of bank and capital markets funding more difficult and more costly; and
- a downgrade in PPL Electric's credit ratings that could adversely affect its ability to access capital and increase the cost of credit facilities and any new debt.

See "Item 1A. Risk Factors" for further discussion of risks and uncertainties affecting PPL Electric's cash flows.

At December 31, PPL Electric had the following:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Cash and cash equivalents	\$ 320	\$ 204	\$ 485

The changes in PPL Electric's cash and cash equivalents position resulted from:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net cash provided by operating activities	\$ 420	\$ 212	\$ 294
Net cash provided by (used in) investing activities	(477)	(403)	6
Net cash provided by (used in) financing activities	173	(90)	(298)
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 116</u>	<u>\$ (281)</u>	<u>\$ 2</u>

### Operating Activities

Net cash provided by operating activities increased by 98%, or \$208 million, in 2011 compared with 2010, primarily due to changes in working capital of \$322 million (including lower gross receipts tax payments, a federal income tax refund and changes in over/under collections of the generation supply and transmission service charges). These changes were partially offset by an increase in defined benefit plan contributions of \$58 million and \$25 million related to storm costs incurred in 2011 that has been recorded as a long-term regulatory asset.

Net cash provided by operating activities decreased by 28%, or \$82 million, in 2010 compared with 2009. The expiration of the generation rate caps at the end of 2009 had little impact on net income, while increased transmission revenue was almost completely offset by decreased distribution revenue. However, higher tree trimming and payroll costs and additional defined benefit plan contributions were the primary drivers to the decrease in cash provided by operating activities. Also impacting the 2010 operating cash flows was the elimination of the CTC charge of approximately \$300 million that was received in 2009. This amount offsets the benefit of not paying the \$300 million in cash collateral related to the long-term PLR energy supply agreements with PPL Energy Supply, which expired at the end of 2009.

### Investing Activities

The primary use of cash in investing activities is capital expenditures. See "Forecasted Uses of Cash" for detail regarding projected capital expenditures for the years 2012 through 2016.

Net cash used in investing activities was \$477 million in 2011 compared with to \$403 million in 2010. The change from 2010 to 2011 primarily reflects an increase of \$80 million in capital expenditures in 2011.

Net cash used in investing activities was \$403 million in 2010 compared with cash provided by investing activities of \$6 million in 2009. The change from 2009 to 2010 primarily reflects an increase of \$113 million in capital expenditures in 2010 and the receipt of \$300 million from an affiliate as repayment of a demand loan in 2009.

### Financing Activities

Net cash provided by financing activities was \$173 million in 2011 compared with net cash used in financing activities of \$90 million in 2010. The change from 2010 to 2011 primarily reflects \$187 million of net debt issuances in 2011 and \$54 million of preferred stock redemptions in 2010.

Net cash used in financing activities was \$90 million in 2010 compared with \$298 million in 2009. The change from 2009 to 2010 primarily reflects no debt activity in 2010 compared with net debt retirements of \$392 million in 2009, partially offset by lower net contributions from PPL of \$142 million in 2010 and \$54 million of preferred stock redemptions in 2010.

See "Forecasted Sources of Cash" for a discussion of PPL Electric's plans to issue debt and equity securities, as well as a discussion of credit facility capacity available to PPL Electric. Also see "Forecasted Uses of Cash" for a discussion of PPL Electric's plans to pay dividends on its common and preferred securities, as well as maturities of PPL Electric's long-term debt.

### Forecasted Sources of Cash

PPL Electric expects to continue to have sufficient sources of cash available in the near term, including various credit facilities and a commercial paper program.

#### *Credit Facilities*

At December 31, 2011, PPL Electric's total committed borrowing capacity under its credit facilities and the use of this borrowing capacity were:

	<u>Committed Capacity</u>	<u>Borrowed</u>	<u>Letters of Credit Issued</u>	<u>Unused Capacity</u>
Syndicated Credit Facility (a)	\$ 200		\$ 1	\$ 199
Asset-backed Credit Facility (b)	150		n/a	150
Total PPL Electric Credit Facilities	<u>\$ 350</u>		<u>\$ 1</u>	<u>\$ 349</u>

- (a) In October 2011, PPL Electric amended its Syndicated Credit Facility. The amendment included extending the expiration date from December 2014 to October 2016. Under this facility, PPL Electric continues to have the ability to make cash borrowings and to request the lenders to issue letters of credit. The commitments under this credit facility are provided by a diverse bank group, with no one bank and its affiliates providing an aggregate commitment of more than 6% of the total committed capacity.

PPL Electric's Syndicated Credit Facility contains a financial covenant requiring PPL Electric's debt to total capitalization not to exceed 70%, as calculated in accordance with the credit facility, and other customary covenants.

- (b) PPL Electric obtains financing by selling and contributing its eligible accounts receivable and unbilled revenue to a special purpose, wholly owned subsidiary on an ongoing basis. The subsidiary pledges these assets to secure loans of up to an aggregate of \$150 million from a commercial paper conduit sponsored by a financial institution. At December 31, 2011, based on accounts receivable and unbilled revenue pledged, the amount available for borrowing under this facility was limited to \$103 million. In July 2011, PPL Electric and the subsidiary extended the expiration date of the credit agreement related to the asset-backed commercial paper program to July 2012.

In addition to the financial covenants noted above, the credit agreements governing the credit facilities contain financial and various other covenants. Failure to comply with the covenants after applicable grace periods could result in acceleration of repayment of borrowings and/or termination of the agreements. PPL Electric monitors compliance with the covenants on a regular basis. At December 31, 2011, PPL Electric was in compliance with these covenants. At this time, PPL Electric believes that these covenants and other borrowing conditions will not limit access to these funding sources.

See Note 7 to the Financial Statements for further discussion of PPL Electric's credit facilities.

#### *Commercial Paper*

PPL Electric maintains a commercial paper program for up to \$200 million to provide an additional financing source to fund its short-term liquidity needs, if and when necessary. Commercial paper issuances are currently supported by PPL Electric's \$200 million syndicated credit facility, which expires in October 2016, based on available capacity.

PPL Electric did not issue any commercial paper during 2011. Based on its current cash position and anticipated cash flows, PPL Electric currently does not plan to issue any commercial paper during 2012, but it may do so from time to time, subject to market conditions, to facilitate short-term cash flow needs.

#### *Contributions from PPL*

From time to time PPL may make capital contributions to PPL Electric. PPL Electric may use these contributions for general corporate purposes.

#### *Long-term Debt and Equity Securities*

PPL Electric currently does not plan to issue long-term debt securities in 2012.

#### The Economic Stimulus Package

In April 2010, PPL Electric entered into an agreement with the DOE, in which the agency is to provide funding for one-half of a \$38 million smart grid project. The project will use smart grid technology to strengthen reliability, save energy and improve electric service for 60,000 Harrisburg, Pennsylvania area customers. It will also provide benefits beyond the Harrisburg region, helping to speed power restoration across PPL Electric's 29-county service territory. Work on the project is progressing on schedule, and PPL Electric is receiving reimbursements under the grant for costs incurred. The project is scheduled to be completed by the end of September 2012.

#### Forecasted Uses of Cash

In addition to expenditures required for normal operating activities, such as purchased power, payroll, and taxes, PPL Electric currently expects to incur future cash outflows for capital expenditures, various contractual obligations, payment of dividends on its common and preferred securities and possibly the purchase or redemption of a portion of its debt securities.

#### *Capital Expenditures*

The table below shows PPL Electric's current capital expenditure projections for the years 2012 through 2016.

	<b>Projected</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Construction expenditures (a) (b)					
Distribution facilities	\$ 337	\$ 352	\$ 317	\$ 275	\$ 280
Transmission facilities	333	517	503	400	308
Total Capital Expenditures	<u>\$ 670</u>	<u>\$ 869</u>	<u>\$ 820</u>	<u>\$ 675</u>	<u>\$ 588</u>

(a) Construction expenditures include AFUDC, which is expected to be approximately \$52 million for the years 2012 through 2016.

(b) Includes expenditures for intangible assets.

PPL Electric's capital expenditure projections for the years 2012 through 2016 total approximately \$3.6 billion. Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions. The table includes projected costs for the asset optimization program focused on the replacement of aging transmission and distribution assets, and the PJM-approved regional transmission line expansion project. See Note 8 to the Financial Statements for additional information.

PPL Electric plans to fund its capital expenditures in 2012 with cash on hand, cash from operations and equity contributions from PPL.

*Contractual Obligations*

PPL Electric has assumed various financial obligations and commitments in the ordinary course of conducting its business. At December 31, 2011, the estimated contractual cash obligations of PPL Electric were:

	<u>Total</u>	<u>2012</u>	<u>2013 - 2014</u>	<u>2015 - 2016</u>	<u>After 2016</u>
Long-term Debt (a)	\$ 1,724		\$ 10	\$ 100	\$ 1,614
Interest on Long-term Debt (b)	1,734	\$ 86	169	163	1,316
Purchase Obligations (c)	424	122	135	84	83
Other Long-term Liabilities Reflected on the Balance Sheet under GAAP (d) (e)	54	54			
<b>Total Contractual Cash Obligations</b>	<u>\$ 3,936</u>	<u>\$ 262</u>	<u>\$ 314</u>	<u>\$ 347</u>	<u>\$ 3,013</u>

- (a) Reflects principal maturities only based on stated maturity dates. PPL Electric does not have any capital or operating lease obligations.
- (b) Assumes interest payments through stated maturity.
- (c) The amounts include agreements to purchase goods or services that are enforceable and legally binding and specify all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. Primarily includes PPL Electric's purchase obligations of electricity. Open purchase orders that are provided on demand with no firm commitment are excluded from the amounts presented. In prior years, PPL Electric included certain electricity purchase obligations based on forecasted amounts to be purchased. The amounts presented herein are based on actual contract terms.
- (d) The amounts represent contributions made or committed to be made for 2012 for PPL's U.S. pension plans. See Note 13 to the Financial Statements for a discussion of expected contributions.
- (e) At December 31, 2011, total unrecognized tax benefits of \$73 million were excluded from this table as PPL Electric cannot reasonably estimate the amount and period of future payments. See Note 5 to the Financial Statements for additional information.

*Dividends*

From time to time, as determined by its Board of Directors, PPL Electric pays dividends on its common stock to its parent, PPL.

As discussed in Note 7 to the Financial Statements, PPL Electric may not pay dividends on its common stock, except in certain circumstances, unless full dividends have been paid on the 6.25% Series Preference Stock for the then-current dividend period. PPL Electric does not, at this time, expect that such limitation would significantly impact its ability to declare dividends.

PPL Electric expects to continue to pay quarterly dividends on its outstanding preference securities, as declared by its Board of Directors.

*Purchase or Redemption of Debt Securities*

PPL Electric will continue to evaluate its outstanding debt securities and may decide to purchase or redeem these securities depending upon prevailing market conditions and available cash.

Rating Agency Decisions

Moody's, S&P and Fitch periodically review the credit ratings on the debt and preferred securities of PPL Electric. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of PPL Electric are based on information provided by PPL Electric and other sources. The ratings of Moody's, S&P and Fitch are not a recommendation to buy, sell or hold any securities of PPL Electric.

Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities. A downgrade in PPL Electric's credit ratings could result in higher borrowing costs and reduced access to capital markets.

As a result of the passage of the Dodd-Frank Act, PPL Electric is limiting its credit rating disclosure to a description of the actions taken by the rating agencies with respect to PPL Electric's ratings, but without stating what ratings have been assigned to PPL Electric or its securities. The ratings assigned by the rating agencies to PPL Electric and its respective securities may be found, without charge, on each of the respective ratings agencies' websites, which ratings together with all other information contained on such rating agency websites is, hereby, explicitly not incorporated by reference in this report.

The rating agencies took the following actions related to PPL Electric in 2011.

Following the announcement of the then-pending acquisition of WPD Midlands in March 2011, the rating agencies took the following actions:

- Moody's affirmed its ratings for PPL Electric;
- S&P revised the outlook and lowered the issuer, senior secured, preference stock and commercial paper ratings of PPL Electric; and
- Fitch affirmed its ratings for PPL Electric.

In April 2011, following the completion of PPL's acquisition of WPD Midlands, S&P revised the outlook for PPL Electric, raised its commercial paper rating and affirmed its issuer, senior secured and preference stock ratings.

In July 2011, S&P upgraded the senior secured rating for PPL Electric's first mortgage bonds following the execution of a supplemental indenture that provided for prospective amendments to PPL Electric's 2001 Mortgage Indenture, as discussed in "Long-term Debt Securities" above.

In December 2011, Fitch affirmed the Issuer Default Ratings and individual security ratings of PPL Electric.

### **Off-Balance Sheet Arrangements**

PPL Electric has entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 15 to the Financial Statements for a discussion of these agreements.

### **Risk Management**

#### Market Risk

##### *Commodity Price and Volumetric Risk - PLR Contracts*

PPL Electric is exposed to market price and volumetric risks from its obligation as PLR. The PUC has approved a cost recovery mechanism that allows PPL Electric to pass through to customers the cost associated with fulfilling its PLR obligation. This cost recovery mechanism substantially eliminates PPL Electric's exposure to market price risk. PPL Electric also mitigates its exposure to volumetric risk by entering into full-requirement energy supply contracts for the majority of its PLR obligations. These supply contracts transfer the volumetric risk associated with the PLR obligation to the energy suppliers.

##### *Interest Rate Risk*

PPL Electric has issued debt to finance its operations, which exposes it to interest rate risk. PPL Electric had no potential annual exposure to increased interest expense, based on a 10% increase in interest rates, at December 31, 2011 and 2010. PPL Electric estimated that a 10% decrease in interest rates at December 31, 2011 would increase the fair value of its debt portfolio by \$94 million, compared with \$66 million at December 31, 2010.

#### Credit Risk

Credit risk is the risk that PPL Electric would incur a loss as a result of nonperformance by counterparties of their contractual obligations. PPL Electric requires that counterparties maintain specified credit ratings and requires other assurances in the form of credit support or collateral in certain circumstances in order to limit counterparty credit risk. However, PPL Electric has concentrations of suppliers, financial institutions and customers. These concentrations may impact PPL Electric's overall exposure to credit risk, positively or negatively, as counterparties may be similarly affected by changes in economic, regulatory or other conditions.

In 2009, the PUC approved PPL Electric's PLR procurement plan for the period January 2011 through May 2013. To date, PPL Electric has conducted ten of its 14 planned competitive solicitations.

Under the standard Supply Master Agreement (the Agreement) for the competitive solicitation process, PPL Electric requires all suppliers to post collateral if their credit exposure exceeds an established credit limit. In the event a supplier defaults on its obligation, PPL Electric would be required to seek replacement power in the market. All incremental costs incurred by PPL Electric would be recoverable from customers in future rates. At December 31, 2011, substantially all of the successful bidders under all of the solicitations had an investment grade credit rating from S&P, and were not required to post collateral under the Agreement. There is no instance under the Agreement in which PPL Electric is required to post collateral to its suppliers.

See "Overview" in this Item 7 and Notes 15, 16, 18 and 19 to the Financial Statements for additional information on the competitive solicitations, the Agreement, credit concentration and credit risk.

### **Related Party Transactions**

PPL Electric is not aware of any material ownership interests or operating responsibility by senior management of PPL Electric in outside partnerships, including leasing transactions with variable interest entities, or other entities doing business with PPL Electric. See Note 16 to the Financial Statements for additional information on related party transactions.

### **Environmental Matters**

Protection of the environment is a priority for PPL Electric and a significant element of its business activities. See "Item 1. Business - Environmental Matters" and Note 15 to the Financial Statements for a discussion of environmental matters.

### **Competition**

See "Item 1. Business - Segment Information - Pennsylvania Regulated Segment - Competition" for a discussion of competitive factors affecting PPL Electric.

### **New Accounting Guidance**

See Notes 1 and 24 to the Financial Statements for a discussion of new accounting guidance adopted and pending adoption.

### **Application of Critical Accounting Policies**

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to the financial condition or results of operations, and require estimates or other judgments of matters inherently uncertain. Changes in the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in the Financial Statements (these accounting policies are also discussed in Note 1 to the Financial Statements). PPL's senior management has reviewed these critical accounting policies, the following disclosures regarding their application and the estimates and assumptions regarding them, with PPL's Audit Committee.

#### **1) Defined Benefits**

PPL Electric participates in a qualified funded defined benefit pension plan, an unfunded non-qualified defined benefit plan and a funded defined benefit other postretirement benefit plan, sponsored by other PPL subsidiaries and administered through PPL Services. PPL Electric is allocated a significant portion of the liability and net periodic defined benefit pension and other postretirement costs of the plans sponsored by other PPL subsidiaries based on participation in those plans. PPL Electric records an asset or liability to recognize the funded status of all defined benefit plans with an offsetting entry to regulatory assets. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets. See Note 13 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

PPL Services makes certain assumptions regarding the valuation of benefit obligations and the performance of plan assets. When accounting for defined benefits, delayed recognition in earnings of differences between actual results and expected or estimated results is a guiding principle. Annual net periodic defined benefit costs are recorded in current earnings based on estimated results. Any differences between actual and estimated results are recorded in regulatory assets. The amount in regulatory assets is amortized to income over future periods. The delayed recognition allows for a smoothed recognition of costs over the working lives of the employees who benefit under the plans. The primary assumptions are:

- **Discount Rate** - The discount rate is used in calculating the present value of benefits, which is based on projections of benefit payments to be made in the future. The objective in selecting the discount rate is to measure the single amount that, if invested at the measurement date in a portfolio of high-quality debt instruments, would provide the necessary future cash flows to pay the accumulated benefits when due.
- **Expected Return on Plan Assets** - Management projects the long-term rates of return on plan assets based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. These projected returns reduce the net benefit costs PPL records currently.
- **Rate of Compensation Increase** - Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement.
- **Health Care Cost Trend Rate** - Management projects the expected increases in the cost of health care.

In selecting a discount rate for its defined benefit plans, PPL Services starts with a cash flow analysis of the expected benefit payment stream for its plans. For 2010, these plan-specific cash flows were matched against a spot-rate yield curve to determine the assumed discount rate. To develop the spot-rate yield curve, the full universe of Aa-rated non-callable (or callable with make-whole provisions) bonds, served as the base from which those with the lowest and highest yields were eliminated to develop an appropriate subset of bonds from which the ultimate yield curve would be built. At that time, Management believed this plan-specific cash flow matching model represented the best available tool for estimating the discount rate. Beginning in 2011, PPL Services utilized a new tool that enhanced this plan-specific cash flow matching methodology by primarily matching the plan-specific cash flows against the coupons and expected maturity values of individually selected bonds. This bond matching process begins with the same subset of the universe of Aa-rated corporate bonds from which those with the lowest and highest yields were eliminated, similar to the yield curve approach. Individual bonds were then selected based on the timing of each plan's cash flows and parameters were established as to the percentage of each individual bond issue that could be hypothetically purchased and the surplus reinvestment rates to be assumed. This process more accurately approximated the process of settlement of the obligations, which better aligns with the objective of selecting the discount rate. At December 31, 2011, PPL Services decreased the discount rate for its U.S. pension plans from 5.41% to 5.07% and decreased the discount rate for its other postretirement benefit plans from 5.16% to 4.81%.

The expected long-term rates of return for PPL Services' U.S. defined benefit pension and other postretirement benefits have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. PPL management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption. Based on PPL's change to a liability-driven investment strategy, PPL's U.S. defined benefit pension assets have shifted into a greater proportion of fixed-income investments. Based on this change in

investment strategy, at December 31, 2011, PPL Services' expected return on plan assets decreased from 7.25% to 7.00% for its U.S. pension plan and decreased from 6.45% to 5.70% for its other postretirement benefit plan.

In selecting a rate of compensation increase, PPL Services considers past experience in light of movements in inflation rates. At December 31, 2011, PPL Services' rate of compensation increase decreased from 4.75% to 4.00% for its U.S. plan.

In selecting health care cost trend rates for PPL Services' other postretirement benefit plans, PPL Services considers past performance and forecasts of health care costs. At December 31, 2011, PPL Services' health care cost trend rates were 8.50% for 2012, gradually declining to 5.50% for 2019.

A variance in the assumptions listed above could have a significant impact on the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and the regulatory assets allocated to PPL Electric. While the charts below reflect either an increase or decrease in each assumption, the inverse of this change would impact the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and regulatory assets by a similar amount in the opposite direction. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption and does not include income tax effects.

At December 31, 2011, the defined benefit plans were recorded as follows.

Pension liabilities	\$	(186)
Other postretirement benefit liabilities		(53)

The following chart reflects the sensitivities in the December 31, 2011 Balance Sheet associated with a change in certain assumptions based on PPL Services' primary defined benefit plans.

Actuarial assumption	Change in assumption	Increase (Decrease)	
		Impact on defined benefit liabilities	Impact on regulatory assets
Discount Rate	(0.25)%	\$ 38	\$ 38
Rate of Compensation Increase	0.25%	6	6
Health Care Cost Trend Rate (a)	1.00%	1	1

(a) Only impacts other postretirement benefits.

In 2011, PPL Electric was allocated net periodic defined benefit costs charged to operating expense of \$17 million. This amount represents a \$3 million decrease compared with the charge recognized during 2010.

The following chart reflects the sensitivities in the 2011 Statement of Income (excluding income tax effects) associated with a change in certain assumptions based on PPL Services' primary defined benefit plans.

Actuarial assumption	Change in assumption	Impact on defined benefit costs
Discount Rate	(0.25)%	\$ 3
Expected Return on Plan Assets	(0.25)%	2
Rate of Compensation Increase	0.25%	1

## 2) Loss Accruals

Losses are accrued for the estimated impacts of various conditions, situations or circumstances involving uncertain or contingent future outcomes. For loss contingencies, the loss must be accrued if (1) information is available that indicates it is probable that a loss has been incurred, given the likelihood of the uncertain future events, and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The accrual of contingencies that might result in gains is not recorded unless recovery is assured. Potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events are continuously assessed.



The accounting aspects of estimated loss accruals include (1) the initial identification and recording of the loss, (2) the determination of triggering events for reducing a recorded loss accrual, and (3) the ongoing assessment as to whether a recorded loss accrual is sufficient. All three of these aspects require significant judgment by management. Internal expertise and outside experts (such as lawyers and engineers) are used, as necessary, to help estimate the probability that a loss has been incurred and the amount (or range) of the loss.

No new significant loss accruals were recorded in 2011.

Certain other events have been identified that could give rise to a loss, but that do not meet the conditions for accrual. Such events are disclosed, but not recorded, when it is "reasonably possible" that a loss has been incurred. See Note 15 to the Financial Statements for disclosure of other potential loss contingencies that have not met the criteria for accrual.

When an estimated loss is accrued, the triggering events for subsequently reducing the loss accrual are identified, where applicable. The triggering events generally occur when the contingency has been resolved and the actual loss is paid or written off, or when the risk of loss has diminished or been eliminated. The following are some of the triggering events that provide for the reduction of certain recorded loss accruals:

- Allowances for uncollectible accounts are reduced when accounts are written off after prescribed collection procedures have been exhausted, a better estimate of the allowance is determined or underlying amounts are ultimately collected.
- Environmental and other litigation contingencies are reduced when the contingency is resolved and actual payments are made, a better estimate of the loss is determined or the loss is no longer considered probable.

Loss accruals are reviewed on a regular basis to assure that the recorded potential loss exposures are appropriate. This involves ongoing communication and analyses with internal and external legal counsel, engineers, operation management and other parties.

### **3) Income Taxes**

Significant management judgment is required in developing the provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is required to determine the amount of benefit recognized related to an uncertain tax position. Tax positions are evaluated following a two-step process. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization, upon settlement, that exceeds 50%. Management considers a number of factors in assessing the benefit to be recognized, including negotiation of a settlement.

On a quarterly basis, uncertain tax positions are reassessed by considering information known at the reporting date. Based on management's assessment of new information, a tax benefit may subsequently be recognized for a previously unrecognized tax position, a previously recognized tax position may be de-recognized, or the benefit of a previously recognized tax position may be remeasured. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in the future.

At December 31, 2011, it was reasonably possible that during the next 12 months the total amount of unrecognized tax benefits could increase by as much as \$48 million or decrease by up to \$63 million. This change could result from the timing and/or valuation of certain deductions, intercompany transactions and unitary filing groups. The events that could cause these changes are direct settlements with taxing authorities, litigation, legal or administrative guidance by relevant taxing authorities and the lapse of an applicable statute of limitation.

The balance sheet classification of unrecognized tax benefits and the need for valuation allowances to reduce deferred tax assets also require significant management judgment. Unrecognized tax benefits are classified as current to the extent management expects to settle an uncertain tax position by payment or receipt of cash within one year of the reporting date. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers a number of factors in assessing the realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy utilized in this assessment must meet the recognition and measurement criteria utilized to account for an uncertain tax position. See Note 5 to the Financial Statements for income tax disclosures.

#### **4) Regulatory Assets and Liabilities**

PPL Electric's electricity delivery business is subject to cost-based rate regulation. As a result, the effects of regulatory actions are required to be reflected in the financial statements. Assets and liabilities are recorded that result from the regulated ratemaking process that may not be recorded under GAAP for non-regulated entities. Regulatory assets generally represent incurred costs that have been deferred because such costs are probable of future recovery in regulated customer rates. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. In certain cases, regulatory liabilities are recorded based on an understanding or agreement with the regulator that rates have been set to recover costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose.

Management continually assesses whether the regulatory assets are probable of future recovery by considering factors such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated rates, recent rate orders to other regulated entities, and the status of any pending or potential deregulation legislation. Based on this continual assessment, management believes the existing regulatory assets are probable of recovery. This assessment reflects the current political and regulatory climate at the state and federal levels, and is subject to change in the future. If future recovery of costs ceases to be probable, then asset write-offs would be required to be recognized in operating income. Additionally, the regulatory agencies can provide flexibility in the manner and timing of depreciation of PP&E and amortization of regulatory assets.

At December 31, 2011 and 2010, PPL Electric had regulatory assets of \$729 million and \$655 million. All regulatory assets are either currently being recovered under specific rate orders, represent amounts that are expected to be recovered in future rates or benefit future periods based upon established regulatory practices. At December 31, 2011 and 2010, PPL Electric had regulatory liabilities of \$60 million and \$32 million.

In March 2012, PPL Electric plans to file a request with the FERC seeking recovery, over a 34-year period beginning in June 2012, of its unrecovered regulatory asset related to the deferred state tax liability that existed at the time of the transition from the flow-through treatment of state income taxes to full normalization. This change in tax treatment occurred in 2008 as a result of prior FERC initiatives that transferred regulatory jurisdiction of certain transmission assets from the PUC to the FERC. A regulatory asset of \$51 million related to this transition, classified as taxes recoverable through future rates, is included in "Other Noncurrent Assets - Regulatory assets" on the Balance Sheet. PPL Electric believes recoverability of this regulatory asset is probable based on FERC precedent in similar cases; however, it is reasonably possible that the FERC may limit the recovery of all or part of the claimed asset.

See Note 6 to the Financial Statements for additional information on regulatory assets and liabilities.

#### **5) Revenue Recognition - Unbilled Revenue**

Revenues related to the sale of energy are recorded when energy is delivered to customers. Because customers are billed on cycles which vary based on the timing of the actual meter reads taken throughout the month, PPL Electric records estimates for unbilled revenues at the end of each reporting period. Such unbilled revenue amounts reflect estimates of the amount of energy delivered to customers since the date of the last reading of their meters. The unbilled estimate is based on daily load models, the meter read schedule, and actual weather data. The unbilled accrual is based on estimated usage for each customer class, and the current rate schedule pricing. At December 31, 2011 and 2010, PPL Electric had unbilled revenue of \$98 million and \$134 million.

#### **Other Information**

PPL's Audit Committee has approved the independent auditor to provide audit and audit-related services, tax services and other services permitted by Sarbanes-Oxley and SEC rules. The audit and audit-related services include services in connection with statutory and regulatory filings, reviews of offering documents and registration statements, and internal control reviews. See "Item 14. Principal Accounting Fees and Services" for more information.

**LG&E AND KU ENERGY LLC AND SUBSIDIARIES****Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The information provided in this Item 7 should be read in conjunction with LKE's Financial Statements and the accompanying Notes. Capitalized terms and abbreviations are explained in the glossary. Dollars are in millions, unless otherwise noted.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" includes the following information:

- "Overview" provides a description of LKE and its business strategy. "Financial and Operational Developments" includes a review of Net Income and discusses certain events that are important to understanding LKE's results of operations and financial condition.
- "Results of Operations" provides a summary of LKE's earnings and a description of key factors expected to impact future earnings. This section ends with "Statement of Income Analysis," which includes explanations of significant changes in principal items on LKE's Statements of Income, comparing 2011, 2010 and 2009.
- "Financial Condition - Liquidity and Capital Resources" provides an analysis of LKE's liquidity position and credit profile. This section also includes a discussion of rating agency decisions and capital expenditure projections.
- "Financial Condition - Risk Management" provides an explanation of LKE's risk management programs relating to market and credit risk.
- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of LKE and that require its management to make significant estimates, assumptions and other judgments of matters inherently uncertain.

**Overview****Introduction**

LKE, headquartered in Louisville, Kentucky, is a limited liability company. LKE became a wholly owned subsidiary of PPL when PPL acquired all of LKE's interests from E.ON US Investments Corp. on November 1, 2010. LKE has regulated utility operations through its subsidiaries, LG&E and KU, which constitute substantially all of LKE's assets. LG&E and KU are engaged in the generation, transmission, distribution and sale of electric energy. LG&E also engages in the distribution and sale of natural gas. LG&E and KU maintain their separate identities and serve customers in Kentucky under their respective names. KU also serves customers in Virginia under the Old Dominion Power name and it serves customers in Tennessee under the KU name. Refer to "Item 1. Business - Background" for a description of LKE's business.

**Business Strategy**

LKE's overall strategy is to provide reliable, safe and competitively priced energy to its customers.

A key objective for LKE is to maintain a strong credit profile through managing financing costs and access to credit markets. LKE continually focuses on maintaining an appropriate capital structure and liquidity position.

**Successor and Predecessor Financial Presentation**

LKE's Financial Statements and related financial and operating data include the periods before and after PPL's acquisition of LKE on November 1, 2010, and have been segregated to present pre-acquisition activity as the Predecessor and post-acquisition activity as the Successor. Predecessor activity covers the time period prior to November 1, 2010. Successor activity covers the time period after October 31, 2010. Certain accounting and

presentation methods were changed to acceptable alternatives to conform to PPL's accounting policies, which are discussed in Note 1 to the Financial Statements. The cost bases of certain assets and liabilities were changed as of November 1, 2010, as a result of the application of push-down basis of accounting, which was used to record the fair value adjustments of assets and liabilities at the acquisition date. Consequently, the financial position, results of operations and cash flows for the Successor periods are not comparable to the Predecessor periods; however, the core operations of LKE have not changed as a result of the acquisition.

## Financial and Operational Developments

### Net Income

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
Net Income (Loss)	\$ 265	\$ 47	\$ 190	\$ (1,542)

The operating results for 2011 and 2010 include the effect of LG&E's and KU's base rate increases, which became effective August 1, 2010, partially offset by net cost increases, which have not yet been reflected in the rates charged by LG&E and KU. The operating results for the ten months ended October 31, 2010 also include \$19 million of other income associated with the establishment of regulatory assets for previously recorded losses on interest rate swaps. The operating results for 2009 include a loss on impairment of goodwill of \$1,493 million, which LKE recorded based on bids received from parties interested in purchasing LKE, including PPL. In addition, net income for 2009 includes \$220 million of losses from discontinued operations primarily related to the disposition of a 25-year lease and operating agreements of WKE, for the generating facilities of BREC.

See "Results of Operations" below for further discussion and analysis of the results of operations.

### TC2

LKE constructed a 732 MW summer capacity coal-fired unit, TC2, which is jointly owned by LG&E and KU (combined 75%), together with the Illinois Municipal Electric Agency and the Indiana Municipal Power Agency (combined 25%). With limited exceptions LKE took care, custody and control of TC2 in January 2011. LG&E and KU and the construction contractor further amended the construction agreement to provide that the contractor will complete certain actions to identify and complete any necessary modifications to allow operation of TC2 on all fuels in accordance with initial specifications prior to certain dates, and amending the provisions relating to liquidated damages. A number of remaining issues regarding these matters are still under discussion with the contractor. See Notes 8 and 15 to the Financial Statements for additional information.

### Registered Debt Exchange Offer by LKE, LG&E and KU

In April 2011, LKE, LG&E and KU each filed a Registration Statement with the SEC, related to an offer to exchange certain senior notes and first mortgage bonds issued in November 2010, in transactions not subject to registration under the Securities Act of 1933, with similar but registered securities. The 2011 Registration Statements became effective in June 2011, and the exchanges were completed in July 2011, with substantially all of the senior notes and first mortgage bonds being exchanged. See Note 7 to the Financial Statements and the 2011 Registration Statements for additional information.

### CSAPR

In July 2011, the EPA signed the CSAPR, which finalizes and renames the Clean Air Transport Rule (Transport Rule) proposed in August 2010, and made revisions to the rule on February 7, 2012. This rule applies to the Kentucky coal plants. The CSAPR is meant to facilitate attainment of ambient air quality standards for ozone and fine particulates by requiring reductions in sulfur dioxide and nitrogen oxide emissions.

In December 2011, the U.S. Court of Appeals for the District of Columbia (Court) stayed implementation of the CSAPR and left CAIR in effect pending a final resolution on the merits of the validity of the rule. Oral argument on the various challenges to the CSAPR is scheduled for April 2012, and a final decision on the validity of the rule could be issued as early as May 2012.

With respect to LKE's Kentucky coal-fired generating plants, the stay of the CSAPR will initially only impact the unit dispatch order. With the return of the CAIR and LG&E's and KU's significant number of sulfur dioxide allowances, those units will be dispatched with lower operating cost, but slightly higher sulfur dioxide and nitrogen oxide emissions. However, a key component of the Court's final decision, even if the CSAPR is upheld, will be whether the ruling delays the implementation of the CSAPR by one year for both Phases I and II, or instead still requires the significant sulfur dioxide and nitrogen oxide reductions associated with Phase II to begin in 2014. LG&E's and KU's CSAPR compliance strategy is based on over-compliance during Phase I to generate allowances sufficient to cover the expected shortage during the first two years of Phase II (2014 and 2015) when additional pollution control equipment will be installed. Should Phase I of the CSAPR be shortened to one year, it will be more difficult and costly to provide enough excess allowances in one year to meet the shortage projected for 2014 and 2015.

See Note 15 to the Financial Statements for additional information on the CSAPR.

#### Pending Bluegrass CTs Acquisition and NGCC Construction

In September 2011, LG&E and KU filed a CPCN with the KPSC requesting approval to build a 640 MW NGCC at the existing Cane Run plant site. In conjunction with this request and to meet new, stricter EPA regulations, LG&E and KU anticipate retiring six older coal-fired electric generating units. These units are located at the Cane Run, Green River and Tyrone plants, which have a combined summer rating of 797 MW. LG&E and KU also requested approval to purchase the Bluegrass CTs, which are expected to provide up to 495 MW of peak generation supply.

LG&E and KU anticipate that the NGCC construction and the acquisition of the Bluegrass CTs could require up to \$800 million (comprised of up to \$300 million for LG&E and up to \$500 million for KU) in capital costs including related transmission projects. Formal requests for recovery of the costs associated with the NGCC construction and the acquisition of the Bluegrass CTs were not included in the CPCN filing with the KPSC but are expected to be included in future rate proceedings. The KPSC issued an Order on the procedural schedule in the CPCN filing that has discovery, scheduled through early February 2012. A KPSC order on the CPCN filing is anticipated in the second quarter of 2012. See Note 8 to the Financial Statements for additional information.

#### ECR Filing - Environmental Upgrades

In June 2011, in order to achieve compliance with new and pending mandated federal EPA regulations, LG&E and KU filed ECR plans with the KPSC requesting approval to install environmental upgrades for certain of their coal-fired plants along with the recovery of their expected \$1.4 billion for LG&E and \$1.1 billion for KU in associated capital costs, as well as operating expenses incurred. The ECR plans detailed upgrades that will be made to certain of LG&E's and KU's coal-fired generating plants to continue to be compliant with EPA regulations.

In November 2011, LG&E and KU filed a unanimous settlement agreement, stipulation and recommendation with the KPSC. In December 2011, LG&E and KU received KPSC approval in their proceedings relating to the ECR plans. The KPSC Order approved the terms of the November 2011 settlement agreement entered into between LG&E and KU and the parties to the ECR proceedings. The KPSC Order authorized the installation of environmental upgrades at certain plants during 2012-2016 representing approximate capital costs of \$1.4 billion at LG&E and \$900 million at KU. In connection with the approved projects, the KPSC Order allows recovery through the ECR rate mechanism of the capital costs and operating expenses of the projects and granted CPCNs for their construction. The KPSC Order also confirmed an existing 10.63% authorized return on equity for projects remaining from earlier ECR plans and provided for an authorized return on equity of 10.10% for the approved projects in the 2011 ECR proceedings. The KPSC Order noted KU's consent to defer the requested approval for certain environmental upgrades at its E.W. Brown generating plant, which represented approximately \$200 million in capital costs. KU retained the right to operate and dispatch the E.W. Brown generating plant in accordance with applicable environmental standards and the right to request approval of the deferred projects and related costs in future regulatory proceedings. See Note 6 to the Financial Statements for additional information.

Storm Recovery

In August 2011, a strong storm hit LG&E's service area causing significant damage and widespread outages for approximately 139,000 customers. LG&E filed an application with the KPSC in September 2011 requesting approval of a regulatory asset recorded to defer, for future recovery, \$8 million in incremental operation and maintenance expenses related to the storm restoration. An Order was received in December 2011 granting regulatory accounting treatment, while recovery of the regulatory asset will be determined within the next base rate case.

In December 2009, a major snowstorm hit KU's Virginia service area causing approximately 30,000 customer outages. During the normal 2009 Virginia Annual Information Filing (AIF), KU requested that the VSCC establish a regulatory asset and defer for future recovery \$6 million in incremental operation and maintenance expenses related to the storm restoration. In March 2011, the VSCC Staff issued its report on KU's 2009 AIF stating that it considered this storm damage to be extraordinary, non-recurring and material to KU. The Staff Report also recommended establishing a regulatory asset for these costs, with recovery over a five-year period upon approval in the next base rate case. In March 2011, a regulatory asset of \$6 million was established for actual costs incurred. In June 2011, the VSCC issued an Order approving the recommendations contained in the Staff Report. KU received approval in its 2011 base rate case to recover this regulatory asset over a five-year period ending October 2016.

In September 2009, the KPSC approved the deferral of a total of \$101 million (\$44 million and \$57 million for LG&E and KU) of costs associated with a severe ice storm that occurred in January 2009 and a wind storm that occurred in February 2009. Additionally, in December 2008, the KPSC approved the deferral of a total of \$26 million (\$24 million and \$2 million for LG&E and KU) of costs associated with high winds from the remnants of Hurricane Ike in September 2008. LG&E and KU received approval in their 2010 base rate cases to recover these regulatory assets over a ten-year period beginning August 2010.

Virginia Rate Case

In April 2011, KU filed an application with the VSCC requesting an annual increase in electric base rates for its Virginia jurisdictional customers of \$9 million, or 14%. In September 2011, a settlement stipulation was reached between KU and the VSCC Staff and filed with the VSCC for consideration. In October 2011, the VSCC approved the stipulation with two modifications that were accepted by KU. The VSCC issued an Order closing the proceeding in October 2011. The approved revenue increase was \$7 million annually, based on a return on equity of 10.3%, with new base rates effective November 1, 2011.

Results of Operations

As previously noted, LKE's results for the time periods after October 31, 2010 are on a basis of accounting different from its results for time periods prior to November 1, 2010. When discussing LKE's results of operations material differences resulting from the different basis of accounting will be isolated for purposes of comparability. See "Overview - Successor and Predecessor Financial Presentation" for further information.

The utility business is affected by seasonal weather. As a result, operating revenues (and associated operating expenses) are not generated evenly throughout the year. Revenue and earnings are generally higher during the first and third quarters and lower during the second quarter due to weather.

The following table summarizes the significant components of net income for 2011, 2010, and 2009 and the changes therein:

**Earnings**

<u>Successor</u>	<u>%</u>	<u>Combined</u>	<u>Successor</u>	<u>Predecessor</u>	<u>%</u>	<u>Predecessor</u>
<u>Year Ended</u>	<u>Change</u>	<u>Year Ended</u>	<u>Two Months</u>	<u>Ten Months</u>	<u>Change</u>	<u>Year Ended</u>
<u>December 31,</u>	<u>2011</u>	<u>December 31,</u>	<u>Ended</u>	<u>Ended</u>	<u>2010</u>	<u>December 31,</u>
<u>2011</u>	<u>vs.</u>	<u>2010</u>	<u>December 31,</u>	<u>October 31,</u>	<u>vs.</u>	<u>2009</u>
	<u>2010</u>		<u>2010</u>	<u>2010</u>	<u>2009</u>	

Operating Revenues	\$ 2,793	3	\$ 2,708	\$ 494	\$ 2,214	8	\$ 2,501
Fuel	866	1	861	138	723	13	762
Energy purchases	238	(15)	279	68	211	(26)	379
Other operation and maintenance	751	3	727	141	586	12	647
Depreciation	334	18	284	49	235	5	271
Taxes, other than income	37	61	23	2	21	(26)	31
Total Operating Expenses	2,226	2	2,174	398	1,776	4	2,090
Loss on Impairment						(100)	1,493
Other Income (Expense) - net	(1)	(108)	12	(2)	14	(48)	23
Interest Expense	147	(16)	176	24	152		176
Income Taxes	153	14	134	25	109	63	82
Income (Loss) from Discontinued Operations (net of income taxes)	(1)	(200)	1	2	(1)	(100)	(220)
Net Income (Loss)	265	12	237	47	190	(115)	(1,537)
Noncontrolling Interest - Loss from Discontinued Operations						(100)	5
Net Income (Loss) Attributable to Member	\$ 265	12	\$ 237	\$ 47	\$ 190	(115)	\$ (1,542)

The changes in the components of Net Income between these periods were due to the following factors. The results are adjusted for certain items that management considers special. See additional detail of these special items in the table below.

	2011 vs. 2010	2010 vs. 2009
Margin	\$ 92	\$ 191
Other operation and maintenance	(5)	(67)
Depreciation	(43)	(9)
Taxes, other than income	(14)	8
Other Income (Expense) - net	(13)	(11)
Interest Expense	29	
Income Taxes	(18)	(52)
Special Items, after-tax		1,719
	\$ 28	\$ 1,779

- See "Statement of Income Analysis - Margin - Changes in Non-GAAP Financial Measures" for an explanation of margin.
- Other operation and maintenance increased in 2010 compared with 2009, primarily due to higher administrative and general costs of \$38 million and higher steam costs of \$13 million. Administrative and general costs increased in part due to acquisition-related costs of \$17 million and higher bad debt costs of \$6 million, partially offset by lower pension costs of \$6 million.
- Depreciation expense was \$32 million higher in 2011 compared with 2010, due to TC2 commencing dispatch in January 2011.
- Taxes, other than income increased in 2011 compared with 2010, primarily due to a \$9 million clean coal incentive tax credit that LKE was able to apply to property tax in 2010.
- Other Income (Expense) - net decreased in 2011 compared with 2010, primarily due to \$19 million of other income from the establishment of a regulatory asset for previously recorded losses on interest rate swaps in 2010.
- Interest expense decreased in 2011 compared with 2010, due to lower interest rates and lower long-term debt balances. Lower interest rates contributed \$17 million of the decrease in interest expense, as the interest rates on the first mortgage bonds were lower than the rates on the loans from Fidelia Corporation and other E.ON AG affiliates, which were replaced. Lower long-term debt principal balances contributed \$15 million of the decrease, as LKE's long-term debt principal balances were lower for most of 2011, compared with its long-term debt principal balances as of December 31, 2010, this was partially offset; as LKE's long-term debt principal balances increased in 2011. LKE long-term debt principal balances were \$248 million higher as of December 31, 2011 compared with December 31, 2010.



- Income taxes increased in 2011 compared with 2010, primarily due to the \$19 million impact of higher pre-tax income.

Income taxes increased in 2010 compared with 2009, primarily due to the \$43 million impact of higher pre-tax income.

The following after-tax amounts, which management considers special items, also impacted earnings:

Income Statement Line Item	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
Special Items, net of tax benefit (expense):				
Energy-related economic activity, net of tax of \$(1), \$1, \$0, \$0 (a)	\$ 1	\$ (1)		\$ (1)
Impairment of goodwill, net of tax of \$0, \$0, \$0, \$0				(1,493)
BREC terminated lease, net of tax of \$1, (\$2), \$1, \$124 (b)	(1)	2	\$ (1)	(212)
Argentine gas distribution, net of tax of \$0, \$0, \$0, \$(8) (c)				(8)
Argentine gas distribution, net of tax of \$0, \$0, \$0, \$0 (c)				(5)
Total	\$	\$ 1	\$ (1)	\$ (1,719)

- (a) Represents net unrealized gains (losses) on contracts that economically hedge anticipated cash flows.
- (b) Represents costs associated with a terminated lease of WKE for the generating facilities of BREC. See Note 9 to the Financial Statements for additional information.
- (c) Represents an impairment loss for LKE's interest in two gas distribution companies in Argentina, which it sold in 2010. See Note 9 to the Financial Statements for additional information.

### 2012 Outlook

Excluding special items, LKE projects lower earnings in 2012 compared with 2011, as revenue increases are not expected to offset expense increases, which will include increases in depreciation expense, due to more plant in service and in interest expense, due to higher average debt balances as a result of capital expenditures. Actual results will be dependent on the effects of the economy and the impact of weather on retail sales among other variables. As a result of the stay out provision established in the settlement of the PPL-LKE acquisition, LKE is generally unable to implement an increase in base rates for its two regulated utilities in Kentucky before January 1, 2013.

Earnings in 2012 are subject to various risks and uncertainties. See "Forward-Looking Information," the rest of this Item 7, Notes 6 and 15 to the Financial Statements and "Business," and "Risk Factors" in this Form 10-K for a discussion of the risks, uncertainties and factors that may impact future earnings.

### Statement of Income Analysis --

#### Margin

#### Non-GAAP Financial Measure

The following discussion includes financial information prepared in accordance with GAAP, as well as a non-GAAP financial measure, "Margin." Margin is not intended to replace "Operating Income," which is determined in accordance with GAAP as an indicator of overall operating performance. Other companies may use different measures to analyze and to report on the results of their operations. Margin is a single financial performance measure of LKE's operations. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. These mechanisms allow for recovery of certain expenses, returns on capital investments associated with environmental regulations and performance incentives. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expenses and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. As a result, this measure represents the net revenues from LKE's operations. This performance measure is used, in conjunction with other information, internally by senior management to manage LKE's operations and analyze actual results compared with budget.

#### Reconciliation of Non-GAAP Financial Measures

The following tables reconcile "Operating Income" to "Margin" as defined by LKE for 2011, 2010 and 2009.

	2011 Successor			Predecessor		
	Margin	Other (a)	Operating Income (b)	Margin	Other (a)	Operating Income (b)
<b>Operating Revenues</b>	\$ 2,791	\$ 2	\$ 2,793	\$ 2,214		\$ 2,214
<b>Operating Expenses</b>						
Fuel	866		866	723		723
Energy purchases	238		238	211		211
Other operation and maintenance	90	661	751	57	\$ 529	586
Depreciation	49	285	334	35	200	235
Taxes, other than income		37	37		21	21
Total Operating Expenses	1,243	983	2,226	1,026	750	1,776
Total	\$ 1,548	\$ (981)	\$ 567	\$ 1,188	\$ (750)	\$ 438

	Successor			Predecessor		
	Two Months Ended December 31, 2010			Ten Months Ended October 31, 2010		
	Margin	Other (a)	Operating Income (b)	Margin	Other (a)	Operating Income (b)
<b>Operating Revenues</b>	\$ 495	\$ (1)	\$ 494	\$ 2,214		\$ 2,214
<b>Operating Expenses</b>						
Fuel	138		138	723		723
Energy purchases	68		68	211		211
Other operation and maintenance	14	127	141	57	\$ 529	586
Depreciation	7	42	49	35	200	235
Taxes, other than income		2	2		21	21
Total Operating Expenses	227	171	398	1,026	750	1,776
Total	\$ 268	\$ (172)	\$ 96	\$ 1,188	\$ (750)	\$ 438

	2009 Predecessor		
	Margin	Other (a)	Operating Income (b)
<b>Operating Revenues</b>	\$ 2,502	\$ (1)	\$ 2,501
<b>Operating Expenses</b>			
Fuel	762		762
Energy purchases	379		379
Other operation and maintenance	58	589	647
Depreciation	38	233	271
Taxes, other than income		31	31
Impairment		1,493	1,493
Total Operating Expenses	1,237	2,346	3,583
Total	\$ 1,265	\$ (2,347)	\$ (1,082)

(a) Represents amounts excluded from Margin.

(b) As reported on the Statements of Income.

### Changes in Non-GAAP Financial Measures

Margins were higher by \$92 million for 2011 compared with 2010. New KPSC rates went into effect on August 1, 2010, contributing to an additional \$112 million in operating revenue over the prior year. Partially offsetting the rate increase were lower retail volumes resulting from weather and economic conditions.

### Other Operation and Maintenance

Changes in other operation and maintenance expense were due to the following:

	2011 vs. 2010	2010 vs. 2009
Fuel for generation (a)	\$ 11	\$ 2
Steam operation (b)	10	2
Distribution maintenance (c)	8	(2)
Steam maintenance (d)	4	11

Transmission operation (e)		7
Administrative and general (f)	(1)	38
Other generation maintenance (g)	(4)	6
Other	(4)	16
Total	<u>\$ 24</u>	<u>\$ 80</u>

- (a) Fuel handling costs are included in fuel for electric generation on the Statements of Income for the Successor's periods and are in other operation and maintenance expense on the Statements of Income for the Predecessor's periods.
- (b) Steam operation costs increased in 2011 compared with 2010, primarily due to higher variable costs, the result of TC2 commencing dispatch in 2011.
- (c) Distribution maintenance costs increased in 2011 compared with 2010, primarily due to amortization of storm restoration-related costs along with a hazardous tree removal project initiated in August 2010, and an increase in pipeline integrity work. This increase was partially offset by \$6 million of 2009 winter storm restoration expenses being reclassified to a regulatory asset in 2011.
- (d) Steam maintenance costs increased in 2010 compared with 2009, primarily due to increased generation and boiler and electric maintenance costs related to outage work.
- (e) Transmission operation costs increased in 2010 compared with 2009, primarily due to a settlement agreement with a third party resulting in the establishment of a regulatory asset in 2009.
- (f) Administrative and general costs increased in 2010 compared with 2009, primarily due to acquisition-related costs of \$17 million incurred in 2010, higher bad debt costs of \$6 million and PPL support charges of \$3 million incurred for two post-acquisition months in 2010, partially offset by lower pension costs of \$6 million. Bad debt costs increased in 2010 compared with 2009, due to higher billed revenues and a higher net charge-off percentage partially offset by increased late payment charges. Pension costs decreased in 2010 compared with 2009, due to favorable asset performance in 2009.
- (g) Other generation maintenance costs increased in 2010 compared with 2009, primarily due to the overhaul of Paddy's Run Unit 13.

## Depreciation

Changes in depreciation were due to the following:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
TC2 (dispatch began in January 2011)	\$ 32	
E.W. Brown sulfur dioxide scrubber equipment (placed in-service in June 2010)	8	\$ 7
Ghent Unit 2 sulfur dioxide scrubber equipment (placed in-service in May 2009)		3
Other	10	3
Total	<u>\$ 50</u>	<u>\$ 13</u>

## Taxes, Other Than Income

Taxes, other than income increased by \$14 million in 2011 compared with 2010 primarily due to a \$9 million state coal tax credit that was applied to 2010 property taxes. The remaining increase was due to higher assessments, primarily from significant property additions. Taxes, other than income decreased by \$8 million in 2010 compared with 2009 primarily due to a \$5 million increase in the amount of state coal tax credits applied to property tax.

## Loss on Impairment

LKE did not experience impairment losses in 2011 or in 2010. In 2009, the loss on impairment of goodwill was \$1,493 million. LKE recorded goodwill impairment in 2009 based on bids received from parties interested in purchasing LKE, including PPL.

## Other Income (Expense) - net

Changes in other income (expense) - net were due to the following:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Net derivative gains (losses) (a)		\$ (18)
Discontinuance of AFUDC on ECR projects as a result of the FERC rate case		(4)
Depreciation expense on TC2 joint-use assets held for future use	\$ 3	(3)
Losses on interest rate swaps (b)	(19)	19
Other	3	(5)
Total	<u>\$ (13)</u>	<u>\$ (11)</u>

- (a) Net derivative gains and losses includes the unrealized gains and losses on interest rate swaps not designated as hedging instruments and the ineffective portion of interest rate swaps designated and qualifying as a cash flow hedge.
- (b) Other income in 2010 resulted from the establishment of a regulatory asset for previously recorded losses on interest rate swaps, which is included in "Net derivative gains and losses" within Note 17 to the Financial Statements.

### Interest Expense

The changes in interest expense were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Interest rates (a)	\$ (17)	\$ (20)
Long-term debt balances (b)	(15)	8
Other	3	12
Total	<u>\$ (29)</u>	<u>\$</u>

- (a) Interest rates on senior notes and first mortgage bonds issued in November 2010 were lower than the rates on the loans from Fidelia Corporation and other E.ON AG affiliates in place through October 2010.
- (b) LKE's long-term debt principal balance was \$923 million lower as of December 31, 2010 compared with December 31, 2009 primarily due to an equity contribution from PPL of \$1.6 billion at the time of acquisition. LKE's long-term debt principal balance was \$248 million higher as of December 31, 2011 compared with December 31, 2010.

### Income Taxes

Changes in income taxes were due to the following:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Income (Loss) from continuing operations excluding non-deductible impairment loss	\$ 19	\$ 43
Foreign tax		4
Other		5
Total	<u>\$ 19</u>	<u>\$ 52</u>

### Income (Loss) from Discontinued Operations (net of income taxes)

Changes in income (loss) from discontinued operations (net of income taxes) were due to the following:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
BREC terminated lease (a)	\$ (2)	\$ 213
Argentine gas distribution (b)		8
Total	<u>\$ (2)</u>	<u>\$ 221</u>

- (a) In 2009, LKE completed the disposition of WKE's 25-year lease and operating agreements for the generating facilities owned or operated by BREC.
- (b) In 2009, LKE recorded an impairment loss for two gas distribution companies located in Argentina, which it sold in 2010.

### Financial Condition

#### Liquidity and Capital Resources

LKE expects to continue to have adequate liquidity available through operating cash flows, cash and cash equivalents and its credit facilities.

LKE's cash flows from operations and access to cost-effective bank and capital markets are subject to risks and uncertainties including, but not limited to:

- changes in market prices for electricity;
- changes in commodity prices that may increase the cost of producing power or decrease the amount LKE receives from selling power;
- operational and credit risks associated with selling and marketing products in the wholesale power markets;
- unusual or extreme weather that may damage LKE's transmission and distribution facilities or affect energy sales to customers;

- reliance on transmission and distribution facilities that LKE does not own or control to deliver its electricity and natural gas;
- unavailability of generating units (due to unscheduled or longer-than-anticipated generation outages, weather and natural disasters) and the resulting loss of revenues and additional costs of replacement electricity;
- the ability to recover and the timeliness and adequacy of recovery of costs associated with regulated utility businesses;
- costs of compliance with existing and new environmental laws;
- any adverse outcome of legal proceedings and investigations with respect to LKE's current and past business activities;
- deterioration in the financial markets that could make obtaining new sources of bank and capital markets funding more difficult and more costly; and
- a downgrade in LKE's or its rated subsidiaries' credit ratings that could adversely affect their ability to access capital and increase the cost of credit facilities and any new debt.

See "Item 1A. Risk Factors" for further discussion of risks and uncertainties affecting LKE's cash flows.

At December 31, LKE had the following:

	Successor		Predecessor
	2011	2010	2009
Cash and cash equivalents	\$ 59	\$ 11	\$ 7
Short-term investments (a)		163	
	<u>\$ 59</u>	<u>\$ 174</u>	<u>\$ 7</u>
Short-term debt (b)		<u>\$ 163</u>	

- (a) Represents tax-exempt bonds issued by Louisville/Jefferson County, Kentucky, on behalf of LG&E that were purchased from the remarketing agent in 2008. Such bonds were remarketed to unaffiliated investors in January 2011. See Note 7 to the Financial Statements for additional information.
- (b) Represents borrowings under LG&E's \$400 million syndicated credit facility. See Note 7 to the Financial Statements for additional information.

The changes in LKE's cash and cash equivalents position resulted from:

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
Net cash provided by (used in) operating activities	\$ 769	\$ 26	\$ 488	\$ (204)
Net cash provided by (used in) investing activities	(265)	(211)	(426)	(706)
Net cash provided by (used in) financing activities	(456)	167	(40)	902
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 48</u>	<u>\$ (18)</u>	<u>\$ 22</u>	<u>\$ (8)</u>

### Auction Rate Securities

At December 31, 2011, LG&E's and KU's tax-exempt revenue bonds that are in the form of auction rate securities and total \$231 million continue to experience failed auctions. Therefore, the interest rate continues to be set by a formula pursuant to the relevant indentures. For the periods ended December 31, 2011, the weighted-average rate on LG&E's and KU's auction rate bonds in total was 0.25%.

See Note 7 to the Financial Statements for additional information about long-term debt securities.

### Operating Activities

Net cash provided by operating activities increased by 50%, or \$255 million, in 2011 compared with 2010, primarily as a result of:

- an increase in net income adjusted for non-cash effects of \$177 million (deferred income taxes and investment tax credits of \$101 million, depreciation of \$50 million, amortization of regulatory assets of \$15 million and other

noncash items of \$11 million, partially offset by unrealized (gains) losses on derivatives of \$14 million, defined benefit plans - expense of \$13 million and loss from discontinued operations - net of tax of \$1 million);

- an increase in cash inflows related to income tax receivable of \$79 million primarily due to net operating losses of \$40 million recorded in 2010 and the payment of \$40 million received by LKE for tax benefits in 2011;
- a net decrease in working capital related to unbilled revenues of \$53 million due to colder weather in December 2010 as compared with December 2009 and milder weather in December 2011 as compared with December 2010; and
- a decrease in cash outflows of \$29 million due to lower inventory levels in 2011 as compared with 2010 driven by \$32 million for fuel inventory purchased in 2010 for TC2 that was not used until 2011 when TC2 began dispatch, \$21 million due to lower coal burn as a result of unplanned outages at LG&E's Mill Creek plant and \$6 million for decreases in gas storage volumes, partially offset by \$22 million for KU's E.W. Brown and Ghent plants due primarily to increases in coal prices and \$7 million for increases in coal in-transit; partially offset by
- an increase in discretionary defined benefit plan contributions of \$105 million made in order to achieve LKE's long-term funding requirements.

Net cash provided by operating activities increased by 352%, or \$718 million, in 2010 compared with 2009, primarily as a result of:

- the absence of payments made in July 2009 of \$580 million for the WKE lease and operating agreement termination;
- an increase in net income adjusted for non-cash effects of \$155 million (deferred income taxes and investment tax credits of \$74 million, unrealized (gains) losses on derivatives of \$47 million, depreciation of \$13 million and amortization of regulatory assets of \$3 million, partially offset by loss on impairment of goodwill of \$1,493 million, loss from discontinued operations of \$224 million, defined benefit plans - expense of \$19 million and other noncash items of \$20 million);
- lower storm expenses of \$104 million; and
- the timing of ECR collections of \$53 million; partially offset by
- a net increase in working capital from accounts receivable and unbilled revenues of \$107 million due to the timing of cash receipts, an increase in base rates effective August 2010, colder weather in December 2009 as compared with December 2008 and colder weather in December 2010 as compared with December 2009;
- an increase in cash refunded to customers of \$55 million due to prior period over-recoveries related to the gas supply clause filings;
- an increase in cash outflows related to inventory of \$44 million, primarily due to a nominal decrease in the market price of natural gas in 2010 and a significant decrease in the market price of natural gas in 2009;
- an increase in backstop energy and aluminum production credit payments of \$39 million under the smelter contract;
- higher interest payments of \$33 million due to an accelerated settlement with E.ON AG; and
- an increase in discretionary defined benefit plan contributions of \$14 million made in order to achieve LKE's long-term funding requirements.

### Investing Activities

The primary use of cash in investing activities in 2011, 2010 and 2009 was capital expenditures. See "Forecasted Uses of Cash" for detail regarding projected capital expenditures for the years 2012 through 2016.

Net cash used in investing activities decreased by 58%, or \$372 million, in 2011 compared with 2010, as a result of:

- proceeds from the sale of other investments of \$163 million in 2011;
- a decrease in capital expenditures of \$134 million, primarily due to the completion of KU's scrubber program in 2010 and TC2 being dispatched in 2011; and
- an increase of notes receivable from affiliates of \$107 million; partially offset by
- proceeds from sales of discontinued operations of \$21 million in 2010 and
- a decrease in restricted cash of \$11 million.

Net cash used in investing activities decreased by 10%, or \$69 million, in 2010 compared with 2009, as a result of:

- a decrease in capital expenditures of \$127 million, primarily due to lower expenditures related to the construction of TC2 and major storm events that occurred in 2009, and
- proceeds from sales of discontinued operations of \$21 million in 2010; partially offset by
- a decrease of notes receivable from affiliates of \$61 million;

- a decrease in restricted cash of \$8 million;
- proceeds on the settlement of derivatives of \$7 million in 2009; and
- proceeds from the sale of assets of \$3 million in 2009.

### Financing Activities

Net cash used in financing activities was \$456 million in 2011 compared with net cash provided by financing activities of \$127 million in 2010, primarily as a result of increased distributions to PPL and reduced contributions from PPL.

In 2011, cash used in financing activities consisted of:

- distributions to PPL of \$533 million, which includes \$248 million using the proceeds of the long-term debt issuance noted below;
- a repayment on a revolving line of credit of \$163 million;
- the payment of debt issuance and credit facility costs of \$8 million; and
- the repayment of debt of \$2 million; partially offset by
- the issuance of senior notes of \$250 million.

Net cash provided by financing activities was \$127 million in 2010 compared with \$902 million in 2009. In spite of significant new debt issuances associated with the repayments to E.ON AG affiliates in connection with PPL's acquisition of LKE, the cash provided by financing in 2010 is lower as a result of new debt issuances exceeding repayments by a smaller amount and by higher distributions paid in 2010.

In the two months of 2010 following PPL's acquisition of LKE, cash provided by financing activities of the Successor consisted of:

- the issuance of senior unsecured notes and first mortgage bonds of \$2,890 million after discounts;
- the issuance of debt of \$2,784 million to a PPL affiliate to repay debt due to E.ON AG affiliates upon the closing of PPL's acquisition of LKE;
- an equity contribution from PPL of \$1,565 million; and
- a draw on a revolving line of credit of \$163 million; partially offset by
- the repayment of debt to E.ON AG affiliates of \$4,319 million upon the closing of PPL's acquisition of LKE;
- the repayment of debt to a PPL affiliate of \$2,784 million upon the issuance of senior unsecured notes and first mortgage bonds;
- distributions to PPL of \$100 million; and
- the payment of debt issuance and credit facility costs of \$32 million.

In the ten months of 2010 preceding PPL's acquisition of LKE, cash used in financing activities by the Predecessor consisted of:

- the repayment of debt to an E.ON AG affiliate of \$900 million;
- distributions to E.ON US Investments Corp. of \$87 million; and
- a net decrease in notes payable with affiliates of \$3 million; partially offset by
- the issuance of debt of \$950 million to an E.ON AG affiliate.

In 2009, cash provided by financing activities by the Predecessor consisted of:

- the issuance of debt of \$1,230 million to an E.ON AG affiliate, partially offset by
- the repayment of debt to an E.ON AG affiliate of \$255 million;
- distributions to E.ON US Investments Corp. of \$49 million;
- a net decrease in notes payable with affiliates of \$22 million; and
- distributions to noncontrolling interests of \$2 million for discontinued operations in 2009.

See "Forecasted Sources of Cash" for a discussion of LKE's plans to issue debt securities, as well as a discussion of credit facility capacity available to LKE. Also see "Forecasted Uses of Cash" for a discussion of plans to pay dividends on common securities in the future, as well as maturities of long-term debt.

LKE's long-term debt securities activity through December 31, 2011 was:

	Debt	
	Issuances	Retirement
LKE Senior Notes	\$ 250	
LG&E and KU Capital LLC Medium Term Notes (a)		\$ (2)
Total Cash Flow Impact	\$ 250	\$ (2)
Non-cash Exchanges (b)		
LKE Senior Unsecured Notes	\$ 875	\$ (875)
LG&E First Mortgage Bonds	535	(535)
KU First Mortgage Bonds	1,500	(1,500)
Total Exchanged	\$ 2,910	\$ (2,910)
Net Increase	\$ 248	

(a) Notes were retired upon maturity.

(b) In April 2011, LKE, LG&E and KU each filed a 2011 Registration Statement with the SEC related to offers to exchange securities issued in November 2010 in transactions not registered under the Securities Act of 1933 with similar but registered securities. The registration became effective in June 2011, and the exchanges were completed in July 2011 with substantially all securities being exchanged.

See Note 7 to the Financial Statements for additional information about long-term debt securities.

### Forecasted Sources of Cash

LKE expects to continue to have sufficient sources of cash available in the near term, including various credit facilities and operating cash flow. LG&E expects to remarket \$194 million of tax-exempt bonds that will be put back to LG&E in 2012. In February 2012, LG&E and KU each established a commercial paper program for up to \$250 million to provide an additional financing source to fund each of their short-term liquidity needs. Commercial paper issuances will be supported by the respective Syndicated Credit Facility.

### *Credit Facilities*

At December 31, 2011, LKE's total committed borrowing capacity under its credit facilities and the use of this borrowing capacity were:

	Committed Capacity	Borrowed	Letters of Credit Issued	Unused Capacity
LKE Credit Facility with a subsidiary of PPL Energy Supply	\$ 300			\$ 300
LG&E Credit Facility (a) (d)	400			400
KU Credit Facilities (a) (b) (d)	598		\$ 198	400
Total Credit Facilities (c)	\$ 1,298		\$ 198	\$ 1,100

(a) In June 2011, LG&E and KU each amended its respective Syndicated Credit Facility such that the fees and the spread to benchmark interest rates for borrowings depend upon the respective company's senior secured long-term debt rating rather than the senior unsecured debt rating.

(b) In April 2011, KU entered into a new \$198 million letter of credit facility that has been used to issue letters of credit to support outstanding tax exempt bonds. KU pays customary commitment and letter of credit fees under the new facility. The facility matures in April 2014. In August 2011, KU amended its letter of credit facility such that the fees depend upon KU's senior secured long-term debt rating rather than the senior unsecured debt rating.

(c) Total borrowings outstanding under LKE's credit facilities decreased on a net basis by \$163 million since December 31, 2010.

(d) In October 2011, LG&E and KU each amended its respective syndicated credit facilities. The amendments included extending the expiration dates from December 2014 to October 2016. Under these facilities, LG&E and KU each continue to have the ability to make cash borrowings and to request the lenders to issue letters of credit.

The commitments under LG&E's and KU's credit facilities are provided by a diverse bank group, with no one bank and its affiliates providing an aggregate commitment of more than 9% of the total committed capacity; however, the PPL affiliate provides a commitment of approximately 23% of LKE's total facilities listed above.

See Note 7 to the Financial Statements for further discussion of LKE's credit facilities.





*Operating Leases*

LKE and its subsidiaries also have available funding sources that are provided through operating leases. LKE's subsidiaries lease office space, gas storage and certain equipment. These leasing structures provide LKE additional operating and financing flexibility. The operating leases contain covenants that are typical for these agreements, such as maintaining insurance, maintaining corporate existence and timely payment of rent and other fees.

See Note 11 to the Financial Statements for further discussion of the operating leases.

Forecasted Uses of Cash

In addition to expenditures required for normal operating activities, such as purchased power, payroll, fuel and taxes, LKE currently expects to incur future cash outflows for capital expenditures, various contractual obligations, payment of dividends on its common securities and possibly the purchase or redemption of a portion of debt securities.

*Capital Expenditures*

The table below shows LKE's current capital expenditure projections for the years 2012 through 2016.

	<b>Projected</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Construction expenditures (a)					
Generating facilities (b)	\$ 275	\$ 279	\$ 345	\$ 296	\$ 117
Distribution facilities	212	257	237	282	270
Transmission facilities (c)	84	107	88	74	65
Environmental	612	873	852	681	92
Other	26	42	39	51	46
Total Construction Expenditures	<u>\$ 1,209</u>	<u>\$ 1,558</u>	<u>\$ 1,561</u>	<u>\$ 1,384</u>	<u>\$ 590</u>

- (a) Construction expenditures include AFUDC, which is not expected to be significant for the years 2012 through 2016.
- (b) Includes approximately \$700 million of currently estimable costs related to replacement generation units due to EPA regulations not recoverable through the ECR mechanism. LKE expects to recover these costs over a period equivalent to the related depreciable lives of the assets through future rate proceedings.
- (c) Includes approximately \$100 million of currently estimable transmission costs related to replacement generation units. LKE expects to recover these costs over a period equivalent to the related depreciable lives of the assets through future rate proceedings.

LKE's capital expenditure projections for the years 2012 through 2016 total approximately \$6.3 billion. Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions. This table includes current estimates for LKE's environmental projects related to new and anticipated EPA compliance standards. Actual costs may be significantly lower or higher depending on the final requirements and market conditions. Certain environmental compliance costs incurred by LG&E and KU in serving KPSC jurisdictional customers are generally eligible for recovery through the ECR mechanism.

LKE plans to fund its capital expenditures in 2012 with cash on hand, cash from operations and short-term debt.

*Contractual Obligations*

LKE has assumed various financial obligations and commitments in the ordinary course of conducting its business. At December 31, 2011, the estimated contractual cash obligations of LKE were:

	<b>Total</b>			<b>2012</b>	<b>2013 - 2014</b>	<b>2015 - 2016</b>			<b>After 2016</b>
Long-term Debt (a)	\$ 4,085					\$ 900	\$		3,185
Interest on Long-term Debt (b)	2,725	\$	142	\$	277	274			2,032
Operating Leases (c)	56		15		24	11			6
Coal and Natural Gas Purchase Obligations (d)	2,829		823		1,281	695			30
Unconditional Power Purchase Obligations (e)	1,011		29		60	63			859
Construction Obligations (f)	409		278		116	13			2
Pension Benefit Plan Obligations (g)	55		55						

Other Obligations (h)	24	5	10	9	
Total Contractual Cash Obligations	<u>\$ 11,194</u>	<u>\$ 1,347</u>	<u>\$ 1,768</u>	<u>\$ 1,965</u>	<u>\$ 6,114</u>

- (a) Reflects principal maturities only based on stated maturity dates. See Note 7 to the Financial Statements for a discussion of variable-rate remarketable bonds issued on behalf of LG&E and KU. LKE does not have any significant capital lease obligations.
- (b) Assumes interest payments through stated maturity. The payments herein are subject to change, as payments for debt that is or becomes variable-rate debt have been estimated.
- (c) See Note 11 to the Financial Statements for additional information.
- (d) Represents contracts to purchase coal, natural gas and natural gas transportation. See Note 15 to the Financial Statements for additional information.
- (e) Represents future minimum payments under OVEC power purchase agreements through June 2040. See Note 15 to the Financial Statements for additional information.
- (f) Represents construction commitments, including commitments for the Ghent landfill, Ohio Falls refurbishment and the Brown SCR construction including associated material transport systems for coal combustion residuals, which are also reflected in the Capital Expenditures table presented above.
- (g) Based on the current funded status of LKE's qualified pension plans, no cash contributions are required. See Note 13 to the Financial Statements for a discussion of expected contributions.
- (h) Represents other contractual obligations. Purchase orders made in the ordinary course of business are excluded from the amounts presented.

### *Dividends*

From time to time, as determined by its Board of Directors, LKE pays dividends to the sole member, PPL.

As discussed in Note 7 to the Financial Statements, LG&E's and KU's ability to pay dividends is limited under a covenant in each of their \$400 million revolving line of credit facilities. This covenant restricts their debt to total capital ratio to not more than 70%.

See Note 7 to the Financial Statements for other restrictions related to distributions on capital interests for LKE subsidiaries.

### *Purchase or Redemption of Debt Securities*

LKE will continue to evaluate purchasing or redeeming outstanding debt securities and may decide to take action depending upon prevailing market conditions and available cash.

### Rating Agency Decisions

Moody's, S&P and Fitch periodically review the credit ratings on the debt securities of LKE and its subsidiaries. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of LKE and its subsidiaries are based on information provided by LKE and other sources. The ratings of Moody's, S&P and Fitch are not a recommendation to buy, sell or hold any securities of LKE or its subsidiaries. Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities. A downgrade in LKE's or its subsidiaries' credit ratings could result in higher borrowing costs and reduced access to capital markets.

In LKE's 2011 Registration Statement, LKE described its then-current credit ratings in connection with, and to facilitate, an understanding of its liquidity position. As a result of the passage of the Dodd-Frank Act and the attendant uncertainties relating to the extent to which issuers of non-asset backed securities may disclose credit ratings without being required to obtain rating agency consent to the inclusion of such disclosure, or incorporation by reference of such disclosure, in a registrant's registration statement or section 10(a) prospectus, LKE is limiting its credit rating disclosure to a description of the actions taken by the rating agencies with respect to LKE's ratings, but without stating what ratings have been assigned to LKE or its subsidiaries, or their securities. The ratings assigned by the rating agencies to LKE and its subsidiaries and their respective securities may be found, without charge, on each of the respective ratings agencies' websites, which ratings together with all other information contained on such rating agency websites is, hereby, explicitly not incorporated by reference in this report.

Following the announcement of PPL's then-pending acquisition of WPD Midlands in March 2011, the rating agencies took the following actions.

- Moody's affirmed all of the ratings for LKE and all of its rated subsidiaries;
- S&P revised the outlook for LKE, LG&E and KU and lowered the issuer and senior unsecured ratings of LKE and the issuer, senior secured and short-term ratings of LG&E and KU; and
- Fitch affirmed all of the ratings for LKE and all of its rated subsidiaries.

In April 2011, S&P took the following actions following the completion of PPL's acquisition of WPD Midlands:

- revised the outlook for LKE and all of its rated subsidiaries;
- raised the short-term ratings of LG&E and KU; and
- affirmed all of the long-term ratings for LKE and its rated subsidiaries.

In May 2011, S&P downgraded the long-term rating of four series of pollution control bonds issued on behalf of KU by one notch in connection with the substitution of the letters of credit enhancing these four bonds.

In September 2011, Moody's affirmed the issuer ratings for LG&E and KU and all of the ratings for LKE.

In November 2011, Moody's and S&P affirmed all of their ratings for LKE and all of its rated subsidiaries.

In December 2011, Fitch affirmed all of the ratings for LKE and all of its rated subsidiaries.

#### Ratings Triggers

LKE and its subsidiaries have various derivative and non-derivative contracts, including contracts for the sale and purchase of electricity, fuel, commodity transportation and storage and interest rate instruments, which contain provisions requiring LKE and its subsidiaries to post additional collateral, or permitting the counterparty to terminate the contract, if LKE's or the subsidiaries' credit rating were to fall below investment grade. See Note 19 to the Financial Statements for a discussion of "Credit Risk-Related Contingent Features," including a discussion of the potential additional collateral that would have been required for derivative contracts in a net liability position at December 31, 2011. At December 31, 2011, if LKE's or its subsidiaries' credit ratings had been below investment grade, the maximum amount that LKE would have been required to post as additional collateral to counterparties was \$84 million for both derivative and non-derivative commodity and commodity-related contracts used in its generation and marketing operations, gas supply and interest rate contracts.

#### **Off-Balance Sheet Arrangements**

LKE has entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 15 to the Financial Statements for a discussion of these agreements.

#### **Risk Management**

##### Market Risk

LKE is exposed to market risk from equity instruments, interest rate instruments and commodity instruments, as discussed below. However, regulatory cost recovery mechanisms significantly mitigate those risks. See Notes 1, 18 and 19 to the Financial Statements for information about LKE's risk management objectives, valuation techniques and accounting designations.

The forward-looking information presented below provides estimates of what may occur in the future, assuming certain adverse market conditions and model assumptions. Actual future results may differ materially from those presented. These disclosures are not precise indicators of expected future losses, but only indicators of possible losses under normal market conditions at a given confidence level.

##### *Commodity Price Risk (Non-trading)*

LG&E's and KU's rates are set by regulatory commissions and the fuel costs incurred are directly recoverable from customers. As a result, LG&E and KU are subject to commodity price risk for only a small portion of on-going business operations. LKE conducts energy trading and risk management activities to maximize the value of the physical assets at times when the assets are not required to serve LG&E's and KU's customers. LKE managed its energy commodity risk using derivative instruments, including swaps and forward contracts. See Note 19 to the Financial Statements for additional disclosures.

The balance and change in net fair value of LKE's commodity derivative contracts for the periods ended December 31, 2011, 2010, and 2009 are shown in the table below.

	Gains (Losses)			
	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
Fair value of contracts outstanding at the beginning of the period	\$	(2)	\$	2
Contracts realized or otherwise settled during the period		(3)	3	10
Fair value of new contracts entered into during the period			(4)	1
Other changes in fair value (a)	5	\$ (2)	1	(13)
Fair value of contracts outstanding at the end of the period	\$	\$ (2)	\$	\$

(a) Represents the change in value of outstanding transactions and the value of transactions entered into and settled during the period.

#### *Interest Rate Risk*

LKE and its subsidiaries have issued debt to finance their operations, which exposes them to interest rate risk. LKE utilizes various financial derivative instruments to adjust the mix of fixed and floating interest rates in its debt portfolio when appropriate. Risk limits under LKE's risk management program are designed to balance risk, exposure to volatility in interest expense and changes in the fair value of LKE's debt portfolio due to changes in the absolute level of interest rates.

At December 31, 2011 and 2010, LKE's potential annual exposure to increased interest expense, based on a 10% increase in interest rates, was not significant.

LKE is also exposed to changes in the fair value of its debt portfolio. LKE estimated that a 10% decrease in interest rates at December 31, 2011, would increase the fair value of its debt portfolio by \$125 million compared with \$123 million at December 31, 2010.

LKE had the following interest rate hedges outstanding at:

	December 31, 2011			December 31, 2010		
	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates
Economic hedges						
Interest rate swaps (b)	\$ 179	\$ (60)	\$ (4)	\$ 179	\$ (34)	\$ (7)

(a) Includes accrued interest.

(b) LKE utilizes various risk management instruments to reduce its exposure to the expected future cash flow variability of its debt instruments. These risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financing. While LKE is exposed to changes in the fair value of these instruments, any realized changes in the fair value of such economic hedges are recoverable through regulated rates and any subsequent changes in fair value of these derivatives are included in regulatory assets or liabilities. Sensitivities represent a 10% adverse movement in interest rates. The positions outstanding at December 31, 2011 mature through 2033.

#### Credit Risk

LKE is exposed to potential losses as a result of nonperformance by counterparties of their contractual obligations. LKE maintains credit policies and procedures to limit counterparty credit risk including evaluating credit ratings and financial

information along with having certain counterparties post margin if the credit exposure exceeds certain thresholds. LKE is exposed to potential losses as a result of nonpayment by customers. LKE maintains an allowance for doubtful accounts based on a historical charge-off percentage for retail customers. Allowances for doubtful accounts from wholesale and municipal customers and for miscellaneous receivables are based on specific identification by management. Retail, wholesale and municipal customer accounts are written-off after four months of no payment activity. Miscellaneous receivables are written-off as management determines them to be uncollectible.

Certain of LKE's derivative instruments contain provisions that require it to provide immediate and on-going collateralization of derivative instruments in net liability positions based upon LKE's credit ratings from each of the major credit rating agencies. See Notes 18 and 19 to the Financial Statements for information regarding exposure and the risk management activities.

### **Related Party Transactions**

LKE is not aware of any material ownership interest or operating responsibility by senior management of LKE, LG&E or KU in outside partnerships, including leasing transactions with variable interest entities or other entities doing business with LKE. See Note 16 to the Financial Statements for additional information on related party transactions between LKE and affiliates.

### **Environmental Matters**

Protection of the environment is a major priority for LKE and a significant element of its business activities. Extensive federal, state and local environmental laws and regulations are applicable to LKE's air emissions, water discharges and the management of hazardous and solid waste, among other areas, and the costs of compliance or alleged non-compliance cannot be predicted with certainty but could be material. In addition, costs may increase significantly if the requirements or scope of environmental laws or regulations, or similar rules, are expanded or changed from prior versions by the relevant agencies. Costs may take the form of increased capital or operating and maintenance expenses; monetary fines, penalties or forfeitures or other restrictions. Many of these environmental law considerations are also applicable to the operations of key suppliers, or customers, such as coal producers, industrial power users, etc.; and may impact the costs for their products or their demand for LKE's services. See "Item 1. Business - Environmental Matters" and Note 15 to the Financial Statements for a discussion of environmental matters.

### **New Accounting Guidance**

See Note 24 to the Financial Statements for a discussion of new accounting guidance pending adoption.

### **Application of Critical Accounting Policies**

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to the financial condition or results of operations, and require estimates or other judgments of matters inherently uncertain. Changes in the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in the Financial Statements (these accounting policies are also discussed in Note 1 to the Financial Statements). LKE's senior management has reviewed these critical accounting policies, the following disclosures regarding their application and the estimates and assumptions regarding them, with PPL's Audit Committee.

#### **1) Revenue Recognition - Unbilled Revenue**

Revenues related to the sale of energy are recorded when service is rendered or when energy is delivered to customers. Because customers of LG&E's and KU's retail operations are billed on cycles which vary based on the timing of the actual reading of their electric and gas meters, LKE records estimates for unbilled revenues at the end of each reporting period. Such unbilled revenue amounts reflect estimates of the amount of energy delivered to customers since the date of the last reading of their meters. These unbilled revenues reflect consideration of estimated usage by customer class, the effect of different rate schedules, changes in weather, and where applicable, the impact of weather normalization or other regulatory provisions of rate structures. In addition to the unbilled revenue accrual resulting from cycle billing, LKE makes additional accruals resulting from the timing of customer bills. The accrual of unbilled revenues in this manner

properly matches revenues and related costs. At December 31, 2011 and 2010 LKE had unbilled revenue balances of \$146 million and \$170 million.

## 2) Price Risk Management

See "Financial Condition - Risk Management" above.

## 3) Defined Benefits

LKE and certain of its subsidiaries sponsor and participate in qualified funded and non-qualified unfunded defined benefit pension plans. LKE also sponsors a funded other postretirement benefit plan. These plans are applicable to the majority of the employees of LKE and its subsidiaries. LKE records an asset or liability to recognize the funded status of all defined benefit plans with an offsetting entry to OCI or regulatory assets or liabilities. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets. See Note 13 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

Certain assumptions are made by LKE and certain of its subsidiaries regarding the valuation of benefit obligations and the performance of plan assets. When accounting for defined benefits, delayed recognition in earnings of differences between actual results and expected or estimated results is a guiding principle. Annual net periodic defined benefit costs are recorded in current earnings based on estimated results. Any differences between actual and estimated results are recorded in OCI or regulatory assets and liabilities for amounts that are expected to be recovered through regulated customer rates. These amounts in regulatory assets and liabilities are amortized to income over future periods. The delayed recognition allows for a smoothed recognition of costs over the working lives of the employees who benefit under the plans. The primary assumptions are:

- **Discount Rate** - The discount rate is used in calculating the present value of benefits, which is based on projections of benefit payments to be made in the future. The objective in selecting the discount rate is to measure the single amount that, if invested at the measurement date in a portfolio of high-quality debt instruments, would provide the necessary future cash flows to pay the accumulated benefits when due.
- **Expected Long-term Return on Plan Assets** - Management projects the long-term rates of return on plan assets based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. These projected returns reduce the net benefit costs LKE records currently.
- **Rate of Compensation Increase** - Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement.
- **Health Care Cost Trend Rate** - Management projects the expected increases in the cost of health care.

In selecting a discount rate for its defined benefit plans LKE starts with a cash flow analysis of the expected benefit payment stream for its plans. In 2010, these plan-specific cash flows were matched against a spot-rate yield curve to determine the assumed discount rate. To develop the spot-rate yield curve, the full universe of Aa-rated non-callable (or callable with make-whole provisions) bonds, served as the base from which those with the lowest and highest yields were eliminated to develop an appropriate subset of bonds from which the ultimate yield curve would be built. At that time, management believed this plan-specific cash flow matching model represented the best available tool for estimating the discount rate. Beginning in 2011, LKE utilized a new tool that enhanced this plan-specific cash flow matching methodology by primarily matching the plan-specific cash flows against the coupons and expected maturity values of individually selected bonds. This bond matching process begins with the same universe of Aa-rated corporate bonds from which those with the lowest and highest yields were eliminated, similar to the yield curve approach. Individual bonds are then selected based on the timing of each plan's cash flows and parameters are established as to the percentage of each individual bond issue that could be hypothetically purchased and the surplus reinvestment rates to be assumed. This process more accurately approximated the process of settlement of the obligations which better aligned with the objective of selecting the discount rate. At December 31, 2011 LKE decreased the discount rate for its pension plans from 5.49% to 5.08% and decreased the discount rate for its other postretirement benefit plan from 5.12% to 4.78%.

The expected long-term rates of return for LKE's defined benefit pension plans and defined other postretirement benefit plan have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. LKE management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption. At December 31, 2011, LKE's expected return on plan assets was 7.25%.

In selecting a rate of compensation increase, LKE considers past experience in light of movements in inflation rates. At December 31, 2011, LKE's rate of compensation increase changed from 5.25% to 4.00%.

In selecting health care cost trend rates LKE considers past performance and forecasts of health care costs. At December 31, 2011, LKE's health care cost trend rates were 8.50% for 2012, gradually declining to 5.50% for 2019.

A variance in the assumptions listed above could have a significant impact on accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and OCI or regulatory assets and liabilities for LKE. While the charts below reflect either an increase or decrease in each assumption, the inverse of the change would impact the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and OCI or regulatory assets and liabilities for LKE by a similar amount in the opposite direction. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption and does not include income tax effects.

At December 31, 2011, the defined benefit plans were recorded as follows:

Pension liabilities (a)	\$	362
Other postretirement benefit liabilities		156

(a) Amount includes current and noncurrent portions.

The following chart reflects the sensitivities in the December 31, 2011 Balance Sheet associated with a change in certain assumptions based on LKE's primary defined benefit plans.

Actuarial assumption	Change in assumption	Increase (Decrease)		
		Impact on defined benefit liabilities	Impact on OCI	Impact on regulatory assets
Discount Rate	(0.25)%	\$ 51	\$ (18)	\$ 33
Rate of Compensation Increase	0.25%	11	(6)	5
Health Care Cost Trend Rate (a)	1%	6	(1)	5

(a) Only impacts other postretirement benefits.

In 2011, LKE recognized net periodic defined benefit costs charged to operating expense of \$51 million. This amount represents a \$6 million decrease from 2010. This decrease in expense was primarily attributable to the increase in the expected return on plan assets resulting from the \$150 million pension contribution in January 2011.

The following chart reflects the sensitivities in the 2011 Statement of Income (excluding income tax effects) associated with a change in certain assumptions based on LKE's primary defined benefit plans.

Actuarial assumption	Change in assumption	Impact on defined benefit costs
Discount Rate	(0.25)%	\$ 5
Expected Return on Plan Assets	(0.25)%	2
Rate of Compensation Increase	0.25%	2
Health Care Cost Trend Rate (a)	1%	

(a) Only impacts other postretirement benefits.

#### 4) Asset Impairment



Impairment analyses are performed for long-lived assets that are subject to depreciation or amortization whenever events or changes in circumstances indicate that a long-lived asset's carrying value may not be recoverable. For these long-lived assets classified as held and used, such events or changes in circumstances are:

- a significant decrease in the market price of an asset;
- a significant adverse change in the extent or manner in which an asset is being used or in its physical condition;
- a significant adverse change in legal factors or in the business climate;
- an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of an asset;
- a current-period operating or cash flow loss combined with a history of losses or a forecast that demonstrates continuing losses; or
- a current expectation that, more likely than not, an asset will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

For a long-lived asset classified as held and used, impairment is recognized when the carrying amount of the asset is not recoverable and exceeds its fair value. The carrying amount is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If the asset is impaired, an impairment loss is recorded to adjust the asset's carrying value to its estimated fair value. Management must make significant judgments to estimate future cash flows including the useful lives of long-lived assets, the fair value of the assets and management's intent to use the assets. Alternate courses of action are considered to recover the carrying value of a long-lived asset, and estimated cash flows from the "most likely" alternative are used to assess impairment whenever one alternative is clearly the most likely outcome. If no alternative is clearly the most likely, then a probability-weighted approach is used taking into consideration estimated cash flows from the alternatives. For assets tested for impairment as of the balance sheet date, the estimates of future cash flows used in that test consider the likelihood of possible outcomes that existed at the balance sheet date, including the assessment of the likelihood of a future sale of the assets. That assessment is not revised based on events that occur after the balance sheet date. Changes in assumptions and estimates could result in significantly different results than those identified and recorded in the financial statements.

For a long-lived asset classified as held for sale, impairment exists when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If the asset (disposal group) is impaired, an impairment loss is recorded to adjust the carrying amount to its fair value less cost to sell. A gain is recognized for any subsequent increase in fair value less cost to sell, but not in excess of the cumulative impairment previously recognized.

For determining fair value, quoted market prices in active markets are the best evidence. However, when market prices are unavailable, LKE considers all valuation techniques appropriate under the circumstances and for which market participant inputs can be obtained. Generally discounted cash flows are used to estimate fair value, which incorporates market participant inputs when available. Discounted cash flows are calculated by estimating future cash flow streams and applying appropriate discount rates to determine the present value of the cash flow streams.

In 2011, LKE did not recognize an impairment of any long-lived assets.

Goodwill is tested for impairment at the reporting unit level. LKE's reporting unit has been determined to be at the operating segment level. A goodwill impairment test is performed annually or more frequently if events or changes in circumstances indicate that the carrying value of the reporting unit may be greater than the unit's fair value. Additionally, goodwill is tested for impairment after a portion of goodwill has been allocated to a business to be disposed of. Goodwill is tested for impairment using a two-step approach. In step 1, LKE identifies a potential impairment by comparing the estimated fair value of LKE (the goodwill reporting unit) to its carrying value, including goodwill, on the measurement date. If the estimated fair value exceeds its carrying amount, goodwill is not considered impaired. If the carrying amount exceeds the estimated fair value, the second step is performed to measure the amount of impairment loss, if any.

The second step requires a calculation of the implied fair value of goodwill which is determined in the same manner as the amount of goodwill in a business combination. That is, the estimated fair value is allocated to all of LKE's assets and liabilities as if LKE had been acquired in a business combination and the estimated fair value of LKE was the price paid. The excess of the estimated fair value of LKE over the amounts assigned to its assets and liabilities is the implied fair value of goodwill. The implied fair value of goodwill is then compared with the carrying amount of that goodwill. If the

carrying amount exceeds the implied fair value, an impairment loss is recognized in an amount equal to that excess. The loss recognized cannot exceed the carrying amount of the reporting unit's goodwill.

LKE tested goodwill for impairment in the fourth quarter of 2011 and no impairment was recognized. Management used both discounted cash flows and market multiples to estimate the fair value of LKE, which involved the use of significant estimates and assumptions. Applying an appropriate weighting to both the discounted cash flow and market multiple valuations, a decrease in the forecasted cash flows of 10%, an increase in the discount rate by 25 basis points, or a 10% decrease in the multiples would not have resulted in an impairment of goodwill.

## 5) Loss Accruals

Losses are accrued for the estimated impacts of various conditions, situations or circumstances involving uncertain or contingent future outcomes. For loss contingencies, the loss must be accrued if (1) information is available that indicates it is probable that a loss has been incurred, given the likelihood of the uncertain future events and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The accrual of contingencies that might result in gains is not recorded unless recovery is assured. Potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events are continuously assessed.

The accounting aspects of estimated loss accruals include (1) the initial identification and recording of the loss, (2) the determination of triggering events for reducing a recorded loss accrual and (3) the ongoing assessment as to whether a recorded loss accrual is sufficient. All three of these aspects require significant judgment by management. Internal expertise and outside experts (such as lawyers and engineers) are used, as necessary to help estimate the probability that a loss has been incurred and the amount (or range) of the loss.

In 2011, no significant adjustments were made to LKE's existing contingencies. See Note 15 to the Financial Statements for commitment and contingency disclosures.

Certain other events have been identified that could give rise to a loss, but that do not meet the conditions for accrual. Such events are disclosed, but not recorded, when it is reasonably possible that a loss has been incurred. Accounting guidance defines "reasonably possible" as cases in which "the future event or events occurring is more than remote, but less than likely to occur." See Note 15 to the Financial Statements, for disclosure of other potential loss contingencies that have not met the criteria for accrual.

When an estimated loss is accrued, the triggering events for subsequently adjusting the loss accrual are identified, where applicable. The triggering events generally occur when the contingency has been resolved and the actual loss is paid or written off, or when the risk of loss has diminished or been eliminated. The following are some of the triggering events that provide for the adjustment of certain recorded loss accruals:

- Allowances for uncollectible accounts are reduced when accounts are written off after prescribed collection procedures have been exhausted, a better estimate of the allowance is determined or underlying amounts are ultimately collected.
- Environmental and other litigation contingencies are reduced when the contingency is resolved, LKE makes actual payments, a better estimate of the loss is determined or the loss is no longer considered probable.

Loss accruals are reviewed on a regular basis to assure that the recorded potential loss exposures are appropriate. This involves ongoing communication and analyses with internal and external legal counsel, engineers, operation management and other parties.

## 6) Asset Retirement Obligations

LKE is required to recognize a liability for legal obligations associated with the retirement of long-lived assets. The initial obligation is measured at its estimated fair value. An equivalent amount is recorded as an increase in the value of the capitalized asset and allocated to expense over the useful life of the asset. Until the obligation is settled, the liability is increased, through the recognition of accretion expense in the Consolidated Statements of Income, for changes in the

obligation due to the passage of time. The accretion and depreciation are offset with a regulatory credit on the income statement, such that there is no earnings impact. The regulatory asset created by the regulatory credit is relieved when the ARO has been settled. An ARO must be recognized when incurred if the fair value of the ARO can be reasonably estimated. See Note 21 to the Financial Statements for related disclosures.

In determining AROs, management must make significant judgments and estimates to calculate fair value. Fair value is developed using an expected present value technique based on assumptions of market participants that considers estimated retirement costs in current period dollars that are inflated to the anticipated retirement date and then discounted back to the date the ARO was incurred. Changes in assumptions and estimates included within the calculations of the fair value of AROs could result in significantly different results than those identified and recorded in the financial statements. Estimated ARO costs and settlement dates, which affect the carrying value of various AROs and the related assets, are reviewed periodically to ensure that any material changes are incorporated into the estimate of the obligations. Any change to the capitalized asset is amortized over the remaining life of the associated long-lived asset.

At December 31, 2011, LKE had AROs comprised of current and noncurrent amounts, totaling \$118 million recorded on the Balance Sheet. Of the total amount, \$74 million, or 63%, relates to LKE's ash ponds, landfills and natural gas mains. The most significant assumptions surrounding AROs are the forecasted retirement costs, the discount rates and the inflation rates. A variance in the forecasted retirement costs, the discount rates or the inflation rates could have a significant impact on the ARO liabilities.

The following chart reflects the sensitivities related to LKE's ARO liabilities for ash ponds, landfills and natural gas mains at December 31, 2011:

	<u>Change in Assumption</u>	<u>Impact on ARO Liability</u>
Retirement Cost	10%	\$ 7
Discount Rate	(0.25)%	4
Inflation Rate	0.25%	4

## 7) Income Taxes

Significant management judgment is required in developing LKE's provision for income taxes primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is required to determine the amount of benefit recognized related to an uncertain tax position. LKE evaluates its tax positions following a two-step process. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization upon settlement that exceeds 50%. LKE's management considers a number of factors in assessing the benefit to be recognized, including negotiation of a settlement.

On a quarterly basis, LKE's uncertain tax positions are reassessed by considering information known at the reporting date. Based on management's assessment of new information, a tax benefit may subsequently be recognized for a previously unrecognized tax position, a previously recognized tax position maybe de-recognized, or the benefit of a previously recognized tax position may be remeasured. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in the future.

At December 31, 2011, LKE's existing reserve exposure to either increases or decreases in unrecognized tax benefits during the next 12 months is less than \$1 million. This change could result from subsequent recognition, de-recognition and/or changes in the measurement of uncertain tax positions. The events that could cause these changes are direct

settlements with taxing authorities, litigation, legal or administrative guidance by relevant taxing authorities and the lapse of an applicable statute of limitation.

The balance sheet classification of unrecognized tax benefits and the need for valuation allowances to reduce deferred tax assets also require significant management judgment. Unrecognized tax benefits are classified as current to the extent management expects to settle an uncertain tax position by payment or receipt of cash within one year of the reporting date. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers a number of factors in assessing the realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy utilized in this assessment must meet the recognition and measurement criteria utilized to account for an uncertain tax position. See Note 5 to the Financial Statements for related disclosures.

### **8) Regulatory Assets and Liabilities**

LKE's subsidiaries, LG&E and KU, are cost-based rate-regulated utilities. As a result, the effects of regulatory actions are required to be reflected in the financial statements. Assets and liabilities are recorded that result from the regulated ratemaking process that may not be recorded under GAAP for non-regulated entities. Regulatory assets generally represent incurred costs that have been deferred because such costs are probable of future recovery in regulated customer rates. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. In certain cases, regulatory liabilities are recorded based on an understanding with the regulator that rates have been set to recover costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose. The accounting for regulatory assets and liabilities is based on specific ratemaking decisions or precedent for each transaction or event as prescribed by the FERC, the KPSC, the VSCC and the TRA. See Note 6 to the Financial Statements for related disclosures.

Management continually assesses whether the regulatory assets are probable of future recovery by considering factors such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated rates, recent rate orders to other regulated entities and the status of any pending or potential deregulation legislation. Based on this continual assessment, management believes the existing regulatory assets are probable of recovery. This assessment reflects the current political and regulatory climate at the state and federal levels, and is subject to change in the future. If future recovery of costs ceases to be probable, then asset write-off would be required to be recognized in operating income. Additionally, the regulatory agencies can provide flexibility in the manner and timing of the depreciation of PP&E and amortization of regulatory assets.

At December 31, 2011 and 2010, LKE had regulatory assets of \$629 million and \$610 million. All regulatory assets are either currently being recovered under specific rate orders, represent amounts that are expected to be recovered in future rates or benefit future periods based upon established regulatory practices. At December 31, 2011 and 2010, LKE had regulatory liabilities of \$1,023 million and \$1,108 million.

### **Other Information**

PPL's Audit Committee has approved the independent auditor to provide audit, tax and other services permitted by Sarbanes-Oxley and SEC rules. The audit services include services in connection with statutory and regulatory filings, reviews of offering documents and registration statements, and internal control reviews. See "Item 14. Principal Accounting Fees and Services" for more information.

**LOUISVILLE GAS AND ELECTRIC COMPANY****Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The information provided in this Item 7 should be read in conjunction with LG&E's Financial Statements and the accompanying Notes. Capitalized terms and abbreviations are explained in the glossary. Dollars are in millions, unless otherwise noted.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" includes the following information:

- "Overview" provides a description of LG&E and its business strategy. "Financial and Operational Developments" includes a review of Net Income and discusses certain events that are important to understanding LG&E's results of operations and financial condition.
- "Results of Operations" provides a summary of LG&E's earnings and a description of key factors expected to impact future earnings. This section ends with "Statement of Income Analysis," which includes explanations of significant changes in principal items on LG&E's Statements of Income, comparing 2011, 2010 and 2009.
- "Financial Condition - Liquidity and Capital Resources" provides an analysis of LG&E's liquidity position and credit profile. This section also includes a discussion of rating agency decisions and capital expenditure projections.
- "Financial Condition - Risk Management" provides an explanation of LG&E's risk management programs relating to market and credit risk.
- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of LG&E and that require its management to make significant estimates, assumptions and other judgments of matters inherently uncertain.

**Overview****Introduction**

LG&E, headquartered in Louisville, Kentucky, is a regulated utility engaged in the generation, transmission, distribution and sale of electric energy and distribution and sale of natural gas in Kentucky. LG&E and its affiliate, KU, are wholly owned subsidiaries of LKE. LKE, a limited liability company, became a wholly owned subsidiary of PPL when PPL acquired all of LKE's interests from E.ON US Investments Corp. on November 1, 2010. Following the acquisition, both LG&E and KU continue operating as subsidiaries of LKE, which is now an intermediary holding company in PPL's group of companies. Refer to "Item 1. Business - Background" for a description of LG&E's business.

**Business Strategy**

LG&E's overall strategy is to provide reliable, safe and competitively priced energy to its customers.

A key objective for LG&E is to maintain a strong credit profile through managing financing costs and access to credit markets. LG&E continually focuses on maintaining an appropriate capital structure and liquidity position.

**Successor and Predecessor Financial Presentation**

LG&E's Financial Statements and related financial and operating data include the periods before and after PPL's acquisition of LKE on November 1, 2010, and have been segregated to present pre-acquisition activity as the Predecessor and post-acquisition activity as the Successor. Predecessor activity covers the time period prior to November 1, 2010. Successor activity covers the time period after October 31, 2010. Certain accounting and presentation methods were changed to acceptable alternatives to conform to PPL's accounting policies, which are discussed in Note 1 to the Financial Statements. The cost bases of certain assets and liabilities were changed as of

November 1, 2010, as a result of the application of push-down basis of accounting, which was used to record the fair value adjustments of assets and liabilities at the acquisition date. Consequently, the financial position, results of operations and cash flows for the Successor periods are not comparable to the Predecessor periods; however, the core operations of LG&E have not changed as a result of the acquisition.

## Financial and Operational Developments

### Net Income

	Successor		Predecessor	
	Year Ended December 31,	Two Months Ended December 31,	Ten Months Ended October 31,	Year Ended December 31,
	2011	2010	2010	2009
Net Income	\$ 124	\$ 19	\$ 109	\$ 95

The operating results for 2011 and 2010 include the effect of LG&E's base rate increases, which became effective August 1, 2010, partially offset by net cost increases, which have not yet been reflected in the rates charged by LG&E. The operating results for the ten months ended October 31, 2010 also include \$19 million of other income associated with the establishment of regulatory assets for previously recorded losses on interest rate swaps. The operating results for 2009 were impacted by \$18 million of derivative gains.

See "Results of Operations" below for further discussion and analysis of the results of operations.

### TC2

LG&E and KU constructed a 732 MW summer capacity coal-fired unit, TC2, which is jointly owned by LG&E (14.25%) and KU (60.75%), together with the Illinois Municipal Electric Agency and the Indiana Municipal Power Agency (combined 25%). With limited exceptions, LG&E and KU took care, custody and control of TC2 in January 2011. LG&E and KU and the construction contractor further amended the construction agreement to provide that the contractor will complete certain actions to identify and complete any necessary modifications to allow operation of TC2 on all fuels in accordance with initial specifications prior to certain dates, and amending the provisions relating to liquidated damages. A number of remaining issues regarding these matters are still under discussion with the contractor. See Notes 8 and 15 to the Financial Statements for additional information.

### Registered Debt Exchange Offer by LG&E

In April 2011, LG&E filed a Registration Statement with the SEC, related to an offer to exchange certain first mortgage bonds issued in November 2010, in transactions not subject to registration under the Securities Act of 1933, with similar but registered securities. The 2011 Registration Statement became effective in June 2011, and the exchange was completed in July 2011 with all of the first mortgage bonds being exchanged. See Note 7 to the Financial Statements and LG&E's 2011 Registration Statement for additional information.

### CSAPR

In July 2011, the EPA signed the CSAPR, which finalizes and renames the Clean Air Transport Rule (Transport Rule) proposed in August 2010, and made revisions to the rule on February 7, 2012. This rule applies to the Kentucky coal plants. The CSAPR is meant to facilitate attainment of ambient air quality standards for ozone and fine particulates by requiring reductions in sulfur dioxide and nitrogen oxide emissions.

In December 2011, the U.S. Court of Appeals for the District of Columbia (Court) stayed implementation of the CSAPR and left CAIR in effect pending a final resolution on the merits of the validity of the rule. Oral argument on the various challenges to the CSAPR is scheduled for April 2012, and a final decision on the validity of the rule could be issued as early as May 2012.

With respect to LG&E's coal-fired generating plants, the stay of the CSAPR will initially only impact the unit dispatch order. With the return of the CAIR and LG&E's significant number of sulfur dioxide allowances, those units will be dispatched with lower operating cost, but slightly higher sulfur dioxide and nitrogen oxide emissions. However, a key component of the Court's final decision, even if the CSAPR is upheld, will be whether the ruling delays the implementation of the CSAPR by one year for both Phases I and II, or instead still requires the significant sulfur dioxide and nitrogen oxide reductions associated with Phase II to begin in 2014. LG&E's CSAPR compliance strategy is based on over-compliance during Phase I to generate allowances sufficient to cover the expected shortage during the first two years of Phase II (2014 and 2015) when additional pollution control equipment will be installed. Should Phase I of the CSAPR be shortened to one year, it will be more difficult and costly to provide enough excess allowances in one year to meet the shortage projected for 2014 and 2015.

See Note 15 to the Financial Statements for additional information on the CSAPR.

#### Pending Bluegrass CTs Acquisition and NGCC Construction

In September 2011, LG&E and KU filed a CPCN with the KPSC requesting approval to build a 640 MW NGCC at the existing Cane Run plant site. In conjunction with this request and to meet new, stricter EPA regulations, LG&E anticipates retiring three older coal-fired electric generating units, located at the Cane Run plant, which have a combined summer rating of 563 MW. LG&E and KU also requested approval to purchase the Bluegrass CTs, which are expected to provide up to 495 MW of peak generation supply.

LG&E anticipates that its share of the NGCC construction and the acquisition of the Bluegrass CTs could require up to \$300 million in capital costs including related transmission projects. Formal requests for recovery of the costs associated with the NGCC construction and the acquisition of the Bluegrass CTs were not included in the CPCN filing with the KPSC but are expected to be included in future rate proceedings. The KPSC issued an Order on the procedural schedule in the CPCN filing that has discovery, scheduled through early February 2012. A KPSC order on the CPCN filing is anticipated in the second quarter of 2012. See Note 8 to the Financial Statements for additional information.

#### ECR Filing - Environmental Upgrades

In June 2011, in order to achieve compliance with new and pending mandated federal EPA regulations, LG&E filed an ECR plan with the KPSC requesting approval to install environmental upgrades for certain of its coal-fired plants along with the recovery of the expected \$1.4 billion in associated capital costs, as well as operating expenses incurred. The ECR plan detailed upgrades that will be made to certain of LG&E's coal-fired generating plants to continue to be compliant with EPA regulations.

In November 2011, LG&E filed a unanimous settlement agreement, stipulation and recommendation with the KPSC. In December 2011, LG&E received KPSC approval in its proceedings relating to the ECR plan. The KPSC Order approved the terms of the November 2011 settlement agreement entered into between LG&E and the parties to the ECR proceedings. The KPSC Order authorized the installation of environmental upgrades at certain plants during 2012-2016 representing approximate capital costs of \$1.4 billion at LG&E. In connection with the approved projects, the KPSC Order allows recovery through the ECR rate mechanism of the capital costs and operating expenses of the projects and granted CPCN for their construction. The KPSC Order also confirmed an existing 10.63% authorized return on equity for projects remaining from earlier ECR plans and provided for an authorized return on equity of 10.10% for the approved projects in the 2011 ECR proceedings. See Note 6 to the Financial Statements for additional information.

#### Storm Recovery

In August 2011, a strong storm hit LG&E's service area causing significant damage and widespread outages for approximately 139,000 customers. LG&E filed an application with the KPSC in September 2011 requesting approval of a regulatory asset recorded to defer, for future recovery, \$8 million in incremental operation and maintenance expenses related to the storm restoration. An Order was received in December 2011 granting regulatory accounting treatment, while recovery of the regulatory asset will be determined within the next base rate case.

In September 2009, the KPSC approved the deferral of \$44 million of costs associated with a severe ice storm that occurred in January 2009 and a wind storm that occurred in February 2009. Additionally, in December 2008, the KPSC

approved the deferral of \$24 million of costs associated with high winds from the remnants of Hurricane Ike in September 2008. LG&E received approval in its 2010 base rate case to recover these regulatory assets over a ten-year period beginning August 2010.

### Results of Operations

As previously noted, LG&E's results for the time periods after October 31, 2010 are on a basis of accounting different from its results for time periods prior to November 1, 2010. When discussing LG&E's results of operations material differences resulting from the different basis of accounting will be isolated for purposes of comparability. See "Overview - Successor and Predecessor Financial Presentation" for further information.

The utility business is affected by seasonal weather. As a result, operating revenues (and associated operating expenses) are not generated evenly throughout the year. Revenue and earnings are generally higher during the first and third quarters and lower during the second quarter due to weather.

The following table summarizes the significant components of net income for 2011, 2010, and 2009 and the changes therein:

### Earnings

	<u>Successor</u>	<u>%</u>	<u>Combined</u>	<u>Successor</u>	<u>Predecessor</u>	<u>%</u>	<u>Predecessor</u>
	<u>Year Ended</u>	<u>Change</u>	<u>Year Ended</u>	<u>Two Months</u>	<u>Ten Months</u>	<u>Change</u>	<u>Year Ended</u>
	<u>December 31,</u>	<u>2011</u>	<u>December 31,</u>	<u>Ended</u>	<u>Ended</u>	<u>2010</u>	<u>December 31,</u>
	<u>2011</u>	<u>vs.</u>	<u>2010</u>	<u>December 31,</u>	<u>October 31,</u>	<u>vs.</u>	<u>2009</u>
		<u>2010</u>		<u>2010</u>	<u>2010</u>	<u>2009</u>	<u>2009</u>
Operating Revenues	\$ 1,364	4	\$ 1,311	\$ 254	\$ 1,057	3	\$ 1,272
Fuel	350	(4)	366	60	306	12	328
Energy purchases	245	12	218	63	155	(28)	302
Other operation and maintenance	363	4	348	67	281	8	323
Depreciation	147	7	138	23	115	1	136
Taxes, other than income	18	38	13	1	12	(19)	16
Total Operating Expenses	1,123	4	1,083	214	869	(2)	1,105
Other Income (Expense) - net	(2)	(114)	14	(3)	17	(26)	19
Interest Expense	44	(4)	46	8	38	5	44
Income Taxes	71	4	68	10	58	45	47
Net Income	\$ 124	(3)	\$ 128	\$ 19	\$ 109	35	\$ 95

The changes in the components of Net Income between these periods were due to the following factors. The results are adjusted for certain items that management considers special. See additional detail of this special item below.

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Margin	\$ 39	\$ 87
Other operation and maintenance	(10)	(23)
Depreciation	(13)	(6)
Taxes, other than income	(5)	3
Other Income (Expense) - net	(16)	(5)
Interest Expense	2	(2)
Income Taxes	(3)	(21)
Special Items	2	
	\$ (4)	\$ 33

The net unrealized gains (losses) on contracts that economically hedge anticipated cash flows are considered special items by management. The after-tax amounts for 2011 and for 2010 were insignificant.

- See "Statement of Income Analysis - Margin - Changes in Non-GAAP Financial Measures" for an explanation of margin.
- Other operation and maintenance increased in 2011 compared with 2010, primarily due to higher distribution maintenance costs of \$8 million and higher administrative and general costs of \$4 million. Distribution maintenance



costs increased due to amortization of storm restoration related costs, together with a hazardous tree removal project initiated in August 2010.

Other operation and maintenance increased in 2010 compared with 2009, primarily due to higher steam maintenance costs of \$9 million, administrative and general costs of \$4 million, other generation maintenance costs of \$3 million, and transmission operation costs of \$2 million. Steam maintenance costs increased due to higher boiler and electric maintenance costs related to outage work.

- Depreciation expense was \$7 million higher in 2011 compared with 2010, due to TC2 commencing dispatch in January 2011.
- Other Income (Expense) - net decreased in 2011 compared with 2010, primarily due to \$19 million of other income from the establishment of a regulatory asset for previously recorded losses on interest rate swaps in 2010.
- Income taxes increased in 2010 compared with 2009, primarily due to the \$21 million impact of higher pre-tax income.

#### 2012 Outlook

LG&E projects lower earnings in 2012 compared with 2011, as revenue increases are not expected to offset operating expense increases, including depreciation, due to more plant in service. Actual results will be dependent on the effects of the economy and the impact of weather on retail sales among other variables. As a result of the stay out provision established in the settlement of the PPL-LKE acquisition, LG&E is generally unable to implement an increase in its base rates before January 1, 2013.

Earnings in 2012 are subject to various risks and uncertainties. See "Forward-Looking Information," the rest of this Item 7, Notes 6 and 15 to the Financial Statements and "Business," and "Risk Factors" in this Form 10-K for a discussion of the risks, uncertainties and factors that may impact future earnings.

### Statement of Income Analysis --

#### Margin

##### Non-GAAP Financial Measure

The following discussion includes financial information prepared in accordance with GAAP, as well as a non-GAAP financial measure, "Margin." Margin is not intended to replace "Operating Income," which is determined in accordance with GAAP as an indicator of overall operating performance. Other companies may use different measures to analyze and to report on the results of their operations. Margin is a single financial performance measure of LG&E's operations. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. These mechanisms allow for recovery of certain expenses, returns on capital investments associated with environmental regulations and performance incentives. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expenses and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. As a result, this measure represents the net revenues from LG&E's operations. This performance measure is used, in conjunction with other information, internally by senior management to manage operations and analyze actual results compared with budget.

##### Reconciliation of Non-GAAP Financial Measures

The following tables reconcile "Operating Income" to "Margin" as defined by LG&E for 2011, 2010 and 2009.

	2011 Successor		
	Margin	Other (a)	Operating Income (b)
Operating Revenues	\$ 1,363	\$ 1	\$ 1,364
Operating Expenses			
Fuel	350		350

Energy purchases	245		245
Other operation and maintenance	42	321	363
Depreciation	2	145	147
Taxes, other than income		18	18
Total Operating Expenses	639	484	1,123
Total	\$ 724	\$ (483)	\$ 241

	Successor			Predecessor		
	Two Months Ended December 31, 2010			Ten Months Ended October 31, 2010		
	Margin	Other (a)	Operating Income (b)	Margin	Other (a)	Operating Income (b)
<b>Operating Revenues</b>	\$ 255	\$ (1)	\$ 254	\$ 1,057		\$ 1,057
<b>Operating Expenses</b>						
Fuel	60		60	306		306
Energy purchases	63		63	155		155
Other operation and maintenance	9	58	67	28	\$ 253	281
Depreciation		23	23	6	109	115
Taxes, other than income		1	1		12	12
Total Operating Expenses	132	82	214	495	374	869
Total	\$ 123	\$ (83)	\$ 40	\$ 562	\$ (374)	\$ 188

	2009 Predecessor		
	Margin	Other (a)	Operating Income (b)
<b>Operating Revenues</b>	\$ 1,273	\$ (1)	\$ 1,272
<b>Operating Expenses</b>			
Fuel	328		328
Energy purchases	302		302
Other operation and maintenance	35	288	323
Depreciation	10	126	136
Taxes, other than income		16	16
Total Operating Expenses	675	430	1,105
Total	\$ 598	\$ (431)	\$ 167

- (a) Represents amounts excluded from Margin.  
(b) As reported on the Statements of Income.

### Changes in Non-GAAP Financial Measures

Margins were higher by \$39 million for 2011 compared with 2010. New KPSC rates went into effect on August 1, 2010, contributing an additional \$48 million in operating revenue over the prior year. Partially offsetting the rate increase were lower retail volumes resulting from weather and economic conditions.

### Other Operation and Maintenance

Changes in other operation and maintenance expense were due to the following:

	2011 vs. 2010	2010 vs. 2009
Fuel for generation (a)	\$ 5	\$ 1
Distribution maintenance (b)	8	1
Steam maintenance (c)	(5)	9
Transmission operation	1	2
Administrative and general	4	4
Other generation maintenance	(2)	3
Other	4	5
Total	\$ 15	\$ 25

- (a) Fuel handling costs are included in fuel for electric generation on the Statements of Income for the Successor's periods and are in other operation and maintenance expense on the Statements of Income for the Predecessor's periods.  
(b) Distribution maintenance costs increased in 2011 compared with 2010, primarily due to amortization of storm restoration-related costs along with a hazardous tree removal project initiated in August 2010 and an increase in pipeline integrity work.  
(c) Steam maintenance costs decreased in 2011 compared with 2010, primarily due to the timing of scheduled maintenance outages and non-outage boiler maintenance.

Steam maintenance costs increased in 2010 compared with 2009, primarily due to higher boiler and electric maintenance costs related to outage work.

### Depreciation

Changes in depreciation were due to the following:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
TC2 (dispatch began in January 2011)	\$ 7	
Other	2	\$ 2
Total	<u>\$ 9</u>	<u>\$ 2</u>

### Taxes, Other Than Income

Taxes, other than income increased by \$5 million in 2011 compared with 2010 primarily due to a \$4 million state coal tax credit that was applied to 2010 property taxes. The remaining increase was due to higher assessments, primarily from significant property additions.

### Other Income (Expense) - net

Changes in other income (expense) - net were due to the following:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Net derivative gains (losses) (a)		\$ (18)
Losses on interest rate swaps (b)	\$ (19)	19
Other	3	(6)
Total	<u>\$ (16)</u>	<u>\$ (5)</u>

- (a) Net derivative gains and losses includes the unrealized gains and losses on interest rate swaps not designated as hedging instruments and the ineffective portion of interest rate swaps designated and qualifying as a cash flow hedge.
- (b) Other income in 2010 resulted from the establishment of a regulatory asset for previously recorded losses on interest rate swaps, which is included in "Net derivative gains and losses" within Note 17 to the Financial Statements.

### Interest Expense

The changes in interest expense were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Interest rates (a)	\$ (7)	\$ (2)
Long-term debt balances (b)	2	
Other	3	4
Total	<u>\$ (2)</u>	<u>\$ 2</u>

- (a) Interest rates on the first mortgage bonds issued in November 2010 were lower than the rates on the loans from Fidelity Corporation in place through October 2010.
- (b) LG&E's long-term debt principal balance was \$213 million higher as of December 31, 2010 compared with December 31, 2009 and did not change as of December 31, 2010 compared with December 31, 2011. The higher interest expense in 2011 was the result of lower long-term debt balances for the first ten months of 2010.

### Income Taxes

Changes in income taxes were due to the following:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Higher pre-tax income		\$ 21
Other	\$ 3	
Total	<u>\$ 3</u>	<u>\$ 21</u>

Financial Condition**Liquidity and Capital Resources**

LG&E expects to continue to have adequate liquidity available through operating cash flows, cash and cash equivalents and its credit facilities.

LG&E's cash flows from operations and access to cost-effective bank and capital markets are subject to risks and uncertainties including, but not limited to:

- changes in market prices for electricity;
- changes in commodity prices that may increase the cost of producing power or decrease the amount LG&E receives from selling power;
- operational and credit risks associated with selling and marketing products in the wholesale power markets;
- unusual or extreme weather that may damage LG&E's transmission and distribution facilities or affect energy sales to customers;
- reliance on transmission and distribution facilities that LG&E does not own or control to deliver its electricity and natural gas;
- unavailability of generating units (due to unscheduled or longer-than-anticipated generation outages, weather and natural disasters) and the resulting loss of revenues and additional costs of replacement electricity;
- the ability to recover and the timeliness and adequacy of recovery of costs associated with regulated utility businesses;
- costs of compliance with existing and new environmental laws;
- any adverse outcome of legal proceedings and investigations with respect to LG&E's current and past business activities;
- deterioration in the financial markets that could make obtaining new sources of bank and capital markets funding more difficult and more costly; and
- a downgrade in LG&E's credit ratings that could adversely affect its ability to access capital and increase the cost of credit facilities and any new debt.

See "Item 1A. Risk Factors" for further discussion of risks and uncertainties affecting LG&E's cash flows.

At December 31, LG&E had the following:

	Successor		Predecessor
	2011	2010	2009
Cash and cash equivalents	\$ 25	\$ 2	\$ 5
Short-term investments (a)		163	
	\$ 25	\$ 165	\$ 5
Short-term debt (b)		\$ 163	

- (a) Represents tax-exempt bonds issued by Louisville/Jefferson County, Kentucky, on behalf of LG&E that were purchased from the remarketing agent in 2008. Such bonds were remarketed to unaffiliated investors in January 2011. See Note 7 to the Financial Statements for additional information.
- (b) Represents borrowings under LG&E's \$400 million syndicated credit facility. See Note 7 to the Financial Statements for additional information.

The changes in LG&E's cash and cash equivalents position resulted from:

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
Net cash provided by (used in) operating activities	\$ 321	\$ (8)	\$ 189	\$ 309
Net cash provided by (used in) investing activities	(38)	(63)	(107)	(176)
Net cash provided by (used in) financing activities	(260)	69	(83)	(132)
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 23	\$ (2)	\$ (1)	\$ 1

### Auction Rate Securities

At December 31, 2011, LG&E's tax-exempt revenue bonds that are in the form of auction rate securities and total \$135 million continue to experience failed auctions. Therefore, the interest rate continues to be set by a formula pursuant to the relevant indentures. For the period ended December 31, 2011, the weighted-average rate on LG&E's auction rate bonds in total was 0.24%.

See Note 7 to the Financial Statements for additional information about long-term debt securities.

### Operating Activities

Net cash provided by operating activities increased by 77%, or \$140 million, in 2011 compared with 2010, primarily as a result of:

- a decrease in working capital related to accounts receivable and unbilled revenues of \$87 million primarily due to the timing of cash receipts and colder weather in December 2010 as compared with December 2009 and milder weather in December 2011 as compared with December 2010;
- an increase in net income adjusted for non-cash effects of \$33 million (the recording of a regulatory asset for previously recorded losses on interest rate swaps of \$22 million, deferred income taxes and investment tax credits of \$17 million, depreciation of \$9 million and other noncash items of \$6 million, partially offset by unrealized (gains) losses on derivatives of \$14 million and defined benefit plans - expense of \$3 million);
- a decrease in cash outflows of \$32 million due to lower inventory levels in 2011 as compared with 2010 driven by \$21 million due to lower coal burn as a result of unplanned outages at the Mill Creek plant, \$8 million for fuel inventory purchased in 2010 for TC2 that was not used until 2011 when TC2 began dispatch and \$6 million for decreases in gas storage volumes;
- a decrease in cash refunded to customers of \$25 million due to prior period over-recoveries related to the gas supply clause filings in 2009; and
- a decrease in cash outflows related to accrued taxes of \$22 million due to the timing of payments of accrued tax liabilities in 2011 and 2010; partially offset by
- an increase in discretionary defined benefit plan contributions of \$44 million made in order to achieve LG&E's long-term funding requirements; and
- an increase in working capital related to accounts payable of \$41 million, which was driven primarily by the timing of cash payments and a decrease in natural gas purchases of \$18 million in 2011 as compared with 2010 due to a decrease in combustion turbine generation as a result of the dispatch of TC2 beginning in January 2011.

Net cash provided by operating activities decreased by 41%, or \$128 million, in 2010 compared with 2009, primarily as a result of:

- an increase in working capital related to accounts receivable and unbilled revenues of \$101 million primarily due to the timing of cash receipts and colder weather in December 2009 as compared with December 2008 and colder weather in December 2010 as compared with December 2009;
- an increase in cash outflows related to inventory of \$57 million, primarily due to a nominal decrease in the market price of natural gas in 2010 and a significant decrease in the market price of natural gas in 2009;
- an increase in cash refunded to customers of \$55 million due to prior period over-recoveries related to the gas supply clause filings;
- higher interest payments of \$14 million due to an accelerated settlement with E.ON AG; and
- an increase in discretionary defined benefit plan contributions of \$11 million made in order to achieve LG&E's long-term funding requirements; partially offset by
- an increase in net income adjusted for non-cash effects of \$80 million (unrealized (gains) losses on derivatives of \$47 million, deferred income taxes and investment tax credits of \$19 million, depreciation of \$2 million and other noncash items of \$10 million, partially offset by the recording of a regulatory asset for previously recorded losses on interest rate swaps of \$22 million and defined benefit plans - expense of \$9 million);
- lower storm expenses of \$45 million; and

- a decrease in cash outflows related to accrued taxes of \$26 million due to the timing of payments of accrued tax liabilities in 2010 and 2009.

### Investing Activities

The primary use of cash in investing activities in 2011, 2010 and 2009 was capital expenditures. See "Forecasted Uses of Cash" for detail regarding projected capital expenditures for the years 2012 through 2016.

Net cash used in investing activities decreased by 78%, or \$132 million, in 2011 compared with 2010, as a result of:

- proceeds from the sale of other investments of \$163 million in 2011 and
- a decrease in capital expenditures of \$28 million due primarily to TC2 being dispatched in 2011, partially offset by
- proceeds from the sale of assets of \$48 million in 2010 and
- a decrease in restricted cash of \$11 million.

Net cash used in investing activities decreased by 3%, or \$6 million, in 2010 compared with 2009, as a result of:

- an increase in proceeds from the sale of assets of \$45 million and
- an increase in restricted cash of \$2 million in 2010, partially offset by
- an increase in capital expenditures of \$34 million, primarily due to higher expenditures related to large-scale main replacements and the Ohio Falls redevelopment, partially offset by lower expenditures related to the construction of TC2 and major storm events that occurred in 2009, and
- proceeds on the settlement of derivatives of \$7 million in 2009.

### Financing Activities

Net cash used in financing activities was \$260 million, in 2011 compared with \$14 million in 2010, primarily as a result of changes in short-term debt.

In 2011, cash used in financing activities consisted of:

- a repayment on a revolving line of credit of \$163 million;
- the payment of common stock dividends to LKE of \$83 million;
- a net decrease in notes payable with affiliates of \$12 million; and
- the payment of debt issuance and credit facility costs of \$2 million.

Net cash used in financing activities was \$14 million in 2010 compared with \$132 million in 2009, primarily as a result of new long-term debt issued in excess of retirements, lower dividend payments and less repayment of notes payable with affiliates.

In the two months of 2010 following PPL's acquisition of LKE, cash provided by financing activities of the Successor consisted of:

- the issuance of first mortgage bonds of \$531 million after discounts;
- the issuance of debt of \$485 million to a PPL affiliate to repay debt due to an E.ON AG affiliate upon the closing of PPL's acquisition of LKE; and
- a draw on a revolving line of credit of \$163 million; partially offset by
- the repayment of debt to an E.ON AG affiliate of \$485 million upon the closing of PPL's acquisition of LKE;
- the repayment of debt to a PPL affiliate of \$485 million upon the issuance of first mortgage bonds;
- a net decrease in notes payable with affiliates of \$130 million; and
- the payment of debt issuance and credit facility costs of \$10 million.

In the ten months of 2010 preceding PPL's acquisition of LKE, cash used in financing activities by the Predecessor consisted of:

- the payment of common stock dividends to LKE of \$55 million and
- a net decrease in notes payable with affiliates of \$28 million.

In 2009, cash used in financing activities by the Predecessor consisted of:

- the payment of common stock dividends to LKE of \$80 million and
- a net decrease in notes payable with affiliates of \$52 million.

See "Forecasted Sources of Cash" for a discussion of LG&E's plans to issue debt securities, as well as a discussion of credit facility capacity available to LG&E. Also see "Forecasted Uses of Cash" for a discussion of plans to pay dividends on common securities in the future, as well as maturities of long-term debt.

LG&E's long-term debt securities activity through December 31, 2011 was:

	Debt	
	Issuances	Retirement
Non-cash Exchanges (a)(b)		
LG&E First Mortgage Bonds	\$ 535	\$ (535)
Total Exchanged	<u>\$ 535</u>	<u>\$ (535)</u>

- (a) Issuances are net of pricing discounts, where applicable and exclude the impact of debt issuance costs.
- (b) In April 2011, LG&E filed a 2011 Registration Statement with the SEC related to offers to exchange securities issued in November 2010 in transactions not registered under the Securities Act of 1933 with similar but registered securities. The registration became effective in June 2011, and the exchanges were completed in July 2011 with all securities being exchanged.

See Note 7 to the Financial Statements for additional information about long-term debt securities.

### Forecasted Sources of Cash

LG&E expects to continue to have sufficient sources of cash available in the near term, including various credit facilities and operating cash flow. LG&E expects to remarket \$194 million of tax-exempt bonds that will be put back to LG&E in 2012. In February 2012, LG&E established a commercial paper program for up to \$250 million to provide an additional financing source to fund its short-term liquidity needs. Commercial paper issuances will be supported by LG&E's Syndicated Credit Facility.

#### *Credit Facilities*

At December 31, 2011, LG&E's total committed borrowing capacity under its Syndicated Credit Facility and the use of this borrowing capacity were:

	<u>Capacity</u>	<u>Borrowed</u>	<u>Letters of Credit Issued</u>	<u>Unused Capacity</u>
Syndicated Credit Facility (a) (b)	\$ 400			\$ 400

- (a) In June 2011, LG&E amended its Syndicated Credit Facility such that the fees and the spread to benchmark interest rates for borrowings depend upon LG&E's senior secured long-term debt rating rather than the senior unsecured debt rating. Total borrowings outstanding under this facility decreased on a net basis by \$163 million since December 31, 2010.
- (b) In October 2011, LG&E amended its Syndicated Credit Facility. The amendment included extending the expiration date from December 2014 to October 2016. Under this facility LG&E continues to have the ability to make cash borrowings and to request the lenders to issue letters of credit.

The commitments under LG&E's Syndicated Credit Facility are provided by a diverse bank group, with no one bank and its affiliates providing an aggregate commitment of more than 5% of the total committed capacity available to LG&E.

LG&E participates in an intercompany money pool agreement whereby LKE and/or KU make available to LG&E funds up to \$500 million at an interest rate based on a market index of commercial paper issues. At December 31, 2011, there was no balance outstanding. At December 31, 2010, \$12 million was outstanding. The interest rate for the period ended December 31, 2010 was 0.25%.

See Note 7 to the Financial Statements for further discussion of LG&E's credit facilities.

### *Operating Leases*

LG&E also has available funding sources that are provided through operating leases. LG&E leases office space, gas storage and certain equipment. These leasing structures provide LG&E additional operating and financing flexibility. The operating leases contain covenants that are typical for these agreements, such as maintaining insurance, maintaining corporate existence and timely payment of rent and other fees.

See Note 11 to the Financial Statements for further discussion of the operating leases.

### Forecasted Uses of Cash

In addition to expenditures required for normal operating activities, such as purchased power, payroll, fuel and taxes, LG&E currently expects to incur future cash outflows for capital expenditures, various contractual obligations, payment of dividends on its common securities and possibly the purchase or redemption of a portion of debt securities.

### *Capital Expenditures*

The table below shows LG&E's current capital expenditure projections for the years 2012 through 2016.

	<b>Projected</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Construction expenditures					
Generating facilities (a)	\$ 146	\$ 102	\$ 128	\$ 123	\$ 52
Distribution facilities	134	162	151	180	170
Transmission facilities (b)	27	57	34	30	25
Environmental	233	421	441	449	41
Other	14	22	20	27	25
Total Construction Expenditures	<u>\$ 554</u>	<u>\$ 764</u>	<u>\$ 774</u>	<u>\$ 809</u>	<u>\$ 313</u>

- (a) Includes approximately \$200 million of currently estimable costs related to replacement generation units due to EPA regulations not recoverable through the ECR mechanism. LG&E expects to recover these costs over a period equivalent to the related depreciable lives of the assets through future rate proceedings.
- (b) Includes approximately \$70 million of currently estimable transmission costs related to replacement generation units. LG&E expects to recover these costs over a period equivalent to the related depreciable lives of the assets through future rate proceedings.

LG&E's capital expenditure projections for the years 2012 through 2016 total approximately \$3.2 billion. Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions. This table includes current estimates for LG&E's environmental projects related to new and anticipated EPA compliance standards. Actual costs may be significantly lower or higher depending on the final requirements and market conditions. Certain environmental compliance costs incurred by LG&E in serving KPSC jurisdictional customers are generally eligible for recovery through the ECR mechanism.

LG&E plans to fund its capital expenditures in 2012 with cash on hand, cash from operations and short-term debt.

### *Contractual Obligations*

LG&E has assumed various financial obligations and commitments in the ordinary course of conducting its business. At December 31, 2011, the estimated contractual cash obligations of LG&E were:

	<b>Total</b>	<b>2012</b>	<b>2013 - 2014</b>	<b>2015 - 2016</b>	<b>After 2016</b>
Long-term Debt (a)	\$ 1,109			\$ 250	\$ 859
Interest on Long-term Debt (b)	875	\$ 39	\$ 71	73	692
Operating Leases (c)	19	6	9	3	1
Coal and Natural Gas Purchase Obligations (d)	1,722	419	732	543	28
Unconditional Power Purchase Obligations (e)	700	20	42	43	595



Construction Obligations (f)	115	61	46	7	1
Pension Benefit Plan Obligations (g)	21	21			
Other Obligations (h)	10	2	4	4	
Total Contractual Cash Obligations	<u>\$ 4,571</u>	<u>\$ 568</u>	<u>\$ 904</u>	<u>\$ 923</u>	<u>\$ 2,176</u>

- (a) Reflects principal maturities only based on stated maturity dates. See Note 7 to the Financial Statements for a discussion of variable-rate remarketable bonds issued on behalf of LG&E. LG&E does not have any significant capital lease obligations.
- (b) Assumes interest payments through stated maturity. The payments herein are subject to change, as payments for debt that is or becomes variable-rate debt have been estimated.
- (c) See Note 11 to the Financial Statements for additional information.
- (d) Represents contracts to purchase coal, natural gas and natural gas transportation. See Note 15 to the Financial Statements for additional information.
- (e) Represents future minimum payments under OVEC power purchase agreements through June 2040. See Note 15 to the Financial Statements for additional information.
- (f) Represents construction commitments, including commitments for the Ohio Falls refurbishment construction including associated material transport systems for coal combustion residuals, which are also reflected in the Capital Expenditures table presented above.
- (g) Based on the current funded status of LKE's qualified pension plan, which covers LG&E employees, no cash contributions are required. See Note 13 to the Financial Statements for a discussion of expected contributions.
- (h) Represents other contractual obligations. Purchase orders made in the ordinary course of business are excluded from the amounts presented.

### *Dividends*

From time to time, as determined by its Board of Directors, LG&E pays dividends to its sole shareholder, LKE.

As discussed in Note 7 to the Financial Statements, LG&E's ability to pay dividends is limited under a covenant in its \$400 million revolving line of credit facility. This covenant restricts the debt to total capital ratio to not more than 70%.

### *Purchase or Redemption of Debt Securities*

LG&E will continue to evaluate purchasing or redeeming outstanding debt securities and may decide to take action depending upon prevailing market conditions and available cash.

### Rating Agency Decisions

Moody's, S&P and Fitch periodically review the credit ratings on the debt securities of LG&E. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of LG&E are based on information provided by LG&E and other sources. The ratings of Moody's, S&P and Fitch are not a recommendation to buy, sell or hold any securities of LG&E. Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities. A downgrade in LG&E's credit ratings could result in higher borrowing costs and reduced access to capital markets.

In LG&E's 2011 Registration Statement, LG&E described its then-current credit ratings in connection with, and to facilitate, an understanding of its liquidity position. As a result of the passage of the Dodd-Frank Act and the attendant uncertainties relating to the extent to which issuers of non-asset backed securities may disclose credit ratings without being required to obtain rating agency consent to the inclusion of such disclosure, or incorporation by reference of such disclosure, in a registrant's registration statement or section 10(a) prospectus, LG&E is limiting its credit rating disclosure to a description of the actions taken by the rating agencies with respect to LG&E's ratings, but without stating what ratings have been assigned to LG&E's securities. The ratings assigned by the rating agencies to LG&E and its securities may be found, without charge, on each of the respective ratings agencies' websites, which ratings together with all other information contained on such rating agency websites is, hereby, explicitly not incorporated by reference in this report.

Following the announcement of PPL's then-pending acquisition of WPD Midlands in March 2011, the rating agencies took the following actions:

- Moody's affirmed its ratings for LG&E;

- S&P revised the outlook and lowered the issuer, senior secured and short-term ratings of LG&E; and
- Fitch affirmed its ratings for LG&E.

In April 2011, S&P took the following actions following the completion of PPL's acquisition of WPD Midlands:

- revised the outlook for LG&E;
- raised its short-term ratings of LG&E; and
- affirmed its long-term ratings for LG&E.

In September 2011, Moody's affirmed its issuer rating for LG&E.

In November 2011, Moody's and S&P affirmed their ratings for LG&E.

In December 2011, Fitch affirmed its ratings for LG&E.

### Ratings Triggers

LG&E has various derivative and non-derivative contracts, including contracts for the sale and purchase of electricity, fuel, commodity transportation and storage and interest rate instruments, which contain provisions requiring LG&E to post additional collateral, or permitting the counterparty to terminate the contract, if LG&E's credit rating were to fall below investment grade. See Note 19 to the Financial Statements for a discussion of "Credit Risk-Related Contingent Features," including a discussion of the potential additional collateral that would have been required for derivative contracts in a net liability position at December 31, 2011. At December 31, 2011, if LG&E's credit ratings had been below investment grade, the maximum amount that LG&E would have been required to post as additional collateral to counterparties was \$64 million for both derivative and non-derivative commodity and commodity-related contracts used in its generation and marketing operations, gas supply and interest rate contracts.

### **Off-Balance Sheet Arrangements**

LG&E has entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 15 to the Financial Statements for a discussion of these agreements.

### **Risk Management**

#### Market Risk

LG&E is exposed to market risk from equity instruments, interest rate instruments and commodity instruments, as discussed below. However, regulatory cost recovery mechanisms significantly mitigate those risks. See Notes 1, 18 and 19 to the Financial Statements for information about LG&E's risk management objectives, valuation techniques and accounting designations.

The forward-looking information presented below provides estimates of what may occur in the future, assuming certain adverse market conditions and model assumptions. Actual future results may differ materially from those presented. These disclosures are not precise indicators of expected future losses, but only indicators of possible losses under normal market conditions at a given confidence level.

#### *Commodity Price Risk (Non-trading)*

LG&E's rates are set by regulatory commissions and the fuel costs incurred are directly recoverable from customers. As a result, LG&E is subject to commodity price risk for only a small portion of on-going business operations. LG&E conducts energy trading and risk management activities to maximize the value of the physical assets at times when the assets are not required to serve LG&E's or KU's customers. LG&E managed its energy commodity risk using derivative instruments, including swaps and forward contracts. See Note 19 to the Financial Statements for additional disclosures.

The balance and change in net fair value of LG&E's commodity derivative contracts for the periods ended December 31, 2011, 2010, and 2009 are shown in the table below.



	Gains (Losses)			
	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
Fair value of contracts outstanding at the beginning of the period	\$ (1)			\$ 1
Contracts realized or otherwise settled during the period	(3)		\$ 3	10
Fair value of new contracts entered into during the period			(4)	1
Other changes in fair value (a)	4	\$ (1)	1	(12)
Fair value of contracts outstanding at the end of the period	\$	\$ (1)	\$	\$

(a) Represents the change in value of outstanding transactions and the value of transactions entered into and settled during the period.

### Interest Rate Risk

LG&E has issued debt to finance its operations, which exposes it to interest rate risk. LG&E utilizes various financial derivative instruments to adjust the mix of fixed and floating interest rates in its debt portfolio when appropriate. Risk limits under LG&E's risk management program are designed to balance risk, exposure to volatility in interest expense and changes in the fair value of LG&E's debt portfolio due to changes in the absolute level of interest rates.

At December 31, 2011 and 2010, LG&E's potential annual exposure to increased interest expense, based on a 10% increase in interest rates, was not significant.

LG&E is also exposed to changes in the fair value of its debt portfolio. LG&E estimated that a 10% decrease in interest rates at December 31, 2011, would increase the fair value of its debt portfolio by \$27 million. This estimate is unchanged from December 31, 2010.

LG&E had the following interest rate hedges outstanding at:

	December 31, 2011			December 31, 2010		
	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates	Exposure Hedged	Fair Value, Net - Asset (Liability) (a)	Effect of a 10% Adverse Movement in Rates
Economic hedges						
Interest rate swaps (b)	\$ 179	\$ (60)	\$ (4)	\$ 179	\$ (34)	\$ (7)

(a) Includes accrued interest.

(b) LG&E utilizes various risk management instruments to reduce its exposure to the expected future cash flow variability of its debt instruments. These risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financing. While LG&E is exposed to changes in the fair value of these instruments, any realized changes in the fair value of such economic hedges are recoverable through regulated rates and any subsequent changes in fair value of these derivatives are included in regulatory assets or liabilities. Sensitivities represent a 10% adverse movement in interest rates. The positions outstanding at December 31, 2011 mature through 2033.

### Credit Risk

LG&E is exposed to potential losses as a result of nonperformance by counterparties of their contractual obligations. LG&E maintains credit policies and procedures to limit counterparty credit risk including evaluating credit ratings and financial information along with having certain counterparties post margin if the credit exposure exceeds certain thresholds. LG&E is exposed to potential losses as a result of nonpayment by customers. LG&E maintains an allowance for doubtful accounts based on a historical charge-off percentage for retail customers. Allowances for doubtful accounts from wholesale customers and miscellaneous receivables are based on specific identification by management. Retail and wholesale customer accounts are written-off after four months of no payment activity. Miscellaneous receivables are written-off as management determines them to be uncollectible.

Certain of LG&E's derivative instruments contain provisions that require it to provide immediate and on-going collateralization of derivative instruments in net liability positions based upon LG&E's credit ratings from each of the major credit rating agencies. See Notes 18 and 19 to the Financial Statements for information regarding exposure and the risk management activities.

## **Related Party Transactions**

LG&E is not aware of any material ownership interest or operating responsibility by senior management in outside partnerships, including leasing transactions with variable interest entities or other entities doing business with LG&E. See Note 16 to the Financial Statements for additional information on related party transactions between LG&E and affiliates.

## **Environmental Matters**

Protection of the environment is a major priority for LG&E and a significant element of its business activities. Extensive federal, state and local environmental laws and regulations are applicable to LG&E's air emissions, water discharges and the management of hazardous and solid waste, among other areas, and the costs of compliance or alleged non-compliance cannot be predicted with certainty but could be material. In addition, costs may increase significantly if the requirements or scope of environmental laws or regulations, or similar rules, are expanded or changed from prior versions by the relevant agencies. Costs may take the form of increased capital or operating and maintenance expenses; monetary fines, penalties or forfeitures or other restrictions. Many of these environmental law considerations are also applicable to the operations of key suppliers, or customers, such as coal producers, industrial power users, etc.; and may impact the costs for their products or their demand for LG&E's services. See "Item 1. Business - Environmental Matters" and Note 15 to the Financial Statements for a discussion of environmental matters.

## **New Accounting Guidance**

See Note 24 to the Financial Statements for a discussion of new accounting guidance pending adoption.

## **Application of Critical Accounting Policies**

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to the financial condition or results of operations, and require estimates or other judgments of matters inherently uncertain. Changes in the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in the Financial Statements (these accounting policies are also discussed in Note 1 to the Financial Statements). LG&E's senior management has reviewed these critical accounting policies, the following disclosures regarding their application and the estimates and assumptions regarding them, with PPL's Audit Committee.

### **1) Revenue Recognition - Unbilled Revenue**

Revenues related to the sale of energy are recorded when service is rendered or when energy is delivered to customers. Because customers of LG&E's retail operations are billed on cycles which vary based on the timing of the actual reading of their electric and gas meters, LG&E records estimates for unbilled revenues at the end of each reporting period. Such unbilled revenue amounts reflect estimates of the amount of energy delivered to customers since the date of the last reading of their meters. Such unbilled revenues reflect consideration of estimated usage by customer class, the effect of different rate schedules, changes in weather and where applicable, the impact of weather normalization or other regulatory provisions of rate structures. In addition to the unbilled revenue accrual resulting from cycle billing, LG&E makes additional accruals resulting from the timing of customer bills. The accrual of unbilled revenues in this manner properly matches revenues and related costs. At December 31, 2011 and 2010 LG&E had unbilled revenue balances of \$65 million and \$81 million.

### **2) Price Risk Management**

See "Financial Condition - Risk Management" above.

### **3) Defined Benefits**

LG&E sponsors and participates in qualified funded defined benefit pension plans and participates in a funded other postretirement benefit plan. These plans are applicable to the majority of the employees of LG&E. The plans LG&E

participates in are sponsored by LKE. LKE allocates a portion of the liability and net periodic defined benefit pension and other postretirement costs of certain plans to LG&E based on its participation. LG&E records an asset or liability to recognize the funded status of all defined benefit plans with an offsetting entry to regulatory assets or liabilities. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets. See Note 13 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

Certain assumptions are made by LKE and LG&E regarding the valuation of benefit obligations and the performance of plan assets. When accounting for defined benefits, delayed recognition in earnings of differences between actual results and expected or estimated results is a guiding principle. Annual net periodic defined benefit costs are recorded in current earnings based on estimated results. Any differences between actual and estimated results are recorded in regulatory assets and liabilities for amounts that are expected to be recovered through regulated customer rates. These amounts in regulatory assets and liabilities are amortized to income over future periods. The delayed recognition allows for a smoothed recognition of costs over the working lives of the employees who benefit under the plans. The primary assumptions are:

- **Discount Rate** - The discount rate is used in calculating the present value of benefits, which is based on projections of benefit payments to be made in the future. The objective in selecting the discount rate is to measure the single amount that, if invested at the measurement date in a portfolio of high-quality debt instruments, would provide the necessary future cash flows to pay the accumulated benefits when due.
- **Expected Long-term Return on Plan Assets** - Management projects the long-term rates of return on plan assets based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. These projected returns reduce the net benefit costs LG&E records currently.
- **Rate of Compensation Increase** - Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement.
- **Health Care Cost Trend Rate** - Management projects the expected increases in the cost of health care.

In selecting a discount rate for their defined benefit plans LKE and LG&E start with a cash flow analysis of the expected benefit payment stream for their plans. In 2010, these plan-specific cash flows were matched against a spot-rate yield curve to determine the assumed discount rate. To develop the spot-rate yield curve, the full universe of Aa-rated non-callable (or callable with make-whole provisions) bonds, served as the base from which those with the lowest and highest yields were eliminated to develop an appropriate subset of bonds from which the ultimate yield curve would be built. At that time, management believed this plan-specific cash flow matching model represented the best available tool for estimating the discount rate. Beginning in 2011, LKE and LG&E utilized a new tool that enhanced this plan-specific cash flow matching methodology by primarily matching the plan-specific cash flows against the coupons and expected maturity values of individually selected bonds. This bond matching process begins with the same universe of Aa-rated corporate bonds from which those with the lowest and highest yields were eliminated, similar to the yield curve approach. Individual bonds are then selected based on the timing of each plan's cash flows and parameters are established as to the percentage of each individual bond issue that could be hypothetically purchased and the surplus reinvestment rates to be assumed. This process more accurately approximated the process of settlement of the obligations which better aligned with the objective of selecting the discount rate. At December 31, 2011, LKE decreased the discount rate for its pension plan from 5.52% to 5.12%. LG&E decreased the discount rate for its pension plan from 5.45% to 5.05%. LKE decreased the discount rate for its other postretirement benefit plan from 5.12% to 4.78%.

The expected long-term rates of return for LKE's and LG&E's defined benefit pension plans and LKE's defined other postretirement benefit plan have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. LKE and LG&E management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads, and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption. At December 31, 2011, LKE's and LG&E's expected return on plan assets was 7.25%.

In selecting a rate of compensation increase, LKE and LG&E consider past experience in light of movements in inflation rates. At December 31, 2011, LKE's and LG&E's rate of compensation increase changed from 5.25% to 4.00%.

In selecting health care cost trend rates, LKE considers past performance and forecasts of health care costs. At December 31, 2011, LKE's health care cost trend rates were 8.50% for 2012, gradually declining to 5.50% for 2019.

A variance in the assumptions listed above could have a significant impact on accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and regulatory assets and liabilities for LG&E. While the charts below reflect either an increase or decrease in each assumption, the inverse of the change would impact the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and regulatory assets and liabilities for LG&E by a similar amount in the opposite direction. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption and does not include income tax effects.

At December 31, 2011, the defined benefit plans were recorded as follows:

Pension liabilities	\$	95
Other postretirement benefit liabilities		87

The following chart reflects the sensitivities in the December 31, 2011 Balance Sheet associated with a change in certain assumptions based on LG&E's primary defined benefit plans.

Actuarial assumption	Change in assumption	Increase (Decrease)	
		Impact on defined benefit liabilities	Impact on regulatory assets
Discount Rate	(0.25)%	\$ 19	\$ 19
Rate of Compensation Increase	0.25%	2	2
Health Care Cost Trend Rate (a)	1%	1	1

(a) Only impacts other postretirement benefits.

In 2011, LG&E recognized net periodic defined benefit costs charged to operating expense of \$21 million. This amount represents a \$1 million increase from 2010. This increase in expense was primarily attributable to amortization of actuarial losses.

The following chart reflects the sensitivities in the 2011 Statement of Income (excluding income tax effects) associated with a change in certain assumptions based on LG&E's primary defined benefit plans.

Actuarial assumption	Change in assumption	Impact on defined benefit costs
Discount Rate	(0.25)%	\$ 2
Expected Return on Plan Assets	(0.25)%	1
Rate of Compensation Increase	0.25%	
Health Care Cost Trend Rate (a)	1%	

(a) Only impacts other postretirement benefits.

#### 4) Asset Impairment

Impairment analyses are performed for long-lived assets that are subject to depreciation or amortization whenever events or changes in circumstances indicate that a long-lived asset's carrying value may not be recoverable. For these long-lived assets classified as held and used, such events or changes in circumstances are:

- a significant decrease in the market price of an asset;
- a significant adverse change in the extent or manner in which an asset is being used or in its physical condition;
- a significant adverse change in legal factors or in the business climate;
- an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of an asset;
- a current-period operating or cash flow loss combined with a history of losses or a forecast that demonstrates continuing losses; or

- a current expectation that, more likely than not, an asset will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

For a long-lived asset classified as held and used, impairment is recognized when the carrying amount of the asset is not recoverable and exceeds its fair value. The carrying amount is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If the asset is impaired, an impairment loss is recorded to adjust the asset's carrying value to its estimated fair value. Management must make significant judgments to estimate future cash flows including the useful lives of long-lived assets, the fair value of the assets and management's intent to use the assets. Alternate courses of action are considered to recover the carrying value of a long-lived asset, and estimated cash flows from the "most likely" alternative are used to assess impairment whenever one alternative is clearly the most likely outcome. If no alternative is clearly the most likely, then a probability-weighted approach is used taking into consideration estimated cash flows from the alternatives. For assets tested for impairment as of the balance sheet date, the estimates of future cash flows used in that test consider the likelihood of possible outcomes that existed at the balance sheet date, including the assessment of the likelihood of a future sale of the assets. That assessment is not revised based on events that occur after the balance sheet date. Changes in assumptions and estimates could result in significantly different results than those identified and recorded in the financial statements.

For a long-lived asset classified as held for sale, impairment exists when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If the asset (disposal group) is impaired, an impairment loss is recorded to adjust the carrying amount to its fair value less cost to sell. A gain is recognized for any subsequent increase in fair value less cost to sell, but not in excess of the cumulative impairment previously recognized.

For determining fair value, quoted market prices in active markets are the best evidence. However, when market prices are unavailable, LG&E considers all valuation techniques appropriate under the circumstances and for which market participant inputs can be obtained. Generally discounted cash flows are used to estimate fair value, which incorporates market participant inputs when available. Discounted cash flows are calculated by estimating future cash flow streams and applying appropriate discount rates to determine the present value of the cash flow streams.

In 2011, LG&E did not recognize an impairment of any long-lived assets.

Goodwill is tested for impairment at the reporting unit level. LG&E's reporting unit has been determined to be at the operating segment level. A goodwill impairment test is performed annually or more frequently if events or changes in circumstances indicate that the carrying value of the reporting unit may be greater than the unit's fair value. Additionally, goodwill is tested for impairment after a portion of goodwill has been allocated to a business to be disposed of. Goodwill is tested for impairment using a two-step approach. In step 1, LG&E identifies a potential impairment by comparing the estimated fair value of LG&E (the goodwill reporting unit) to its carrying value, including goodwill, on the measurement date. If the estimated fair value exceeds its carrying amount, goodwill is not considered impaired. If the carrying amount exceeds the estimated fair value, the second step is performed to measure the amount of impairment loss, if any.

The second step requires a calculation of the implied fair value of goodwill, which is determined in the same manner as the amount of goodwill in a business combination. That is, the estimated fair value is allocated to all of LG&E's assets and liabilities as if LG&E had been acquired in a business combination and the estimated fair value of LG&E was the price paid. The excess of the estimated fair value of LG&E over the amounts assigned to its assets and liabilities is the implied fair value of goodwill. The implied fair value of goodwill is then compared with the carrying amount of that goodwill. If the carrying amount exceeds the implied fair value, an impairment loss is recognized in an amount equal to that excess. The loss recognized cannot exceed the carrying amount of the reporting unit's goodwill.

LG&E tested goodwill for impairment in the fourth quarter of 2011 and no impairment was recognized. Management used both discounted cash flows and market multiples to estimate the fair value of LKE, which involved the use of significant estimates and assumptions. Applying an appropriate weighting to both the discounted cash flow and market multiple valuations, a decrease in the forecasted cash flows of 10%, an increase in the discount rate by 25 basis points, or a 10% decrease in the multiples would not have resulted in an impairment of goodwill.

## 5) Loss Accruals



Losses are accrued for the estimated impacts of various conditions, situations or circumstances involving uncertain or contingent future outcomes. For loss contingencies, the loss must be accrued if (1) information is available that indicates it is probable that a loss has been incurred, given the likelihood of the uncertain future events and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The accrual of contingencies that might result in gains is not recorded unless recovery is assured. Potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events are continuously assessed.

The accounting aspects of estimated loss accruals include (1) the initial identification and recording of the loss, (2) the determination of triggering events for reducing a recorded loss accrual and (3) the ongoing assessment as to whether a recorded loss accrual is sufficient. All three of these aspects require significant judgment by management. Internal expertise and outside experts (such as lawyers and engineers) are used, as necessary to help estimate the probability that a loss has been incurred and the amount (or range) of the loss.

In 2011, no significant adjustments were made to LG&E's existing contingencies. See Note 15 to the Financial Statements for commitment and contingency disclosures.

Certain other events have been identified that could give rise to a loss, but that do not meet the conditions for accrual. Such events are disclosed, but not recorded, when it is reasonably possible that a loss has been incurred. Accounting guidance defines "reasonably possible" as cases in which "the future event or events occurring is more than remote, but less than likely to occur." See Note 15 to the Financial Statements for disclosure of other potential loss contingencies that have not met the criteria for accrual.

When an estimated loss is accrued, the triggering events for subsequently adjusting the loss accrual are identified, where applicable. The triggering events generally occur when the contingency has been resolved and the actual loss is paid or written off, or when the risk of loss has diminished or been eliminated. The following are some of the triggering events that provide for the adjustment of certain recorded loss accruals:

- Allowances for uncollectible accounts are reduced when accounts are written off after prescribed collection procedures have been exhausted, a better estimate of the allowance is determined or underlying amounts are ultimately collected.
- Environmental and other litigation contingencies are reduced when the contingency is resolved, LG&E makes actual payments, a better estimate of the loss is determined or the loss is no longer considered probable.

Loss accruals are reviewed on a regular basis to assure that the recorded potential loss exposures are appropriate. This involves ongoing communication and analyses with internal and external legal counsel, engineers, operation management and other parties.

## 6) Asset Retirement Obligations

LG&E is required to recognize a liability for legal obligations associated with the retirement of long-lived assets. The initial obligation is measured at its estimated fair value. An equivalent amount is recorded as an increase in the value of the capitalized asset and allocated to expense over the useful life of the asset. Until the obligation is settled, the liability is increased, through the recognition of accretion expense in the Statements of Income, for changes in the obligation due to the passage of time. The accretion and depreciation are offset with a regulatory credit on the income statement, such that there is no earnings impact. The regulatory asset created by the regulatory credit is relieved when the ARO has been settled. An ARO must be recognized when incurred if the fair value of the ARO can be reasonably estimated. See Note 21 to the Financial Statements for related disclosures.

In determining AROs, management must make significant judgments and estimates to calculate fair value. Fair value is developed using an expected present value technique based on assumptions of market participants that considers estimated retirement costs in current period dollars that are inflated to the anticipated retirement date and then discounted back to the date the ARO was incurred. Changes in assumptions and estimates included within the calculations of the fair value of AROs could result in significantly different results than those identified and recorded in the financial statements. Estimated ARO costs and settlement dates, which affect the carrying value of various AROs and the related

assets, are reviewed periodically to ensure that any material changes are incorporated into the estimate of the obligations. Any change to the capitalized asset is amortized over the remaining life of the associated long-lived asset.

At December 31, 2011, LG&E had AROs comprised of current and noncurrent amounts, totaling \$57 million recorded on the Balance Sheet. Of the total amount, \$34 million, or 59%, relates to LG&E's ash ponds, landfills and natural gas mains. The most significant assumptions surrounding AROs are the forecasted retirement costs, the discount rates and the inflation rates. A variance in the forecasted retirement costs, the discount rates or the inflation rates could have a significant impact on the ARO liabilities.

The following chart reflects the sensitivities related to LG&E's ARO liabilities for ash ponds, landfills and natural gas mains at December 31, 2011:

	<u>Change in Assumption</u>	<u>Impact on ARO Liability</u>
Retirement Cost	10%	\$ 3
Discount Rate	(0.25)%	2
Inflation Rate	0.25%	2

## 7) Income Taxes

Significant management judgment is required in developing LG&E's provision for income taxes primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is required to determine the amount of benefit recognized related to an uncertain tax position. LG&E evaluates its tax positions following a two-step process. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization upon settlement that exceeds 50%. LG&E's management considers a number of factors in assessing the benefit to be recognized, including negotiation of a settlement.

On a quarterly basis, LG&E's uncertain tax positions are reassessed by considering information known at the reporting date. Based on management's assessment of new information, a tax benefit may subsequently be recognized for a previously unrecognized tax position, a previously recognized tax position maybe de-recognized, or the benefit of a previously recognized tax position may be remeasured. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in the future.

At December 31, 2011, LG&E had no existing reserve for unrecognized tax benefits.

The balance sheet classification of unrecognized tax benefits and the need for valuation allowances to reduce deferred tax assets also require significant management judgment. Unrecognized tax benefits are classified as current to the extent management expects to settle an uncertain tax position by payment or receipt of cash within one year of the reporting date. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers a number of factors in assessing the realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy utilized in this assessment must meet the recognition and measurement criteria utilized to account for an uncertain tax position. See Note 5 to the Financial Statements for related disclosures.

## Regulatory Assets and Liabilities

LG&E is a cost-based rate-regulated utility. As a result, the effects of regulatory actions are required to be reflected in the financial statements. Assets and liabilities are recorded that result from the regulated ratemaking process that may not be recorded under GAAP for non-regulated entities. Regulatory assets generally represent incurred costs that have been deferred because such costs are probable of future recovery in regulated customer rates. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. In certain cases, regulatory liabilities are recorded based on an understanding with the regulator that rates have been set to recover costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose. The accounting for regulatory assets and liabilities is based on specific ratemaking decisions or precedent for each transaction or event as prescribed by the FERC and the KPSC. See Note 6 to the Financial Statements for related disclosures.

Management continually assesses whether the regulatory assets are probable of future recovery by considering factors such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated rates, recent rate orders to other regulated entities and the status of any pending or potential deregulation legislation. Based on this continual assessment, management believes the existing regulatory assets are probable of recovery. This assessment reflects the current political and regulatory climate at the state and federal levels, and is subject to change in the future. If future recovery of costs ceases to be probable, then asset write-off would be required to be recognized in operating income. Additionally, the regulatory agencies can provide flexibility in the manner and timing of the depreciation of PP&E and amortization of regulatory assets.

At December 31, 2011 and 2010, LG&E had regulatory assets of \$412 million and \$380 million. All regulatory assets are either currently being recovered under specific rate orders, represent amounts that are expected to be recovered in future rates or benefit future periods based upon established regulatory practices. At December 31, 2011 and 2010, LG&E had regulatory liabilities of \$488 million and \$534 million.

#### **Other Information**

PPL's Audit Committee has approved the independent auditor to provide audit and other services permitted by Sarbanes-Oxley and SEC rules. The audit services include services in connection with statutory and regulatory filings, reviews of offering documents and registration statements, and internal control reviews. See "Item 14. Principal Accounting Fees and Services" for more information.

**KENTUCKY UTILITIES COMPANY****Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The information provided in this Item 7 should be read in conjunction with KU's Financial Statements and the accompanying Notes. Capitalized terms and abbreviations are explained in the glossary. Dollars are in millions, unless otherwise noted.

"Management's Discussion and Analysis of Financial Condition and Results of Operations" includes the following information:

- "Overview" provides a description of KU and its business strategy. "Financial and Operational Developments" includes a review of Net Income and discusses certain events that are important to understanding KU's results of operations and financial condition.
- "Results of Operations" provides a summary of KU's earnings and a description of key factors expected to impact future earnings. This section ends with "Statement of Income Analysis," which includes explanations of significant changes in principal items on KU's Statements of Income, comparing 2011, 2010 and 2009.
- "Financial Condition - Liquidity and Capital Resources" provides an analysis of KU's liquidity position and credit profile. This section also includes a discussion of rating agency decisions and capital expenditure projections.
- "Financial Condition - Risk Management" provides an explanation of KU's risk management programs relating to market and credit risk.
- "Application of Critical Accounting Policies" provides an overview of the accounting policies that are particularly important to the results of operations and financial condition of KU and that require its management to make significant estimates, assumptions and other judgments of matters inherently uncertain.

**Overview****Introduction**

KU, headquartered in Lexington, Kentucky, is a regulated utility engaged in the generation, transmission, distribution and sale of electric energy, in Kentucky, Virginia and Tennessee. KU and its affiliate, LG&E, are wholly owned subsidiaries of LKE. LKE, a limited liability company, became a wholly owned subsidiary of PPL when PPL acquired all of LKE's interests from E.ON US Investments Corp. on November 1, 2010. Following the acquisition, both KU and LG&E continue operating as subsidiaries of LKE, which is now an intermediary holding company in PPL's group of companies. Refer to "Item 1. Business - Background" for a description of KU's business.

**Business Strategy**

KU's overall strategy is to provide reliable, safe and competitively priced energy to its customers.

A key objective for KU is to maintain a strong credit profile through managing financing costs and access to credit markets. KU continually focuses on maintaining an appropriate capital structure and liquidity position.

**Successor and Predecessor Financial Presentation**

KU's Financial Statements and related financial and operating data include the periods before and after PPL's acquisition of LKE on November 1, 2010, and have been segregated to present pre-acquisition activity as the Predecessor and post-acquisition activity as the Successor. Predecessor activity covers the time period prior to November 1, 2010. Successor activity covers the time period after October 31, 2010. Certain accounting and presentation methods were changed to acceptable alternatives to conform to PPL's accounting policies, which are discussed in Note 1 to the Financial Statements. The cost bases of certain assets and liabilities were changed as of November 1, 2010, as a result of the

application of push-down basis of accounting, which was used to record the fair value adjustments of assets and liabilities at the acquisition date. Consequently, the financial position, results of operations and cash flows for the Successor periods are not comparable to the Predecessor periods; however, the core operations of KU have not changed as a result of the acquisition.

## Financial and Operational Developments

### Net Income

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
Net Income	\$ 178	\$ 35	\$ 140	\$ 133

The operating results for 2011 and 2010 include the effect of KU's base rate increases, which became effective August 1, 2010, partially offset by net cost increases, which have not yet been reflected in the rates charged by KU. Retail sales volumes increased during 2010 compared with 2009 as a result of increased consumption primarily due to increased heating degree days during the first and third quarters of 2010 and increased cooling degree days during the second and third quarters of 2010.

See "Results of Operations" below for further discussion and analysis of the results of operations.

### TC2

KU and LG&E constructed a 732 MW summer capacity coal-fired unit, TC2, which is jointly owned by KU (60.75%) and LG&E (14.25%), together with the Illinois Municipal Electric Agency and the Indiana Municipal Power Agency (combined 25%). With limited exceptions, KU and LG&E took care, custody and control of TC2 in January 2011. KU and LG&E and the construction contractor further amended the construction agreement to provide that the contractor will complete certain actions to identify and complete any necessary modifications to allow operation of TC2 on all fuels in accordance with initial specifications prior to certain dates, and amending the provisions relating to liquidated damages. A number of remaining issues regarding these matters are still under discussion with the contractor. See Notes 8 and 15 to the Financial Statements for additional information.

### Registered Debt Exchange Offer by KU

In April 2011, KU filed a Registration Statement with the SEC, related to an offer to exchange certain first mortgage bonds issued in November 2010, in transactions not subject to registration under the Securities Act of 1933, with similar but registered securities. The 2011 Registration Statement became effective in June 2011, and the exchange was completed in July 2011 with substantially all of the first mortgage bonds being exchanged. See Note 7 to the Financial Statements and KU's 2011 Registration Statement for additional information.

### CSAPR

In July 2011, the EPA signed the CSAPR, which finalizes and renames the Clean Air Transport Rule (Transport Rule) proposed in August 2010, and made revisions to the rule on February 7, 2012. This rule applies to the Kentucky coal plants. The CSAPR is meant to facilitate attainment of ambient air quality standards for ozone and fine particulates by requiring reductions in sulfur dioxide and nitrogen oxide emissions.

In December 2011, the U.S. Court of Appeals for the District of Columbia (Court) stayed implementation of the CSAPR and left CAIR in effect pending a final resolution on the merits of the validity of the rule. Oral argument on the various challenges to the CSAPR is scheduled for April 2012, and a final decision on the validity of the rule could be issued as early as May 2012.

With respect to KU's Kentucky coal-fired generating plants, the stay of the CSAPR will initially only impact the unit dispatch order. With the return of the CAIR and KU's significant number of sulfur dioxide allowances, those units will be dispatched with lower operating cost, but slightly higher sulfur dioxide and nitrogen oxide emissions. However, a key component of the Court's final decision, even if the CSAPR is upheld, will be whether the ruling delays the implementation of the CSAPR by one year for both Phases I and II, or instead still requires the significant sulfur dioxide and nitrogen oxide reductions associated with Phase II to begin in 2014. KU's CSAPR compliance strategy is based on over-compliance during Phase I to generate allowances sufficient to cover the expected shortage during the first two years of Phase II (2014 and 2015) when additional pollution control equipment will be installed. Should Phase I of the CSAPR be shortened to one year, it will be more difficult and costly to provide enough excess allowances in one year to meet the shortage projected for 2014 and 2015.

See Note 15 to the Financial Statements for additional information on the CSAPR.

#### Pending Bluegrass CTs Acquisition and NGCC Construction

In September 2011, KU and LG&E filed a CPCN with the KPSC requesting approval to build a 640 MW NGCC at the existing Cane Run plant site. In conjunction with this request and to meet new, stricter EPA regulations, KU anticipates retiring three older coal-fired electric generating units. These units are located at the Green River and Tyrone plants, which have a combined summer rating of 234 MW. KU and LG&E also requested approval to purchase the Bluegrass CTs, which are expected to provide up to 495 MW of peak generation supply.

KU anticipates that its share of the NGCC construction and the acquisition of the Bluegrass CTs could require up to \$500 million in capital costs including related transmission projects. Formal requests for recovery of the costs associated with the NGCC construction and the acquisition of the Bluegrass CTs were not included in the CPCN filing with the KPSC but are expected to be included in future rate proceedings. The KPSC issued an Order on the procedural schedule in the CPCN filing that has discovery, scheduled through early February 2012. A KPSC order on the CPCN filing is anticipated in the second quarter of 2012. See Note 8 to the Financial Statements for additional information.

#### ECR Filing - Environmental Upgrades

In June 2011, in order to achieve compliance with new and pending mandated federal EPA regulations, KU filed an ECR plan with the KPSC requesting approval to install environmental upgrades for certain of its coal-fired plants along with the recovery of the expected \$1.1 billion in associated capital costs, as well as operating expenses incurred. The ECR plan detailed upgrades that will be made to certain of KU's coal-fired generating plants to continue to be compliant with EPA regulations.

In November 2011, KU filed a unanimous settlement agreement, stipulation and recommendation with the KPSC. In December 2011, KU received KPSC approval in its proceedings relating to the ECR plan. The KPSC Order approved the terms of the November 2011 settlement agreement entered into between KU and the parties to the ECR proceedings. The KPSC Order authorized the installation of environmental upgrades at certain plants during 2012-2016 representing approximate capital costs of \$900 million at KU. In connection with the approved projects, the KPSC Order allows recovery through the ECR rate mechanism of the capital costs and operating expenses of the projects and granted CPCN for their construction. The KPSC Order also confirmed an existing 10.63% authorized return on equity for projects remaining from earlier ECR plans and provided for an authorized return on equity of 10.10% for the approved projects in the 2011 ECR proceedings. The KPSC Order noted KU's consent to defer the requested approval for certain environmental upgrades at its E.W. Brown generating plant, which represented approximately \$200 million in capital costs. KU retained the right to operate and dispatch the E.W. Brown generating plant in accordance with applicable environmental standards and the right to request approval of the deferred projects and related costs in future regulatory proceedings. See Note 6 to the Financial Statements for additional information.

#### Storm Recovery

In December 2009, a major snowstorm hit KU's Virginia service area causing approximately 30,000 customer outages. During the normal 2009 Virginia Annual Information Filing (AIF), KU requested that the VSCC establish a regulatory asset and defer for future recovery \$6 million in incremental operation and maintenance expenses related to the storm restoration. In March 2011, the VSCC Staff issued its report on KU's 2009 AIF stating that it considered this storm

damage to be extraordinary, non-recurring and material to KU. The Staff Report also recommended establishing a regulatory asset for these costs, with recovery over a five-year period upon approval in the next base rate case. In March 2011, a regulatory asset of \$6 million was established for actual costs incurred. In June 2011, the VSCC issued an Order approving the recommendations contained in the Staff Report. KU received approval in its 2011 base rate case to recover this regulatory asset over a five-year period ending October 2016.

In September 2009, the KPSC approved the deferral of \$57 million of costs associated with a severe ice storm that occurred in January 2009 and a wind storm that occurred in February 2009. Additionally, in December 2008, the KPSC approved the deferral of \$2 million of costs associated with high winds from the remnants of Hurricane Ike in September 2008. KU received approval in its 2010 base rate case to recover these regulatory assets over a ten-year period beginning August 2010.

### Virginia Rate Case

In April 2011, KU filed an application with the VSCC requesting an annual increase in electric base rates for its Virginia jurisdictional customers of \$9 million, or 14%. In September 2011, a settlement stipulation was reached between KU and the VSCC Staff and filed with the VSCC for consideration. In October 2011, the VSCC approved the stipulation with two modifications that were accepted by KU. The VSCC issued an Order closing the proceeding in October 2011. The approved revenue increase was \$7 million annually, based on a return on equity of 10.3%, with new base rates effective November 1, 2011.

### Results of Operations

As previously noted, KU's results for the time periods after October 31, 2010 are on a basis of accounting different from its results for time periods prior to November 1, 2010. When discussing KU's results of operations material differences resulting from the different basis of accounting will be isolated for purposes of comparability. See "Overview - Successor and Predecessor Financial Presentation" for further information.

The utility business is affected by seasonal weather. As a result, operating revenues (and associated operating expenses) are not generated evenly throughout the year. Revenue and earnings are generally higher during the first and third quarters and lower during the second quarter due to weather.

The following table summarizes the significant components of net income for 2011, 2010, and 2009 and the changes therein:

### **Earnings**

	<u>Successor</u>	<u>%</u>	<u>Combined</u>	<u>Successor</u>	<u>Predecessor</u>	<u>%</u>	<u>Predecessor</u>
	<u>Year Ended</u>	<u>Change</u>	<u>Year Ended</u>	<u>Two Months</u>	<u>Ten Months</u>	<u>Change</u>	<u>Year Ended</u>
	<u>December 31,</u>	<u>2011</u>	<u>December 31,</u>	<u>Ended</u>	<u>Ended</u>	<u>2010</u>	<u>December 31,</u>
	<u>2011</u>	<u>vs.</u>	<u>2010</u>	<u>December 31,</u>	<u>October 31,</u>	<u>vs.</u>	<u>2009</u>
		<u>2010</u>		<u>2010</u>	<u>2010</u>	<u>2009</u>	
Operating Revenues	\$ 1,548	2	\$ 1,511	\$ 263	\$ 1,248	12	\$ 1,355
Fuel	516	4	495	78	417	14	434
Energy purchases	112	(36)	175	28	147	(12)	199
Other operation and maintenance	362	8	336	65	271	10	306
Depreciation	186	28	145	26	119	9	133
Taxes, other than income	19	90	10	1	9	(29)	14
Total Operating Expenses	1,195	3	1,161	198	963	7	1,086
Other Income (Expense) - net	(1)	(200)	1		1	(83)	6
Interest Expense	70	(10)	78	10	68	4	75
Income Taxes	104	6	98	20	78	46	67
Net Income	\$ 178	2	\$ 175	\$ 35	\$ 140	32	\$ 133

The changes in the components of Net Income between these periods were due to the following factors.

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Margin	\$ 52	\$ 111

Other operation and maintenance	(12)	(27)
Depreciation	(28)	(7)
Taxes, other than income	(9)	4
Other Income (Expense) - net	(2)	(5)
Interest Expense	8	(3)
Income Taxes	(6)	(31)
	<u>\$ 3</u>	<u>\$ 42</u>

- See "Statement of Income Analysis - Margin - Changes in Non-GAAP Financial Measures" for an explanation of margin.
- Other operation and maintenance increased in 2011 compared with 2010, primarily due to \$19 million of higher steam costs, the result of increase scope of scheduled outages including those at Ghent and Green River plants, along with higher variable costs from increased generation.

Other operation and maintenance increased in 2010 compared with 2009, primarily due to higher administrative and general costs of \$13 million, higher steam costs of \$6 million and higher transmission operation costs of \$5 million. Administrative and general costs increased due to higher bad debt costs, higher labor costs and higher property and public liability insurance costs.

- Depreciation expense was \$25 million higher in 2011 compared with 2010, due to TC2 commencing dispatch in January 2011.
- Taxes, other than income increased in 2011 compared with 2010, primarily due to a \$5 million clean coal incentive tax credit that KU was able to apply to property tax in 2010.
- Income taxes increased in 2010 compared with 2009, primarily due to the \$28 million impact of higher pre-tax income, primarily due to margin.

#### 2012 Outlook

KU projects lower earnings in 2012 compared with 2011, as revenue increases are not expected to offset operating expense increases, including depreciation, due to more plant in service. Actual results will be dependent on the effects of the economy and the impact of weather on retail sales among other variables. As a result of the stay out provision established in the settlement of the PPL-LKE acquisition, KU is generally unable to implement an increase in base rates in Kentucky before January 1, 2013.

Earnings in 2012 are subject to various risks and uncertainties. See "Forward-Looking Information," the rest of this Item 7, Notes 6 and 15 to the Financial Statements and "Business," and "Risk Factors" in this Form 10-K for a discussion of the risks, uncertainties and factors that may impact future earnings.

#### Statement of Income Analysis --

##### Margin

##### Non-GAAP Financial Measure

The following discussion includes financial information prepared in accordance with GAAP, as well as a non-GAAP financial measure, "Margin." Margin is not intended to replace "Operating Income," which is determined in accordance with GAAP as an indicator of overall operating performance. Other companies may use different measures to analyze and to report on the results of their operations. Margin is a single financial performance measure of KU's operations. In calculating this measure, utility revenues and expenses associated with approved cost recovery tracking mechanisms are offset. These mechanisms allow for recovery of certain expenses, returns on capital investments associated with environmental regulations and performance incentives. Certain costs associated with these mechanisms, primarily ECR and DSM, are recorded as "Other operation and maintenance" expenses and the depreciation associated with ECR equipment is recorded as "Depreciation" expense. As a result, this measure represents the net revenues from KU's



operations. This performance measure is used, in conjunction with other information, internally by senior management to manage operations and analyze actual results compared with budget.

### Reconciliation of Non-GAAP Financial Measures

The following tables reconcile "Operating Income" to "Margin" as defined by KU for 2011, 2010 and 2009.

	2011 Successor		
	Margin	Other (a)	Operating Income (b)
<b>Operating Revenues</b>	\$ 1,548		\$ 1,548
<b>Operating Expenses</b>			
Fuel	516		516
Energy purchases	112		112
Other operation and maintenance	49	\$ 313	362
Depreciation	48	138	186
Taxes, other than income		19	19
Total Operating Expenses	725	470	1,195
Total	\$ 823	\$ (470)	\$ 353

	Successor			Predecessor		
	Two Months Ended December 31, 2010			Ten Months Ended October 31, 2010		
	Margin	Other (a)	Operating Income (b)	Margin	Other (a)	Operating Income (b)
<b>Operating Revenues</b>	\$ 263		\$ 263	\$ 1,248		\$ 1,248
<b>Operating Expenses</b>						
Fuel	78		78	417		417
Energy purchases	28		28	147		147
Other operation and maintenance	6	\$ 59	65	29	\$ 242	271
Depreciation	6	20	26	29	90	119
Taxes, other than income		1	1		9	9
Total Operating Expenses	118	80	198	622	341	963
Total	\$ 145	\$ (80)	\$ 65	\$ 626	\$ (341)	\$ 285

	2009 Predecessor		
	Margin	Other (a)	Operating Income (b)
<b>Operating Revenues</b>	\$ 1,355		\$ 1,355
<b>Operating Expenses</b>			
Fuel	434		434
Energy purchases	199		199
Other operation and maintenance	32	\$ 274	306
Depreciation	30	103	133
Taxes, other than income		14	14
Total Operating Expenses	695	391	1,086
Total	\$ 660	\$ (391)	\$ 269

(a) Represents amounts excluded from Margin.

(b) As reported on the Statements of Income.

### Changes in Non-GAAP Financial Measures

Margins were higher by \$52 million for 2011 compared with 2010. New KPSC rates went into effect on August 1, 2010, contributing an additional \$64 million in operating revenues over the prior year. Partially offsetting the rate increase were lower retail volumes resulting from weather and economic conditions.

### Other Operation and Maintenance

Changes in other operation and maintenance expense were due to the following:

2011 vs. 2010      2010 vs. 2009

Fuel for generation (a)	\$	6	\$	1
Steam operation (b)		10		4
Distribution maintenance				(3)
Steam maintenance (c)		9		2
Transmission operation (d)		(1)		5
Administrative and general (e)		7		13
Other generation maintenance		(2)		3
Other		(3)		5
Total	\$	<u>26</u>	\$	<u>30</u>

- (a) Fuel handling costs are included in fuel for electric generation on the Statements of Income for the Successor's periods and are in other operation and maintenance expense on the Statements of Income for the Predecessor's periods.
- (b) Steam operation costs increased in 2011 compared with 2010, due to increased generation, the result of TC2 commencing dispatch in 2011.
- (c) Steam maintenance costs increased in 2011 compared with 2010, due to an increase in the scope of scheduled outages including those at Ghent and Green River.
- (d) Transmission operation costs increased in 2010 compared with 2009, primarily due to a settlement agreement with a third party resulting in the establishment of a regulatory asset in 2009, net of twelve months of amortization expense recorded in 2010.
- (e) Administrative and general costs increased in 2011 compared with 2010, due to higher outside services costs of \$2 million, higher labor costs of \$1 million and higher pension costs of \$1 million, partially offset by \$2 million of lower bad debt costs.

Administrative and general costs increased in 2010 compared with 2009, due higher bad debt costs of to \$4 million, higher labor costs of \$1 million, and higher property and public liability insurance costs of \$2 million. Bad debt costs increased in 2010 compared with 2009, due to higher billed revenues and a higher net charge-off percentage, partially offset by higher late payment charges.

## Depreciation

Changes in depreciation were due to the following:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
TC2 (dispatch began in January 2011)	\$ 25	
E.W. Brown sulfur dioxide scrubber equipment (placed in-service in June 2010)	8	\$ 7
Ghent Unit 2 sulfur dioxide scrubber equipment (placed in-service in May 2009)		3
Other	8	2
Total	<u>\$ 41</u>	<u>\$ 12</u>

## Taxes, Other Than Income

Taxes, other than income increased by \$9 million in 2011 compared with 2010 primarily due to a \$5 million state coal tax credit that was applied to 2010 property taxes. The remaining increase was due to higher assessments, primarily from significant property additions.

## Interest Expense

The changes in interest expense were due to:

	<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
Interest rates (a)	\$ (18)	\$ (3)
Long-term debt balances (b)	8	1
Other	2	5
Total	<u>\$ (8)</u>	<u>\$ 3</u>

- (a) Interest rates on the first mortgage bonds issued in November 2010 were lower than the rates on the loans from the Fidelity Corporations in place through October 2010.
- (b) KU's long-term debt principal balance was \$169 million higher as of December 31, 2010 compared with December 31, 2009 and did not change from December 31, 2010 to December 31, 2011. The higher interest expense in 2011 was the result of higher long-term debt balances for the last two months of 2010.

## Income Taxes

Changes in income taxes were due to the following:

<u>2011 vs. 2010</u>	<u>2010 vs. 2009</u>
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Higher pre-tax income	\$	4	\$	28
Other		2		3
Total	\$	6	\$	31

### Financial Condition

#### Liquidity and Capital Resources

KU expects to continue to have adequate liquidity available through operating cash flows, cash and cash equivalents and its credit facilities. KU currently has no plans to access capital markets in 2012.

KU's cash flows from operations and access to cost-effective bank and capital markets are subject to risks and uncertainties including, but not limited to:

- changes in market prices for electricity;
- changes in commodity prices that may increase the cost of producing power or decrease the amount KU receives from selling power;
- operational and credit risks associated with selling and marketing products in the wholesale power markets;
- unusual or extreme weather that may damage KU's transmission and distribution facilities or affect energy sales to customers;
- reliance on transmission and distribution facilities that KU does not own or control to deliver its electricity and natural gas;
- unavailability of generating units (due to unscheduled or longer-than-anticipated generation outages, weather and natural disasters) and the resulting loss of revenues and additional costs of replacement electricity;
- the ability to recover and the timeliness and adequacy of recovery of costs associated with regulated utility businesses;
- costs of compliance with existing and new environmental laws;
- any adverse outcome of legal proceedings and investigations with respect to KU's current and past business activities;
- deterioration in the financial markets that could make obtaining new sources of bank and capital markets funding more difficult and more costly; and
- a downgrade in KU's credit ratings that could adversely affect its ability to access capital and increase the cost of credit facilities and any new debt.

See "Item 1A. Risk Factors" for further discussion of risks and uncertainties affecting KU's cash flows.

At December 31, KU had the following:

	Successor		Predecessor
	2011	2010	2009
Cash and cash equivalents	\$ 31	\$ 3	\$ 2

The changes in KU's cash and cash equivalents position resulted from:

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
Net cash provided by operating activities	\$ 438	\$ 29	\$ 344	\$ 253
Net cash provided by (used in) investing activities	(273)	(88)	(340)	(507)
Net cash provided by (used in) financing activities	(137)	58	(2)	254
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 28	\$ (1)	\$ 2	\$

#### Auction Rate Securities

At December 31, 2011, KU's tax-exempt revenue bonds that are in the form of auction rate securities and total \$96 million continue to experience failed auctions. Therefore, the interest rate continues to be set by a formula pursuant to

the relevant indentures. For the period ended December 31, 2011, the weighted-average rate on KU's auction rate bonds in total was 0.27%.

See Note 7 to the Financial Statements for additional information about long-term debt securities.

### Operating Activities

Net cash provided by operating activities increased by 17%, or \$65 million, in 2011 compared with 2010, primarily as a result of:

- an increase in net income adjusted for non-cash effects of \$115 million (deferred income taxes and investment tax credits of \$81 million and depreciation of \$41 million, partially offset by defined benefit plans - expense of \$2 million and other noncash items of \$8 million);
- a net decrease in working capital related to unbilled revenues of \$21 million due to colder weather in December 2010 as compared with December 2009, and milder weather in December 2011 as compared with December 2010; partially offset by
- an increase in discretionary defined benefit plan contributions of \$30 million made in order to achieve KU's long-term funding requirements;
- the timing of ECR collections of \$28 million; and
- an increase in cash outflows related to accrued taxes of \$19 million due to an accrual in excess of payments made in 2010 for the 2010 tax year and the payment of the 2010 tax liability in 2011, along with payments made in 2011 over the accrual for the 2011 tax year.

Net cash provided by operating activities increased by 47%, or \$120 million, in 2010 compared with 2009, primarily as a result of:

- lower storm expenses of \$59 million;
- the timing of ECR collections of \$48 million;
- a decrease in cash outflows related to inventory of \$27 million, primarily due to a nominal change in inventory levels in 2010 and lower consumption in 2009 due to lower generation; and
- an increase in net income adjusted for non-cash effects of \$8 million (depreciation of \$12 million and other noncash items of \$11 million, partially offset by deferred income taxes and investment tax credits of \$47 million and defined benefit plans - expense of \$10 million), partially offset by
- higher interest payments of \$14 million due to an accelerated settlement with E.ON AG.

### Investing Activities

The primary use of cash in investing activities in 2011, 2010 and 2009 was capital expenditures. See "Forecasted Uses of Cash" for detail regarding projected capital expenditures for the years 2012 through 2016.

Net cash used in investing activities decreased by 36%, or \$155 million, in 2011 compared with 2010, as a result of a decrease in capital expenditures of \$155 million, primarily due to the completion of KU's scrubber program in 2010 and TC2 being dispatched in 2011.

Net cash used in investing activities decreased by 16%, or \$79 million, in 2010 compared with 2009, as a result of a decrease in capital expenditures of \$88 million, primarily due to lower expenditures related to the construction of TC2 and major storm events that occurred in 2009, partially offset by a decrease in restricted cash of \$9 million.

### Financing Activities

Net cash used in financing activities was \$137 million in 2011 compared with net cash provided by financing activities of \$56 million in 2010, primarily as a result of less long-term debt issuances and higher dividends to LKE.

In 2011, cash used in financing activities consisted of:

- the payment of common stock dividends to LKE of \$124 million;
- a net decrease in notes payable with affiliates of \$10 million; and
- the payment of debt issuance and credit facility costs of \$3 million.

Net cash provided by financing activities was \$56 million in 2010 compared with \$254 million in 2009. In spite of significant new debt issuances associated with the repayments to E.ON AG affiliates in connection with PPL's acquisition of LKE, cash provided by financing was less in 2010 due to lower increases in debt in 2010 and the payment of dividends in 2010; whereas, KU received equity contributions in 2009.

In the two months of 2010 following the acquisition, cash provided by financing activities of the Successor consisted of:

- the issuance of first mortgage bonds of \$1,489 million after discounts and
- the issuance of debt of \$1,331 million to a PPL affiliate to repay debt due to an E.ON AG affiliate upon the closing of PPL's acquisition of LKE, partially offset by
- the repayment of debt to an E.ON AG affiliate of \$1,331 million upon the closing of PPL's acquisition of LKE;
- the repayment of debt to a PPL affiliate of \$1,331 million upon the issuance of first mortgage bonds;
- a net decrease in notes payable with affiliates of \$83 million; and
- the payment of debt issuance and credit facility costs of \$17 million.

In the ten months of 2010 preceding PPL's acquisition of LKE, cash used in financing activities by the Predecessor consisted of:

- the payment of common stock dividends to LKE of \$50 million, partially offset by
- a net increase in notes payable with affiliates of \$48 million.

In 2009, cash provided by financing activities of the Predecessor consisted of:

- the issuance of debt of \$150 million to an E.ON AG affiliate;
- the receipt of capital contributions of \$75 million from LKE; and
- a net increase in notes payable with affiliates of \$29 million.

See "Forecasted Sources of Cash" for a discussion of KU's plans to issue debt securities, as well as a discussion of credit facility capacity available to KU. Also see "Forecasted Uses of Cash" for a discussion of plans to pay dividends on common securities in the future, as well as maturities of long-term debt.

KU's long-term debt securities activity through December 31, 2011 was:

	Debt	
	Issuances	Retirement
Non-cash Exchanges (a)(b)		
KU First Mortgage Bonds	\$ 1,500	\$ (1,500)
Total Exchanged	<u>\$ 1,500</u>	<u>\$ (1,500)</u>

- (a) Issuances are net of pricing discounts, where applicable and exclude the impact of debt issuance costs.
- (b) In April 2011, KU filed a 2011 Registration Statement with the SEC related to offers to exchange securities issued in November 2010 in transactions not registered under the Securities Act of 1933 with similar but registered securities. The registration became effective in June 2011, and the exchanges were completed in July 2011 with all securities being exchanged.

See Note 7 to the Financial Statements for additional information about long-term debt securities.

### Forecasted Sources of Cash

KU expects to continue to have sufficient sources of cash available in the near term, including various credit facilities and operating cash flow. KU currently has no plans to access capital markets in 2012. In February 2012, KU established a commercial paper program for up to \$250 million to provide an additional financing source to fund its short-term liquidity needs. Commercial paper issuances will be supported by KU's Syndicated Credit Facility.

*Credit Facilities*

At December 31, 2011, KU's total committed borrowing capacity under its credit facilities and the use of this borrowing capacity were:

	<u>Capacity</u>	<u>Borrowed</u>	<u>Letters of Credit Issued</u>	<u>Unused Capacity</u>
Syndicated Credit Facility (a) (c)	\$ 400			\$ 400
Letter of Credit Facility (b)	198		\$ 198	

- (a) In June 2011, KU amended its Syndicated Credit Facility such that the fees and the spread to benchmark interest rates for borrowings depend upon KU's senior secured long-term debt rating rather than the senior unsecured debt rating.
- (b) In April 2011, KU entered into a new \$198 million letter of credit facility that has been used to issue letters of credit to support outstanding tax-exempt bonds. KU pays customary commitment and letter of credit fees under the new facility. The facility matures in April 2014. In August 2011, KU amended its letter of credit facility such that the fees depend upon KU's senior secured long-term debt rating rather than the senior unsecured debt rating.
- (c) In October 2011, KU amended its Syndicated Credit Facility. The amendment included extending the expiration date from December 2014 to October 2016. Under this facility KU continues to have the ability to make cash borrowings and to request the lenders to issue letters of credit.

The commitments under KU's credit facilities are provided by a diverse bank group, with no one bank and its affiliates providing an aggregate commitment of more than 19% of the total committed capacity available to KU.

KU participates in an intercompany money pool agreement whereby LKE and/or LG&E make available to KU funds up to \$500 million at an interest rate based on a market index of commercial paper issues. At December 31, 2011, there was no balance outstanding. At December 31, 2010, \$10 million was outstanding. The interest rate for the period ended December 31, 2010 was 0.25%.

See Note 7 to the Financial Statements for further discussion of KU's credit facilities.

*Operating Leases*

KU also has available funding sources that are provided through operating leases. KU leases office space and certain equipment. These leasing structures provide KU additional operating and financing flexibility. The operating leases contain covenants that are typical for these agreements, such as maintaining insurance, maintaining corporate existence and timely payment of rent and other fees.

See Note 11 to the Financial Statements for further discussion of the operating leases.

Forecasted Uses of Cash

In addition to expenditures required for normal operating activities, such as purchased power, payroll, fuel and taxes, KU currently expects to incur future cash outflows for capital expenditures, various contractual obligations, payment of dividends on its common securities and possibly the purchase or redemption of a portion of debt securities.

*Capital Expenditures*

The table below shows KU's current capital expenditure projections for the years 2012 through 2016.

	<u>Projected</u>				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Construction expenditures (a)					
Generating facilities (b)	\$ 129	\$ 177	\$ 217	\$ 173	\$ 65
Distribution facilities	78	95	86	103	100
Transmission facilities (c)	57	49	53	43	40
Environmental	379	453	411	233	51
Other	13	21	21	24	22
Total Construction Expenditures	<u>\$ 656</u>	<u>\$ 795</u>	<u>\$ 788</u>	<u>\$ 576</u>	<u>\$ 278</u>

- (a) Construction expenditures include AFUDC, which is not expected to be significant for the years 2012 through 2016.

- (b) Includes approximately \$500 million of currently estimable costs related to replacement generation units due to EPA regulations not recoverable through the ECR mechanism. KU expects to recover these costs over a period equivalent to the related depreciable lives of the assets through future rate proceedings.
- (c) Includes approximately \$30 million of currently estimable transmission costs related to replacement generation units. KU expects to recover these costs over a period equivalent to the related depreciable lives of the assets through future rate proceedings.

KU's capital expenditure projections for the years 2012 through 2016 total approximately \$3.1 billion. Capital expenditure plans are revised periodically to reflect changes in operational, market and regulatory conditions. This table includes current estimates for KU's environmental projects related to new and anticipated EPA compliance standards. Actual costs may be significantly lower or higher depending on the final requirements and market conditions. Certain environmental compliance costs incurred by KU in serving KPSC jurisdictional customers are generally eligible for recovery through the ECR mechanism.

KU plans to fund its capital expenditures in 2012 with cash on hand, cash from operations and short-term debt.

#### *Contractual Obligations*

KU has assumed various financial obligations and commitments in the ordinary course of conducting its business. At December 31, 2011, the estimated contractual cash obligations of KU were:

	<u>Total</u>	<u>2012</u>	<u>2013 - 2014</u>	<u>2015 - 2016</u>	<u>After 2016</u>
Long-term Debt (a)	\$ 1,851			\$ 250	\$ 1,601
Interest on Long-term Debt (b)	1,546	\$ 65	\$ 131	135	1,215
Operating Leases (c)	34	9	14	7	4
Coal and Natural Gas Purchase Obligations (d)	1,107	404	549	152	2
Unconditional Power Purchase Obligations (e)	311	9	18	20	264
Construction Obligations (f)	294	217	70	6	1
Pension Benefit Plan Obligations (g)	15	15			
Other Obligations (h)	13	3	5	5	
<b>Total Contractual Cash Obligations</b>	<u>\$ 5,171</u>	<u>\$ 722</u>	<u>\$ 787</u>	<u>\$ 575</u>	<u>\$ 3,087</u>

- (a) Reflects principal maturities only based on stated maturity dates. See Note 7 to the Financial Statements for a discussion of variable-rate remarketable bonds issued on behalf of KU. KU does not have any significant capital lease obligations.
- (b) Assumes interest payments through stated maturity. The payments herein are subject to change, as payments for debt that is or becomes variable-rate debt have been estimated.
- (c) See Note 11 to the Financial Statements for additional information.
- (d) Represents contracts to purchase coal, natural gas and natural gas transportation. See Note 15 to the Financial Statements for additional information.
- (e) Represents future minimum payments under OVEC power purchase agreements through June 2040. See Note 15 to the Financial Statements for additional information.
- (f) Represents construction commitments, including commitments for the Ghent landfill and Brown SCR construction including associated material transport systems for coal combustion residuals, which are also reflected in the Capital Expenditures table presented above.
- (g) Based on the current funded status of LKE's qualified pension plan, which covers KU employees, no cash contributions are required. See Note 13 to the Financial Statements for a discussion of expected contributions.
- (h) Represents other contractual obligations. Purchase orders made in the ordinary course of business are excluded from the amounts presented.

#### *Dividends*

From time to time, as determined by its Board of Directors, KU pays dividends to its sole shareholder, LKE.

As discussed in Note 7 to the Financial Statements, KU's ability to pay dividends is limited under a covenant in its \$400 million revolving line of credit facility. This covenant restricts the debt to total capital ratio to not more than 70%.

#### *Purchase or Redemption of Debt Securities*

KU will continue to evaluate purchasing or redeeming outstanding debt securities and may decide to take action depending upon prevailing market conditions and available cash.

#### Rating Agency Decisions

Moody's, S&P and Fitch periodically review the credit ratings on the debt securities of KU. Based on their respective independent reviews, the rating agencies may make certain ratings revisions or ratings affirmations.

A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. The credit ratings of KU are based on information provided by KU and other sources. The ratings of Moody's, S&P and Fitch are not a recommendation to buy, sell or hold any securities of KU. Such ratings may be subject to revisions or withdrawal by the agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities. A downgrade in KU's credit ratings could result in higher borrowing costs and reduced access to capital markets.

In KU's 2011 Registration Statement, KU described its then-current credit ratings in connection with, and to facilitate, an understanding of its liquidity position. As a result of the passage of the Dodd-Frank Act and the attendant uncertainties relating to the extent to which issuers of non-asset backed securities may disclose credit ratings without being required to obtain rating agency consent to the inclusion of such disclosure, or incorporation by reference of such disclosure, in a registrant's registration statement or section 10(a) prospectus, KU is limiting its credit rating disclosure to a description of the actions taken by the rating agencies with respect to KU's ratings, but without stating what ratings have been assigned to KU's securities. The ratings assigned by the rating agencies to KU and its securities may be found, without charge, on each of the respective ratings agencies' websites, which ratings together with all other information contained on such rating agency websites is, hereby, explicitly not incorporated by reference in this report.

Following the announcement of PPL's then-pending acquisition of WPD Midlands in March 2011, the rating agencies took the following actions:

- Moody's affirmed its ratings for KU;
- S&P revised the outlook and lowered the issuer, senior secured and short-term ratings of KU; and
- Fitch affirmed its ratings for KU.

In April 2011, S&P took the following actions following the completion of PPL's acquisition of WPD Midlands:

- revised the outlook for KU;
- raised its short-term ratings of KU; and
- affirmed its long-term ratings for KU.

In May 2011, S&P downgraded its long-term rating of four series of pollution control bonds issued on behalf of KU by one notch in connection with the substitution of the letters of credit enhancing these four bonds.

In September 2011, Moody's affirmed its issuer rating for KU.

In November 2011, Moody's and S&P affirmed their ratings for KU.

In December 2011, Fitch affirmed its ratings for KU.

### Ratings Triggers

KU has various derivative and non-derivative contracts, including contracts for the sale and purchase of electricity, fuel, and commodity transportation and storage, which contain provisions requiring KU to post additional collateral, or permitting the counterparty to terminate the contract, if KU's credit rating were to fall below investment grade. See Note 19 to the Financial Statements for a discussion of "Credit Risk-Related Contingent Features," including a discussion of the potential additional collateral that would have been required for derivative contracts in a net liability position at December 31, 2011. At December 31, 2011, if KU's credit ratings had been below investment grade, the maximum amount that KU would have been required to post as additional collateral to counterparties was \$20 million for both derivative and non-derivative commodity and commodity-related contracts used in its generation and marketing operations.

### **Off-Balance Sheet Arrangements**



KU has entered into certain agreements that may contingently require payment to a guaranteed or indemnified party. See Note 15 to the Financial Statements for a discussion of these agreements.

## **Risk Management**

### Market Risk

KU is exposed to market risk from equity instruments, interest rate instruments and commodity instruments, as discussed below. However, regulatory cost recovery mechanisms significantly mitigate those risks. See Notes 1, 18 and 19 to the Financial Statements for information about KU's risk management objectives, valuation techniques and accounting designations.

The forward-looking information presented below provides estimates of what may occur in the future, assuming certain adverse market conditions and model assumptions. Actual future results may differ materially from those presented. These disclosures are not precise indicators of expected future losses, but only indicators of possible losses under normal market conditions at a given confidence level.

#### *Commodity Price Risk (Non-trading)*

KU's rates are set by regulatory commissions and the fuel costs incurred are directly recoverable from customers. As a result, KU is subject to commodity price risk for only a small portion of on-going business operations. KU conducts energy trading and risk management activities to maximize the value of the physical assets at times when the assets are not required to serve KU's or LG&E's customers. KU managed its energy commodity risk using derivative instruments, including swaps and forward contracts. See Note 19 to the Financial Statements for additional disclosures.

The balance and change in net fair value of KU's commodity derivative contracts for the periods ended December 31, 2011, 2010, and 2009 were not significant.

#### *Interest Rate Risk*

KU has issued debt to finance its operations, which exposes it to interest rate risk. At December 31, 2011 and 2010, KU's potential annual exposure to increased interest expense, based on a 10% increase in interest rates, was not significant.

KU is also exposed to changes in the fair value of its debt portfolio. KU estimated that a 10% decrease in interest rates at December 31, 2011, would increase the fair value of its debt portfolio by \$72 million compared with \$73 million at December 31, 2010.

KU had no interest rate hedges outstanding at December 31, 2011 and December 31, 2010.

### Credit Risk

KU is exposed to potential losses as a result of nonperformance by counterparties of their contractual obligations. KU maintains credit policies and procedures to limit counterparty credit risk including evaluating credit ratings and financial information along with having certain counterparties post margin if the credit exposure exceeds certain thresholds. KU is exposed to potential losses as a result of nonpayment by customers. KU maintains an allowance for doubtful accounts based on a historical charge-off percentage for retail customers. Allowances for doubtful accounts from wholesale and municipal customers and miscellaneous receivables are based on specific identification by management. Retail, wholesale and municipal customer accounts are written-off after four months of no payment activity. Miscellaneous receivables are written-off as management determines them to be uncollectible.

Certain of KU's derivative instruments contain provisions that require it to provide immediate and on-going collateralization of derivative instruments in net liability positions based upon KU's credit ratings from each of the major credit rating agencies. See Notes 18 and 19 to the Financial Statements for information regarding exposure and the risk management activities.

## **Related Party Transactions**

KU is not aware of any material ownership interest or operating responsibility by senior management in outside partnerships, including leasing transactions with variable interest entities or other entities doing business with KU. See Note 16 to the Financial Statements for additional information on related party transactions between KU and affiliates.

## **Environmental Matters**

Protection of the environment is a major priority for KU and a significant element of its business activities. Extensive federal, state and local environmental laws and regulations are applicable to KU's air emissions, water discharges and the management of hazardous and solid waste, among other areas, and the costs of compliance or alleged non-compliance cannot be predicted with certainty but could be material. In addition, costs may increase significantly if the requirements or scope of environmental laws or regulations, or similar rules, are expanded or changed from prior versions by the relevant agencies. Costs may take the form of increased capital or operating and maintenance expenses; monetary fines, penalties or forfeitures or other restrictions. Many of these environmental law considerations are also applicable to the operations of key suppliers, or customers, such as coal producers, industrial power users, etc.; and may impact the costs for their products or their demand for KU's services. See "Item 1. Business - Environmental Matters" and Note 15 to the Financial Statements for a discussion of environmental matters.

## **New Accounting Guidance**

See Note 24 to the Financial Statements for a discussion of new accounting guidance pending adoption.

## **Application of Critical Accounting Policies**

Financial condition and results of operations are impacted by the methods, assumptions and estimates used in the application of critical accounting policies. The following accounting policies are particularly important to the financial condition or results of operations, and require estimates or other judgments of matters inherently uncertain. Changes in the estimates or other judgments included within these accounting policies could result in a significant change to the information presented in the Financial Statements (these accounting policies are also discussed in Note 1 to the Financial Statements). KU's senior management has reviewed these critical accounting policies, the following disclosures regarding their application and the estimates and assumptions regarding them, with PPL's Audit Committee.

### **1) Revenue Recognition - Unbilled Revenue**

Revenues related to the sale of energy are recorded when service is rendered or when energy is delivered to customers. Because customers of KU's retail operations are billed on cycles which vary based on the timing of the actual reading of their electric meters, KU records estimates for unbilled revenues at the end of each reporting period. Such unbilled revenue amounts reflect estimates of the amount of energy delivered to customers since the date of the last reading of their meters. Such unbilled revenues reflect consideration of estimated usage by customer class, the effect of different rate schedules, changes in weather, and where applicable, the impact of weather normalization or other regulatory provisions of rate structures. In addition to the unbilled revenue accrual resulting from cycle billing, KU makes additional accruals resulting from the timing of customer bills. The accrual of unbilled revenues in this manner properly matches revenues and related costs. At December 31, 2011 and 2010 KU had unbilled revenue balances of \$81 million and \$89 million.

### **2) Price Risk Management**

See "Financial Condition - Risk Management" above.

### **3) Defined Benefits**

KU participates in a qualified funded defined benefit pension and a funded other postretirement benefits plan. These plans are applicable to the majority of the employees of KU and are sponsored by LKE. LKE allocates a portion of the liability and net periodic defined benefit pension and other postretirement costs of the plans to KU based on its

participation. KU records an asset or liability to recognize the funded status of all defined benefit plans with an offsetting entry to regulatory assets or liabilities. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets. See Note 13 to the Financial Statements for additional information about the plans and the accounting for defined benefits.

Certain assumptions are made by LKE regarding the valuation of benefit obligations and the performance of plan assets. When accounting for defined benefits, delayed recognition in earnings of differences between actual results and expected or estimated results is a guiding principle. Annual net periodic defined benefit costs are recorded in current earnings based on

estimated results. Any differences between actual and estimated results are recorded in regulatory assets and liabilities for amounts that are expected to be recovered through regulated customer rates. These amounts in regulatory assets and liabilities are amortized to income over future periods. The delayed recognition allows for a smoothed recognition of costs over the working lives of the employees who benefit under the plans. The primary assumptions are:

- **Discount Rate** - The discount rate is used in calculating the present value of benefits, which is based on projections of benefit payments to be made in the future. The objective in selecting the discount rate is to measure the single amount that, if invested at the measurement date in a portfolio of high-quality debt instruments, would provide the necessary future cash flows to pay the accumulated benefits when due.
- **Expected Long-term Return on Plan Assets** - Management projects the long-term rates of return on plan assets based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. These projected returns reduce the net benefit costs KU records currently.
- **Rate of Compensation Increase** - Management projects employees' annual pay increases, which are used to project employees' pension benefits at retirement.
- **Health Care Cost Trend Rate** - Management projects the expected increases in the cost of health care.

In selecting a discount rate for its defined benefit plans, LKE starts with a cash flow analysis of the expected benefit payment stream for its plans. In 2010, these plan-specific cash flows were matched against a spot-rate yield curve to determine the assumed discount rate. To develop the spot-rate yield curve, the full universe of Aa-rated non-callable (or callable with make-whole provisions) bonds, served as the base from which those with the lowest and highest yields were eliminated to develop an appropriate subset of bonds from which the ultimate yield curve would be built. At that time, management believed this plan-specific cash flow matching model represented the best available tool for estimating the discount rate. Beginning in 2011, LKE utilized a new tool that enhanced this plan-specific cash flow matching methodology by primarily matching the plan-specific cash flows against the coupons and expected maturity values of individually selected bonds. This bond matching process begins with the same universe of Aa-rated corporate bonds from which those with the lowest and highest yields were eliminated, similar to the yield curve approach. Individual bonds are then selected based on the timing of each plan's cash flows and parameters are established as to the percentage of each individual bond issue that could be hypothetically purchased and the surplus reinvestment rates to be assumed. This process more accurately approximated the process of settlement of the obligations which better aligned with the objective of selecting the discount rate. At December 31, 2011 LKE decreased the discount rate for its pension plan from 5.52% to 5.12% and decreased the discount rate for its other postretirement benefit plan from 5.12% to 4.78%.

The expected long-term rates of return for LKE's defined benefit pension and other postretirement benefit plans have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. LKE management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption. At December 31, 2011, LKE's expected return on plan assets was 7.25%.

In selecting a rate of compensation increase, LKE considers past experience in light of movements in inflation rates. At December 31, 2011, LKE's rate of compensation increase changed from 5.25% to 4.00%.

In selecting health care cost trend rates LKE considers past performance and forecasts of health care costs. At December 31, 2011, LKE's health care cost trend rates were 8.50% for 2012, gradually declining to 5.50% for 2019.

A variance in the assumptions listed above could have a significant impact on accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and regulatory assets and liabilities allocated to KU. While the charts below reflect either an increase or decrease in each assumption, the inverse of the change would impact the accrued defined benefit liabilities or assets, reported annual net periodic defined benefit costs and regulatory assets and liabilities for KU by a similar amount in the opposite direction. The sensitivities below reflect an evaluation of the change based solely on a change in that assumption and does not include income tax effects.

At December 31, 2011, the defined benefit plans were recorded as follows:

Pension liabilities	\$	83
Other postretirement benefit liabilities		62

The following chart reflects the sensitivities in the December 31, 2011 Balance Sheet associated with a change in certain assumptions based on KU's primary defined benefit plans.

Actuarial assumption	Change in assumption	Increase (Decrease)		
		Impact on defined benefit liabilities	Impact on OCI	Impact on regulatory assets
Discount Rate	(0.25)%	\$ 15		\$ 15
Rate of Compensation Increase	0.25%	3		3
Health Care Cost Trend Rate (a)	1%	4		4

(a) Only impacts other postretirement benefits.

In 2011 and 2010, KU recognized net periodic defined benefit costs charged to operating expense of \$14 million.

The following chart reflects the sensitivities in the 2011 Statement of Income (excluding income tax effects) associated with a change in certain assumptions based on KU's primary defined benefit plans.

Actuarial assumption	Change in assumption	Impact on defined benefit costs
Discount Rate	(0.25)%	\$ 2
Expected Return on Plan Assets	(0.25)%	1
Rate of Compensation Increase	0.25%	1
Health Care Cost Trend Rate (a)	1%	

(a) Only impacts other postretirement benefits.

#### 4) Asset Impairment

Impairment analyses are performed for long-lived assets that are subject to depreciation or amortization whenever events or changes in circumstances indicate that a long-lived asset's carrying value may not be recoverable. For these long-lived assets classified as held and used, such events or changes in circumstances are:

- a significant decrease in the market price of an asset;
- a significant adverse change in the extent or manner in which an asset is being used or in its physical condition;
- a significant adverse change in legal factors or in the business climate;
- an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of an asset;
- a current-period operating or cash flow loss combined with a history of losses or a forecast that demonstrates continuing losses; or
- a current expectation that, more likely than not, an asset will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

For a long-lived asset classified as held and used, impairment is recognized when the carrying amount of the asset is not recoverable and exceeds its fair value. The carrying amount is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If the asset is impaired, an impairment loss is recorded to adjust the asset's carrying value to its estimated fair value. Management must make significant judgments to estimate future cash flows including the useful lives of long-lived assets, the fair value of the assets and management's intent to use the assets. Alternate courses of action are considered to recover the carrying value of a long-lived asset, and estimated cash flows from the "most likely" alternative are used to assess impairment whenever one alternative is clearly the most likely outcome. If no alternative is clearly the most likely, then a probability-weighted approach is used taking into consideration estimated cash flows from the alternatives. For assets tested for impairment as of the balance sheet date, the estimates of future cash flows used in that test consider the likelihood of possible outcomes that existed at the balance sheet date, including the assessment of the likelihood of a future sale of the assets.

That assessment is not revised based on events that occur after the balance sheet date. Changes in assumptions and estimates could result in significantly different results than those identified and recorded in the financial statements.

For a long-lived asset classified as held for sale, impairment exists when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If the asset (disposal group) is impaired, an impairment loss is recorded to adjust the carrying amount to its fair value less cost to sell. A gain is recognized for any subsequent increase in fair value less cost to sell, but not in excess of the cumulative impairment recognized.

For determining fair value, quoted market prices in active markets are the best evidence. However, when market prices are unavailable, KU considers all valuation techniques appropriate under the circumstances and for which market participant inputs can be obtained. Generally discounted cash flows are used to estimate fair value, which incorporates market participant inputs when available. Discounted cash flows are calculated by estimating future cash flow streams and applying appropriate discount rates to determine the present value of the cash flow streams.

In 2011, KU did not recognize an impairment of any long-lived assets.

Goodwill is tested for impairment at the reporting unit level. KU's reporting unit has been determined to be at the operating segment level. A goodwill impairment test is performed annually or more frequently if events or changes in circumstances indicate that the carrying value of the reporting unit may be greater than the unit's fair value. Additionally, goodwill is tested for impairment after a portion of goodwill has been allocated to a business to be disposed of. Goodwill is tested for impairment using a two-step approach. In step 1, KU identifies a potential impairment by comparing the estimated fair value of KU (the goodwill reporting unit) to its carrying value, including goodwill, on the measurement date. If the estimated fair value exceeds its carrying amount, goodwill is not considered impaired. If the carrying amount exceeds the estimated fair value, the second step is performed to measure the amount of impairment loss, if any.

The second step requires a calculation of the implied fair value of goodwill, which is determined in the same manner as the amount of goodwill in a business combination. That is, the estimated fair value is allocated to all of KU's assets and liabilities as if KU had been acquired in a business combination and the estimated fair value of KU was the price paid. The excess of the estimated fair value of KU over the amounts assigned to its assets and liabilities is the implied fair value of goodwill. The implied fair value of goodwill is then compared with the carrying amount of that goodwill. If the carrying amount exceeds the implied fair value, an impairment loss is recognized in an amount equal to that excess. The loss recognized cannot exceed the carrying amount of the reporting unit's goodwill.

KU tested goodwill for impairment in the fourth quarter of 2011 and no impairment was recognized. Management used both discounted cash flows and market multiples to estimate the fair value of LKE, which involved the use of significant estimates and assumptions. Applying an appropriate weighting to both the discounted cash flow and market multiple valuations, a decrease in the forecasted cash flows of 10%, an increase in the discount rate by 25 basis points, or a 10% decrease in the multiples would not have resulted in an impairment of goodwill.

## 5) Loss Accruals

Losses are accrued for the estimated impacts of various conditions, situations or circumstances involving uncertain or contingent future outcomes. For loss contingencies, the loss must be accrued if (1) information is available that indicates it is probable that a loss has been incurred, given the likelihood of the uncertain future events and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The accrual of contingencies that might result in gains is not recorded unless recovery is assured. Potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events are continuously assessed.

The accounting aspects of estimated loss accruals include (1) the initial identification and recording of the loss, (2) the determination of triggering events for reducing a recorded loss accrual and (3) the ongoing assessment as to whether a recorded loss accrual is sufficient. All three of these aspects require significant judgment by management. Internal expertise and outside experts (such as lawyers and engineers) are used, as necessary to help estimate the probability that a loss has been incurred and the amount (or range) of the loss.

In 2011, no significant adjustments were made to KU's existing contingencies. See Note 15 to the Financial Statements for commitment and contingency disclosures.

Certain other events have been identified that could give rise to a loss, but that do not meet the conditions for accrual. Such events are disclosed, but not recorded, when it is reasonably possible that a loss has been incurred. Accounting guidance defines "reasonably possible" as cases in which "the future event or events occurring is more than remote, but less than likely to occur." See Note 15 to the Financial Statements for disclosure of other potential loss contingencies that have not met the criteria for accrual.

When an estimated loss is accrued, the triggering events for subsequently adjusting the loss accrual are identified, where applicable. The triggering events generally occur when the contingency has been resolved and the actual loss is paid or written off, or when the risk of loss has diminished or been eliminated. The following are some of the triggering events that provide for the adjustment of certain recorded loss accruals:

- Allowances for uncollectible accounts are reduced when accounts are written off after prescribed collection procedures have been exhausted, a better estimate of the allowance is determined or underlying amounts are ultimately collected.
- Environmental and other litigation contingencies are reduced when the contingency is resolved, KU makes actual payments, a better estimate of the loss is determined or the loss is no longer considered probable.

Loss accruals are reviewed on a regular basis to assure that the recorded potential loss exposures are appropriate. This involves ongoing communication and analyses with internal and external legal counsel, engineers, operation management and other parties.

## 6) Asset Retirement Obligations

KU is required to recognize a liability for legal obligations associated with the retirement of long-lived assets. The initial obligation is measured at its estimated fair value. An equivalent amount is recorded as an increase in the value of the capitalized asset and allocated to expense over the useful life of the asset. Until the obligation is settled, the liability is increased, through the recognition of accretion expense in the Statements of Income, for changes in the obligation due to the passage of time. The accretion and depreciation are offset with a regulatory credit on the income statement, such that there is no earnings impact. The regulatory asset created by the regulatory credit is relieved when the ARO has been settled. An ARO must be recognized when incurred if the fair value of the ARO can be reasonably estimated. See Note 21 to the Financial Statements for related disclosures.

In determining AROs, management must make significant judgments and estimates to calculate fair value. Fair value is developed using an expected present value technique based on assumptions of market participants that considers estimated retirement costs in current period dollars that are inflated to the anticipated retirement date and then discounted back to the date the ARO was incurred. Changes in assumptions and estimates included within the calculations of the fair value of AROs could result in significantly different results than those identified and recorded in the financial statements. Estimated ARO costs and settlement dates, which affect the carrying value of various AROs and the related assets, are reviewed periodically to ensure that any material changes are incorporated into the estimate of the obligations. Any change to the capitalized asset is amortized over the remaining life of the associated long-lived asset.

At December 31, 2011, KU had AROs totaling \$61 million recorded on the Balance Sheet. Of the total amount, \$40 million, or 66%, relates to KU's ash ponds. The most significant assumptions surrounding AROs are the forecasted retirement costs, the discount rates and the inflation rates. A variance in the forecasted retirement costs, the discount rates or the inflation rates could have a significant impact on the ARO liabilities.

The following chart reflects the sensitivities related to KU's ARO liabilities for ash ponds at December 31, 2011:

	<u>Change in Assumption</u>	<u>Impact on ARO Liability</u>
Retirement Cost	10%	\$ 4
Discount Rate	(0.25)%	2

Inflation Rate

0.25%

2

## 7) Income Taxes

Significant management judgment is required in developing KU's provision for income taxes primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is required to determine the amount of benefit recognized related to an uncertain tax position. KU evaluates its tax positions following a two-step process. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization upon settlement that exceeds 50%. KU's management considers a number of factors in assessing the benefit to be recognized, including negotiation of a settlement.

On a quarterly basis, KU's uncertain tax positions are reassessed by considering information known at the reporting date. Based on management's assessment of new information, a tax benefit may subsequently be recognized for a previously unrecognized tax position, a previously recognized tax position may be de-recognized, or the benefit of a previously recognized tax position may be remeasured. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements in the future.

At December 31, 2011, KU's existing reserve exposure to either increases or decreases in unrecognized tax benefits during the next 12 months is less than \$1 million. This change could result from subsequent recognition, de-recognition and/or changes in the measurement of uncertain tax positions. The events that could cause these changes are direct settlements with taxing authorities, litigation, legal or administrative guidance by relevant taxing authorities and the lapse of an applicable statute of limitation.

The balance sheet classification of unrecognized tax benefits and the need for valuation allowances to reduce deferred tax assets also require significant management judgment. Unrecognized tax benefits are classified as current to the extent management expects to settle an uncertain tax position by payment or receipt of cash within one year of the reporting date. Valuation allowances are initially recorded and reevaluated each reporting period by assessing the likelihood of the ultimate realization of a deferred tax asset. Management considers a number of factors in assessing the realization of a deferred tax asset, including the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies. Any tax planning strategy utilized in this assessment must meet the recognition and measurement criteria utilized to account for an uncertain tax position. See Note 5 to the Financial Statements for related disclosures.

## 8) Regulatory Assets and Liabilities

KU is a cost-based rate-regulated utility. As a result, the effects of regulatory actions are required to be reflected in the financial statements. Assets and liabilities are recorded that result from the regulated ratemaking process that may not be recorded under GAAP for non-regulated entities. Regulatory assets generally represent incurred costs that have been deferred because such costs are probable of future recovery in regulated customer rates. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. In certain cases, regulatory liabilities are recorded based on an understanding with the regulator that rates have been set to recover costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose. The accounting for regulatory assets and liabilities is based on specific ratemaking decisions or precedent for each transaction or event as prescribed by the FERC, the KPSC, the VSCC or the TRA. See Note 6 to the Financial Statements for related disclosures.

Management continually assesses whether the regulatory assets are probable of future recovery by considering factors such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated



rates, recent rate orders to other regulated entities and the status of any pending or potential deregulation legislation. Based on this continual assessment, management believes the existing regulatory assets are probable of recovery. This assessment reflects the current political and regulatory climate at the state and federal levels, and is subject to change in the future. If future recovery of costs ceases to be probable, then asset write-off would be required to be recognized in operating income. Additionally, the regulatory agencies can provide flexibility in the manner and timing of the depreciation of PP&E and amortization of regulatory assets.

At December 31, 2011 and 2010, KU had regulatory assets of \$217 million and \$230 million. All regulatory assets are either currently being recovered under specific rate orders, represent amounts that are expected to be recovered in future rates or benefit future periods based upon established regulatory practices. At December 31, 2011 and 2010, KU had regulatory liabilities of \$535 million and \$574 million.

#### **Other Information**

PPL's Audit Committee has approved the independent auditor to provide audit, tax and other services permitted by Sarbanes-Oxley and SEC rules. The audit services include services in connection with statutory and regulatory filings, reviews of offering documents and registration statements, and internal control reviews. See "Item 14. Principal Accounting Fees and Services" for more information.

**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

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

Reference is made to "Risk Management - Energy Marketing & Trading and Other" for PPL and PPL Energy Supply and "Risk Management" for PPL Electric, LKE, LG&E and KU in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations."

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Shareowners of PPL Corporation

We have audited the accompanying consolidated balance sheets of PPL Corporation and subsidiaries as of December 31, 2011 and 2010, and the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2011. Our audits also included the financial statement schedule listed in the index at Item 15(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits. We did not audit the 2010 financial statements of LG&E and KU Energy LLC (LKE), a wholly owned subsidiary, which statements reflect total assets of \$10,719 million as of December 31, 2010, and total revenues of \$493 million for the period November 1, 2010 (date of acquisition) to December 31, 2010. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for LKE, is based solely on the report of the other auditors.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and, for 2010, the report of other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of PPL Corporation and subsidiaries at December 31, 2011 and 2010, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), PPL Corporation's internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 28, 2012 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Philadelphia, Pennsylvania  
February 28, 2012

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Shareowners of PPL Corporation

We have audited PPL Corporation's internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). PPL Corporation's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in Management's Report on Internal Control over Financial Reporting at Item 9A. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As set forth in Item 9A, Management's Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of WPD Midlands, which is included in the 2011 consolidated financial statements of PPL Corporation and subsidiaries and constituted 19% and 27% of total assets and net assets, respectively, as of December 31, 2011 and 6% and 9% of revenues and net income, respectively, for the year then ended. Our audit of internal control over financial reporting of PPL Corporation and subsidiaries also did not include an evaluation of the internal control over financial reporting of WPD Midlands.

In our opinion, PPL Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of PPL Corporation and subsidiaries as of December 31, 2011 and 2010, and the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2011 and our report dated February 28, 2012 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Philadelphia, Pennsylvania

February 28, 2012

**Report of Independent Registered Public Accounting Firm**

To the Board of Managers and Sole Member of PPL Energy Supply, LLC

We have audited the accompanying consolidated balance sheets of PPL Energy Supply, LLC and subsidiaries as of December 31, 2011 and 2010, and the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of PPL Energy Supply, LLC and subsidiaries at December 31, 2011 and 2010, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Philadelphia, Pennsylvania  
February 28, 2012

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Shareowners of PPL Electric Utilities Corporation

We have audited the accompanying consolidated balance sheets of PPL Electric Utilities Corporation and subsidiaries as of December 31, 2011 and 2010, and the related consolidated statements of income, shareowners' equity, and cash flows for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of PPL Electric Utilities Corporation and subsidiaries at December 31, 2011 and 2010, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Philadelphia, Pennsylvania  
February 28, 2012

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Sole Member of LG&E and KU Energy LLC

We have audited the accompanying consolidated balance sheet of LG&E and KU Energy LLC and subsidiaries as of December 31, 2011, and the related consolidated statements of income, comprehensive income, cash flows, and equity for the year then ended. Our audit also included the financial statement schedule listed in the index at Item 15(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of LG&E and KU Energy LLC and subsidiaries at December 31, 2011 and the consolidated results of their operations and their cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/ Ernst & Young LLP

Louisville, Kentucky  
February 28, 2012



**Report of Independent Registered Public Accounting Firm**

To the Member of LG&E and KU Energy LLC

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of income, retained earnings, comprehensive income, cash flows, and capitalization present fairly, in all material respects, the financial position of LG&E and KU Energy LLC and its subsidiaries (Successor Company) at December 31, 2010 and the results of their operations and their cash flows for the period from November 1, 2010 to December 31, 2010 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the index appearing under Item 15(a)(2) presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial statement schedule based on our audit. We conducted our audit of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 10 to the consolidated financial statements, on November 1, 2010, PPL Corporation completed its acquisition of LG&E and KU Energy LLC and its subsidiaries. The push-down basis of accounting was used at the acquisition date.

/s/ PricewaterhouseCoopers LLP

Louisville, Kentucky  
February 25, 2011

**Report of Independent Registered Public Accounting Firm**

To the Member of LG&E and KU Energy LLC

In our opinion, the accompanying consolidated statements of income, retained earnings (deficit), comprehensive income (loss), cash flows, and capitalization present fairly, in all material respects, the results of operations and cash flows of LG&E and KU Energy LLC and its subsidiaries (formerly E.ON U.S. LLC, Predecessor Company) for the period from January 1, 2010 to October 31, 2010 and for the year ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the index appearing under Item 15(a)(2) presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial statement schedule based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 10 to the consolidated financial statements, on November 1, 2010, PPL Corporation completed its acquisition of LG&E and KU Energy LLC and its subsidiaries. The push-down basis of accounting was used at the acquisition date.

/s/ PricewaterhouseCoopers LLP

Louisville, Kentucky  
February 25, 2011

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Sole Stockholder of Louisville Gas and Electric Company

We have audited the accompanying balance sheet of Louisville Gas and Electric Company as of December 31, 2011, and the related statements of income, comprehensive income, cash flows, and equity for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisville Gas and Electric Company at December 31, 2011 and the results of its operations and its cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Louisville, Kentucky  
February 28, 2012

**Report of Independent Registered Public Accounting Firm**

To the Stockholder of Louisville Gas and Electric Company

In our opinion, the accompanying balance sheet and the related statements of income, retained earnings, comprehensive income, cash flows, and capitalization present fairly, in all material respects, the financial position of Louisville Gas and Electric Company (Successor Company) at December 31, 2010 and the results of its operations and its cash flows for the period from November 1, 2010 to December 31, 2010 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 10 to the financial statements, on November 1, 2010, PPL Corporation completed its acquisition of LG&E and KU Energy LLC and its subsidiaries. The push-down basis of accounting was used at the acquisition date.

/s/ PricewaterhouseCoopers LLP

Louisville, Kentucky  
February 25, 2011

**Report of Independent Registered Public Accounting Firm**

To the Stockholder of Louisville Gas and Electric Company

In our opinion, the accompanying statements of income, retained earnings, comprehensive income, cash flows, and capitalization present fairly, in all material respects, the results of operations and cash flows of Louisville Gas and Electric Company (Predecessor Company) for the period from January 1, 2010 to October 31, 2010 and for the year ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 10 to the financial statements, on November 1, 2010, PPL Corporation completed its acquisition of LG&E and KU Energy LLC and its subsidiaries. The push-down basis of accounting was used at the acquisition date.

/s/ PricewaterhouseCoopers LLP

Louisville, Kentucky  
February 25, 2011

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Sole Stockholder of Kentucky Utilities Company

We have audited the accompanying balance sheet of Kentucky Utilities Company as of December 31, 2011, and the related statements of income, comprehensive income, cash flows, and equity for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kentucky Utilities Company at December 31, 2011 and the results of its operations and its cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Louisville, Kentucky  
February 28, 2012

**Report of Independent Registered Public Accounting Firm**

To the Stockholder of Kentucky Utilities Company

In our opinion, the accompanying balance sheet and the related statements of income, retained earnings, comprehensive income, cash flows, and capitalization present fairly, in all material respects, the financial position of Kentucky Utilities Company (Successor Company) at December 31, 2010 and the results of its operations and its cash flows for the period from November 1, 2010 to December 31, 2010 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 10 to the financial statements, on November 1, 2010, PPL Corporation completed its acquisition of LG&E and KU Energy LLC and its subsidiaries. The push-down basis of accounting was used at the acquisition date.

/s/ PricewaterhouseCoopers LLP

Louisville, Kentucky  
February 25, 2011

**Report of Independent Registered Public Accounting Firm**

To the Stockholder of Kentucky Utilities Company

In our opinion, the accompanying statements of income, retained earnings, comprehensive income, cash flows, and capitalization present fairly, in all material respects, the results of operations and cash flows of Kentucky Utilities Company (Predecessor Company) for the period from January 1, 2010 to October 31, 2010 and for the year ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 10 to the financial statements, on November 1, 2010, PPL Corporation completed its acquisition of LG&E and KU Energy LLC and its subsidiaries. The push-down basis of accounting was used at the acquisition date.

/s/ PricewaterhouseCoopers LLP

Louisville, Kentucky  
February 25, 2011



**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA****CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31,  
PPL Corporation and Subsidiaries***(Millions of Dollars, except share data)*

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Operating Revenues</b>			
Utility.....	\$ 6,292	\$ 3,668	\$ 3,902
Unregulated retail electric and gas.....	726	415	152
Wholesale energy marketing			
Realized.....	3,807	4,832	3,184
Unrealized economic activity (Note 19).....	1,407	(805)	(229)
Net energy trading margins.....	(2)	2	17
Energy-related businesses.....	507	409	423
Total Operating Revenues.....	<u>12,737</u>	<u>8,521</u>	<u>7,449</u>
<b>Operating Expenses</b>			
Operation			
Fuel.....	1,946	1,235	920
Energy purchases			
Realized.....	2,130	2,773	2,625
Unrealized economic activity (Note 19).....	1,123	(286)	155
Other operation and maintenance.....	2,667	1,756	1,418
Amortization of recoverable transition costs.....			304
Depreciation.....	960	556	455
Taxes, other than income.....	326	238	280
Energy-related businesses.....	484	383	396
Total Operating Expenses.....	<u>9,636</u>	<u>6,655</u>	<u>6,553</u>
<b>Operating Income.....</b>	<b>3,101</b>	1,866	896
Other Income (Expense) - net.....	4	(31)	47
Other-Than-Temporary Impairments.....	6	3	18
Interest Expense.....	898	593	387
<b>Income from Continuing Operations Before Income Taxes.....</b>	<b>2,201</b>	1,239	538
Income Taxes.....	691	263	105
<b>Income from Continuing Operations After Income Taxes.....</b>	<b>1,510</b>	976	433
Income (Loss) from Discontinued Operations (net of income taxes).....	2	(17)	(7)
<b>Net Income.....</b>	<b>1,512</b>	959	426
Net Income Attributable to Noncontrolling Interests.....	17	21	19
<b>Net Income Attributable to PPL Corporation.....</b>	<b>\$ 1,495</b>	\$ 938	\$ 407
<b>Amounts Attributable to PPL Corporation:</b>			
Income from Continuing Operations After Income Taxes.....	\$ 1,493	\$ 955	\$ 414
Income (Loss) from Discontinued Operations (net of income taxes).....	2	(17)	(7)
Net Income.....	<u>\$ 1,495</u>	<u>\$ 938</u>	<u>\$ 407</u>
<b>Earnings Per Share of Common Stock:</b>			
Income from Continuing Operations After Income Taxes Available to PPL Corporation Common Shareowners:			
Basic.....	\$ 2.70	\$ 2.21	\$ 1.10
Diluted.....	\$ 2.70	\$ 2.20	\$ 1.10
Net Income Available to PPL Corporation Common Shareowners:			
Basic.....	\$ 2.71	\$ 2.17	\$ 1.08
Diluted.....	\$ 2.70	\$ 2.17	\$ 1.08
<b>Dividends Declared Per Share of Common Stock.....</b>	<b>\$ 1.40</b>	\$ 1.40	\$ 1.38
<b>Weighted-Average Shares of Common Stock Outstanding (in thousands)</b>			
Basic.....	550,395	431,345	376,082

Diluted.....	<b>550,952</b>	431,569	376,406
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*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEARS ENDED DECEMBER 31,  
PPL Corporation and Subsidiaries**

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Net income</b> .....	\$ 1,512	\$ 959	\$ 426
<b>Other comprehensive income (loss):</b>			
Amounts arising during the period - gains (losses), net of tax (expense) benefit:			
Foreign currency translation adjustments, net of tax of (\$2), (\$1), \$4.....	(48)	(59)	101
Available-for-sale securities, net of tax of (\$6), (\$31), (\$50) .....	9	29	49
Qualifying derivatives, net of tax of (\$139), (\$148), (\$356) .....	202	219	492
Equity investees' other comprehensive income (loss), net of tax of \$0, \$0, \$0 .....			1
Defined benefit plans:			
Prior service costs, net of tax of (\$1), (\$14), (\$1) .....	(3)	17	1
Net actuarial gain (loss), net of tax of \$58, \$50, \$147 .....	(152)	(80)	(340)
Transition obligation, net of tax of \$0, (\$4), \$0 .....		8	
Reclassifications to net income - (gains) losses, net of tax expense (benefit):			
Available-for-sale securities, net of tax of \$5, \$3, \$3 .....	(7)	(5)	(4)
Qualifying derivatives, net of tax of \$246, \$84, (\$92).....	(370)	(126)	131
Equity investees' other comprehensive income (loss), net of tax of \$0, \$0, \$0 .....	3		
Defined benefit plans:			
Prior service costs, net of tax of (\$5), (\$7), (\$8) .....	10	12	13
Net actuarial loss, net of tax of (\$19), (\$14), (\$4) .....	47	41	4
Transition obligation, net of tax of \$0, (\$1), (\$1) .....		2	1
<b>Total other comprehensive income (loss) attributable to PPL Corporation .....</b>	<u>(309)</u>	<u>58</u>	<u>449</u>
<b>Comprehensive income (loss)</b> .....	<b>1,203</b>	<b>1,017</b>	<b>875</b>
Comprehensive income attributable to noncontrolling interests .....	<u>17</u>	<u>21</u>	<u>19</u>
<b>Comprehensive income (loss) attributable to PPL Corporation .....</b>	<u><b>\$ 1,186</b></u>	<u><b>\$ 996</b></u>	<u><b>\$ 856</b></u>

The accompanying Notes to Financial Statements are an integral part of the financial statements.

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, PPL Corporation and Subsidiaries

(Millions of Dollars)

	2011	2010	2009
<b>Cash Flows from Operating Activities</b>			
Net income .....	\$ 1,512	\$ 959	\$ 426
Adjustments to reconcile net income to net cash provided by operating activities			
Pre-tax gain from the sale of the Maine hydroelectric generation business .....		(25)	(38)
Depreciation .....	961	567	471
Amortization .....	254	213	389
Defined benefit plans - expense .....	205	102	70
Deferred income taxes and investment tax credits .....	582	241	104
Impairment of assets .....	13	120	127
Unrealized (gains) losses on derivatives, and other hedging activities .....	(314)	542	329
Provision for Montana hydroelectric litigation .....	(74)	66	8
Other .....	36	57	13
Change in current assets and current liabilities			
Accounts receivable .....	(89)	(100)	76
Accounts payable .....	(36)	216	(150)
Unbilled revenue .....	64	(100)	6
Prepayments .....	294	(318)	(17)
Counterparty collateral .....	(190)	(18)	334
Price risk management assets and liabilities .....	2	(24)	(231)
Taxes .....	(104)	20	(3)
Regulatory assets and liabilities, net .....	106	(110)	31
Accrued interest .....	109	50	(20)
Other .....	4	28	80
Other operating activities			
Defined benefit plans - funding .....	(667)	(396)	(185)
Other assets .....	(62)	(45)	12
Other liabilities .....	(99)	(12)	20
Net cash provided by operating activities .....	<u>2,507</u>	<u>2,033</u>	<u>1,852</u>
<b>Cash Flows from Investing Activities</b>			
Expenditures for property, plant and equipment .....	(2,487)	(1,597)	(1,225)
Proceeds from the sale of certain non-core generation facilities .....	381		
Proceeds from the sale of the Long Island generation business .....		124	
Proceeds from the sale of the Maine hydroelectric generation business .....		38	81
Acquisition of WPD Midlands .....	(5,763)		
Acquisition of LKE, net of cash acquired .....		(6,812)	
Purchases of nuclear plant decommissioning trust investments .....	(169)	(128)	(227)
Proceeds from the sale of nuclear plant decommissioning trust investments .....	156	114	201
Proceeds from the sale of other investments .....	163		154
Net (increase) decrease in restricted cash and cash equivalents .....	(143)	85	218
Other investing activities .....	(90)	(53)	(82)
Net cash provided by (used in) investing activities .....	<u>(7,952)</u>	<u>(8,229)</u>	<u>(880)</u>
<b>Cash Flows from Financing Activities</b>			
Issuance of long-term debt .....	5,745	4,642	298
Retirement of long-term debt .....	(1,210)	(20)	(1,016)
Issuance of common stock .....	2,297	2,441	60
Payment of common stock dividends .....	(746)	(566)	(517)
Redemption of preferred stock of a subsidiary .....		(54)	
Debt issuance and credit facility costs .....	(102)	(175)	(21)
Net increase (decrease) in short-term debt .....	(125)	70	(52)
Other financing activities .....	(92)	(31)	(23)
Net cash provided by (used in) financing activities .....	<u>5,767</u>	<u>6,307</u>	<u>(1,271)</u>
<b>Effect of Exchange Rates on Cash and Cash Equivalents .....</b>	<b>(45)</b>	<b>13</b>	
<b>Net Increase (Decrease) in Cash and Cash Equivalents .....</b>	<b>277</b>	<b>124</b>	<b>(299)</b>
Cash and Cash Equivalents at Beginning of Period .....	925	801	1,100
Cash and Cash Equivalents at End of Period .....	<u>\$ 1,202</u>	<u>\$ 925</u>	<u>\$ 801</u>
<b>Supplemental Disclosures of Cash Flow Information</b>			
Cash paid (received) during the period for:			

Interest - net of amount capitalized.....	\$	696	\$	458	\$	460
Income taxes - net.....	\$	(76)	\$	313	\$	16

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

## CONSOLIDATED BALANCE SHEETS AT DECEMBER 31, PPL Corporation and Subsidiaries

(Millions of Dollars, shares in thousands)

	2011	2010
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents .....	\$ 1,202	\$ 925
Short-term investments .....	16	163
Restricted cash and cash equivalents .....	152	28
Accounts receivable (less reserve: 2011, \$54; 2010, \$55)		
Customer .....	742	652
Other .....	85	90
Unbilled revenues .....	830	789
Fuel, materials and supplies .....	654	643
Prepayments .....	160	435
Price risk management assets .....	2,548	1,918
Assets held for sale .....		374
Regulatory assets .....	9	85
Other current assets .....	28	86
<b>Total Current Assets .....</b>	<b>6,426</b>	<b>6,188</b>
<b>Investments</b>		
Nuclear plant decommissioning trust funds .....	640	618
Other investments .....	78	75
<b>Total Investments .....</b>	<b>718</b>	<b>693</b>
<b>Property, Plant and Equipment</b>		
Regulated utility plant .....	22,994	15,994
Less: accumulated depreciation - regulated utility plant .....	3,534	3,037
Regulated utility plant, net .....	19,460	12,957
Non-regulated property, plant and equipment		
Generation .....	10,514	10,165
Nuclear fuel .....	658	578
Other .....	637	403
Less: accumulated depreciation - non-regulated property, plant and equipment ...	5,676	5,440
Non-regulated property, plant and equipment, net .....	6,133	5,706
Construction work in progress .....	1,673	2,160
<b>Property, Plant and Equipment, net (a) .....</b>	<b>27,266</b>	<b>20,823</b>
<b>Other Noncurrent Assets</b>		
Regulatory assets .....	1,349	1,180
Goodwill .....	4,114	1,761
Other intangibles (a) .....	1,065	966
Price risk management assets .....	920	655
Other noncurrent assets .....	790	571
<b>Total Other Noncurrent Assets .....</b>	<b>8,238</b>	<b>5,133</b>
<b>Total Assets .....</b>	<b>\$ 42,648</b>	<b>\$ 32,837</b>

(a) At December 31, 2011 and December 31, 2010, includes \$416 million and \$424 million of PP&E, consisting primarily of "Generation," including leasehold improvements, and \$11 million of "Other intangibles" from the consolidation of a VIE that is the owner/lessor of the Lower Mt. Bethel plant. See Note 22 for additional information.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

## CONSOLIDATED BALANCE SHEETS AT DECEMBER 31, PPL Corporation and Subsidiaries

(Millions of Dollars, shares in thousands)

	2011	2010
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Short-term debt .....	\$ 578	\$ 694
Long-term debt due within one year .....		502
Accounts payable .....	1,214	1,028
Taxes .....	65	134
Interest .....	287	166
Dividends .....	207	174
Price risk management liabilities .....	1,570	1,144
Counterparty collateral .....	148	338
Regulatory liabilities .....	73	109
Other current liabilities .....	1,113	925
Total Current Liabilities .....	<u>5,255</u>	<u>5,214</u>
<b>Long-term Debt</b> .....	<u>17,993</u>	<u>12,161</u>
<b>Deferred Credits and Other Noncurrent Liabilities</b>		
Deferred income taxes .....	3,326	2,563
Investment tax credits .....	285	237
Price risk management liabilities .....	840	470
Accrued pension obligations .....	1,299	1,496
Asset retirement obligations .....	484	435
Regulatory liabilities .....	1,010	1,031
Other deferred credits and noncurrent liabilities .....	1,060	752
Total Deferred Credits and Other Noncurrent Liabilities .....	<u>8,304</u>	<u>6,984</u>
<b>Commitments and Contingent Liabilities (Notes 6 and 15)</b>		
<b>Equity</b>		
PPL Corporation Shareowners' Common Equity		
Common stock - \$0.01 par value (a) .....	6	5
Additional paid-in capital .....	6,813	4,602
Earnings reinvested .....	4,797	4,082
Accumulated other comprehensive loss .....	(788)	(479)
Total PPL Corporation Shareowners' Common Equity .....	<u>10,828</u>	<u>8,210</u>
Noncontrolling Interests .....	268	268
Total Equity .....	<u>11,096</u>	<u>8,478</u>
<b>Total Liabilities and Equity</b> .....	<u>\$ 42,648</u>	<u>\$ 32,837</u>

(a) 780,000 shares authorized; 578,405 and 483,391 shares issued and outstanding at December 31, 2011 and December 31, 2010.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

## CONSOLIDATED STATEMENTS OF EQUITY PPL Corporation and Subsidiaries

(Millions of Dollars)

	PPL Corporation Shareowners						
	Common stock shares outstanding (a)	Common stock	Additional paid-in capital	Earnings reinvested	Accumulated other comprehensive loss	Non- controlling interests	Total
<b>December 31, 2008 (b)</b> .....	374,581	\$ 4	\$ 2,196	\$ 3,862	\$ (985)	\$ 319	\$ 5,396
Common stock issued (c) .....	2,649		83				83
Common stock repurchased.....	(47)		(1)				(1)
Stock-based compensation.....			2				2
Net income.....				407		19	426
Dividends, dividend equivalents, redemptions and distributions (d) ..				(521)		(19)	(540)
Other comprehensive income .....					449		449
Cumulative effect adjustment (e)....				1	(1)		
<b>December 31, 2009 (b)</b> .....	<u>377,183</u>	<u>\$ 4</u>	<u>\$ 2,280</u>	<u>\$ 3,749</u>	<u>\$ (537)</u>	<u>\$ 319</u>	<u>\$ 5,815</u>
Common stock issued (c) .....	106,208	\$ 1	\$ 2,490				\$ 2,491
Purchase Contracts (f) .....			(176)				(176)
Stock-based compensation.....			8				8
Net income.....				\$ 938		\$ 21	959
Dividends, dividend equivalents, redemptions and distributions (d) ..				(605)		(72)	(677)
Other comprehensive income .....					\$ 58		58
<b>December 31, 2010 (b)</b> .....	<u>483,391</u>	<u>\$ 5</u>	<u>\$ 4,602</u>	<u>\$ 4,082</u>	<u>\$ (479)</u>	<u>\$ 268</u>	<u>\$ 8,478</u>
Common stock issued (c) .....	95,014	\$ 1	\$ 2,344				\$ 2,345
Purchase Contracts (f) .....			(143)				(143)
Stock-based compensation.....			10				10
Net income.....				\$ 1,495		\$ 17	1,512
Dividends, dividend equivalents, redemptions and distributions (d) ..				(780)		(17)	(797)
Other comprehensive loss.....					\$ (309)		(309)
<b>December 31, 2011 (b)</b> .....	<u>578,405</u>	<u>\$ 6</u>	<u>\$ 6,813</u>	<u>\$ 4,797</u>	<u>\$ (788)</u>	<u>\$ 268</u>	<u>\$ 11,096</u>

(a) Shares in thousands. Each share entitles the holder to one vote on any question presented to any shareowners' meeting.

(b) See "General - Comprehensive Income" in Note 1 for disclosure of balances of each component of AOCI.

(c) 2011 includes the April issuance of 92 million shares of common stock. See Note 7 for additional information. 2010 includes the June issuance of 103.5 million shares of common stock. Each year includes shares of common stock issued through various stock and incentive compensation plans.

(d) "Earnings reinvested" includes dividends and dividend equivalents on PPL Corporation common stock and restricted stock units.

"Noncontrolling interests" includes dividends, redemptions and distributions to noncontrolling interests. 2010 includes \$54 million paid to redeem PPL Electric's preferred stock, including an insignificant premium.

(e) Recorded in connection with the adoption of accounting guidance related to the recognition and presentation of other-than-temporary impairments.

(f) 2011 includes \$123 million for the 2011 Purchase Contracts and \$20 million of related fees and expenses, net of tax. See Note 7 for additional information. 2010 includes \$157 million for the 2010 Purchase Contracts and \$19 million of related fees and expenses, net of tax.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*



## CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31, PPL Energy Supply, LLC and Subsidiaries

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Operating Revenues</b>			
Wholesale energy marketing			
Realized .....	\$ 3,807	\$ 4,832	\$ 3,184
Unrealized economic activity (Note 19) .....	1,407	(805)	(229)
Wholesale energy marketing to affiliate .....	26	320	1,806
Unregulated retail electric and gas .....	727	415	152
Net energy trading margins .....	(2)	2	17
Energy-related businesses .....	464	364	379
<b>Total Operating Revenues .....</b>	<b><u>6,429</u></b>	<b><u>5,128</u></b>	<b><u>5,309</u></b>
<b>Operating Expenses</b>			
Operation			
Fuel .....	1,080	1,096	920
Energy purchases			
Realized .....	1,160	1,636	2,512
Unrealized economic activity (Note 19) .....	1,123	(286)	155
Energy purchases from affiliate .....	3	3	70
Other operation and maintenance .....	929	979	921
Depreciation .....	244	236	196
Taxes, other than income .....	71	46	29
Energy-related businesses .....	458	357	371
<b>Total Operating Expenses .....</b>	<b><u>5,068</u></b>	<b><u>4,067</u></b>	<b><u>5,174</u></b>
<b>Operating Income .....</b>	<b>1,361</b>	<b>1,061</b>	<b>135</b>
Other Income (Expense) - net .....	23	22	44
Other-Than-Temporary Impairments .....	6	3	18
Interest Income from Affiliates .....	8	9	2
Interest Expense .....	174	208	176
<b>Income (Loss) from Continuing Operations Before Income Taxes .....</b>	<b>1,212</b>	<b>881</b>	<b>(13)</b>
Income Taxes .....	445	261	3
<b>Income (Loss) from Continuing Operations After Income Taxes .....</b>	<b>767</b>	<b>620</b>	<b>(16)</b>
Income (Loss) from Discontinued Operations (net of income taxes) .....	2	242	263
<b>Net Income .....</b>	<b>769</b>	<b>862</b>	<b>247</b>
Net Income Attributable to Noncontrolling Interests .....	1	1	1
<b>Net Income Attributable to PPL Energy Supply .....</b>	<b><u>\$ 768</u></b>	<b><u>\$ 861</u></b>	<b><u>\$ 246</u></b>
<b>Amounts Attributable to PPL Energy Supply:</b>			
Income (Loss) from Continuing Operations After Income Taxes .....	\$ 766	\$ 619	\$ (17)
Income (Loss) from Discontinued Operations (net of income taxes) .....	2	242	263
<b>Net Income .....</b>	<b><u>\$ 768</u></b>	<b><u>\$ 861</u></b>	<b><u>\$ 246</u></b>

The accompanying Notes to Financial Statements are an integral part of the financial statements.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEARS ENDED DECEMBER 31,  
PPL Energy Supply, LLC and Subsidiaries**

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Net income</b> .....	\$ 769	\$ 862	\$ 247
<b>Other comprehensive income (loss):</b>			
Amounts arising during the period - gains (losses), net of tax (expense) benefit:			
Foreign currency translation adjustments, net of tax of \$0, (\$1), \$4.....		(59)	101
Available-for-sale securities, net of tax of (\$6), (\$31), (\$50).....	9	29	49
Qualifying derivatives, net of tax of (\$164), (\$207), (\$330).....	267	305	454
Equity investee's other comprehensive income (loss), net of tax of \$0, \$0, \$0.....			1
Defined benefit plans:			
Prior service costs, net of tax of (\$2), (\$8), \$0.....	(2)	12	1
Net actuarial gain (loss), net of tax of \$13, \$36, \$136.....	(22)	(63)	(326)
Transition obligation, net of tax of \$0, (\$3), \$0.....		6	
Reclassifications to net income - (gains) losses, net of tax expense (benefit):			
Available-for-sale securities, net of tax of \$5, \$3, \$3.....	(7)	(5)	(4)
Qualifying derivatives, net of tax of \$242, \$99, (\$91).....	(353)	(145)	131
Equity investee's other comprehensive income (loss), net of tax of \$0, \$0, \$0.....	3		
Defined benefit plans:			
Prior service costs, net of tax of (\$3), (\$5), (\$6).....	4	9	9
Net actuarial loss, net of tax of (\$2), (\$14), (\$3).....	4	39	4
Transition obligation, net of tax of \$0, (\$1), (\$1).....		1	1
<b>Total other comprehensive income (loss) attributable to PPL Energy Supply</b> .....	<u>(97)</u>	<u>129</u>	<u>421</u>
<b>Comprehensive income (loss)</b> .....	<b>672</b>	991	668
Comprehensive income attributable to noncontrolling interests .....	<u>1</u>	<u>1</u>	<u>1</u>
<b>Comprehensive income (loss) attributable to PPL Energy Supply</b> .....	<u>\$ 671</u>	<u>\$ 990</u>	<u>\$ 667</u>

The accompanying Notes to Financial Statements are an integral part of the financial statements.

**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31,  
PPL Energy Supply, LLC and Subsidiaries**

(Millions of Dollars)

	2011	2010	2009
<b>Cash Flows from Operating Activities</b>			
Net income.....	\$ 769	\$ 862	\$ 247
Adjustments to reconcile net income to net cash provided by operating activities			
Pre-tax gain from the sale of the Maine hydroelectric generation business.....		(25)	(38)
Depreciation .....	245	365	327
Amortization.....	137	160	75
Defined benefit plans - expense.....	36	52	23
Deferred income taxes and investment tax credits .....	317	(31)	141
Impairment of assets.....	13	120	123
Unrealized (gains) losses on derivatives, and other hedging activities.....	(283)	536	330
Provision for Montana hydroelectric litigation.....	(74)	66	8
Other.....	25	41	14
Change in current assets and current liabilities			
Accounts receivable .....	38	(18)	77
Accounts payable .....	(89)	20	(178)
Unbilled revenue .....	14	(88)	9
Collateral on PLR energy supply to affiliate .....			300
Taxes .....	27	87	(16)
Counterparty collateral .....	(190)	(18)	334
Price risk management assets and liabilities.....	3	(27)	(223)
Other .....	(21)	35	7
Other operating activities			
Defined benefit plans - funding.....	(152)	(302)	(136)
Other assets .....	(30)	(71)	15
Other liabilities.....	(9)	76	(26)
Net cash provided by operating activities .....	<u>776</u>	<u>1,840</u>	<u>1,413</u>
<b>Cash Flows from Investing Activities</b>			
Expenditures for property, plant and equipment.....	(661)	(1,009)	(907)
Proceeds from the sale of certain non-core generation facilities.....	381		
Proceeds from the sale of the Long Island generation business .....		124	
Proceeds from the sale of the Maine hydroelectric generation business .....		38	81
Expenditures for intangible assets.....	(57)	(82)	(78)
Purchases of nuclear plant decommissioning trust investments.....	(169)	(128)	(227)
Proceeds from the sale of nuclear plant decommissioning trust investments .....	156	114	201
Proceeds from the sale of other investments .....			154
Issuance of long-term notes receivable to affiliates .....		(1,816)	
Repayment of long-term notes receivable from affiliates .....		1,816	
Net (increase) decrease in notes receivable from affiliates.....	(198)		
Net (increase) decrease in restricted cash and cash equivalents.....	(128)	84	219
Other investing activities .....	8	34	6
Net cash provided by (used in) investing activities .....	<u>(668)</u>	<u>(825)</u>	<u>(551)</u>
<b>Cash Flows from Financing Activities</b>			
Issuance of long-term debt.....	500	602	
Retirement of long-term debt.....	(750)		(220)
Contributions from Member .....	461	3,625	50
Distributions to Member.....	(316)	(4,692)	(943)
Cash included in net assets of subsidiary distributed to member .....	(325)		
Net increase (decrease) in short-term debt.....	50	(93)	43
Other financing activities.....	(10)	(54)	(11)
Net cash provided by (used in) financing activities .....	<u>(390)</u>	<u>(612)</u>	<u>(1,081)</u>
<b>Effect of Exchange Rates on Cash and Cash Equivalents .....</b>		13	
<b>Net Increase (Decrease) in Cash and Cash Equivalents.....</b>	<b>(282)</b>	<b>416</b>	<b>(219)</b>
Cash and Cash Equivalents at Beginning of Period.....	661	245	464
Cash and Cash Equivalents at End of Period .....	<u>\$ 379</u>	<u>\$ 661</u>	<u>\$ 245</u>

**Supplemental Disclosures of Cash Flow Information**

Cash paid (received) during the period for:

Interest - net of amount capitalized .....	\$	165	\$	275	\$	274
Income taxes - net .....	\$	69	\$	278	\$	(91)

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
PPL Energy Supply, LLC and Subsidiaries**

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents .....	\$ 379	\$ 661
Restricted cash and cash equivalents .....	145	19
Accounts receivable (less reserve: 2011, \$15; 2010, \$20)		
Customer .....	169	225
Other .....	31	24
Accounts receivable from affiliates .....	89	124
Unbilled revenues .....	402	486
Note receivable from affiliates .....	198	
Fuel, materials and supplies .....	298	297
Prepayments .....	14	89
Price risk management assets .....	2,527	1,907
Assets held for sale .....		374
Other current assets .....	11	22
Total Current Assets .....	<u>4,263</u>	<u>4,228</u>
<b>Investments</b>		
Nuclear plant decommissioning trust funds .....	640	618
Other investments .....	40	37
Total Investments .....	<u>680</u>	<u>655</u>
<b>Property, Plant and Equipment</b>		
Regulated utility plant .....		4,269
Less: accumulated depreciation - regulated utility plant .....		888
Regulated utility plant, net .....		<u>3,381</u>
Non-regulated property, plant and equipment		
Generation .....	10,517	10,169
Nuclear fuel .....	658	578
Other .....	245	314
Less: accumulated depreciation - non-regulated property, plant and equipment ...	5,573	5,401
Non-regulated property, plant and equipment, net .....	5,847	5,660
Construction work in progress .....	639	594
Property, Plant and Equipment, net (a) .....	<u>6,486</u>	<u>9,635</u>
<b>Other Noncurrent Assets</b>		
Goodwill .....	86	765
Other intangibles (a) .....	386	464
Price risk management assets .....	896	651
Other noncurrent assets .....	382	398
Total Other Noncurrent Assets .....	<u>1,750</u>	<u>2,278</u>
<b>Total Assets</b> .....	<u>\$ 13,179</u>	<u>\$ 16,796</u>

- (a) At December 31, 2011 and December 31, 2010, includes \$416 million and \$424 million of PP&E, consisting primarily of "Generation," including leasehold improvements, and \$11 million of "Other intangibles" from the consolidation of a VIE that is the owner/lessor of the Lower Mt. Bethel plant. See Note 22 for additional information.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
PPL Energy Supply, LLC and Subsidiaries**

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Short-term debt .....	\$ 400	\$ 531
Long-term debt due within one year .....		500
Accounts payable.....	472	592
Accounts payable to affiliates.....	14	43
Taxes .....	90	119
Interest .....	30	110
Price risk management liabilities .....	1,560	1,112
Counterparty collateral .....	148	338
Deferred income taxes .....	315	216
Other current liabilities .....	196	408
Total Current Liabilities .....	<u>3,225</u>	<u>3,969</u>
<b>Long-term Debt.....</b>	<u>3,024</u>	<u>5,089</u>
<b>Deferred Credits and Other Noncurrent Liabilities</b>		
Deferred income taxes .....	1,223	1,548
Investment tax credits .....	136	81
Price risk management liabilities .....	785	438
Accrued pension obligations.....	214	619
Asset retirement obligations .....	349	332
Other deferred credits and noncurrent liabilities .....	186	211
Total Deferred Credits and Other Noncurrent Liabilities .....	<u>2,893</u>	<u>3,229</u>
<b>Commitments and Contingent Liabilities (Note 15)</b>		
<b>Equity</b>		
Member's equity .....	4,019	4,491
Noncontrolling interests .....	18	18
Total Equity .....	<u>4,037</u>	<u>4,509</u>
<b>Total Liabilities and Equity .....</b>	<u>\$ 13,179</u>	<u>\$ 16,796</u>

The accompanying Notes to Financial Statements are an integral part of the financial statements.

## CONSOLIDATED STATEMENTS OF EQUITY PPL Energy Supply, LLC and Subsidiaries

(Millions of Dollars)

	Member's equity	Non- controlling interests	Total
<b>December 31, 2008 (a)</b> .....	\$ 4,794	\$ 18	\$ 4,812
Net income.....	246	1	247
Other comprehensive income (loss) .....	421		421
Contributions from member .....	50		50
Distributions .....	(943)	(1)	(944)
<b>December 31, 2009 (a)</b> .....	<u>\$ 4,568</u>	<u>\$ 18</u>	<u>\$ 4,586</u>
Net income.....	\$ 861	\$ 1	\$ 862
Other comprehensive income (loss) .....	129		129
Contributions from member .....	3,625		3,625
Distributions .....	(4,692)	(1)	(4,693)
<b>December 31, 2010 (a)</b> .....	<u>\$ 4,491</u>	<u>\$ 18</u>	<u>\$ 4,509</u>
Net income.....	\$ 768	\$ 1	\$ 769
Other comprehensive income (loss) .....	(97)		(97)
Contributions from member .....	461		461
Distributions .....	(316)	(1)	(317)
Distribution of membership interest in PPL Global (b).....	(1,288)		(1,288)
<b>December 31, 2011 (a)</b> .....	<u>\$ 4,019</u>	<u>\$ 18</u>	<u>\$ 4,037</u>

(a) See "General - Comprehensive Income" in Note 1 for disclosure of balances of each component of AOCI.

(b) See Note 9 for additional information.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

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**CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31,  
PPL Electric Utilities Corporation and Subsidiaries**

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Operating Revenues</b>			
Retail electric.....	\$ 1,881	\$ 2,448	\$ 3,218
Electric revenue from affiliate.....	11	7	74
Total Operating Revenues.....	<u>1,892</u>	<u>2,455</u>	<u>3,292</u>
<b>Operating Expenses</b>			
Operation			
Energy purchases .....	738	1,075	114
Energy purchases from affiliate .....	26	320	1,806
Other operation and maintenance.....	530	502	417
Amortization of recoverable transition costs.....			304
Depreciation .....	146	136	128
Taxes, other than income.....	104	138	194
Total Operating Expenses .....	<u>1,544</u>	<u>2,171</u>	<u>2,963</u>
<b>Operating Income .....</b>	<b>348</b>	<b>284</b>	<b>329</b>
Other Income (Expense) - net.....	5	5	6
Interest Income from Affiliate .....	2	2	4
Interest Expense.....	98	99	116
Interest Expense with Affiliate .....			2
<b>Income Before Income Taxes.....</b>	<b>257</b>	<b>192</b>	<b>221</b>
Income Taxes.....	68	57	79
<b>Net Income (a).....</b>	<b>189</b>	<b>135</b>	<b>142</b>
Distributions on Preferred Securities .....	16	20	18
<b>Net Income Available to PPL Corporation .....</b>	<b>\$ 173</b>	<b>\$ 115</b>	<b>\$ 124</b>

(a) Net income approximates comprehensive income.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31,  
PPL Electric Utilities Corporation and Subsidiaries**

(Millions of Dollars)

	2011	2010	2009
<b>Cash Flows from Operating Activities</b>			
Net income .....	\$ 189	\$ 135	\$ 142
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation .....	146	136	128
Amortization .....	8	(23)	324
Defined benefit plans - expense .....	18	20	24
Deferred income taxes and investment tax credits .....	106	198	(22)
Other .....	1	4	
Change in current assets and current liabilities			
Accounts receivable .....	(5)	(32)	1
Accounts payable .....	(68)	31	(9)
Unbilled revenue .....	36	58	(3)
Prepayments .....	58	(112)	(17)
Regulatory assets and liabilities .....	107	(85)	31
Taxes .....	(23)	(38)	(4)
Collateral on PLR energy supply from affiliate .....			(300)
Other .....	7	(32)	26
Other operating activities			
Defined benefit plans- funding .....	(113)	(55)	(28)
Other assets .....	(28)	5	(3)
Other liabilities .....	(19)	2	4
Net cash provided by operating activities .....	<u>420</u>	<u>212</u>	<u>294</u>
<b>Cash Flows from Investing Activities</b>			
Expenditures for property, plant and equipment .....	(481)	(401)	(288)
Expenditures for intangible assets .....	(9)	(10)	(10)
Net (increase) decrease in notes receivable from affiliate .....			300
Other investing activities .....	13	8	4
Net cash provided by (used in) investing activities .....	<u>(477)</u>	<u>(403)</u>	<u>6</u>
<b>Cash Flows from Financing Activities</b>			
Issuance of long-term debt .....	645		298
Retirement of long-term debt .....	(458)		(595)
Contributions from PPL .....	100	55	400
Redemption of preferred stock .....		(54)	
Payment of common stock dividends to PPL .....	(92)	(71)	(274)
Net increase (decrease) in short-term debt .....			(95)
Dividends on preferred securities .....	(16)	(17)	(18)
Other financing activities .....	(6)	(3)	(14)
Net cash provided by (used in) financing activities .....	<u>173</u>	<u>(90)</u>	<u>(298)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents .....</b>	<b>116</b>	<b>(281)</b>	<b>2</b>
Cash and Cash Equivalents at Beginning of Period .....	204	485	483
Cash and Cash Equivalents at End of Period .....	<u>\$ 320</u>	<u>\$ 204</u>	<u>\$ 485</u>
<b>Supplemental Disclosures of Cash Flow Information</b>			
Cash paid (received) during the period for:			
Interest - net of amount capitalized .....	\$ 75	\$ 87	\$ 116
Income taxes - net .....	\$ (44)	\$ (33)	\$ 106

The accompanying Notes to Financial Statements are an integral part of the financial statements.

**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
PPL Electric Utilities Corporation and Subsidiaries**

(Millions of Dollars, shares in thousands)

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents .....	\$ 320	\$ 204
Accounts receivable (less reserve: 2011, \$17; 2010, \$17)		
Customer .....	271	268
Other .....	9	24
Accounts receivable from affiliates .....	35	8
Unbilled revenues .....	98	134
Materials and supplies .....	42	47
Prepayments .....	78	136
Regulatory assets .....		63
Other current assets .....	30	4
<b>Total Current Assets .....</b>	<b><u>883</u></b>	<b><u>888</u></b>
<b>Property, Plant and Equipment</b>		
Regulated utility plant .....	5,830	5,494
Less: accumulated depreciation - regulated utility plant .....	2,217	2,123
Regulated utility plant, net .....	3,613	3,371
Other, net .....	2	2
Construction work in progress .....	242	177
<b>Property, Plant and Equipment, net .....</b>	<b><u>3,857</u></b>	<b><u>3,550</u></b>
<b>Other Noncurrent Assets</b>		
Regulatory assets .....	729	592
Intangibles .....	155	147
Other noncurrent assets .....	81	76
<b>Total Other Noncurrent Assets .....</b>	<b><u>965</u></b>	<b><u>815</u></b>
<b>Total Assets .....</b>	<b><u>\$ 5,705</u></b>	<b><u>\$ 5,253</u></b>

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
PPL Electric Utilities Corporation and Subsidiaries**

(Millions of Dollars, shares in thousands)

	<u>2011</u>	<u>2010</u>
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Accounts payable.....	\$ 171	\$ 221
Accounts payable to affiliates.....	64	73
Taxes .....		23
Interest .....	24	17
Regulatory liabilities.....	53	18
Customer deposits and prepayments.....	39	36
Vacation.....	22	21
Other current liabilities .....	47	69
Total Current Liabilities .....	<u>420</u>	<u>478</u>
<b>Long-term Debt.....</b>	<b>1,718</b>	1,472
<b>Deferred Credits and Other Noncurrent Liabilities</b>		
Deferred income taxes .....	1,115	932
Investment tax credits .....	5	7
Accrued pension obligations.....	186	259
Regulatory liabilities.....	7	14
Other deferred credits and noncurrent liabilities .....	129	147
Total Deferred Credits and Other Noncurrent Liabilities .....	<u>1,442</u>	<u>1,359</u>
<b>Commitments and Contingent Liabilities (Notes 6 and 15)</b>		
<b>Shareowners' Equity</b>		
Preferred securities .....	250	250
Common stock - no par value (a).....	364	364
Additional paid-in capital .....	979	879
Earnings reinvested.....	532	451
Total Equity .....	<u>2,125</u>	<u>1,944</u>
<b>Total Liabilities and Equity .....</b>	<b>\$ 5,705</b>	<b>\$ 5,253</b>

(a) 170,000 shares authorized; 66,368 shares issued and outstanding at December 31, 2011 and December 31, 2010.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

## CONSOLIDATED STATEMENTS OF SHAREOWNERS' EQUITY PPL Electric Utilities Corporation and Subsidiaries

(Millions of Dollars)

	Common stock shares outstanding (a)	Preferred securities	Common stock	Additional paid-in capital	Earnings reinvested	Total
<b>December 31, 2008</b> .....	66,368	\$ 301	\$ 364	\$ 424	\$ 557	\$ 1,646
Net income.....					142	142
Capital contributions from PPL.....				400		400
Cash dividends declared on preferred securities..					(18)	(18)
Cash dividends declared on common stock.....					(274)	(274)
<b>December 31, 2009</b> .....	<u>66,368</u>	<u>\$ 301</u>	<u>\$ 364</u>	<u>\$ 824</u>	<u>\$ 407</u>	<u>\$ 1,896</u>
Net income.....					\$ 135	\$ 135
Redemption of preferred stock (b).....		\$ (51)			(3)	(54)
Capital contributions from PPL.....				\$ 55		55
Cash dividends declared on preferred securities..					(17)	(17)
Cash dividends declared on common stock.....					(71)	(71)
<b>December 31, 2010</b> .....	<u>66,368</u>	<u>\$ 250</u>	<u>\$ 364</u>	<u>\$ 879</u>	<u>\$ 451</u>	<u>\$ 1,944</u>
Net income.....					\$ 189	\$ 189
Capital contributions from PPL.....				\$ 100		100
Cash dividends declared on preferred securities..					(16)	(16)
Cash dividends declared on common stock.....					(92)	(92)
<b>December 31, 2011</b> .....	<u>66,368</u>	<u>\$ 250</u>	<u>\$ 364</u>	<u>\$ 979</u>	<u>\$ 532</u>	<u>\$ 2,125</u>

(a) Shares in thousands. All common shares of PPL Electric stock are owned by PPL.

(b) In April 2010, PPL Electric redeemed all of its outstanding preferred stock. See Note 3 for additional information.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED STATEMENTS OF INCOME**  
**LG&E and KU Energy LLC and Subsidiaries**

(Millions of Dollars)

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Operating Revenues</b> .....	\$ 2,793	\$ 494	\$ 2,214	\$ 2,501
<b>Operating Expenses</b>				
Operation				
Fuel .....	866	138	723	762
Energy purchases .....	238	68	211	379
Other operation and maintenance .....	751	141	586	647
Depreciation .....	334	49	235	271
Taxes, other than income .....	37	2	21	31
Total Operating Expenses .....	2,226	398	1,776	2,090
Loss on Impairment of Goodwill .....				1,493
<b>Operating Income (Loss)</b> .....	567	96	438	(1,082)
Other Income (Expense) - net .....	(1)	(2)	14	23
Interest Expense .....	146	20	21	21
Interest Expense with Affiliate .....	1	4	131	155
<b>Income (Loss) from Continuing Operations Before Income Taxes</b> .....	419	70	300	(1,235)
Income Taxes .....	153	25	109	82
<b>Income (Loss) from Continuing Operations After Income Taxes</b> .....	266	45	191	(1,317)
Income (Loss) from Discontinued Operations (net of income taxes) .....	(1)	2	(1)	(220)
<b>Net Income (Loss)</b> .....	265	47	190	(1,537)
Noncontrolling Interest - Loss from Discontinued Operations .....				5
<b>Net Income (Loss) Attributable to Member</b> .....	\$ 265	\$ 47	\$ 190	\$ (1,542)

The accompanying Notes to Financial Statements are an integral part of the financial statements.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**LG&E and KU Energy LLC and Subsidiaries**

(Millions of Dollars)

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Net income (loss)</b> .....	\$ 265	\$ 47	\$ 190	\$ (1,537)
<b>Other comprehensive income (loss):</b>				
Amounts arising during the period - gains (losses), net of tax (expense) benefit:				
Foreign currency translation adjustments, net of tax of \$0, \$0, \$0, and \$2 .....				(6)
Qualifying derivatives, net of tax of \$0, \$0, (\$7), and (\$2).....			10	4
Equity investee's other comprehensive income (loss), net of tax of \$0, \$0, \$1, and \$0 .....			(2)	
Defined benefit plans:				
Prior service costs, net of tax of \$1, \$0, \$0, and \$0 .....	(2)			
Net actuarial loss, net of tax of (\$1), (\$3), \$15, and (\$7).....		6	(20)	10
Reclassification to net income - (gains) losses, net of tax expense (benefit):				
Qualifying derivatives, net of tax of \$0, \$0, \$0, and \$0 .....				(1)
Defined benefit plans:				
Prior service costs, net of tax of \$0, \$0, (\$1), and (\$2) .....			1	4
Net actuarial loss, net of tax of \$1, \$0, (\$1), and (\$2) .....			1	4
<b>Total other comprehensive income (loss)</b> .....	<b>(2)</b>	<b>6</b>	<b>(10)</b>	<b>15</b>
<b>Comprehensive income (loss)</b> .....	<b>263</b>	<b>53</b>	<b>180</b>	<b>(1,522)</b>
<b>Noncontrolling interest - loss from discontinued operations</b> .....				<b>5</b>
<b>Other comprehensive income allocable to discontinued operations:</b>				
Foreign currency translation adjustments, net of tax of \$0, \$0, \$0, and (\$1) .....				3
<b>Comprehensive income (loss) attributable to member</b> .....	<b>\$ 263</b>	<b>\$ 53</b>	<b>\$ 180</b>	<b>\$ (1,524)</b>

The accompanying Notes to Financial Statements are an integral part of the financial statements.

## CONSOLIDATED STATEMENTS OF CASH FLOWS LG&E and KU Energy LLC and Subsidiaries

(Millions of Dollars)

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Cash Flows from Operating Activities</b>				
Net income (loss).....	\$ 265	\$ 47	\$ 190	\$ (1,537)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities				
Depreciation.....	334	49	235	271
Amortization of regulatory assets .....	18	3		
Defined benefit plans - expense .....	51	12	52	83
Deferred income taxes and investment tax credits .....	218	52	65	43
Unrealized (gains) losses on derivatives .....			14	(33)
Loss from discontinued operations - net of tax .....			1	225
Loss on impairment of goodwill .....				1,493
Other .....	(1)	11	(23)	8
Change in current assets and current liabilities				
Accounts receivable .....	18	(17)	12	69
Accounts payable .....	(31)	(14)	(34)	(44)
Accounts payable to affiliates .....	(1)	4	(7)	(20)
Unbilled revenues.....	24	(70)	41	4
Fuel, materials and supplies .....	16	15	(28)	31
Income tax receivable.....	37	(40)	(2)	
Taxes .....	(2)	4	18	(76)
Other .....	4	(27)	47	6
Other operating activities				
Defined benefit plans - funding.....	(170)	(8)	(57)	(51)
Storm restoration regulatory asset .....				(101)
Discontinued operations .....			13	(655)
Other assets .....	(8)	12	14	53
Other liabilities.....	(3)	(7)	(63)	27
Net cash provided by (used in) operating activities .....	<u>769</u>	<u>26</u>	<u>488</u>	<u>(204)</u>
<b>Cash Flows from Investing Activities</b>				
Expenditures for property, plant and equipment.....	(465)	(152)	(447)	(703)
Expenditures for property, plant and equipment - discontinued operations.....				(23)
Proceeds from sales of discontinued operations .....			21	
Proceeds from the sale of other investments.....	163			
Net (increase) decrease in notes receivable from affiliates.....	46	(61)		
Net (increase) decrease in restricted cash and cash equivalents .....	(9)	2		10
Other investing activities .....				10
Net cash provided by (used in) investing activities .....	<u>(265)</u>	<u>(211)</u>	<u>(426)</u>	<u>(706)</u>
<b>Cash Flows from Financing Activities</b>				
Issuance of short-term debt with affiliate .....		1,001	900	505
Retirement of short-term debt with affiliate .....		(1,001)	(575)	
Net increase (decrease) in notes payable with affiliates .....			(3)	(22)
Issuance of long-term debt with affiliate .....		1,783	50	725
Retirement of long-term debt with affiliate .....		(1,783)	(325)	(255)
Issuance of long-term debt .....	250	2,890		
Retirement of long-term debt .....	(2)			
Net increase (decrease) in short-term debt.....	(163)	163		
Repayment to E.ON AG affiliates .....		(4,319)		
Debt issuance and credit facility costs .....	(8)	(32)		
Distributions to member .....	(533)	(100)	(87)	(49)
Contributions from member .....		1,565		
Distributions to noncontrolling interests - discontinued operations .....				(2)
Net cash provided by (used in) financing activities .....	<u>(456)</u>	<u>167</u>	<u>(40)</u>	<u>902</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents .....</b>	<b>48</b>	<b>(18)</b>	<b>22</b>	<b>(8)</b>
Cash and Cash Equivalents at Beginning of Period .....	11	29	7	15
Cash and Cash Equivalents at End of Period .....	<u>\$ 59</u>	<u>\$ 11</u>	<u>\$ 29</u>	<u>\$ 7</u>

**Supplemental Disclosures of Cash Flow Information**

Cash paid (received) during the period for:



Interest - net of amount capitalized .....	\$	126	\$	41		\$	153	\$	161
Income taxes - net .....	\$	(98)	\$	(1)		\$	9	\$	(8)

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
LG&E and KU Energy LLC and Subsidiaries**

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents .....	\$ 59	\$ 11
Short-term investments .....		163
Accounts receivable (less reserve: 2011, \$17; 2010, \$17)		
Customer .....	135	160
Other .....	14	33
Unbilled revenues .....	146	170
Accounts receivable from affiliates .....		2
Notes receivable from affiliates .....	15	61
Fuel, materials and supplies .....	283	298
Prepayments .....	22	21
Income tax receivable .....	3	40
Deferred income taxes .....	17	66
Other intangibles .....	1	58
Regulatory assets .....	9	22
Other current assets .....	2	5
Total Current Assets .....	<u>706</u>	<u>1,110</u>
<b>Investments .....</b>	<b>31</b>	<b>31</b>
<b>Property, Plant and Equipment</b>		
Regulated utility plant .....	7,519	6,230
Less: accumulated depreciation - regulated utility plant .....	277	31
Regulated utility plant, net .....	<u>7,242</u>	<u>6,199</u>
Other, net .....	2	4
Construction work in progress .....	557	1,340
Property, Plant and Equipment, net .....	<u>7,801</u>	<u>7,543</u>
<b>Other Noncurrent Assets</b>		
Regulatory assets .....	620	588
Goodwill .....	996	996
Other intangibles .....	314	356
Other noncurrent assets .....	108	94
Total Other Noncurrent Assets .....	<u>2,038</u>	<u>2,034</u>
<b>Total Assets .....</b>	<b>\$ <u>10,576</u></b>	<b>\$ <u>10,718</u></b>

The accompanying Notes to Financial Statements are an integral part of the financial statements.

**CONSOLIDATED BALANCE SHEETS AT DECEMBER 31,  
LG&E and KU Energy LLC and Subsidiaries**

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Short-term debt .....		\$ 163
Long-term debt due within one year .....		2
Accounts payable .....	\$ 224	189
Accounts payable to affiliates .....	2	3
Customer deposits .....	45	46
Taxes .....	25	27
Regulatory liabilities .....	20	91
Interest payable .....	23	17
Salaries and benefits payable .....	64	69
Other current liabilities .....	30	36
Total Current Liabilities .....	<u>433</u>	<u>643</u>
<b>Long-term Debt .....</b>	<b>4,073</b>	<b>3,823</b>
<b>Deferred Credits and Other Noncurrent Liabilities</b>		
Deferred income taxes .....	413	240
Investment tax credits .....	144	150
Price risk management liabilities .....	55	32
Accrued pension obligations .....	359	449
Asset retirement obligations .....	116	103
Regulatory liabilities .....	1,003	1,017
Other deferred credits and noncurrent liabilities .....	239	250
Total Deferred Credits and Other Noncurrent Liabilities .....	<u>2,329</u>	<u>2,241</u>
<b>Commitments and Contingent Liabilities (Notes 6 and 15)</b>		
<b>Member's equity .....</b>	<b>3,741</b>	<b>4,011</b>
<b>Total Liabilities and Equity .....</b>	<b>\$ 10,576</b>	<b>\$ 10,718</b>

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

## CONSOLIDATED STATEMENTS OF EQUITY LG&E and KU Energy LLC and Subsidiaries

(Millions of Dollars)

	Member's Equity	Non- controlling interests	Total
<b>December 31, 2008 - Predecessor (a)</b> .....	\$ 3,765	\$ 32	\$ 3,797
Net income.....	(1,542)	5	(1,537)
Distributions to member .....	(49)		(49)
Dividends, dividend equivalents and distributions .....		(2)	(2)
Other comprehensive income (loss) .....	15		15
Noncontrolling interest - income (loss) from discontinued operations.....	3	(3)	
<b>December 31, 2009 - Predecessor (a)</b> .....	<u>\$ 2,192</u>	<u>\$ 32</u>	<u>\$ 2,224</u>
Net income.....	\$ 190		\$ 190
Distributions to member .....	(81)		(81)
Other comprehensive income (loss) .....	(10)		(10)
Noncontrolling interest - income (loss) from discontinued operations.....	(11)	\$ (32)	(43)
<b>October 31, 2010 - Predecessor (a)</b> .....	<u>\$ 2,280</u>	<u>\$</u>	<u>\$ 2,280</u>
Effect of PPL acquisition.....	\$ 213		\$ 213
Net income.....	47		47
Contributions from member .....	1,565		1,565
Distributions to member .....	(100)		(100)
Other comprehensive income (loss) .....	6		6
<b>December 31, 2010 - Successor (a)</b> .....	<u>\$ 4,011</u>	<u>\$</u>	<u>\$ 4,011</u>
Net income.....	\$ 265		\$ 265
Distributions to member .....	(533)		(533)
Other comprehensive income (loss) .....	(2)		(2)
<b>December 31, 2011 - Successor (a)</b> .....	<u>\$ 3,741</u>	<u>\$</u>	<u>\$ 3,741</u>

(a) See "General - Comprehensive Income" in Note 1 for disclosure of balances of each component of AOCI.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**STATEMENTS OF INCOME**  
**Louisville Gas and Electric Company**

(Millions of Dollars)

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Operating Revenues</b>				
Retail and wholesale.....	\$ 1,281	\$ 233	\$ 978	\$ 1,171
Electric revenue from affiliate.....	83	21	79	101
Total Operating Revenues.....	<u>1,364</u>	<u>254</u>	<u>1,057</u>	<u>1,272</u>
<b>Operating Expenses</b>				
Operation				
Fuel.....	350	60	306	328
Energy purchases.....	209	61	142	281
Energy purchases from affiliate.....	36	2	13	21
Other operation and maintenance.....	363	67	281	323
Depreciation.....	147	23	115	136
Taxes, other than income.....	18	1	12	16
Total Operating Expenses.....	<u>1,123</u>	<u>214</u>	<u>869</u>	<u>1,105</u>
<b>Operating Income</b> .....	<u>241</u>	<u>40</u>	<u>188</u>	<u>167</u>
Other Income (Expense) - net.....	(2)	(3)	17	19
Interest Expense.....	44	7	16	17
Interest Expense with Affiliate.....		1	22	27
<b>Income Before Income Taxes</b> .....	<u>195</u>	<u>29</u>	<u>167</u>	<u>142</u>
Income Taxes.....	71	10	58	47
<b>Net Income</b> .....	<u>\$ 124</u>	<u>\$ 19</u>	<u>\$ 109</u>	<u>\$ 95</u>

The accompanying Notes to Financial Statements are an integral part of the financial statements.

**STATEMENTS OF COMPREHENSIVE INCOME**  
**Louisville Gas and Electric Company**

(Millions of Dollars)

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Net income</b> .....	\$ 124	\$ 19	\$ 109	\$ 95
<b>Other comprehensive income (loss):</b>				
Amounts arising during the period - gains (losses), net of tax (expense) benefit:				
Qualifying derivatives, net of tax of \$0, \$0, (\$7), and (\$2)			10	5
Reclassifications to net income - (gains) losses, net of tax expense (benefit):				
Qualifying derivatives, net of tax of \$0, \$0, \$0, and \$0				(1)
<b>Total other comprehensive income (loss)</b> .....			10	4
<b>Comprehensive income</b> .....	<u>\$ 124</u>	<u>\$ 19</u>	<u>\$ 119</u>	<u>\$ 99</u>

*The accompanying Notes to the Financial Statements are an integral part of the financial statements.*

**STATEMENTS OF CASH FLOWS**  
**Louisville Gas and Electric Company**

(Millions of Dollars)

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Cash Flows from Operating Activities</b>				
Net income.....	\$ 124	\$ 19	\$ 109	\$ 95
Adjustments to reconcile net income to net cash provided by (used in) operating activities				
Depreciation.....	147	23	115	136
Defined benefit plans - expense.....	21	4	20	33
Deferred income taxes and investment tax credits.....	51	13	21	15
Unrealized (gains) losses on derivatives.....			14	(33)
Regulatory asset for previously recorded losses on interest rate swaps.....			(22)	
Other.....	13	5	2	(3)
Change in current assets and current liabilities				
Accounts receivable.....	26	(27)	(2)	38
Accounts payable.....	(24)	17		37
Accounts payable to affiliates.....	6	(31)	23	(52)
Unbilled revenues.....	16	(38)	22	18
Fuel, materials and supplies.....	20	10	(22)	45
Other.....	(1)	(2)	(47)	39
Other operating activities				
Defined benefit plans - funding.....	(70)	(1)	(25)	(15)
Storm restoration regulatory asset.....				(44)
Other assets.....	(7)		(5)	60
Other liabilities.....	(1)		(14)	(60)
Net cash provided by (used in) operating activities.....	<u>321</u>	<u>(8)</u>	<u>189</u>	<u>309</u>
<b>Cash Flows from Investing Activities</b>				
Expenditures for property, plant and equipment.....	(192)	(65)	(155)	(186)
Proceeds from the sale of assets to affiliate.....			48	
Proceeds from the sale of other investments.....	163			
Net (increase) decrease in restricted cash and cash equivalents.....	(9)	2		
Other investing activities.....				10
Net cash provided by (used in) investing activities.....	<u>(38)</u>	<u>(63)</u>	<u>(107)</u>	<u>(176)</u>
<b>Cash Flows from Financing Activities</b>				
Net increase (decrease) in notes payable with affiliates.....	(12)	(130)	(28)	(52)
Issuance of long-term debt with affiliate.....		485		
Retirement of long-term debt with affiliate.....		(485)		
Issuance of long-term debt.....		531		
Net increase (decrease) in short-term debt.....	(163)	163		
Repayment to E.ON AG affiliates.....		(485)		
Debt issuance and credit facility costs.....	(2)	(10)		
Payment of common stock dividends to parent.....	(83)		(55)	(80)
Net cash provided by (used in) financing activities.....	<u>(260)</u>	<u>69</u>	<u>(83)</u>	<u>(132)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents....</b>	<u>23</u>	<u>(2)</u>	<u>(1)</u>	<u>1</u>
Cash and Cash Equivalents at Beginning of Period.....	2	4	5	4
Cash and Cash Equivalents at End of Period.....	<u>\$ 25</u>	<u>\$ 2</u>	<u>\$ 4</u>	<u>\$ 5</u>

**Supplemental Disclosures of Cash Flow Information**

Cash paid (received) during the period for:

Interest - net of amount capitalized.....	\$	<b>40</b>	\$	11		\$	39	\$	36
Income taxes - net.....	\$	<b>20</b>	\$	(8)		\$	60	\$	23

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*



**BALANCE SHEETS AT DECEMBER 31,  
Louisville Gas and Electric Company**

(Millions of Dollars, shares in thousands)

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents .....	\$ 25	\$ 2
Short-term investments .....		163
Accounts receivable (less reserve: 2011, \$2; 2010, \$2)		
Customer .....	62	70
Other .....	7	13
Unbilled revenues .....	65	81
Accounts receivable from affiliates .....	11	30
Fuel, materials and supplies .....	142	162
Prepayments .....	7	7
Regulatory assets .....	9	13
Other intangibles .....		36
Other current assets .....	6	6
<b>Total Current Assets .....</b>	<b><u>334</u></b>	<b><u>583</u></b>
<b>Property, Plant and Equipment</b>		
Regulated utility plant .....	2,956	2,600
Less: accumulated depreciation - regulated utility plant .....	116	17
Regulated utility plant, net .....	<u>2,840</u>	<u>2,583</u>
Construction work in progress .....	215	385
<b>Property, Plant and Equipment, net .....</b>	<b><u>3,055</u></b>	<b><u>2,968</u></b>
<b>Other Noncurrent Assets</b>		
Regulatory assets .....	403	367
Goodwill .....	389	389
Other intangibles .....	166	181
Other noncurrent assets .....	40	31
<b>Total Other Noncurrent Assets .....</b>	<b><u>998</u></b>	<b><u>968</u></b>
<b>Total Assets .....</b>	<b><u>\$ 4,387</u></b>	<b><u>\$ 4,519</u></b>

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**BALANCE SHEETS AT DECEMBER 31,  
Louisville Gas and Electric Company**

(Millions of Dollars, shares in thousands)

	2011	2010
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Short-term debt .....		\$ 163
Notes payable with affiliates .....		12
Accounts payable.....	\$ 94	100
Accounts payable to affiliates.....	26	20
Customer deposits.....	22	23
Taxes .....	13	10
Regulatory liabilities.....	10	51
Salaries and benefits payable.....	13	17
Other current liabilities .....	21	21
Total Current Liabilities .....	<u>199</u>	<u>417</u>
<b>Long-term Debt.....</b>	<b>1,112</b>	<b>1,112</b>
<b>Deferred Credits and Other Noncurrent Liabilities</b>		
Deferred income taxes .....	475	419
Investment tax credits .....	43	46
Accrued pension obligations.....	95	126
Asset retirement obligations .....	55	49
Regulatory liabilities.....	478	483
Price risk management liabilities .....	55	32
Other deferred credits and noncurrent liabilities .....	113	114
Total Deferred Credits and Other Noncurrent Liabilities .....	<u>1,314</u>	<u>1,269</u>
<b>Commitments and Contingent Liabilities (Notes 6 and 15)</b>		
<b>Stockholder's Equity</b>		
Common stock - no par value (a).....	424	424
Additional paid-in capital .....	1,278	1,278
Earnings reinvested.....	60	19
Total Equity .....	<u>1,762</u>	<u>1,721</u>
<b>Total Liabilities and Equity .....</b>	<b>\$ 4,387</b>	<b>\$ 4,519</b>

(a) 75,000 shares authorized; 21,294 shares issued and outstanding at December 31, 2011 and December 31, 2010.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

## STATEMENTS OF EQUITY

### Louisville Gas and Electric Company

(Millions of Dollars)

	Common stock shares outstanding (a)	Common stock	Additional paid-in capital	Earnings reinvested	Accumulated other comprehensive income (loss)	Total
<b>December 31, 2008 - Predecessor (b) .....</b>	21,294	\$ 424	\$ 84	\$ 740	\$ (14)	\$ 1,234
Net income.....				95		95
Cash dividends declared on common stock.....				(80)		(80)
Other comprehensive income (loss) .....					4	4
<b>December 31, 2009 - Predecessor (b) .....</b>	<u>21,294</u>	<u>\$ 424</u>	<u>\$ 84</u>	<u>\$ 755</u>	<u>\$ (10)</u>	<u>\$ 1,253</u>
Net income.....				\$ 109		\$ 109
Cash dividends declared on common stock.....				(55)		(55)
Other comprehensive income (loss) .....					\$ 10	10
<b>October 31, 2010 - Predecessor.....</b>	<u>21,294</u>	<u>\$ 424</u>	<u>\$ 84</u>	<u>\$ 809</u>	<u>\$</u>	<u>\$ 1,317</u>
Effect of PPL acquisition.....			\$ 1,194	\$ (809)		\$ 385
Net income.....				19		19
<b>December 31, 2010 - Successor .....</b>	<u>21,294</u>	<u>\$ 424</u>	<u>\$ 1,278</u>	<u>\$ 19</u>	<u>\$</u>	<u>\$ 1,721</u>
Net income.....				\$ 124		\$ 124
Cash dividends declared on common stock.....				(83)		(83)
<b>December 31, 2011 - Successor .....</b>	<u>21,294</u>	<u>\$ 424</u>	<u>\$ 1,278</u>	<u>\$ 60</u>	<u>\$</u>	<u>\$ 1,762</u>

(a) Shares in thousands. All common shares of LG&E stock are owned by LKE.

(b) See "General - Comprehensive Income" in Note 1 for disclosure of balances of each component of AOCI.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**STATEMENTS OF INCOME**  
**Kentucky Utilities Company**

(Millions of Dollars)

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Operating Revenues</b>				
Retail and wholesale.....	\$ 1,512	\$ 261	\$ 1,235	\$ 1,334
Electric revenue from affiliate.....	36	2	13	21
Total Operating Revenues.....	<u>1,548</u>	<u>263</u>	<u>1,248</u>	<u>1,355</u>
<b>Operating Expenses</b>				
Operation				
Fuel .....	516	78	417	434
Energy purchases .....	29	7	68	98
Energy purchases from affiliate .....	83	21	79	101
Other operation and maintenance .....	362	65	271	306
Depreciation .....	186	26	119	133
Taxes, other than income .....	19	1	9	14
Total Operating Expenses .....	<u>1,195</u>	<u>198</u>	<u>963</u>	<u>1,086</u>
<b>Operating Income .....</b>	<b>353</b>	<b>65</b>	<b>285</b>	<b>269</b>
Other Income (Expense) - net.....	(1)		1	6
Interest Expense.....	70	8	6	6
Interest Expense with Affiliate .....		2	62	69
<b>Income Before Income Taxes.....</b>	<b>282</b>	<b>55</b>	<b>218</b>	<b>200</b>
Income Taxes.....	104	20	78	67
<b>Net Income .....</b>	<b>\$ 178</b>	<b>\$ 35</b>	<b>\$ 140</b>	<b>\$ 133</b>

The accompanying Notes to Financial Statements are an integral part of the financial statements.

**STATEMENTS OF COMPREHENSIVE INCOME**  
**Kentucky Utilities Company**

(Millions of Dollars)

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Net income</b> .....	\$ 178	\$ 35	\$ 140	\$ 133
<b>Other comprehensive income (loss):</b>				
Amounts arising during the period - gains (losses), net of tax (expense) benefit:				
Equity investees' other comprehensive income (loss), net of tax of \$0, \$0, \$1, and \$0.....			(2)	
<b>Total other comprehensive income (loss)</b> .....			(2)	
<b>Comprehensive income</b> .....	<u>\$ 178</u>	<u>\$ 35</u>	<u>\$ 138</u>	<u>\$ 133</u>

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**STATEMENTS OF CASH FLOWS****Kentucky Utilities Company***(Millions of Dollars)*

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Cash Flows from Operating Activities</b>				
Net income.....	\$ 178	\$ 35	\$ 140	\$ 133
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation.....	186	26	119	133
Defined benefit plans - expense.....	14	3	13	26
Deferred income taxes and investment tax credits.....	108	4	23	74
Other.....	3	14	(3)	
Change in current assets and current liabilities				
Accounts receivable.....	22	(12)	13	11
Accounts payable.....	2	9	(17)	(32)
Accounts payable to affiliates.....	(12)	(41)	46	29
Unbilled revenues.....	8	(32)	19	(15)
Fuel, materials and supplies.....	(4)	5	(6)	(28)
Other.....	(16)	21	10	2
Other operating activities				
Defined benefit plans - funding.....	(50)	(2)	(18)	(20)
Storm restoration regulatory asset.....				(57)
Other assets.....	(1)		15	(22)
Other liabilities.....		(1)	(10)	19
Net cash provided by operating activities.....	<u>438</u>	<u>29</u>	<u>344</u>	<u>253</u>
<b>Cash Flows from Investing Activities</b>				
Expenditures for property, plant and equipment.....	(273)	(88)	(292)	(516)
Purchases of assets from affiliate.....			(48)	
Net (increase) decrease in restricted cash and cash equivalents.....				9
Net cash provided by (used in) investing activities.....	<u>(273)</u>	<u>(88)</u>	<u>(340)</u>	<u>(507)</u>
<b>Cash Flows from Financing Activities</b>				
Issuance of short-term debt with affiliate.....		33		
Retirement of short-term debt with affiliate.....		(33)		
Net increase (decrease) in notes payable with affiliates.....	(10)	(83)	48	29
Issuance of long-term debt with affiliate.....		1,298		150
Retirement of long-term debt with affiliate.....		(1,298)		
Issuance of long-term debt.....		1,489		
Repayment to E.ON AG affiliates.....		(1,331)		
Debt issuance and credit facility costs.....	(3)	(17)		
Payment of common stock dividends to parent.....	(124)		(50)	
Contributions from parent.....				75
Net cash provided by (used in) financing activities.....	<u>(137)</u>	<u>58</u>	<u>(2)</u>	<u>254</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents....</b>	<b>28</b>	<b>(1)</b>	<b>2</b>	
Cash and Cash Equivalents at Beginning of Period.....	<u>3</u>	<u>4</u>	<u>2</u>	<u>2</u>
Cash and Cash Equivalents at End of Period.....	<u>\$ 31</u>	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 2</u>
<b>Supplemental Disclosures of Cash Flow Information</b>				
Cash paid (received) during the period for:				
Interest - net of amount capitalized.....	\$ 60	\$ 22	\$ 62	\$ 70
Income taxes - net.....	\$ 16	\$ (12)	\$ 74	\$ (9)

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**BALANCE SHEETS AT DECEMBER 31,  
Kentucky Utilities Company**

(Millions of Dollars, shares in thousands)

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents .....	\$ 31	\$ 3
Accounts receivable (less reserve: 2011, \$2; 2010, \$6)		
Customer .....	73	90
Other .....	5	20
Unbilled revenues .....	81	89
Accounts receivable from affiliates .....		12
Fuel, materials and supplies .....	141	136
Prepayments .....	7	8
Regulatory assets .....		9
Other intangibles .....	1	22
Other current assets .....	12	7
<b>Total Current Assets .....</b>	<b><u>351</u></b>	<b><u>396</u></b>
<b>Investments .....</b>	<b><u>31</u></b>	<b><u>30</u></b>
<b>Property, Plant and Equipment</b>		
Regulated utility plant .....	4,563	3,630
Less: accumulated depreciation - regulated utility plant .....	161	14
Regulated utility plant, net .....	4,402	3,616
Construction work in progress .....	340	955
<b>Property, Plant and Equipment, net .....</b>	<b><u>4,742</u></b>	<b><u>4,571</u></b>
<b>Other Noncurrent Assets</b>		
Regulatory assets .....	217	221
Goodwill .....	607	607
Other intangibles .....	148	175
Other noncurrent assets .....	60	58
<b>Total Other Noncurrent Assets .....</b>	<b><u>1,032</u></b>	<b><u>1,061</u></b>
<b>Total Assets .....</b>	<b><u>\$ 6,156</u></b>	<b><u>\$ 6,058</u></b>

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*



**BALANCE SHEETS AT DECEMBER 31,  
Kentucky Utilities Company**

(Millions of Dollars, shares in thousands)

	2011	2010
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Notes payable with affiliates .....		\$ 10
Accounts payable.....	\$ 112	67
Accounts payable to affiliates.....	33	45
Customer deposits.....	23	23
Taxes .....	11	25
Regulatory liabilities.....	10	40
Interest payable.....	11	8
Salaries and benefits payable.....	14	15
Other current liabilities .....	14	18
Total Current Liabilities .....	<u>228</u>	<u>251</u>
<b>Long-term Debt.....</b>	<b>1,842</b>	<b>1,841</b>
<b>Deferred Credits and Other Noncurrent Liabilities</b>		
Deferred income taxes .....	484	376
Investment tax credits .....	101	104
Accrued pension obligations.....	83	113
Asset retirement obligations .....	61	54
Regulatory liabilities.....	525	534
Other deferred credits and noncurrent liabilities .....	87	94
Total Deferred Credits and Other Noncurrent Liabilities .....	<u>1,341</u>	<u>1,275</u>
<b>Commitments and Contingent Liabilities (Notes 6 and 15)</b>		
<b>Stockholder's Equity</b>		
Common stock - no par value (a).....	308	308
Additional paid-in capital .....	2,348	2,348
Earnings reinvested.....	89	35
Total Equity .....	<u>2,745</u>	<u>2,691</u>
<b>Total Liabilities and Equity .....</b>	<b>\$ 6,156</b>	<b>\$ 6,058</b>

(a) 80,000 shares authorized; 37,818 shares issued and outstanding at December 31, 2011 and December 31, 2010.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

## STATEMENTS OF EQUITY Kentucky Utilities Company

(Millions of Dollars)

	Common stock shares outstanding (a)	Common stock	Additional paid-in capital	Earnings reinvested	Accumulated other comprehensive income (loss)	Total
<b>December 31, 2008 - Predecessor</b> .....	37,818	\$ 308	\$ 241	\$ 1,195		\$ 1,744
Net income.....				133		133
Capital contributions from LKE .....			75			75
<b>December 31, 2009 - Predecessor</b> .....	<u>37,818</u>	<u>\$ 308</u>	<u>\$ 316</u>	<u>\$ 1,328</u>		<u>\$ 1,952</u>
Net income.....				\$ 140		\$ 140
Cash dividends declared on common stock .....				(50)		(50)
Other comprehensive income (loss) .....					\$ (2)	(2)
<b>October 31, 2010 - Predecessor (b)</b> .....	<u>37,818</u>	<u>\$ 308</u>	<u>\$ 316</u>	<u>\$ 1,418</u>	<u>\$ (2)</u>	<u>\$ 2,040</u>
Effect of PPL acquisition.....			\$ 2,032	\$ (1,418)	\$ 2	\$ 616
Net income.....				35		35
<b>December 31, 2010 - Successor</b> .....	<u>37,818</u>	<u>\$ 308</u>	<u>\$ 2,348</u>	<u>\$ 35</u>		<u>\$ 2,691</u>
Net income.....				\$ 178		\$ 178
Cash dividends declared on common stock .....				(124)		(124)
<b>December 31, 2011 - Successor</b> .....	<u>37,818</u>	<u>\$ 308</u>	<u>\$ 2,348</u>	<u>\$ 89</u>		<u>\$ 2,745</u>

(a) Shares in thousands. All common shares of KU stock are owned by LKE.

(b) See "General - Comprehensive Income" in Note 1 for disclosure of balances of each component of AOCI.

*The accompanying Notes to Financial Statements are an integral part of the financial statements.*

**COMBINED NOTES TO FINANCIAL STATEMENTS****1. Summary of Significant Accounting Policies**

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

**General**

Capitalized terms and abbreviations are explained in the glossary. Dollars are in millions, except per share data, unless otherwise noted.

**Business and Consolidation**

*(PPL)*

PPL is an energy and utility holding company that, through its subsidiaries, is primarily engaged in: 1) the regulated generation, transmission, distribution and sale of electricity and the regulated distribution and sale of natural gas, primarily in Kentucky; 2) the regulated distribution of electricity in the U.K.; 3) the regulated transmission, distribution and sale of electricity in Pennsylvania; and 4) the competitive generation and marketing of electricity in portions of the northeastern and northwestern U.S. Headquartered in Allentown, PA, PPL's principal subsidiaries are LKE (including its principal subsidiaries, LG&E and KU), PPL Global, PPL Electric and PPL Energy Supply (including its principal subsidiaries, PPL EnergyPlus and PPL Generation).

On April 1, 2011, PPL, through its indirect, wholly owned subsidiary PPL WEM, completed its acquisition of all of the outstanding ordinary share capital of Central Networks East plc and Central Networks Limited, the sole owner of Central Networks West plc, together with certain other related assets and liabilities (collectively referred to as Central Networks and subsequently referred to as WPD Midlands), from subsidiaries of E.ON AG. As PPL is consolidating WPD Midlands on a one-month lag, eight months of WPD Midlands' operating results are included in PPL's results of operations for 2011 with no comparable amounts for 2010.

On November 1, 2010, PPL acquired all of the limited liability company interests of E.ON U.S. LLC from a wholly owned subsidiary of E.ON AG. Upon completion of the acquisition, E.ON U.S. LLC was renamed LG&E and KU Energy LLC. LKE's operating results are included in PPL's results of operations for the full year of 2011, while 2010 includes LKE's operating results for the two months ended December 31, 2010.

See Note 10 for additional information regarding the acquisitions of WPD Midlands and LKE.

*(PPL, LKE, LG&E and KU)*

LKE is a holding company with cost-based rate-regulated utility operations through its subsidiaries, LG&E and KU, and is subject to PUHCA. LG&E and KU are engaged in the regulated generation, transmission, distribution and sale of electricity. LG&E also engages in the regulated distribution and sale of natural gas. LG&E and KU maintain their separate identities and serve customers in Kentucky under their respective names. KU also serves customers in Virginia under the Old Dominion Power name and it serves customers in Tennessee under the KU name.

*(LKE, LG&E and KU)*

The financial statements and accompanying footnotes of LKE, LG&E and KU have been segregated to present pre-acquisition activity as the "Predecessor" and post-acquisition activity as the "Successor." Predecessor activity covers the time period prior to November 1, 2010. Successor activity covers the time period after October 31, 2010. Certain accounting and presentation methods were changed to acceptable alternatives in the Successor financial statements to conform to PPL's accounting policies. The cost basis of certain assets and liabilities were changed as of November 1, 2010 as a result of the application of push-down accounting. Consequently, the financial position, results of operations and cash flows for the Successor period are not comparable to the Predecessor period. "Earnings reinvested" on the Balance Sheets of LG&E and KU were reset to \$0 as of November 1, 2010 and only reflect earnings and dividend activity since that date. See Note 7 for information about an application filed with the FERC regarding future dividend payments related to this push-down accounting impact.

*(PPL and PPL Energy Supply)*

PPL Generation owns and operates a portfolio of competitive domestic power generating assets. These power plants are located in Pennsylvania and Montana and use well-diversified fuel sources including coal, uranium, natural gas, oil and water. PPL EnergyPlus sells electricity produced by PPL Generation subsidiaries, participates in wholesale market load-following auctions, and markets various energy products and commodities such as: capacity, transmission, FTRs, coal, natural gas, oil, uranium, emission allowances, RECs and other commodities in competitive wholesale and competitive retail markets, primarily in the northeastern and northwestern U.S.

*(PPL Energy Supply)*

In January 2011, PPL Energy Supply distributed its membership interest in PPL Global, representing 100% of the outstanding membership interest of PPL Global, to PPL Energy Supply's parent, PPL Energy Funding. The distribution was made based on the book value of the assets and liabilities of PPL Global with financial effect as of January 1, 2011. See Note 9 for additional information.

*(PPL, PPL Energy Supply and LKE)*

"Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income includes the activities of various businesses that were sold or distributed. See Note 9 for additional information. The Statements of Cash Flows do not separately report the cash flows of the Discontinued Operations, except for the LKE Predecessor period, which separately discloses these cash flows within operating, investing and financing activities, consistent with LKE's pre-acquisition accounting policy.

*(PPL and PPL Electric)*

PPL Electric is a cost-based rate-regulated subsidiary of PPL. PPL Electric's principal business is the regulated transmission and distribution of electricity to serve retail customers in its franchised territory in eastern and central Pennsylvania and the regulated supply of electricity to retail customers in that territory as a PLR.

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

The financial statements of the Registrants include each company's own accounts as well as the accounts of all entities in which the company has a controlling financial interest. Entities for which a controlling financial interest is not demonstrated through voting interests are evaluated based on accounting guidance for VIEs. The Registrants consolidate a VIE when they are determined to have a controlling interest in the VIE, and thus are the primary beneficiary of the entity. For PPL and PPL Energy Supply, see Note 22 for information regarding a consolidated VIE. Investments in entities in which a company has the ability to exercise significant influence but does not have a controlling financial interest are accounted for under the equity method. All other investments are carried at cost or fair value. All significant intercompany transactions have been eliminated. Any noncontrolling interests are reflected in the financial statements.

The financial statements of PPL, PPL Energy Supply, LKE, LG&E and KU include their share of any undivided interests in jointly owned facilities, as well as their share of the related operating costs of those facilities. See Note 14 for additional information.

*(PPL)*

PPL consolidates WPD, including WPD Midlands, on a one-month lag. Material intervening events, such as debt issuances that occur in the lag period, are recognized in the current period financial statements. Events that are significant but not material are disclosed.

## Regulation

*(PPL, PPL Electric, LKE, LG&E and KU)*

PPL Electric, LG&E and KU are cost-based rate-regulated utilities for which rates are set by regulators to enable PPL Electric, LG&E and KU to recover the costs of providing electric or gas service, as applicable, and to provide a reasonable return to shareholders. Rates are generally established based on a historical test period adjusted to exclude unusual or nonrecurring items. As a result, the financial statements are subject to the accounting for certain types of regulation as prescribed by GAAP and reflect the effects of regulatory actions. Regulatory assets are recognized for the effect of transactions or events where future recovery of underlying costs is probable in regulated customer rates. The effect of such accounting is to defer certain or qualifying costs that would otherwise currently be charged to expense. Regulatory liabilities are recognized for amounts expected to be returned through future regulated customer rates. In certain cases, regulatory liabilities are recorded based on an understanding or agreement with the regulator that rates have been set to recover costs that are expected to be incurred in the future, and the regulated entity is accountable for any amounts charged pursuant to such rates and not yet expended for the intended purpose. The accounting for regulatory assets and liabilities is based on specific ratemaking decisions or precedent for each transaction or event as prescribed by the FERC or the applicable state regulatory commissions. See Note 6 for additional details regarding regulatory matters.

*(PPL)*

WPD is not subject to accounting for the effects of certain types of regulation as prescribed by GAAP. WPD operates in an incentive-based regulatory structure under distribution licenses granted by Ofgem. Electricity distribution revenues are set every five years through price controls that are not directly based on cost recovery. The price control formula that governs WPD's allowed revenue is designed to provide economic incentives to minimize operating, capital and financing costs. Ofgem completed a review in December 2009 and set distribution revenues that became effective April 1, 2010 and will continue through March 31, 2015.

#### Accounting Records *(PPL, PPL Electric, LKE, LG&E and KU)*

The system of accounts is maintained in accordance with the Uniform System of Accounts prescribed by the FERC and adopted by the applicable state regulatory commissions.

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

#### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Loss Accruals

Potential losses are accrued when (1) information is available that indicates it is "probable" that a loss has been incurred, given the likelihood of the uncertain future events and (2) the amount of the loss can be reasonably estimated. Accounting guidance defines "probable" as cases in which "the future event or events are likely to occur." The Registrants continuously assess potential loss contingencies for environmental remediation, litigation claims, regulatory penalties and other events. Loss accruals for environmental remediation are discounted when appropriate.

The accrual of contingencies that might result in gains is not recorded, unless recovery is assured.

#### Changes in Classification

The classification of certain amounts in the 2010 and 2009 financial statements have been changed to conform to the current presentation. The changes in classification did not affect the Registrants' net income or equity.

#### Comprehensive Income *(PPL, PPL Energy Supply, LKE, LG&E and KU)*

Comprehensive income, which includes net income and OCI, consists of changes in equity from transactions not related to shareowners. Comprehensive income is shown on the Statements of Comprehensive Income.

AOCI, which is presented on the Balance Sheets of PPL and included in Member's Equity on the Balance Sheets of PPL Energy Supply and LKE, consisted of the following after-tax gains (losses).

	Foreign currency translation adjustments	Unrealized gains (losses)			Defined benefit plans			Total
		Available- for-sale securities	Qualifying derivatives	Equity investees' AOCI	Prior service costs	Actuarial gain (loss)	Transition asset (obligation)	
<b>PPL</b>								
December 31, 2008	\$ (237)	\$ 18	\$ (21)	\$ (3)	\$ (75)	\$ (657)	\$ (10)	\$ (985)
OCI	101	45	623	1	14	(336)	1	449
Cumulative effect adjustment (a)		(1)						(1)
December 31, 2009	\$ (136)	\$ 62	\$ 602	\$ (2)	\$ (61)	\$ (993)	\$ (9)	\$ (537)
OCI	(59)	24	93		29	(39)	10	58
December 31, 2010	\$ (195)	\$ 86	\$ 695	\$ (2)	\$ (32)	\$ (1,032)	\$ 1	\$ (479)
OCI	(48)	2	(168)	3	7	(105)		(309)
December 31, 2011	\$ (243)	\$ 88	\$ 527	\$ 1	\$ (25)	\$ (1,137)	\$ 1	\$ (788)
<b>PPL Energy Supply</b>								
December 31, 2008	\$ (237)	\$ 18	\$ (12)	\$ (3)	\$ (54)	\$ (608)	\$ (8)	\$ (904)
OCI	101	45	585	1	10	(322)	1	421
Cumulative effect adjustment (a)		(1)						(1)
December 31, 2009	\$ (136)	\$ 62	\$ 573	\$ (2)	\$ (44)	\$ (930)	\$ (7)	\$ (484)
OCI	(59)	24	159		21	(23)	7	129
December 31, 2010	\$ (195)	\$ 86	\$ 732	\$ (2)	\$ (23)	\$ (953)		\$ (355)
OCI		2	(86)	3	2	(18)		(97)
Distribution of membership interest in PPL Global (b)	195		(41)		5	780		939
December 31, 2011	\$	\$ 88	\$ 605	\$ 1	\$ (16)	\$ (191)		\$ 487

- (a) Recorded in connection with the adoption of accounting guidance related to the recognition and presentation of other-than-temporary impairments.  
(b) See Note 9 for additional information.

	Foreign currency translation adjustments	Unrealized gains (losses) on qualifying derivatives	Equity investees' AOCI	Defined benefit plans		Total
				Prior service costs	Actuarial gain (loss)	
<b>LKE</b>						
December 31, 2008 - Predecessor	\$ 14	\$ (9)		\$ (16)	\$ (50)	\$ (61)
OCI	(3)	3		4	14	18
December 31, 2009 - Predecessor	\$ 11	\$ (6)		\$ (12)	\$ (36)	\$ (43)
Disposal of discontinued operations	(11)					(11)
OCI		10	\$ (2)	1	(19)	(10)
October 31, 2010 - Predecessor		\$ 4	\$ (2)	\$ (11)	\$ (55)	\$ (64)
Effect of PPL acquisition		(4)	2	11	55	64
OCI					6	6
December 31, 2010 - Successor					\$ 6	\$ 6
OCI				(2)		(2)
December 31, 2011 - Successor				\$ (2)	\$ 6	\$ 4

LG&E had AOCI balances of \$(14) million and \$(10) million at December 31, 2008 and 2009 (Predecessor periods). Changes between periods were due to \$4 million of after-tax gains on qualifying derivatives. During the ten months

ended October 31, 2010 (a Predecessor period), LG&E had \$10 million of after-tax gains on qualifying derivatives. There were no AOCI balances at December 31, 2010 and 2011 (Successor periods).

KU had no AOCI balances at December 31, 2008 or 2009 (Predecessor periods), or at December 31, 2010 or 2011 (Successor periods). KU had \$2 million of after-tax losses related to equity investees' AOCI during the ten months ended October 31, 2010 (a Predecessor period) which were eliminated with the effect of the PPL acquisition.

### **Earnings Per Share (PPL)**

EPS is computed using the two-class method, which is an earnings allocation method for computing EPS that treats a participating security as having rights to earnings that would otherwise have been available to common shareowners. Share-based payment awards that provide recipients a non-forfeitable right to dividends or dividend equivalents are considered participating securities.

### **Price Risk Management**

*(PPL, PPL Energy Supply, LKE, LG&E and KU)*

Energy and energy-related contracts are used to hedge the variability of expected cash flows associated with the generating units and marketing activities, as well as for trading purposes. Interest rate contracts are used to hedge exposures to changes in the fair value of debt instruments and to hedge exposures to variability in expected cash flows associated with existing debt instruments or forecasted issuances of debt. Foreign currency exchange contracts are used to hedge foreign currency exposures related to firm commitments, recognized assets or liabilities, forecasted transactions, net investments and foreign earnings translation. Similar derivatives may receive different accounting treatment, depending on management's intended use and documentation.

Certain energy and energy-related contracts meet the definition of a derivative, while others do not meet the definition of a derivative because they lack a notional amount or a net settlement provision. In cases where there is no net settlement provision, contracts are periodically reviewed to assess whether a market mechanism has evolved which could facilitate net settlement. Certain derivative energy contracts have been excluded from the requirements of derivative accounting treatment because they meet the definition of NPNS. These contracts are accounted for using accrual accounting. All other contracts that have been classified as derivative contracts are reflected on the balance sheet at their fair value. These contracts are recorded as "Price risk management assets" and "Price risk management liabilities" on the Balance Sheets. Derivative positions that deliver within a year are included in "Current Assets" and "Current Liabilities," while derivative positions that deliver beyond a year are recorded in "Other Noncurrent Assets" and "Deferred Credits and Other Noncurrent Liabilities."

Energy and energy-related trades are assigned a strategy and accounting classification. Processes exist that allow for subsequent review and validation of the trade information. These strategies are discussed in more detail in Note 19. The accounting department provides the traders and the risk management department with guidelines on appropriate accounting classifications for various trade types and strategies. Some examples of these guidelines include, but are not limited to:

- Physical coal, limestone, lime, uranium, electric transmission, gas transportation, gas storage and renewable energy credit contracts are not derivatives due to the lack of net settlement provisions.
- Only contracts where physical delivery is deemed probable throughout the entire term of the contract can qualify for the NPNS exception.
- Physical transactions that permit cash settlement and financial transactions do not qualify for NPNS because physical delivery cannot be asserted; however, these transactions can receive cash flow hedge treatment if they lock in the future cash flows for energy-related commodities.
- Certain purchased option contracts or net purchased option collars may receive hedge accounting treatment. Those that are not eligible are marked to fair value through earnings.

- Derivative transactions that do not qualify for NPNS or hedge accounting treatment are marked to fair value through earnings.

A similar process is also followed by the treasury department as it relates to interest rate and foreign currency derivatives. Examples of accounting guidelines provided to the treasury department staff include, but are not limited to:

- Transactions to lock in an interest rate prior to a debt issuance can be designated as cash flow hedges.
- Cross-currency transactions to hedge interest and principal repayments can be designated as cash flow hedges.
- Transactions entered into to hedge fluctuations in the fair value of existing debt can be designated as fair value hedges.
- Transactions entered into to hedge the value of a net investment of foreign operations can be designated as net investment hedges.
- Derivative transactions that do not qualify for hedge accounting treatment are marked to fair value through earnings. These transactions generally include hedges of earnings translation risk associated with subsidiaries that report their financial statements in a currency other than the U.S. dollar. As such, these transactions reduce earnings volatility due solely to changes in foreign currency exchange rates.
- Derivative transactions may be marked to fair value through regulatory assets/liabilities if approved by the appropriate regulatory body. These transactions generally include the effect of interest rate swaps that are included in customer rates.

Changes in the fair value of derivatives are recorded in either OCI or in current-period earnings.

Cash inflows and outflows related to derivative instruments are included as a component of operating, investing or financing activities on the Statements of Cash Flows, depending on the underlying nature of the hedged items.

PPL and its subsidiaries have elected not to offset net derivative positions against the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) under master netting arrangements.

PPL Energy Supply reflects its net realized and unrealized gains and losses associated with all derivatives that are held for trading purposes in "Net energy trading margins" on the Statements of Income.

See Notes 18 and 19 for additional information on derivatives.

*(PPL and PPL Electric)*

To meet its obligation as a PLR to its customers, PPL Electric has entered into certain contracts that meet the definition of a derivative. However, these contracts qualify for NPNS. See Notes 18 and 19 for additional information.

## Revenue

### Utility Revenue (PPL)

The Statements of Income "Utility" line item contains rate-regulated revenue from the following:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Domestic electric and gas revenue (a)	\$ 4,674	\$ 2,941	\$ 3,218
U.K. electric revenue (b)	1,618	727	684
Total	<u>\$ 6,292</u>	<u>\$ 3,668</u>	<u>\$ 3,902</u>

- (a) Represents revenue from regulated generation, transmission and/or distribution in Pennsylvania, Kentucky, Virginia and Tennessee, including regulated wholesale revenue.
- (b) Represents electric revenue from the operation of WPD's distribution networks. 2011 includes eight months of revenue for WPD Midlands, which are recorded on a one-month lag.

### Revenue Recognition



*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

Operating revenues, except for "Energy-related businesses," are recorded based on energy deliveries through the end of the calendar month. Unbilled retail revenues result because customers' meters are read and bills are rendered throughout the month, rather than all being read at the end of the month. Unbilled revenues for a month are calculated by multiplying an estimate of unbilled kWh by the estimated average cents per kWh. Unbilled wholesale energy revenues are recorded at month-end to reflect estimated amounts until actual dollars and MWhs are confirmed and invoiced. At that time, unbilled revenue is reversed and actual revenue is recorded.

Certain PPL subsidiaries participate primarily in the PJM RTO, as well as in other RTOs and ISOs. In PJM, PPL EnergyPlus is a marketer, a load-serving entity to its customers who have selected it as a supplier and a seller for PPL Energy Supply's generation subsidiaries. A function of interchange accounting is to match participants' MWh entitlements (generation plus scheduled bilateral purchases) against their MWh obligations (load plus scheduled bilateral sales) during every hour of every day. If the net result during any given hour is an entitlement, the participant is credited with a spot-market sale to the RTO at the respective market price for that hour; if the net result is an obligation, the participant is charged with a spot-market purchase at the respective market price for that hour. RTO purchases and sales are not allocated to individual customers. PPL Energy Supply records the hourly net sales in its Statements of Income as "Wholesale energy marketing" if in a net sales position and "Energy purchases" if in a net purchase position.

*(PPL)*

WPD's revenue is primarily from charges to suppliers to use its distribution system to deliver electricity to the end-user. WPD's allowed revenue is not dependent on volume delivered over the five-year price control period. However, in any fiscal period, WPD's revenue could be negatively affected if its tariffs and the volume delivered do not fully recover the allowed revenue for a given period. Any under recovery would be recovered in the next regulatory year, but would not be recorded as a receivable in the current period. Any over recovery would be reflected in the current period as a liability and would not be included in revenue.

*(PPL and PPL Energy Supply)*

PPL Energy Supply records energy marketing activity in the period when the energy is delivered. Generally, sales that qualify as derivative instruments held for non-trading purposes are reported gross on the Statements of Income within "Wholesale energy marketing" and "Unregulated retail electric and gas." However, non-trading physical sales and purchases of electricity at major market delivery points (which is any delivery point with liquid pricing available, such as the pricing hub for PJM West), are netted and reported in the Statements of Income within "Wholesale energy marketing" or "Energy Purchases," depending on the original intent. Additionally, the bilateral sales and purchases that are designated as speculative trading activities and qualify as derivative instruments for accounting purposes are reported net on the Statements of Income within "Net energy trading margins." Spot market activity that balances PPL Energy Supply's physical trading positions is included on the Statements of Income in "Net energy trading margins."

"Energy-related businesses" revenue primarily includes revenue from the mechanical contracting and engineering subsidiaries. The mechanical contracting and engineering subsidiaries record revenue from construction contracts on the percentage-of-completion method of accounting, measured by the actual cost incurred to date as a percentage of the estimated total cost for each contract. Accordingly, costs and estimated earnings in excess of billings on uncompleted contracts are recorded within "Unbilled revenues" on the Balance Sheets, and billings in excess of costs and estimated earnings on uncompleted contracts are recorded within "Other current liabilities" on the Balance Sheets. The amount of costs and estimated earnings in excess of billings was \$15 million and \$9 million at December 31, 2011 and 2010, and the amount of billings in excess of costs and estimated earnings was \$67 million and \$70 million at December 31, 2011 and 2010.

### **Accounts Receivable**

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

Accounts receivable are reported on the Balance Sheets at the gross outstanding amount adjusted for an allowance for doubtful accounts. Accounts receivable that are acquired are initially recorded at fair value on the date of acquisition. See Note 10 for information related to the acquisitions of WPD Midlands and LKE.

*(PPL, PPL Energy Supply and PPL Electric)*

PPL Electric's customers may choose an alternative supplier for their generation supply. In accordance with a PUC-approved purchase of accounts receivable program, beginning in the first quarter of 2010, PPL Electric has purchased certain accounts receivable from alternative suppliers at a nominal discount, which reflects a provision for uncollectible accounts. The alternative suppliers (including PPL EnergyPlus) have no continuing involvement or interest in the purchased accounts receivable. The purchased accounts receivable are initially recorded at fair value using a market approach based on the purchase price paid and are classified as Level 2 in the fair value hierarchy. PPL Electric receives a nominal fee for administering its program. During 2011 and 2010, PPL Electric purchased \$872 million and \$617 million of accounts receivable from unaffiliated third parties. During 2011 and 2010, PPL Electric purchased \$267 million and \$215 million of accounts receivable from its affiliate, PPL EnergyPlus.

Allowance for Doubtful Accounts *(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

Accounts receivable collectability is evaluated using a combination of factors, including past due status based on contractual terms, trends in write-offs, the age of the receivable, counterparty creditworthiness and economic conditions. Specific events, such as bankruptcies, are also considered. Adjustments to the allowance for doubtful accounts are made when necessary based on the results of analysis, the aging of receivables, and historical and industry trends.

Accounts receivable are written off in the period in which the receivable is deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when it is known they will be received.

The changes in the allowance for doubtful accounts were:

	Balance at Beginning of Period	Additions		Deductions (a)	Balance at End of Period
		Charged to Income	Charged to Other Accounts		
<b><u>PPL</u></b>					
2011	\$ 55	\$ 65 (c)		\$ 66 (d)	\$ 54
2010	37	42 (b)	\$ 7 (b) (e)	31	55 (b)
2009	40	30		33	37
<b><u>PPL Energy Supply</u></b>					
2011	\$ 20	\$ 14 (c)		\$ 19 (d)	\$ 15
2010	21	1		2	20
2009	26	1		6	21
<b><u>PPL Electric</u></b>					
2011	\$ 17	\$ 33		\$ 33	\$ 17
2010	16	30		29	17
2009	14	29		27	16
<b><u>LKE</u></b>					
2011 - Successor	\$ 17	\$ 15		\$ 15	\$ 17
2010 - Successor		10	\$ 7 (e)		17
2010 - Predecessor	4	10		10	4
2009 - Predecessor	4	9		9	4
<b><u>LG&amp;E</u></b>					
2011 - Successor	\$ 2	\$ 5		\$ 5	\$ 2
2010 - Successor		1	\$ 2 (e)	1	2
2010 - Predecessor	2	4		4	2
2009 - Predecessor	2	4		4	2
<b><u>KU</u></b>					
2011 - Successor	\$ 6	\$ 6		\$ 10	\$ 2
2010 - Successor		1	\$ 6 (e)	1	6
2010 - Predecessor	3	6		6	3
2009 - Predecessor	3	4		4	3

- (a) Primarily related to uncollectible accounts written off.
- (b) Includes amounts associated with LKE activity since the November 1, 2010 acquisition date. See Note 10 for additional information related to the acquisition of LKE.
- (c) Includes amounts related to the SMGT bankruptcy. See Note 15 for additional information.
- (d) Includes amounts related to the June 2011, FERC approved settlement agreement between PPL and California ISO related to the sales made to the California ISO during the period October 2000 through June 2001 that were not paid to PPL subsidiaries. Therefore, the receivable and the related allowance for doubtful accounts were reversed and the settlement recorded.
- (e) Primarily related to capital projects, thus the provision was recorded as an adjustment to construction work in progress.

### Cash (PPL, PPL Energy Supply, PPL Electric, LKE, LG&E, and KU)

#### Cash Equivalents

All highly liquid debt instruments purchased with original maturities of three months or less are considered to be cash equivalents.

#### Restricted Cash and Cash Equivalents

Bank deposits and other cash equivalents that are restricted by agreement or that have been clearly designated for a specific purpose are classified as restricted cash and cash equivalents. The change in restricted cash and cash equivalents is reported as an investing activity on the Statements of Cash Flows. On the Balance Sheets, the current portion of restricted cash and cash equivalents is shown as "Restricted cash and cash equivalents" for PPL and PPL Energy Supply and included in "Other current assets" for PPL Electric, LKE, LG&E and KU while the noncurrent portion is included in "Other noncurrent assets" for all Registrants. At December 31, the balances of restricted cash and cash equivalents included the following.

	PPL		PPL Energy Supply		PPL Electric		LKE		LG&E	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Margin deposits posted to counterparties (a)	\$ 137	\$ 14	\$ 137	\$ 11			\$ 3		\$ 3	
Cash collateral posted to counterparties (b)	29	19					\$ 29	19	\$ 29	19
Low carbon network fund (c)	9									
Captive insurance reserves (d)	6	6		6						
Funds deposited with a trustee (e)	12	13			\$ 12	\$ 13				
Other	16	14	8	9	1	1		1		
Total	\$ 209	\$ 66	\$ 145	\$ 26	\$ 13	\$ 14	\$ 29	\$ 23	\$ 29	\$ 22

- (a) Deposits posted to counterparties associated with trading activities.
- (b) Cash collateral posted to counterparties related to interest rate swap contracts.
- (c) Funds received by WPD, which are to be spent on approved initiatives to support a low carbon environment.
- (d) Funds required by law to be held by WPD's captive insurance company to meet claims.
- (e) Funds deposited with a trustee to defease PPL Electric's 1945 First Mortgage Bonds. See Note 7 for additional information.

### Fair Value Measurements (PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)

The Registrants value certain financial and nonfinancial assets and liabilities at fair value. Generally, the most significant fair value measurements relate to price risk management assets and liabilities, investments in securities including investments in the NDT funds and defined benefit plans, and cash and cash equivalents. PPL and its subsidiaries use, as appropriate, a market approach (generally, data from market transactions), an income approach (generally, present value techniques and option-pricing models) and/or a cost approach (generally, replacement cost) to measure the fair value of an asset or liability. These valuation approaches incorporate inputs such as observable, independent market data and/or unobservable data that management believes are predicated on the assumptions market participants would use to price an asset or liability. These inputs may incorporate, as applicable, certain risks such as nonperformance risk, which includes credit risk.

The Registrants classify fair value measurements within one of three levels in the fair value hierarchy. The level assigned to a fair value measurement is based on the lowest level input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are as follows:

- **Level 1** - quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- **Level 2** - inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for substantially the full term of the asset or liability.
- **Level 3** - unobservable inputs that management believes are predicated on the assumptions market participants would use to measure the asset or liability at fair value.

Assessing the significance of a particular input requires judgment that considers factors specific to the asset or liability. As such, the Registrants' assessment of the significance of a particular input may affect how the assets and liabilities are classified within the fair value hierarchy.

### Investments

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

Generally, the original maturity date of an investment and management's intent and ability to sell an investment prior to its original maturity determine the classification of investments as either short-term or long-term. Investments that would otherwise be classified as short-term, but are restricted as to withdrawal or use for other than current operations or are clearly designated for expenditure in the acquisition or construction of noncurrent assets or for the liquidation of long-term debts, are classified as long-term.

#### Short-term Investments

Short-term investments generally include certain deposits as well as securities that are considered highly liquid or provide for periodic reset of interest rates. Investments with original maturities greater than three months and less than a year, as well as investments with original maturities of greater than a year that management has the ability and intent to sell within a year, are included in "Short-term investments" ("Other current assets" if not material) on the Balance Sheets.

#### Investments in Debt and Equity Securities

Investments in debt securities are classified as held-to-maturity and measured at amortized cost when there is an intent and ability to hold the securities to maturity. Debt and equity securities held principally to capitalize on fluctuations in their value with the intention of selling them in the near-term are classified as trading. All other investments in debt and equity securities are classified as available-for-sale. Both trading and available-for-sale securities are carried at fair value. The specific identification method is used to calculate realized gains and losses on debt and equity securities. Any unrealized gains and losses on trading securities are included in earnings. Through March 31, 2009, unrealized gains and losses on all available-for-sale securities were reported, net of tax, in OCI or recognized in earnings when the decline in fair value below amortized cost was determined to be an other-than-temporary impairment.

Accounting guidance effective April 1, 2009 modified the criteria for determining whether a decline in fair value of a debt security is other than temporary and whether the other-than-temporary impairment is recognized in earnings or reported in OCI. Beginning April 1, 2009, when a debt security is in an unrealized loss position and:

- there is an intent or a requirement to sell the security before recovery, the other-than-temporary impairment is recognized currently in earnings; or
- there is no intent or requirement to sell the security before recovery, the portion of the other-than-temporary impairment that is considered a credit loss is recognized currently in earnings and the remainder of the other-than-temporary impairment is reported in OCI, net of tax; or
- there is no intent or requirement to sell the security before recovery and there is no credit loss, the unrealized loss is reported in OCI, net of tax.

Equity securities were not impacted by this accounting guidance; therefore, unrealized gains and losses on available-for-sale equity securities continue to be reported, net of tax, in OCI. Earnings continue to be charged when an equity security's decline in fair value below amortized cost is determined to be an other-than-temporary impairment. See Notes 18 and 23 for additional information on investments in debt and equity securities.

#### Equity Method Investment (LKE and KU)

KU's investment in EEI is included in "Investments" on the Balance Sheets. KU owns 20% of the common stock of EEI. Through a power marketer affiliated with its majority owner, EEI sells its output to third parties. KU's investment in EEI is accounted for under the equity method of accounting and amounted to \$30 million at December 31, 2011 and 2010. As part of PPL's acquisition of LKE and its subsidiaries, the purchase accounting adjustment to reflect the EEI investment at fair value was calculated using the discounted cash flow valuation method. The fair value of the investment in EEI was calculated to be \$30 million. The fair value adjustment to the investment is being amortized over the expected remaining useful life of the plant and equipment at EEI, which is estimated to be over 20 years. KU's direct exposure to loss as a result of its involvement with EEI is generally limited to the value of its investment.

#### Cost Method Investment (LKE, LG&E and KU)

LG&E and KU each have an investment in OVEC, which is accounted for using the cost method. The investment is recorded in "Investments" on the LKE and KU Balance Sheets, in "Other noncurrent assets" on the LG&E Balance Sheets and in "Other investments" on the PPL Balance Sheets. LG&E and KU and ten other electric utilities are equity owners of OVEC, located in Piketon, Ohio. OVEC owns and operates two coal-fired plants, Kyger Creek Plant in Ohio and Clifty Creek Plant in Indiana, with combined nameplate generating capacities of 2,390 MW. OVEC's power is currently supplied to LG&E and KU and 11 other companies affiliated with the various owners. LG&E and KU own 5.63% and 2.5% of OVEC's common stock. Pursuant to a power purchase agreement, LG&E and KU are contractually entitled to their ownership percentage of OVEC's output, which is 134 MW for LG&E and 60 MW for KU.

LG&E and KU's combined investment in OVEC is not significant. The direct exposure to loss as a result of LG&E's and KU's involvement with OVEC is generally limited to the value of its investment; however, LG&E and KU may be conditionally responsible for a pro-rata share of certain OVEC obligations. As part of PPL's acquisition of LKE, the value of the power purchase contract was recorded as an intangible asset with the offset to a regulatory liability which are both being amortized using the units-of-production method until March 2026, the expiration date of the agreement at the date of the acquisition. See Notes 15 and 20 for additional discussion on the power purchase agreement.

### **Long-Lived and Intangible Assets**

#### Property, Plant and Equipment

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

PP&E is recorded at original cost, unless impaired. If impaired, the asset is written down to fair value at that time, which becomes the new cost basis of the asset. Original cost includes material, labor, contractor costs, certain overheads and financing costs, where applicable. The cost of repairs and minor replacements are charged to expense as incurred. The Registrants record costs associated with planned major maintenance projects in the period in which the costs are incurred. No costs are accrued in advance of the period in which the work is performed for PPL Energy Supply or PPL Electric. LG&E and KU accrue costs of removal net of estimated salvage value through depreciation, which is included in the calculation of customer rates over the assets' depreciable lives in accordance with regulatory practices. Cost of removal amounts accrued through depreciation rates are accumulated as a regulatory liability until the removal costs are incurred. See Note 6 for additional information.

*(PPL)*

The original cost for the PP&E acquired in the WPD Midlands acquisition is its fair value on April 1, 2011, which approximated RAV as of the acquisition date. See Note 10 for additional information on the acquisition.

*(PPL, PPL Electric, LKE and KU)*

AFUDC is capitalized as part of the construction costs for cost-based rate-regulated projects for which a return on such costs is recovered after the project is placed in service. The debt component of AFUDC is credited to "Interest Expense" and the equity component is credited to "Other Income (Expense) - net" on the Statements of Income. KU has not recorded significant AFUDC as a return has been provided during the construction period for most projects.

*(PPL and PPL Energy Supply)*

Nuclear fuel-related costs, including fuel, conversion, enrichment, fabrication and assemblies, are capitalized as PP&E. Such costs are amortized as the fuel is spent using the units-of-production method and included in "Fuel" on the Statements of Income.

PPL Energy Supply capitalizes interest costs as part of construction costs. The following capitalized interest was excluded from "Interest Expense" on the Statements of Income.

	<u>PPL</u>	<u>PPL Energy Supply</u>
2011	\$ 51	\$ 47
2010	30	33
2009	44	45

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

Included in PP&E on the Balance Sheets are capitalized costs of software projects that were developed or obtained for internal use. These capitalized costs are amortized ratably over the expected lives of the projects when they become operational, generally not to exceed five years. Following are capitalized software costs and the accumulated amortization.

	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>
PPL	\$ 290	\$ 98	\$ 213	\$ 70
PPL Energy Supply	26	21	30	20
PPL Electric	61	27	54	24
LKE	101	17	84	2
LG&E	52	9	44	1
KU	49	8	40	1

Amortization expense of capitalized software costs was as follows:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
PPL	\$ 39	\$ 21	\$ 13
PPL Energy Supply	2	3	2
PPL Electric	12	9	5

	<u>Successor</u>		<u>Predecessor</u>	
	<u>Year Ended December 31, 2011</u>	<u>Two Months Ended December 31, 2010</u>	<u>Ten Months Ended October 31, 2010</u>	<u>Year Ended December 31, 2009</u>
LKE	\$ 15	\$ 2	\$ 12	\$ 14
LG&E	8	1	7	8
KU	7	1	6	6

The amortization of capitalized software is included in "Depreciation" on the Statements of Income.

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

Depreciation

Depreciation is recorded over the estimated useful lives of property using various methods including the straight-line, composite and group methods. When a component of PP&E that was depreciated under the composite or group method is retired, the original cost is charged to accumulated depreciation. When all or a significant portion of an operating unit that was depreciated under the composite or group method is retired or sold, the property and the related accumulated depreciation account is reduced and any gain or loss is included in income, unless otherwise required by regulators.

Following are the weighted-average rates of depreciation at December 31.

	2011					
	PPL	PPL Energy Supply	PPL Electric	LKE	LG&E	KU
Regulated utility plant (a)	3.03	(b)	2.49	4.54	5.11	4.17
Non-regulated PP&E - Generation	2.88	2.88				
	2010					
	PPL	PPL Energy Supply	PPL Electric	LKE	LG&E	KU
Regulated utility plant (a)	3.27	2.31	2.27	4.70	5.40	4.10
Non-regulated PP&E - Generation	2.76	2.76				

- (a) For PPL, LKE, LG&E and KU, as a result of the acquisition of LKE, the original cost for PP&E is its fair value on November 1, 2010, which approximated net book value. This fair value adjustment resulted in lowering the original cost basis of LKE's, LG&E's and KU's PP&E, thus impacting the calculation of the weighted-average depreciation rate.
- (b) As a result of PPL Energy Supply's distribution of its membership interest in PPL Global in January 2011, PPL Energy Supply no longer has any regulated utility plant.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price paid over the fair value of the identifiable net assets acquired in a business combination.

Other acquired intangible assets are initially measured based on their fair value. Intangibles that have finite useful lives are amortized over their useful lives based upon the pattern in which the economic benefits of the intangible assets are consumed or otherwise used. Costs incurred to renew or extend terms of licenses are capitalized as intangible assets.

When determining the useful life of an intangible asset, including intangible assets that are renewed or extended, PPL and its subsidiaries consider the expected use of the asset; the expected useful life of other assets to which the useful life of the intangible asset may relate; legal, regulatory, or contractual provisions that may limit the useful life; the company's historical experience as evidence of its ability to support renewal or extension; the effects of obsolescence, demand, competition, and other economic factors; and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

PPL and PPL Energy Supply account for RECs as intangible assets. PPL and PPL Energy Supply buy and/or sell RECs and also create RECs through owned renewable energy generation facilities. In any period, PPL and PPL Energy Supply can be a net purchaser or seller of RECs depending on their contractual obligations to purchase or deliver RECs and the production of RECs from their renewable energy generation facilities. The carrying value of RECs created from their renewable energy generation facilities is initially recorded at zero value and purchased RECs are initially recorded based on their purchase price. When RECs are consumed to satisfy an obligation to deliver RECs to meet a state's Renewable Portfolio Standard Obligation or when RECs are sold to third parties, they are removed from the Balance Sheet at their weighted-average carrying value. Since the economic benefits of RECs are not diminished until they are consumed, RECs are not amortized; rather, they are expensed when consumed or a gain or loss is recognized when sold. Such expense is included in "Energy purchases" on the Statements of Income. Gains and losses on the sale of RECs are included in "Other operation and maintenance" on the Statements of Income.

PPL, PPL Energy Supply, LKE, LG&E and KU account for emission allowances as intangible assets. PPL, PPL Energy Supply, LKE, LG&E and KU are allocated emission allowances by states based on their generation facilities' historical emissions experience, and have purchased emission allowances generally when it is expected that additional allowances will be needed. The carrying value of allocated emission allowances is initially recorded at zero value and purchased allowances are initially recorded based on their purchase price. LKE, LG&E, and KU emission allowances acquired in the LKE acquisition were recorded at fair value on the date of acquisition. See Note 10 for additional information on the acquisition. When consumed or sold, emission allowances are removed from the Balance Sheet at their weighted-average carrying value. Since the economic benefits of emission allowances are not diminished until they are consumed, emission allowances are not amortized; rather, they are expensed when consumed or a gain or loss is recognized when sold. Such expense is included in "Fuel" on the Statements of Income. Gains and losses on the sale of emission allowances are included in "Other operation and maintenance" on the Statements of Income.

### Asset Impairment

The Registrants review long-lived assets that are subject to depreciation or amortization, including finite-lived intangibles, for impairment when events or circumstances indicate carrying amounts may not be recoverable. For example, certain emission allowances are expected to be sold rather than consumed. These emission allowances are tested for impairment when events or changes in circumstances, such as a decline in market prices, indicate that their carrying value may not be recoverable.

A long-lived asset classified as held and used is impaired when the carrying amount of the asset exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If impaired, the asset's carrying value is written down to its fair value.

A long-lived asset classified as held for sale is impaired when the carrying amount of the asset (disposal group) exceeds its fair value less cost to sell. If impaired, the asset's (disposal group's) carrying value is written down to its fair value less cost to sell. See Notes 9 and 18 for a discussion of impairment charges recorded associated with long-lived assets classified as held for sale.

Goodwill is reviewed for impairment at the reporting unit level annually or more frequently when events or circumstances indicate that the carrying amount of a reporting unit may be greater than the unit's fair value. Additionally, goodwill must be tested for impairment after a portion of goodwill has been allocated to a business to be disposed of. PPL's reporting units are at or one level below its operating segments and represent significant businesses with discrete financial information that is regularly reviewed by segment management. If the carrying amount of the reporting unit, including goodwill, exceeds its fair value, the implied fair value of goodwill must be calculated in the same manner as goodwill in a business combination. The fair value of a reporting unit is allocated to all assets and liabilities of that unit as if the reporting unit had been acquired in a business combination. The excess of the fair value of the reporting unit over the amounts assigned to its assets and liabilities is the implied fair value of goodwill. If the implied fair value of goodwill is less than the carrying amount, goodwill is written down to its implied fair value.

The goodwill recognized upon the acquisition of LKE, although entirely recorded at LG&E and KU, was assigned for impairment testing by PPL to its reporting units expected to benefit from the acquisition, which were the Kentucky Regulated segment and the Supply segment. The goodwill recognized upon the acquisition of WPD Midlands was assigned for impairment testing by PPL to its International Regulated segment. See Note 10 for additional information regarding the acquisitions.

### Asset Retirement Obligations

PPL and its subsidiaries record liabilities to reflect various legal obligations associated with the retirement of long-lived assets. Initially, this obligation is measured at fair value and offset with an increase in the value of the capitalized asset, which is depreciated over the asset's useful life. Until the obligation is settled, the liability is increased to reflect changes in the obligation due to the passage of time through the recognition of accretion expense classified within "Other operation and maintenance" on the Statements of Income. The accretion and depreciation related to LG&E's and KU's AROs are offset with a regulatory credit on the income statement, such that there is no earnings impact. The regulatory asset created by the regulatory credit is relieved when the ARO is settled.



Estimated ARO costs and settlement dates, which affect the carrying value of the ARO and the related capitalized asset, are reviewed periodically to ensure that any material changes are incorporated into the latest estimate of the ARO. Any change to the capitalized asset, positive or negative, is amortized over the remaining life of the associated long-lived asset. See Note 21 for additional information on AROs.

## **Compensation and Benefits**

### Defined Benefits (*PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU*)

Certain PPL subsidiaries sponsor various defined benefit pension and other postretirement plans. An asset or liability is recorded to recognize the funded status of all defined benefit plans with an offsetting entry to OCI or, for LG&E, KU and PPL Electric, to regulatory assets or liabilities. Consequently, the funded status of all defined benefit plans is fully recognized on the Balance Sheets.

The expected return on plan assets is determined based on a market-related value of plan assets, which is calculated by rolling forward the prior year market-related value with contributions, disbursements and long-term expected return on investments. One-fifth of the difference between the actual value and the expected value is added (or subtracted if negative) to the expected value to determine the new market-related value.

PPL uses an accelerated amortization method for the recognition of gains and losses for its defined benefit pension plans. Under the accelerated method, actuarial gains and losses in excess of 30% of the plan's projected benefit obligation are amortized on a straight-line basis over one-half of the expected average remaining service of active plan participants. Actuarial gains and losses in excess of 10% of the greater of the plan's projected benefit obligation or the market-related value of plan assets and less than 30% of the plan's projected benefit obligation are amortized on a straight-line basis over the expected average remaining service period of active plan participants.

See Note 13 for a discussion of defined benefits.

### Stock-Based Compensation

(*PPL, PPL Energy Supply, PPL Electric and LKE*)

PPL has several stock-based compensation plans for purposes of granting stock options, restricted stock, restricted stock units and performance units to certain employees as well as stock units and restricted stock units to directors. PPL grants most stock-based awards in the first quarter of each year. PPL and its subsidiaries recognize compensation expense for stock-based awards based on the fair value method. Stock options that vest in installments are valued as a single award. PPL grants stock options with an exercise price that is not less than the fair value of PPL's common stock on the date of grant. See Note 11 for a discussion of stock-based compensation. All awards are recorded as equity or a liability on the Balance Sheets. Stock-based compensation is primarily included in "Other operation and maintenance" on the Statements of Income. Stock-based compensation expense for PPL Energy Supply, PPL Electric and LKE includes an allocation of PPL Services' expense.

## **Other**

### Debt Issuance Costs (*PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU*)

Debt issuance costs are deferred and amortized over the appropriate term for the related debt using the interest method or another method, generally straight-line, if the results obtained are not materially different than those that would result from the interest method.

Income Taxes

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

PPL and its domestic subsidiaries file a consolidated U.S. federal income tax return. Prior to PPL's acquisition of LKE, LKE and its subsidiaries were included in E.ON US Investments Corp.'s consolidated U.S. federal income tax return.

Significant management judgment is required in developing the Registrants' provision for income taxes, primarily due to the uncertainty related to tax positions taken or expected to be taken in tax returns and the determination of deferred tax assets, liabilities and valuation allowances.

Significant management judgment is also required to determine the amount of benefit to be recognized in relation to an uncertain tax position. The Registrants use a two-step process to evaluate tax positions. The first step requires an entity to determine whether, based on the technical merits supporting a particular tax position, it is more likely than not (greater than a 50% chance) that the tax position will be sustained. This determination assumes that the relevant taxing authority will examine the tax position and is aware of all the relevant facts surrounding the tax position. The second step requires an entity to recognize in the financial statements the benefit of a tax position that meets the more-likely-than-not recognition criterion. The benefit recognized is measured at the largest amount of benefit that has a likelihood of realization, upon settlement, that exceeds 50%. The amounts ultimately paid upon resolution of issues raised by taxing authorities may differ materially from the amounts accrued and may materially impact the financial statements of the Registrants in the future.

Deferred income taxes reflect the net future tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their basis for income tax purposes, as well as the tax effects of net operating losses and tax credit carryforwards.

The Registrants record valuation allowances to reduce deferred tax assets to the amounts that are more likely than not to be realized. The Registrants consider the reversal of temporary differences, future taxable income and ongoing prudent and feasible tax planning strategies in initially recording and subsequently reevaluating the need for valuation allowances. If the Registrants determine that they are able to realize deferred tax assets in the future in excess of recorded net deferred tax assets, adjustments to the valuation allowances increase income by reducing tax expense in the period that such determination is made. Likewise, if the Registrants determine that they are not able to realize all or part of net deferred tax assets in the future, adjustments to the valuation allowances would decrease income by increasing tax expense in the period that such determination is made.

The Registrants defer investment tax credits when the credits are utilized and amortize the deferred amounts over the average lives of the related assets.

The Registrants recognize interest and penalties in "Income Taxes" on their Statements of Income.

See Note 5 for additional discussion regarding income taxes.

*(PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

The income tax provision for PPL Energy Supply, PPL Electric, LKE, LG&E and KU is calculated in accordance with an intercompany tax sharing agreement which provides that taxable income be calculated as if PPL Energy Supply, PPL Electric, LKE, LG&E, KU and any domestic subsidiaries each filed a separate return. Tax benefits are not shared between companies. A tax benefit inures only to the entity that gave rise to said benefit. The effect of PPL filing a consolidated tax return is taken into account in the settlement of current taxes and the recognition of deferred taxes. PPL Energy Supply's intercompany tax payable was \$50 million and \$26 million at December 31, 2011 and 2010. PPL Electric's intercompany tax receivable was \$22 million and \$74 million at December 31, 2011 and 2010. LKE's intercompany tax receivable was \$3 million and \$40 million at December 31, 2011 and 2010. LG&E's intercompany tax receivable was \$4 million and \$4 million at December 31, 2011 and 2010. KU's intercompany tax receivable was \$5 million at December 31, 2011 and the intercompany tax payable was \$15 million at December 31, 2010.

*(PPL, PPL Electric, LKE, LG&E and KU)*

The provision for PPL, PPL Electric, LKE, LG&E and KU's deferred income taxes for regulated assets is based upon the ratemaking principles reflected in rates established by the regulators. The difference in the provision for deferred income taxes for regulated assets and the amount that otherwise would be recorded under GAAP is deferred and included on the Balance Sheet in noncurrent "Regulatory assets" or "Regulatory liabilities."

Taxes, Other Than Income (PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)

The Registrants present sales taxes in "Accounts Payable" and value-added taxes in "Taxes" on their Balance Sheets. These taxes are not reflected on the Statements of Income. See Note 5 for details on taxes included in "Taxes, other than income" on the Statements of Income.

Leases

(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)

PPL and its subsidiaries evaluate whether arrangements entered into contain leases for accounting purposes. See Note 11 for a discussion of arrangements under which PPL Energy Supply, LG&E and KU are lessees for accounting purposes.

(PPL and PPL Energy Supply)

PPL EnergyPlus entered into several tolling agreements whereby PPL EnergyPlus was considered the lessor for accounting purposes. See Note 9 for additional information regarding the 2010 sale of the Long Island generation business and the tolling agreements that were transferred to the purchaser upon completion of the sale.

Fuel, Materials and Supplies

(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)

Fuel, natural gas stored underground and materials and supplies are valued at the lower of cost or market using the average cost method. Fuel costs for electric generation are charged to expense as used. For LG&E, natural gas supply costs are charged to expense as delivered to the distribution system. See Note 6 for further discussion of the fuel adjustment clause and gas supply clause.

(PPL, PPL Energy Supply, LKE, LG&E and KU)

"Fuel, materials and supplies" on the Balance Sheets consisted of the following at December 31.

	<b>PPL</b>		<b>PPL Energy Supply</b>			
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>		
Fuel	\$ 246	\$ 260	\$ 96	\$ 97		
Natural gas stored underground (a)	73	81	20	21		
Materials and supplies	335	302	182	179		
	<u>\$ 654</u>	<u>\$ 643</u>	<u>\$ 298</u>	<u>\$ 297</u>		
	<b>LKE</b>		<b>LG&amp;E</b>		<b>KU</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Fuel	\$ 150	\$ 163	\$ 53	\$ 68	\$ 97	\$ 95
Natural gas stored underground (a)	53	60	53	60		
Materials and supplies	80	75	36	34	44	41
	<u>\$ 283</u>	<u>\$ 298</u>	<u>\$ 142</u>	<u>\$ 162</u>	<u>\$ 141</u>	<u>\$ 136</u>

(a) The majority of LKE's and LG&E's natural gas stored underground is held to serve native load. The majority of PPL Energy Supply's natural gas stored underground is available for resale.

Guarantees (PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)

Generally, the initial measurement of a guarantee liability is the fair value of the guarantee at its inception. However, there are certain guarantees excluded from the scope of accounting guidance and other guarantees that are not subject to the initial recognition and measurement provisions of accounting guidance that only require disclosure. See Note 15 for further discussion of recorded and unrecorded guarantees.

#### Treasury Stock (PPL and PPL Electric)

PPL and PPL Electric restore all shares of common stock acquired to authorized but unissued shares of common stock upon acquisition.

#### Foreign Currency Translation and Transactions (PPL)

The GBP, which is the local currency, is the functional currency of WPD. As such, assets and liabilities are translated at the exchange rates on the date of consolidation and related revenues and expenses are translated at average exchange rates prevailing during the period included in PPL's results of operations. Adjustments resulting from translation are recorded in AOCI. The effect of translation is removed from AOCI upon the sale or substantial liquidation of the international subsidiary that gave rise to the translation adjustment.

Gains or losses relating to foreign currency transactions are recognized in "Other Income (Expense) - net" on the Statements of Income. Net transaction losses were \$15 million in 2011 and insignificant in 2010 and 2009.

#### **New Accounting Guidance Adopted (PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)**

##### Disclosures about an Employer's Participation in a Multiemployer Plan

Effective December 31, 2011, the Registrants retrospectively adopted accounting guidance issued to improve the transparency about an employer's participation in a multiemployer plan. The disclosures required by this guidance include the significant multiemployer plans in which an employer participates, the level of the employer's participation in these plans, the financial health of these plans and the nature of employer commitments to these plans. For plans for which users are unable to obtain additional publicly available information outside the employer's financial statements, additional disclosures are required.

The adoption of this standard resulted in additional footnote disclosure for PPL and PPL Energy Supply but did not have a significant impact on any of the Registrants. See Note 13 for disclosures related to PPL Energy Supply's participation in multiemployer plans.

##### Presentation of Comprehensive Income

Effective December 31, 2011, the Registrants retrospectively adopted accounting guidance that was issued to improve the comparability, consistency and transparency of financial reporting and to increase the prominence of items that are recorded in OCI. This guidance requires that all non-owner changes in stockholders' equity be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements where the first statement includes the components of net income and the second statement includes the components of OCI.

Regardless of whether an entity chooses to present comprehensive income in a single continuous statement or in two separate but consecutive statements, the guidance also would have required an entity to present on the face of the financial statements reclassification adjustments for items that are reclassified from other comprehensive income to net income in the statement(s) where the components of net income and the components of other comprehensive income are presented. However, subsequent to the issuance of this new accounting guidance, this requirement that companies present reclassification adjustments for each component of OCI in both net income and OCI on the face of the financial statements was deferred for further evaluation. The deferral did not change the requirement to present items of net income, items of other comprehensive income and total comprehensive income in either one continuous statement or two separate consecutive statements.

The Registrants required to present comprehensive income have elected to present two separate consecutive statements. The adoption of this standard resulted in a change in presentation and additional footnote disclosure that did not have a significant impact on the Registrants.

## 2. Segment and Related Information

*(PPL and PPL Energy Supply)*

Since the acquisition of LKE on November 1, 2010, PPL is organized into four segments: Kentucky Regulated, International Regulated, Pennsylvania Regulated and Supply. PPL's segments are split between its regulated and competitive businesses with its regulated businesses further segmented by geographic location.

The Kentucky Regulated segment consists primarily of LKE's regulated electric generation, transmission and distribution operations, primarily in Kentucky. This segment also includes LKE's regulated distribution and sale of natural gas in Kentucky. In addition, the Kentucky Regulated segment includes certain financing activities associated with the acquisition of LKE. See Note 10 for additional information regarding the acquisition.

The International Regulated segment primarily consists of the regulated electric distribution operations in the U.K. This includes the operating results and assets of WPD Midlands since the April 1, 2011 acquisition date recorded on a one-month lag. The International Regulated segment also includes certain acquisition-related costs and financing activities associated with the acquisition of WPD Midlands. See Note 10 for additional information regarding the acquisition.

The Pennsylvania Regulated segment includes the regulated electric transmission and distribution operations of PPL Electric.

The Supply segment primarily consists of the domestic energy marketing and trading activities, as well as the competitive generation operations of PPL Energy Supply. In 2011, 2010 and 2009, PPL Energy Supply sold certain Supply segment generation facilities and businesses. See Note 9 for additional information.

"Unallocated Costs" represent one-time LKE acquisition-related costs including advisory, accounting and legal fees, certain internal costs and 2010 Bridge Facility costs.

The results of several facilities and businesses have been classified as Discontinued Operations on the Statements of Income. See Note 9 for additional information on these discontinued operations. Therefore, with the exception of "Net Income Attributable to PPL/PPL Energy Supply," the operating results from these facilities and businesses have been excluded from the income statement data tables below.

In January 2011, PPL Energy Supply distributed its membership interest in PPL Global to its parent, PPL Energy Funding. Following the distribution, PPL Energy Supply operates in a single reportable segment, the Supply segment. PPL Energy Supply's 2010 and 2009 segment information was revised to reflect PPL Global as a Discontinued Operation. See Note 9 for additional information. The Supply segment information reported by PPL Energy Supply does not equal the Supply segment information reported by PPL because additional Supply segment functions exist at PPL. Further, certain income items, including PLR revenue and certain interest income with affiliates, exist at PPL Energy Supply but are eliminated in consolidation by PPL. Finally, certain expense items are fully allocated to the segments by PPL only.

Segment costs include direct charges, as well as an allocation of indirect corporate service costs, from PPL Services. These service costs include functions such as financial, legal, human resources and information services. See Note 16 for additional information.

Financial data for the segments are:

	PPL			PPL Energy Supply		
	2011	2010	2009	2011	2010	2009
<b>Income Statement Data</b>						
Revenues from external customers by product						

Kentucky Regulated						
Utility service (b)	\$ 2,793	\$ 493				
International Regulated						
Utility service (b)	1,618	727	\$ 684			
Energy-related businesses	<u>35</u>	<u>34</u>	<u>32</u>			
Total	<u>1,653</u>	<u>761</u>	<u>716</u>			
Pennsylvania Regulated						
Utility service (b)	1,881	2,448	3,218			
Supply						
Energy (a)	5,938	4,444	3,124	\$ 5,965	\$ 4,764	\$ 4,930
Energy-related businesses	<u>472</u>	<u>375</u>	<u>391</u>	<u>464</u>	<u>364</u>	<u>379</u>
Total	<u>6,410</u>	<u>4,819</u>	<u>3,515</u>	<u>6,429</u>	<u>5,128</u>	<u>5,309</u>
Total	<u>12,737</u>	<u>8,521</u>	<u>7,449</u>	<u>6,429</u>	<u>5,128</u>	<u>5,309</u>

Intersegment electric revenues			
Pennsylvania Regulated	11	7	74
Supply (c)	26	320	1,806

Depreciation						
Kentucky Regulated	334	49				
International Regulated	218	117	115			
Pennsylvania Regulated	146	136	128			
Supply	<u>262</u>	<u>254</u>	<u>212</u>			
Total	<u>960</u>	<u>556</u>	<u>455</u>	244	236	196

	PPL			PPL Energy Supply		
	2011	2010	2009	2011	2010	2009
Amortization (d)						
Kentucky Regulated	27					
International Regulated	83	13	(13)			
Pennsylvania Regulated	7	(22)	312			
Supply	137	148	90			
Unallocated costs		<u>74</u>				
Total	<u>254</u>	<u>213</u>	<u>389</u>	137	147	88
Unrealized (gains) losses on derivatives and other hedging activities (a)						
Kentucky Regulated	(2)	1				
Supply	<u>(312)</u>	<u>541</u>	<u>329</u>			
Total	<u>(314)</u>	<u>542</u>	<u>329</u>	(283)	536	330
Interest income (e)						
International Regulated	4	2	1			
Pennsylvania Regulated	1	4	11			
Supply	<u>2</u>	<u>2</u>	<u>2</u>			
Total	<u>7</u>	<u>8</u>	<u>14</u>	9	12	7
Interest Expense (f)						
Kentucky Regulated	217	55				
International Regulated	391	135	87			
Pennsylvania Regulated	98	99	118			
Supply	192	224	182			
Unallocated costs		<u>80</u>				
Total	<u>898</u>	<u>593</u>	<u>387</u>	174	208	176
Income from Continuing Operations Before Income Taxes						
Kentucky Regulated	349	40				
International Regulated	358	261	290			
Pennsylvania Regulated	257	192	221			
Supply (a)	1,237	860	27			
Unallocated costs		<u>(114)</u>				
Total	<u>2,201</u>	<u>1,239</u>	<u>538</u>	1,212	881	(13)
Income Taxes (g)						
Kentucky Regulated	127	16				
International Regulated	33		20			
Pennsylvania Regulated	68	57	79			

Supply	463	228	6			
Unallocated costs		(38)				
Total	691	263	105	445	261	3
Deferred income taxes and investment tax credits (h)						
Kentucky Regulated	218	51				
International Regulated	(39)	17	12			
Pennsylvania Regulated	106	198	(23)			
Supply	299	(15)	133			
Total	584	251	122	318	(25)	147
Net Income Attributable to PPL/PPL Energy Supply						
Kentucky Regulated	221	26				
International Regulated (i)	325	261	243		261	243
Pennsylvania Regulated	173	115	124			
Supply (a) (j)	776	612	40	768	600	3
Unallocated costs		(76)				
Total	\$ 1,495	\$ 938	\$ 407	\$ 768	\$ 861	\$ 246
<b>Cash Flow Data</b>						
Expenditures for long-lived assets						
Kentucky Regulated	\$ 465	\$ 152				
International Regulated	862	281	\$ 240		\$ 281	\$ 240
Pennsylvania Regulated	490	411	298			
Supply	739	795	723	\$ 702	760	694
Total	\$ 2,556	\$ 1,639	\$ 1,261	\$ 702	\$ 1,041	\$ 934

	PPL		PPL Energy Supply	
	As of December 31,		As of December 31,	
	2011	2010	2011	2010
<b>Balance Sheet Data</b>				
Total Assets				
Kentucky Regulated (k)		\$ 10,229	\$ 10,318	
International Regulated		13,364	4,800	\$ 4,800
Pennsylvania Regulated		5,610	5,189	
Supply (k)		13,445	12,530	\$ 13,179
Total		\$ 42,648	\$ 32,837	\$ 13,179

	PPL			PPL Energy Supply		
	2011	2010	2009	2011	2010	2009
<b>Geographic Data</b>						
Revenues from external customers						
U.S.	\$ 11,084	\$ 7,760	\$ 6,733	\$ 6,429	\$ 5,128	\$ 5,309
U.K.	1,653	761	716			
Total	\$ 12,737	\$ 8,521	\$ 7,449	\$ 6,429	\$ 5,128	\$ 5,309

	PPL		PPL Energy Supply	
	As of December 31,		As of December 31,	
	2011	2010	2011	2010
Long-Lived Assets				
U.S.		\$ 19,129	\$ 18,228	\$ 6,872
U.K.		8,996	3,505	3,505
Total		\$ 28,125	\$ 21,733	\$ 6,872

- (a) Includes unrealized gains and losses from economic activity. See Note 19 for additional information.
- (b) See Note 1 for additional information on Utility Revenue.
- (c) See "PLR Contracts/Purchase of Accounts Receivable" and "NUG Purchases" in Note 16 for a discussion of the basis of accounting between reportable segments.
- (d) Represents non-cash expense items that include amortization of nuclear fuel, regulatory assets, debt discounts and premiums, debt issuance costs, emission allowances and RECs.
- (e) Includes interest income from affiliate(s).
- (f) Includes interest expense with affiliate(s).
- (g) Represents both current and deferred income taxes, including investment tax credits.

- (h) Represents a non-cash expense item that is also included in "Income Taxes."
- (i) For PPL Energy Supply, 2010 and 2009 were reported as Discontinued Operations. See Note 9 for additional information, including the \$24 million of income tax expense recognized in 2009 by the International Regulated segment related to a correction of income tax bases for the Latin American businesses sold in 2007.
- (j) In April 2011, during the PPL Susquehanna Unit 2 refueling and generation uprate outages, a planned inspection of the Unit 2 turbine revealed cracks in certain of its low pressure turbine blades. As a precaution, PPL Susquehanna also took Unit 1 out of service in mid-May to inspect that unit's turbine blades. This inspection revealed cracked blades similar to those found in Unit 2. Replacement of these blades was completed, significantly extending these outages. The after-tax earnings impact, including reduced energy sales margins and repair expense for both units was \$63 million in 2011.
- (k) A portion of the goodwill related to the 2010 LKE acquisition has been attributed to PPL's Supply segment.

*(PPL Electric, LKE, LG&E and KU)*

PPL Electric, LKE, LG&E and KU each operate within a single reportable segment.

### **3. Preferred Securities**

#### **Preferred Stock**

*(PPL)*

PPL is authorized to issue up to 10 million shares of preferred stock. No PPL preferred stock was issued or outstanding in 2011, 2010, or 2009.

PPL classifies preferred securities of a subsidiary as "Noncontrolling interests" on the Balance Sheets. Dividend requirements of \$16 million for 2011, \$17 million for 2010 and \$18 million for 2009 were included in "Net Income Attributable to Noncontrolling Interests" on the Statements of Income.

*(PPL Electric)*

PPL Electric is authorized to issue up to 629,936 shares of 4-1/2% Preferred Stock and 10 million shares of series preferred stock. There were 247,524 shares of 4-1/2% Preferred Stock (amounting to \$25 million) and an aggregate of 257,665 shares of four series of preferred stock (amounting to \$26 million) issued and outstanding at December 31, 2009.

In April 2010, PPL Electric redeemed all of its outstanding preferred stock, with a par value in the aggregate of \$51 million, for \$54 million including accumulated dividends. The redeemed shares are no longer outstanding and represent only the right to receive the applicable redemption price, to the extent the shares have not yet been presented for payment. The premium of \$3 million is included in "Distributions on Preferred Securities" on the Statement of Income.

*(LG&E)*

LG&E is authorized to issue up to 1,720,000 shares of preferred stock at a \$25 par value and 6,750,000 shares of preferred stock without par value. LG&E had no preferred stock issued or outstanding in 2011, 2010 or 2009.

*(KU)*

KU is authorized to issue up to 5,300,000 shares of preferred stock without par value. KU had no preferred stock issued or outstanding in 2011, 2010 or 2009.

#### **Preference Stock**

*(PPL Electric)*

Of the 10 million shares of Preference Stock authorized, PPL Electric had 2.5 million shares of 6.25% Series Preference Stock (Preference Shares) issued and outstanding in 2011, 2010 and 2009. The Preference Shares are held by a bank that acts as depositary for 10 million depositary shares, each of which represents a one-quarter interest in a Preference Share. Holders of the depositary shares are entitled to all proportional rights and preferences of the Preference Shares, including



dividend, voting, redemption and liquidation rights, exercised through the bank acting as a depository. The Preference Shares rank senior to PPL Electric's common stock but have no voting rights, except as provided by law, and they have a liquidation preference of \$100 per share (equivalent to \$25 per depository share). The Preference Shares, which have no stated maturity date and no sinking fund requirements, have been redeemable by PPL Electric since April 6, 2011 for \$100 per share (equivalent to \$25 per depository share).

Dividends on the Preference Shares are not cumulative and will be paid when, as and if declared by the Board of Directors at a fixed annual rate of 6.25%, or \$1.5625 per depository share per year. PPL Electric may not pay dividends on, or redeem, purchase or make a liquidation payment with respect to any of its common stock, except in certain circumstances, unless full dividends on the Preference Shares have been paid for the then-current dividend period.

(KU)

KU is authorized to issue up to 2,000,000 shares of preference stock without par value. KU had no preference stock issued or outstanding in 2011, 2010 or 2009.

#### 4. Earnings Per Share

(PPL)

Basic EPS is computed by dividing income available to PPL common shareowners by the weighted-average number of common shares outstanding during the period. Diluted EPS is computed by dividing income available to PPL common shareowners by the weighted-average number of shares outstanding that are increased for additional shares that would be outstanding if potentially dilutive non-participating securities were converted to common shares as calculated using the treasury stock method. In 2011, 2010 and 2009, these securities included stock options and performance units granted under incentive compensation plans. Additionally, the 2011 and 2010 Purchase Contracts associated with the 2011 and 2010 Equity Units will be dilutive under the treasury stock method if the average VWAP of PPL's common stock for a certain period exceeds approximately \$30.99 and \$28.80. The 2011 Purchase Contracts were excluded from the diluted EPS calculations because they did not meet this criteria during 2011. The 2010 Purchase Contracts were included in the diluted EPS calculation for 2011 as they met this criteria for a portion of that year, but were excluded from the diluted EPS calculations for 2010 because they did not meet this criteria for that year. Subject to antidilution adjustments at December 31, 2011, the maximum number of shares issuable to settle the Purchase Contracts was 101,552,245 shares, including 86,552,565 shares that could be issued under standard provisions of the Purchase Contracts and 14,999,680 shares that could be issued under make-whole provisions in the event of early settlement upon a Fundamental Change. See Note 7 for additional information on both the 2011 and 2010 Equity Units.

Reconciliations of the amounts of income and shares of PPL common stock (in thousands) for the periods ended December 31 used in the EPS calculation are:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Income (Numerator)</b>			
Income from continuing operations after income taxes attributable to PPL	\$ 1,493	\$ 955	\$ 414
Less amounts allocated to participating securities	6	4	2
Income from continuing operations after income taxes available to PPL common shareowners	<u>\$ 1,487</u>	<u>\$ 951</u>	<u>\$ 412</u>
Income (loss) from discontinued operations (net of income taxes) available to PPL	<u>\$ 2</u>	<u>\$ (17)</u>	<u>\$ (7)</u>
Net income attributable to PPL	\$ 1,495	\$ 938	\$ 407
Less amounts allocated to participating securities	6	4	2
Net income available to PPL common shareowners	<u>\$ 1,489</u>	<u>\$ 934</u>	<u>\$ 405</u>
<b>Shares of Common Stock (Denominator)</b>			
Weighted-average shares - Basic EPS	550,395	431,345	376,082
Add incremental non-participating securities:			
Stock options and performance units	400	224	324
2010 Purchase Contracts	157		
Weighted-average shares - Diluted EPS	<u>550,952</u>	<u>431,569</u>	<u>376,406</u>

#### Basic EPS

Available to PPL common shareowners:

Income from continuing operations after income taxes	\$ 2.70	\$ 2.21	\$ 1.10
Income (loss) from discontinued operations (net of income taxes)	0.01	(0.04)	(0.02)
Net Income	<u>\$ 2.71</u>	<u>\$ 2.17</u>	<u>\$ 1.08</u>

**Diluted EPS**

Available to PPL common shareowners:

Income from continuing operations after income taxes	\$ 2.70	\$ 2.20	\$ 1.10
Income (loss) from discontinued operations (net of income taxes)		(0.03)	(0.02)
Net Income	<u>\$ 2.70</u>	<u>\$ 2.17</u>	<u>\$ 1.08</u>

During 2011, PPL issued 443,865 shares of common stock related to the exercise of stock options, vesting of restricted stock and restricted stock units and conversion of stock units granted to directors under its stock-based compensation plans. In addition, PPL issued 301,319 and 2,269,388 shares of common stock related to its ESOP and DRIP during 2011. See Note 12 for a discussion of PPL's stock-based compensation plans.

See Note 7 for information on the issuance of common stock and 2011 and 2010 Equity Units.

The following stock options to purchase PPL common stock and performance units were excluded from the computations of diluted EPS because the effect would have been antidilutive.

<i>(Shares in thousands)</i>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Stock options	5,084	4,936	2,394
Performance units	2	45	1

**5. Income and Other Taxes***(PPL)*

"Income from Continuing Operations Before Income Taxes" included the following components:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Domestic income	\$ 1,715	\$ 952	\$ 207
Foreign income	486	287	331
Total	<u>\$ 2,201</u>	<u>\$ 1,239</u>	<u>\$ 538</u>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their basis for income tax purposes and the tax effects of net operating loss and tax credit carryforwards. The provision for PPL's deferred income taxes for regulated assets is based upon the ratemaking principles of the applicable jurisdiction. See Notes 1 and 6 for additional information.

Net deferred tax assets have been recognized based on management's estimates of future taxable income for the U.S. and certain foreign jurisdictions in which PPL's operations have historically been profitable.

Significant components of PPL's deferred income tax assets and liabilities were as follows:

	<u>2011</u>	<u>2010</u>
<b>Deferred Tax Assets</b>		
Deferred investment tax credits	\$ 113	\$ 45
Regulatory obligations	149	205
Accrued pension costs	325	316
Accrued litigation costs	2	31
Federal loss carryforwards	305	314
State loss carryforwards	272	269
Federal tax credit carryforwards	240	169
Foreign capital loss carryforwards	578	377
Foreign loss carryforwards	7	
Foreign - pensions	74	87
Foreign - regulatory obligations	67	
Foreign - other	21	8
Contributions in aid of construction	133	152

Domestic - other	227	219
Valuation allowances	(724)	(464)
Total deferred tax assets	<u>1,789</u>	<u>1,728</u>
<b>Deferred Tax Liabilities</b>		
Domestic plant - net	3,465	3,010
Taxes recoverable through future rates	137	105
Unrealized gain on qualifying derivatives	331	298
Other regulatory assets	234	321
Regulatory undercollections		22
Reacquired debt costs	93	25
Foreign plant - net	975	526
Foreign - other	22	36
Domestic - other	103	95
Total deferred tax liabilities	<u>5,360</u>	<u>4,438</u>
Net deferred tax liability	<u>\$ 3,571</u>	<u>\$ 2,710</u>

PPL had the following loss and tax credit carryforwards.

	<u>2011</u>	<u>2010</u>	<u>Expiration</u>
Loss carryforwards			
Federal net operating losses (a)	\$ 876	\$ 799	2028-2031
Federal capital losses (a)		155	2011-2014
State net operating losses (b)	4,537	4,168	2012-2031
State capital losses (b)	137	181	2011-2015
Foreign net operating losses	28		Indefinite
Foreign capital losses (c)	2,311	1,395	Indefinite
Credit carryforwards			
Federal investment tax credit (a)	180	125	2025-2031
Federal AMT credit (a)	20	20	Indefinite
Federal foreign tax credit	12		2017-2021
Federal - other (a)	28	24	2016-2031

- (a) 2010 loss and credit carryforwards associated with the acquisition of LKE. LKE's federal capital loss carryforwards were fully utilized in 2011.  
(b) 2010 state net operating loss and state capital loss carryforwards associated with the acquisition of LKE are \$1.0 billion and \$163 million.  
(c) 2011 includes \$456 million of foreign capital losses associated with WPD Midlands.

Valuation allowances have been established for the amount that, more likely than not, will not be realized. The changes in deferred tax valuation allowances were:

	<u>Balance at Beginning of Period</u>	<u>Additions</u>		<u>Deductions</u>	<u>Balance at End of Period</u>
		<u>Charged to Income</u>	<u>Charged to Other Accounts</u>		
2011	\$ 464	\$ 190	\$ 112 (a)	\$ 42 (b)	\$ 724
2010	312	221	6 (c)	75 (d)	464
2009	285	24	17 (e)	14 (f)	312

- (a) Primarily related to a \$101 million valuation allowance that was recorded against certain deferred tax assets as a result of the 2011 acquisition of WPD Midlands. See Note 10 for additional information on the acquisition.  
(b) The reduction of the U.K. statutory income tax rate resulted in a \$35 million reduction in the valuation allowance. See "Reconciliation of Income Tax Expense" below for more information on the impact of the U.K. Finance Act of 2011.  
(c) A valuation allowance was recorded against certain deferred tax assets as a result of the 2010 acquisition of LKE. See Note 10 for additional information on the acquisition.  
(d) Resulting from the projected revenue increase in connection with the expiration of the Pennsylvania generation rate caps in 2010, the valuation allowance related to state net operating loss carryforwards over the remaining carryforward period was reduced by \$72 million (or \$0.17 per share, basic and diluted).  
(e) Related to the change in foreign net operating loss carryforwards, including the change in foreign currency exchange rates.  
(f) Primarily from the projected revenue increase in connection with the expiration of the Pennsylvania generation rate caps in 2010, the valuation allowance related to a portion of state net operating loss carryforwards was reduced by \$13 million.

PPL Global does not pay or record U.S. income taxes on the undistributed earnings of WPD, as management has determined that the earnings are indefinitely reinvested. Historically, dividends paid by WPD have been distributions from current year's earnings. WPD's long-term working capital forecasts and capital expenditure projections for the

foreseeable future require reinvestment of WPD's undistributed earnings, and WPD would have to issue debt or access credit facilities to fund any distributions in excess of current earnings. Additionally, U.S. long-term working capital forecasts and capital expenditure projections for the foreseeable future do not require or contemplate distributions from WPD in excess of some portion of future WPD earnings. The cumulative undistributed earnings are included in "Earnings Reinvested" on the Balance Sheets. The amounts considered permanently reinvested at December 31, 2011 and 2010 were \$1.2 billion and \$837 million. If the WPD earnings were remitted as dividends, PPL Global could be subject to additional U.S. taxes, net of allowable foreign tax credits. It is not practicable to estimate the amount of additional taxes that could be payable on these foreign earnings.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income from Continuing Operations Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	2011	2010	2009
<b>Income Tax Expense (Benefit)</b>			
Current - Federal	\$ 54	\$ (51)	\$ (72)
Current - State	(20)	43	14
Current - Foreign	73	20	41
Total Current Expense (Benefit)	<u>107</u>	<u>12</u>	<u>(17)</u>
Deferred - Federal	558	358	130
Deferred - State	127	(82)	(10)
Deferred - Foreign	(23)	(9)	16
Total Deferred Expense (Benefit), excluding operating loss carryforwards	<u>662</u>	<u>267</u>	<u>136</u>
Investment tax credit, net - Federal	<u>(10)</u>	<u>(5)</u>	<u>(14)</u>
Tax benefit of operating loss carryforwards			
Deferred - Federal	(30)	6	
Deferred - State	<u>(38)</u>	<u>(17)</u>	
Total Tax Benefit of Operating Loss Carryforwards	<u>(68)</u>	<u>(11)</u>	
Total income taxes from continuing operations (a)	<u>\$ 691</u>	<u>\$ 263</u>	<u>\$ 105</u>
Total income tax expense - Federal	\$ 572	\$ 308	\$ 44
Total income tax expense - State	69	(56)	4
Total income tax expense - Foreign	50	11	57
Total income taxes from continuing operations (a)	<u>\$ 691</u>	<u>\$ 263</u>	<u>\$ 105</u>

- (a) Excludes current and deferred federal, state and foreign tax expense (benefit) recorded to Discontinued Operations of \$2 million in 2011, \$(6) million in 2010 and \$46 million in 2009. Excludes realized tax expense (benefits) related to stock-based compensation, recorded as a decrease (increase) to additional paid-in capital of \$3 million in 2011 and insignificant amounts in 2010 and 2009. Excludes tax benefits related to the issuance costs of the Purchase Contracts, recorded as an increase to additional paid-in capital in the amount of \$5 million in 2011 and \$10 million in 2010, offset by an insignificant amount of related valuation allowances for state deferred taxes in 2011. Also excludes federal, state, and foreign tax expense (benefit) recorded to OCI of \$(137) million in 2011, \$83 million in 2010 and \$358 million in 2009, and related valuation allowances for state deferred taxes in the amount of \$3 million for 2011.

	2011	2010	2009
<b>Reconciliation of Income Tax Expense</b>			
Federal income tax on Income from Continuing Operations Before Income Taxes at statutory tax rate - 35%	\$ 770	\$ 434	\$ 188
Increase (decrease) due to:			
State income taxes, net of federal income tax benefit	63	36	10
State valuation allowance adjustments (a)	36	(65)	(13)
Impact of lower U.K. income tax rates	(41)	(20)	(23)
U.S. income tax on foreign earnings - net of foreign tax credit (b)	(26)	34	(16)
Federal and state tax reserves adjustments (c)	39	(60)	(5)
Foreign tax reserves adjustments (d)	(141)		17
Federal and state income tax return adjustments (e)	(17)	(3)	21
Domestic manufacturing deduction (e) (f)		(11)	(3)
Health Care Reform (g)		8	
Foreign losses resulting from restructuring (d)		(261)	(46)
Enactment of the U.K.'s Finance Acts 2011 and 2010 (h)	(69)	(18)	
Federal income tax credits (i)	(13)	(12)	(2)
Depreciation not normalized (a)	(20)	(3)	(1)
Foreign valuation allowance adjustments (d)	147	215	
State deferred tax rate change (j)	(26)		
Other	(11)	(11)	(22)

Total increase (decrease)	(79)	(171)	(83)
Total income taxes from continuing operations	\$ 691	\$ 263	\$ 105
<b>Effective income tax rate</b>	31.4%	21.2%	19.5%

- (a) During 2011, the Pennsylvania Department of Revenue issued interpretive guidance on the treatment of bonus depreciation for Pennsylvania income tax purposes. In accordance with Corporation Tax Bulletin 2011-01, Pennsylvania allows 100% bonus depreciation for qualifying assets in the same year bonus depreciation is allowed for Federal income tax purposes. Due to the decrease in taxable income related to bonus depreciation and a decrease in projected future taxable income, PPL recorded \$43 million in state deferred income tax expense related to deferred tax valuation allowances.

Additionally, the 100% Pennsylvania bonus depreciation deduction created a current state income tax benefit for the flow-through impact of Pennsylvania regulated state tax depreciation.

Pennsylvania H.B. 1531, enacted in October 2009, increased the net operating loss limitation to 20% of taxable income for tax years beginning in 2010. During 2009, based on the projected revenue increase due to the expiration of the Pennsylvania generation rate caps in 2010, PPL recorded a \$13 million state deferred income tax benefit related to the reversal of deferred tax valuation allowances for a portion of its Pennsylvania net operating losses. During 2010, PPL recorded an additional \$72 million state deferred income tax benefit related to the reversal of deferred tax valuation allowances related to the future projections of taxable income over the remaining carryforward period of the net operating losses.

- (b) During 2011, PPL recorded a \$28 million federal income tax benefit related to U.K. pension contributions.

During 2010, PPL recorded additional U.S. income tax expense resulting from increased taxable dividends and certain restructuring of U.K. entities.

- (c) In 1997, the U.K. imposed a Windfall Profits Tax (WPT) on privatized utilities, including WPD. PPL filed its tax returns for years subsequent to its 1997 and 1998 claims for refund on the basis that the U.K. WPT was creditable. In September 2010, the U.S. Tax Court (Tax Court) ruled in PPL's favor in a dispute with the IRS, concluding that the U.K. WPT is a creditable tax for U.S. tax purposes. As a result and with the finalization of other issues, PPL recorded a \$42 million tax benefit in 2010. In January 2011, the IRS appealed the Tax Court's decision to the U.S. Court of Appeals for the Third Circuit (Third Circuit). In December 2011, the Third Circuit issued its opinion reversing the Tax Court's decision and holding that the U.K. WPT is not a creditable tax. As a result of the Third Circuit's adverse determination, PPL recorded a \$39 million expense in 2011. On February 27, 2012, PPL filed with the Third Circuit a petition for rehearing of its opinion on this matter.

In July 2010, the U.S. Tax Court ruled in PPL's favor in a dispute with the IRS, concluding that street lighting assets are depreciable for tax purposes over seven years. As a result, PPL recorded a \$7 million tax benefit to federal and state income tax reserves and related deferred income taxes. The IRS did not appeal this decision.

During 2011, 2010 and 2009, PPL recorded a \$6 million, \$7 million and \$6 million tax benefit to federal and state income tax reserves related to stranded cost securitization.

- (d) During 2011, WPD reached an agreement with the HM Revenue & Customs, the U.K. tax authority, related to the amount of the capital losses that resulted from prior years' restructuring in the U.K. and recorded a \$147 million foreign tax benefit for the reversal of tax reserves related to the capital losses. Additionally, WPD recorded a \$147 million valuation allowance for the amount of capital losses that, more likely than not, will not be utilized.

During 2010, PPL recorded a \$261 million foreign tax benefit in conjunction with losses resulting from restructuring in the U.K. A portion of these losses offset tax on a deferred gain from a prior year sale of WPD's supply business. WPD recorded a \$215 million valuation allowance for the amount of capital losses that, more likely than not, will not be realized.

During 2009, PPL recorded a \$46 million foreign tax benefit and a related \$46 million tax reserve related to losses resulting from restructuring in the U.K. Additionally, PPL recorded a \$29 million foreign tax benefit related to the resolution of a tax dispute and foreign currency exchange losses.

- (e) During 2011, PPL recorded \$17 million in federal and state tax benefits related to the filing of the 2010 federal and state income tax returns. Of this amount, \$7 million in tax benefits relate to an additional domestic manufacturing deduction resulting from revised bonus depreciation amounts and \$3 million in tax benefits relate to the flow-through impact of Pennsylvania regulated state tax depreciation.

During 2009, PPL received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL deducted the resulting IRC Sec. 481 adjustment on its 2008 federal income tax return and recorded a \$24 million adjustment to federal and state income tax expense resulting from the reduction in federal income tax benefits related to the domestic manufacturing deduction and certain state tax benefits related to state net operating losses and regulated depreciation.

- (f) During 2010, PPL recorded an increase in tax benefits related to domestic manufacturing deductions due to an increase in domestic taxable income resulting from the expiration of generation rate caps in 2010. In December 2010, Congress enacted legislation allowing for 100% bonus depreciation on qualified property. The increased tax depreciation deduction related to bonus depreciation significantly reduced the tax benefits related to domestic manufacturing deductions during 2010 and eliminated the tax benefit in 2011.
- (g) Beginning in 2013, provisions within Health Care Reform eliminated the tax deductibility of retiree health care costs to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D Coverage. As a result, PPL recorded deferred income tax expense during 2010. See Note 13 for additional information.
- (h) The U.K.'s Finance Act of 2011, enacted in July 2011, included reductions in the U.K. statutory income tax rate. The statutory income tax rate was reduced from 27% to 26% retroactive to April 1, 2011 and will be reduced from 26% to 25% effective April 1, 2012. As a result, PPL reduced its net deferred tax liabilities and recognized a deferred tax benefit during 2011 related to both tax rate decreases.

The U.K.'s Finance Act of 2010, enacted in July 2010, included a reduction in the U.K. statutory income tax rate. Effective April 1, 2011, the statutory income tax rate was reduced from 28% to 27%. As a result, PPL reduced its net deferred tax liabilities and recognized a deferred tax benefit.

- (i) During 2011 and 2010, PPL recorded a deferred tax benefit related to investment tax credits on progress expenditures related to hydroelectric plant expansions. See Note 8 for additional information.
- (j) During 2011, PPL completed the sale of certain non-core generation facilities. See Note 9 for additional information. Due to changes in state apportionment resulting in the reduction in the future estimated state tax rate, PPL recorded a deferred tax benefit related to its December 31, 2011 state deferred tax liabilities.

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Taxes, other than income</b>			
State gross receipts	\$ 140	\$ 145	\$ 187
State utility realty	(9)	5	5
State capital stock	18	6	6
Foreign property	113	52	57
Domestic property and other	64	30	25
Total	<u>\$ 326</u>	<u>\$ 238</u>	<u>\$ 280</u>

See Note 6 for information on a settlement related to PURTA tax that was returned to PPL Electric customers.

*(PPL Energy Supply)*

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their basis for income tax purposes and the tax effects of net operating loss and tax credit carryforwards.

Net deferred tax assets have been recognized based on management's estimates of future taxable income for the U.S. and certain foreign jurisdictions in which PPL Energy Supply's operations have historically been profitable.

Significant components of PPL Energy Supply's deferred income tax assets and liabilities were as follows:

	<u>2011</u>	<u>2010</u>
<b>Deferred Tax Assets</b>		
Deferred investment tax credits	\$ 55	\$ 33
Accrued pension costs	100	100
Accrued litigation costs	1	31
Federal loss carryforwards	1	
Federal tax credit carryforwards	58	
State loss carryforwards	78	111
Foreign capital loss carryforwards		377
Foreign - pensions		87
Foreign - other		8
Domestic - other	79	84
Valuation allowances	(72)	(408)
Total deferred tax assets	<u>300</u>	<u>423</u>
<b>Deferred Tax Liabilities</b>		
Domestic plant - net	1,407	1,246
Unrealized gain on qualifying derivatives	380	326
Foreign - plant		526
Foreign - other		36
Domestic other	51	52
Total deferred tax liabilities	<u>1,838</u>	<u>2,186</u>
Net deferred tax liability	<u>\$ 1,538</u>	<u>\$ 1,763</u>

PPL Energy Supply had the following loss and tax credit carryforwards.

	<u>2011</u>	<u>2010</u>	<u>Expiration</u>
<b>Loss carryforwards</b>			
Federal net operating losses	\$ 3		2031
State net operating losses (a)	1,198	\$ 1,714	2012-2031
Foreign capital losses (a)		1,395	Indefinite
<b>Credit carryforwards</b>			
Federal investment tax credit	55		2031
Federal - other	3		2031

- (a) During 2011, PPL Energy Supply distributed its membership interest in PPL Global to PPL Energy Funding. See Note 9 for additional information.

Valuation allowances have been established for the amount that, more likely than not, will not be realized. The changes in deferred tax valuation allowances were:

	Balance at Beginning of Period	Additions		Deductions	Balance at End of Period
		Charged to Income	Charged to Other Accounts		
2011	\$ 408	\$ 22		\$ 358 (a)	\$ 72
2010	255	205		52 (b)	408
2009 (c)	226	12	\$ 17 (d)		255

- (a) During 2011, PPL Energy Supply distributed its membership interest in PPL Global to PPL Energy Funding. See Note 9 for additional information.
- (b) Resulting from the projected revenue increase in connection with the expiration of the Pennsylvania generation rate caps in 2010, the valuation allowance related to state net operating loss carryforwards over the remaining carryforward period was reduced by \$52 million.
- (c) Pennsylvania state legislation, enacted in 2007 and 2009, increased the net operating loss limitation. As a result, the deferred tax asset (and related valuation allowance) associated with certain of its Pennsylvania net operating loss carryforwards for all periods presented were increased to reflect the higher limitation. There was no impact on the net deferred tax asset position as a result of the legislation and related adjustments.
- (d) Primarily related to the change in foreign net operating loss carryforwards including the change in currency exchange rates.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income (Loss) from Continuing Operations Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	2011	2010	2009
<b>Income Tax Expense (Benefit)</b>			
Current - Federal	\$ 139	\$ 208	\$ (137)
Current - State	(12)	78	(7)
Total Current Expense (Benefit)	127	286	(144)
Deferred - Federal	251	66	128
Deferred - State	70	(89)	31
Total Deferred Expense (Benefit)	321	(23)	159
Investment tax credit, net - federal	(3)	(2)	(12)
Total income taxes from continuing operations (a)	\$ 445	\$ 261	\$ 3
Total income tax expense (benefit) - Federal	\$ 387	\$ 272	\$ (21)
Total income tax expense (benefit) - State	58	(11)	24
Total income taxes from continuing operations (a)	\$ 445	\$ 261	\$ 3

- (a) Excludes current and deferred federal, state and foreign tax expense (benefit) recorded to Discontinued Operations of \$3 million in 2011, \$(5) million in 2010 and \$66 million in 2009. Also, excludes federal, state and foreign tax expense (benefit) recorded to OCI of \$(83) million in 2011, \$132 million in 2010 and \$338 million in 2009. The deferred tax benefit of operating loss carryforwards was insignificant for 2011, 2010 and 2009.

	2011	2010	2009
<b>Reconciliation of Income Tax Expense</b>			
Federal income tax on Income from Continuing Operations Before Income Taxes at statutory tax rate - 35%	\$ 424	\$ 308	\$ (5)
Increase (decrease) due to:			
State income taxes, net of federal income tax benefit	60	41	2
State valuation allowance adjustments (a)	22	(52)	
State deferred tax rate change (b)	(26)		
Federal and state tax reserves adjustments	2	(11)	(3)
Domestic manufacturing deduction (c) (d)		(11)	(3)
Federal and state income tax return adjustments (d)	(22)	(6)	23
Health Care Reform (e)		5	
Federal income tax credits (f)	(12)	(12)	(2)
Other	(3)	(1)	(9)
Total increase (decrease)	21	(47)	8

Total income taxes from continuing operations	\$ 445	\$ 261	\$ 3
<b>Effective income tax rate</b>	36.7%	29.6%	(23.1)%

- (a) During 2011, the Pennsylvania Department of Revenue issued interpretive guidance on the treatment of bonus depreciation for Pennsylvania income tax purposes. In accordance with Corporation Tax Bulletin 2011-01, Pennsylvania allows 100% bonus depreciation for qualifying assets in the same year bonus depreciation is allowed for Federal income tax purposes. Due to the decrease in taxable income related to bonus depreciation and a decrease in projected future taxable income, PPL Energy Supply recorded \$22 million state deferred income tax expense related to deferred tax valuation allowances.

Pennsylvania H.B. 1531, enacted in October 2009, increased the net operating loss limitation to 20% of taxable income for tax years beginning in 2010. Based on the projected revenue increase related to the expiration of the generation rate caps, PPL Energy Supply recorded a \$52 million state deferred income tax benefit related to the reversal of deferred tax valuation allowances over the remaining carry forward period of the net operating losses.

- (b) During 2011, PPL Energy Supply completed the sale of certain non-core generation facilities. See Note 9 for additional information. Due to changes in state apportionment resulting in the reduction in the future estimated state tax rate, PPL Energy Supply recorded a deferred tax benefit related to its December 31, 2011 state deferred tax liabilities.
- (c) During 2010, PPL Energy Supply recorded an increase in tax benefits related to domestic manufacturing deductions due to an increase in domestic taxable income resulting from the expiration of Pennsylvania generation rate caps in 2010. In December 2010, Congress enacted legislation allowing for 100% bonus depreciation on qualified property. The increased tax depreciation deduction related to bonus depreciation significantly reduced the tax benefits related to domestic manufacturing deductions during 2010 and eliminated the tax benefit in 2011.
- (d) During 2011, PPL recorded \$22 million in federal and state tax benefits related to the filing of the 2010 federal and state income tax returns. \$7 million in tax benefits relate to an additional domestic manufacturing deduction resulting from revised bonus depreciation amounts.

During 2009, PPL Energy Supply received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL Energy Supply deducted the resulting IRC Sec. 481 adjustment on its 2008 federal income tax return and recorded a \$21 million adjustment to federal and state income tax expense resulting from the reduction in federal income tax benefits related to the domestic manufacturing deduction and certain state tax benefits related to state net operating losses.

- (e) Beginning in 2013, provisions within Health Care Reform eliminated the tax deductibility of retiree health care costs to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D Coverage. As a result, PPL Energy Supply recorded deferred income tax expense during 2010. See Note 13 for additional information.
- (f) During 2011 and 2010, PPL Energy Supply recorded a deferred tax benefit related to investment tax credits on progress expenditures related to hydroelectric plant expansions. See Note 8 for additional information.

	2011	2010	2009
<b>Taxes, other than income</b>			
State gross receipts	\$ 31	\$ 15	
State realty	1		
State capital stock	12	4	\$ 3
Domestic property and other	27	27	26
Total	<u>\$ 71</u>	<u>\$ 46</u>	<u>\$ 29</u>

(PPL Electric)

The provision for PPL Electric's deferred income taxes for regulated assets is based upon the ratemaking principles reflected in rates established by the PUC and the FERC. The difference in the provision for deferred income taxes for regulated assets and the amount that otherwise would be recorded under GAAP is deferred and included in "Regulatory assets" on the Balance Sheets.

Significant components of PPL Electric's deferred income tax assets and liabilities were as follows:

	2011	2010
<b>Deferred Tax Assets</b>		
Deferred investment tax credits	\$ 2	\$ 3
Accrued pension costs	93	89
Contributions in aid of construction	104	103
Regulatory obligations	25	4
State loss carryforwards	26	11
Federal loss carryforwards	3	
Other	30	43
Total deferred tax assets	<u>283</u>	<u>253</u>
<b>Deferred Tax Liabilities</b>		
Electric utility plant - net	1,078	934
Taxes recoverable through future rates	120	105
Reacquired debt costs	32	12
Regulatory undercollections		22
Other regulatory assets	114	108
Other	29	19



Total deferred tax liabilities	1,373	1,200
Net deferred tax liability	<u>\$ 1,090</u>	<u>\$ 947</u>

PPL Electric had the following loss carryforwards.

	<u>2011</u>	<u>2010</u>	<u>Expiration</u>
Loss carryforwards			
Federal net operating losses	\$ 14		2031
State net operating losses	404	\$ 176	2030-2031

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Income Tax Expense (Benefit)</b>			
Current - Federal	\$ (25)	\$ (127)	\$ 80
Current - State	(13)	(14)	22
Total Current Expense	<u>(38)</u>	<u>(141)</u>	<u>102</u>
Deferred - Federal	123	184	(4)
Deferred - State	25	27	(17)
Total Deferred Expense	<u>148</u>	<u>211</u>	<u>(21)</u>
Investment tax credit, net - Federal	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Tax benefit of operating loss carryforwards			
Deferred - Federal	(12)	6	
Deferred - State	(28)	(17)	
Total Tax Benefit of Operating Loss Carryforwards	<u>(40)</u>	<u>(11)</u>	
Total income taxes	<u>\$ 68</u>	<u>\$ 57</u>	<u>\$ 79</u>
Total income tax expense - Federal	\$ 84	\$ 61	\$ 74
Total income tax expense - State	(16)	(4)	5
Total income taxes	<u>\$ 68</u>	<u>\$ 57</u>	<u>\$ 79</u>
	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Reconciliation of Income Taxes</b>			
Federal income tax on Income Before Income Taxes at statutory tax rate - 35%	\$ 90	\$ 67	\$ 77
Increase (decrease) due to:			
State income taxes, net of federal income tax benefit	12	9	10
Amortization of investment tax credit	(2)	(2)	(2)
Federal and state tax reserves adjustments (a)	(9)	(12)	(7)
Federal and state income tax return adjustments (b) (c)	(4)	(1)	4
Depreciation not normalized (c)	(17)	(3)	(1)
Other	(2)	(1)	(2)
Total increase (decrease)	<u>(22)</u>	<u>(10)</u>	<u>2</u>
Total income tax expense	<u>\$ 68</u>	<u>\$ 57</u>	<u>\$ 79</u>
<b>Effective income tax rate</b>	26.5%	29.7%	35.7%

- (a) In July 2010, the U.S. Tax Court ruled in PPL Electric's favor in a dispute with the IRS, concluding that street lighting assets are depreciable for tax purposes over seven years. As a result, PPL Electric recorded a \$7 million tax benefit to federal and state income tax reserves and related deferred income taxes. The IRS did not appeal this decision.

During 2011, 2010 and 2009 PPL Electric recorded a \$6 million, \$7 million and \$6 million tax benefit to federal and state income tax reserves related to stranded cost securitization.

- (b) During 2009, PPL Electric received consent from the IRS to change its method of accounting for certain expenditures for tax purposes. PPL Electric deducted the resulting IRC Sec. 481 amount on its 2008 federal income tax return and recorded a \$3 million adjustment to federal and state income tax expense resulting from the reversal of prior years' state income tax benefits related to regulated depreciation.
- (c) In February 2011, the Pennsylvania Department of Revenue issued interpretive guidance on the treatment of bonus depreciation for Pennsylvania income tax purposes. In accordance with Corporation Tax Bulletin 2011-01, Pennsylvania allows 100% bonus depreciation for qualifying assets in the same year bonus depreciation is allowed for Federal income tax purposes. The 100% Pennsylvania bonus depreciation deduction created a current state income tax benefit for the flow-through impact of Pennsylvania regulated state tax depreciation.

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Taxes, other than income</b>			

State gross receipts	\$	109	\$	130	\$	187
State utility realty		(10)		5		5
State capital stock		4		2		2
Property and other		1		1		
Total	\$	<u>104</u>	\$	<u>138</u>	\$	<u>194</u>

See Note 6 for information on a settlement related to PURTA tax that was returned to PPL Electric customers.

(LKE)

The provision for LKE's deferred income taxes for regulated assets is based upon the ratemaking principles reflected in rates established by the KPSC, VSCC, TRA and the FERC. The difference in the provision for deferred income taxes for regulated assets and the amount that otherwise would be recorded under GAAP is deferred and included in "Regulatory liabilities" on the Balance Sheets.

Significant components of LKE's deferred income tax assets and liabilities were as follows:

	2011	2010
<b>Deferred Tax Assets</b>		
Net operating loss carryforward	\$ 318	\$ 319
Advanced coal and other tax credits	170	169
Regulatory liabilities and other	154	205
Accrued pension costs	67	69
Federal and state capital loss carryforward	5	60
Income taxes due from customers	30	30
Deferred investment tax credit (a)	56	10
Valuation allowances	(5)	(6)
Total deferred tax assets	<u>795</u>	<u>856</u>
<b>Deferred Tax Liabilities</b>		
Plant - net	986	789
Regulatory assets and other	205	241
Total deferred tax liabilities	<u>1,191</u>	<u>1,030</u>
Net deferred tax liability	<u>\$ 396</u>	<u>\$ 174</u>

(a) Changes in balance primarily relate to investment tax credits for TC2, which began dispatching electricity in January 2011. See discussion on TC2 below.

LKE expects to have adequate levels of taxable income to realize its recorded deferred income tax assets.

LKE had the following loss and tax credit carryforwards.

	2011	2010	Expiration
<b>Loss carryforwards</b>			
Federal net operating losses	\$ 805	\$ 799	2028-2029
Federal capital losses (a)		155	2011-2014
State net operating losses	999	1,039	2028 and 2030
State capital losses	118	163	2011-2014
<b>Credit carryforwards</b>			
Federal investment tax credit	125	125	2025-2028
Federal AMT credit	20	20	Indefinite
Federal - other	25	24	2016-2031

(a) Fully utilized against capital gains generated during 2011.

Changes in deferred tax valuation allowances were:

	Balance at Beginning of Period		Additions		Deductions		Balance at End of Period
2011	\$ 6				\$ 1 (c)		\$ 5
2010	7	\$	6 (b)		7 (d)		6
2009			7 (a)				7

- (a) A valuation allowance was recorded against deferred tax assets for federal capital loss carryforwards.  
 (b) A valuation allowance was recorded against deferred tax assets for state capital loss carryforwards.  
 (c) Primarily related to the expiration of state capital loss carryforwards.  
 (d) Related to release of a valuation allowance associated with federal capital loss carryforwards due to the LKE acquisition by PPL.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Income Tax Expense (Benefit)</b>				
Current - Federal	\$ (71)	\$ (31)	\$ 33	\$ 36
Current - State	6	4	11	3
Total Current Expense	(65)	(27)	44	39
Deferred - Federal	208	52	62	40
Deferred - State	16	1	5	6
Total Deferred Expense	224	53	67	46
Investment tax credit, net - Federal	(6)	(1)	(2)	(3)
Total income tax expense from continuing operations (a)	\$ 153	\$ 25	\$ 109	\$ 82
Total income tax expense - Federal	\$ 131	\$ 20	\$ 93	\$ 73
Total income tax expense - State	22	5	16	9
Total income tax expense from continuing operations (a)	\$ 153	\$ 25	\$ 109	\$ 82

- (a) Excludes current and deferred federal and state tax expense (benefit) recorded to Discontinued Operations of \$(1) million in 2011, \$1 million for the two month period ended December 31, 2010, \$(1) million for the ten month period ended October 31, 2010 and \$(116) million in 2009. Excludes deferred federal and state tax expense (benefit) recorded to OCI of \$(1) million in 2011, \$3 million for the two month period ended December 31, 2010, \$(7) million for the ten month period ended October 31, 2010 and \$12 million in 2009. Also excludes deferred federal and state tax expense recorded to Regulatory assets of \$1 million in 2011, \$2 million for the two month period ended December 31, 2010, \$8 million for the ten month period ended October 31, 2010 and \$11 million in 2009.

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Reconciliation of Income Taxes</b>				
Federal income tax on Income Before Income Taxes at statutory tax rate - 35%	\$ 147	\$ 25	\$ 105	\$ (432)
State income taxes, net of federal income tax benefit	15	2	9	7
Goodwill impairment				523
Amortization of investment tax credit	(5)		(2)	(3)
Other	(4)	(2)	(3)	(13)
Total increase (decrease)	6		4	514
Total income tax expense from continuing operations	\$ 153	\$ 25	\$ 109	\$ 82
<b>Effective income tax rate</b>	36.5%	35.7%	36.3%	(6.6)%

Successor	Predecessor
Two Months	Ten Months

	Year Ended December 31, 2011	Ended December 31, 2010	Ended October 31, 2010	Year Ended December 31, 2009
<b>Taxes, other than income</b>				
Property and other	\$ 37	\$ 2	\$ 21	\$ 31
Total	<u>\$ 37</u>	<u>\$ 2</u>	<u>\$ 21</u>	<u>\$ 31</u>

(LG&amp;E)

The provision for LG&E's deferred income taxes for regulated assets is based upon the ratemaking principles reflected in rates established by the KPSC and the FERC. The difference in the provision for deferred income taxes for regulated assets and the amount that otherwise would be recorded under GAAP is deferred and included in "Regulatory liabilities" on the Balance Sheets.

Significant components of LG&E's deferred income tax assets and liabilities were as follows:

	2011	2010
<b>Deferred Tax Assets</b>		
Regulatory liabilities and other	\$ 65	\$ 86
Deferred investment tax credit (a)	17	8
Income taxes due to customers	23	25
Liabilities and other	10	10
Total deferred tax assets	<u>115</u>	<u>129</u>
<b>Deferred Tax Liabilities</b>		
Plant - net	462	422
Regulatory assets and other	107	108
Accrued pension costs	19	16
Total deferred tax liabilities	<u>588</u>	<u>546</u>
Net deferred tax liability	<u>\$ 473</u>	<u>\$ 417</u>

- (a) Changes in balance primarily relate to investment tax credits for TC2, which began dispatching electricity in January 2011. See discussion on TC2 below.

LG&E expects to have adequate levels of taxable income to realize its recorded deferred income tax assets.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Income Tax Expense (Benefit)</b>				
Current - Federal	\$ 12	\$ (4)	\$ 32	\$ 26
Current - State	8	1	5	4
Total Current Expense	<u>20</u>	<u>(3)</u>	<u>37</u>	<u>30</u>
Deferred - Federal	52	12	21	14
Deferred - State	2	1	2	2
Total Deferred Expense	<u>54</u>	<u>13</u>	<u>23</u>	<u>16</u>
Investment tax credit, net - Federal	(3)		(2)	1
Total income tax expense (a)	<u>\$ 71</u>	<u>\$ 10</u>	<u>\$ 58</u>	<u>\$ 47</u>
Total income tax expense - Federal	\$ 61	\$ 8	\$ 51	\$ 41
Total income tax expense - State	10	2	7	6
Total income tax expense (a)	<u>\$ 71</u>	<u>\$ 10</u>	<u>\$ 58</u>	<u>\$ 47</u>

- (a) Excludes deferred federal and state tax expense recorded to OCI of \$7 million for the ten month period ended October 31, 2010 and \$2 million in 2009. Also excludes deferred federal and state tax expense recorded to Regulatory assets of \$2 million in 2011, \$1 million for the two month period ended December 31, 2010, \$6 million for the ten month period ended October 31, 2010 and \$5 million in 2009.

	Two Months Ended		Ten Months Ended	
	Year Ended December 31, 2011	December 31, 2010	October 31, 2010	Year Ended December 31, 2009
<b>Reconciliation of Income Taxes</b>				
Federal income tax on Income Before Income Taxes at statutory tax rate - 35%	\$ 68	\$ 10	\$ 58	\$ 50
State income taxes, net of federal income tax benefit	7	1	4	4
Other	(4)	(1)	(4)	(7)
Total increase (decrease)	3			(3)
Total income tax expense	\$ 71	\$ 10	\$ 58	\$ 47
<b>Effective income tax rate</b>	36.4%	34.5%	34.7%	33.1%
	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Taxes, other than income</b>				
Property and other	\$ 18	\$ 1	\$ 12	\$ 16
Total	\$ 18	\$ 1	\$ 12	\$ 16

(KU)

The provision for KU's deferred income taxes for regulated assets is based upon the ratemaking principles reflected in rates established by the KPSC, VSCC, TRA and the FERC. The difference in the provision for deferred income taxes for regulated assets and the amount that otherwise would be recorded under GAAP is deferred and included in "Regulatory liabilities" on the Balance Sheets.

Significant components of KU's deferred income tax assets and liabilities were as follows:

	2011	2010
<b>Deferred Tax Assets</b>		
Regulatory liabilities and other	\$ 58	\$ 92
Deferred investment tax credit (a)	39	1
Income taxes due to customers	7	5
Accrued pension costs	9	9
Liabilities and other	6	6
Total deferred tax assets	119	113
<b>Deferred Tax Liabilities</b>		
Plant - net	500	350
Regulatory assets and other	98	133
Total deferred tax liabilities	598	483
Net deferred tax liability	\$ 479	\$ 370

(a) Changes in balance primarily relate to investment tax credits for TC2, which began dispatching electricity in January 2011. See discussion on TC2 below.

KU expects to have adequate levels of taxable income to realize its recorded deferred income tax assets.

Details of the components of income tax expense, a reconciliation of federal income taxes derived from statutory tax rates applied to "Income Before Income Taxes" to income taxes for reporting purposes, and details of "Taxes, other than income" were:

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Income Tax Expense (Benefit)</b>				
Current - Federal	\$ (8)	\$ 13	\$ 46	\$ (5)
Current - State	4	3	9	1

Total Current Expense	(4)	16	55	(4)
Deferred - Federal	101	4	20	43
Deferred - State	10		3	7
Total Deferred Expense	111	4	23	50
Investment tax credit, net - Federal	(3)			21
Total income tax expense (a)	\$ 104	\$ 20	\$ 78	\$ 67
Total income tax expense - Federal	\$ 90	\$ 17	\$ 66	\$ 59
Total income tax expense - State	14	3	12	8
Total income tax expense (a)	\$ 104	\$ 20	\$ 78	\$ 67

- (a) Excludes deferred federal and state tax (benefit) recorded to OCI of \$(1) million for the ten month period ended October 31, 2010. Also excludes deferred federal and state tax expense (benefit) recorded to Regulatory assets of \$(1) million for the two month period ended December 31, 2010, \$2 million for the ten month period ended October 31, 2010 and \$7 million in 2009.

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Reconciliation of Income Taxes</b>				
Federal income tax on Income Before Income Taxes at statutory tax rate - 35%	\$ 99	\$ 19	\$ 77	\$ 70
State income taxes, net of federal income tax benefit	9	2	8	5
Other	(4)	(1)	(7)	(8)
Total increase (decrease)	5	1	1	(3)
Total income tax expense	\$ 104	\$ 20	\$ 78	\$ 67
<b>Effective income tax rate</b>	36.9%	36.4%	35.8%	33.5%

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Taxes, other than income</b>				
Property and other	\$ 19	\$ 1	\$ 9	\$ 14
Total	\$ 19	\$ 1	\$ 9	\$ 14

(LKE, LG&E and KU)

In June 2006, LG&E and KU filed a joint application with the DOE requesting certification to be eligible for \$125 million in investment tax credits (\$24 million to LG&E and \$101 million to KU) applicable to the construction of TC2. All necessary DOE and IRS approvals were subsequently received. In September 2007, LG&E and KU received an Order from the KPSC approving the accounting of the investment tax credits, which includes full depreciation basis adjustment for the amount of the credits. The income tax impacts from recording the depreciation basis adjustment and from amortizing these credits over the life of the related property began in January 2011, when LKE began dispatching electricity from TC2 to meet customer demand. In 2011, \$2 million of net tax benefits were recognized for LG&E and KU.

#### Unrecognized Tax Benefits (PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)

Changes to unrecognized tax benefits were as follows:

	2011	2010
<b>PPL</b>		
Beginning of period	\$ 251	\$ 212
Additions based on tax positions of prior years	40	68
Reductions based on tax positions of prior years	(160)	(50)
Additions based on tax positions related to the current year	25	43
Reductions based on tax positions related to the current year	(4)	(2)
Settlements		(17)
Lapse of applicable statute of limitation	(10)	(8)
Acquisition of LKE		3

Effects of foreign currency translation		3		2
End of period		<u>\$ 145</u>		<u>\$ 251</u>
<b>PPL Energy Supply</b>				
Beginning of period	\$	183	\$	124
Additions based on tax positions of prior years		1		65
Reductions based on tax positions of prior years				(47)
Additions based on tax positions related to the current year				43
Reductions based on tax positions related to the current year		(1)		(3)
Settlements				(1)
Derecognize unrecognized tax benefits (a)		(155)		
Effects of foreign currency translation				2
End of period		<u>\$ 28</u>		<u>\$ 183</u>
<b>PPL Electric</b>				
Beginning of period	\$	62	\$	74
Additions based on tax positions of prior years				3
Reductions based on tax positions of prior years				(5)
Additions based on tax positions related to the current year		22		
Reductions based on tax positions related to the current year		(1)		(2)
Lapse of applicable statute of limitation		(10)		(8)
End of period		<u>\$ 73</u>		<u>\$ 62</u>

- (a) Represents unrecognized tax benefits derecognized as a result of PPL Energy Supply's distribution of its membership interest in PPL Global to PPL Energy Supply's parent, PPL Energy Funding. See Note 9 for additional information on the distribution.

LKE's, LG&E's and KU's unrecognized tax benefits and changes in those unrecognized tax benefits are insignificant at December 31, 2011 and December 31, 2010.

At December 31, 2011, it was reasonably possible that during the next 12 months the total amount of unrecognized tax benefits could increase or decrease by the following amounts. For LKE, LG&E and KU, no significant changes in unrecognized tax benefits are projected over the next 12 months.

	<u>Increase</u>	<u>Decrease</u>
PPL	\$ 43	\$ 129
PPL Energy Supply	1	27
PPL Electric	48	63

These potential changes could result from subsequent recognition, derecognition and/or changes in the measurement of uncertain tax positions related to the creditability of foreign taxes, the timing and utilization of foreign tax credits and the related impact on alternative minimum tax and other credits, the timing and/or valuation of certain deductions, intercompany transactions and unitary filing groups. The events that could cause these changes are direct settlements with taxing authorities, litigation, legal or administrative guidance by relevant taxing authorities and the lapse of an applicable statute of limitation.

At December 31, the total unrecognized tax benefits and related indirect effects that, if recognized, would decrease the effective tax rate were as follows. The amounts for LKE, LG&E and KU were insignificant.

	<u>2011</u>	<u>2010</u>
PPL	\$ 41	\$ 183
PPL Energy Supply	13	167
PPL Electric	8	13

At December 31, 2011 and 2010, the following receivable (payable) balances were recorded for interest related to tax positions. The amounts for LKE, LG&E and KU were insignificant.

	<u>2011</u>	<u>2010</u>
PPL	\$ (20)	\$ 7
PPL Energy Supply	2	8
PPL Electric	8	3

The following interest expense (benefit) was recognized in income taxes. The amounts for LKE, LG&E and KU were insignificant.

	<u>2011</u>		<u>2010</u>		<u>2009</u>
PPL	\$ 27	\$	(39)	\$	1
PPL Energy Supply	6		(30)		(1)
PPL Electric	(5)		(8)		(2)

PPL or its subsidiaries file tax returns in five major tax jurisdictions. The income tax provisions for PPL Energy Supply, PPL Electric, LKE, LG&E and KU are calculated in accordance with an intercompany tax sharing policy which provides that taxable income be calculated as if each domestic subsidiary filed a separate consolidated return. Based on this tax sharing agreement, PPL Energy Supply or its subsidiaries indirectly or directly file tax returns in three major tax jurisdictions, PPL Electric or its subsidiaries indirectly or directly file tax returns in two major tax jurisdictions, and LKE, LG&E and KU or their subsidiaries indirectly or directly file tax returns in two major tax jurisdictions. With few exceptions, at December 31, 2011, these jurisdictions, as well as the tax years that are no longer subject to examination, were as follows:

	<u>PPL</u>			<u>LKE</u>	<u>LG&amp;E</u>	<u>KU</u>
	<u>PPL</u>	<u>Energy Supply</u>	<u>PPL Electric</u>			
U.S. (federal) (a)	1997 and prior	1997 and prior	1997 and prior	10/31/2010 and prior	10/31/2010 and prior	10/31/2010 and prior
Pennsylvania (state)	2004 and prior	2004 and prior	2004 and prior			
Kentucky (state)	2006 and prior			2006 and prior	2006 and prior	2006 and prior
Montana (state)	2008 and prior	2008 and prior				
U.K. (foreign) (b)	2009 and prior					

- (a) For LKE, LG&E and KU 2008 and 2009, as well as the ten month period ending October 31, 2010, remain open under the standard three year statute of limitations; however, the IRS has completed its audit of these periods under the Compliance Assurance Process, effectively closing them to audit adjustments. No issues remain outstanding.
- (b) Through an indirect wholly owned subsidiary, PPL acquired WPD Midlands on April 1, 2011. PPL is obligated for the acquired companies' tax liability commencing with tax year 2011. The acquired companies are no longer subject to audit for 2007 and prior years.

#### Other (PPL, PPL Energy Supply and PPL Electric)

PPL changed its method of accounting for repair expenditures for tax purposes effective for its 2008 tax year for the Pennsylvania generation, transmission and distribution operations. The same change was made for the Montana generation operations for 2009.

In August 2011, the IRS issued Rev. Procs. 2011-42 and 2011-43. Rev. Proc. 2011-42 provides guidance regarding the use and evaluation of statistical samples and sampling estimates. Rev. Proc. 2011-43 provides a safe harbor method of determining whether the repair expenditures for electric transmission and distribution property can be currently deducted for tax purposes. If PPL adopts the safe harbor method of Rev. Proc. 2011-43, the amount of deductible versus capitalizable expenditures will likely be different from PPL's current method. PPL does not believe any resulting adjustment to unrecognized tax benefits or income tax liabilities will have a significant impact on net income.

The IRS has not issued guidance to provide a safe harbor method for repair expenditures for generation property. The IRS may assert and ultimately conclude that PPL's deduction for generation-related expenditures should be disallowed in whole or in part. PPL believes that it has provided adequate reserves for this issue.

## **6. Utility Rate Regulation**

*(PPL, PPL Electric, LKE, LG&E and KU)*

As discussed in Note 1 and summarized below, PPL, PPL Electric, LKE, LG&E and KU reflect the effects of regulatory actions in the financial statements for their cost-based rate-regulated utility operations. Regulatory assets and liabilities are classified as current if, upon initial recognition, the entire amount related to that item will be recovered or refunded within a year of the balance sheet date. As such, the primary items classified as current are related to rate mechanisms that periodically adjust to account for over- or under-collections.



*(PPL, LKE, LG&E and KU)*

LG&E is subject to the jurisdiction of the KPSC and FERC, and KU is subject to the jurisdiction of the KPSC, FERC, VSCC and TRA.

LG&E's and KU's Kentucky base rates are calculated based on a return on capitalization (common equity, long-term debt and notes payable) including certain adjustments to exclude non-regulated investments and environmental compliance costs recovered separately through the ECR mechanism. As such, regulatory assets generally earn a return.

As a result of purchase accounting requirements, certain fair value amounts related to contracts that had favorable or unfavorable terms relative to market were recorded on the Balance Sheets with an offsetting regulatory asset or liability. LG&E and KU recover in customer rates the cost of coal contracts, power purchases and emission allowances. As a result, management believes the regulatory assets and liabilities created to offset the fair value amounts at the acquisition date meet the recognition criteria established by existing accounting guidance and eliminate any rate making impact of the fair value adjustments. LG&E's and KU's customer rates will continue to reflect the original contracted prices for these contracts.

*(PPL, LKE and KU)*

KU's Virginia base rates are calculated based on a return on rate base (net utility plant plus working capital less deferred taxes and miscellaneous deductions). All regulatory assets and liabilities, except the levelized fuel factor, are excluded from the return on rate base utilized in the calculation of Virginia base rates; therefore, no return is earned on the related assets.

KU's rates to municipal customers for wholesale requirements are calculated based on annual updates to a rate formula that utilizes a return on rate base (net utility plant plus working capital less deferred taxes and miscellaneous deductions). All regulatory assets and liabilities are excluded from the return on rate base utilized in the development of municipal rates; therefore, no return is earned on the related assets.

*(PPL and PPL Electric)*

PPL Electric's distribution base rates are calculated based on a return on rate base (net utility plant plus a cash working capital allowance less plant-related deferred taxes and other miscellaneous additions and deductions). PPL Electric's transmission revenues are billed in accordance with a FERC tariff that allows for recovery of transmission costs incurred, a return on transmission-related plant and an automatic annual update. See "Transmission Formula Rate" below for additional information on this tariff. All regulatory assets and liabilities are excluded from distribution and transmission return on investment calculations; therefore, generally no return is earned on PPL Electric's regulatory assets.

*(PPL, PPL Electric, LKE, LG&E and KU)*

The following tables provide information about the regulatory assets and liabilities of cost-based rate-regulated utility operations.

	PPL		PPL Electric	
	2011	2010	2011	2010
Current Regulatory Assets:				
Generation supply charge (a)		\$ 45		\$ 45
Universal service rider		10		10
Gas supply clause	\$ 6	4		
Fuel adjustment clause	3	3		
Other		23		8
Total current regulatory assets	\$ 9	\$ 85		\$ 63
Noncurrent Regulatory Assets:				
Defined benefit plans	\$ 615	\$ 592	\$ 276	\$ 262
Taxes recoverable through future rates	289	254	289	254
Storm costs	154	129	31	7

Unamortized loss on debt	110	61	77	27
Interest rate swaps	69	43		
Accumulated cost of removal of utility plant (b)	53	35	53	35
Coal contracts (c)	11	22		
AROs	18	9		
Other	30	35	3	7
Total noncurrent regulatory assets	<u>\$ 1,349</u>	<u>\$ 1,180</u>	<u>\$ 729</u>	<u>\$ 592</u>
Current Regulatory Liabilities:				
Coal contracts (c)		\$ 46		
Generation supply charge (a)	\$ 42		\$ 42	
ECR	7	12		
PURTA tax		10		\$ 10
Gas supply clause	6	9		
Transmission service charge	2	8	2	8
Other	16	24	9	
Total current regulatory liabilities	<u>\$ 73</u>	<u>\$ 109</u>	<u>\$ 53</u>	<u>\$ 18</u>
Noncurrent Regulatory Liabilities:				
Accumulated cost of removal of utility plant	\$ 651	\$ 623		
Coal contracts (c)	180	213		
Power purchase agreement - OVEC (c)	116	124		
Net deferred tax assets	39	40		
Act 129 compliance rider	7	14	\$ 7	\$ 14
Defined benefit plans	9	10		
Other	8	7		
Total noncurrent regulatory liabilities	<u>\$ 1,010</u>	<u>\$ 1,031</u>	<u>\$ 7</u>	<u>\$ 14</u>

	LKE		LG&E		KU	
	2011	2010	2011	2010	2011	2010
Current Regulatory Assets:						
ECR		\$ 5		\$ 5		
Coal contracts (c)		5		1		\$ 4
Gas supply clause	\$ 6	4	\$ 6	4		
Fuel adjustment clause	3	3	3	3		
Virginia fuel factor		5				5
Total current regulatory assets	<u>\$ 9</u>	<u>\$ 22</u>	<u>\$ 9</u>	<u>\$ 13</u>	<u></u>	<u>\$ 9</u>

	LKE		LG&E		KU	
	2011	2010	2011	2010	2011	2010
Noncurrent Regulatory Assets:						
Defined benefit plans	\$ 339	\$ 330	\$ 225	\$ 213	\$ 114	\$ 117
Storm costs	123	122	66	65	57	57
Unamortized loss on debt	33	34	21	22	12	12
Interest rate swaps	69	43	69	43		
Coal contracts (c)	11	22	5	8	6	14
AROs	18	9	11	7	7	2
Other	27	28	6	9	21	19
Total noncurrent regulatory assets	<u>\$ 620</u>	<u>\$ 588</u>	<u>\$ 403</u>	<u>\$ 367</u>	<u>\$ 217</u>	<u>\$ 221</u>

Current Regulatory Liabilities:						
Coal contracts (c)		\$ 46		\$ 31		\$ 15
ECR	\$ 7	12			\$ 7	12
Gas supply clause	6	9	\$ 6	9		
Other	7	24	4	11	3	13
Total current regulatory liabilities	<u>\$ 20</u>	<u>\$ 91</u>	<u>\$ 10</u>	<u>\$ 51</u>	<u>\$ 10</u>	<u>\$ 40</u>

Noncurrent Regulatory Liabilities:						
Accumulated cost of removal of utility plant	\$ 651	\$ 623	\$ 286	\$ 275	\$ 365	\$ 348
Coal contracts (c)	180	213	78	87	102	126
Power purchase agreement - OVEC (c)	116	124	80	86	36	38
Net deferred tax assets	39	40	31	34	8	6
Defined benefit plans	9	10			9	10
Other	8	7	3	1	5	6
Total noncurrent regulatory liabilities	<u>\$ 1,003</u>	<u>\$ 1,017</u>	<u>\$ 478</u>	<u>\$ 483</u>	<u>\$ 525</u>	<u>\$ 534</u>

- (a) PPL Electric's generation supply charge recovery mechanism moved from an undercollected status at December 31, 2010 to an overcollected status at December 31, 2011, reflecting the impacts of changes in customer billing cycles, the timing of rate reconciliation filings, the levels of customers choosing alternative energy suppliers and other factors. Because customer rates are designed to collect the costs of PPL Electric's energy purchases to meet its PLR requirements, there is minimal impact on earnings.
- (b) The December 31, 2010 balance of accumulated cost of removal of utility plant was reclassified from "Accumulated depreciation - regulated utility plant" to noncurrent "Regulatory assets" on the Balance Sheets. These costs will continue to be included in future rate proceedings.
- (c) These regulatory assets and liabilities were recorded as offsets to certain intangible assets and liabilities that were recorded at fair value upon the acquisition of LKE.

## **Regulatory Assets and Liabilities**

Following is an overview of selected regulatory assets and liabilities detailed in the preceding tables. Specific developments with respect to certain of these regulatory assets and liabilities are discussed in "Regulatory Matters."

*(PPL and PPL Electric)*

### Generation Supply Charge

The generation supply charge is a cost recovery mechanism that permits PPL Electric to recover costs incurred to provide generation supply to PLR customers who receive basic generation supply service. The recovery includes charges for generation supply (energy and capacity and ancillary services), as well as administration of the acquisition process. In addition, the generation supply charge contains a reconciliation mechanism whereby any over- or under-recovery from prior quarters is refunded to, or recovered from, customers through the adjustment factor determined for the subsequent quarter.

### Universal Service Rider (USR)

PPL Electric's distribution rates permit recovery of applicable costs associated with the universal service programs provided to PPL Electric's residential customers. Universal service programs include low-income programs, such as OnTrack and Winter Relief Assistance Program (WRAP). OnTrack is a special payment program for low-income households within the federal poverty level who have difficulty paying their electric bills. This program is funded by residential customers and administered by community-based organizations. Customers who participate in OnTrack receive assistance in the form of reduced payment arrangements, protection against termination of electric service and referrals to other community programs and services. The WRAP program reduces electric bills and improves living comfort for low-income customers by providing services such as weatherization measures and energy education services. The USR is applied to distribution charges for each customer who receives distribution service under PPL Electric's residential service rate schedules. The USR contains a reconciliation mechanism whereby any over- or under-recovery from the current year is refunded to or recovered from residential customers through the adjustment factor determined for the subsequent year.

### Taxes Recoverable through Future Rates

Taxes recoverable through future rates represent the portion of future income taxes that will be recovered through future rates based upon established regulatory practices. Accordingly, this regulatory asset is recognized when the offsetting deferred tax liability is recognized. For general-purpose financial reporting, this regulatory asset and the deferred tax liability are not offset; rather, each is displayed separately. This regulatory asset is expected to be recovered over the period that the underlying book-tax timing differences reverse and the actual cash taxes are incurred.

### PURTA Tax

In December 2009, PPL Electric reached a settlement with the Pennsylvania Department of Revenue related to the appeal of its 1997 PURTA tax assessments that resulted in a reduction in PURTA tax. Substantially all of the regulatory liability was refunded to customers in 2011 pursuant to PUC regulations.

### Act 129 Compliance Rider

In compliance with Pennsylvania's Act 129 of 2008 and implementing regulations, PPL Electric filed its energy efficiency and conservation plan in July 2009. The plan was approved by PUC Order in October 2009. The Order allows PPL Electric to recover the maximum \$250 million cost of the program ratably over the life of the plan, from January 1, 2010 through May 31, 2013. The plan includes programs intended to reduce electricity consumption. The recoverable costs include direct and indirect charges, including design and development costs, general and administrative costs and applicable state evaluator costs. The rates are applied to customers who receive distribution service through the Act 129 Compliance Rider. The actual program costs are reconcilable, and any over- or under-recovery from customers will be refunded or collected at the end of the program. See below under "Regulatory Matters - Pennsylvania Activities" for additional information on Act 129.

#### Transmission Service Charge (TSC)

PPL Electric is charged by PJM for transmission service-related costs applicable to its PLR customers. PPL Electric passes these costs on to customers, who receive basic generation supply service through the PUC-approved TSC cost recovery mechanism. The TSC contains a reconciliation mechanism whereby any over- or under-recovery from customers is either refunded to, or recovered from, customers through the adjustment factor determined for the subsequent year.

*(PPL, PPL Electric, LKE, LG&E and KU)*

#### Defined Benefit Plans

Recoverable costs of defined benefit plans represent the portion of unrecognized transition obligation, prior service cost and net actuarial losses that will be recovered in defined benefit plans expense through future base rates based upon established regulatory practices. These regulatory assets and liabilities are adjusted at least annually or whenever the funded status of defined benefit plans is re-measured. Of the regulatory asset and liability balances recorded, the following costs of \$44 million for PPL, \$13 million for PPL Electric, \$31 million for LKE, \$21 million for LG&E and \$10 million for KU are expected to be amortized into net periodic defined benefit costs in 2012. All costs will be amortized over the average service lives of plan participants.

#### Storm Costs

PPL Electric, LG&E and KU have the ability to request from the PUC, KPSC and VSCC the authority to treat expenses related to specific extraordinary storms as a regulatory asset and defer and amortize such costs for regulatory accounting and reporting purposes. Once such authority is granted, PPL Electric, LG&E and KU can request recovery of those expenses in a base rate case.

#### Unamortized Loss on Debt

Unamortized loss on reacquired debt represents losses on long-term debt reacquired or redeemed that have been deferred and will be amortized and recovered over either the original life of the extinguished debt or the life of the replacement debt (in the case of refinancing). Such costs are being amortized through 2029 for PPL Electric. Such costs are being amortized through 2035 for LG&E and 2036 for PPL, LKE and KU.

As further discussed in Note 7, in July 2011 PPL Electric redeemed Senior Secured Bonds for \$458 million, plus accrued interest. The redemption premium and the unamortized financing costs of \$59 million were recorded as a regulatory asset and will be amortized over the life of the replacement debt.

#### Accumulated Cost of Removal

LG&E and KU accrue for costs of removal through depreciation expense with an offsetting credit to a regulatory liability. The regulatory liability is relieved as costs are incurred. See Note 1 for additional information.

PPL Electric does not accrue for costs of removal. When costs of removal are incurred, PPL Electric records the deferral of costs as a regulatory asset. Such deferral is included in rates and amortized over the subsequent five-year period.

*(PPL, LKE, LG&E and KU)*

### ECR

Kentucky law permits LG&E and KU to recover the costs, including a return of operating expenses and a return of and on capital invested, of complying with the Federal Clean Air Act and those federal, state or local environmental requirements which apply to coal combustion wastes and by-products from coal-fired electric generating facilities. The KPSC requires reviews of the past operations of the environmental surcharge for six-month and two-year billing periods to evaluate the related charges, credits and rates of return, as well as to provide for the roll-in of ECR amounts to base rates each two-year period. The ECR regulatory asset or liability represents the amount that has been under- or over-recovered due to timing or adjustments to the mechanism and is recovered within 12 months. LG&E and KU are authorized to receive a 10.63% return on equity for the 2005, 2006 and 2009 compliance plans and a 10.10% return on projects associated with the 2011 compliance plan.

### Coal Contracts

As a result of purchase accounting associated with PPL's acquisition of LKE, LG&E's and KU's coal contracts were recorded at fair value on the Balance Sheets with offsets to regulatory assets for those contracts with unfavorable terms relative to current market prices and offsets to regulatory liabilities for those contracts with favorable terms relative to current market prices. These regulatory assets and liabilities are being amortized over the same terms as the related contracts, which expire at various times through 2016.

### Gas Supply Clause

LG&E's natural gas rates contain a gas supply clause, whereby the expected cost of natural gas supply and variances between actual and expected costs from prior periods are adjusted quarterly in LG&E's rates, subject to approval by the KPSC. The gas supply clause includes a separate natural gas procurement incentive mechanism, a performance-based rate, which allows LG&E's rates to be adjusted annually to share variances between actual costs and market indices between the shareholders and the customers during each performance-based rate year (12 months ending October 31). The regulatory assets or liabilities represent the total amounts that have been under- or over-recovered due to timing or adjustments to the mechanisms and are recovered within 18 months.

### Fuel Adjustments

LG&E's and KU's retail electric rates contain a fuel adjustment clause, whereby variances in the cost of fuel for electric generation, including transportation costs, from the costs embedded in base rates are adjusted in LG&E's and KU's rates. The KPSC requires public hearings at six-month intervals to examine past fuel adjustments and at two-year intervals to review past operations of the fuel clause and, to the extent appropriate, reestablish the fuel charge included in base rates.

KU also employs a levelized fuel factor mechanism for Virginia customers using an average fuel cost factor based primarily on projected fuel costs. The Virginia levelized fuel factor allows fuel recovery based on projected fuel costs for the coming year plus an adjustment for any under- or over-recovery of fuel expenses from the prior year. The regulatory assets or liabilities represent the amounts that have been under- or over-recovered due to timing or adjustments to the mechanism and are recovered within 12 months.

### Interest Rate Swaps

*(PPL, LKE and LG&E)*

Because realized amounts associated with LG&E's interest rate swaps, including a terminated swap contract, are recoverable through rates based on an Order from the KPSC, LG&E's unrealized gains and losses are recorded as a regulatory asset or liability until they are realized as interest expense. Interest expense from existing swaps is realized and recovered over the terms of the associated debt, which matures through 2033. Amortization of the gain/loss related to the terminated swap contract is recovered through 2035 as approved by the KPSC.

*(LKE and LG&E)*

In the third quarter of 2010, LG&E recorded a pre-tax gain to reverse previously recorded losses of \$21 million and \$9 million to reflect the reclassification of its ineffective swaps and terminated swap to regulatory assets based on an Order from the KPSC in the 2010 rate case whereby the cost of LG&E's terminated swap was allowed to be recovered in base rates. Previously, gains and losses on interest rate swaps designated as effective cash flow hedges were recorded within other comprehensive income and common equity. The gains and losses on the ineffective portion of interest rate swaps designated as cash flow hedges were recorded to earnings monthly, as was the entire change in the market value of the ineffective swaps.

*(PPL, LKE, LG&E and KU)*

### AROs

As noted in Note 1, the accretion and depreciation related to LG&E's and KU's AROs are offset with a regulatory credit on the income statement, such that there is no earnings impact. When an asset with an ARO is retired, the related ARO regulatory asset created by the regulatory credit is offset against the associated regulatory liability, PP&E and ARO liability.

### DSM

DSM consists of energy efficiency programs which are intended to reduce peak demand and delay the investment in additional power plant construction, provide customers with tools and information to become better managers of their energy usage and prepare for potential future legislation governing energy efficiency. LG&E's and KU's rates contain a DSM rate mechanism that provides for concurrent recovery of DSM costs and also provides an incentive for implementing DSM programs. The provision also allows LG&E and KU to recover revenues from lost sales associated with the DSM programs up to the earlier of three years or implementation of new base rates which reflect that load reduction. In addition, with the KPSC Order issued in November 2011, the DSM mechanism now includes a provision to earn a return of and on capital investment for DSM programs. The regulatory assets or liabilities represent the total amounts that have been under- or over-recovered due to timing or adjustments to the mechanism.

### Power Purchase Agreement - OVEC

As a result of purchase accounting associated with PPL's acquisition of LKE, LG&E's and KU's fair values of the OVEC power purchase agreement were recorded on the balance sheets with offsets to regulatory liabilities. The regulatory liabilities are being amortized using the units-of-production method until March 2026, the expiration date of the agreement at the date of the acquisition, and have no impact on rate making.

### Regulatory Liability associated with Net Deferred Tax Assets

LG&E's and KU's regulatory liabilities associated with net deferred tax assets represent the future revenue impact from the reversal of deferred income taxes required primarily for unamortized investment tax credits. These regulatory liabilities are recognized when the offsetting deferred tax assets are recognized. For general-purpose financial reporting, these regulatory liabilities and the deferred tax assets are not offset; rather, each is displayed separately.

## **Regulatory Matters**

### Kentucky Activities *(PPL, LKE, LG&E and KU)*

#### *Environmental Upgrades*

In order to achieve compliance with new and pending federal EPA regulations including the CSAPR, National Ambient Air Quality Standards and MATS, in June 2011, LG&E and KU filed ECR plans with the KPSC requesting approval to install environmental upgrades for certain of their coal-fired plants and for recovery of the expected \$2.5 billion in associated capital costs, as well as operating expenses incurred. The ECR plans detailed upgrades that will be made to certain of their coal-fired generating plants to continue to be compliant with EPA regulations. LG&E requested \$1.4 billion to modernize the sulfur dioxide scrubbers at the Mill Creek generating plant as well as install fabric-filter

baghouse systems for increased particulate and mercury control on all units at the Mill Creek generating plant and on Unit 1 at the Trimble County generating plant. KU requested \$1.1 billion to upgrade fabric-filter baghouse systems for increased particulate and mercury control on all units at the E.W. Brown and Ghent generating plants and to convert a wet storage facility to a dry landfill at the E.W. Brown generating plant.

In November 2011, LG&E and KU filed a unanimous settlement agreement, stipulation and recommendation with the KPSC. In December 2011, LG&E and KU received KPSC approval in their proceedings relating to the ECR plans. The KPSC Order approved the terms of the November 2011 settlement agreement entered into between LG&E and KU and the parties to the ECR proceedings. The KPSC Order authorized the installation of environmental upgrades at certain plants during 2012-2016 representing approximate capital costs of \$1.4 billion at LG&E and \$900 million at KU. In connection with the approved projects, the KPSC Order allowed recovery through the ECR rate mechanism of the capital costs and operating expenses of the projects and granted CPCNs for their construction. The KPSC Order also confirmed an existing 10.63% authorized return on equity for projects remaining from earlier ECR plans and provided for an authorized return on equity of 10.10% for the approved projects in the 2011 ECR proceedings. The KPSC Order noted KU's consent to defer the requested approval for certain environmental upgrades at its E.W. Brown generating plant, which represented approximately \$200 million in capital costs. KU retained the right to operate and dispatch the E.W. Brown generating plant in accordance with applicable environmental standards and the right to request approval of the deferred projects and related costs in future regulatory proceedings. See Note 15 for additional information.

#### *IRP*

IRP regulations in Kentucky require major utilities to make triennial IRP filings with the KPSC. In April 2011, LG&E and KU filed their 2011 joint IRP with the KPSC. The IRP provides historical and projected demand, resource and financial data, and other operating performance and system information. In May 2011, the KPSC issued a procedural schedule and data discovery concluded during the fourth quarter. The IRP assumes approximately 500 MW of peak demand reductions by 2017 through existing or expanded DSM or energy efficiency programs. Implementation of the major findings of the IRP is subject to further analysis and decision-making and further regulatory approvals. LG&E and KU are awaiting the KPSC Staff report, which will close this proceeding.

#### *CPCN Filing*

In September 2011, LG&E and KU filed a CPCN with the KPSC requesting approval to build a 640 MW NGCC at the existing Cane Run plant site. LG&E will own a 22% undivided interest, and KU will own a 78% undivided interest in the new NGCC. In addition, LG&E and KU also requested approval to purchase the Bluegrass CTs which are expected to provide up to 495 MW of peak generation supply. LG&E will own a 69% undivided interest, and KU will own a 31% undivided interest in the purchased assets. In conjunction with these developments, at the end of 2015, LG&E and KU anticipate retiring three coal-fired generating units at LG&E's Cane Run plant and also one coal-fired generating unit at KU's Tyrone plant and two at KU's Green River plant. These generating units represent 797 MW of combined summer capacity.

LG&E and KU anticipate that the NGCC construction and the acquisition of the Bluegrass CTs could require up to \$800 million (comprised of up to \$300 million for LG&E and up to \$500 million for KU) in capital costs including related transmission projects. Formal requests for recovery of the costs associated with the NGCC construction and the acquisition of the Bluegrass CTs were not included in the CPCN filing with the KPSC but are expected to be included in future rate proceedings. The KPSC issued an Order on the procedural schedule in the CPCN filing that has discovery scheduled through early February 2012. A KPSC order on the CPCN filing is anticipated in the second quarter of 2012.

#### *PPL's Acquisition of LKE*

In September 2010, the KPSC approved a settlement agreement among PPL and all of the intervening parties to PPL's joint application to the KPSC for approval of its acquisition of ownership and control of LKE, LG&E and KU. In the settlement agreement, the parties agreed that LG&E and KU would commit that no base rate increases would take effect before January 1, 2013. Under the terms of the settlement, LG&E and KU retain the right to seek KPSC approval for the deferral of "extraordinary and uncontrollable costs," such as significant storm restoration costs, if incurred. Additionally, interim rate adjustments will continue to be permissible during that period for existing recovery mechanisms such as the ECR and DSM.

In connection with the approval of PPL's acquisition of LKE, LG&E and KU agreed to implement the Acquisition Savings Sharing Deferral (ASSD) methodology whereby LG&E's and KU's adjusted jurisdictional revenues, expenses, and net operating income are calculated each year. If LG&E's or KU's actual earned rate of return on common equity is in excess of 10.75%, fifty percent of the excess amount will be deferred as a regulatory liability and ultimately returned to customers. The first ASSD filing will be made by April 1, 2012 based on the 2011 calendar year. Based upon 2011 earnings and their current estimates of the outcome of an ASSD filing in 2012, LG&E and KU have not recognized any impact of the ASSD in the financial statements as of December 31, 2011. The ASSD methodology for each of LG&E's and KU's utility operations will terminate on the earlier of the end of 2015 or the first day of the calendar year during which new base rates go into effect.

#### *Independent Transmission Operators*

LG&E and KU operate under a FERC-approved open access transmission tariff. LG&E and KU contract with the Tennessee Valley Authority, to act as their transmission reliability coordinator, and Southwest Power Pool, Inc. (SPP), to function as their independent transmission operator, pursuant to FERC requirements. The contract with SPP expires on August 31, 2012. LG&E and KU have received FERC approval to transfer from SPP to TranServ International, Inc. as their independent transmission operator beginning September 1, 2012. Approval from the KPSC is required, and an application requesting approval was filed in January 2012.

#### *Storm Costs*

In August 2011, a strong storm hit LG&E's service area causing significant damage and widespread outages for approximately 139,000 customers. LG&E filed an application with the KPSC in September 2011 requesting approval of a regulatory asset recorded to defer, for future recovery, \$8 million in incremental operation and maintenance expenses related to the storm restoration. An Order was received in December 2011 granting regulatory accounting treatment, while recovery of the regulatory asset will be determined within the next base rate case.

In September 2009, the KPSC approved the deferral of \$44 million and \$57 million for LG&E and KU of costs associated with a severe ice storm that occurred in January 2009 and a wind storm that occurred in February 2009. Additionally, in December 2008, the KPSC approved the deferral of \$24 million and \$2 million for LG&E and KU of costs associated with high winds from the remnants of Hurricane Ike in September 2008. LG&E and KU received approval in their 2010 base rate cases to recover these regulatory assets over a ten-year amortization period ending July 2020.

#### *DSM/Energy Efficiency*

In April 2011, LG&E and KU filed a DSM application to expand existing energy efficiency programs and implement new energy efficiency programs. Discovery and evidentiary phases concluded in September 2011. In November 2011, the KPSC approved the application as filed. The new rates were effective December 30, 2011.

#### Virginia Activities (PPL, LKE and KU)

##### *IRP*

Pursuant to a December 2008 Order, KU filed the 2011 joint IRP with the VSCC in September 2011, with certain supplemental information as required by this Order. The IRP provides historical and projected demand, resource and financial data, and other operating performance and system information and assumes approximately 500 MW of peak demand reductions by 2017 through existing or expanded DSM or energy efficiency programs. Implementation of the major findings of the IRP is subject to further analysis and decision-making and further regulatory approvals.

##### *Virginia Fuel Factor*

In February 2011, KU filed an application with the VSCC seeking approval of an increase in its fuel cost factor beginning with service rendered in April 2011. In March 2011, a hearing was held on KU's requested fuel factor, and an



Order was issued approving a revised fuel factor to be in effect beginning with service rendered on and after April 1, 2011, with recovery of the regulatory asset for prior period under-recoveries over a three-year amortization period.

#### *Storm Costs*

In December 2009, a major snowstorm hit KU's Virginia service area causing approximately 30,000 customer outages. During the normal 2009 Virginia Annual Information Filing (AIF), KU requested that the VSCC establish a regulatory asset and defer for future recovery \$6 million in incremental operation and maintenance expenses related to the storm restoration. In March 2011, the VSCC Staff issued its report on KU's 2009 AIF stating that it considered this storm damage to be extraordinary, non-recurring and material to KU. The Staff report also recommended establishing a regulatory asset for these costs, with recovery over a five-year period upon approval in the next base rate case. In March 2011, a regulatory asset of \$6 million was established for actual costs incurred. In June 2011, the VSCC issued an Order approving the recommendations contained in the Staff report, and KU began recovering these costs over a five-year amortization period ending October 2016.

#### Pennsylvania Activities (*PPL and PPL Electric*)

##### *Act 129*

Act 129 requires Pennsylvania Electric Distribution Companies (EDCs) to meet specified goals for reduction in customer electricity usage and peak demand by specified dates. EDCs not meeting the requirements of Act 129 are exposed to significant penalties.

Under Act 129, EDCs must file an energy efficiency and conservation plan (EE&C Plan) with the PUC and contract with conservation service providers to implement all or a portion of the EE&C Plan. Act 129 requires EDCs to cause reduced overall electricity consumption of 1.0% by May 2011 and 3.0% by May 2013 and reduced peak demand of 4.5% for the 100 hours of highest demand by May 2013 (which will be measured during the June 2012 through September 2012 period). To date, PPL Electric has met the 2011 requirement, subject to the PUC's verification. EDCs will be able to recover the costs (capped at 2% of the EDC's 2006 revenue) of implementing their EE&C Plans. In October 2009, the PUC approved PPL Electric's EE&C Plan. The plan includes 14 programs, all of which are voluntary for customers. The plan includes a proposed rate mechanism for recovery of all costs incurred (up to a maximum of \$250 million) by PPL Electric to implement the plan. Such costs include direct and indirect charges, including design, general and administrative costs and applicable state evaluator costs, and are being recovered over the period from January 1, 2010 through May 31, 2013. The costs are recovered through the Act 129 Compliance Rider from all customers who receive distribution service. The program contains a reconciliation mechanism whereby any over- or under-recovery from customers will be refunded or collected at the end of the program. In September 2010, PPL Electric filed its Program Year 1 Annual Report and Process Evaluation Report. PPL Electric also filed a petition requesting permission to modify two components of its EE&C Plan. The PUC issued its Final Order in January 2011, approving the changes proposed by PPL Electric and directing PPL Electric to re-file its plan to reflect all changes made since its initial approval. In February 2011, PPL Electric filed the changes to its plan and in May 2011, the PUC approved those changes. PPL Electric filed its Program Year 2 Annual Report and Process Evaluation Report in November 2011. In February 2012, PPL Electric filed a petition with the PUC requesting permission to implement additional changes to its EE&C Plan. Other parties have 30 days to file comments to this petition; PPL Electric has 20 days to file reply comments.

Act 129 also requires the Default Service Provider (DSP) to provide electric generation supply service to customers pursuant to a PUC-approved competitive procurement plan through auctions, requests for proposal and bilateral contracts at the sole discretion of the DSP. Act 129 requires a mix of spot market purchases, short-term contracts and long-term contracts (4 to 20 years), with long-term contracts limited to 25% of the load unless otherwise approved by the PUC. The DSP will be able to recover the costs associated with a competitive procurement plan.

Under Act 129, the DSP competitive procurement plan must ensure adequate and reliable service "at least cost to customers" over time. Act 129 grants the PUC authority to extend long-term power contracts up to 20 years, if necessary, to achieve the "least cost" standard. The PUC has approved PPL Electric's procurement plan for the period January 1, 2011 through May 31, 2013, and PPL Electric continues to procure power for its PLR obligations under that plan. In December 2010, the PUC approved PPL Electric's rate rider to recover the costs of providing default service.

### *Smart Meter Rider*

Act 129 also requires installation of smart meters for new construction, upon the request of consumers and at their cost, or on a depreciation schedule not exceeding 15 years. Under Act 129, EDCs will be able to recover the costs of providing smart metering technology. In August 2009, PPL Electric filed its proposed smart meter technology procurement and installation plan with the PUC. All of PPL Electric's metered customers currently have smart meters installed at their service locations. PPL Electric's current advanced metering technology generally satisfies the requirements of Act 129 and does not need to be replaced. In June 2010, the PUC entered its order approving PPL Electric's smart meter plan with several modifications. In compliance with the Order, in the third quarter of 2010, PPL Electric submitted a revised plan with a cost estimate of \$38 million to be incurred over a five-year period, beginning in 2009, and filed its Section 1307(e) cost recovery mechanism, the Smart Meter Rider (SMR) to recover these costs beginning January 1, 2011. In December 2010, the PUC approved PPL Electric's SMR which reflects the costs of its smart meter program plus a return on its Smart Meter investments. The SMR, which became effective January 1, 2011, contains a reconciliation mechanism whereby any over- or under-recovery from customers is either refunded to or collected from customers in the subsequent year. In August 2011, PPL Electric filed with the PUC an annual report describing the actions it is taking under its Smart Meter plan in 2011 and its planned actions for 2012. PPL Electric also submitted revised SMR charges which became effective January 1, 2012.

### *PUC Investigation of Retail Market*

In April 2011, the PUC opened an investigation of Pennsylvania's retail electricity market to be conducted in two phases. Phase one addressed the status of the current retail market and explored potential changes. Questions promulgated by the PUC for this phase of the investigation focused primarily on default service issues. In June 2011, interested parties filed comments and the PUC held a hearing in this phase of the investigation. In July 2011, the PUC entered an order initiating phase two of the investigation to study how best to address issues identified by the PUC as being most relevant to improving the current retail electricity market. The PUC issued a tentative order in October 2011 addressing issues associated with the timing and various other details of EDCs' default service procurement plans. Parties filed comments to that tentative order. The PUC also held a hearing in this phase of the investigation in November 2011. In December 2011, the PUC issued a final order providing guidance to EDCs on the design of their next default service procurement plan filings. In December 2011, the PUC also issued a tentative order proposing an intermediate work plan to address issues raised in the investigation. Parties filed comments to that tentative order. PPL Electric cannot predict the outcome of the investigation.

### *Legislation - Regulatory Procedures and Mechanisms*

In June 2011, the Pennsylvania House Consumer Affairs Committee approved legislation that would authorize the PUC to approve regulatory procedures and mechanisms to provide for more timely recovery of a utility's costs. Such alternative ratemaking procedures and mechanisms are important to PPL Electric as it begins a period of significant increasing capital investment related to the asset optimization program focused on the replacement of aging distribution assets. Those procedures and mechanisms include, but are not limited to, the use of a fully projected future test year and an automatic adjustment clause to recover certain capital costs and related operating expenses. In October 2011, the legislation was passed by the Pennsylvania House of Representatives. In January 2012, the Senate Consumer Affairs Committee adopted significant amendments to the legislation. The amended legislation authorizes the PUC to approve only two specific ratemaking mechanisms -- a fully projected future test year and a distribution system improvements charge. In addition, the amendments impose a number of conditions on the use of such a charge. In January 2012, the Pennsylvania Senate passed the amended legislation and in February 2012, the Pennsylvania House agreed to those amendments. The Governor signed the bill (Act 11 of 2012), which will become effective April 14, 2012. Utilities cannot file a petition with the PUC before January 1, 2013 requesting permission to establish the charge.

### *Storm Recovery*

PPL Electric experienced several PUC-reportable storms during 2011 resulting in total restoration costs of \$84 million, of which \$54 million were recorded in "Other operation and maintenance" on the Statement of Income. Although PPL Electric has storm insurance with a PPL affiliate, the costs associated with the unusually high number of PUC-reportable storms has exceeded policy limits. Probable insurance recoveries recorded during 2011 were \$26.5 million, of which \$16 million were included in "Other operation and maintenance" on the Statement of Income. In December 2011, PPL

Electric received orders from the PUC granting permission to defer qualifying storm costs in excess of insurance recoveries associated with Hurricane Irene and a late October snowstorm. Based on the PUC orders, PPL Electric recorded a regulatory asset of \$25 million in December 2011. PPL Electric will seek recovery of these costs in its next general base rate proceeding.

In 2007, based on PUC approval, a regulatory asset of \$12 million was established for actual costs incurred associated with severe ice storms that occurred in January 2005. Recovery began in January 2008 and will continue through August 2015.

### Federal Matters

#### *FERC Formula Rates (PPL and PPL Electric)*

Transmission rates are regulated by the FERC. PPL Electric's transmission revenues are billed in accordance with a FERC-approved PJM open access transmission tariff that utilizes a formula-based rate recovery mechanism. The tariff allows for recovery of actual transmission costs incurred, a return on transmission plant placed in service and an incentive return, including a return on construction work in progress, on the Susquehanna-Roseland transmission line project. The tariff utilizes actual costs from the most recent FERC Form No. 1 to set the rate for the current year billing to customers, including a true-up to adjust for actual costs in the subsequent year's FERC Form No. 1. The annual update of the rate is implemented automatically without requiring specific approval by the FERC before going into effect. PPL Electric accrues or defers revenues applicable to any estimated true-up of this formula-based rate.

In May 2010, PPL Electric initiated the 2010 Annual Update of its formula rate. In November 2010, a group of municipal customers taking transmission service in PPL Electric's transmission zone filed a preliminary challenge to the update and, in December 2010, filed a formal challenge. In August 2011, the FERC issued an order substantially rejecting the formal challenge and accepting PPL Electric's 2010 Annual Update. The group of municipal customers filed a request for rehearing of that order.

In June 2011, PPL Electric initiated the 2011 Annual Update of its formula rate. In October 2011, the group of municipal customers filed a preliminary challenge to the update. PPL Electric was not able to resolve the issues that were raised in this preliminary challenge and the group of municipal customers filed a formal challenge. PPL Electric filed a response to that formal challenge and the group of municipal customers filed an answer to that response. PPL Electric cannot predict the outcome of these two proceedings, which remain pending before the FERC.

In March 2012, PPL Electric plans to file a request with the FERC seeking recovery, over a 34-year period beginning in June 2012, of its unrecovered regulatory asset related to the deferred state tax liability that existed at the time of the transition from the flow-through treatment of state income taxes to full normalization. This change in tax treatment occurred in 2008 as a result of prior FERC initiatives that transferred regulatory jurisdiction of certain transmission assets from the PUC to FERC. A regulatory asset of \$51 million related to this transition, classified as taxes recoverable through future rates, is included in "Other Noncurrent Assets - Regulatory assets" on the balance sheet. PPL Electric believes recoverability of this regulatory asset is probable based on FERC precedent in similar cases; however, it is reasonably possible that the FERC may limit the recovery of all or part of the claimed asset.

### International Activities (PPL)

#### *U.K. Overhead Electricity Networks*

In 2002, for safety reasons, the U.K. Government issued guidance that low voltage overhead electricity networks within three meters horizontal clearance of a building should either be insulated or relocated. This imposed a retroactive requirement on existing assets that were built with lower clearances. In 2008, the U.K. Government determined that the U.K. electricity network should comply with the issued guidance. WPD estimates that the cost of compliance will be approximately \$120 million. The projected expenditures in the current regulatory period, April 1, 2010 through March 31, 2015, have been included in allowed revenues, and it is expected that expenditures beyond this five-year period (including WPD Midlands expenditures) will also be included in allowed revenues. The U.K. Government has determined that WPD (South Wales) and WPD Midlands should comply by 2015 and WPD (South West) should comply by 2018.

To improve network reliability, the U.K. Government amended a regulation relating to safety and continuity of supply by adding an obligation which broadly requires, beginning January 31, 2009, network operators to implement a risk-based program to clear trees away from overhead lines. WPD estimates that the cost of compliance will be approximately \$198 million over a 25-year period. The projected expenditures in the current regulatory period have been included in allowed revenues under the current price control review, and it is expected that expenditures beyond this five-year period will also be included in allowed revenues.

In addition to the above, WPD Midlands was not in compliance with earlier regulations pertaining to overhead line clearances as of the acquisition date. WPD Midlands expects to incur costs through 2015 to comply with these requirements that are not included in allowed revenues under the current price control review. In 2011, WPD Midlands recorded a liability of \$68 million associated with meeting these requirements as an opening balance sheet adjustment in accordance with accounting guidance for business combinations. The balance at December 31, 2011 was \$57 million.

#### *Ofgem Review of Line Loss Calculation*

WPD has a \$170 million liability recorded at December 31, 2011, calculated in accordance with an accepted methodology, related to the close-out of line losses for the prior price control period, DPCR4. Ofgem is currently consulting on the methodology used to calculate the final line loss incentive/penalty for the DPCR4. In October 2011, Ofgem issued a consultation paper citing two potential changes to the methodology, both of which would result in a reduction of the liability; however, it is uncertain at this time whether any changes will be made. Ofgem is expected to make a decision before the end of 2012.

#### *New U.K. Pricing Model*

The electricity distribution subsidiaries of WPD operate under distribution licenses and price controls granted and set by Ofgem for each of the distribution subsidiaries. The price control formula that governs allowed revenue is designed to provide economic incentives to minimize operating, capital and financing costs. The price control formula is normally determined every five years. Ofgem completed its review in December 2009 that became effective April 1, 2010 and will continue through March 31, 2015.

In October 2010, Ofgem announced a pricing model that will be effective for the U.K. electricity distribution sector beginning April 2015. The model, known as RIIO (Revenues = Incentives + Innovation + Outputs), is intended to encourage investment in regulated infrastructure. Key components of the model are: an extension of the price review period from five to eight years, increased emphasis on outputs and incentives, enhanced stakeholder engagement including network customers, a stronger incentive framework to encourage more efficient investment and innovation, expansion of the current Low Carbon Network Fund to stimulate innovation and continued use of a single weighted average cost of capital. At this time, management does not expect the impact of this pricing model to be significant to WPD's operating results.

## 7. Financing Activities

### Credit Arrangements and Short-term Debt

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

Credit facilities are maintained to enhance liquidity and provide credit support, and as a backstop to commercial paper programs, when necessary. The following credit facilities were in place at:

		December 31, 2011			December 31, 2010		
		Letters of Credit Issued and Commercial Paper Backup			Letters of Credit Issued and Commercial Paper Backup		
Expiration Date	Capacity	Borrowed (a)	Unused Capacity	Borrowed (a)	Unused Capacity	Borrowed (a)	Unused Capacity

PPL

**WPD Credit Facilities**

PPL WW Syndicated Credit Facility (b)	Jan. 2013	£	150	£	111	n/a	£	39	£	115	n/a		
WPD (South West) Syndicated Credit Facility (c)	July 2012		210			n/a		210			n/a		
WPD (East Midlands) Syndicated Credit Facility (d)	Apr. 2016		300	£	70			230		n/a	n/a		
WPD (West Midlands) Syndicated Credit Facility (d)	Apr. 2016		300			71		229		n/a	n/a		
Uncommitted Credit Facilities			73			3		70		£	3		
Total WPD Credit Facilities (e)		£	1,033	£	111	£	144	£	778	£	115	£	3

**PPL Energy Supply (f)**

Syndicated Credit Facility (g) (h)	Oct. 2016	\$	3,000			\$	541	\$	2,459	\$	350		
Letter of Credit Facility	Mar. 2013		200		n/a		89		111		n/a	\$	24
Structured Credit Facility (i)	Mar. 2011		n/a		n/a		n/a		n/a		n/a		161
Total PPL Energy Supply Credit Facilities		\$	3,200			\$	630	\$	2,570	\$	350	\$	185

**PPL Electric (f)**

Syndicated Credit Facility (h) (j)	Oct. 2016	\$	200			\$	1	\$	199			\$	13
Asset-backed Credit Facility (k)	July 2012		150				n/a		150				n/a
Total PPL Electric Credit Facilities		\$	350			\$	1	\$	349			\$	13

**L&E (f) (l)**

Syndicated Credit Facility (h) (m) (n)	Oct. 2016	\$	400					\$	400	\$	163	
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**KU (f) (l)**

Syndicated Credit Facility (h) (m)	Oct. 2016	\$	400					\$	400			\$	198
Letter of Credit Facility (o)	Apr. 2014		198		n/a		\$	198			n/a		n/a
Total KU Credit Facilities		\$	598				\$	198	\$	400		\$	198

(a) Amounts borrowed are recorded as "Short-term debt" on the Balance Sheets.

(b) Under this facility, PPL WW has the ability to make cash borrowings but cannot request the lenders to issue letters of credit. PPL WW pays customary commitment fees under this facility, and borrowings bear interest at LIBOR-based rates plus a spread, depending on the company's long-term credit rating. The cash borrowing outstanding at December 31, 2011 was a USD-denominated borrowing of \$178 million, which equated to £111 million at the time of borrowing and bears interest at approximately 1.05%. The interest rates at December 31, 2010 were approximately 0.94% on a USD-denominated borrowing of \$181 million, which equated to £115 million at the time of borrowing.

This credit facility contains financial covenants that require PPL WW to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before income taxes, depreciation and amortization and a RAV that exceeds total net debt by the higher of an amount equal to 15% of total net debt or £150 million, in each case as calculated in accordance with the credit facility.

(c) Under this facility, WPD (South West) has the ability to make cash borrowings but cannot request the lenders to issue letters of credit. WPD (South West) pays customary commitment fees under this facility, and borrowings bear interest at LIBOR-based rates plus a margin.

The facility contains financial covenants that require WPD (South West) to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before income taxes, depreciation and amortization and total net debt not in excess of 85% of its RAV, in each case calculated in accordance with the credit facility.

In January 2012, WPD (South West) entered into a new £245 million syndicated credit facility to replace its existing £210 million syndicated credit facility. Under the new facility, WPD (South West) has the ability to make cash borrowings but cannot request the lenders to issue letters of credit. WPD (South West) pays customary commitment fees under this facility, and borrowings bear interest at LIBOR-based rates plus a margin. The facility contains financial covenants that require WPD (South West) to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before income taxes, depreciation and amortization and total net debt not in excess of 85% of its RAV, in each case calculated in accordance with the credit facility.

(d) In April 2011, following the completion of the acquisition of WPD Midlands, WPD (East Midlands) and WPD (West Midlands) each entered into a £300 million 5-year syndicated credit facility. Under the facilities, WPD (East Midlands) and WPD (West Midlands) each have the ability to make cash borrowings and to request the lenders to issue up to £80 million of letters of credit in lieu of borrowing. Each company pays customary commitment and utilization fees under its respective facility and borrowings generally bear interest at LIBOR-based rates plus a spread, depending upon the respective company's senior unsecured long-term debt rating. Each credit facility contains financial covenants that require the respective company to maintain an interest coverage ratio of not less than 3.0 times consolidated earnings before interest, income taxes, depreciation and amortization and total net debt not in excess of 85% of its RAV, in each case calculated in accordance with the credit facilities. An aggregate of \$7 million in fees were incurred in connection with establishing these facilities.

(e) The total amount borrowed under WPD's credit facilities equated to \$178 million and approximately \$181 million at December 31, 2011 and 2010. At December 31, 2011, the unused capacity of WPD's credit facilities was approximately \$1.2 billion.

As a result of PPL Energy Supply's January 2011 distribution of its membership interest in PPL Global to its parent, PPL Energy Funding, the assets and liabilities of PPL Global, including the total amount borrowed under WPD's credit facilities at December 31, 2010 were removed from PPL Energy Supply's balance sheet in 2011. See Note 9 for additional information.

- (f) All credit facilities at PPL Energy Supply, PPL Electric, LG&E and KU also apply to PPL on a consolidated basis for financial reporting purposes.
- (g) Under this facility, PPL Energy Supply has the ability to make cash borrowings and to request the lenders to issue letters of credit. Borrowings generally bear interest at LIBOR-based rates plus a spread, depending upon the company's senior unsecured long-term debt rating. PPL Energy Supply also pays customary commitment and letter of credit issuance fees under this facility. The credit facility contains a financial covenant requiring PPL Energy Supply's debt to total capitalization not to exceed 65%, as calculated in accordance with the facility, and other customary covenants. Additionally, subject to certain conditions, PPL Energy Supply may request that the facility's capacity be increased by up to \$500 million.

In October 2010, PPL Energy Supply borrowed \$3.2 billion under this facility in order to enable a subsidiary to make loans to certain affiliates to provide interim financing of amounts required by PPL to partially fund PPL's acquisition of LKE. Such borrowing bore interest at 2.26% and was refinanced primarily through the issuance of long-term debt by LKE, LG&E, and KU and the use of internal funds. This borrowing and related payments were included in "Net increase (decrease) in short-term debt" on the Statement of Cash Flows.

PPL Energy Supply incurred an aggregate of \$41 million of fees in 2010 in connection with establishing this facility. Such fees were initially deferred and amortized through December 2014. In connection with the reduction in the capacity from \$4 billion to \$3 billion in December 2010, PPL Energy Supply wrote off \$10 million, \$6 million after tax, of deferred fees, which was reflected in "Interest Expense" in the Statement of Income.

The borrowings outstanding at December 31, 2010 bore interest at a weighted-average rate of 2.27%.

- (h) In October 2011, PPL Energy Supply, PPL Electric, LG&E and KU each amended its respective credit facility. The amendments include extending the expiration dates from December 2014 to October 2016. Under these credit facilities, PPL Energy Supply, PPL Electric, LG&E and KU each continue to have the ability to make cash borrowings and request the lenders to issue letters of credit.
- (i) In March 2011, PPL Energy Supply's \$300 million Structured Credit Facility expired. PPL Energy Supply's obligations under this facility were supported by a \$300 million letter of credit issued on PPL Energy Supply's behalf under a separate but related \$300 million 5-year credit agreement, which also expired in March 2011.
- (j) Under this facility, PPL Electric has the ability to make cash borrowings and to request the lenders to issue letters of credit. Borrowings generally bear interest at LIBOR-based rates plus a spread, depending upon the company's senior secured long-term debt rating. The credit facility contains a financial covenant requiring PPL Electric's debt to total capitalization not to exceed 70%, as calculated in accordance with the credit facility, and other customary covenants. PPL Electric also pays customary commitment and letter of credit issuance fees under this facility. Additionally, subject to certain conditions, PPL Electric may request that the facility's capacity be increased by up to \$100 million. An aggregate of \$2 million of fees were incurred in 2010 in connection with establishing this facility. Such fees were initially deferred and amortized through December 2014.
- (k) PPL Electric participates in an asset-backed commercial paper program through which PPL Electric obtains financing by selling and contributing its eligible accounts receivable and unbilled revenue to a special purpose, wholly owned subsidiary on an ongoing basis. The subsidiary has pledged these assets to secure loans from a commercial paper conduit sponsored by a financial institution.

At December 31, 2011 and December 31, 2010, \$251 million and \$248 million of accounts receivable and \$98 million and \$133 million of unbilled revenue were pledged by the subsidiary under the credit agreement related to PPL Electric's and the subsidiary's participation in the asset-backed commercial paper program. Based on the accounts receivable and unbilled revenue pledged at December 31, 2011, the amount available for borrowing under the facility was limited to \$103 million. PPL Electric's sale to its subsidiary of the accounts receivable and unbilled revenue is an absolute sale of assets, and PPL Electric does not retain an interest in these assets. However, for financial reporting purposes, the subsidiary's financial results are consolidated in PPL Electric's financial statements. PPL Electric performs certain record-keeping and cash collection functions with respect to the assets in return for a servicing fee from the subsidiary.

In July 2011, PPL Electric and the subsidiary extended the expiration date of the credit agreement to July 2012.

- (l) All credit facilities at LG&E and KU also apply to LKE on a consolidated basis for financial reporting purposes.
- (m) In June 2011, these facilities were amended such that the fees and the spreads to benchmark interest rates for borrowings depend upon the respective company's senior secured long-term debt rating rather than the senior unsecured long-term debt rating. The facilities each contain a financial covenant requiring LG&E's and KU's debt to total capitalization not to exceed 70%, as calculated in accordance with the facilities, and other customary covenants. Additionally, subject to certain conditions, LG&E and KU may request that each respective facility's capacity be increased by up to \$100 million.
- (n) The borrowing outstanding at December 31, 2010 bore interest at 2.27%. Such borrowing was repaid in January 2011 with proceeds received from the remarketing of certain tax-exempt bonds that were held by LG&E at December 31, 2010.
- (o) In April 2011, KU entered into a letter of credit facility that has been used to issue letters of credit to support outstanding tax-exempt bonds. The facility contains a financial covenant requiring KU's debt to total capitalization not to exceed 70%, as calculated in accordance with the credit facility. KU pays customary commitment and letter of credit fees under the new facility. In August 2011, KU amended its letter of credit facility such that the fees depend upon KU's senior secured long-term debt rating rather than its senior unsecured long-term debt rating.

*(PPL and PPL Energy Supply)*

PPL Energy Supply maintains a \$500 million Facility Agreement expiring June 2017, whereby PPL Energy Supply has the ability to request up to \$500 million of committed letter of credit capacity at fees to be agreed upon at the time of each request, based on certain market conditions. At December 31, 2011, PPL Energy Supply has not requested any capacity for the issuance of letters of credit under this arrangement.

PPL Energy Supply, PPL EnergyPlus, PPL Montour and PPL Brunner Island maintain an \$800 million secured energy marketing and trading facility, whereby PPL EnergyPlus will receive credit to be applied to satisfy collateral posting obligations related to its energy marketing and trading activities with counterparties participating in the facility. The credit amount is guaranteed by PPL Energy Supply, PPL Montour and PPL Brunner Island. PPL Montour and PPL Brunner Island have granted liens on their respective generating facilities to secure any amount they may owe under their guarantees, which had an aggregate carrying value of \$2.7 billion at December 31, 2011. The facility expires in November 2015, but is subject to automatic one-year renewals under certain conditions. There were no secured obligations outstanding under this facility at December 31, 2011.

In October 2011, PPL Energy Supply re-activated its \$500 million commercial paper program to provide an additional financing source to fund its short-term liquidity needs, if and when necessary. Commercial paper issuances are supported by PPL Energy Supply's Syndicated Credit Facility. At December 31, 2011, PPL Energy Supply had \$400 million of commercial paper outstanding, included in "Short-term debt" on the Balance Sheet, at a weighted-average interest rate of approximately 0.53%, which was used to partially fund the repayment of PPL Energy Supply's 6.40% Senior Notes upon maturity discussed below.

*(PPL and PPL Electric)*

PPL Electric maintains a commercial paper program for up to \$200 million to provide an additional financing source to fund its short-term liquidity needs, if and when necessary. Commercial paper issuances are supported by PPL Electric's Syndicated Credit Facility. PPL Electric had no commercial paper outstanding at December 31, 2011.

*(PPL, LKE, LG&E and KU)*

In February 2012, LG&E and KU each established a commercial paper program for up to \$250 million to provide an additional financing source to fund their short-term liquidity needs. Commercial paper issuances will be supported by LG&E and KU's Syndicated Credit Facilities.

*(PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

See Note 16 for discussion of intercompany borrowings.

### **2011 Bridge Facility** *(PPL)*

In March 2011, concurrently and in connection with entering into the agreement to acquire WPD Midlands, PPL Capital Funding and PPL WEM, as borrowers, and PPL, as guarantor, entered into a 364-day unsecured £3.6 billion bridge facility to (i) fund the acquisition and (ii) pay certain fees and expenses in connection with the acquisition. During 2011, PPL incurred \$44 million of fees in connection with establishing the 2011 Bridge Facility, which is reflected in "Interest Expense" on the Statement of Income. On April 1, 2011, concurrent with the closing of the WPD Midlands acquisition, PPL Capital Funding borrowed an aggregate of £1.75 billion and PPL WEM borrowed £1.85 billion under the 2011 Bridge Facility. Borrowings bore interest at approximately 2.62%, determined by one-month LIBOR rates plus a spread, based on PPL Capital Funding's senior unsecured debt rating and the length of time from the date of the acquisition closing that borrowings were outstanding. See Note 10 for additional information on the acquisition.

In accordance with the terms of the 2011 Bridge Facility, PPL Capital Funding's borrowings of £1.75 billion were repaid with approximately \$2.8 billion of proceeds received from PPL's issuance of common stock and 2011 Equity Units in April 2011, as discussed in "Long-term Debt" below. In April 2011, PPL WEM repaid £650 million of its 2011 Bridge Facility borrowing. Such repayment was funded primarily with proceeds received from PPL WEM's issuance of senior notes, which is also discussed below. In May 2011, PPL WEM repaid the remaining £1.2 billion of borrowings then-

outstanding under the 2011 Bridge Facility, primarily with the proceeds from senior notes issued by WPD (East Midlands) and WPD (West Midlands), as described below.

In anticipation of the repayment of a portion of the borrowings under the 2011 Bridge Facility with U.S. dollar proceeds received from PPL's issuance of common stock and 2011 Equity Units and PPL WEM's issuance of U.S. dollar-denominated senior notes, PPL entered into forward contracts to purchase GBP in order to economically hedge the foreign currency exchange rate risk related to the repayment. See Note 19 for additional information.

**Long-term Debt** (PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)

	2011 (a)					
	PPL	PPL Energy Supply	PPL Electric	LKE	LG&E	KU
<b>U.S.</b>						
Senior Unsecured Notes (b)	\$ 3,574 (c) (d) (e)	\$ 2,350 (d)		\$ 1,125 (e)		
Junior Subordinated Notes, due 2018-2067 (f)	2,608					
8.05% - 8.30% Senior Secured Notes, due 2013 (g)	437	437				
7.375% 1945 First Mortgage Bonds, due 2014 (h)	10		\$ 10			
Senior Secured/First Mortgage Bonds (i)	3,435		1,400	2,035	\$ 535	\$ 1,500
4.00% - 4.75% Senior Secured Bonds (Pollution Control Series), due 2023-2029 (j)	314		314			
Pollution Control Bonds (Collateral Series), due 2023-2037 (k)	925			925	574	351
Exempt Facilities Notes, due 2037-2038 (l)	231	231				
Other (m)	5	5				
Total U.S. Long-term Debt	<u>11,539</u>	<u>3,023</u>	<u>1,724</u>	<u>4,085</u>	<u>1,109</u>	<u>1,851</u>
<b>U.K.</b>						
3.90% - 9.25% Senior Unsecured Notes, due 2016-2040 (n)	5,862					
1.541% - 2.671% Index-linked Senior Unsecured Notes, due 2043-2056 (o)	581					
Total U.K. Long-term Debt	<u>6,443</u>					
Total Long-term Debt Before Adjustments	<u>17,982</u>	<u>3,023</u> (p)	<u>1,724</u>	<u>4,085</u>	<u>1,109</u>	<u>1,851</u>
<b>Other</b>						
Fair value adjustments from hedging activities	3					
Fair value adjustments from purchase accounting	62 (q) (r)			7 (r)	6 (r)	1 (r)
Unamortized premium	5	5				
Unamortized discount	(59)	(4)	(6)	(19)	(3)	(10)
Total Long-Term Debt	<u>\$ 17,993</u>	<u>\$ 3,024</u>	<u>\$ 1,718</u>	<u>\$ 4,073</u>	<u>\$ 1,112</u>	<u>\$ 1,842</u>

	2010					
	PPL	PPL Energy Supply	PPL Electric	LKE	LG&E	KU
<b>U.S.</b>						
Senior Unsecured Notes (b)	\$ 3,574 (c) (d) (e)	\$ 2,600 (d)		\$ 875 (e)		
Junior Subordinated Notes, due 2018-2067 (f)	1,630					
8.05% - 8.30% Senior Secured Notes, due 2013 (g)	437	437				
7.375% 1945 First Mortgage Bonds, due 2014 (h)	10		\$ 10			
Senior Secured/First Mortgage Bonds (i)	3,185		1,150	2,035	\$ 535	\$ 1,500
4.00% - 4.75% Senior Secured Bonds (Pollution Control Series), due 2023-2029 (j)	314		314			
Pollution Control Bonds (Collateral Series), due 2023-2037 (k)	925			925	574	351
Exempt Facilities Notes, due 2037-2038 (l)	231	231				
Other (m)	7	5		2		
Total U.S. Long-term Debt	<u>10,313</u>	<u>3,273</u>	<u>1,474</u>	<u>3,837</u>	<u>1,109</u>	<u>1,851</u>



	2010					
	PPL	PPL Energy Supply	PPL Electric	LKE	LG&E	KU
<b>U.K.</b>						
4.80436% - 9.25% Senior Unsecured Notes, due 2017-2040 (n)	1,897	1,897				
1.541% Index-linked Senior Unsecured Notes, due 2053-2056 (o)	394	394				
Total U.K. Long-term Debt	2,291	2,291				
Total Long-term Debt Before Adjustments	12,604	5,564	1,474	3,837	1,109	1,851
<b>Other</b>						
Fair value adjustments from hedging activities	50	1				
Fair value adjustments from purchase accounting	38 (q) (r)	30 (q)		8 (r)	7 (r)	1 (r)
Unamortized premium	7	7				
Unamortized discount	(36)	(13)	(2)	(20)	(4)	(11)
Total Long-Term Debt	12,663	5,589	1,472	3,825	1,112	1,841
Less current portion of Long-term Debt	502	500		2		
Total Long-term Debt, noncurrent	<u>\$ 12,161</u>	<u>\$ 5,089</u>	<u>\$ 1,472</u>	<u>\$ 3,823</u>	<u>\$ 1,112</u>	<u>\$ 1,841</u>

## (a) Aggregate maturities of long-term debt are:

PPL - 2012, \$0; 2013, \$737; 2014, \$310; 2015, \$1,300; 2016, \$810; and \$14,825 thereafter.  
PPL Energy Supply - 2012, \$0; 2013, \$737; 2014, \$300; 2015, \$300; 2016, \$350; and \$1,336 thereafter.  
PPL Electric - 2012, \$0; 2013, \$0; 2014, \$10; 2015, \$100; 2016, \$0; and \$1,614 thereafter.  
LKE - 2012, \$0; 2013, \$0; 2014, \$0; 2015, \$900; 2016, \$0; and \$3,185 thereafter.  
LG&E - 2012, \$0; 2013, \$0; 2014, \$0; 2015, \$250; 2016, \$0; and \$859 thereafter.  
KU - 2012, \$0; 2013, \$0; 2014, \$0; 2015, \$250; 2016, \$0; and \$1,601 thereafter.

None of the debt securities outstanding have sinking fund requirements.

## (b) At December 31, 2011:

PPL - interest rates range from 2.125% to 6.85%, and maturities range from 2013 to 2047.  
PPL Energy Supply - interest rates range from 4.60% to 6.50%, and maturities range from 2013 to 2036.  
LKE - interest rates range from 2.125% to 4.375%, and maturities range from 2015 to 2021.

## At December 31, 2010:

PPL - interest rates range from 2.125% to 7.00%, and maturities range from 2011 to 2047.  
PPL Energy Supply - interest rates range from 5.40% to 7.00%, and maturities range from 2011 to 2046.  
LKE - interest rates range from 2.125% to 3.75%, and maturities range from 2015 to 2020.

## (c) Includes \$99 million of notes that may be redeemed at par beginning in July 2012.

## (d) Includes \$300 million of 5.70% REset Put Securities due 2035 (REPSSM). The REPS bear interest at a rate of 5.70% per annum to, but excluding, October 15, 2015 (Remarketing Date). The REPS are required to be put by existing holders on the Remarketing Date either for (a) purchase and remarketing by a designated remarketing dealer or (b) repurchase by PPL Energy Supply. Therefore, the REPS are reflected as a 2015 maturity for PPL and PPL Energy Supply in (a) above. If the remarketing dealer elects to purchase the REPS for remarketing, it will purchase the REPS at 100% of the principal amount, and the REPS will bear interest on and after the Remarketing Date at a new fixed rate per annum determined in the remarketing. PPL Energy Supply has the right to terminate the remarketing process. If the remarketing is terminated at the option of PPL Energy Supply or under certain other circumstances, including the occurrence of an event of default by PPL Energy Supply under the related indenture or a failed remarketing for certain specified reasons, PPL Energy Supply will be required to pay the remarketing dealer a settlement amount as calculated in accordance with the related remarketing agreement.

In July 2011, PPL Energy Supply redeemed at par the entire \$250 million aggregate principal amount of its 7.00% Senior Notes due 2046. PPL Energy Supply recorded a loss of \$7 million, which is reflected in "Interest Expense" on the Statements of Income for 2011, as a result of accelerating the amortization of deferred financing fees in connection with the redemption.

In November 2011, PPL Energy Supply repaid the entire \$500 million principal amount of its 6.40% Senior Notes upon maturity.

In December 2011, PPL Energy Supply issued \$500 million of 4.60% Senior Notes due 2021. The bonds may be redeemed at PPL Energy Supply's option at make-whole redemption prices until the date three months prior to maturity and at par thereafter. PPL Energy Supply received proceeds of \$497 million, net of discounts and underwriting fees. The net proceeds were used to repay a portion of short-term debt incurred to repay at maturity PPL Energy Supply's \$500 million aggregate principal amount of 6.40% Senior Notes due November 1, 2011. The balance of the net proceeds will be used for general corporate purposes.

## (e) Includes \$875 million of Senior Notes issued by LKE in 2010 in private offerings to qualified institutional buyers and other transactions not subject to registration requirements under the Securities Act of 1933. In April 2011, LKE filed 2011 Registration Statements with the SEC related to offers to exchange securities issued in November 2010 in transactions not registered under the Securities Act of 1933 with similar but

registered securities. The 2011 Registration Statements became effective in June 2011 and the exchanges were completed in July 2011, with substantially all securities being exchanged.

In September 2011, LKE issued \$250 million of 4.375% Senior Notes due 2021. The notes were issued in a private offering to qualified institutional buyers and other transactions not subject to registration requirements under the Securities Act of 1933. In connection with the issuance, LKE entered into a registration rights agreement with representatives of the initial purchasers of the notes, pursuant to which LKE agreed to file, by late April 2012, a registration statement to exchange such notes for securities containing substantially identical terms (except for certain transfer restrictions), or in certain cases to file, by late April 2012, a registration statement covering resale of the notes. LKE also agreed, under its registration rights agreement, to (i) use its commercially reasonable efforts to cause the registration statement to be declared effective under the Securities Act by late July 2012 and (ii) upon effectiveness of the registration statement, take certain actions to promptly exchange the notes or, in the case of a registration statement covering resale of the notes, keep the registration statement effective until no later than late September 2012. Pursuant to the registration rights agreement, LKE may be required to pay liquidated damages if it does not meet certain requirements under its registration rights agreement. Liquidated damages will generally accrue with respect to the principal amount of the notes at a rate of 0.25% per annum for the first 90 days from and including the date on which a default specified under the registration rights agreement occurs, and increase by an additional 0.25% per annum thereafter, provided that the liquidated damages rate shall not at any time exceed 0.50% per annum.

Liquidated damages will cease to accrue when all registration defaults under the registration rights agreement have been cured, or if earlier, upon the redemption by the issuer or maturity of the notes.

The notes may be redeemed at LKE's option at make-whole redemption prices until the date three months prior to maturity and at par thereafter. LKE received proceeds of \$248 million, net of discounts and underwriting fees. The net proceeds have been used to make a return of capital to PPL.

- (f) 2011 includes \$480 million of Junior Subordinated Notes that bear interest at 6.70% into March 2017, at which time the notes will bear interest at three-month LIBOR plus 2.665%, reset quarterly, until maturity. Interest payments may be deferred, from time to time, on one or more occasions for up to ten consecutive years. The notes may be redeemed at par beginning in March 2017.

2011 also includes \$978 million of 4.32% Junior Subordinated Notes due 2019 that were issued in connection with PPL's issuance of the 2011 Equity Units in April 2011 and \$1.15 billion of 4.625% Junior Subordinated Notes due 2018 that were issued in connection with PPL's issuance of the 2010 Equity Units in June 2010. See discussion of the Equity Units below for further information on such notes.

2010 includes \$480 million of Junior Subordinated Notes that bear interest at 6.70% into March 2017, at which time the notes will bear interest at three-month LIBOR plus 2.665%, reset quarterly, until maturity. Interest payments may be deferred, from time to time, on one or more occasions for up to ten consecutive years. The notes may be redeemed at par beginning in March 2017.

2010 also includes \$1.15 billion of 4.625% Junior Subordinated Notes due 2018 that were issued in connection with PPL's issuance of the 2010 Equity Units in June 2010.

- (g) Represents lease financing consolidated through a VIE. See Note 22 for additional information.
- (h) The 1945 First Mortgage Bonds were issued under, and secured by, the lien of the 1945 First Mortgage Bond Indenture. In December 2008, PPL Electric completed an in-substance defeasance of the 1945 First Mortgage Bonds by depositing sufficient funds with the trustee solely to satisfy the principal and remaining interest obligations on the bonds when due. The amount of funds on deposit with the trustee was \$12 million at December 31, 2011 and \$13 million at December 31, 2010, and is recorded as restricted cash, primarily in "Other noncurrent assets" on the Balance Sheets.

Also in December 2008, PPL Electric discharged the lien under the 1945 First Mortgage Bond Indenture, which covered substantially all electric distribution plant and certain transmission plant owned by PPL Electric.

- (i) At December 31, 2011:  
 PPL - interest rates range from 1.625% to 6.45%, and maturities range from 2015 to 2041.  
 PPL Electric - interest rates range from 3.00% to 6.45%, and maturities range from 2015 to 2041.  
 LG&E - interest rates range from 1.625% to 5.125%, and maturities range from 2015 to 2040.  
 KU - interest rates range from 1.625% to 5.125%, and maturities range from 2015 to 2040.

At December 31, 2010:  
 PPL - interest rates range from 1.625% to 7.125%, and maturities range from 2013 to 2040.  
 PPL Electric - interest rates range from 4.95% to 7.125%, and maturities range from 2013 to 2039.  
 LG&E - interest rates range from 1.625% to 5.125%, and maturities range from 2015 to 2040.  
 KU - interest rates range from 1.625% to 5.125%, and maturities range from 2015 to 2040.

In July 2011, PPL Electric issued \$250 million of 5.20% First Mortgage Bonds due 2041. The bonds may be redeemed at PPL Electric's option at make-whole redemption prices until the date six months prior to maturity and at par thereafter. PPL Electric received proceeds of \$246 million, net of discounts and underwriting fees. The net proceeds have been or will be used for capital expenditures and other general corporate purposes.

Also in July 2011, PPL Electric redeemed the entire \$400 million aggregate principal amount of its 7.125% Senior Secured Bonds due 2013 for \$458 million, plus accrued interest. PPL Electric recorded a regulatory asset for the redemption premium and unamortized financing costs associated with this debt. See Note 6 for additional information.

In August 2011, PPL Electric issued \$400 million of 3.00% First Mortgage Bonds due 2021. The bonds may be redeemed at PPL Electric's option at make-whole redemption prices until the date three months prior to maturity and at par thereafter. PPL Electric received proceeds of \$394 million, net of discounts and underwriting fees. The net proceeds were used to repay \$250 million of short-term debt and to replenish cash used to redeem the 7.125% Senior Secured Bonds due 2013 in July 2011, as discussed above.

The senior secured and first mortgage bonds issued by PPL Electric are secured by the lien of the PPL Electric 2001 Mortgage Indenture, which covers substantially all electric distribution plant and certain transmission plant owned by PPL Electric. The carrying value of PPL Electric's property, plant and equipment was approximately \$3.9 billion and \$3.6 billion at December 31, 2011 and 2010.

LG&E's first mortgage bonds are secured by the lien of the LG&E 2010 Mortgage Indenture, which creates a lien, subject to certain exceptions and exclusions, on substantially all of LG&E's real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity and the storage and distribution of natural gas. The aggregate carrying value of the property subject to the lien was \$2.6 billion and \$2.5 billion at December 31, 2011 and December 31, 2010.

KU's first mortgage bonds are secured by the lien of the KU 2010 Mortgage Indenture, which creates a lien, subject to certain exceptions and exclusions, on substantially all of KU's real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity. The aggregate carrying value of the property subject to the lien was \$4.1 billion and \$4.0 billion at December 31, 2011 and December 31, 2010.

The LG&E and KU first mortgage bonds were issued in 2010 in private offerings to qualified institutional buyers and other transactions not subject to registration requirements under the Securities Act of 1933. In April 2011, LG&E and KU each filed 2011 Registration Statements with the SEC related to offers to exchange the first mortgage bonds with similar but registered securities. The 2011 Registration Statements became effective in June 2011 and the exchanges were completed in July 2011, with substantially all securities being exchanged.

- (j) PPL Electric issued a series of its senior secured bonds to secure its obligations to make payments with respect to each series of Pollution Control Bonds that were issued by the LCIDA and the PEDFA on behalf of PPL Electric. These senior secured bonds were issued in the same principal amount, contain payment and redemption provisions that correspond to and bear the same interest rate as such Pollution Control Bonds. These senior secured bonds were issued under PPL Electric's 2001 Mortgage Indenture and are secured as noted in (i) above. \$224 million of such bonds may be redeemed at par beginning in 2015. \$90 million of such bonds may be redeemed, in whole or in part, at par beginning in October 2020 and are subject to mandatory redemption upon determination that the interest rate on the bonds would be included in the holders' gross income for federal tax purposes.
- (k) In October 2010, LG&E and KU each issued a series of first mortgage bonds to the respective trustees of tax-exempt revenue bonds to secure its respective obligations to make payments with respect to each series of bonds. The first mortgage bonds were issued in the same principal amount, contain payment and redemption provisions that correspond to and bear the same interest rate as such tax-exempt revenue bonds. These first mortgage bonds were issued under the LG&E 2010 Mortgage Indenture and the KU 2010 Mortgage Indenture and are secured as noted in (i) above. The related tax-exempt revenue bonds were issued by various governmental entities, principally counties in Kentucky, on behalf of LG&E and KU. The related revenue bond documents allow LG&E and KU to convert the interest rate mode on the bonds from time to time to a commercial paper rate, daily rate, weekly rate, term rate of at least one year or, in some cases, an auction rate or a LIBOR index rate.

At December 31, 2011, the aggregate tax-exempt revenue bonds issued on behalf of LG&E and KU that were in a term rate mode totaled \$321 million, \$294 million and \$27 million for LKE, LG&E and KU. The weighted average rates on these bonds were 3.57%, 3.37% and 5.83% for LKE, LG&E and KU. At December 31, 2010, the amounts that were in a term rate mode totaled \$183 million, \$156 million and \$27 million for LKE, LG&E and KU. The weighted average rates on these bonds were 5.31%, 5.22% and 5.83% for LKE, LG&E and KU.

At December 31, 2011, the aggregate tax-exempt revenue bonds issued on behalf of LG&E and KU that were in a variable rate mode totaled \$604 million, \$280 million and \$324 million for LKE, LG&E and KU. The weighted average rates on these bonds were 0.23%, 0.33% and 0.15% for LKE, LG&E and KU. At December 31, 2010, the amounts that were in a variable rate mode totaled \$742 million, \$418 million and \$324 million for LKE, LG&E and KU. The weighted average rates on these bonds were 0.45%, 0.55% and 0.38% for LKE, LG&E and KU.

Several series of the tax-exempt revenue bonds are insured by monoline bond insurers whose ratings were reduced due to exposures relating to insurance of sub-prime mortgages. Of the bonds outstanding, \$231 million are in the form of insured auction rate securities, wherein interest rates are reset either weekly or every 35 days via an auction process. Beginning in late 2007, the interest rates on these insured bonds began to increase due to investor concerns about the creditworthiness of the bond insurers. During 2008, interest rates increased, and LG&E and KU experienced failed auctions when there were insufficient bids for the bonds. When a failed auction occurs, the interest rate is set pursuant to a formula stipulated in the indenture. As noted above, the instruments governing these auction rate bonds permit LG&E and KU to convert the bonds to other interest rate modes.

Certain variable rate tax-exempt revenue bonds totaling \$348 million at December 31, 2011, are subject to tender for purchase by LG&E and KU at the option of the holder and to mandatory tender for purchase by LG&E and KU upon the occurrence of certain events. At December 31, 2010, LG&E held \$163 million of such bonds, which were issued on its behalf by Louisville/Jefferson County, Kentucky and are reflected as "Short-term investments" on the Balance Sheet. In January 2011, the entire \$163 million of bonds were remarketed to unaffiliated investors in a term rate mode, bearing interest at 1.90% into 2012. The proceeds from the remarketing were used to repay the borrowing under LG&E's syndicated credit facility, which is discussed above in "Credit Arrangements and Short-term Debt."

- (l) The interest rate mode on all three series of bonds was converted from a commercial paper rate to a term rate of 3.00% for five years, effective in September 2010.
- (m) At December 31, 2011:  
PPL and PPL Energy Supply - 6.00% notes due 2020.

At December 31, 2010:

PPL - 6.00%- 7.471% notes due 2011-2020.

PPL Energy Supply - 6.00% notes due 2020.

LKE - 7.471% notes due 2011.

- (n) Includes £225 million (\$354 million at December 31, 2011 and \$350 million at December 31, 2010) of notes that may be redeemed, in total but not in part, on December 21, 2026, at the greater of the principal value or a value determined by reference to the gross redemption yield on a nominated U.K. Government bond.

Also includes £3.7 billion (\$5.8 billion) at December 31, 2011 and £1.0 billion (\$1.6 billion) at December 31, 2010 of notes that may be put by the holders back to the issuer for redemption if the long-term credit ratings assigned to the Notes by Moody's, S&P or Fitch are withdrawn by any of the rating agencies or reduced to a non-investment grade rating of Ba1 or BB+ in connection with a restructuring event. A restructuring event includes the loss of, or a material adverse change to, the distribution licenses under which WPD's network companies operate.

In connection with the closing of the acquisition of WPD Midlands in April 2011, PPL assumed, through consolidation, £250 million of Senior Notes due 2040 (2040 Notes) previously issued by WPD (East Midlands), and £250 million of Senior Notes due 2025 (2025 Notes) previously issued by WPD (West Midlands), equating to an aggregate principal amount of approximately \$800 million at the time of closing. The interest rates on the notes are subject to adjustment into June 2012 in the event of a rating change on the notes. The 2040 Notes currently bear interest at 5.75% and the 2025 Notes currently bear interest at 6.00%.

The maximum rate of interest allowable under the adjustment provisions is 6.50% for the 2040 Notes and 6.25% for the 2025 Notes. The 2025 Notes and 2040 Notes may be put by the holders back to the respective issuer for redemption if the long-term credit ratings assigned to the notes by Moody's or S&P are withdrawn by either of the rating agencies or reduced to a non-investment grade rating of Ba1 or BB+ in connection with a restructuring event. A restructuring event includes the loss of, or material adverse change to, the distribution license under which WPD (West Midlands) and WPD (East Midlands) operate.

In April 2011, PPL WEM issued \$460 million of 3.90% Senior Notes due 2016 (2016 Notes) and \$500 million of 5.375% Senior Notes due 2021 (2021 Notes). The 2016 Notes may be redeemed any time prior to maturity at PPL WEM's option at make-whole redemption prices. The 2021 Notes may be redeemed at PPL WEM's option at make-whole redemption prices until the date three months prior to maturity and at par thereafter. PPL WEM received proceeds of \$953 million, net of discounts and underwriting fees, from the combined issuance of the notes. The net proceeds were used to repay a portion of PPL WEM's borrowing under the 2011 Bridge Facility as discussed above. In connection with the issuance of the senior notes, PPL WEM, through PPL, entered into cross currency interest rate swaps for the entire aggregate principal amount of each series of notes in order to hedge PPL WEM's risk of variability in the GBP functional currency equivalent cash flows related to its U.S. dollar interest and principal payments on the notes.

In May 2011, WPD (West Midlands) issued £800 million of 5.75% Senior Notes due 2032 (2032 Notes) and WPD (East Midlands) issued £600 million of 5.25% Senior Notes due 2023 (2023 Notes). WPD (West Midlands) and WPD (East Midlands) collectively received proceeds of £1.4 billion, which equated to \$2.2 billion at the time of issuance, net of discounts and underwriting fees, from the combined debt issuances. A portion of the net proceeds were divided to PPL WEM and used to repay the remaining balance of PPL WEM's borrowing under the 2011 Bridge Facility in May 2011 as discussed above. The balance of the net proceeds have been or will be used to pre-fund certain capital expenditures and for other general corporate purposes.

The 2032 Notes and the 2023 Notes may be put by the holders back to the respective issuer for redemption if the long-term credit ratings assigned to the notes by Moody's or S&P are withdrawn by either of the rating agencies or reduced to a non-investment grade rating of Ba1 or BB+ in connection with a restructuring event. A restructuring event includes the loss of, or material adverse change to, the distribution license under which WPD (West Midlands) and WPD (East Midlands) operate.

The change from 2010 to 2011 includes an increase of \$16 million resulting from movements in foreign currency exchange rates related to the amounts that were outstanding at both December 31, 2010 and December 31, 2011.

- (o) The principal amount of the notes issued by WPD (South West) is adjusted on a semi-annual basis based on changes in a specified index, as detailed in the terms of the related indentures. The adjustment to the principal amount from 2010 to 2011 was an increase of approximately £14 million (\$22 million) resulting from inflation and a \$4 million increase resulting from movements in foreign currency exchange rates.

These notes may be redeemed, in total by series, on December 1, 2026, at the greater of the adjusted principal value and a make-whole value determined by reference to the gross real yield on a nominated U.K. government bond. Additionally, these notes may be put by the holders back to the issuer for redemption if the long-term credit ratings assigned to the notes by Moody's, S&P or Fitch are withdrawn by any of the rating agencies or reduced to a non-investment grade rating of Ba1 or BB+ in connection with a restructuring event. A restructuring event includes the loss of, or a material adverse change to, the distribution license under which the issuer operates.

In June 2011, WPD (East Midlands) issued £100 million of Index-Linked Notes due 2043 (2043 Notes). The principal amount of the 2043 Notes is adjusted based on changes in a specified index, as detailed in the terms of the notes. WPD (East Midlands) received proceeds of £99 million, which equated to \$163 million at the time of issuance, net of discounts and underwriting fees, from the issuance of the 2043 Notes. The majority of the net proceeds were used to repay short-term debt. Since issuance, the principal amount on the 2043 Notes has increased by approximately £2 million (\$4 million) as a result of inflation.

The 2043 Notes may be put by the holders back to WPD (East Midlands) for redemption if the long-term credit ratings assigned to the notes by Moody's or S&P are withdrawn by either of the rating agencies or reduced to a non-investment grade rating of Ba1 or BB+ in connection with a restructuring event. A restructuring event includes the loss of, or material adverse change to, the distribution license under which WPD (East Midlands) operates.

- (p) As a result of PPL Energy Supply's January 2011 distribution of its membership interest in PPL Global to its parent, PPL Energy Funding, assets and liabilities of PPL Global at December 31, 2010, including total long-term debt of \$2.3 billion, were removed from PPL Energy Supply's Balance Sheet in 2011. See Note 9 for additional information.
- (q) Reflects adjustments made to record WPD's long-term debt at fair value at the time of acquisition of the controlling interest in WPD in 2002 and the acquisition of WPD Midlands in 2011.
- (r) Reflects adjustments made to record LG&E's and KU's long-term debt at fair value at the time of acquisition of LKE in 2010.

### 2011 Equity Units (PPL)

In April 2011, in connection with the acquisition of WPD Midlands, PPL issued 92 million shares of its common stock at a public offering price of \$25.30 per share, for a total of \$2.328 billion. Proceeds from the issuance were \$2.258 billion, net of the \$70 million underwriting discount. PPL also issued 19.55 million 2011 Equity Units at a stated amount per unit of \$50.00 for a total of \$978 million. Proceeds from the issuance were \$948 million, net of the \$30 million underwriting discount. PPL used the net proceeds to repay PPL Capital Funding's borrowings under the 2011 Bridge Facility, as discussed above, to pay certain acquisition-related fees and expenses and for general corporate purposes.

Each 2011 Equity Unit consists of a 2011 Purchase Contract and, initially, a 5.0% undivided beneficial ownership interest in \$1,000 principal amount of PPL Capital Funding 4.32% Junior Subordinated Notes due 2019 (2019 Notes).

Each 2011 Purchase Contract obligates the holder to purchase, and PPL to sell, for \$50.00 a number of shares of PPL common stock to be determined by the average VWAP of PPL's common stock for the 20-trading day period ending on the third trading day prior to May 1, 2014, subject to antidilution adjustments and an early settlement upon a Fundamental Change as follows:

- if the average VWAP equals or exceeds approximately \$30.99, then 1.6133 shares (a minimum of 31,540,015 shares);
- if the average VWAP is less than approximately \$30.99 but greater than \$25.30, a number of shares of common stock having a value, based on the average VWAP, equal to \$50.00; and
- if the average VWAP is less than or equal to \$25.30, then 1.9763 shares (a maximum of 38,636,665 shares).

If holders elect to settle the 2011 Purchase Contract prior to May 1, 2014, they will receive 1.6133 shares of PPL common stock, subject to antidilution adjustments and an early settlement upon a Fundamental Change.

A holder's ownership interest in the 2019 Notes is pledged to PPL to secure the holder's obligation under the related 2011 Purchase Contract. If a holder of a 2011 Purchase Contract chooses at any time no longer to be a holder of the 2019 Notes, such holder's obligation under the 2011 Purchase Contract must be secured by a U.S. Treasury security.

Each 2011 Purchase Contract also requires PPL to make quarterly contract adjustment payments at a rate of 4.43% per year on the \$50.00 stated amount of the 2011 Equity Unit. PPL has the option to defer these contract adjustment payments until the 2011 Purchase Contract settlement date. Deferred contract adjustment payments will accrue additional contract adjustment payments at the rate of 8.75% per year until paid. Until any deferred contract adjustment payments have been paid, PPL may not declare or pay any dividends or distributions on, or redeem, purchase or acquire or make a liquidation payment with respect to, any of its capital stock, subject to certain exceptions.

The 2019 Notes are fully and unconditionally guaranteed by PPL as to payment of principal and interest. The 2019 Notes initially bear interest at 4.32% and are not subject to redemption prior to May 2016. Beginning May 2016, PPL Capital Funding may, at its option, redeem the 2019 Notes, in whole but not in part, at any time, at par plus accrued and unpaid interest. The 2019 Notes are expected to be remarketed in 2014 into two tranches, such that neither tranche will have an aggregate principal amount of less than the lesser of \$250 million and 50% of the aggregate principal amount of the 2019 Notes to be remarketed. One tranche will mature on or about the third anniversary of the settlement of the remarketing, and the other tranche will mature on or about the fifth anniversary of such settlement. Upon a successful remarketing, the interest rate on the 2019 Notes may be reset and the maturity of the tranches may be modified as necessary. In connection with a remarketing, PPL Capital Funding may elect with respect to each tranche, to extend or eliminate the early redemption date and/or calculate interest on the notes of a tranche on a fixed or floating rate basis. If the remarketing fails, holders of the 2019 Notes will have the right to put their notes to PPL Capital Funding on May 1, 2014 for an amount equal to the principal amount plus accrued interest.

Prior to May 2016, PPL Capital Funding may elect at one or more times to defer interest payments on the 2019 Notes for one or more consecutive interest periods until the earlier of the third anniversary of the interest payment due date and May 2016. Deferred interest payments will accrue additional interest at a rate equal to the interest rate then applicable to the 2019 Notes. Until any deferred interest payments have been paid, PPL may not, subject to certain exceptions, (i) declare or pay any dividends or distributions on, or redeem, purchase or acquire or make a liquidation payment with respect to, any of its capital stock, (ii) make any payment of principal of, or interest or premium, if any, on, or repay, purchase or redeem any of its debt securities that upon its liquidation ranks equal with, or junior in interest to, the subordinated guarantee of the 2019 Notes by PPL as of the date of issuance and (iii) make any payments regarding any guarantee by PPL of securities of any of its subsidiaries (other than PPL Capital Funding) if the guarantee ranks equal with, or junior in interest to, the 2019 Notes as of the date of their issuance.

In the financial statements, the proceeds from the sale of the 2011 Equity Units were allocated to the 2019 Notes and the 2011 Purchase Contracts, including the obligation to make contract adjustment payments, based on the underlying fair value of each instrument at the time of issuance. As a result, the 2019 Notes were recorded at \$978 million, which approximated fair value, as long-term debt. At the time of issuance, the present value of the contract adjustment payments of \$123 million was recorded to other liabilities representing the obligation to make contract adjustment payments, with an offsetting reduction to additional paid-in capital for the issuance of the 2011 Purchase Contracts, which approximated the fair value of each. The liability is being accreted through interest expense over the three-year term of the 2011 Purchase Contracts. The initial valuation of the contract adjustment payments is considered a non-cash transaction that is excluded from the Statement of Cash Flows in 2011. Costs to issue the 2011 Equity Units were primarily allocated on a relative cost basis, resulting in \$25 million being recorded to "Additional paid-in capital" and \$6 million being recorded to "Other noncurrent assets" on the Balance Sheet. See Note 4 for EPS considerations related to the 2011 Purchase Contracts.

### **2010 Equity Units (PPL)**

In June 2010, in connection with the acquisition of LKE, PPL issued 103.5 million shares of its common stock at a public offering price of \$24.00 per share, for a total of \$2.484 billion. Proceeds from the issuance were \$2.409 billion, net of the \$75 million underwriting discount. PPL also issued 23 million 2010 Equity Units at a stated amount per unit of \$50.00 for a total of \$1.150 billion. Proceeds from the issuance were \$1.116 billion, net of the \$34 million underwriting discount.

Each 2010 Equity Unit consists of a Purchase Contract and, initially, a 5.0% undivided beneficial ownership interest in \$1,000 principal amount of PPL Capital Funding 4.625% Junior Subordinated Notes due 2018 (2018 Notes).

Each 2010 Purchase Contract obligates the holder to purchase, and PPL to sell, for \$50.00 a variable number of shares of PPL common stock determined by the average VWAP of PPL's common stock for the 20-trading day period ending on the third trading day prior to July 1, 2013, subject to antidilution adjustments and an early settlement upon a Fundamental Change as follows:

- if the average VWAP equals or exceeds \$28.80, then 1.7361 shares (a minimum of 39,930,300 shares);
- if the average VWAP is less than \$28.80 but greater than \$24.00, a number of shares of common stock having a value, based on the average VWAP, equal to \$50.00; and
- if the average VWAP is less than or equal to \$24.00, then 2.0833 shares (a maximum of 47,915,900 shares).

If holders elect to settle the 2010 Purchase Contract prior to July 1, 2013, they will receive 1.7361 shares of PPL common stock, subject to antidilution adjustments and an early settlement upon a Fundamental Change.

A holder's ownership interest in the 2018 Notes is pledged to PPL to secure the holder's obligation under the related 2010 Purchase Contract. If a holder of a 2010 Purchase Contract chooses at any time to no longer be a holder of the 2018 Notes, such holder's obligation under the 2010 Purchase Contract must be secured by a U.S. Treasury security.

Each 2010 Purchase Contract also requires PPL to make quarterly contract adjustment payments at a rate of 4.875% per year on the \$50.00 stated amount of the 2010 Equity Unit. PPL has the option to defer these contract adjustment payments until the 2010 Purchase Contract settlement date. Deferred contract adjustment payments will accrue

additional contract adjustment payments at the rate of 9.5% per year until paid. Until any deferred contract adjustment payments have been paid, PPL may not declare or pay any dividends or distributions on, or redeem, purchase or acquire or make a liquidation payment with respect to, any of its capital stock, subject to certain exceptions.

The 2018 Notes are fully and unconditionally guaranteed by PPL as to payment of principal and interest. The 2018 Notes initially bear interest at 4.625% and are not subject to redemption prior to July 2015. Beginning July 2015, PPL Capital Funding may, at its option, redeem the 2018 Notes, in whole but not in part, at any time, at par plus accrued and unpaid interest. The 2018 Notes are expected to be remarketed in 2013 in two tranches, such that neither tranche will have an aggregate principal amount of less than the lesser of \$300 million and 50% of the aggregate principal amount of the 2018 Notes to be remarketed. One tranche will mature on or about the third anniversary of the settlement of the remarketing, and the other tranche will mature on or about the fifth anniversary of such settlement. The 2018 Notes will be remarketed as subordinated, unsecured obligations of PPL Capital Funding, as PPL Capital Funding notified the trustee in September 2010 of its irrevocable election to maintain the subordination provisions of the notes and related guarantees in a remarketing. Upon a successful remarketing, the interest rate on the 2018 Notes may be reset and the maturity of the tranches may be modified as necessary. In connection with a remarketing, PPL Capital Funding may elect, with respect to each tranche, to extend or eliminate the early redemption date and/or calculate interest on the notes of a tranche on a fixed or floating rate basis. If the remarketing fails, holders of the 2018 Notes will have the right to put their notes to PPL Capital Funding on July 1, 2013 for an amount equal to the principal amount plus accrued interest.

Prior to July 2013, PPL Capital Funding may elect at one or more times to defer interest payments on the 2018 Notes for one or more consecutive interest periods until the earlier of the third anniversary of the interest payment due date and July 2015. Deferred interest payments will accrue additional interest at a rate equal to the interest rate then applicable to the 2018 Notes. Until any deferred interest payments have been paid, PPL may not, subject to certain exceptions, (i) declare or pay any dividends or distributions on, or redeem, purchase or acquire or make a liquidation payment with respect to, any of its capital stock, (ii) make any payment of principal of, or interest or premium, if any, on, or repay, purchase or redeem any of its debt securities that upon its liquidation ranks equal with, or junior in interest to, the subordinated guarantee of the 2018 Notes by PPL as of the date of issuance and (iii) make any payments regarding any guarantee by PPL of securities of any of its subsidiaries (other than PPL Capital Funding) if the guarantee ranks equal with, or junior in interest to, the 2018 Notes as of the date of their issuance.

In the financial statements, the proceeds from the sale of the 2010 Equity Units were allocated to the 2018 Notes and the 2010 Purchase Contracts, including the obligation to make contract adjustment payments, based on the underlying fair value of each instrument at the time of issuance. As a result, the 2018 Notes were recorded at \$1.150 billion, which approximated fair value, as long-term debt. At the time of issuance, the present value of the contract adjustment payments of \$157 million was recorded to other liabilities, representing the obligation to make contract adjustment payments, with an offsetting reduction to additional paid-in capital value for the issuance of the 2010 Purchase Contracts, which approximated the fair value of each. The liability is being accreted through interest expense over the three-year term of the 2010 Purchase Contracts. The initial valuation of the contract adjustment payments is considered a non-cash transaction that was excluded from the Statement of Cash Flows in 2010. Costs to issue the 2010 Equity Units were primarily allocated on a relative cost basis, resulting in \$29 million being recorded to "Additional paid-in capital" and \$7 million being recorded to "Other noncurrent assets" on the Balance Sheet. See Note 4 for EPS considerations related to the 2010 Purchase Contracts.

#### **Legal Separateness** (*PPL, PPL Energy Supply, PPL Electric and LKE*)

In 2001, PPL Electric completed a strategic initiative to confirm its legal separation from PPL and PPL's other affiliated companies. This initiative was designed to enable PPL Electric to substantially reduce its exposure to volatility in energy prices and supply risks through 2009 and to reduce its business and financial risk profile by, among other things, limiting its business activities to the transmission and distribution of electricity and businesses related to or arising out of the electric transmission and distribution businesses. In connection with this initiative, PPL Electric:

- obtained long-term electric supply contracts to meet its PLR obligations (with its affiliate PPL EnergyPlus) through 2009, as further described in Note 16 under "PLR Contracts/Purchase of Accounts Receivable" (also see Note 15 under "Energy Purchase Commitments" for information on current PLR supply procurement procedures);
- agreed to limit its businesses to electric transmission and distribution and related activities;

- adopted amendments to its Articles of Incorporation and Bylaws containing corporate governance and operating provisions designed to clarify and reinforce its legal and corporate separateness from PPL and its other affiliated companies; and
- appointed an independent director to its Board of Directors and required the unanimous approval of the Board of Directors, including the consent of the independent director, to amendments to these corporate governance and operating provisions or to the commencement of any insolvency proceedings, including any filing of a voluntary petition in bankruptcy or other similar actions.

In addition, in connection with the issuance of certain series of bonds, PPL Electric entered into a compliance administration agreement with an independent compliance administrator to review, on a semi-annual basis, its compliance with the corporate governance and operating requirements contained in its Articles of Incorporation and Bylaws. Such series of bonds are no longer outstanding and the compliance administration agreement has terminated, but PPL Electric continues to comply with the corporate separateness provisions in its Articles of Incorporation and Bylaws.

The enhancements to PPL Electric's legal separation from its affiliates are intended to minimize the risk that a court would order PPL Electric's assets and liabilities to be substantively consolidated with those of PPL or another affiliate of PPL in the event that PPL or another PPL affiliate were to become a debtor in a bankruptcy case. Based on these various measures, PPL Electric was able to issue and maintain a higher level of debt and use it to replace higher cost equity, thereby maintaining a lower total cost of capital. Nevertheless, if PPL or another PPL affiliate were to become a debtor in a bankruptcy case, there can be no assurance that a court would not order PPL Electric's assets and liabilities to be consolidated with those of PPL or such other PPL affiliate.

The subsidiaries of PPL are separate legal entities. PPL's subsidiaries are not liable for the debts of PPL. Accordingly, creditors of PPL may not satisfy their debts from the assets of PPL's subsidiaries absent a specific contractual undertaking by a subsidiary to pay PPL's creditors or as required by applicable law or regulation. Similarly, absent a specific contractual undertaking or as required by applicable law or regulation, PPL is not liable for the debts of its subsidiaries, nor are its subsidiaries liable for the debts of one another. Accordingly, creditors of PPL's subsidiaries may not satisfy their debts from the assets of PPL or its other subsidiaries absent a specific contractual undertaking by PPL or its other subsidiaries to pay the creditors or as required by applicable law or regulation.

Similarly, the subsidiaries of PPL Energy Supply, PPL Electric and LKE are each separate legal entities. These subsidiaries are not liable for the debts of PPL Energy Supply, PPL Electric and LKE. Accordingly, creditors of PPL Energy Supply, PPL Electric and LKE may not satisfy their debts from the assets of their subsidiaries absent a specific contractual undertaking by a subsidiary to pay the creditors or as required by applicable law or regulation. Similarly, absent a specific contractual undertaking or as required by applicable law or regulation, PPL Energy Supply, PPL Electric and LKE are not liable for the debts of their subsidiaries, nor are their subsidiaries liable for the debts of one another. Accordingly, creditors of these subsidiaries may not satisfy their debts from the assets of PPL Energy Supply, PPL Electric and LKE (or their other subsidiaries) absent a specific contractual undertaking by that parent or other subsidiary to pay such creditors or as required by applicable law or regulation.

### **Distributions, Capital Contributions and Related Restrictions**

*(PPL)*

In November 2011, PPL declared its quarterly common stock dividend, payable January 3, 2012, at 35.0 cents per share (equivalent to \$1.40 per annum). In February 2012, PPL declared its quarterly common stock dividend, payable April 2, 2012, at 36.0 cents per share (equivalent to \$1.44 per annum). Future dividends, declared at the discretion of the Board of Directors, will be dependent upon future earnings, cash flows, financial and legal requirements and other factors.

Neither PPL Capital Funding nor PPL may declare or pay any cash dividend or distribution on its capital stock during any period in which PPL Capital Funding defers interest payments on its 2007 Series A Junior Subordinated Notes due 2067. Subject to certain exceptions, PPL may not declare or pay any dividend or distribution on its capital stock until any deferred interest payments on its 4.625% Junior Subordinated Notes due 2018 and its 4.32% Junior Subordinated Notes due 2019 have been paid and deferred contract adjustment payments on PPL's Purchase Contracts have been paid.



At December 31, 2011, no payments were deferred on either series of junior subordinated notes or the Purchase Contracts.

*(PPL, PPL Electric, LKE, LG&E and KU)*

PPL relies on dividends or loans from its subsidiaries to fund PPL's dividends to its common shareholders. The net assets of certain PPL subsidiaries are subject to legal restrictions. LKE primarily relies on dividends from its subsidiaries to fund its dividends to PPL. LG&E, KU and PPL Electric are subject to Section 305(a) of the Federal Power Act, which makes it unlawful for a public utility to make or pay a dividend from any funds "properly included in capital account." The meaning of this limitation has never been clarified under the Federal Power Act. LG&E, KU and PPL Electric believe, however, that this statutory restriction, as applied to their circumstances, would not be construed or applied by the FERC to prohibit the payment from retained earnings of dividends that are not excessive and are for lawful and legitimate business purposes. Also, under Virginia law, KU is prohibited from making loans to affiliates without the prior approval of the VSCC. There are no comparable statutes under Kentucky law applicable to LG&E and KU, or under Pennsylvania law applicable to PPL Electric. However, Orders from the KPSC require LG&E or KU to obtain prior regulatory consent or approval before loaning funds to PPL. At December 31, 2011, the net restricted assets of LG&E and KU were approximately \$4.4 billion.

*(PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

The following distributions and capital contributions occurred in 2011:

	<u>PPL Energy Supply</u>	<u>PPL Electric</u>	<u>LKE</u>	<u>LG&amp;E</u>	<u>KU</u>
Dividends/distributions paid to parent/member	\$ 316 (a)	\$ 92	\$ 533 (b)	\$ 83	\$ 124
Capital contributions received from parent/member	461	100			

(a) In addition to the cash distributions paid, in January 2011, PPL Energy Supply distributed its membership interest in PPL Global to its parent company, PPL Energy Funding. See Note 9 for additional information.

(b) Includes \$248 million return of capital made to PPL in September 2011 from proceeds of senior unsecured note issuance.

*(PPL Energy Supply)*

In January 2012, PPL Energy Supply distributed \$200 million to its parent.

*(PPL and PPL Energy Supply)*

The PPL Montana Colstrip lease places certain restrictions on PPL Montana's ability to declare dividends. At this time, PPL believes that these covenants will not limit PPL's or PPL Energy Supply's ability to operate as desired and will not affect their ability to meet any of their cash obligations. WPD subsidiaries also have financing arrangements that limit their ability to pay dividends. However, PPL does not, at this time, expect that any of such limitations would significantly impact PPL's ability to meet its cash obligations.

*(PPL and PPL Electric)*

As discussed in Note 3, PPL Electric may not pay dividends on its common stock, except in certain circumstances, unless full dividends have been paid on the Preference Shares for the then-current dividend period. The quarterly dividend rate for PPL Electric's Preference Shares is \$1.5625 per depository share. PPL Electric has declared and paid dividends on its outstanding Preference Shares since issuance. Dividends on the Preference Shares are not cumulative and future dividends, declared at the discretion of PPL Electric's Board of Directors, will be dependent upon future earnings, cash flows, financial and legal requirements and other factors.

*(LG&E and KU)*

In February 2012, LG&E and KU filed an application with FERC seeking authorization to pay dividends in the future based on retained earnings balances, which would be calculated ignoring the impact of the accounting for the acquisition by PPL. If approved, as of December 31, 2011, this would increase the balance available for dividends from LG&E by \$809 million and KU by \$1.4 billion. LG&E and KU do not anticipate changing their dividend practices.

## 8. Acquisitions, Development and Divestitures

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

The Registrants continuously evaluate opportunities for potential acquisitions, divestitures and development projects. Development projects are continuously reexamined based on market conditions and other factors to determine whether to proceed with the projects, sell, cancel or expand them, execute tolling agreements or pursue other options. Any resulting transactions may impact future financial results. See Note 9 for information on PPL Energy Supply's distribution of its membership interest in PPL Global to its parent, PPL Energy Funding, which was presented as discontinued operations by PPL Energy Supply, and the sales of businesses that were presented as discontinued operations by PPL, PPL Energy Supply and LKE. See Note 10 for information on PPL's acquisitions of WPD Midlands and LKE.

*(PPL, LKE, LG&E and KU)*

### Acquisition

#### Pending Bluegrass CTs Acquisition

In September 2011, LG&E and KU entered into an Asset Purchase Agreement with Bluegrass Generation for the purchase of the Bluegrass CTs, aggregating approximately 495 MW, plus limited associated contractual arrangements required for operation of the units, for a purchase price of \$110 million. Pursuant to the Asset Purchase Agreement, LG&E and KU will jointly acquire the Bluegrass CTs as tenants in common, with LG&E as owner of a 69% undivided interest, and KU as owner of a 31% undivided interest, in the purchased assets. The purchase is subject to receipt of approvals from the KPSC, the FERC, certain permit assignments or local approvals, and other conditions. Either party can terminate the Asset Purchase Agreement should the purchase transaction fail to occur by June 30, 2012.

### Development

#### NGCC Construction

In September 2011, LG&E and KU requested KPSC approval to build a 640 MW NGCC at the existing Cane Run plant site in Kentucky. This project is also subject to certain regulatory approvals. Once all approvals are received, construction is expected to begin in 2012 and be complete by 2016. The project, which includes building a natural gas supply pipeline, has an expected cost of approximately \$580 million. See Note 6 for additional information.

In conjunction with this request and to meet new, stricter federal EPA regulations, LG&E and KU anticipate retiring six older coal-fired electric generating units at the Cane Run, Green River and Tyrone plants, which have a combined summer rating of 797 MW. The Cane Run and Green River coal units will need to remain operational until the replacement generation and associated transmission projects are completed.

#### TC2

In January 2011, LKE began dispatching electricity from TC2 to meet customer demand. See Note 15 for additional information regarding the construction of TC2.

*(PPL and PPL Energy Supply)*

#### Hydroelectric Expansion Projects

In 2009, in light of the availability of tax incentives and potential federal loan guarantees for renewable projects contained in the Economic Stimulus Package, PPL Energy Supply filed an application with the FERC to expand capacity at its Holtwood hydroelectric plant, which the FERC approved. The project's expected cost is \$438 million. Construction continues on the project, with commercial operations scheduled to begin in 2013. At December 31, 2011, expected remaining expenditures are \$196 million.

In 2009, PPL Montana received FERC approval for its request to redevelop the Rainbow hydroelectric facility at Great Falls, Montana to increase capacity by 28 MW. The project's expected cost is \$207 million. Construction continues on the project, with commercial operations scheduled to begin in 2012. At December 31, 2011, expected remaining expenditures are \$29 million.

PPL Energy Supply believes that it is qualified for either investment tax credits or Treasury grants for the projects at the Holtwood and Rainbow facilities. PPL Energy Supply has recognized investment tax credits and continues to evaluate whether to seek Treasury grants in lieu of the credits. During 2010, PPL Energy Supply recorded deferred investment tax credits of \$52 million related to 2010 and 2009. During 2011, PPL Energy Supply recorded deferred investment tax credits of \$52 million related to 2011. PPL Energy Supply anticipates recognizing an additional \$54 million in tax credits for tax years 2012 and 2013. These credits reduce PPL Energy Supply's tax liability and will be amortized over the life of the related assets.

#### Susquehanna Uprate Project

In 2008, PPL Susquehanna received NRC approval for its request to increase the generation capacity of the Susquehanna nuclear plant. The project was completed in phases over several years. The final phase of the project, a 50 MW Unit 2 uprate, was completed in 2011. PPL Susquehanna's share of the total capacity increase was approximately 195 MW.

#### Bell Bend COLA

In 2008, a PPL Energy Supply subsidiary, PPL Bell Bend, LLC (PPL Bell Bend) submitted a COLA to the NRC for the proposed Bell Bend nuclear generating unit (Bell Bend) to be built adjacent to the Susquehanna plant. Also in 2008, the COLA was formally docketed and accepted for review by the NRC. PPL Bell Bend continues to respond to questions from the NRC regarding technical and site specific information provided in the initial COLA and subsequent amendments. PPL Bell Bend does not expect to complete the COLA review process with the NRC prior to 2014.

In 2008, PPL Bell Bend submitted Parts I and II of an application for a federal loan guarantee for Bell Bend to the DOE. The DOE is expected in the first half of 2012 to finalize the first nuclear loan guarantee for a project in Georgia. Eight of the ten applicants that submitted Part II applications remain active in the DOE program; however, the DOE has stated that the \$18.5 billion currently appropriated to support new nuclear projects would not likely be enough for more than three projects. PPL Bell Bend submits quarterly application updates for Bell Bend to the DOE to remain active in the loan guarantee application process.

PPL Bell Bend has made no decision to proceed with construction of Bell Bend and expects that such decision will not be made for several years given the anticipated lengthy NRC license approval process. Additionally, PPL Bell Bend has announced that it does not expect to proceed with construction absent favorable economics, a joint arrangement with other interested parties and a federal loan guarantee or other acceptable financing. PPL Bell Bend is currently authorized to spend up to \$162 million through 2012 on the COLA and other permitting costs (including land costs) necessary for construction. At December 31, 2011 and 2010, \$131 million and \$109 million of costs associated with the licensing application were capitalized and are included on the Balance Sheets in noncurrent "Other intangibles." PPL Bell Bend believes it is probable that these costs are ultimately recoverable following NRC approval of the COLA either through construction of the new nuclear unit, transfer of the COLA rights to a joint venture, or sale of the COLA rights to another party.

#### Susquehanna-Roseland Transmission Line (PPL and PPL Electric)

In 2007, PJM directed the construction of a new 150-mile, 500-kilovolt transmission line between the Susquehanna substation in Pennsylvania and the Roseland substation in New Jersey that it identified as essential to long-term reliability of the Mid-Atlantic electricity grid. PJM determined that the line is needed to prevent potential overloads that could occur on several existing transmission lines in the interconnected PJM system. PJM has directed PPL Electric to construct the portion of the Susquehanna-Roseland line in Pennsylvania and has directed Public Service Electric & Gas Company to construct the portion of the line in New Jersey, in each case by June 1, 2012. PPL Electric's estimated share of the project costs is approximately \$500 million.

This project is pending certain regulatory approvals. PPL Electric has identified the approximately 100-mile route for the Pennsylvania portion of the line. In February 2010, the PUC and the New Jersey Board of Public Utilities approved the project. Several parties appealed the PUC decision to the Commonwealth Court of Pennsylvania. In July 2011, the Commonwealth Court affirmed the PUC's order approving the project, and no further appeals were filed.

In addition, both companies are working with the National Park Service to obtain any approvals that may be required to route the line through the Delaware Water Gap National Recreation Area. The National Park Service record of decision for the project is scheduled to be issued on October 1, 2012. In October 2011, the project was placed on the initial list of projects for the Rapid Response Team for Transmission (RRTT), an initiative of the White House to facilitate coordination among federal agencies to improve the overall quality and timeliness of electric transmission infrastructure permitting, review and consultation. The RRTT has reaffirmed the issuance date of the National Park Service record of decision for the project. The National Park Service has stated that it will announce the preferred route for the transmission line in March 2012 with an expected Record of Decision in October 2012. PPL Electric cannot predict the ultimate outcome or timing of the National Park Service approval.

PPL Electric anticipates the delays in the approval process will postpone the in-service date to 2015. In 2011, PJM issued an updated assessment of the new line within its 2010 Regional Transmission Expansion Plan, which confirms that the line is needed to prevent overloads on other power lines in the region. PJM has developed a strategy to manage potential reliability problems until the line is built. PPL Electric cannot predict what action, if any, PJM might take in the event of a further delay to its scheduled in-service date for the new line.

## 9. Discontinued Operations

*(PPL and PPL Energy Supply)*

### Sale of Certain Non-core Generation Facilities

In March 2011, PPL Energy Supply subsidiaries completed the sale of their ownership interests in certain non-core generation facilities, which were included in the Supply segment, for \$381 million. The transaction included the natural gas-fired facilities in Wallingford, Connecticut and University Park, Illinois and an equity interest in Safe Harbor Water Power Corporation, which owns a hydroelectric facility in Conestoga, Pennsylvania.

These non-core generation facilities met the held for sale criteria in the third quarter of 2010. As a result, assets with a carrying amount of \$473 million were written down to their estimated fair value (less cost to sell) of \$377 million at September 30, 2010, resulting in a pre-tax impairment charge of \$96 million (\$58 million after tax). In addition, \$5 million (\$4 million after tax) of allocated goodwill was written off in the third quarter of 2010. During the fourth quarter of 2010 and in connection with the completion of the sale, in 2011, PPL Energy Supply recorded insignificant losses. These charges are included in "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income.

Following are the components of Discontinued Operations in the Statements of Income.

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Operating revenues	\$ 19	\$ 113	\$ 106
Operating expenses (a)	11	156	42
Operating income (loss)	<u>8</u>	<u>(43)</u>	<u>64</u>
Other income (expense) - net		2	2
Interest expense (b)	<u>3</u>	<u>11</u>	<u>9</u>
Income (loss) before income taxes	5	(52)	57
Income tax expense (benefit)	3	(18)	24
Income (Loss) from Discontinued Operations	<u>\$ 2</u>	<u>\$ (34)</u>	<u>\$ 33</u>

(a) 2010 includes the impairments to the carrying value of the non-core generation facilities and the write-off of allocated goodwill.

(b) Represents allocated interest expense based upon debt attributable to the generation facilities sold.

Upon completion of the sale, assets primarily consisting of \$357 million of PP&E and a \$14 million equity method investment, which were classified as held for sale at December 31, 2010, were removed from the Balance Sheet.

Sale of Long Island Generation Business

In February 2010, PPL Energy Supply subsidiaries completed the sale of the Long Island generation business, which was included in the Supply segment. The definitive sales agreement included provisions that reduced the \$135 million purchase price monthly, commencing September 1, 2009. After adjusting for these price-reduction provisions, proceeds from the sale approximated \$124 million.

In the second quarter of 2009, the Long Island generation business met the held for sale criteria. As a result, at June 30, 2009, net assets held for sale were written down to their estimated fair value less cost to sell, resulting in a pre-tax impairment charge of \$52 million (\$34 million after tax). At both September 30 and December 31, 2009, the estimated fair value (less cost to sell) was remeasured and additional impairments totaling \$10 million (\$3 million after tax) were recorded. In 2010 PPL Energy Supply recorded an insignificant loss due to the price-reduction provisions. The losses recognized in the third and fourth quarters of 2009 and in 2010 did not significantly impact earnings, as such amounts were substantially offset by tolling revenues from the Long Island generation assets during the same periods. In addition, an insignificant amount of goodwill allocated to this business was written off in 2009. These amounts are included in "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income. There was no significant impact on earnings in 2010 from the operation of this business or as a result of this sale.

The tolling agreements related to these plants were transferred to the new owner upon completion of the sale.

Following are the components of Discontinued Operations in the Statements of Income.

	<u>2009</u>
Operating revenues	\$ 24
Operating expenses (a)	73
Operating income (loss)	<u>(49)</u>
Interest expense (b)	4
Income (loss) before income taxes	<u>(53)</u>
Income tax expense (benefit)	<u>(20)</u>
Income (Loss) from Discontinued Operations	<u><u>\$ (33)</u></u>

(a) Includes impairment charges.

(b) Represents allocated interest expense based upon debt attributable to the Long Island generation business sold.

Sale of Maine Hydroelectric Generation Business*Sale of the Remaining Maine Hydroelectric Generation Facilities*

In December 2010, a PPL Energy Supply subsidiary completed the sale of its remaining three hydroelectric facilities in Maine, which were included in the Supply segment, for \$24 million. As a result of the sale, PPL Energy Supply recorded a gain of \$11 million (\$7 million after tax), reflected in "Income (Loss) from Discontinued Operations (net of income taxes)" on the 2010 Statement of Income.

*Sale of the Majority of Maine Hydroelectric Generation Business*

In 2009, a PPL Energy Supply subsidiary completed the sale of the majority of its Maine hydroelectric generation business, which was included in the Supply segment, for \$81 million in cash, adjusted for working capital. The assets sold in this transaction included five hydroelectric facilities and a 50% equity interest in a sixth hydroelectric facility, which had been accounted for as an equity investment, together with rights to increase energy output at these facilities upon completion of the sale of the PPL Energy Supply subsidiary's three other hydroelectric facilities in Maine (see "Sale of the Remaining Maine Hydroelectric Generation Business" above). As a result of the sale of the majority of the Maine hydroelectric generation business, PPL Energy Supply recorded a gain of \$38 million (\$22 million after tax), reflected in "Income (Loss) from Discontinued Operations (net of income taxes)" on the 2009 Statement of Income. Additionally, in December 2010, the PPL Energy Supply subsidiary received \$14 million in contingent consideration, which was tied to its completion of the sale of the three other hydroelectric facilities noted above. PPL Energy Supply

accordingly recorded a gain of \$14 million (\$8 million after tax), reflected in "Income (Loss) from Discontinued Operations (net of income taxes)" on the 2010 Statement of Income.

Following are the components of Discontinued Operations in the Statements of Income.

	<u>2010</u>	<u>2009</u>
Operating revenues		\$ 5
Operating expenses (a)	\$ (25)	(34)
Operating income	<u>25</u>	<u>39</u>
Other income (expense) - net		3
Interest expense (b)		<u>1</u>
Income before income taxes	25	41
Income tax expense	10	17
Income from Discontinued Operations	<u>\$ 15</u>	<u>\$ 24</u>

(a) Includes the gains recorded on the sales.

(b) Represents allocated interest expense based upon debt attributable to the Maine hydroelectric generation business sold.

### Sale of Latin American Businesses

In 2007, PPL Energy Supply completed the sale of its regulated electricity delivery businesses in Chile, El Salvador and Bolivia, which were included in the International Regulated segment. In 2009, PPL Energy Supply identified a correction to the previously computed tax bases of the Latin American businesses. The most significant adjustment related to the sale of the El Salvadoran business and was largely due to returns of capital in certain prior years that had not been reflected in the calculated tax basis. As a result, PPL Energy Supply recorded \$24 million of additional income tax expense in 2009, which is reflected in "Income (Loss) from Discontinued Operations (net of income taxes)" on the 2009 Statement of Income. The additional expense is not considered by management to be material to the 2009 financial statements.

### Distribution of Membership Interest in PPL Global to Parent (PPL Energy Supply)

In January 2011, PPL Energy Supply distributed its 100% membership interest in PPL Global, which represented the entire International Regulated segment, to PPL Energy Supply's parent, PPL Energy Funding. The distribution was made based on the book value of the assets and liabilities of PPL Global with financial effect as of January 1, 2011, and no gains or losses were recognized on the distribution. The purpose of the distribution was to better align PPL's organizational structure with the manner in which it manages these businesses, separating the U.S.-based competitive energy marketing and supply business from the U.K.-based regulated electricity distribution business. Following the distribution, PPL Energy Supply operates in a single reportable segment, and through its subsidiaries is primarily engaged in the generation and marketing of power, primarily in the northeastern and northwestern U.S.

Following are the components of Discontinued Operations in the Statements of Income.

	<u>2010</u>	<u>2009</u>
Operating revenues	\$ 761	\$ 716
Operating expenses	<u>368</u>	<u>328</u>
Operating income	393	388
Other income (expense) - net	4	(11)
Interest expense (a)	<u>135</u>	<u>87</u>
Income before income taxes	262	290
Income tax expense (b)	1	47
Income (Loss) from Discontinued Operations	<u>\$ 261</u>	<u>\$ 243</u>

(a) No interest was allocated, as PPL Global was sufficiently capitalized.

(b) 2009 includes the impact of the Latin American adjustments discussed above.

In connection with the distribution, the following assets and liabilities were removed from PPL Energy Supply's Balance Sheet in the first quarter of 2011. Except for "Cash and cash equivalents," which has been reflected as a financing activity, the remaining distribution represents a non-cash transaction excluded from PPL Energy Supply's 2011 Statement of Cash Flows.

Cash and cash equivalents	\$	325
Accounts receivable		46
Unbilled revenues		70
Other current assets		21
PP&E, net		3,502
Goodwill		679
Other intangibles		80
Other noncurrent assets		77
Total Assets		<u>4,800</u>
Short-term debt		181
Accounts payable		86
Accrued interest		71
Other current liabilities		112
Long-term debt		2,313
Deferred income tax liabilities - noncurrent		399
Accrued pension obligations		320
Other deferred credits and noncurrent liabilities		30
Total Liabilities		<u>3,512</u>
Net assets distributed	\$	<u>1,288</u>

WKE*(PPL and LKE)*

WKE had a 25-year lease for and operated nine generating facilities of BREC, and a coal-fired generating facility owned by the City of Henderson, Kentucky.

In 2007, WKE entered into an agreement to terminate the lease, which closed in 2009, prior to PPL acquiring LKE. As part of the lease termination, LKE was obligated to pay a former customer, an aluminum smelter, an aluminum production payment in lieu of a lump-sum cash consent payment, as well as the difference between the electricity prices charged by WKE under the previous long-term sales contract and the electricity prices charged by the aluminum smelter's current electricity supplier. This obligation was partially mitigated by the opportunity to make off-system sales, when economic, for the contractual demand not used by the aluminum smelter. In addition, the total amount of the obligation to this smelter was limited to \$82 million; any amount paid by LKE over the limit has been recorded as an interest-bearing receivable and is required to be repaid (plus interest) only if certain conditions occur by 2028. Such exposure expired in January 2011. In addition, because the former customer posted a letter of credit supporting payment to its current electricity supplier, LKE reversed a portion of the accrual associated with its guarantee of payment by the former customer. Also, WKE had a contingent obligation to another aluminum smelter, also a former customer, to make an escrow payment of approximately \$4 million, which became payable and was included in the liability at December 31, 2010, and paid in January 2011. The income statement impacts are included in the Kentucky Regulated segment for PPL and are reflected in "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income. See Note 15 for additional information related to the termination of the lease. The results of operations for the 2011 and 2010 Successor periods were insignificant.

*(LKE)*

Following are the components of Discontinued Operations in LKE's Statements of Income.

	<u>Predecessor</u>	
	<u>Ten Months Ended October 31, 2010</u>	<u>Year Ended December 31, 2009</u>
Operating revenues		\$ 128
Loss before taxes	\$ (7)	\$ (222)
Income tax benefit	3	79
Loss from discontinued operations	<u>\$ (4)</u>	<u>\$ (143)</u>
Gain (loss) on disposal of discontinued operations before tax	5	(114)
Income tax benefit (expense) from disposal of discontinued operations	<u>(2)</u>	<u>45</u>



Gain (loss) on disposal of discontinued operations	<u>3</u>	<u>\$ (69)</u>
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### Argentine Gas Distribution

At December 31, 2009, LKE owned interests in two gas distribution companies in Argentina: 45.9% of Distribuidora de Gas Del Centro S.A. (Centro) and 14.4% of Distribuidora de Gas Cuyana S.A. (Cuyana). These two entities served a combined customer base of approximately one million customers. The Centro investment was consolidated due to LKE's majority ownership in the holding company of Centro. The Cuyana investment was accounted for using the equity method due to the ownership influence LKE exerted on the businesses.

In November 2009, subsidiaries of LKE entered into agreements to sell their direct and indirect interests in Centro and Cuyana to E.ON Spain and a subsidiary, both affiliates of E.ON. On January 1, 2010, the parties completed the transfer of the interests for a sale price of \$35 million. In December 2009, LKE recorded an impairment loss of \$12 million. The impairment loss represented the difference between the carrying values of LKE's interests in Centro and Cuyana and the sales price. LKE classified the results of operations of the Argentine gas distribution companies, including the impairment loss, as discontinued operations for all periods presented effective December 31, 2009. In connection with the reorganization transaction, E.ON Spain assumed rights and obligations relating to claims and liabilities associated with the former Argentine businesses or indemnified LKE with respect to such matters.

Following are the components of Discontinued Operations in LKE's Statement of Income.

	<u>Predecessor Year Ended December 31, 2009</u>
Operating revenues	\$ 60
Income tax expense	(8)
Noncontrolling interest	(5)
Loss from discontinued operations	<u>\$ (13)</u>

## 10. Business Acquisitions

### Acquisition of WPD Midlands (PPL)

On April 1, 2011, PPL, through its indirect, wholly owned subsidiary PPL WEM, completed its acquisition of all of the outstanding ordinary share capital of Central Networks East plc and Central Networks Limited, the sole owner of Central Networks West plc, together with certain other related assets and liabilities (collectively referred to as Central Networks and subsequently renamed WPD Midlands), from subsidiaries of E.ON AG. The consideration for the acquisition consisted of cash of \$5.8 billion, including the repayment of \$1.7 billion of affiliate indebtedness owed to subsidiaries of E.ON AG, and approximately \$800 million of long-term debt assumed through consolidation. WPD Midlands operates two regulated distribution networks that serve five million end-users in the Midlands area of England. The acquisition increases the regulated portion of PPL's business and enhances rate-regulated growth opportunities as the regulated businesses make investments to improve infrastructure and customer reliability. Further, since the service territories of WPD (South Wales), WPD (South West) and WPD Midlands are contiguous, cost savings, efficiencies and other benefits are expected from the combined operations of these entities.

The fair value of the consideration paid for Central Networks was as follows (in billions).

Aggregate enterprise consideration	\$ 6.6
Less: fair value of long-term debt outstanding assumed through consolidation	<u>0.8</u>
Total cash consideration paid	5.8
Less: funds used to repay pre-acquisition affiliate indebtedness	1.7
Cash consideration paid for Central Networks' outstanding ordinary share capital	<u>\$ 4.1</u>

The total cash consideration paid was primarily funded by borrowings under the 2011 Bridge Facility on the date of acquisition. Subsequently, PPL repaid those borrowings in 2011 using proceeds from the permanent financing,

including issuances of common stock and 2011 Equity Units, as well as proceeds from the issuance of debt by PPL WEM, WPD (East Midlands) and WPD (West Midlands). See Note 7 for additional information on the 2011 Bridge Facility and permanent financing.

#### *Purchase Price Allocation*

The following table summarizes (in billions) the allocation of the purchase price of WPD Midlands to the fair value of the major classes of assets acquired and liabilities assumed.

Current assets (a)	\$	0.2
PP&E		4.9
Intangible assets		0.1
Other noncurrent assets		0.1
Current liabilities (b)		(0.4)
PPL WEM affiliate indebtedness		(1.7)
Long-term debt (current and noncurrent) (b)		(0.8)
Other noncurrent liabilities (b)		(0.7)
Net identifiable assets acquired		<u>1.7</u>
Goodwill		<u>2.4</u>
Net assets acquired	\$	<u><u>4.1</u></u>

(a) Includes gross contractual amount of the accounts receivable acquired of \$122 million, which approximates fair value.

(b) Represents non-cash activity excluded from the 2011 Statement of Cash Flows.

The purchase price allocation resulted in goodwill of \$2.4 billion that was assigned to the International Regulated segment. The goodwill is attributable to the expected continued growth of a rate-regulated business with a defined service area operating under a constructive regulatory framework, expected cost savings, efficiencies and other benefits resulting from a contiguous service area with WPD (South West) and WPD (South Wales), as well as the ability to leverage WPD (South West)'s and WPD (South Wales)'s existing management team's high level of performance in capital cost efficiency, system reliability and customer service. The goodwill is not deductible for U.K. income tax purposes.

#### *Separation Benefits - International Regulated Segment*

In connection with the acquisition, PPL completed a reorganization designed to transition WPD Midlands from a functional structure to a regional structure that will require a smaller combined support structure, reduce duplication and implement more efficient procedures. Approximately 740 employees of WPD Midlands have or will receive separation benefits from the companies as a result of the reorganization through the end of 2012.

The separation benefits, before income taxes, associated with the reorganization are as follows.

Severance compensation	\$	58
Early retirement deficiency costs (ERDC) under applicable pension plans		45
Outplacement services		1
Total separation benefits	\$	<u><u>104</u></u>

In connection with the reorganization, WPD Midlands recorded \$93 million of the total expected separation benefits in 2011, of which \$48 million relates to severance compensation and \$45 million relates to ERDC. Based on the expected timing of when employees will separate from the companies, WPD Midlands expects to record the remaining portion of severance compensation in 2012. The separation benefits recorded in 2011 are included in "Other operation and maintenance" on the Statement of Income. The accrued severance compensation is reflected in "Other current liabilities" and the ERDC reduced "Other noncurrent assets" on the Balance Sheet at December 31, 2011.

The carrying amount of accrued severance was as follows.

Severance compensation	\$	48
Severance paid (a)		(27)
Accrued severance at December 31, 2011	\$	<u><u>21</u></u>

(a) Payments to approximately 350 employees separated.

In addition to the reorganization costs noted above, an additional \$9 million was recorded in 2011 for ERDC payable under applicable pension plans and severance compensation for certain employees who separated from the WPD Midlands companies, but were not part of the reorganization. These separation benefits are also included in "Other operation and maintenance" on the Statement of Income.

#### *Pro forma Information*

WPD Midlands' operating revenues, net income and net income excluding nonrecurring acquisition-related adjustments (which are recorded on a one-month lag) included in PPL's 2011 Statement of Income and included in the International Regulated segment, are as follows.

Operating revenues	\$	790
Net Income		137
Net Income - excluding nonrecurring acquisition-related adjustments		281

The pro forma operating revenues and net income attributable to PPL, which include LKE as if the acquisition had occurred January 1, 2009 and WPD Midlands as if the acquisition had occurred January 1, 2010, are as follows.

	<u>2011</u>	<u>2010</u>
Operating Revenues - PPL consolidated pro forma (unaudited)	\$ 13,140	\$ 11,850
Net Income Attributable to PPL - PPL consolidated pro forma (unaudited)	1,800	1,462

The pro forma financial information presented above has been derived from the historical consolidated financial statements of PPL and LKE, which was acquired on November 1, 2010, and from the historical combined financial statements of WPD Midlands. Income (loss) from discontinued operations (net of income taxes), which was not significant for 2011 and was \$(18) million for 2010, were excluded from the pro forma amounts above.

The pro forma adjustments include adjustments to depreciation, net periodic pension costs, interest expense, nonrecurring adjustments and the related income tax effects. Nonrecurring adjustments include the following pre-tax credits (expenses).

	Income Statement Line Item	<u>2011</u>	<u>2010</u>
<b>WPD Midlands acquisition</b>			
2011 Bridge Facility costs	Interest Expense	\$ (44)	
Foreign currency loss on 2011 Bridge Facility	Other Income (Expense) - net	(57)	
Net hedge gains	Other Income (Expense) - net	55	
Hedge ineffectiveness	Interest Expense	(12)	
U.K. stamp duty tax	Other Income (Expense) - net	(21)	
Separation benefits	Other operation and maintenance	(102)	
Other acquisition-related costs	(a)	(77)	
<b>LKE acquisition</b>			
2010 Bridge Facility costs	Interest Expense		\$ (80)
Other acquisition-related costs	Other Income (Expense) - net		(31)

(a) Primarily includes advisory, accounting and legal fees recorded in "Other Income (Expense) - net" and contract termination costs, rebranding costs and relocation costs recorded in "Other operation and maintenance."

#### Acquisition of LKE

*(PPL)*

On November 1, 2010, PPL completed the acquisition of all of the limited liability company interests of E.ON U.S. LLC from a wholly owned subsidiary of E.ON AG. Upon completion of the acquisition, E.ON U.S. LLC was renamed LG&E and KU Energy LLC (LKE). LKE is a holding company with regulated utility operations conducted through its subsidiaries, LG&E and KU. The acquisition reapportioned the mix of PPL's regulated and competitive businesses by

increasing the regulated portion of its business, strengthens PPL's credit profile and enhances rate-regulated growth opportunities as the regulated businesses make investments to improve infrastructure and customer reliability.

The fair value of the consideration paid for E.ON U.S. LLC was as follows (in billions).

Aggregate enterprise consideration	\$ 7.6
Less: fair value of assumed long-term debt outstanding, net	<u>0.8</u>
Total cash consideration paid	6.8
Less: funds used to repay pre-acquisition affiliate indebtedness	<u>4.3</u>
Cash consideration paid for E.ON U.S. LLC equity interests	<u><u>2.5</u></u>

The total cash consideration paid, including repayment of affiliate indebtedness, was funded by PPL's June 2010 issuance of \$3.6 billion of common stock and 2010 Equity Units that provided proceeds totaling \$3.5 billion, net of underwriting discounts, \$3.2 billion of borrowings under an existing credit facility in October 2010, \$249 million of proceeds from the monetization of certain full-requirement sales contracts in July 2010 and cash on hand. See Note 7 for additional information on the issuance of common stock and 2010 Equity Units and the October 2010 borrowing under PPL Energy Supply's syndicated credit facility that provided interim financing to partially fund the acquisition. See Note 19 for additional information on the monetization of certain full-requirement sales contracts.

#### *Purchase Price Allocation*

The following table summarizes (in billions) the allocation of the purchase price of LKE to the fair value of the major classes of assets acquired and liabilities assumed.

Current assets (a)	\$ 0.9
PP&E	7.5
Other intangibles (current and noncurrent)	0.4
Regulatory and other noncurrent assets	0.7
Current liabilities, excluding current portion of long-term debt (b)	(0.5)
PPL affiliate indebtedness (c)	(4.3)
Long-term debt (current and noncurrent) (b)	(0.9)
Other noncurrent liabilities (b)	<u>(2.3)</u>
Net identifiable assets acquired	1.5
Goodwill	<u>1.0</u>
Net assets acquired	<u><u>2.5</u></u>

- (a) Includes gross contractual amount of the accounts receivable acquired of \$186 million. PPL expected \$11 million to be uncollectible; however, credit risk is mitigated since uncollectible accounts are a component of customer rates.
- (b) Represents non-cash activity excluded from the 2010 Statement of Cash Flows.
- (c) Includes \$1.6 billion designated as a capital contribution to LKE.

For purposes of goodwill impairment testing, the \$996 million of goodwill was assigned to the PPL reportable segments expected to benefit from the acquisition. Both the Kentucky Regulated and the Supply segments are expected to benefit and the assignment of goodwill was \$662 million to the Kentucky Regulated segment and \$334 million to the Supply segment. The goodwill at the Kentucky Regulated segment reflects the value paid for the expected continued growth of a rate-regulated business located in a defined service area with a constructive regulatory environment, the ability of LKE to leverage its assembled workforce to take advantage of those growth opportunities and the attractiveness of stable, growing cash flows. Although no other assets or liabilities from the acquisition were assigned to the Supply segment, the Supply segment obtained a synergistic benefit attributed to the overall de-risking of the PPL portfolio, which enhanced PPL Energy Supply's credit profile, thereby increasing the value of the Supply segment. This increase in value resulted in the assignment of goodwill to the Supply segment. None of the goodwill recognized is expected to be included in regulated customer rates or deductible for income tax purposes. As such, no deferred taxes were recorded related to goodwill.

See Note 9 and the "Guarantees and Other Assurances" section of Note 15 for additional information on certain indemnifications provided by LKE, the most significant of which relates to the discontinued operations of WKE.

The actual LKE operating revenues and net income attributable to PPL included in PPL's 2010 Statement of Income are as follows.

	<u>Operating Revenues</u>	<u>Net Income (Loss) Attributable to PPL</u>
Actual from November 1, 2010 - December 31, 2010	\$ 493	\$ 47

*(PPL, PPL Energy Supply, LKE, LG&E and KU)*

In November 2010, LKE, LG&E and KU issued debt totaling \$2.9 billion, of which \$100 million was used to return capital to PPL. The majority of these proceeds, together with a borrowing by LG&E under its available credit facilities were applied to repay borrowings from a PPL Energy Supply subsidiary. Such borrowings were incurred to permit LKE to repay certain indebtedness owed to affiliates of E.ON AG upon the closing of the acquisition. In November 2010, PPL Energy Supply used the above-referenced amounts received from LKE, together with other cash on hand, to repay approximately \$3.0 billion of its October 2010 borrowing under existing credit facilities. See Note 7 for additional information.

*(PPL and PPL Energy Supply)*

To ensure adequate funds were available for the acquisition, in July 2010, PPL Energy Supply monetized certain full-requirement sales contracts that resulted in cash proceeds of \$249 million. See "Commodity Price Risk (Non-trading) - Monetization of Certain Full-Requirement Sales Contracts" in Note 19 for additional information. Additionally, PPL Energy Supply received proceeds in 2011 from the sale of certain non-core generation facilities, which were used to repay the short-term borrowings drawn on existing credit facilities. See "Sale of Certain Non-core Generation Facilities" in Note 9 for additional information.

As a result of the monetization of these full-requirement sales contracts, coupled with the expected net proceeds from the then-anticipated sale of these non-core generation facilities, debt that had been planned to be issued by PPL Energy Supply in late 2010 was no longer needed. Therefore, hedge accounting associated with interest rate swaps entered into by PPL in anticipation of a debt issuance by PPL Energy Supply was discontinued. Net losses of \$(29) million, or \$(19) million after tax, were reclassified from AOCI to "Other Income (Expense) - net" on PPL's 2010 Statement of Income.

*(LKE, LG&E and KU)*

On November 1, 2010, PPL completed its acquisition of LKE and its subsidiaries. The push-down basis of accounting was used to record the fair value adjustments of assets and liabilities on LKE at the acquisition date. PPL paid cash consideration for the equity interests in LKE and its subsidiaries of \$2,493 million and provided a capital contribution on November 1, 2010, of \$1,565 million; included within this was the consideration paid of \$1,702 million for LG&E and \$2,656 million for KU. The allocation of the purchase price was based on the fair value of assets acquired and liabilities assumed.

The push-down accounting for the fair value of assets acquired and liabilities assumed was as follows (in millions).

	<u>LKE</u>	<u>LG&amp;E</u>	<u>KU</u>
Current assets	\$ 969	\$ 503	\$ 341
Investments	31	1	30
PP&E	7,469	2,935	4,531
Other intangibles (current and noncurrent)	427	226	201
Regulatory and other noncurrent assets	689	416	274
Current liabilities, excluding current portion of long-term debt	(516)	(420)	(367)
PPL affiliate indebtedness	(4,349)	(485)	(1,331)
Long-term debt (current and noncurrent)	(934)	(580)	(352)
Other noncurrent liabilities	<u>(2,289)</u>	<u>(1,283)</u>	<u>(1,278)</u>
Net identifiable assets acquired	1,497	1,313	2,049
Goodwill	996	389	607
Net assets acquired	<u>2,493</u>	<u>1,702</u>	<u>2,656</u>
Capital Contribution on November 1, 2010, to replace affiliate indebtedness	1,565		
Beginning equity balance on November 1, 2010	<u>\$ 4,058</u>	<u>\$ 1,702</u>	<u>\$ 2,656</u>

Goodwill represents value paid for the rate regulated businesses of LG&E and KU, which are located in a defined service area with a constructive regulatory environment, which provides for future investment, earnings and cash flow growth, as well as the talented and experienced workforce. LG&E's and KU's franchise values are being attributed to the going concern value of the business, and thus were recorded as goodwill rather than a separately identifiable intangible asset. None of the goodwill recognized is deductible for income tax purposes or included in customer rates.

Adjustments to LKE's, LG&E's and KU's assets and liabilities that contributed to goodwill are as follows:

The fair value adjustment on the EEI investment was calculated using the discounted cash flow valuation method. The result was an increase in KU's value of the investment in EEI; the fair value of EEI was calculated to be \$30 million and a fair value adjustment of \$18 million was recorded on KU. The fair value adjustment to EEI is amortized over the expected remaining useful life of plant and equipment at EEI, which is estimated to be over 20 years.

The pollution control bonds, excluding the reacquired bonds, had a fair value adjustment of \$7 million for LG&E and \$1 million for KU. All variable bonds were valued at par while the fixed rate bonds were valued with a yield curve based on average credit spreads for similar bonds.

As a result of the purchase accounting associated with the acquisition, the following items had a fair value adjustment but no effect on goodwill as the offset was either a regulatory asset or liability. The regulatory asset or liability has been recorded to eliminate any ratemaking impact of the fair value adjustments:

- The value of OVEC was determined to be \$126 million based upon an announced transaction by another owner. LG&E and KU's combined investment in OVEC was not significant and the power purchase agreement was valued at \$87 million for LG&E and \$39 million for KU. An intangible asset was recorded with the offset to regulatory liability and is amortized using the units of production method until March 2026, the expiration date of the agreement at the date of the acquisition.
- LG&E and KU each recorded an emission allowance intangible asset and a regulatory liability as the result of adjusting the fair value of the emission allowances at LG&E and KU. The emission allowance intangible of \$8 million at LG&E and \$9 million at KU represents allocated and purchased sulfur dioxide and nitrogen oxide emission allowances that were unused as of the valuation date or allocated for use in future years. LG&E and KU had previously recorded emission allowances as other materials and supplies. To conform to PPL's accounting policy all emission allowances are now recorded as intangible assets. The emission allowance intangible asset is amortized as the emission allowances are consumed, which is expected to occur through 2040.
- Coal contract intangible assets were recorded at LG&E for \$124 million and at KU for \$145 million as well as a non-current liability of \$11 million for LG&E and \$22 million for KU on the Balance Sheets. An offsetting regulatory asset was recorded for those contracts with unfavorable terms relative to market. An offsetting regulatory liability was recorded for those contracts that had favorable terms relative to market. All coal contracts held by LG&E and KU, wherein it had entered into arrangements to buy amounts of coal at fixed prices from counterparties at a future date, were fair valued. The intangible assets and other liabilities, as well as the regulatory assets and liabilities, are being amortized over the same terms as the related contracts, which expire through 2016.
- Adjustments on November 1, 2010 were made to record LKE pension assets at fair value, remeasure its pension and postretirement benefit obligations at current discount rates and eliminate accumulated other comprehensive income (loss). An increase of \$4 million in the liability balances of LG&E and KU was recorded, due to the lowering of the discount rate; this was credited to their respective pension and postretirement liability balances with offsetting adjustments made to the related regulatory assets and liabilities.

The fair value of intangible assets and liabilities (e.g. contracts that have favorable or unfavorable terms relative to market), including coal contracts and power purchase agreements, as well as emission allowances, have been reflected on the Balance Sheets with offsetting regulatory assets or liabilities. Prior to the acquisition, LG&E and KU recovered the cost of the coal contracts, power purchases and emission allowances and this rate treatment will continue after the acquisition. As a result, management believes the regulatory assets and liabilities created to offset the fair value adjustments meet the recognition criteria established by existing accounting guidance and eliminate any ratemaking

impact of the fair value adjustments. LG&E's and KU's customer rates will continue to reflect these items (e.g. coal, purchased power, emission allowances) at their original contracted prices.

LG&E and KU also considered whether a separate fair value should be assigned to LG&E's and KU's rights to operate within its various electric and natural gas distribution service areas but concluded that these rights only provided the opportunity to earn a regulated return and barriers to market entry, which in management's judgment is not considered a separately identifiable intangible asset under applicable accounting guidance; rather, it is considered going-concern value, or goodwill.

## 11. Leases

### Lessee Transactions

*(PPL, LKE, LG&E and KU)*

#### E.W. Brown Combustion Turbines

LG&E and KU are participants in a sale-leaseback transaction involving two combustion turbines at the E.W. Brown generating plant. In December 1999, after selling their interests in the combustion turbines, LG&E and KU entered into an 18-year lease of the turbines. LG&E and KU provided funds to fully defease the lease and have the right to exercise an early purchase option contained in the lease after 15.5 years, which will occur in 2015. The financial statement treatment of this transaction is the same as if LG&E and KU had retained their ownership interest. Since the lease was defeased, there are no remaining minimum lease payments and all related PP&E is reflected on the Balance Sheets. See Note 14 for the balances included on the Balance Sheets related to this transaction. Depreciation expense was insignificant for all periods presented.

Upon a default under the lease, LG&E and KU are obligated to pay to the lessor their share of certain amounts. Primary events of default include loss or destruction of the combustion turbines, failure to insure or maintain the combustion turbines and unwinding of the transaction due to governmental actions. No events of default currently exist with respect to the lease. Upon any termination of the lease, whether by default or expiration of its term, title to the combustion turbines reverts to LG&E and KU. The maximum aggregate amount at December 31, 2011 that could be required to be paid by PPL and LKE is \$6 million, by LG&E is \$2 million and by KU is \$4 million. LKE has guaranteed the payment of these potential default payments of LG&E and KU.

*(PPL and PPL Energy Supply)*

#### Tolling Agreement

In 2008, PPL EnergyPlus acquired the rights to an existing long-term tolling agreement for the capacity and energy of Ironwood. Under the agreement, PPL EnergyPlus has control over the plant's dispatch into the electricity grid and will supply the natural gas necessary to operate the plant. The tolling agreement extends through 2021 and is considered to be an operating lease for accounting purposes. The fixed payments under the tolling agreement are subject to adjustment based upon changes to the facility capacity rating, which may occur up to twice per year. Certain costs within the tolling agreement, primarily non-lease costs, are subject to escalation.

#### Colstrip Generating Plant

In July 2000, PPL Montana sold its interest in the Colstrip generating plants to owner lessors who lease back to PPL Montana, under four 36-year non-cancelable leases, a 50% interest in Colstrip Units 1 and 2 and a 30% interest in Unit 3. This transaction is accounted for as a sale-leaseback and classified as an operating lease. PPL Montana is responsible for its share of the operating expenses associated with its leasehold interests. See Note 14 for information on the sharing agreement for Colstrip Units 3 and 4. PPL Montana currently amortizes material leasehold improvements over no more than the remaining life of the original leases; however, the leases provide two renewal options based on the economic useful life of the generation assets. The leases place certain restrictions on PPL Montana's ability to incur additional debt, sell assets and declare dividends and require PPL Montana to maintain certain financial ratios related to cash flow and net worth. There are no residual value guarantees in these leases. However, upon an event of default or an event of

loss, PPL Montana could be required to pay a termination value of amounts sufficient to allow the lessor to repay amounts owing on the lessor notes and make the lessor whole for its equity investment and anticipated return on investment. The events of default include payment defaults, breaches of representations or covenants, acceleration of other indebtedness of PPL Montana, change in control of PPL Montana and certain bankruptcy events. The termination value was estimated to be \$327 million at December 31, 2011.

### Kerr Dam

At December 31, 2011, PPL Montana continued to participate in a lease arrangement with the Confederated Salish and Kootenai Tribes of the Flathead Nation. Under a joint operating license issued by the FERC, PPL Montana is responsible to make payments to the tribes for the use of their property. This agreement, subject to escalation based upon inflation, extends until the end of the license term in 2035. Between 2015 and 2025, the tribes have the option to purchase, hold and operate the project, which would result in the termination of this leasing arrangement.

*(PPL, PPL Energy Supply, LKE, LG&E and KU)*

### Other Leases

PPL and its subsidiaries have entered into various agreements for the lease of office space, vehicles, land gas storage and other equipment.

### Rent - Operating Leases

Rent expense for operating leases was as follows:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
PPL	\$ 109	\$ 90	\$ 86
PPL Energy Supply	84	87	86

	<u>Successor</u>		<u>Predecessor</u>	
	<u>Year Ended December 31, 2011</u>	<u>Two Months Ended December 31, 2010</u>	<u>Ten Months Ended October 31, 2010</u>	<u>Year Ended December 31, 2009</u>
LKE	\$ 18	\$ 3	\$ 14	\$ 16
LG&E	7	1	5	6
KU	10	2	8	10

Total future minimum rental payments for all operating leases are estimated to be:

	<u>PPL</u>	<u>PPL Energy Supply</u>	<u>LKE</u>	<u>LG&amp;E</u>	<u>KU</u>
2012	\$ 125	\$ 104	\$ 15	\$ 5	\$ 9
2013	127	109	13	5	7
2014	123	109	11	4	6
2015	105	96	8	3	5
2016	57	53	3	1	2
Thereafter	252	238	6	1	4
Total	<u>\$ 789</u>	<u>\$ 709</u>	<u>\$ 56</u>	<u>\$ 19</u>	<u>\$ 33</u>

## **12. Stock-Based Compensation**

*(PPL, PPL Energy Supply, PPL Electric and LKE)*

Under the PPL Incentive Compensation Plan (ICP) and the Incentive Compensation Plan for Key Employees (ICPKE) (together, the Plans), restricted shares of PPL common stock, restricted stock units, performance units and stock options may be granted to officers and other key employees of PPL, PPL Energy Supply, PPL Electric, LKE and other affiliated



companies. Awards under the Plans are made by the Compensation, Governance and Nominating Committee (CGNC) of the PPL Board of Directors, in the case of the ICP, and by the PPL Corporate Leadership Council (CLC), in the case of the ICPKE.

The ICP limits the total number of awards that may be granted under it after April 23, 1999 to 15,769,431. The ICPKE limits the total number of awards that may be granted under it after April 25, 2003 to 14,199,796. In addition, each Plan limits the number of shares available for awards in any calendar year to 2% of the outstanding common stock of PPL on the first day of such calendar year. The maximum number of options that can be awarded under each Plan to any single eligible employee in any calendar year is three million shares. Any portion of these options that has not been granted may be carried over and used in any subsequent year. If any award lapses, is forfeited or the rights of the participant terminate, the shares of PPL common stock underlying such an award are again available for grant. Shares delivered under the Plans may be in the form of authorized and unissued PPL common stock, common stock held in treasury by PPL or PPL common stock purchased on the open market (including private purchases) in accordance with applicable securities laws.

### Restricted Stock and Restricted Stock Units

Restricted shares of PPL common stock are outstanding shares with full voting and dividend rights. Restricted stock awards are granted as a retention award for select key executives and vest when the recipient reaches a certain age or meets service or other criteria set forth in the executive's restricted stock award agreement. The shares are subject to forfeiture or accelerated payout under Plan provisions for termination, retirement, disability and death of employees. Restricted shares vest fully if control of PPL changes, as defined by the Plans.

The Plans allow for the grant of restricted stock units. Restricted stock units are awards based on the fair value of PPL common stock on the date of grant. Actual PPL common shares will be issued upon completion of a vesting period, generally three years. The fair value of restricted stock units granted is recognized on a straight-line basis over the service period or through the date at which the employee reaches retirement eligibility. The fair value of restricted stock units granted to retirement-eligible employees is recognized immediately upon the date of grant. Recipients of restricted stock units may also be granted the right to receive dividend equivalents through the end of the restriction period or until the award is forfeited. Restricted stock units are subject to forfeiture or accelerated payout under the Plan provisions for termination, retirement, disability and death of employees. Restricted stock units vest fully if control of PPL changes, as defined by the Plans.

The weighted-average grant date fair value of restricted stock and restricted stock units granted was:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
PPL	\$ 25.25	\$ 28.93	\$ 29.07
PPL Energy Supply	25.14	29.49	28.49
PPL Electric	25.09	29.40	29.49
LKE		26.31	

Restricted stock and restricted stock unit activity for 2011 was:

	<u>Restricted Shares/Units</u>	<u>Weighted- Average Grant Date Fair Value Per Share</u>
<b><u>PPL</u></b>		
Nonvested, beginning of period	1,663,122	\$ 31.22
Granted	895,980	25.25
Vested	(495,917)	37.81
Forfeited	(23,150)	28.56
Nonvested, end of period	<u>2,040,035</u>	27.03
<b><u>PPL Energy Supply</u></b>		
Nonvested, beginning of period	580,417	\$ 31.33
Transferred	(86,690)	22.89
Granted	326,120	25.14
Vested	(136,767)	41.11

Forfeited		(17,900)	28.51
Nonvested, end of period		<u>665,180</u>	27.30
<b><u>PPL Electric</u></b>			
Nonvested, beginning of period		169,325	\$ 31.20
Transferred		13,160	32.92
Granted		126,100	25.09
Vested		(51,740)	36.94
Forfeited		<u>(5,250)</u>	28.76
Nonvested, end of period		<u>251,595</u>	27.10
<b><u>LKE</u></b>			
Nonvested, beginning of period		174,170	\$ 26.31
Vested		<u>(28,960)</u>	26.31
Nonvested, end of period		<u>145,210</u>	26.31

Substantially all restricted stock and restricted stock unit awards are expected to vest.

The total fair value of restricted stock/units vesting for the years ended December 31 was:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
PPL	\$ 19	\$ 15	\$ 22
PPL Energy Supply	6	7	12
PPL Electric	2	2	2
LKE	1		

## Performance Units

Performance units are intended to encourage and award future performance. Performance units represent a target number of shares (Target Award) of PPL's common stock that the recipient would receive upon PPL's attainment of the applicable performance goal. Performance is determined based on total shareowner return during a three-year performance period. At the end of the period, payout is determined by comparing PPL's performance to the total shareowner return of the companies included in an index group, in this case the S&P Electric Utilities Index. Awards granted in 2010 and 2009 were payable on a graduated basis within the following ranges: if PPL's performance is at or above the 85th percentile of the index group, the award is paid at 200% of the Target Award; at the 50th percentile of the index group, the award is paid at 100% of the Target Award; at the 40th percentile of the index group, the award is paid at 50% of the Target Award; and below the 40th percentile, no award is payable. Awards granted in 2011 provide for payment at 25% of the Target Award if performance falls below the 40th percentile of the index group. Dividends payable during the performance cycle accumulate and are converted into additional performance units and are payable in shares of PPL common stock upon completion of the performance period based on the determination of the CGNC of whether the performance goals have been achieved. Under the Plan provisions, performance units are subject to forfeiture upon termination of employment except for retirement, disability or death of an employee, in which case the total performance units remain outstanding and are eligible for vesting through the conclusion of the performance period. The fair value of performance units granted is recognized on a straight-line basis over the three-year performance period. Performance units vest on a pro rata basis if control of PPL changes, as defined by the Plan.

The fair value of each performance unit granted was estimated using a Monte Carlo pricing model that considers stock beta, a risk-free interest rate, expected stock volatility and expected life. The stock beta was calculated comparing the risk of the individual securities to the average risk of the companies in the index group. The risk-free interest rate reflects the yield on a U.S. Treasury bond commensurate with the expected life of the performance unit. Volatility over the expected term of the performance unit is calculated using daily stock price observations for PPL and all companies in the index group and is evaluated with consideration given to prior periods that may need to be excluded based on events not likely to recur that had impacted PPL and companies in the index group. PPL had used historical volatility to value its performance units in 2010 and 2009. Beginning in 2011, PPL began using a mix of historic and implied volatility in response to the significant changes in its business model, moving from a primarily unregulated to a primarily regulated business model, as a result of the acquisitions of LKE and WPD Midlands.

The weighted-average assumptions used in the model were:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Risk-free interest rate	1.00%	1.41%	1.11%
Expected stock volatility	23.40%	34.70%	31.30%
Expected life	3 years	3 years	3 years

The weighted-average grant date fair value of performance units granted was:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
PPL	\$ 29.67	\$ 34.06	\$ 39.76
PPL Energy Supply	29.68	34.16	38.18
PPL Electric	29.57	33.54	39.95
LKE	29.20		

Performance unit activity for 2011 was:

	<u>Performance Units</u>	<u>Weighted- Average Grant Date Fair Value Per Share</u>
<b><u>PPL</u></b>		
Nonvested, beginning of period	286,040	\$ 39.40
Granted	182,953	29.67
Forfeited	<u>(70,384)</u>	48.61
Nonvested, end of period	398,609	33.31
<b><u>PPL Energy Supply</u></b>		
Nonvested, beginning of period	77,864	\$ 39.08
Transferred	(18,081)	40.37
Granted	32,034	29.68
Forfeited	<u>(16,750)</u>	46.95
Nonvested, end of period	75,067	33.00
<b><u>PPL Electric</u></b>		
Nonvested, beginning of period	22,231	\$ 38.34
Granted	14,730	29.57
Forfeited	<u>(4,153)</u>	48.57
Nonvested, end of period	32,808	33.11
<b><u>LKE</u></b>		
Nonvested, beginning of period		
Granted	<u>26,893</u>	\$ 29.20
Nonvested, end of period	26,893	29.20

## Stock Options

Under the Plans, stock options may be granted with an option exercise price per share not less than the fair value of PPL's common stock on the date of grant. Options outstanding at December 31, 2011, become exercisable in equal installments over a three-year service period beginning one year after the date of grant, assuming the individual is still employed by PPL or a subsidiary. The CGNC and CLC have discretion to accelerate the exercisability of the options, except that the exercisability of an option issued under the ICP may not be accelerated unless the individual remains employed by PPL or a subsidiary for one year from the date of grant. All options expire no later than ten years from the grant date. The options become exercisable immediately if control of PPL changes, as defined by the Plans. The fair value of options granted is recognized on a straight-line basis over the service period or through the date at which the employee reaches retirement eligibility. The fair value of options granted to retirement-eligible employees is recognized immediately upon the date of grant.

The fair value of each option granted is estimated using a Black-Scholes option-pricing model. PPL uses a risk-free interest rate, expected option life, historical volatility and dividend yield to value its stock options. The risk-free interest rate reflects the yield for a U.S. Treasury Strip available on the date of grant with constant rate maturity approximating the option's expected life. Expected life is calculated based on historical exercise behavior. Volatility over the expected term of the options is evaluated with consideration given to prior periods that may need to be excluded based on events

not likely to recur that had impacted PPL's volatility in those prior periods. Management's expectations for future volatility, considering potential changes to PPL's business model and other economic conditions, are also reviewed in addition to the historical data to determine the final volatility assumption. PPL had used historical volatility to value its stock options granted in 2010 and 2009. Beginning in 2011, PPL began using a mix of historic and implied volatility in response to the significant changes in its business model, moving from a primarily unregulated to a primarily regulated business model, as a result of the acquisitions of LKE and WPD Midlands. The dividend yield is based on several factors, including PPL's most recent dividend payment, as of the grant date and the forecasted stock price through 2012. The assumptions used in the model were:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Risk-free interest rate	2.34%	2.52%	2.07%
Expected option life	5.71 years	5.43 years	5.25 years
Expected stock volatility	21.60%	28.57%	26.06%
Dividend yield	5.93%	5.61%	3.48%

The weighted-average grant date fair value of options granted was:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
PPL	\$ 2.47	\$ 4.70	\$ 5.55
PPL Energy Supply	2.47	4.73	5.55
PPL Electric	2.47	4.62	5.65
LKE	2.47		

Stock option activity for 2011 was:

	<u>Number of Options</u>	<u>Weighted Average Exercise Price Per Share</u>	<u>Weighted- Average Remaining Contractual Term</u>	<u>Aggregate Total Intrinsic Value</u>
<b><u>PPL</u></b>				
Outstanding at beginning of period	5,603,981	\$ 32.31		
Granted	2,068,080	25.78		
Exercised	(69,220)	21.00		
Forfeited	<u>(72,643)</u>	29.16		
Outstanding at end of period	7,530,198	30.65	6.5	\$ 12
Options exercisable at end of period	4,493,789	32.74	5.0	5
<b><u>PPL Energy Supply</u></b>				
Outstanding at beginning of period	1,661,026	\$ 31.92		
Transferred	(296,705)	31.86		
Granted	383,990	25.80		
Exercised	(31,280)	21.58		
Forfeited	<u>(26,878)</u>	28.25		
Outstanding at end of period	1,690,153	30.79	6.1	\$ 2
Options exercisable at end of period	1,115,175	32.34	4.8	1
<b><u>PPL Electric</u></b>				
Outstanding at beginning of period	317,150	\$ 33.53		
Granted	168,120	25.74		
Forfeited	<u>(24,760)</u>	26.66		
Outstanding at end of period	460,510	31.05	7.5	\$ 1
Options exercisable at end of period	207,612	35.36	6.1	
<b><u>LKE</u></b>				
Outstanding at beginning of period				
Granted	<u>329,600</u>	\$ 25.77		
Outstanding at end of period	329,600	25.77	9.1	\$ 1

PPL received \$1 million in cash from stock options exercised in 2011. The related tax savings were not significant for 2011. Substantially all stock option awards are expected to vest.

The total intrinsic value of stock options exercised for the years ended December 31 2011, 2010, and 2009 was not significant.

### Compensation Expense

Compensation expense for restricted stock, restricted stock units, performance units and stock options accounted for as equity awards was as follows:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
PPL (a)	\$ 36	\$ 26	\$ 23
PPL Energy Supply (b)	16	20	17
PPL Electric (c)	8	6	5
LKE (d)	5		

- (a) Income tax benefits of \$15 million, \$11 million and \$9 million.  
 (b) Income tax benefits of \$6 million, \$8 million and \$7 million.  
 (c) Income tax benefits of \$3 million, \$3 million and \$2 million.  
 (d) Income tax benefits of \$2 million.

The income tax benefit PPL realized from stock-based awards vested or exercised for 2011 was not significant.

At December 31, 2011, unrecognized compensation expense related to nonvested restricted stock, restricted stock units, performance units and stock option awards was:

	<u>Unrecognized Compensation Expense</u>	<u>Weighted- Average Period for Recognition</u>
PPL	\$ 19	1.7 years
PPL Energy Supply	6	1.7 years
PPL Electric	3	2.3 years
LKE	2	1.2 years

### 13. Retirement and Postemployment Benefits

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E, and KU)*

#### Defined Benefits

Until January 1, 2012, the majority of PPL's subsidiaries domestic employees were eligible for pension benefits under non-contributory defined benefit pension plans with benefits based on length of service and final average pay, as defined by the plans. Effective January 1, 2012, PPL's domestic qualified pension plans were closed to newly hired salaried employees. Newly hired bargaining unit employees will continue to be eligible under the plans based on their collective bargaining agreements. Salaried employees hired on or after January 1, 2012 will be eligible to participate in the new PPL Retirement Savings Plan, a 401(k) savings plan with enhanced employer matching. PPL does not expect a significant near-term cost impact as a result of the change.

Certain employees may also be eligible for pension enhancements in the form of special termination benefits under PPL's separation plan. See "Separation Benefits" below for additional information regarding PPL's separation plan.

The defined benefit pension plans of LKE and its subsidiaries were closed to new salaried and bargaining unit employees hired after December 31, 2005. Employees hired after December 31, 2005 receive additional company contributions above the standard matching contributions to their savings plans.

Until January 1, 2012, employees of PPL Montana were eligible for pension benefits under a cash balance pension plan. Effective January 1, 2012, that plan was closed to newly hired salaried employees. Newly hired bargaining unit employees will continue to be eligible under the plan based on their collective bargaining agreements. Salaried

employees hired on or after January 1, 2012 will be eligible to participate in the new PPL Retirement Savings Plan, a 401(k) savings plan with enhanced employer matching. PPL Montana does not expect a significant near-term cost impact as a result of the change.

Employees of certain of PPL Energy Supply's mechanical contracting companies are eligible for benefits under multiemployer plans sponsored by various unions.

Effective April 1, 2010, PPL WW's principal pension plan was closed to most new employees, except for those meeting specific grandfathered participation rights. New employees not eligible to participate in the plan are offered benefits under a defined contribution plan. WPD Midlands was acquired by PPL WEM on April, 1, 2011. WPD Midlands' defined benefit plan had been closed to new members, except for those meeting specific grandfathered participation rights, prior to acquisition.

PPL and certain of its subsidiaries also provide supplemental retirement benefits to executives and other key management employees through unfunded nonqualified retirement plans.

The majority of employees of PPL's domestic subsidiaries will become eligible for certain health care and life insurance benefits upon retirement through contributory plans. Postretirement health benefits are paid from 401(h) accounts established within the PPL Services Corporation Master Trust, LG&E and KU Energy LLC Pension Plan Trusts, funded VEBA trusts and company funds. Postretirement benefits under the PPL Montana Retiree Health Plan are paid from company assets. WPD does not sponsor any postretirement benefit plans other than pensions.

As a result of PPL Energy Supply's January 2011 distribution of its membership interest in PPL Global to its parent, PPL Energy Funding, the U.K. pension plans were removed from PPL Energy Supply's balance sheet in the first quarter of 2011. No future contributions to the plans are expected to be made by PPL Energy Supply beginning in 2011. See Note 9 for additional information.

The following disclosures distinguish between the domestic (U.S.) and WPD (U.K.) pension plans.

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K.					
	2011	2010	2009	2011	2010	2009	2011	2010	2009
<b>PPL</b>									
<b>Net periodic defined benefit costs (credits):</b>									
Service cost	\$ 95	\$ 64	\$ 60	\$ 44	\$ 17	\$ 9	\$ 12	\$ 8	\$ 6
Interest cost	217	159	145	282	151	156	33	28	29
Expected return on plan assets	(245)	(184)	(169)	(338)	(202)	(189)	(23)	(20)	(18)
Amortization of:									
Transition (asset) obligation			(5)				2	5	9
Prior service cost	24	21	19	4	4	4		4	9
Actuarial (gain) loss	30	8	3	57	48	2	6	6	2
Net periodic defined benefit costs (credits) prior to settlement charges and termination benefits	121	68	53	49	18	(18)	30	31	37
Settlement charges (a)			2						
Termination benefits (b)			9	50					
Net periodic defined benefit costs (credits)	\$ 121	\$ 68	\$ 64	\$ 99	\$ 18	\$ (18)	\$ 30	\$ 31	\$ 37
<b>Other Changes in Plan Assets and Benefit Obligations Recognized in OCI and Regulatory Assets/Liabilities - Gross:</b>									
Settlements			\$ (2)						
Current year net (gain) loss	\$ 117	\$ 142	102	\$ 152	\$ 17	\$ 403	\$ (9)	\$ 20	\$ 32
Current year prior service cost (credit)	8		1				10	(71)	(4)
Amortization of:									
Transition asset			5				(2)	(5)	(9)
Prior service cost	(24)	(21)	(19)	(4)	(4)	(4)		(4)	(8)
Actuarial gain (loss)	(30)	(7)	(3)	(57)	(48)	(2)	(6)	(6)	(2)

Acquisition of regulatory assets/  
liabilities:

Transition obligation								4	
Prior service cost		31						6	
Actuarial (gain) loss		303						(2)	
Total recognized in OCI and regulatory assets/liabilities (c) (d)	71	448	84	91	(35)	397	(7)	(58)	9

Total recognized in net periodic  
benefit costs, OCI and regulatory  
assets/liabilities (d)

\$	192	\$	516	\$	148	\$	190	\$	(17)	\$	379	\$	23	\$	(27)	\$	46
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- (a) Includes the settlement of the pension plan of PPL's former mining subsidiary, PA Mines, LLC in 2009.
- (b) Related to the 2011 WPD Midlands separations in the U.K. and a 2009 U.S. cost reduction initiative.

- (c) For PPL's U.S. pension benefits, the amounts recognized in OCI for 2011, 2010 and 2009 were \$47 million, \$84 million and \$51 million. The amounts recognized in regulatory assets/liabilities for 2011, 2010 and 2009 were \$24 million, \$364 million and \$33 million. In total, the amounts recognized in either OCI or regulatory assets/liabilities for 2011, 2010 and 2009 were \$71 million, \$448 million and \$84 million.

For other postretirement benefits, the amounts recognized in OCI for 2011, 2010 and 2009 were \$(6) million, \$(40) million and \$6 million. The amounts recognized in regulatory assets/liabilities for 2011, 2010 and 2009 were \$(1) million, \$(18) million and \$3 million. In total, the amounts recognized in either OCI or regulatory assets/liabilities for 2011, 2010 and 2009 were \$(7) million, \$(58) million and \$9 million.

- (d) WPD is not subject to accounting for the effects of certain types of regulation as prescribed by GAAP. As a result, WPD does not record regulatory assets/liabilities.

The estimated amounts to be amortized from AOCI and regulatory assets/liabilities into net periodic benefit costs in 2012 are as follows:

	Pension Benefits		Other
	U.S.	U.K.	Postretirement Benefits
Transition obligation			\$ 2
Prior service cost	\$ 24	\$ 4	1
Actuarial loss	42	79	4
Total	<u>\$ 66</u>	<u>\$ 83</u>	<u>\$ 7</u>
Amortization from Balance Sheet:			
AOCI	\$ 27	\$ 83	\$ 2
Regulatory assets/liabilities	39		5
Total	<u>\$ 66</u>	<u>\$ 83</u>	<u>\$ 7</u>

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K. (a)					
	2011	2010	2009	2011	2010	2009	2011	2010	2009
<b>PPL Energy Supply</b>									
<b>Net periodic defined benefit costs (credits):</b>									
Service cost	\$ 5	\$ 4	\$ 4	\$ 17	\$ 9	\$ 1	\$ 1	\$ 1	\$ 1
Interest cost	7	7	6	151	156	1	1	1	1
Expected return on plan assets	(9)	(7)	(6)	(202)	(189)				
Amortization of:									
Prior service cost				4	4				
Actuarial (gain) loss	2	2	2	48	2				
Net periodic defined benefit costs (credits) prior to settlement charges	5	6	6	18	(18)	2	2	2	2
Settlement charges (b)			2						
Net periodic defined benefit costs (credits)	<u>\$ 5</u>	<u>\$ 6</u>	<u>\$ 8</u>	<u>\$ 18</u>	<u>\$ (18)</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
<b>Other Changes in Plan Assets and Benefit Obligations Recognized in OCI:</b>									
Curtailements									
Settlements			\$ (2)						
Current year net (gain) loss	\$ 7	\$ 4	4	\$ 17	\$ 403	\$ (2)			
Amortization of:									
Prior service cost				(4)	(4)				
Actuarial gain (loss)	(2)	(2)	(2)	(48)	(2)				
Total recognized in OCI	<u>5</u>	<u>2</u>	<u></u>	<u>(35)</u>	<u>397</u>	<u>(2)</u>	<u></u>	<u></u>	<u></u>
Total recognized in net periodic benefit costs and OCI	<u>\$ 10</u>	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ (17)</u>	<u>\$ 379</u>	<u>\$</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

- (a) In January 2011, PPL Energy Supply distributed its membership interest in PPL Global to PPL Energy Supply's parent. See Note 9 for additional information.
- (b) Includes the settlement of the pension plan of PPL Energy Supply's former mining subsidiary, PA Mines, LLC in 2009.

Actuarial loss of \$2 million related to PPL Energy Supply's U.S. pension plan is expected to be amortized from AOCI into net periodic benefit costs in 2012.



The following table provides the components of net periodic benefit cost for LKE's pension and other postretirement benefit plans for January 1, 2011 through December 31, 2011, and November 1, 2010 through December 31, 2010, for the Successor, and January 1, 2010 through October 31, 2010, and January 1, 2009 through December 31, 2009, for the Predecessor.

	Pension Benefits				Other Postretirement Benefits			
	Successor		Predecessor		Successor		Predecessor	
	2011	2010	2010	2009	2011	2010	2010	2009
<b>LKE</b>								
<b>Net periodic defined benefit costs (credits):</b>								
Service cost	\$ 24	\$ 4	\$ 17	\$ 20	\$ 4	\$ 1	\$ 3	\$ 4
Interest cost	67	11	54	62	10	1	9	11
Expected return on plan assets	(64)	(9)	(45)	(47)	(3)		(2)	(2)
Amortization of:								
Transition obligation					2		1	2
Prior service cost	5	1	7	9	2		2	3
Actuarial (gain) loss	24	5	16	27				(1)
Net periodic defined benefit costs prior to settlement charges and curtailment charges	56	12	49	71	15	2	13	17
Settlement charges				3				
Curtailment charges (credits)				5				(2)
Net periodic defined benefit costs	<u>\$ 56</u>	<u>\$ 12</u>	<u>\$ 49</u>	<u>\$ 79</u>	<u>\$ 15</u>	<u>\$ 2</u>	<u>\$ 13</u>	<u>\$ 15</u>
<b>Other Changes in Plan Assets and Benefit Obligations Recognized in OCI and Regulatory Assets/Liabilities - Gross:</b>								
Curtailments				\$ (2)				\$ (1)
Settlements				(2)				
Current year net (gain) loss	\$ 29	\$ (22)	\$ 96	(66)	\$ (3)	\$ (2)	\$ 3	2
Current year prior service cost	8				11			
Amortization of:								
Transition asset					(2)		(2)	(2)
Prior service cost	(5)	(1)	(7)	(9)	(2)		(1)	(2)
Actuarial gain (loss)	(24)	(5)	(16)	(25)				1
Total recognized in OCI and regulatory assets/liabilities (a)	<u>8</u>	<u>(28)</u>	<u>73</u>	<u>(104)</u>	<u>4</u>	<u>(2)</u>		<u>(2)</u>
Total recognized in net periodic benefit costs, OCI and regulatory assets/liabilities	<u>\$ 64</u>	<u>\$ (16)</u>	<u>\$ 122</u>	<u>\$ (25)</u>	<u>\$ 19</u>	<u>\$</u>	<u>\$ 13</u>	<u>\$ 13</u>

- (a) For LKE's pension and other postretirement benefits, the amounts recognized in OCI and regulatory assets/liabilities are as follows at December 31, 2011 and 2010, for the Successor, and at October 31, 2010, and December 31, 2009, for the Predecessor.

	Pension Benefits				Other Postretirement Benefits			
	Successor		Predecessor		Successor		Predecessor	
	2011	2010	2010	2009	2011	2010	2010	2009
OCI	\$ 1	\$ (8)	\$ 32	\$ (27)	\$ 2	\$ (1)	\$ (1)	\$ (2)
Regulatory assets/liabilities	7	(20)	41	(77)	2	(1)	1	
Total recognized in OCI and regulatory assets/liabilities	<u>\$ 8</u>	<u>\$ (28)</u>	<u>\$ 73</u>	<u>\$ (104)</u>	<u>\$ 4</u>	<u>\$ (2)</u>	<u>\$</u>	<u>\$ (2)</u>

The estimated amounts to be amortized from AOCI and regulatory assets/liabilities into net periodic benefit costs for LKE in 2012 are as follows.

	Pension Benefits	Other Postretirement Benefits
Transition obligation		\$ 2
Prior service cost	\$ 5	3

Actuarial loss		21	
Total		<u>\$ 26</u>	<u>\$ 5</u>
Amortization from Balance Sheet:			
AOCI			\$ 1
Regulatory assets/liabilities		\$ 26	4
Total		<u>\$ 26</u>	<u>\$ 5</u>

The following table provides the components of net periodic benefit cost for LG&E's pension benefit plan for January 1, 2011 through December 31, 2011, and November 1, 2010 through December 31, 2010, for the Successor, and January 1, 2010 through October 31, 2010, and January 1, 2009 through December 31, 2009, for the Predecessor.

	Pension Benefits			
	Successor		Predecessor	
	2011	2010	2010	2009
<b>LG&amp;E</b>				
<b>Net periodic defined benefit costs (credits):</b>				
Service cost	\$ 2		\$ 1	\$ 2
Interest cost	14	\$ 2	12	15
Expected return on plan assets	(18)	(3)	(13)	(14)
Amortization of:				
Prior service cost	2	1	2	2
Actuarial loss	11	2	6	8
Net periodic defined benefit costs	<u>\$ 11</u>	<u>\$ 2</u>	<u>\$ 8</u>	<u>\$ 13</u>
<b>Other Changes in Plan Assets and Benefit Obligations</b>				
<b>Recognized in Regulatory Assets - Gross:</b>				
Current year net (gain) loss	\$ 15	\$ (5)	\$ 18	\$ (14)
Current year prior service cost	9			
Amortization of:				
Prior service cost	(2)		(2)	(3)
Actuarial (loss)	(11)	(2)	(6)	(8)
Total recognized in regulatory assets	<u>11</u>	<u>(7)</u>	<u>10</u>	<u>(25)</u>
Total recognized in net periodic benefit costs and regulatory assets	<u>\$ 22</u>	<u>\$ (5)</u>	<u>\$ 18</u>	<u>\$ (12)</u>

The estimated amounts to be amortized from regulatory assets into net periodic benefit costs for LG&E in 2012 are as follows.

	Pension Benefits
Prior service cost	\$ 2
Actuarial loss	10
Total	<u>\$ 12</u>

Net periodic defined benefit costs (credits) charged to operating expense, excluding amounts charged to construction and other non-expense accounts were:

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K. (a)			2011	2010	2009
	2011	2010	2009	2011	2010	2009			
PPL	\$ 98	\$ 59	\$ 56	\$ 82	\$ 16	\$ (17)	\$ 24	\$ 27	\$ 31
PPL Energy Supply (b)	27	24	26		16	(17)	7	12	14
PPL Electric (c)	14	12	14				4	8	10

(a) As a result of PPL Energy Supply's January 2011 distribution of its membership interest in PPL Global to its parent, PPL Energy Funding, these amounts are included in "Income (Loss) from Discontinued Operations (net of income taxes)" on PPL Energy Supply's Statements of Income. See Note 6 for additional information.

(b) Includes costs for the specific plans it sponsors and the following allocated costs of defined benefit plans sponsored by PPL Services, based on PPL Energy Supply's participation in those plans, which management believes are reasonable.

	Pension Benefits			Other Postretirement Benefits		
	2011	2010	2009	2011	2010	2009

PPL Energy Supply	\$	23	\$	19	\$	18	\$	6	\$	10	\$	13
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- (c) PPL Electric does not directly sponsor any defined benefit plans. PPL Electric was allocated these costs of defined benefit plans sponsored by PPL Services, based on its participation in those plans, which management believes are reasonable.

The following table provides net periodic benefit costs charged to operating expense for January 1, 2011 through December 31, 2011, and November 1, 2010 through December 31, 2010, for the Successor, and January 1, 2010 through October 31, 2010, and January 1, 2009 through December 31, 2009, for the Predecessor.

	Pension Benefits				Other Postretirement Benefits			
	Successor		Predecessor		Successor		Predecessor	
	2011	2010	2010	2009	2011	2010	2010	2009
LKE	\$ 40	\$ 9	\$ 37	\$ 49	\$ 11	\$ 2	\$ 9	\$ 13
LG&E (d)	16	3	12	19	5	1	4	6
KU (e)	10	2	8	12	4	1	3	4

- (d) Includes costs for the specific plans it sponsors and the following allocated costs of defined benefit plans sponsored by LKE, based on its participation in those plans, which management believes are reasonable.

	Pension Benefits				Other Postretirement Benefits			
	Successor		Predecessor		Successor		Predecessor	
	2011	2010	2010	2009	2011	2010	2010	2009
LG&E	\$ 7	\$ 1	\$ 6	\$ 9	\$ 5	\$ 1	\$ 4	\$ 6

- (e) KU does not directly sponsor any defined benefit plans. KU was allocated these costs of defined benefit plans sponsored by LKE, based on its participation in those plans, which management believes are reasonable.

The following weighted-average assumptions were used in the valuation of the benefit obligations at December 31.

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K.			2011	2010	2009
	2011	2010	2009	2011	2010	2009			
<b>PPL</b>									
Discount rate	5.06%	5.42%	6.00%	5.24%	5.54%	5.55%	4.80%	5.14%	5.81%
Rate of compensation increase	4.02%	4.88%	4.75%	4.00%	4.00%	4.00%	4.00%	4.90%	4.75%
<b>PPL Energy Supply</b>									
Discount rate	5.12%	5.47%	6.00%		5.54%	5.55%	4.60%	4.95%	5.55%
Rate of compensation increase	4.00%	4.75%	4.75%		4.00%	4.00%	4.00%	4.75%	4.75%

The following table provides the weighted-average assumptions used in the valuation of the benefit obligations at December 31, 2011 and 2010, for the Successor, and at October 31, 2010 and December 31, 2009, for the Predecessor.

	Pension Benefits				Other Postretirement Benefits			
	Successor		Predecessor		Successor		Predecessor	
	2011	2010	2010	2009	2011	2010	2010	2009
<b>LKE</b>								
Discount rate	5.08%	5.49%	5.42%	6.11%	4.78%	5.12%	4.96%	5.82%
Rate of compensation increase	4.00%	5.25%	5.25%	5.25%	4.00%	5.25%	5.25%	5.25%
<b>LG&amp;E</b>								
Discount rate	5.00%	5.39%	5.32%	6.08%				
Rate of compensation increase	N/A	N/A	N/A	N/A				

The following weighted-average assumptions were used to determine the net periodic benefit costs for the year ended December 31.

	Pension Benefits						Other Postretirement Benefits		
	U.S.			U.K.			2011	2010	2009
	2011	2010	2009	2011	2010	2009			
<b>PPL</b>									
Discount rate	5.42%	5.96%	6.50%	5.59%	5.59%	7.47%	5.14%	5.47%	6.45%
Rate of compensation increase	4.88%	4.79%	4.75%	3.75%	4.00%	4.00%	4.90%	4.78%	4.75%
Expected return on plan assets (a)	7.25%	7.96%	8.00%	7.04%	7.91%	7.90%	6.57%	6.90%	7.00%

**PPL Energy Supply**

Discount rate	5.47%	6.00%	6.50%	5.59%	7.47%	4.95%	5.55%	6.37%
Rate of compensation increase	4.75%	4.75%	4.75%	4.00%	4.00%	4.75%	4.75%	4.75%
Expected return on plan assets (a)	7.25%	8.00%	7.78%	7.91%	7.90%	N/A	N/A	N/A

The following table provides the weighted-average assumptions used to determine the net periodic benefit costs for January 1, 2011 through December 31, 2011, and November 1, 2010 through December 31, 2010, for the Successor, and January 1, 2010 through October 31, 2010, and January 1, 2009 through December 31, 2009, for the Predecessor.

	Pension Benefits				Other Postretirement Benefits			
	Successor		Predecessor		Successor		Predecessor	
	2011	2010	2010	2009	2011	2010	2010	2009
<b>LKE</b>								
Discount rate	5.49%	5.40%	6.11%	6.28%	5.12%	4.94%	5.82%	6.36%
Rate of compensation increase	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%
Expected return on plan assets (a)	7.25%	7.25%	7.75%	8.25%	7.16%	7.04%	7.20%	7.97%
<b>LG&amp;E</b>								
Discount rate	5.39%	5.28%	6.08%	6.33%				
Rate of compensation increase	N/A	N/A	N/A	N/A				
Expected return on plan assets (a)	7.25%	7.25%	7.75%	8.25%				

- (a) The expected long-term rates of return for PPL, PPL Energy Supply, LKE and LG&E's U.S. pension and other postretirement benefits have been developed using a best-estimate of expected returns, volatilities and correlations for each asset class. The best estimates are based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes. PPL management corroborates these rates with expected long-term rates of return calculated by its independent actuary, who uses a building block approach that begins with a risk-free rate of return with factors being added such as inflation, duration, credit spreads and equity risk. Each plan's specific asset allocation is also considered in developing a reasonable return assumption.

The expected long-term rates of return for PPL's U.K. pension plans have been developed by PPL management with assistance from an independent actuary using a best estimate of expected returns, volatilities and correlations for each asset class. The best estimates are based on historical performance, future expectations and periodic portfolio rebalancing among the diversified asset classes.

The following table provides the assumed health care cost trend rates for the year ended December 31.

	2011	2010	2009
<b>PPL and PPL Energy Supply</b>			
Health care cost trend rate assumed for next year			
- obligations	8.5%	9.0%	8.0%
- cost	9.0%	8.0%	8.4%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)			
- obligations	5.5%	5.5%	5.5%
- cost	5.5%	5.5%	5.5%
Year that the rate reaches the ultimate trend rate			
- obligations	2019	2019	2016
- cost	2019	2016	2014

The following table provides the assumed health care cost trend rates for January 1, 2011 through December 31, 2011, and November 1, 2010 through December 31, 2010, for the Successor, and January 1, 2010 through October 31, 2010, and January 1, 2009 through December 31, 2009, for the Predecessor.

	Successor		Predecessor	
	2011	2010	2010	2009
<b>LKE</b>				
Health care cost trend rate assumed for next year				
- obligations	8.5%	9.0%	7.8%	8.0%
- cost	9.0%	9.0%	8.0%	8.0%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)				
- obligations	5.5%	5.5%	4.5%	4.5%
- cost	5.5%	5.5%	4.5%	5.0%
Year that the rate reaches the ultimate trend rate				
- obligations	2019	2019	2029	2029
- cost	2019	2019	2029	2016

A one percentage point change in the assumed health care costs trend rate assumption would have had the following effects on the other postretirement benefit plans in 2011.

	One Percentage Point	
	Increase	Decrease
<b>Effect on accumulated postretirement benefit obligation</b>		
<b>PPL</b>	\$ 8	\$ (8)
<b>LKE</b>	6	(5)

The effects on PPL Energy Supply's other postretirement benefit plans would not have been significant.

(PPL)

The funded status of the PPL plans was as follows.

	Pension Benefits				Other Postretirement Benefits	
	U.S.		U.K.		2011	2010
	2011	2010	2011	2010		
<b>Change in Benefit Obligation</b>						
Benefit Obligation, beginning of period	\$ 4,007	\$ 2,460	\$ 2,841	\$ 2,933	\$ 667	\$ 498
Service cost	95	64	44	17	12	8
Interest cost	217	159	282	151	33	28
Participant contributions			11	6	5	7
Plan amendments	8				10	(71)
Actuarial loss	220	222	257	37	6	32
Acquisition (a)		1,231	3,501			206
Curtailments						
Termination benefits			50			
Actual expenses paid		(2)				
Gross benefits paid	(166)	(127)	(309)	(152)	(47)	(44)
Federal subsidy					1	3
Currency conversion			(39)	(151)		
Benefit Obligation, end of period	<u>4,381</u>	<u>4,007</u>	<u>6,638</u>	<u>2,841</u>	<u>687</u>	<u>667</u>
<b>Change in Plan Assets</b>						
Plan assets at fair value, beginning of period	2,819	1,772	2,524	2,331	360	301
Actual return on plan assets	349	263	444	228	38	33
Employer contributions	470	148	164	231	33	17
Participant contributions			11	6	5	7
Acquisition (a)		765	3,567			42
401(h) transfer						
Actual expenses paid	(1)	(2)				
Gross benefits paid	(166)	(127)	(309)	(152)	(45)	(40)
Currency conversion			(50)	(120)		
Plan assets at fair value, end of period	<u>3,471</u>	<u>2,819</u>	<u>6,351</u>	<u>2,524</u>	<u>391</u>	<u>360</u>
Funded Status, end of period	<u>\$ (910)</u>	<u>\$ (1,188)</u>	<u>\$ (287)</u>	<u>\$ (317)</u>	<u>\$ (296)</u>	<u>\$ (307)</u>
<b>Amounts recognized in the Balance Sheets consist of:</b>						
Noncurrent asset			\$ 130			
Current liability	\$ (29)	\$ (10)			\$ (1)	\$ (2)
Noncurrent liability	(881)	(1,178)	(417)	(317)	(295)	(305)
Net amount recognized, end of period	<u>\$ (910)</u>	<u>\$ (1,188)</u>	<u>\$ (287)</u>	<u>\$ (317)</u>	<u>\$ (296)</u>	<u>\$ (307)</u>
<b>Amounts recognized in AOCI and regulatory assets/liabilities (pre-tax) consist of: (b)</b>						
Transition obligation					\$ 2	\$ 4
Prior service cost (credit)	\$ 115	\$ 131	\$ 3	\$ 7	(5)	(16)
Net actuarial loss	922	836	1,191	1,097	97	112
Total (c)	<u>\$ 1,037</u>	<u>\$ 967</u>	<u>\$ 1,194</u>	<u>\$ 1,104</u>	<u>\$ 94</u>	<u>\$ 100</u>
<b>Total accumulated benefit obligation for defined benefit pension plans</b>	<u>\$ 3,949</u>	<u>\$ 3,564</u>	<u>\$ 6,144</u>	<u>\$ 2,646</u>		

- (a) Includes the pension and other postretirement medical plans of LKE, which were acquired in 2010, and the pension plan of WPD Midlands, which was acquired in 2011. See Note 10 for additional information.
- (b) For PPL's U.S. pension benefits, the amounts recognized in AOCI for 2011 and 2010 were \$481 million, \$431 million. The amounts recognized in regulatory assets/liabilities for 2011 and 2010 were \$556 million and \$536 million. In total, the amounts recognized in either OCI or regulatory assets/liabilities for 2011 and 2010 were \$1,037 million and \$967 million.

For other postretirement benefits, the amounts recognized in AOCI for 2011 and 2010 were \$56 million and \$53 million. The amounts recognized in regulatory assets/liabilities for 2011 and 2010 were \$38 million and \$47 million. In total, the amounts recognized in either OCI or regulatory assets/liabilities for 2011 and 2010 were \$94 million and \$100 million.

- (c) WPD is not subject to accounting for the effects of certain types of regulation as prescribed by GAAP. As a result, WPD does not record regulatory assets/liabilities.

All of PPL's U.S. pension plans had projected and accumulated benefit obligations in excess of plan assets at December 31, 2011 and 2010. All of PPL's other postretirement benefit plans had accumulated postretirement benefit obligations in excess of plan assets at December 31, 2011 and 2010. For the U.K. pension plans of PPL WEM, the fair value of plan assets of \$3.7 billion exceeded both the projected benefit obligations of \$3.6 billion and the accumulated benefit obligations of \$3.3 billion at December 31, 2011. For the pension plans of PPL WW, both the projected benefit obligations of \$3.0 billion and accumulated benefit obligations of \$2.8 billion exceeded the plan assets of \$2.6 billion at December 31, 2011. For the pension plans of PPL WW, both the projected benefit obligations of \$2.8 billion and accumulated benefit obligations of \$2.6 billion exceeded the plan assets of \$2.5 billion at 2010.

(PPL Energy Supply)

The funded status of the PPL Energy Supply plans was as follows.

	Pension Benefits					
	U.S.		U.K. (a)		Other Postretirement Benefits	
	2011	2010	2011	2010	2011	2010
<b>Change in Benefit Obligation</b>						
Benefit Obligation, beginning of period	\$ 121	\$ 104	\$ 2,841	\$ 2,933	\$ 18	\$ 17
Service cost	5	4		17	1	1
Interest cost	7	7		151	1	1
Participant contributions				6		
Actuarial loss	13	9		37	(2)	
Distribution to parent (a)			(2,841)			
Actual expenses paid					(1)	
Gross benefits paid	(3)	(3)		(152)		(1)
Federal subsidy						
Currency conversion				(151)		
Benefit Obligation, end of period	<u>143</u>	<u>121</u>	<u></u>	<u>2,841</u>	<u>17</u>	<u>18</u>
<b>Change in Plan Assets</b>						
Plan assets at fair value, beginning of period	106	87	2,524	2,331		
Actual return on plan assets	14	12		228		
Employer contributions	15	10		231		1
Participant contributions				6		
Distribution to parent (a)			(2,524)			
Gross benefits paid	(3)	(3)		(152)		(1)
Currency conversion				(120)		
Plan assets at fair value, end of period	<u>132</u>	<u>106</u>	<u></u>	<u>2,524</u>	<u></u>	<u></u>
Funded Status, end of period	<u>\$ (11)</u>	<u>\$ (15)</u>	<u>\$</u>	<u>\$ (317)</u>	<u>\$ (17)</u>	<u>\$ (18)</u>
<b>Amounts recognized in the Balance Sheets consist of:</b>						
Current liability					\$ (1)	\$ (1)
Noncurrent liability	\$ (11)	\$ (15)		\$ (317)	(16)	(17)
Net amount recognized, end of period	<u>\$ (11)</u>	<u>\$ (15)</u>	<u></u>	<u>\$ (317)</u>	<u>\$ (17)</u>	<u>\$ (18)</u>
<b>Amounts recognized in AOCI (pre-tax) consist of:</b>						
Prior service cost (credit)	\$ 1	\$ 1		\$ 7		\$ (1)
Net actuarial loss	38	33		1,097	2	4
Total	<u>\$ 39</u>	<u>\$ 34</u>	<u></u>	<u>\$ 1,104</u>	<u>\$ 2</u>	<u>\$ 3</u>

**Total accumulated benefit obligation  
for defined benefit pension plans**

\$	143	\$	121	\$	2,646
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- (a) As a result of PPL Energy Supply's January 2011 distribution of its membership interest in PPL Global to its parent, PPL Energy Funding, the funded status and AOCI were removed from the balance sheet in January 2011. See Note 9 for additional information.

All of PPL Energy Supply's pension plans had projected and accumulated benefit obligations in excess of plan assets at December 31, 2011 and 2010. All of PPL Energy Supply's other postretirement benefit plans had accumulated postretirement benefit obligations in excess of plan assets at December 31, 2011 and 2010.

In addition to the plans it sponsors, PPL Energy Supply and its subsidiaries are allocated a portion of the funded status and costs of the defined benefit plans sponsored by PPL Services based on their participation in those plans, which management believes are reasonable. The actuarially determined obligations of current active employees are used as a basis to allocate total plan activity, including active and retiree costs and obligations. PPL Energy Supply's allocated share of the funded status of the pension plans resulted in a liability of \$204 million and \$287 million at December 31, 2011 and 2010. PPL Energy Supply's allocated share of other postretirement benefits was a liability of \$51 million and \$55 million at December 31, 2011 and 2010.

(LKE)

The funded status of the LKE plans was as follows for January 1, 2011 through December 31, 2011, and November 1, 2010 through December 31, 2010, for the Successor, and January 1, 2010 through October 31, 2010, for the Predecessor.

	Pension Benefits				Other Postretirement Benefits			
	Successor		Predecessor		Successor		Predecessor	
	2011	2010	2010	2011	2010	2011	2010	2010
<b>Change in Benefit Obligation</b>								
Benefit Obligation, beginning of period	\$ 1,229	\$ 1,230	\$ 1,085	\$ 204	\$ 206	\$ 199		
Service cost	24	4	17	4	1	3		
Interest cost	67	11	54	10	1	9		
Plan amendments	9			10				
Actuarial loss	25	(8)	116	(3)	(2)	4		
Gross benefits paid	(48)	(8)	(42)	(12)	(2)	(9)		
Federal subsidy				1				
Benefit Obligation, end of period	1,306	1,229	1,230	214	204	206	206	206
<b>Change in Plan Assets</b>								
Plan assets at fair value, beginning of period	778	764	696	49	42	37		
Actual return on plan assets	62	22	65	3	1	3		
Employer contributions	152		46	18	8	11		
Actual expenses paid			(1)					
Gross benefits paid	(48)	(8)	(42)	(12)	(2)	(9)		
Plan assets at fair value, end of period	944	778	764	58	49	42	42	42
Funded Status, end of period	\$ (362)	\$ (451)	\$ (466)	\$ (156)	\$ (155)	\$ (155)	\$ (164)	\$ (164)
<b>Amounts recognized in the Balance Sheets consist of:</b>								
Current liability	\$ (3)	\$ (2)	\$ (3)		\$ (1)	\$ (1)		\$ (1)
Noncurrent liability	(359)	(449)	(463)	(156)	(154)	(163)		(163)
Net amount recognized, end of period	\$ (362)	\$ (451)	\$ (466)	\$ (156)	\$ (155)	\$ (155)	\$ (164)	\$ (164)
<b>Amounts recognized in AOCI and regulatory assets/liabilities (pre-tax) consist of: (a)</b>								
Transition obligation				\$ 2	\$ 3	\$ 4		\$ 4
Prior service cost	\$ 34	\$ 30	\$ 50	14	6	7		7
Net actuarial (gain) loss	280	276	396	(7)	(4)	(4)		(4)
Total	\$ 314	\$ 306	\$ 446	\$ 9	\$ 5	\$ 7		\$ 7
<b>Total accumulated benefit obligation for defined benefit pension plans</b>	\$ 1,141	\$ 1,043	\$ 1,039					

- (a) For LKE's pension and other post-retirement benefits, the amounts recognized in AOCI and regulatory assets/liabilities are as follows at December 31, 2011 and 2010, for the Successor, and at October 31, 2010, for the Predecessor.

	Pension Benefits			Other Postretirement Benefits		
	Successor		Predecessor	Successor		Predecessor
	2011	2010	2010	2011	2010	2010
AOCI	\$ (7)	\$ (8)	\$ 112	\$ 1	\$ (1)	\$ (1)
Regulatory assets/liabilities	321	314	334	8	6	8
Total	\$ 314	\$ 306	\$ 446	\$ 9	\$ 5	\$ 7

LKE's pension plans had projected and accumulated benefit obligations in excess of plan assets at December 31, 2011 and 2010. LKE's postretirement benefit plan had accumulated postretirement benefit obligations in excess of plan assets at December 31, 2011 and 2010.

(LG&E)

The funded status of the LG&E plan was as follows for January 1, 2011 through December 31, 2011, and November 1, 2010 through December 31, 2010, for the Successor, and January 1, 2010 through October 31, 2010, for the Predecessor.

	Pension Benefits		
	Successor		Predecessor
	2011	2010	2010
<b>Change in Benefit Obligation</b>			
Benefit Obligation, beginning of period	\$ 274	\$ 276	\$ 251
Service cost	2		2
Interest cost	14	2	12
Plan amendments	9		
Actuarial loss	14	(2)	24
Gross benefits paid	(15)	(2)	(13)
Benefit Obligation, end of period	298	274	276
<b>Change in Plan Assets</b>			
Plan assets at fair value, beginning of period	217	214	196
Actual return on plan assets	16	6	19
Employer contributions	38		12
Actual expenses paid	(15)		
Gross benefits paid		(3)	(13)
Plan assets at fair value, end of period	256	217	214
Funded Status, end of period	\$ (42)	\$ (57)	\$ (62)
<b>Amounts recognized in the Balance Sheets consist of:</b>			
Noncurrent liability	\$ (42)	\$ (57)	\$ (62)
Net amount recognized, end of period	\$ (42)	\$ (57)	\$ (62)
<b>Amounts recognized in regulatory assets (pre-tax) consist of:</b>			
Prior service cost	\$ 20	\$ 13	\$ 14
Net actuarial loss	115	111	118
Total	\$ 135	\$ 124	\$ 132
<b>Total accumulated benefit obligation for defined benefit pension plan</b>	\$ 292	\$ 274	\$ 273

LG&E's pension plan had projected and accumulated benefit obligations in excess of plan assets at December 31, 2011 and 2010.

In addition to the plan it sponsors, LG&E is allocated a portion of the funded status and costs of certain defined benefit plans sponsored by LKE based on its participation in those plans, which management believes are reasonable. The actuarially determined obligations of current active employees and retired employees are used as a basis to allocate total plan activity, including active and retiree costs and obligations. LG&E's allocated share of the funded status of the pension plans resulted in a liability of \$53 million and \$69 million at December 31, 2011 and 2010. LG&E's allocated share of other postretirement benefits was a liability of \$87 million and \$85 million at December 31, 2011 and 2010.

(PPL and PPL Energy Supply)



PPL Energy Supply's mechanical contracting subsidiaries make contributions to over 70 multiemployer pension plans, based on the bargaining units from which labor is procured. The risks of participating in these multiemployer plans are different from single-employer plans in the following aspects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If PPL Energy Supply's mechanical contracting subsidiaries choose to stop participating in some of their multiemployer plans, they may be required to pay those plans an amount based on the unfunded status of the plan, referred to as a withdrawal liability.

PPL Energy Supply identified the Steamfitters Local Union No. 420 Pension Plan, EIN/Plan Number 23-2004424/001 as the only significant plan to which contributions are made. Contributions to this plan by PPL Energy Supply's mechanical contracting companies were \$5 million for 2011, \$4 million for 2010 and \$5 million for 2009. At the date the financial statements were issued, the Form 5500 was not available for the plan year ending in 2011. Therefore, the following disclosures specific to this plan are being made based on the Form 5500s filed for the plan years ended December 31, 2010 and 2009. PPL Energy Supply's mechanical contracting subsidiaries were not identified individually as greater than 5% contributors on the Form 5500s. However, the combined contributions of the three subsidiaries contributing to the plan had exceeded 5%. The plan had a Pension Protection Act zone status of red, without utilizing an extended amortization period, as of December 31, 2010 and 2009. In addition, the plan is subject to a rehabilitation plan and surcharges have been applied to participating employer contributions. The expiration date of the collective-bargaining agreement related to those employees participating in this plan is April 30, 2014. There were no other plans deemed individually significant based on a multifaceted assessment of each plan. This assessment included review of the funded/zone status of each plan and PPL Energy Supply's potential obligations under the plan and the number of participating employers contributing to the plan.

PPL Energy Supply's mechanical contracting subsidiaries also participate in multiemployer other postretirement plans that provide for retiree life insurance and health benefits.

The table below details total contributions to all multiemployer pension and other postretirement plans, including the plan identified as significant above. The contribution amounts fluctuate each year based on the volume of work and type of projects undertaken from year to year.

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Pension Plans	\$ 36	\$ 26	\$ 29
Other Postretirement Medical Plans	31	23	25
Total Contributions	<u>\$ 67</u>	<u>\$ 49</u>	<u>\$ 54</u>

PPL Energy Supply maintains a liability for the cost of health care of retired miners of former subsidiaries that had been engaged in coal mining, as required by the Coal Industry Retiree Health Benefit Act of 1992. At December 31, 2011, the liability was \$6 million. The liability is the net of \$67 million of estimated future benefit payments offset by \$31 million of assets in a retired miners VEBA trust and an additional \$30 million of excess assets available in a Black Lung Trust that can be used to fund the health care benefits of retired miners.

*(PPL Electric)*

Although PPL Electric does not directly sponsor any defined benefit plans, it is allocated a portion of the funded status and costs of plans sponsored by PPL Services based on its participation in those plans, which management believes are reasonable. The actuarially determined obligations of current active employees are used as a basis to allocate total plan activity, including active and retiree costs and obligations. PPL Electric's allocated share of the funded status of the pension plans resulted in a liability of \$186 million and \$259 million at December 31, 2011 and 2010. PPL Electric's

allocated share of other postretirement benefits was a liability of \$53 million and \$57 million at December 31, 2011 and 2010.

(KU)

Although KU does not directly sponsor any defined benefit plans, it is allocated a portion of the funded status and costs of plans sponsored by LKE based on its participation in those plans, which management believes are reasonable. The actuarially determined obligations of current active employees and retired employees of KU are used as a basis to allocate total plan activity, including active and retiree costs and obligations. KU's allocated share of the funded status of the pension plans resulted in a liability of \$83 million and \$113 million at December 31, 2011 and 2010. KU's allocated share of other postretirement benefits was a liability of \$62 million at December 31, 2011 and 2010.

### Plan Assets - U.S. Pension Plans

(PPL, PPL Energy Supply, LKE and LG&E)

PPL's primary legacy pension plan and the pension plan in which employees of PPL Montana participate are invested in the PPL Services Corporation Master Trust that also includes a 401(h) account that is restricted for certain other postretirement benefit obligations. Through December 31, 2011, the plans sponsored by LKE were invested in Pension Trusts that also included a 401(h) account that is restricted for certain other postretirement benefit obligations. Effective January 1, 2012, the assets in the LKE Pension Trusts were transferred into the PPL Services Corporation Master Trust. The investment strategy for the master trust is to achieve a risk-adjusted return on a mix of assets that, in combination with PPL's funding policy, will ensure that sufficient assets are available to provide long-term growth and liquidity for benefit payments. The master trust benefits from a wide diversification of asset types, investment fund strategies and external investment fund managers, and therefore have no significant concentration of risk.

The investment policies of the PPL Services Corporation Master Trust and LG&E and KU Energy LLC Pension Trusts outline allowable investments and define the responsibilities of the EBPB and the external investment managers. The only prohibited investments are investments in debt or equity securities issued by PPL and its subsidiaries or PPL's pension plan consultant. Derivative instruments may be utilized as a cost-effective means to mitigate risk and match the duration of investments to projected obligations. The investment policies are reviewed annually by PPL's Board of Directors.

The EBPB created a risk management framework around the trust assets and pension liabilities. This framework considers the trust assets as being composed of three sub-portfolios: the growth, immunizing and liquidity portfolios. The growth portfolio is comprised of investments that generate a return at a reasonable risk, including equity securities, certain debt securities and alternative investments. The immunizing portfolio consists of debt securities and derivative positions that will typically have long durations. The immunizing portfolio is designed to offset a portion of the change in the pension liabilities due to changes in interest rates. The liquidity portfolio consists primarily of cash and cash equivalents.

Target allocation ranges have been developed for each portfolio based on input from external consultants with a goal of limiting funded status volatility. The EBPB monitors the investments in each portfolio, and seeks to obtain a target portfolio that emphasizes reduction of risk of loss from market volatility. In pursuing that goal, the EBPB establishes revised guidelines from time to time. Revised EBPB investment guidelines as of the end of 2011 are presented below.

The asset allocation for the trusts and the target allocation by portfolio, at December 31 are as follows.

### PPL Services Corporation Master Trust

	Percentage of trust assets		Target Range	Target Asset Allocation
	2011	2010	2011	2011
<b>Growth Portfolio</b>	<b>57%</b>	<b>72%</b>	<b>45 - 60%</b>	<b>55%</b>
Equity securities	31%	43%		
Debt securities (a)	17%	20%		
Alternative investments	9%	9%		

<b>Immunizing Portfolio</b>	<b>41%</b>	<b>27%</b>	<b>35 - 55%</b>	<b>43%</b>
Debt securities (a)	40%	27%		
Derivatives	1%			
<b>Liquidity Portfolio</b>	<b>2%</b>	<b>1%</b>	<b>0 - 9%</b>	<b>2%</b>
Total	<u>100%</u>	<u>100%</u>		<u>100%</u>

(a) Includes commingled debt funds, which PPL treats as debt securities for asset allocation purposes.

### LG&E and KU Energy LLC Pension Trusts

	<u>Percentage of trust assets 2011</u>	<u>Target Range 2011</u>	<u>Target Asset Allocation 2011</u>
<b>Growth Portfolio</b>	<b>54%</b>	<b>45 - 60%</b>	<b>59%</b>
Equity securities	33%		
Debt securities (a)	21%		
<b>Immunizing Portfolio</b>	<b>34%</b>	<b>35 - 55%</b>	<b>38%</b>
Debt securities (a) (b)	34%		
<b>Liquidity Portfolio (b)</b>	<b>12%</b>	<b>0 - 9%</b>	<b>3%</b>
Total	<u>100%</u>		<u>100%</u>

(a) Includes commingled debt funds, which LKE treats as debt securities for asset allocation purposes.

(b) The asset allocation for this portfolio is not within the established target range due to the transition of assets at the end of 2011 in anticipation of transfer into the PPL Services Corporation Master Trust in January 2012.

Prior to the fourth quarter of 2011, the LKE trusts were managed using a different investment policy. As of December 31, 2010, the asset allocation was as follows.

<b>Asset Class</b>	<u>Percentage of trust assets 2010</u>	<u>Target Range 2010</u>
Equity securities	56%	45 - 75%
Debt securities (a)	37%	30 - 50%
Other	7%	0 - 10%
<b>Total</b>	<u>100%</u>	

(a) Includes commingled debt funds.

*(PPL and PPL Energy Supply)*

PPL Montana, a subsidiary of PPL Energy Supply, has a pension plan whose assets are solely invested in the PPL Services Corporation Master Trust, which is fully disclosed by PPL (below). The fair value of this plan's assets of \$133 million at December 31, 2011 represents a 5% undivided interest in the assets and liabilities of this master trust, including each asset whose fair value measurement was determined using significant unobservable inputs (Level 3).

The fair value of net assets in the U.S. pension plan trusts by asset class and level within the fair value hierarchy was:

	<u>December 31, 2011</u>			<u>December 31, 2010</u>			
	<u>Total</u>	<u>Fair Value Measurements Using</u>		<u>Total</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>PPL Services Corporation Master Trust</b>							
Cash and cash equivalents	\$ 78	\$ 78		\$ 87	\$ 87		
Equity securities:							
U.S.:							
Large-cap	371	247	\$ 124	414	293	\$ 121	
Small-cap	112	112		113	113		
Commingled debt	458		458	249		249	
International	299	102	197	343	121	222	
Debt securities:							
U.S. Treasury and U.S. government sponsored agency	515	443	72	331	295	36	
Residential/commercial backed securities	9		9	10		10	
Corporate	446		439	\$ 7	319	313	\$ 6

Other	10		10		12		12	
International	6		6		3		3	
Alternative investments:								
Real estate	85		85		76		76	
Private equity	45			45	10			10
Hedge fund of funds	92		92		95		95	
Derivatives:								
TBA debt securities	5			5	31			31
Interest rate swaps	20		20		(4)		(4)	
Receivables	50	31	19		24	13	11	
Payables	(48)	(40)	(8)		(54)	(51)	(3)	
Total PPL Services Corporation Master Trust assets	2,553	973	1,523	57	2,059	871	1,141	47
401(h) account restricted for other postretirement benefit obligations	(26)	(10)	(16)		(18)	(8)	(10)	
Fair value - PPL Services Corporation Master Trust pension assets	2,527	963	1,507	57	2,041	863	1,131	47

(LKE)

**LG&E and KU Energy LLC Pension Trusts**

Cash and cash equivalents	122	122			6	6		
Equity securities:								
U.S.:								
Large-cap	220		220		293		293	
Small/Mid-cap					67		67	
Commingled debt	65		65		307		307	
International	106	44	62		105		105	
Debt securities:								
U.S. Treasury	97	97						
Corporate	342		342					
Derivatives:								
Total return swaps	4		4					
Insurance contracts	46			46	47			47
Total LG&E and KU Energy LLC Pension Trusts assets	1,002	263	693	46	825	6	772	47
401(h) account restricted for other postretirement benefit obligations	(58)	(13)	(45)		(47)		(47)	
Fair value - LG&E and KU Energy LLC Pension Trusts pension assets	944	250	648	46	778	6	725	47
Fair value - total U.S. pension plans	\$ 3,471	\$ 1,213	\$ 2,155	\$ 103	\$ 2,819	\$ 869	\$ 1,856	\$ 94

A reconciliation of U.S. pension trust assets classified as Level 3 at December 31, 2011 is as follows.

	Residential /commercial backed securities	Corporate debt	Private equity	TBA debt securities	Insurance contracts	Total
Balance at beginning of period		\$ 6	\$ 10	\$ 31	\$ 47	\$ 94
Actual return on plan assets						
Relating to assets still held at the reporting date		(4)	8		3	7
Purchases, sales and settlements		5	27	(26)	(4)	2
Balance at end of period		\$ 7	\$ 45	\$ 5	\$ 46	\$ 103

A reconciliation of U.S. pension trust assets classified as Level 3 at December 31, 2010 is as follows.

	Residential /commercial backed securities	Corporate debt	Private equity	TBA debt securities	Insurance contracts	Total
Balance at beginning of period	\$ 2	\$ 10	\$ 6	\$ 10		\$ 28
Actual return on plan assets						
Relating to assets still held at the reporting date	(1)	(1)	(1)			(3)

Relating to assets sold during the period		1				
Acquisition of LKE				\$	46	46
Purchases, sales and settlements	(1)	(4)	5	21	1	22
Balance at end of period	\$	\$ 6	\$ 10	\$ 31	\$ 47	\$ 94

(PPL, PPL Energy Supply, LKE and LG&E)

The fair value measurements of cash and cash equivalents are based on the amounts on deposit.

The market approach is used to measure fair value of equity securities. The fair value measurements of equity securities (excluding commingled funds), which are generally classified as Level 1, are based on quoted prices in active markets. These securities represent actively and passively managed investments that are managed against various equity indices.

Investments in commingled funds are classified as Level 2 and categorized as equity securities. The fair value measurements are based on firm quotes of net asset values per share, which are not considered obtained from a quoted price in an active market. For the PPL Services Corporation Master Trust for 2011 and 2010 and the LG&E and KU Energy LLC Pension Trusts for 2011, these securities represent investments that are measured against the Russell 1000 Growth Index, the Russell 3000 Index and the MSCI EAFE Index. For the LG&E and KU Energy LLC Pension Trusts during 2010, these securities represent passively and actively managed investments in equity funds managed against the S&P 500 Index, the Russell 2500 Growth & Value Indexes and the MSCI EAFE Index.

The fair value measurements of debt securities are generally based on evaluated prices that reflect observable market information, such as actual trade information for identical securities or for similar securities, adjusted for observable differences. Debt securities are generally measured using a market approach, including the use of matrix pricing. Common inputs include reported trades; broker/dealer bid/ask prices, benchmark securities and credit valuation adjustments. When necessary, the fair value of debt securities is measured using the income approach, which incorporates similar observable inputs as well as benchmark yields, credit valuation adjustments, reference data from market research publications, monthly payment data, collateral performance and new issue data. For the PPL Services Corporation Master Trust, these securities represent investments in securities issued by U.S. Treasury and U.S. government sponsored agencies; investments securitized by residential mortgages, auto loans, credit cards and other pooled loans; investments in investment grade and non-investment grade bonds issued by U.S. companies across several industries; and investments in debt securities issued by foreign governments and corporations as well as commingled fund investments that are measured against the JP Morgan EMBI Global Diversified Index and the Barclays Long A or Better Index. During 2010 and the first ten months of 2011 for the LG&E and KU pension trusts, debt securities within commingled trusts were managed against the Barclays Aggregated Bond Index and the Barclays U.S. Government/Credit Long Index. During the last two months of 2011, the debt securities for the LG&E and KU pension trusts were transitioned to debt securities similar to those within the PPL Services Corporation Master Trust. The debt securities, excluding those in commingled funds, held by the PPL Services Corporation Master Trust at December 31, 2011 have a weighted-average coupon of 3.96% and a weighted-average maturity of 25 years.

Investments in real estate represent an investment in a partnership whose purpose is to manage investments in core U.S. real estate properties diversified geographically and across major property types (e.g., office, industrial, retail, etc.). The manager is focused on properties with high occupancy rates with quality tenants. This results in a focus on high income and stable cash flows with appreciation being a secondary factor. Core real estate generally has a lower degree of leverage when compared with more speculative real estate investing strategies. The partnership has limitations on the amounts that may be redeemed based on available cash to fund redemptions. Additionally, the general partner may decline to accept redemptions when necessary to avoid adverse consequences for the partnership, including legal and tax implications, among others. The fair value of the investment is based upon a partnership unit value.

Investments in private equity represent interests in partnerships in multiple early-stage venture capital funds and private equity fund of funds that use a number of diverse investment strategies. Four of the partnerships have limited lives of ten years, while the fifth has a life of 15 years, after which liquidating distributions will be received. Prior to the end of each partnership's life, the investment cannot be redeemed with the partnership; however, the interest may be sold to other parties, subject to the general partner's approval. The PPL Services Corporation Master Trust has unfunded commitments of \$83 million that may be required during the lives of the partnerships. Fair value is based on an ownership interest in partners' capital to which a proportionate share of net assets is attributed.

Investments in hedge fund of funds represent investments in two hedge fund of funds each with a different investment objective. Hedge funds seek a return utilizing a number of diverse investment strategies. The strategies, when combined aim to reduce volatility and risk while attempting to deliver positive returns under all market conditions. Major investment strategies for both hedge fund of funds include long/short equity, market neutral, distressed debt, and relative value. Generally, shares may be redeemed on 90 days prior written notice. Both funds are subject to short term lockups and have limitations on the amount that may be withdrawn based on a percentage of the total net asset value of the fund, among other restrictions. All withdrawals are subject to the general partner's approval. One fund's fair value has been estimated using the net asset value per share and the other fund's fair value is based on an ownership interest in partners' capital to which a proportionate share of net assets is attributed.

The fair value measurements of derivative instruments utilize various inputs that include quoted prices for similar contracts or market-corroborated inputs. In certain instances, these instruments may be valued using models, including standard option valuation models and standard industry models. These securities represent investments in To-be-announced debt securities and interest rate swaps. To-be-announced debt securities are commitments to purchase debt securities and are used as a cost effective means of managing the duration of assets in the trust. These commitments are valued by reviewing the issuing agency, program and coupon. Interest rate swaps are valued based on the swap details such as: swap curves, notional amount, index and term of index, reset frequency and payer/receiver credit ratings.

Receivables/payables classified as Level 1 represent investments sold/purchased but not yet settled.

Receivables/payables classified as Level 2 represent interest and dividends earned but not yet received and costs incurred but not yet paid.

Insurance contracts, classified as Level 3, are held by the LG&E and KU Energy LLC Pension Trusts and represent an investment in an immediate participation guaranteed group annuity contract. The fair value is based on contract value, which represents cost plus interest income less distributions for benefit payments and administrative expenses.

#### Plan Assets - U.S. Other Postretirement Benefit Plans (*PPL and LKE*)

PPL's investment strategy with respect to its other postretirement benefit obligations is to fund VEBA trusts and 401(h) accounts with voluntary contributions and to invest in a tax efficient manner. Excluding the 401(h) accounts included in the PPL Services Corporation Master Trust and LG&E and KU Energy LLC Pension Trusts, discussed in Plan Assets - U.S. Pension Plans above, PPL's other postretirement benefit plans are invested in a mix of assets for long-term growth with an objective of earning returns that provide liquidity as required for benefit payments. These plans benefit from diversification of asset types, investment fund strategies and investment fund managers, and therefore, have no significant concentration of risk. The only prohibited investments are investments in debt or equity securities issued by PPL and its subsidiaries. Equity securities include investments in domestic large-cap commingled funds. Securities issued by commingled funds that invest entirely in debt securities are traded as equity units, but treated by PPL as debt securities for asset allocation and target allocation purposes. Securities issued by commingled money market funds that invest entirely in money market securities are traded as equity units, but treated by PPL as cash and cash equivalents for asset allocation and target allocation purposes. The asset allocation for the VEBA trusts and the target allocation, by asset class, at December 31, are detailed below.

Asset Class	Percentage of plan assets		Target Range	Target Asset Allocation
	2011	2010	2011	2011
U.S. Equity securities	53%	55%	45 - 65%	55%
Debt securities (a)	41%	39%	30 - 50%	40%
Cash and cash equivalents (b)	6%	6%	0 - 15%	5%
Total	100%	100%		100%

(a) Includes commingled debt funds and debt securities.

(b) Includes commingled money market fund.

The fair value of assets in the U.S. other postretirement benefit plans by asset class and level within the fair value hierarchy was:

December 31, 2011

December 31, 2010

	Fair Value Measurement Using			Fair Value Measurement Using				
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
U.S. Equity securities:								
Large-cap	\$ 126		\$ 126		\$ 163		\$ 163	
Commingled debt	121		121		69		69	
Commingled money market funds	20		20		18		18	
Debt securities:								
Municipalities	40		40		44		44	
Receivables					1		1	
Total VEBA trust assets	307		307		295		295	
401(h) account assets	84	\$ 23	61		65	\$ 8	57	
Fair value - U.S. other postretirement benefit plans	\$ 391	\$ 23	\$ 368		\$ 360	\$ 8	\$ 352	

LKE's other postretirement benefit plans are invested primarily in a 401(h) account as disclosed in the LG&E and KU Energy LLC Pension Trusts Table.

Investments in large-cap equity securities represent investments in a passively managed equity index fund that invests in securities and a combination of other collective funds that together track the performance of the S&P 500 Index. Redemptions can be made daily on this fund.

Investments in commingled debt securities represent investments in a fund that invests in a diversified portfolio of investment grade money market instruments including, but not limited to, commercial paper, notes, repurchase agreements and other evidences of indebtedness with a maturity date not exceeding 13 months from date of purchase. Redemptions can be made weekly on this fund.

Investments in commingled money market funds represent investments in a fund that invests in securities and a combination of other collective funds that together are designed to track the performance of the Barclays Capital Long-term Treasury Index, as well as a fund that invests primarily in a diversified portfolio of investment grade money market instruments, including, but not limited to, commercial paper, notes, repurchase agreements and other evidences of indebtedness with a maturity not exceeding 13 months from the date of purchase. The primary objective of the fund is a high level of current income consistent with stability of principal and liquidity. Redemptions can be made daily on each of these funds.

Investments in municipalities represent investments in a diverse mix of tax-exempt municipal securities.

Receivables represent interest and dividends earned but not received as well as investments sold but not yet settled.

#### Plan Assets - U.K. Pension Plans (PPL)

The overall investment strategy of WPD's pension plans is developed by each plan's independent trustees in its Statement of Investment Principles in compliance with the U.K. Pensions Act of 1995 and other U.K. legislation. The trustees' primary focus is to ensure that assets are sufficient to meet members' benefits as they fall due with a longer term objective to reduce investment risk. The investment strategy is intended to maximize investment returns while not incurring excessive volatility in the funding position. WPD's plans are invested in a wide diversification of asset types, fund strategies and fund managers and therefore have no significant concentration of risk. Commingled funds that consist entirely of debt securities are traded as equity units, but treated by WPD as debt securities for asset allocation and target allocation purposes. These include investments in U.K. corporate bonds and U.K. gilts.

The asset allocation and target allocation at December 31 of WPD's pension plans are detailed below.

Asset Class	Percentage of plan assets		Target Asset
	2011	2010	Allocation 2011
Cash and cash equivalents	5%		2%
Equity securities			
U.K.	14%		18%
European (excluding the U.K.)	5%		6%
Asian-Pacific	5%		5%

North American	5%	6%	4%
Emerging markets	2%	5%	2%
Currency	1%	2%	2%
Global Tactical Asset Allocation		1%	1%
Debt securities (a)	56%	38%	57%
Alternative investments	7%	6%	9%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

(a) Includes commingled debt funds.

The fair value of assets in the U.K. pension plans by asset class and level within the fair value hierarchy was:

	December 31, 2011				December 31, 2010			
	Total	Fair Value Measurement Using			Total	Fair Value Measurement Using		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 313	\$ 313			\$ 46	\$ 46		
Equity securities:								
U.K. companies	921		\$ 921		455		\$ 455	
European companies (excluding the U.K.)	313		313		273		273	
Asian-Pacific companies	312		312		279		279	
North American companies	335		335		162		162	
Emerging markets companies	116		116		127		127	
Currency	31		31		51		51	
Global Tactical Asset Allocation	25		25		23		23	
Commingled debt:								
U.K. corporate bonds	699		699		321		321	
U.K. gilts	2,109		2,109					
U.K. index-linked gilts	744		744		629		629	
Alternative investments:								
Real estate	433		433		158		158	
Fair value - international pension plans	<u>\$ 6,351</u>	<u>\$ 313</u>	<u>\$ 6,038</u>		<u>\$ 2,524</u>	<u>\$ 46</u>	<u>\$ 2,478</u>	

Except for investments in real estate, the fair value measurements of WPD's pension plan assets are based on the same inputs and measurement techniques used to measure the U.S. pension plan assets described above.

Investments in U.K. equity securities represent passively managed equity index funds that are measured against the FTSE All Share Index. Investments in European equity securities represent passively managed equity index funds that are measured against the FTSE Europe ex U.K. Index. Investments in Asian-Pacific equity securities represent passively managed equity index funds that aim to outperform 50% FTSE Asia Pacific ex-Japan Index and 50% FTSE Japan Index. Investments in North American equity securities represent passively managed index funds that are measured against the FTSE North America Index. Investments in emerging market equity securities represent passively managed equity index funds that are measured against the MSCI Emerging Markets Index. Investments in currency equity securities represent investments in unitized passive and actively traded currency funds. The Global Tactical Asset Allocation strategy attempts to benefit from short-term market inefficiencies by taking positions in worldwide markets with the objective to profit from relative movements across those markets.

Debt securities include investment grade corporate bonds of companies from diversified U.K. industries.

Investments in real estate represent holdings in a U.K. unitized fund that owns and manages U.K. industrial and commercial real estate with a strategy of earning current rental income and achieving capital growth. The fair value measurement of the fund is based upon a net asset value per share, which is based on the value of underlying properties that are independently appraised in accordance with Royal Institution of Chartered Surveyors valuation standards at least annually with quarterly valuation updates based on recent sales of similar properties, leasing levels, property operations and/or market conditions. The fund may be subject to redemption restrictions in the unlikely event of a large forced sale in order to ensure other unit holders are not disadvantaged.

#### Expected Cash Flows - U.S. Defined Benefit Plans (PPL)



PPL's U.S. defined benefit plans have the option to utilize available prior year credit balances to meet current and future contribution requirements. However, PPL contributed \$207 million to its U.S. pension plans in January 2012 to meet minimum funding requirements.

PPL sponsors various non-qualified supplemental pension plans for which no assets are segregated from corporate assets. PPL expects to make approximately \$28 million of benefit payments under these plans in 2012.

PPL is not required to make contributions to its other postretirement benefit plans but has historically funded these plans in amounts equal to the postretirement benefit costs recognized. Continuation of this past practice would cause PPL to contribute \$28 million to its other postretirement benefit plans in 2012.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid and the following federal subsidy payments are expected to be received by the separate plan trusts.

	<u>Pension</u>	<u>Other Postretirement</u>	
		<u>Benefit Payment</u>	<u>Expected Federal Subsidy</u>
2012	\$ 205	\$ 50	\$ 1
2013	192	53	1
2014	203	57	1
2015	217	59	1
2016	229	62	1
2017-2021	1,384	348	4

*(PPL Energy Supply)*

The PPL Montana pension plan has the option to utilize available prior year credit balances to meet current and future contribution requirements. However, PPL Montana contributed \$4 million to the plan in January 2012 to meet minimum funding requirements.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid by the separate plan trusts.

	<u>Other</u>	
	<u>Pension</u>	<u>Postretirement</u>
2012	\$ 3	\$ 2
2013	4	2
2014	5	2
2015	6	2
2016	6	3
2017-2021	44	14

*(LKE)*

LKE's defined benefit plans have the option to utilize available prior year credit balances to meet current and future contribution requirements. However, LKE contributed \$53 million to its pension plans in January 2012.

LKE sponsors various non-qualified supplemental pension plans for which no assets are segregated from corporate assets. LKE expects to make \$2 million of benefit payments under these plans in 2012.

LKE is not required to make contributions to its other postretirement benefit plan but has historically funded this plan in amounts equal to the postretirement benefit costs recognized. Continuation of this past practice would cause LKE to contribute \$13 million to its other postretirement benefit plan in 2012.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid and the following federal subsidy payments are expected to be received by the separate plan trusts.

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	Other Postretirement		
	Pension	Benefit Payment	Expected Federal Subsidy
2012	\$ 54	\$ 14	\$ 1
2013	53	15	
2014	55	15	1
2015	57	16	
2016	61	16	1
2017 - 2021	374	86	3

*(LG&E)*

LG&E's defined benefit plan has the option to utilize available prior year credit balances to meet current and future contribution requirements. However, LG&E contributed \$13 million to its pension plan in January 2012.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid by the separate plan trust.

	Pension
2012	\$ 15
2013	15
2014	15
2015	15
2016	15
2017 - 2021	90

**Expected Cash Flows - U.K. Pension Plans (PPL)**

The pension plans of WPD are subject to formal actuarial valuations every three years, which are used to determine funding requirements. Future contributions for PPL WW were evaluated in accordance with the latest valuation performed as of March 31, 2010, in respect of PPL WW's principal pension scheme, to determine contribution requirements for 2012 and forward. Future contributions for PPL WEM are based on the assumption that a valuation had occurred as of March 31, 2010, and the deficit repair plan was settled on a similar basis. WPD expects to make contributions of approximately \$161 million in 2012. PPL WW and PPL WEM are currently permitted to recover in rates approximately 75% of their deficit funding requirements for their primary pension plans.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid by the separate plan trusts.

	Pension
2012	\$ 354
2013	357
2014	363
2015	371
2016	375
2017-2021	1,987

*(PPL, PPL Energy Supply, PPL Electric and LKE)*

**Savings Plans**

Substantially all employees of PPL's domestic subsidiaries are eligible to participate in deferred savings plans (401(k)s). Employer contributions to the plans were as follows.

2011	2010	2009
------	------	------

	\$	31	\$	23	\$	17
PPL						
PPL Energy Supply		11		10		10
PPL Electric		5		4		4

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
LKE	\$ 11	\$ 2	\$ 9	\$ 11
LG&E	5	1	4	5
KU	6	1	4	5

The increase for PPL in 2011 and 2010 is primarily the result of PPL's acquisition of LKE and the employer contributions related to the employees of that company and its subsidiaries under their existing plans.

*(PPL, PPL Energy Supply and PPL Electric)*

### Employee Stock Ownership Plan

Certain PPL subsidiaries sponsor a non-leveraged ESOP in which substantially all domestic employees, excluding those of PPL Montana, LKE and the mechanical contractors, are enrolled on the first day of the month following eligible employee status. Dividends paid on ESOP shares are treated as ordinary dividends by PPL. Under existing income tax laws, PPL is permitted to deduct the amount of those dividends for income tax purposes and to contribute the resulting tax savings (dividend-based contribution) to the ESOP.

The dividend-based contribution is used to buy shares of PPL's common stock and is expressly conditioned upon the deductibility of the contribution for federal income tax purposes. Contributions to the ESOP are allocated to eligible participants' accounts as of the end of each year, based 75% on shares held in existing participants' accounts and 25% on the eligible participants' compensation.

Compensation expense for ESOP contributions was \$8 million in 2011, 2010 and 2009. These amounts were offset by the dividend-based contribution tax savings and had no impact on PPL's earnings.

PPL shares within the ESOP outstanding at December 31, 2011 were 7,867,977 or 1% of total common shares outstanding, and are included in all EPS calculations.

### Separation Benefits

Certain PPL subsidiaries provide separation benefits to eligible employees. These benefits may be provided in the case of separations due to performance issues, loss of job related qualifications or organizational changes. Certain employees separated are eligible for cash severance payments, outplacement services, accelerated stock award vesting, continuation of group health and welfare coverage, and enhanced pension and postretirement medical benefits. The type and amount of benefits provided is based upon age, years of service and the nature of the separation. Separation benefits are recorded when such amounts are probable and estimable.

In February 2009, PPL announced workforce reductions that resulted in the elimination of approximately 200 management and staff positions across PPL's domestic operations, or approximately 6% of PPL's non-union, domestic workforce. The charges noted below consisted primarily of enhanced pension and severance benefits under PPL's Pension Plan and Separation Policy and were recorded primarily to "Other operation and maintenance" on the Statement of Income.

As a result of the workforce reductions, PPL recorded a charge of \$22 million (\$13 million after tax) in 2009.

PPL Energy Supply eliminated approximately 50 management and staff positions and recorded a charge of \$13 million (\$8 million after tax) in 2009. Included in this charge was \$8 million (\$4 million after tax) of allocated costs associated with the elimination of employees of PPL Services.

PPL Electric eliminated approximately 50 management and staff positions and recorded a charge of \$9 million (\$5 million after tax) in 2009. Included in this charge was \$3 million (\$1 million after tax) of allocated costs associated with the elimination of employees of PPL Services.

Separation benefits were not significant in 2010.

See Note 10 for separation benefits recorded in 2011 in connection with a reorganization following the acquisition of WPD Midlands.

(PPL, PPL Energy Supply, PPL Electric and LKE)

### Health Care Reform

In March 2010, Health Care Reform was signed into law. Many provisions of Health Care Reform do not take effect for an extended period of time, and most will require the publication of implementing regulations and/or issuance of program guidelines.

Beginning in 2013, provisions within Health Care Reform eliminate the tax deductibility of retiree health care costs to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D Coverage. As a result, in 2010:

- PPL decreased deferred tax assets by \$13 million, increased regulatory assets by \$9 million, increased deferred tax liabilities by \$4 million and recorded income tax expense of \$8 million;
- PPL Energy Supply decreased deferred tax assets by \$5 million and recorded income tax expense of \$5 million; and
- PPL Electric decreased deferred tax assets by \$5 million, increased regulatory assets by \$9 million and increased deferred tax liabilities by \$4 million.

Other provisions within Health Care Reform that apply to PPL and its subsidiaries include:

- an excise tax, beginning in 2018, imposed on high-cost plans providing health coverage that exceeds certain thresholds;
- a requirement to extend dependent coverage up to age 26; and
- broadening the eligibility requirements under the Federal Black Lung Act.

PPL and its subsidiaries have evaluated the provisions of Health Care Reform and have included the applicable provision in the valuation of those benefit plans that are impacted. The inclusion of the various provision of Health Care Reform did not have a material impact on the financial statements. PPL and its subsidiaries will continue to monitor the potential impact of any changes to the existing provisions and implementation guidance related to Health Care Reform on their benefit programs.

### 14. Jointly Owned Facilities

(PPL, PPL Energy Supply, LKE, LG&E and KU)

At December 31, 2011 and 2010, the Balance Sheets reflect the owned interests in the facilities listed below.

	<u>Ownership Interest</u>	<u>Electric Plant</u>	<u>Other Property</u>	<u>Accumulated Depreciation</u>	<u>Construction Work in Progress</u>
<b>PPL</b>					
<b>December 31, 2011</b>					
Generating Plants					
Susquehanna	90.00%	\$ 4,608		\$ 3,496	\$ 42
Conemaugh	16.25%	233		115	14
Keystone	12.34%	198		69	3
Trimble County Units 1 & 2	75.00%	1,245		61	35
Merrill Creek Reservoir	8.37%		\$ 22	15	

**December 31, 2010**

Generating Plants					
Susquehanna	90.00%	\$ 4,553	\$	3,487	\$ 79
Conemaugh	16.25%	213		106	11
Keystone	12.34%	196		60	2
Trimble County Units 1 & 2	75.00%	352		10	907
Merrill Creek Reservoir	8.37%		\$ 22	15	

**PPL Energy Supply****December 31, 2011**

Generating Plants					
Susquehanna	90.00%	\$ 4,608	\$	3,496	\$ 42
Conemaugh	16.25%	233		115	14
Keystone	12.34%	198		69	3
Merrill Creek Reservoir	8.37%		\$ 22	15	

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	<u>Ownership Interest</u>		<u>Electric Plant</u>		<u>Other Property</u>		<u>Accumulated Depreciation</u>		<u>Construction Work in Progress</u>
<b><u>December 31, 2010</u></b>									
Generating Plants									
Susquehanna	90.00%	\$	4,553			\$	3,487	\$	79
Conemaugh	16.25%		213				106		11
Keystone	12.34%		196				60		2
Merrill Creek Reservoir	8.37%			\$	22		15		
<b><u>LKE</u></b>									
<b><u>December 31, 2011</u></b>									
Generating Plants									
Trimble County Unit 1	75.00%	\$	297			\$	19	\$	11
Trimble County Unit 2	75.00%		948				42		24
<b><u>December 31, 2010</u></b>									
Generating Plants									
Trimble County Unit 1	75.00%	\$	288			\$	9	\$	17
Trimble County Unit 2	75.00%		64				1		890
<b><u>LG&amp;E</u></b>									
<b><u>December 31, 2011</u></b>									
Generating Plants									
Trimble County Units 7-10 (a)	37.00%	\$	64			\$	4	\$	1
E.W. Brown Units 6-7 (a)	38.00%		39				3		
Trimble County Units 5-6 (a)	29.00%		31				1		
Paddy's Run Unit 13 & E.W. Brown Unit 5 (a)	53.00%		44				2		5
Trimble County Unit 1	75.00%		297				19		11
Trimble County Unit 2	14.25%		190				7		7
<b><u>December 31, 2010</u></b>									
Generating Plants									
Trimble County Units 7-10 (a)	37.00%	\$	63			\$	1	\$	1
E.W. Brown Units 6-7 (a)	38.00%		39				2		1
Trimble County Units 5-6 (a)	29.00%		26						2
Paddy's Run Unit 13 & E.W. Brown Unit 5 (a)	53.00%		44						4
Trimble County Unit 1	75.00%		288				9		17
Trimble County Unit 2	14.25%		2						187
<b><u>KU</u></b>									
<b><u>December 31, 2011</u></b>									
Generating Plants									
Trimble County Units 7-10 (a)	63.00%	\$	109			\$	6	\$	5
E.W. Brown Units 6-7 (a)	62.00%		64				5		
Trimble County Units 5-6 (a)	71.00%		66				2		4
Paddy's Run Unit 13 & E.W. Brown Unit 5 (a)	47.00%		39				2		4
Trimble County Unit 2	60.75%		758				35		17
<b><u>December 31, 2010</u></b>									
Generating Plants									
Trimble County Units 7-10 (a)	63.00%	\$	107			\$	1	\$	2
E.W. Brown Units 6-7 (a)	62.00%		64				2		
Trimble County Units 5-6 (a)	71.00%		64				1		3
Paddy's Run Unit 13 & E.W. Brown Unit 5 (a)	47.00%		39						4
Trimble County Unit 2	60.75%		62				1		703

(a) These jointly owned facilities at LG&E and KU are entirely owned by LKE and thus are not jointly owned at the LKE or PPL level.

In addition to the interests mentioned above, PPL Montana has a 50% leasehold interest in Colstrip Units 1 and 2 and a 30% leasehold interest in Colstrip Unit 3 under operating leases. See Note 11 for additional information. At December 31, 2011 and 2010, NorthWestern owned a 30% leasehold interest in Colstrip Unit 4. PPL Montana and NorthWestern have a sharing agreement to govern each party's responsibilities regarding the operation of Colstrip Units 3 and 4, and each party is responsible for 15% of the respective operating and construction costs, regardless of whether a particular cost is specified to Colstrip Unit 3 or 4.

Each subsidiary owning these interests provides its own funding for its share of the facility. Each receives a portion of the total output of the generating plants equal to its percentage ownership. The share of fuel and other operating costs associated with the plants is included in the corresponding operating expenses on the Statements of Income.

## 15. Commitments and Contingencies

### Energy Purchases, Energy Sales and Other Commitments

#### Energy Purchase Commitments

*(PPL and PPL Energy Supply)*

PPL Energy Supply enters into long-term purchase contracts to supply the fuel requirements and other costs of production for generation facilities. These contracts include commitments to purchase coal, emission allowances, limestone, natural gas, oil and nuclear fuel. These long-term contracts extend through 2023, with the exception of a limestone contract that extends through 2030. PPL Energy Supply also enters into long-term contracts for the storage and transportation of natural gas. The long-term natural gas storage contracts extend through 2015, and the long-term natural gas transportation contracts extend through 2032. PPL Energy Supply has entered into long-term contracts to purchase power that extend through 2017, with the exception of long-term power purchase agreements for the full output of two wind farms that extend through 2027. Additionally, PPL Energy Supply has entered into REC contracts that extend through 2038.

In 2008, PPL EnergyPlus acquired the rights to an existing long-term tolling agreement associated with the capacity and energy of Ironwood. Under the agreement, PPL EnergyPlus has control over the plant's dispatch into the electricity grid and supplies the natural gas necessary to operate the plant. The tolling agreement extends through 2021. See Note 11 for additional information.

*(PPL, LKE, LG&E and KU)*

LG&E and KU have a power purchase agreement with OVEC, extended in February 2011 to June 2040. FERC approval of the extension was received in May 2011, followed by KPSC and VSCC approvals in August 2011. Pursuant to the OVEC power purchase contract, LG&E and KU are responsible for their pro-rata share of certain obligations of OVEC under defined circumstances. These potential liabilities include unpaid OVEC indebtedness as well as shortfall amounts in certain excess decommissioning costs and other post-employment and post-retirement benefit costs other than pension. LKE's proportionate share of OVEC's outstanding debt was \$117 million at December 31, 2011, consisting of LG&E's share of \$81 million and KU's share of \$36 million. Future obligations for power purchases from OVEC are unconditional demand payments, comprised of annual minimum debt service payments, as well as contractually required reimbursement of plant operating, maintenance and other expenses as follows:

	<u>LG&amp;E</u>	<u>KU</u>	<u>Total</u>
2012	\$ 20	\$ 9	\$ 29
2013	21	9	30
2014	21	9	30
2015	21	10	31
2016	22	10	32
Thereafter	595	264	859
	<u>\$ 700</u>	<u>\$ 311</u>	<u>\$ 1,011</u>

In addition, LG&E and KU had total energy purchases under the OVEC power purchase agreement for the periods ended as follows:

<u>Successor</u>		<u>Predecessor</u>	
<u>Year Ended</u>	<u>Two Months</u>	<u>Ten Months</u>	<u>Year Ended</u>
<u>December 31,</u>	<u>Ended</u>	<u>Ended</u>	<u>December 31,</u>
<u>2011</u>	<u>December 31,</u>	<u>October 31,</u>	<u>2009</u>
<u>2011</u>	<u>2010</u>	<u>2010</u>	<u>2009</u>

LG&E	\$	22	\$	4	\$	17	\$	19
KU		10		2		7		8
Total	\$	<u>32</u>	\$	<u>6</u>	\$	<u>24</u>	\$	<u>27</u>

LG&E and KU enter into purchase contracts to supply the coal and natural gas requirements for generation facilities and LG&E's gas supply operations. The coal contracts extend through 2016 and the natural gas contracts extend through 2013. LG&E and KU also enter into contracts for other coal related consumables, coal transportation and fleeting services, which expire at different time periods through 2018. LG&E and KU also have transportation contracts for natural gas that extend through 2018.

*(PPL and PPL Electric)*

In 2009, the PUC approved PPL Electric's PLR energy procurement plan for the period January 2011 through May 2013. To date, PPL Electric has conducted ten of its 14 planned competitive solicitations. The solicitations include a mix of long-term and short-term purchases ranging from five months to ten years to fulfill PPL Electric's obligation to provide for customer supply as a PLR.

*(PPL Energy Supply and PPL Electric)*

See Note 16 for information on the power supply agreements between PPL EnergyPlus and PPL Electric.

### Energy Sales Commitments

*(PPL and PPL Energy Supply)*

In connection with its marketing activities or hedging strategy for its power plants, PPL Energy Supply has entered into long-term power sales contracts that extend through 2024, excluding long-term retail sales agreements for the full output from solar generators that extend through 2036.

*(PPL Energy Supply and PPL Electric)*

See Note 16 for information on the power supply agreements between PPL EnergyPlus and PPL Electric.

### PPL Montana Hydroelectric License Commitments *(PPL and PPL Energy Supply)*

PPL Montana owns and operates 11 hydroelectric facilities and one storage reservoir licensed by the FERC under long-term licenses pursuant to the Federal Power Act. Pursuant to Section 8(e) of the Federal Power Act, the FERC approved the transfer from Montana Power to PPL Montana of all pertinent licenses in connection with the Montana Asset Purchase Agreement.

The Kerr Dam Project license (50-year term) was jointly issued by the FERC to Montana Power and the Confederated Salish and Kootenai Tribes of the Flathead Nation in 1985, and requires PPL Montana (as successor licensee to Montana Power) to hold and operate the project for at least 30 years (to 2015). Between 2015 and 2025, the tribes have the option to purchase, hold and operate the project for the remainder of the license term, which expires in 2035. PPL Montana cannot predict if and when this option will be exercised. The license also requires PPL Montana to continue to implement a plan to mitigate the impact of the Kerr Dam on fish, wildlife and their habitats. Under this arrangement, PPL Montana has a remaining commitment to spend \$8 million between 2012 and 2015, in addition to the annual rent it pays to the tribes.

PPL Montana entered into two Memoranda of Understanding (MOUs) with state, federal and private entities related to the issuance in 2000 of the FERC renewal license for the nine dams comprising the Missouri-Madison project. The MOUs are periodically updated and renewed and require PPL Montana to implement plans to mitigate the impact of its projects on fish, wildlife and their habitats, and to increase recreational opportunities. The MOUs were created to maximize collaboration between the parties and enhance the possibility to receive matching funds from relevant federal agencies. Under these arrangements, PPL Montana has a remaining commitment to spend \$32 million between 2012 and 2040.



## Legal Matters

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

PPL and its subsidiaries are involved in legal proceedings, claims and litigation in the ordinary course of business. PPL and its subsidiaries cannot predict the outcome of such matters, or whether such matters may result in material liabilities, unless otherwise noted.

### TC2 Construction *(PPL, LKE, LG&E and KU)*

In June 2006, LG&E and KU, as well as the Indiana Municipal Power Agency and Illinois Municipal Electric Agency (collectively, TC2 Owners), entered into a construction contract regarding the TC2 project. The contract is generally in the form of a turnkey agreement for the design, engineering, procurement, construction, commissioning, testing and delivery of the project, according to designated specifications, terms and conditions. The contract price and its components are subject to a number of potential adjustments which may serve to increase or decrease the ultimate construction price. During 2009 and 2010, the TC2 Owners received several contractual notices from the TC2 construction contractor asserting historical force majeure and excusable event claims for a number of adjustments to the contract price, construction schedule, commercial operations date, liquidated damages or other relevant provisions. In September 2010, the TC2 Owners and the construction contractor agreed to a settlement to resolve the force majeure and excusable event claims occurring through July 2010, under the TC2 construction contract, which settlement provided for a limited, negotiated extension of the contractual commercial operations date and/or relief from liquidated damage calculations. With limited exceptions, the TC2 Owners took care, custody and control of TC2 in January 2011. Pursuant to certain amendments to the construction agreement, the contractor will complete modifications to the combustion system prior to certain dates to allow operation of TC2 on all specified fuels categories. The provisions of the construction agreement relating to liquidated damages were also amended. In September 2011, the TC2 Owners and the construction contractor entered into a further amendment to the construction agreement settling, among other matters, certain historical change order, labor rate and prior liquidated damages amounts. The remaining issues are still under discussion with the contractor. PPL, LKE, LG&E and KU cannot currently predict the outcome of this matter or the potential impact on the capital costs of this project.

*(PPL and PPL Energy Supply)*

### Spent Nuclear Fuel Litigation

Federal law requires the U.S. government to provide for the permanent disposal of commercial spent nuclear fuel, but there is no definitive date by which a repository will be operational. As a result, it was necessary to expand Susquehanna's on-site spent fuel storage capacity. To support this expansion, PPL Susquehanna contracted for the design and construction of a spent fuel storage facility employing dry cask fuel storage technology. The facility is modular, so that additional storage capacity can be added as needed. The facility began receiving spent nuclear fuel in 1999. PPL Susquehanna estimates that there is sufficient storage capacity in the spent nuclear fuel pools and the on-site dry cask storage facility at Susquehanna to accommodate spent fuel discharged through approximately 2017 under current operating conditions. If necessary, on-site dry cask storage capability can be expanded, assuming appropriate regulatory approvals are obtained, such that, together, the spent fuel pools and the expanded dry fuel storage facilities will accommodate all of the spent fuel expected to be discharged through the current licensed life of each unit, 2042 for Unit 1 and 2044 for Unit 2.

In 1996, the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit Court) ruled that the Nuclear Waste Policy Act imposed on the DOE an unconditional obligation to begin accepting spent nuclear fuel on or before January 31, 1998. In 1997, the D.C. Circuit Court ruled that the contracts between the utilities and the DOE provide a potentially adequate remedy if the DOE failed to begin accepting spent nuclear fuel by January 31, 1998. The DOE did not, in fact, begin to accept spent nuclear fuel by that date. The DOE continues to contest claims that its breach of contract resulted in recoverable damages. In January 2004, PPL Susquehanna filed suit in the U.S. Court of Federal Claims for unspecified damages suffered as a result of the DOE's breach of its contract to accept and dispose of spent nuclear fuel. In May 2011, the parties entered into a settlement agreement which resolved all claims of PPL Susquehanna through December 2013. Under the settlement agreement, PPL Susquehanna received \$50 million for its share of claims to recover costs to store spent nuclear fuel at the Susquehanna plant through September 30, 2009, and recognized a credit to

"Fuel" expense in the second quarter of 2011. PPL Susquehanna also will be eligible to receive payment of annual claims for allowed costs, as set forth in the settlement agreement, that are incurred thereafter through the December 31, 2013 termination date of the settlement agreement. In exchange, PPL Susquehanna has waived any claims against the United States government for costs paid or injuries sustained related to storing spent nuclear fuel at the Susquehanna plant through December 31, 2013.

#### Montana Hydroelectric Litigation

In November 2004, PPL Montana, Avista Corporation (Avista) and PacifiCorp commenced an action for declaratory judgment in Montana First Judicial District Court seeking a determination that no lease payments or other compensation for their hydroelectric facilities' use and occupancy of certain riverbeds in Montana can be collected by the State of Montana. This lawsuit followed dismissal on jurisdictional grounds of an earlier federal lawsuit seeking such compensation in the U.S. District Court of Montana. The federal lawsuit alleged that the beds of Montana's navigable rivers became state-owned trust property upon Montana's admission to statehood, and that the use of them should, under a 1931 regulatory scheme enacted after all but one of the hydroelectric facilities in question were constructed, trigger lease payments for use of land beneath. In July 2006, the Montana state court approved a stipulation by the State of Montana that it was not seeking compensation for the period prior to PPL Montana's December 1999 acquisition of the hydroelectric facilities.

Following a number of adverse trial court rulings, in 2007 PacifiCorp and Avista each entered into settlement agreements with the State of Montana providing, in pertinent part, that each company would make prospective lease payments for use of the State's navigable riverbeds (subject to certain future adjustments), resolving the State's claims for past and future compensation.

Following an October 2007 trial of this matter on damages, in June 2008, the Montana District Court awarded the State retroactive compensation of approximately \$35 million for the 2000-2006 period and approximately \$6 million for 2007 compensation. Those unpaid amounts continued to accrue interest at 10% per year. The Montana District Court also deferred determination of compensation for 2008 and future years to the Montana State Land Board. In October 2008, PPL Montana appealed the decision to the Montana Supreme Court, requesting a stay of judgment and a stay of the Land Board's authority to assess compensation for 2008 and future periods.

In 2009, PPL Montana adjusted its previously recorded accrual by \$8 million, \$5 million after tax. Of this total, \$5 million, \$3 million after tax, related to prior periods. In March 2010, the Montana Supreme Court substantially affirmed the June 2008 Montana District Court decision. As a result, in the first quarter of 2010, PPL Montana recorded a charge of \$56 million (\$34 million after tax or \$0.08 per share, basic and diluted, for PPL), representing estimated rental compensation for the first quarter of 2010 and prior years, including interest. Rental compensation was estimated for periods subsequent to 2007. The portion of the pre-tax charge that related to prior years totaled \$54 million (\$32 million after tax). The charge recorded on the Statement of Income was \$49 million in "Other operation and maintenance" and \$7 million in "Interest Expense." PPL Montana continued to accrue interest expense for the prior years and rent expense for the subsequent years.

In August 2010, PPL Montana filed a petition for a writ of certiorari with the U.S. Supreme Court requesting review of this matter. In June 2011, the U.S. Supreme Court granted PPL Montana's petition. Oral argument was held in December 2011 and on February 22, 2012, the U.S. Supreme Court issued a decision overturning the Montana Supreme Court decision and remanded the case to the Montana Supreme Court for further proceedings consistent with the U.S. Supreme Court's opinion. As a result, PPL Montana reversed its total loss accrual of \$89 million (\$53 million after-tax or \$0.09 per share, basic and diluted for PPL), which had been recorded prior to the U.S. Supreme Court decision. The amount reversed was recorded on the Statements of Income as a \$75 million credit to "Other operation and maintenance" and a \$14 million credit to "Interest Expense." PPL Montana believes the U.S. Supreme Court decision resolves certain questions of liability in this case in favor of PPL Montana and leaves open for reconsideration by Montana courts, consistent with the findings of the U.S. Supreme Court, certain other questions. The State of Montana has 30 days from February 22, 2012 to petition the U.S. Supreme Court for a rehearing. PPL Montana has concluded it is no longer probable, but it remains reasonably possible, that a loss has been incurred. While unable to estimate a range of loss, PPL Montana believes that any such amount would not be material.

#### Bankruptcy of Southern Montana Electric Generation and Transmission Cooperative, Inc.

On October 21, 2011, SMGT, a Montana cooperative and purchaser of electricity under a long-term supply contract with PPL EnergyPlus expiring in June 2019 (SMGT Contract), filed for protection under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court in Montana. At the time of the bankruptcy filing, SMGT was PPL EnergyPlus' largest customer.

The SMGT Contract provides for fixed volume purchases on a monthly basis at established prices. A trustee has been appointed for SMGT's estate in the bankruptcy proceeding, and PPL EnergyPlus has been involved in preliminary discussions with the trustee concerning possible modifications to the SMGT Contract as part of the bankruptcy reorganization. Pursuant to a court order and subsequent stipulations entered into by SMGT and PPL EnergyPlus, since the date of its Chapter 11 filing through January 2012, SMGT continued to purchase electricity from PPL EnergyPlus at the price specified in the SMGT Contract, and has made timely payments for such purchases, but at lower volumes than as prescribed in the SMGT Contract. During January 2012, the trustee notified PPL EnergyPlus that SMGT would not purchase electricity under the SMGT Contract for the month of February. In addition, the trustee requested PPL EnergyPlus to leave the SMGT Contract in place to permit SMGT to purchase electricity in the event its requirements were not met by third-party providers from whom the trustee intends to purchase power on behalf of SMGT, at prices more favorable than under the SMGT Contract, for future periods. PPL EnergyPlus is evaluating the trustee's request.

PPL EnergyPlus' damage claim under the SMGT Contract totaled approximately \$11 million at December 31, 2011, all of which has been fully reserved. No assurance can be given as to the collectability of these damages.

At the present time, PPL cannot predict whether SMGT will be successful in its attempts to reorganize its business under Chapter 11 of the U.S. Bankruptcy Code or the extent to which the SMGT Contract may be modified as part of a successful Chapter 11 reorganization and, in either case, PPL cannot presently predict the extent to which it will be able to market to third parties any amount of power that SMGT ultimately does not continue to purchase from PPL EnergyPlus.

### **Regulatory Issues**

*(PPL, PPL Electric, LKE, LG&E and KU)*

See Note 6 for information on regulatory matters related to utility rate regulation.

### **Enactment of Financial Reform Legislation** *(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

In July 2010, the Dodd-Frank Act was signed into law. The Dodd-Frank Act includes provisions that impose derivative transaction reporting requirements and require most over-the-counter derivative transactions to be executed through an exchange and to be centrally cleared. The Dodd-Frank Act also provides that the CFTC may impose collateral and margin requirements for over-the-counter derivative transactions, as well as capital requirements for certain entity classifications. Final rules on major provisions in the Dodd-Frank Act are being established through rulemakings, and the CFTC generally has postponed implementation until the later of July 16, 2012 or when required key final rules are issued (e.g. definitional rules for "swap" and "swap dealer"). In order to comply with implementing regulations of the Dodd-Frank Act, the Registrants likely will be faced with significant new recordkeeping and reporting requirements. Also, the Registrants could face significantly higher operating costs or may be required to post additional collateral if they are subject to margin requirements as ultimately adopted in the implementing regulations of the Dodd-Frank Act. The Registrants will continue to evaluate the provisions of the Dodd-Frank Act. At this time, the Registrants cannot predict the impact that the law or its implementing regulations will have on their businesses or operations, or the markets in which they transact business, but could incur material costs related to compliance with the Dodd-Frank Act.

### **New Jersey Capacity Legislation** *(PPL, PPL Energy Supply and PPL Electric)*

In January 2011, New Jersey enacted a law that intervenes in the wholesale capacity market exclusively regulated by the FERC: S. No. 2381, 214th Leg. (N.J. 2011) (the Act). To create incentives for the development of new, in-state electric generation facilities, the Act implements a "long-term capacity agreement pilot program (LCAPP)." The Act requires New Jersey utilities to pay a guaranteed fixed price for wholesale capacity, imposed by the New Jersey Board of Public Utilities (BPU), to certain new generators participating in PJM, with the ultimate costs of that guarantee to be borne by New Jersey ratepayers. PPL believes the intent and effect of the LCAPP is to encourage the construction of new generation in New Jersey even when, under the FERC-approved PJM economic model, such new generation would not

be economic. The Act could depress capacity prices in PJM in the short term, impacting PPL Energy Supply's revenues, and harm the long-term ability of the PJM capacity market to incent necessary generation investment throughout PJM. In February 2011, the PJM Power Providers Group (P3), an organization in which PPL is a member, filed a complaint before the FERC seeking changes in PJM's capacity market rules designed to ensure that subsidized generation, such as may result from the implementation of the LCAPP, will not be able to set capacity prices artificially low as a result of their exercise of buyer market power. In April 2011, the FERC issued an order granting in part and denying in part P3's complaint and ordering changes in PJM's capacity rules consistent with a significant portion of P3's requested changes. PPL, PPL Energy Supply and PPL Electric cannot predict the outcome of this proceeding or the economic impact on their businesses or operations, or the markets in which they transact business.

In addition, in February 2011, PPL, and several other generating companies and utilities filed a complaint in U.S. District Court in New Jersey challenging the Act on the grounds that it violates well-established principles under the Supremacy Clause and the Commerce Clause of the U.S. Constitution. In this action, the plaintiffs request declaratory and injunctive relief barring implementation of the Act by the Commissioners of the BPU. In October 2011, the court denied the BPU's motion to dismiss the proceeding and the litigation is moving forward. PPL, PPL Energy Supply and PPL Electric cannot predict the outcome of this proceeding or the economic impact on their businesses or operations, or the markets in which they transact business.

#### Pacific Northwest Markets (*PPL and PPL Energy Supply*)

Through its subsidiaries, PPL Energy Supply made spot market bilateral sales of power in the Pacific Northwest during the period from December 2000 through June 2001. Several parties subsequently claimed refunds at FERC as a result of these sales. In June 2003, the FERC terminated proceedings to consider whether to order refunds for spot market bilateral sales made in the Pacific Northwest, including sales made by PPL Montana, during the period December 2000 through June 2001. In August 2007, the U.S. Court of Appeals for the Ninth Circuit reversed the FERC's decision and ordered the FERC to consider additional evidence. In October 2011, FERC initiated proceedings to consider additional evidence.

Although PPL and its subsidiaries believe that they have not engaged in any improper trading or marketing practices affecting the Pacific Northwest markets, PPL and PPL Energy Supply cannot predict the outcome of the above-described proceedings or whether any subsidiaries will be the subject of any additional governmental investigations or named in other lawsuits or refund proceedings. Consequently, PPL and PPL Energy Supply cannot estimate a range of reasonably possible losses, if any, related to this matter.

(*PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU*)

#### FERC Market-Based Rate Authority

In November 1998, the FERC authorized LG&E and KU and, in December 1998, authorized PPL EnergyPlus to make wholesale sales of electric power and related products at market-based rates. In those orders, the FERC directed LG&E and KU and PPL EnergyPlus, respectively, to file an updated market analysis within three years after the order, and every three years thereafter. Since then, periodic market-based rate filings with the FERC have been made by LG&E, KU, PPL EnergyPlus, PPL Electric, PPL Montana and most of PPL Generation's subsidiaries. These filings consisted of a Northwest market-based rate filing for PPL Montana and a Northeast market-based rate filing for most of the other PPL subsidiaries in PJM's region. In June 2011, FERC approved PPL's market-based rate update for the Eastern region and PPL's market-based rate update for the Western region. Also, in June 2011, PPL filed its market-based rate update for the Southeast region, including LG&E and KU in addition to PPL EnergyPlus. In June 2011, the FERC issued an order approving LG&E's and KU's request for a determination that they no longer be deemed to have market power in the Big Rivers Electric Corporation balancing area and removing restrictions on their market-based rate authority in such region.

Currently, a seller granted FERC market-based rate authority may enter into power contracts during an authorized time period. If the FERC determines that the market is not workably competitive or that the seller possesses market power or is not charging "just and reasonable" rates, it may institute prospective action, but any contracts entered into pursuant to the FERC's market-based rate authority remain in effect and are generally subject to a high standard of review before the FERC can order changes. Recent court decisions by the U.S. Court of Appeals for the Ninth Circuit have raised issues

that may make it more difficult for the FERC to continue its program of promoting wholesale electricity competition through market-based rate authority. These court decisions permit retroactive refunds and a lower standard of review by the FERC for changing power contracts, and could have the effect of requiring the FERC in advance to review most, if not all, power contracts. In June 2008, the U.S. Supreme Court reversed one of the decisions of the U.S. Court of Appeals for the Ninth Circuit, thereby upholding the higher standard of review for modifying contracts. At this time, PPL, PPL Energy Supply, LKE, LG&E and KU cannot predict the impact of these court decisions on the FERC's future market-based rate authority program or on their businesses.

#### Energy Policy Act of 2005 - Reliability Standards

The NERC is responsible for establishing and enforcing mandatory reliability standards (Reliability Standards) regarding the bulk power system. The FERC oversees this process and independently enforces the Reliability Standards.

The Reliability Standards have the force and effect of law and apply to certain users of the bulk power electricity system, including electric utility companies, generators and marketers. The FERC has indicated it intends to vigorously enforce the Reliability Standards using, among other means, civil penalty authority. Under the Federal Power Act, the FERC may assess civil penalties of up to \$1 million per day, per violation, for certain violations. The first group of Reliability Standards approved by the FERC became effective in June 2007.

LG&E, KU, PPL Electric and certain subsidiaries of PPL Energy Supply monitor their compliance with the Reliability Standards and continue to self-report potential violations of certain applicable reliability requirements and submit accompanying mitigation plans, as required. The resolution of a number of potential violations is pending. Any regional reliability entity determination concerning the resolution of violations of the Reliability Standards remains subject to the approval of the NERC and the FERC. The Registrants cannot predict the outcome of these matters, and cannot estimate a range of reasonably possible losses, if any, other than the amounts currently recorded.

In the course of implementing its program to ensure compliance with the Reliability Standards by those PPL affiliates subject to the standards, certain other instances of potential non-compliance may be identified from time to time.

#### **Environmental Matters - Domestic**

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

Due to the environmental issues discussed below or other environmental matters, PPL subsidiaries may be required to modify, curtail, replace or cease operating certain facilities or operations to comply with statutes, regulations and other requirements of regulatory bodies or courts.

*(PPL, PPL Energy Supply, LKE, LG&E and KU)*

#### Air

The Clean Air Act addresses, among other things, emissions causing acid deposition, installation of best available control technologies for new or substantially modified sources, attainment of national ambient air quality standards, toxic air emissions and visibility standards in the U.S. Amendments to the Clean Air Act requiring additional emission reductions have been proposed but are unlikely to be introduced or passed in this Congress. The Clean Air Act allows states to develop more stringent regulations and in some instances, as discussed below, Kentucky, Pennsylvania and Montana have done so.

To comply with air-related requirements and other environmental requirements as described below, PPL's forecast for capital expenditures reflects a best estimate projection of expenditures that may be required within the next five years. Such projections are a combined \$3.1 billion for LG&E and KU. These projections include \$100 million for LG&E and \$400 million for KU associated with currently approved ECR plans through 2013 to achieve emissions reductions and manage coal combustion residuals. The projections also include \$1.4 billion for LG&E and \$900 million for KU associated with the recently approved 2011 ECR Plans for additional expenditures to comply with new clean air rules and manage coal combustion residuals and an additional \$300 million for other environmental expenditures. Such projections for PPL Energy Supply are \$130 million. Actual costs (including capital, allowance purchases and

operational modifications) may be significantly lower or higher depending on the final requirements and market conditions. Certain environmental compliance costs incurred by LG&E and KU in serving KPSC jurisdictional customers are subject to recovery through the ECR. See Note 6 for additional information on LG&E and KU's ECR plan.

#### *CSAPR (formerly Clean Air Transport Rule)*

In July 2011, the EPA signed the CSAPR, which finalizes and renames the Clean Air Transport Rule (Transport Rule) proposed in August 2010, and made revisions to the rule on February 7, 2012. The CSAPR replaces the EPA's previous Clean Air Interstate Rule (CAIR) which was struck down by the U.S. Court of Appeals for the District of Columbia Circuit (the Court) in July 2008. CAIR subsequently was effectively reinstated by the Court in December 2008, pending finalization of the Transport Rule. Like CAIR and the proposed Transport Rule, the CSAPR only applies to PPL's coal generation facilities located in Kentucky and Pennsylvania.

The CSAPR is meant to facilitate attainment of ambient air quality standards for ozone and fine particulates by requiring reductions in sulfur dioxide and nitrogen oxides. The CSAPR established new sulfur dioxide emission allowance cap and trade programs that are completely independent of, and more stringent than, the current Acid Rain Program. The CSAPR also established new nitrogen oxides emission allowance cap and trade programs to replace the current programs. All trading is more restrictive than previously under CAIR. The CSAPR provides for two-phased programs of sulfur dioxide and nitrogen oxide emissions reductions, with initial reductions in 2012 and more stringent reductions in 2014.

In December 2011, the Court stayed implementation of the CSAPR and left CAIR in effect pending a final resolution on the merits of the validity of the rule. Oral argument on the various challenges to the CSAPR is scheduled for April 2012, and a final decision on the validity of the rule could be released as early as May 2012.

With respect to the Kentucky coal-fired generating plants, the stay of the CSAPR will initially only impact the unit dispatch order. With the return of the CAIR and the Kentucky companies' significant number of sulfur dioxide allowances, those units will be dispatched with lower operating cost, but slightly higher sulfur dioxide and nitrogen oxide emissions. However, a key component of the Court's final decision, even if the CSAPR is upheld, will be whether the ruling delays the implementation of the CSAPR by one year for both Phases I and II, or instead still requires the significant sulfur dioxide and nitrogen oxide reductions associated with Phase II to begin in 2014. LG&E's and KU's CSAPR compliance strategy is based on over-compliance during Phase I to generate allowances sufficient to cover the expected shortage during the first two years of Phase II (2014 and 2015) when additional pollution control equipment will be installed. Should Phase I of the CSAPR be shortened to one year, it will be more difficult and costly to provide enough excess allowances in one year to meet the shortage projected for 2014 and 2015.

PPL Energy Supply's coal fired power plants can meet both the CAIR and the proposed CSAPR sulfur dioxide emission requirements with the existing scrubbers that went in-service in 2008 and 2009. For nitrogen oxide, under both the CAIR and the proposed CSAPR, PPL Energy Supply would need to buy allowances or make operational changes, the cost of which is not anticipated to be significant.

#### *National Ambient Air Quality Standards*

In addition to the reductions in sulfur dioxide and nitrogen oxide emissions required under the CSAPR for the Pennsylvania and Kentucky plants, PPL's coal plants, including those in Montana, may face further reductions in sulfur dioxide and nitrogen oxide emissions as a result of more stringent national ambient air quality standards for ozone, nitrogen oxide, sulfur dioxide and/or fine particulates. The EPA has recently finalized a new one-hour standard for sulfur dioxide, and states are required to identify areas that meet those standards and areas that are in non-attainment. For non-attainment areas, states are required to develop plans by 2014 to achieve attainment by 2017. For areas in attainment or that are unclassifiable, states are required to develop maintenance plans by mid-2013 that demonstrate continued attainment. PPL, PPL Energy Supply, LKE, LG&E and KU anticipate that some of the measures required for compliance with the CSAPR such as upgraded or new sulfur dioxide scrubbers at some of their plants or, in the case of LG&E and KU, upgraded or new sulfur dioxide scrubbers at the Mill Creek plant and retirement of the Cane Run, Green River, and Tyrone plants, will also be necessary to achieve compliance with the new one-hour sulfur dioxide standard. If additional reductions were to be required, the economic impact could be significant.

### *Mercury and Other Hazardous Air Pollutants*

In May 2011, the EPA published a proposed regulation providing for stringent reductions of mercury and other hazardous air pollutants. On February 16, 2012, the EPA published the final rule, known as the Mercury and Air Toxics Standards (MATS), with an effective date of April 16, 2012. The rule provides for a three-year compliance deadline with the potential for a one-year extension as provided under the statute. Based on their assessment of the need to install pollution control equipment to meet the provisions of the proposed rule, LG&E and KU filed requests with the KPSC for environmental cost recovery to facilitate moving forward with plans to install environmental controls including sorbent injection and fabric-filter baghouses to remove certain hazardous air pollutants. Recovery of the cost of certain controls was granted by KPSC order issued in December 2011. The cost for these controls is reflected in the combined costs of \$3.1 billion for LG&E and KU noted under "Air" above. LG&E and KU have also announced the anticipated retirement of coal-fired generating units at the Cane Run, Green River, and Tyrone plants and have filed requests with the KPSC for replacement of those units with natural gas-fired generating units to be constructed or purchased. With the publication of the final MATS rule, LG&E and KU are currently assessing whether changes in the final rule warrant revision of their approved compliance plans. With respect to PPL Energy Supply's Pennsylvania plants, PPL believes that these plants are reasonably well controlled and require installation of chemical additive systems, the cost of which is not expected to be material. With respect to PPL Montana plants, modifications to the current air pollution controls installed on Colstrip may be required, the cost of which also is not expected to be material. For the Corette plant, additional controls are being evaluated, the cost of which could be significant. PPL Energy Supply, LG&E and KU are continuing to conduct in-depth reviews of the MATS.

### *Regional Haze and Visibility*

In January 2012, the EPA proposed limited approval of the Pennsylvania Regional Haze State Implementation Plan. That proposed action would essentially approve PPL's analysis that further particulate controls at PPL Energy Supply's Pennsylvania plants are not warranted. The limited approval does not address deficiencies of the state plan arising from the remand of the CAIR rule. Previously, the EPA had determined that implementation of the CAIR requirements would meet regional haze BART (Best Available Retrofit Technology) requirements for sulfur dioxide and nitrogen oxides. In December 2011, the EPA proposed that implementation of the CSAPR would also meet the BART. This is expected to address that deficiency.

In Montana, the EPA Region 8 is developing the regional haze plan as the Montana Department of Environmental Quality declined to develop a BART state implementation plan at this time. PPL submitted to the EPA its analyses of the visibility impacts of sulfur dioxide, nitrogen oxides and particulate matter emissions for Colstrip Units 1 and 2 and Corette. PPL's analyses concluded that further reductions are not warranted. The EPA responded to PPL's reports for Colstrip and Corette and requested further information and analysis. PPL completed further analysis and submitted addendums to its initial reports for Colstrip and Corette. In February 2009, PPL received an information request for data related to the non-BART-affected emission sources of Colstrip Units 3 and 4. PPL responded to this request in March 2009.

In November 2010, PPL Montana received a request from the EPA Region 8, under the EPA's Reasonable Further Progress goals of the Regional Haze Rules, to provide further analysis with respect to Colstrip Units 3 and 4. PPL completed a high-level analysis of various control options to reduce emissions of sulfur dioxide and particulate matter for these units, and submitted that analysis to the EPA in January 2011. The analysis shows that any incremental reductions would not be cost effective and that further analysis is not warranted. PPL also concluded that further analysis for nitrogen oxides was not justifiable as these units installed controls under a Consent Decree in which the EPA had previously agreed that, when implemented, would satisfy the requirements for installing the BART for nitrogen oxides. The EPA is expected to issue a proposed Federal Implementation Plan for Montana in March 2012. Discussions with the EPA are ongoing with respect to this issue.

PPL and PPL Energy Supply cannot predict whether any additional reductions in emissions will be required in Pennsylvania or Montana. If additional reductions are required, the economic impact could be significant depending on what is required.

LG&E and KU also submitted analyses of the visibility impacts of their Kentucky BART-eligible sources to the Kentucky Division for Air Quality (KDAQ). Only LG&E's Mill Creek plant was determined to have a significant regional haze impact. The KDAQ has submitted a regional haze state implementation plan (SIP) to the EPA which requires the Mill Creek plant to reduce its sulfuric acid mist emissions from Units 3 and 4. After approval of the Kentucky SIP by the EPA and revision of the Mill Creek plant's Title V air permit, LG&E intends to install sorbent injection controls at the plant to reduce sulfuric acid mist emissions. In the event that the EPA determines that compliance with the CSAPR would be insufficient to meet the BART requirements, it would be necessary for LG&E and KU to reassess their planned compliance measures.

#### *New Source Review (NSR)*

The NSR regulations require major new or modified sources of regulated pollutants to receive pre-construction and operating permits with limits that prevent the significant deterioration of air quality in areas that are in attainment of the ambient air quality standards for certain pollutants.

The EPA has continued its NSR enforcement efforts targeting coal-fired generating plants. The EPA has asserted that modification of these plants has increased their emissions and, consequently, that they are subject to stringent NSR requirements under the Clean Air Act. In April 2009, PPL received EPA information requests for its Montour and Brunner Island plants. The requests are similar to those that PPL received several years ago for its Colstrip, Corette and Martins Creek plants. PPL and the EPA have exchanged certain information regarding this matter. In January 2009, PPL and other companies that own or operate the Keystone plant in Pennsylvania received a notice of violation from the EPA alleging that certain projects were undertaken without proper NSR compliance. PPL and PPL Energy Supply cannot predict the outcome of these matters, and cannot estimate a range of reasonably possible losses, if any.

In addition, in August 2007, LG&E and KU received information requests for their Mill Creek, Trimble County, and Ghent plants, but have received no further communications from the EPA since providing their responses. PPL, LKE, LG&E and KU cannot predict the outcome of these matters, and cannot estimate a range of reasonably possible losses, if any.

In March 2009, KU received a notice alleging that KU violated certain provisions of the Clean Air Act's rules governing NSR and prevention of significant deterioration by installing sulfur dioxide scrubbers and SCR controls at its Ghent generating plant without assessing potential increased sulfuric acid mist emissions. KU contends that the work in question, as pollution control projects, was exempt from the requirements cited by the EPA. In December 2009, the EPA issued an information request on this matter. KU has exchanged settlement proposals and other information with the EPA regarding imposition of additional permit limits and emission controls and anticipates continued settlement negotiations. In addition, any settlement or future litigation could potentially encompass a September 2007 notice of violation alleging opacity violations at the plant. Depending on the provisions of a final settlement or the results of litigation, if any, resolution of this matter could involve significant increased operating and capital expenditures. PPL, LKE and KU cannot predict the final outcome of this matter, but currently do not expect such outcome to result in material losses above the respective amounts accrued by KU.

If PPL subsidiaries are found to have violated NSR regulations, PPL would, among other things, be required to meet permit limits reflecting Best Available Control Technology (BACT) for the emissions of any pollutant found to have significantly increased due to a major plant modification. The costs to meet such limits, including installation of technology at certain units, could be significant.

States and environmental groups also have initiated enforcement actions and litigation alleging violations of the NSR regulations by coal-fired plants, and PPL is unable to predict whether such actions will be brought against any of PPL's plants.

#### *TC2 Air Permit (PPL, LKE, LG&E and KU)*

The Sierra Club and other environmental groups petitioned the Kentucky Environmental and Public Protection Cabinet to overturn the air permit issued for the TC2 baseload generating unit, but the agency upheld the permit in an Order issued in September 2007. In response to subsequent petitions by environmental groups, the EPA ordered certain non-material changes to the permit which were incorporated into a final revised permit issued by the KDAQ in January 2010.



In March 2010, the environmental groups petitioned the EPA to object to the revised state permit. Until the EPA issues a final ruling on the pending petition and all available appeals are exhausted, PPL, LKE, LG&E and KU cannot currently predict the outcome of this matter or the potential impact on the capital costs of this project, if any.

*(PPL, PPL Energy Supply, LKE, LG&E and KU)*

### *Global Climate Change*

There is concern nationally and internationally about global climate change and the possible contribution of GHG emissions including, most significantly, carbon dioxide, from the combustion of fossil fuels. This has resulted in increased demands for carbon dioxide emission reductions from investors, environmental organizations, government agencies and the international community. These demands and concerns have led to federal legislative proposals, actions at regional, state and local levels, litigation relating to GHG emissions and the EPA regulations on GHGs.

### *Greenhouse Gas Legislation*

While climate change legislation was considered during the 111th Congress, the outcome of the 2010 elections has halted the debate on such legislation in the current 112th Congress. The timing and elements of any future legislation addressing GHG emission reductions are uncertain at this time. In the current Congress, legislation barring the EPA from regulating GHG emissions under the existing authority of the Clean Air Act has been passed by the U.S. House of Representatives. Various bills providing for barring or delaying the EPA from regulating GHG emissions have been introduced in the U.S. Senate, but the prospects for passage of such legislation remain uncertain. At the state level, the 2010 elections in Pennsylvania have also reduced the likelihood of GHG legislation in the near term, and there are currently no prospects for such legislation in Kentucky or Montana.

### *Greenhouse Gas Regulations and Tort Litigation*

As a result of the April 2007 U.S. Supreme Court decision that the EPA has the authority to regulate GHG emissions from new motor vehicles under the Clean Air Act, in April 2010, the EPA and the U.S. Department of Transportation issued new light-duty vehicle emissions standards that apply to 2012 model year vehicles. The EPA has also clarified that this standard triggers regulation of GHG emissions from stationary sources under the NSR and Title V operating permit provisions of the Clean Air Act starting in 2011. This means that any new sources or major modifications to existing sources causing a net significant emissions increase requires the BACT permit limits for GHGs. The EPA recently proposed guidance for conducting a BACT analysis for projects that trigger such a review. In addition, New Source Performance Standards for new and existing power plants were expected to be proposed in September 2011 and finalized in May 2012, but this has been delayed. The EPA is expected to announce a new schedule for this rulemaking in the future.

At the regional level, ten northeastern states signed a Memorandum of Understanding (MOU) agreeing to establish a GHG emission cap-and-trade program, called the Regional Greenhouse Gas Initiative (RGGI). The program commenced in January 2009 and calls for stabilizing carbon dioxide emissions, at base levels established in 2005, from electric power plants with capacity greater than 3 MW. The MOU also provides for a 10% reduction in carbon dioxide emissions from base levels by 2019.

Pennsylvania has not stated an intention to join the RGGI, but has enacted the Pennsylvania Climate Change Act of 2008 (PCCA). The PCCA established a Climate Change Advisory Committee to advise the PADEP on the development of a Climate Change Action Plan. In December 2009, the Advisory Committee finalized its Climate Change Action Report which identifies specific actions that could result in reducing GHG emissions by 30% by 2020. Some of the proposed actions, such as a mandatory 5% efficiency improvement at power plants, could be technically unachievable. To date, there have been no regulatory or legislative actions taken to implement the recommendations of the report. In addition, legislation has been introduced that would, if enacted, accelerate the solar supply requirements and restrict eligible solar projects to those located in Pennsylvania. PPL cannot predict at this time whether this legislation will be enacted.

Eleven Western states, including Montana and certain Canadian provinces, are members of the Western Climate Initiative (WCI). The WCI has established a goal of reducing carbon dioxide emissions 15% below 2005 levels by 2020 and is currently developing GHG emission allocations, offsets, and reporting recommendations.

In November 2008, the Governor of Kentucky issued a comprehensive energy plan including non-binding targets aimed at promoting improved energy efficiency, development of alternative energy, development of carbon capture and sequestration projects, and other actions to reduce GHG emissions. In December 2009, the Kentucky Climate Action Plan Council was established to develop an action plan addressing potential GHG reductions and related measures. To date the state has yet to issue a final plan. The impact of any such plan is not now determinable, but the costs to comply with the plan could be significant.

A number of lawsuits have been filed asserting common law claims including nuisance, trespass and negligence against various companies with GHG emitting facilities, and the law remains unsettled on these claims. In September 2009, the U.S.

Court of Appeals for the Second Circuit in the case of *AEP v. Connecticut* reversed a federal district court's decision and ruled that several states and public interest groups, as well as the City of New York, could sue five electric utility companies under federal common law for allegedly causing a public nuisance as a result of their emissions of GHGs. In June 2011, the U.S. Supreme Court overturned the lower court and held that such federal common law claims were displaced by the Clean Air Act and regulatory actions of the EPA. In *Comer v. Murphy Oil*, the U.S. Court of Appeals for the Fifth Circuit declined to overturn a district court ruling that plaintiffs did not have standing to pursue state common law claims against companies that emit GHGs. The complaint in the *Comer* case named the previous indirect parent of LKE as a defendant based upon emissions from the Kentucky plants. In January 2011, the Supreme Court denied a petition to reverse the Court of Appeals' ruling. In May 2011, the plaintiffs in the *Comer* case filed a substantially similar complaint in federal district court in Mississippi against 87 companies, including KU and three other indirect subsidiaries of LKE, under a Mississippi statute that allows the re-filing of an action in certain circumstances. Additional litigation in federal and state courts over these issues is continuing. PPL, LKE and KU cannot predict the outcome of this litigation or estimate a range of reasonably possible losses, if any.

In 2011, PPL's power plants emitted approximately 74 million tons of carbon dioxide compared with 68 million tons in 2010. The totals reflect 36 million tons from PPL Generation and 38 million tons from LG&E's and KU's generating fleet. All tons are U.S. short tons (2,000 lbs/ton).

#### *Renewable Energy Legislation (PPL and PPL Energy Supply)*

There has been interest in renewable energy legislation at both the state and federal levels. At the federal level, House and Senate bills proposed in the 111th Congress would have imposed mandatory renewable energy supply and energy efficiency requirements in the 15% to 20% range by approximately 2020. Earlier in 2011, there were discussions regarding a Clean Energy Standard (CES) that addressed not only renewables but also encouraged clean energy requirements (as yet to be defined). At this time, neither the renewable energy debate nor the CES discussion is expected to gain momentum at the federal or state levels (beyond what is otherwise already required in Pennsylvania and Montana) in the near term.

PPL believes there are financial, regulatory and logistical uncertainties related to GHG reductions and the implementation of renewable energy mandates. These will need to be resolved before the impact of such requirements on PPL can be meaningfully estimated. Such uncertainties, among others, include the need to provide back-up supply to augment intermittent renewable generation, potential generation oversupply that could result from such renewable generation and back-up, impacts to PJM's capacity market and the need for substantial changes to transmission and distribution systems to accommodate renewable energy. These uncertainties are not directly addressed by proposed legislation. PPL and PPL Energy Supply cannot predict at this time the effect on their future competitive position, results of operation, cash flows and financial position of any GHG emissions, renewable energy mandate or other global climate change requirements that may be adopted, although the costs to implement and comply with any such requirements could be significant.

#### Water/Waste

*Coal Combustion Residuals (CCRs) (PPL, PPL Energy Supply, LKE, LG&E and KU)*

In June 2010, the EPA proposed two approaches to regulating the disposal and management of CCRs under the Resource Conservation and Recovery Act (RCRA). CCRs include fly ash, bottom ash and sulfur dioxide scrubber wastes. The first approach would regulate CCRs as a hazardous waste under Subtitle C of the RCRA. This approach would have very significant impacts on any coal-fired plant, and would require plants to retrofit their operations to comply with full hazardous waste requirements for the generation of CCRs and associated waste waters through transportation and disposal. This would also have a negative impact on the beneficial use of CCRs and could eliminate existing markets for CCRs. The second approach would regulate CCRs as a solid waste under Subtitle D of the RCRA. This approach would mainly affect disposal and most significantly affect any wet disposal operations. Under this approach, many of the current markets for beneficial uses would not be affected. Currently, PPL expects that several of its plants in Kentucky and Montana could be significantly impacted by the requirements of Subtitle D of the RCRA, as these plants are using surface impoundments for management and disposal of CCRs.

The EPA has issued information requests on CCR management practices at numerous plants throughout the power industry as it considers whether or not to regulate CCRs as hazardous waste. PPL has provided information on CCR management practices at most of its plants in response to the EPA's requests. In addition, the EPA has conducted follow-up inspections to evaluate the structural stability of CCR management facilities at several PPL plants and PPL has implemented certain actions in response to recommendations from these inspections.

The EPA is continuing to evaluate the unprecedented number of comments it received on its June 2010 proposed regulations. In October 2011, the EPA issued a Notice of Data Availability (NODA) that requests comments on selected documents that the EPA received during the comment period for the proposed regulations. Comments were submitted on the NODA in November 2011. In addition, the U.S. House of Representatives in October 2011 approved a bill to modify Subtitle D of the RCRA to provide for the proper management and disposal of CCRs and that would preclude the EPA from regulating CCRs under Subtitle C of the RCRA. The bill has been introduced in the Senate and the prospect for passage of this legislation is uncertain. In January 2012, a coalition of environmental groups filed a 60-day notice of intent to sue the EPA for failure to perform nondiscretionary duties under RCRA, which could require a hard deadline for EPA to issue strict CCR regulations. In February 2012, a CCR recycling company also issued a 60-day notice of intent to sue the EPA over its timeliness in issuing CCR regulations, but that company requests that the EPA take a Subtitle D approach that would allow for continued recycling of CCRs.

PPL, PPL Energy Supply, LKE, LG&E and KU cannot predict at this time the final requirements of the EPA's CCR regulations or potential changes to the RCRA and what impact they would have on their facilities, but the economic impact could be significant.

#### *Martins Creek Fly Ash Release (PPL and PPL Energy Supply)*

In 2005, there was a release of approximately 100 million gallons of water containing fly ash from a disposal basin at the Martins Creek plant used in connection with the operation of the plant's two 150 MW coal-fired generating units. This resulted in ash being deposited onto adjacent roadways and fields, and into a nearby creek and the Delaware River. PPL determined that the release was caused by a failure in the disposal basin's discharge structure. PPL conducted extensive clean-up and completed studies, in conjunction with a group of natural resource trustees and the Delaware River Basin Commission, evaluating the effects of the release on the river's sediment, water quality and ecosystem.

The PADEP filed a complaint in Pennsylvania Commonwealth Court against PPL Martins Creek and PPL Generation, alleging violations of various state laws and regulations and seeking penalties and injunctive relief. PPL and the PADEP have settled this matter. The settlement also required PPL to submit a report on the completed studies of possible natural resource damages. PPL subsequently submitted the assessment report to the Pennsylvania and New Jersey regulatory agencies and has continued discussing potential natural resource damages and mitigation options with the agencies. Subsequently, in August 2011 the DEP submitted its National Resource Damage Assessment report to the court and to the intervenors. The intervenors have commented on the report and the PADEP and PPL recently filed separate responses with the court. The settlement agreement for the Natural Resources Damage Claim has not yet been submitted to the court or for public comments.

Through December 31, 2011, PPL Energy Supply has spent \$28 million for remediation and related costs and an insignificant remediation liability remains on the balance sheet. PPL and PPL Energy Supply cannot be certain of the outcome of the natural resource damage assessment or the associated costs, the outcome of any lawsuit that may be

brought by citizens or businesses or the exact nature of any other regulatory or other legal actions that may be initiated against PPL, PPL Energy Supply or their subsidiaries as a result of the disposal basin release. However, PPL and PPL Energy Supply currently do not expect such outcomes to result in material losses above the amounts currently recorded.

*Seepages and Groundwater Infiltration - Pennsylvania, Montana and Kentucky*

*(PPL, PPL Energy Supply, LKE, LG&E and KU)*

Seepages or groundwater infiltration have been detected at active and retired wastewater basins and landfills at various PPL plants. PPL has completed or is completing assessments of seepages or groundwater infiltration at various facilities and is working with agencies to implement abatement measures, where required. A range of reasonably possible losses cannot currently be estimated.

*(PPL and PPL Energy Supply)*

In 2007, six plaintiffs filed a lawsuit in the Montana Sixteenth Judicial District Court against the Colstrip plant owners asserting property damage claims from seepage from wastewater ponds at Colstrip. A settlement agreement was reached in July 2010 which would have resulted in a payment by PPL Montana, but certain of the plaintiffs later argued that the settlement was not final. The Colstrip plant owners filed a motion to enforce the settlement and in October 2011 the court granted the motion and ordered the settlement to be completed in 60 days. The plaintiffs have appealed the October order to the Montana Supreme Court, which is presently being briefed. The parties are in the process of submitting their briefs to the Montana Supreme Court. That court's decision is expected in the second half of 2012. The settlement ordered by the district court is, therefore, not final and PPL and PPL Energy Supply cannot predict the outcome of the appeal, although PPL Montana's share of any final settlement in excess of amounts recorded is not expected to be significant.

*Conemaugh River Discharges (PPL and PPL Energy Supply)*

In April 2007, PennEnvironment and the Sierra Club brought a Clean Water Act citizen suit in the U.S. District Court for the Western District of Pennsylvania (the Western District Court) against GenOn Northeast Management Company (then known as Reliant Energy Northeast Management Company) (GenOn), as operator of Conemaugh Generating Station (CGS), seeking civil penalties and injunctive relief for alleged violations of CGS's NPDES water discharge permit. A PPL Energy Supply subsidiary holds a 16.25% undivided, tenant-in-common ownership interest in CGS.

Throughout the relevant time period, the operators of CGS have worked closely with the PADEP to ensure that the facility is operated in a manner that does not cause any adverse environmental impacts to the Conemaugh River, a waterway already significantly impacted by discharges from abandoned coal mines and other historical industrial activity with respect to which neither PPL nor CGS had any involvement. Pursuant to a Consent Order and Agreement between the PADEP and GenOn (the CGS COA), a variety of studies have been conducted, a water treatment facility for cooling tower blowdown has been designed and built, and a second treatment facility for sulfur dioxide scrubber waste water has been designed (and is awaiting final PADEP approval for construction), all in order to comply with the stringent limits set out in CGS's NPDES permit.

In March 2011, the Western District Court entered a partial summary judgment in the plaintiffs' favor, declaring that discharges from CGS violated the NPDES permit. Subsequently, the parties agreed to settle the dispute and in August 2011 the court entered a Consent Decree and Order resolving the matter. PPL Energy Supply's share of the settlement is not significant.

In a separate matter, the PADEP plans to file a complaint in the Commonwealth Court of Pennsylvania alleging several violations of Clean Streams Law at the Conemaugh generating facility. The PADEP and GenOn Northeast Management Company, the operator, signed and lodged with the court a consent decree that when entered by the court will resolve the issues. It is expected that the court will enter the consent decree in March 2012 after a 30-day public comment period has lapsed. Under the terms of the consent decree, GenOn will be obligated to pay a civil penalty of \$500,000. PPL Energy Supply is responsible for 16.25% of this amount.

*Other Issues (PPL, PPL Energy Supply, LKE, LG&E and KU)*

In 2006, the EPA significantly decreased to 10 parts per billion (ppb) the drinking water standards related to arsenic. In Pennsylvania, Montana and Kentucky, this arsenic standard has been incorporated into the states' water quality standards and could result in more stringent limits in NPDES permits for PPL's Pennsylvania, Montana and Kentucky plants. Subsequently, the EPA developed a draft risk assessment for arsenic that increases the cancer risk exposure by more than 20 times, which would lower the current standard from 10 ppb to 0.1 ppb. If the lower standard becomes effective, costly treatment would be required to attempt to meet the standard and, at this time, there is no assurance that it could be achieved. PPL, PPL Energy Supply, LKE, LG&E and KU cannot predict the outcome of the draft risk assessment and what impact, if any, it would have on their facilities, but the costs could be significant.

The EPA is reassessing its polychlorinated biphenyls (PCB) regulations under the Toxics Substance Control Act, which currently allow certain PCB articles to remain in use. In April 2010, the EPA issued an Advanced Notice of Proposed Rulemaking for changes to these regulations. This rulemaking could lead to a phase-out of all PCB-containing equipment. PPL, PPL Energy Supply, LKE, LG&E and KU cannot predict at this time the outcome of these proposed EPA regulations and what impact, if any, they would have on their facilities, but the costs could be significant.

The EPA finalized requirements in 2004 for new or modified cooling water intake structures. These requirements affect where generating facilities are built, establish intake design standards and could lead to requirements for cooling towers at new and modified power plants. Another rule, finalized in 2004, that addressed existing structures was withdrawn following a 2007 decision by the U.S. Court of Appeals for the Second Circuit. In 2009, however, the U.S. Supreme Court ruled that the EPA has discretion to use cost-benefit analysis in determining the best technology available for minimizing adverse environmental impact to aquatic organisms. The EPA published the proposed rule in April 2011. The industry and PPL reviewed the proposed rule and submitted comments. The EPA is evaluating comments and meeting with industry groups to discuss options. The final rule is to be issued by July 2012. The proposed rule contains two requirements to reduce impact to aquatic organisms. The first requires all existing facilities to meet standards for the reduction of mortality of aquatic organisms that become trapped against water intake screens regardless of the levels of mortality actually occurring or the cost of achieving the requirements. The second requirement is to determine and install best technology available to reduce mortality of aquatic organisms that are pulled through the plant's cooling water system. A form of cost-benefit analysis is allowed for this second requirement. This process involves a site-specific evaluation based on nine factors including impacts to energy delivery reliability and remaining useful life of the plant. PPL, PPL Energy Supply, LKE, LG&E and KU will be unable to determine the exact impact until a final rule is issued, the required studies have been completed, and each state in which they operate has decided how to implement the rule.

In October 2009, the EPA released its Final Detailed Study of the Steam Electric Power Generating effluent limitations guidelines and standards. Final regulations are expected to be effective in January 2014. PPL expects the revised guidelines and standards to be more stringent than the current standards especially for sulfur dioxide scrubber wastewater and ash basin discharges, which could result in more stringent discharge permit limits. In the interim, PPL is unable to predict whether the EPA and the states may impose more stringent limits on a case-by-case best professional judgment basis under existing authority as permits are renewed.

PPL has signed a Consent Order and Agreement (the Brunner COA) with the PADEP under which it agreed, under certain conditions, to take further actions to minimize the possibility of fish kills at its Brunner Island plant. Fish are attracted to warm water in the power plant discharge channel, especially during cold weather. Debris at intake pumps can result in a unit trip or reduction in load, causing a sudden change in water temperature. PPL is in the process of constructing a barrier to prevent debris from entering the river water intake area at a cost which is not expected to be material.

PPL has also investigated alternatives to exclude fish from the discharge channel and submitted three alternatives to the PADEP. According to the Brunner COA, once the cooling towers at Brunner Island became operational, PPL must implement one of these fish exclusion alternatives if a fish kill occurs in the discharge channel due to thermal impacts from the plant. Following start-up of the cooling towers in April 2010, several hundred dead fish were found in the cooling tower intake basket although there were no sudden changes in water temperature. In the third quarter of 2010, PPL discussed this matter with the PADEP and both parties agreed that this condition was not one anticipated by the Brunner COA, thereby concluding it did not trigger a need to implement a fish exclusion project. At this time, no fish exclusion project is planned.

In May 2010, the Kentucky Waterways Alliance and other environmental groups filed a petition with the Kentucky Energy and Environment Cabinet challenging the Kentucky Pollutant Discharge Elimination System permit issued in April 2010, which covers water discharges from the Trimble County plant. In November 2010, the Cabinet issued a final order upholding the permit. In December 2010, the environmental groups appealed the order to state court. PPL, LKE, LG&E, and KU are unable to predict the outcome of this matter or estimate a range of reasonably possible losses, if any.

The EPA and the Army Corps of Engineers are working on a guidance document that will expand the federal government's interpretation of what constitutes "waters of the United States" (WOUS) subject to regulation under the Clean Water Act. This change has the potential to affect generation and delivery operations, with the most significant effect being the potential elimination of the existing regulatory exemption for plant waste water treatment systems. The costs that may be imposed as a result of any eventual expansion of this interpretation cannot reliably be estimated at this time.

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

### Superfund and Other Remediation

PPL Electric is a potentially responsible party at several sites listed by the EPA under the federal Superfund program, including the Columbia Gas Plant site, the Metal Bank site and the Ward Transformer site. Clean-up actions have been or are being undertaken at all of these sites, the costs of which have not been significant to PPL Electric. However, should the EPA require different or additional measures in the future, or should PPL Electric's share of costs at multi-party sites increase significantly more than currently expected, the costs could be significant.

PPL Electric, LG&E and KU are remediating or have completed the remediation of several sites that were not addressed under a regulatory program such as Superfund, but for which PPL Electric, LG&E and KU may be liable for remediation. These include a number of former coal gas manufacturing facilities in Pennsylvania and Kentucky previously owned or operated or currently owned by predecessors or affiliates of PPL Electric, LG&E and KU. There are additional sites, formerly owned or operated by PPL Electric, LG&E and KU predecessors or affiliates, for which PPL Electric, LG&E and KU lack information on current site conditions and are therefore unable to predict what, if any, potential liability they may have.

In June 2011, Lepore-Moyers Partnership (LMP) filed a complaint in federal district court against PPL Electric, UGI Corporation and a neighboring property owner relating to contamination allegedly emanating from the former Mount Joy Manufactured Gas Plant (MGP) site located in Lancaster County, Pennsylvania. LMP owns property adjacent to the Mount Joy MGP site and claims that environmental testing done on its property indicates the presence of volatile organic compounds in the soil and/or groundwater. LMP claims that defendants are responsible for, among other things, the reimbursement of costs, future response costs, investigation and remediation of the contamination, and damages caused by the contamination. PPL Electric expects the costs related to this matter to be insignificant.

Depending on the outcome of investigations at sites where investigations have not begun or been completed or developments at sites for which PPL currently lacks information, the costs of remediation and other liabilities could be substantial. PPL and its subsidiaries also could incur other non-remediation costs at sites included in current consent orders or other contaminated sites which could be significant. PPL is unable to estimate a range of reasonably possible losses, if any, related to these matters.

The EPA is evaluating the risks associated with polycyclic aromatic hydrocarbons and naphthalene, chemical by-products of coal gas manufacturing. As a result of the EPA's evaluation, individual states may establish stricter standards for water quality and soil cleanup. This could require several PPL subsidiaries to take more extensive assessment and remedial actions at former coal gas manufacturing facilities. PPL cannot estimate a range of reasonably possible losses, if any, related to these matters.

Under the Pennsylvania Clean Streams Law, subsidiaries of PPL Generation are obligated to remediate acid mine drainage at former mine sites and may be required to take additional steps to prevent potential acid mine drainage at previously capped refuse piles. One PPL Generation subsidiary is pumping mine water at two mine sites and treating water at one of these sites. Another PPL Generation subsidiary has installed a passive wetlands treatment system at a

third site. At December 31, 2011, PPL Energy Supply had accrued a discounted liability of \$24 million to cover the costs of pumping and treating groundwater at the two mine sites for 50 years and for operating and maintaining passive wetlands treatment at the third site. PPL Energy Supply discounted this liability based on risk-free rates at the time of the mine closures. The weighted-average rate used was 8.15%. Expected undiscounted payments are estimated at \$2 million for 2012, \$1 million for each of the years from 2013 through 2016, and \$133 million for work after 2016.

From time to time, PPL undertakes remedial action in response to spills or other releases at various on-site and off-site locations, negotiates with the EPA and state and local agencies regarding actions necessary for compliance with applicable requirements, negotiates with property owners and other third parties alleging impacts from PPL's operations, and undertakes similar actions necessary to resolve environmental matters which arise in the course of normal operations. Based on analyses to date, resolution of these general environmental matters is not expected to have a material adverse impact on PPL's operations.

Future cleanup or remediation work at sites currently under review, or at sites not currently identified, may result in material additional costs for the Registrants.

### *Electric and Magnetic Fields*

Concerns have been expressed by some members of the public regarding potential health effects of power frequency EMFs, which are emitted by all devices carrying electricity, including electric transmission and distribution lines and substation equipment. Government officials in the U.S. and the U.K. have reviewed this issue. The U.S. National Institute of Environmental Health Sciences concluded in 2002 that, for most health outcomes, there is no evidence that EMFs cause adverse effects. The agency further noted that there is some epidemiological evidence of an association with childhood leukemia, but that the evidence is difficult to interpret without supporting laboratory evidence. The U.K. National Radiological Protection Board (part of the U.K. Health Protection Agency) concluded in 2004 that, while the research on EMFs does not provide a basis to find that EMFs cause any illness, there is a basis to consider precautionary measures beyond existing exposure guidelines. The Stakeholder Group on Extremely Low Frequency EMF, set up by the U.K. Government, has issued two reports, one in April 2007 and one in June 2010, describing options for reducing public exposure to EMF. The U.K. Government responded to the first report in 2009, agreeing to some of the proposals, including a proposed voluntary code to optimally phase 132 kilovolt overhead lines to reduce public exposure to EMF where it is cost effective to do so. In February 2011, the U.K. Government and the Energy Networks Association agreed to voluntary codes of practice under which new high voltage lines will be designed and operated using optimal phasing to reduce EMF unless doing so would be unreasonable, and defining the circumstances under which utilities will need to provide evidence of compliance with EMF exposure limits adopted by the U.K. Government. The U.K. Government is currently considering the second report which concentrates on EMF exposure from distribution systems. PPL and its subsidiaries believe research on EMF and health issues should continue and are taking steps to reduce EMFs, where practical, in the design of new transmission and distribution facilities. PPL and its subsidiaries are unable to predict what effect, if any, the EMF issue might have on their operations and facilities either in the U.S. or the U.K., and the associated cost, or what, if any, liabilities they might incur related to the EMF issue.

### **Environmental Matters - WPD (PPL)**

WPD's distribution businesses are subject to environmental regulatory and statutory requirements. PPL believes that WPD has taken and continues to take measures to comply with the applicable laws and governmental regulations for the protection of the environment.

The U.K. Government has requested that utilities undertake projects to alleviate the impact of flooding on the U.K. utility infrastructure, including major electricity substations. WPD has agreed with the Ofgem to spend \$44 million on flood prevention, which will be recovered through rates during the ten-year period commencing April 2010. WPD is currently liaising on site-specific proposals with local offices of a U.K. Government agency.

The U.K.'s 2008 Climate Change Act imposes a duty on certain companies, including WPD, to report on climate change adaptation. The first information request was received by WPD in March 2010 and submissions for all four distribution network operators were made in June 2011. In October 2011, the U.K. Government confirmed that the reports submitted by WPD fulfill the obligations imposed by Climate Change Act. WPD has worked with other U.K. electricity network

operators to undertake research with the internationally recognized U.K. Met Office (the national weather service) and to report using common agreed methodology.

There are no other material legal or administrative proceedings pending against or related to WPD with respect to environmental matters. See "Electric and Magnetic Fields" above for a discussion of EMFs.

## Other

### Nuclear Insurance (PPL and PPL Energy Supply)

PPL Susquehanna is a member of certain insurance programs that provide coverage for property damage to members' nuclear generating plants. Facilities at the Susquehanna plant are insured against property damage losses up to \$2.75 billion under these programs. PPL Susquehanna is also a member of an insurance program that provides insurance coverage for the cost of replacement power during prolonged outages of nuclear units caused by certain specified conditions.

Under the property and replacement power insurance programs, PPL Susquehanna could be assessed retroactive premiums in the event of the insurers' adverse loss experience. At December 31, 2011, this maximum assessment was \$44 million.

In the event of a nuclear incident at the Susquehanna plant, PPL Susquehanna's public liability for claims resulting from such incident would be limited to \$12.6 billion under provisions of The Price-Anderson Act Amendments under the Energy Policy Act of 2005. PPL Susquehanna is protected against this liability by a combination of commercial insurance and an industry assessment program.

In the event of a nuclear incident at any of the reactors covered by The Price-Anderson Act Amendments under the Energy Policy Act of 2005, PPL Susquehanna could be assessed up to \$235 million per incident, payable at \$35 million per year.

At December 31, 2011, the property, replacement power and nuclear incident insurers maintained an A.M. Best financial strength rating of A ("Excellent").

### Guarantees and Other Assurances

(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)

In the normal course of business, the Registrants enter into agreements that provide financial performance assurance to third parties on behalf of certain subsidiaries. Such agreements include, for example, guarantees, stand-by letters of credit issued by financial institutions and surety bonds issued by insurance companies. These agreements are entered into primarily to support or enhance the creditworthiness attributed to a subsidiary on a stand-alone basis or to facilitate the commercial activities in which these subsidiaries enter.

(PPL)

PPL fully and unconditionally guarantees all of the debt securities of PPL Capital Funding.

(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)

The table below details guarantees provided as of December 31, 2011. The total recorded liability at December 31, 2011 and 2010 was \$14 million for PPL and \$11 million for LKE. Other than as noted in the descriptions for "WPD guarantee of pension and other obligations of unconsolidated entities," the probability of expected payment/performance under each of these guarantees is remote.

	<u>Exposure at December 31, 2011 (a)</u>	<u>Expiration Date</u>
<b><u>PPL</u></b>		
Indemnifications for sale of PPL Gas Utilities	\$ 300 (b)	
Indemnifications related to the WPD Midlands acquisition	(c)	
WPD indemnifications for entities in liquidation and sales of assets	287 (d)	2014 - 2018
WPD guarantee of pension and other obligations of unconsolidated entities	88 (e)	2015



Tax indemnification related to unconsolidated WPD affiliates	8 (f)	2012
<b><u>PPL Energy Supply (g)</u></b>		
Letters of credit issued on behalf of affiliates	21 (h)	2012 - 2014
Retrospective premiums under nuclear insurance programs	44 (i)	
Nuclear claims assessment under The Price-Anderson Act Amendments under The Energy Policy Act of 2005	235 (j)	
Indemnifications for sales of assets	338 (k)	2012 - 2025
Indemnification to operators of jointly owned facilities	6 (l)	
Guarantee of a portion of a divested unconsolidated entity's debt	22 (m)	2018
<b><u>PPL Electric (n)</u></b>		
Guarantee of inventory value	14 (o)	2016
<b><u>LKE (n)</u></b>		
Indemnification of lease termination and other divestitures	301 (p)	2021 - 2023
<b><u>LG&amp;E and KU (q)</u></b>		
LG&E and KU guarantee of shortfall related to OVEC	(r)	2040

- (a) Represents the estimated maximum potential amount of future payments that could be required to be made under the guarantee.
- (b) PPL has provided indemnification to the purchaser of PPL Gas Utilities and Penn Fuel Propane, LLC for damages arising out of any breach of the representations, warranties and covenants under the related transaction agreement and for damages arising out of certain other matters, including certain pre-closing unknown environmental liabilities relating to former manufactured gas plant properties or off-site disposal sites, if any, outside of Pennsylvania. The indemnification provisions for most representations and warranties, including tax and environmental matters, are capped at \$45 million, in the aggregate, and are triggered (i) only if the individual claim exceeds \$50,000, and (ii) only if, and only to the extent that, in the aggregate, total claims exceed \$4.5 million. The indemnification provisions for most representations and warranties expired on September 30, 2009 without any claims having been made. Certain representations and warranties, including those having to do with transaction authorization and title, survive indefinitely, are capped at the purchase price and are not subject to the above threshold or deductible. The indemnification provision for the tax matters representations survives for the duration of the applicable statute of limitation. The indemnification provision for the environmental matters representations expired on September 30, 2011 without any claims having been made. The indemnification for covenants survives until the applicable covenant is performed and is not subject to any cap.
- (c) WPD Midlands Holdings Limited (formerly Central Networks Limited) had agreed prior to the acquisition to indemnify certain former directors of a Turkish entity in which WPD Midlands Holdings Limited previously owned an interest for any liabilities that may arise as a result of an investigation by Turkish tax authorities, and PPL WEM has received a cross-indemnity from E.ON AG with respect to these indemnification obligations. Additionally, PPL subsidiaries agreed to provide indemnifications to subsidiaries of E.ON AG for certain liabilities relating to properties and assets owned by affiliates of E.ON AG that were transferred to WPD Midlands in connection with the acquisition. The maximum exposure and expiration of these indemnifications cannot be estimated because the maximum potential liability is not capped and there is no expiration date in the transaction documents.
- (d) In connection with the liquidation of wholly owned subsidiaries that have been deconsolidated upon turning the entities over to the liquidators, certain affiliates of PPL Global have agreed to indemnify the liquidators, directors and/or the entities themselves for any liabilities or expenses arising during the liquidation process, including liabilities and expenses of the entities placed into liquidation. In some cases, the indemnifications are limited to a maximum amount that is based on distributions made from the subsidiary to its parent either prior or subsequent to being placed into liquidation. In other cases, the maximum amount of the indemnifications is not explicitly stated in the agreements. The indemnifications generally expire two to seven years subsequent to the date of dissolution of the entities. The exposure noted only includes those cases in which the agreements provide for a specific limit on the amount of the indemnification, and the expiration date was based on an estimate of the dissolution date of the entities.

In connection with their sales of various businesses, WPD and its affiliates have provided the purchasers with indemnifications that are standard for such transactions, including indemnifications for certain pre-existing liabilities and environmental and tax matters. In addition, in connection with certain of these sales, WPD and its affiliates have agreed to continue their obligations under existing third-party guarantees, either for a set period of time following the transactions or upon the condition that the purchasers make reasonable efforts to terminate the guarantees. Finally, WPD and its affiliates remain secondarily responsible for lease payments under certain leases that they have assigned to third parties.

- (e) As a result of the privatization of the utility industry in the U.K., certain electric associations' roles and responsibilities were discontinued or modified. As a result, certain obligations, primarily pension-related, associated with these organizations have been guaranteed by the participating members. Costs are allocated to the members based on predetermined percentages as outlined in specific agreements. However, if a member becomes insolvent, costs can be reallocated to and are guaranteed by the remaining members. At December 31, 2011, WPD has recorded an estimated discounted liability based on its current allocated percentage of the total expected costs for which the expected payment/performance is probable. Neither the expiration date nor the maximum amount of potential payments for certain obligations is explicitly stated in the related agreements. Therefore, they have been estimated based on the types of obligations.
- (f) Two WPD unconsolidated affiliates were refinanced during 2005. Under the terms of the refinancing, WPD has indemnified the lender against certain tax and other liabilities.
- (g) Other than the letters of credit, all guarantees of PPL Energy Supply, on a consolidated basis, also apply to PPL on a consolidated basis for financial reporting purposes.
- (h) Standby letter of credit arrangements under PPL Energy Supply's credit facilities for the purposes of protecting various third parties against nonperformance by PPL. This is not a guarantee by PPL on a consolidated basis.
- (i) PPL Susquehanna is contingently obligated to pay this amount related to potential retrospective premiums that could be assessed under its nuclear insurance programs. See "Nuclear Insurance" above for additional information.
- (j) This is the maximum amount PPL Susquehanna could be assessed for each incident at any of the nuclear reactors covered by this Act. See "Nuclear Insurance" above for additional information.

- (k) PPL Energy Supply's maximum exposure with respect to certain indemnifications and the expiration of the indemnifications cannot be estimated because, in the case of certain indemnification provisions, the maximum potential liability is not capped by the transaction documents and the expiration date is based on the applicable statute of limitation. The exposure and expiration dates noted are only for those cases in which the agreements provide for specific limits.

A subsidiary of PPL Energy Supply has agreed to provide indemnification to the purchaser of the Long Island generation business for damages arising out of any breach of the representations, warranties and covenants under the related transaction agreement and for damages arising out of certain other matters, including liabilities relating to certain renewable energy facilities which were previously owned by one of the PPL subsidiaries sold in the transaction but which were unrelated to the Long Island generation business. The indemnification provisions are subject to certain customary limitations, including thresholds for allowable claims, caps on aggregate liability, and time limitations for claims arising out of breaches of most representations and warranties. The indemnification provisions for most representations and warranties expired in the third quarter of 2011.

A subsidiary of PPL Energy Supply has agreed to provide indemnification to the purchasers of the Maine hydroelectric facilities for damages arising out of any breach of the representations, warranties and covenants under the respective transaction agreements and for damages arising out of certain other matters, including liabilities of the PPL Energy Supply subsidiary relating to the pre-closing ownership or operation of those hydroelectric facilities. The indemnification obligations are subject to certain customary limitations, including thresholds for allowable claims, caps on aggregate liability, and time limitations for claims arising out of breaches of representations and warranties. The indemnification provisions for certain representations and warranties expired in the second quarter of 2011.

Subsidiaries of PPL Energy Supply have agreed to provide indemnification to the purchasers of certain non-core generation facilities sold in March 2011 (see Note 9 for additional information) for damages arising out of any breach of the representations, warranties and covenants under the related transaction agreements and for damages arising out of certain other matters relating to the facilities that were the subject of the transaction, including certain reduced capacity payments (if any) at one of the facilities in the event specified PJM rule changes are proposed and become effective. The indemnification provisions are subject to certain customary limitations, including thresholds for allowable claims, caps on aggregate liability, and time limitations for claims arising out of breaches of most representations and warranties.

- (l) In December 2007, a subsidiary of PPL Energy Supply executed revised owners agreements for two jointly owned facilities, the Keystone and Conemaugh generating plants. The agreements require that in the event of any default by an owner, the other owners fund contributions for the operation of the generating plants, based upon their ownership percentages. The maximum obligation among all owners, for each plant, is currently \$20 million. The non-defaulting owners, who make up the defaulting owner's obligations, are entitled to the generation entitlement of the defaulting owner, based upon their ownership percentage. The agreements do not have an expiration date.
- (m) A PPL Energy Supply subsidiary owned a one-third equity interest in Safe Harbor Water Power Corporation (Safe Harbor) that was sold in March 2011. Beginning in 2008, PPL Energy Supply guaranteed one-third of any amounts payable with respect to certain senior notes issued by Safe Harbor. Under the terms of the sale agreement, PPL Energy Supply continues to guarantee the portion of Safe Harbor's debt, but received a cross-indemnity from the purchaser in the event PPL Energy Supply is required to make a payment under the guarantee. Exposure noted reflects principal only. See Note 9 for additional information on the sale of this interest.
- (n) All guarantees of PPL Electric and LKE, on a consolidated basis, also apply to PPL on a consolidated basis for financial reporting purposes.
- (o) PPL Electric entered into a contract with a third party logistics firm that provides inventory procurement and fulfillment services. Under the contract, the logistics firm has title to the inventory purchased for PPL Electric's use. Upon termination of the contract, PPL Electric has guaranteed to purchase any remaining inventory that has not been used or sold by the logistics firm at the weighted-average cost at which the logistics firm purchased the inventory, thus protecting the logistics firm from reductions in the fair value of the inventory.
- (p) LKE provides certain indemnifications, the most significant of which relate to the termination of the WKE lease in July 2009. These guarantees cover the due and punctual payment, performance and discharge by each party of its respective present and future obligations. The most comprehensive of these guarantees is the LKE guarantee covering operational, regulatory and environmental commitments and indemnifications made by WKE under the WKE Transaction Termination Agreement. This guarantee has a term of 12 years ending July 2021, and a cumulative maximum exposure of \$200 million. Certain items such as non-excluded government fines and penalties fall outside the cumulative cap. Another guarantee with a maximum exposure of \$100 million covering other indemnifications expires in 2023. Certain matters are currently under discussion among the parties, including one matter currently in arbitration and a further matter for which LKE is contesting the applicability of the indemnification requirement. The matter in arbitration may be ruled upon during early 2012, which ruling may result in increases or decreases to the liability estimate LKE has currently recorded. The ultimate outcome of both matters cannot be predicted at this time. Additionally, LKE has indemnified various third parties related to historical obligations for other divested subsidiaries and affiliates. The indemnifications vary by entity and the maximum amount limits range from being capped at the sale price to no specified maximum; however, LKE is not aware of formal claims under such indemnities made by any party at this time. LKE could be required to perform on these indemnifications in the event of covered losses or liabilities being claimed by an indemnified party. No additional material loss is anticipated by reason of such indemnification.
- (q) All guarantees of LG&E and KU also apply to LKE on a consolidated basis for financial reporting purposes.
- (r) As described in the "Energy Purchase Commitments" section of this footnote, pursuant to a power purchase agreement with OVEC, LG&E and KU are obligated to pay a demand charge which includes, among other charges, decommissioning costs, postretirement and post employment benefits. The demand charge is expected to cover LG&E's and KU's shares of the cost of these items over the term of the contract. However, in the event there is a shortfall in covering these costs, LG&E and KU are obligated to pay their share of the excess.

The Registrants provide other miscellaneous guarantees through contracts entered into in the normal course of business. These guarantees are primarily in the form of indemnification or warranties related to services or equipment and vary in duration. The amounts of these guarantees often are not explicitly stated, and the overall maximum amount of the obligation under such guarantees cannot be reasonably estimated. Historically, no significant payments have been made with respect to these types of guarantees and the probability of payment/performance under these guarantees is remote.

PPL, on behalf of itself and certain of its subsidiaries, maintains insurance that covers liability assumed under contract for bodily injury and property damage. The coverage requires a maximum \$4 million deductible per occurrence and provides maximum aggregate coverage of \$200 million. This insurance may be applicable to obligations under certain of these contractual arrangements.

## 16. Related Party Transactions

*(PPL Energy Supply and PPL Electric)*

### PLR Contracts/Purchase of Accounts Receivable

In 2009, PPL EnergyPlus supplied PPL Electric's entire PLR load under power purchase contracts that expired on December 31, 2009. Under these contracts, PPL EnergyPlus provided electricity at the predetermined capped prices that PPL Electric was authorized to charge its PLR customers. These purchases totaled \$1.8 billion in 2009 and included nuclear decommissioning recovery and amortization of an up-front contract payment. Additionally, beyond 2009, PPL EnergyPlus has been awarded a portion of the PLR generation supply through competitive solicitations. See Note 15 for additional information on PPL Electric's energy procurement plan for the period January 2011 through May 2013 and related competitive solicitations. PPL Electric's purchases from PPL EnergyPlus for 2011 and 2010 totaled \$26 million and \$320 million. The purchases are included in the Statements of Income as "Wholesale energy marketing to affiliate" by PPL Energy Supply and as "Energy purchases from affiliate" by PPL Electric.

Under the standard Supply Master Agreement for the solicitation process, PPL Electric requires all suppliers to post collateral once credit exposures exceed defined credit limits. PPL EnergyPlus is required to post collateral with PPL Electric: (a) when the market price of electricity to be delivered by PPL EnergyPlus exceeds the contract price for the forecasted quantity of electricity to be delivered and (b) this market price exposure exceeds a contractual credit limit. Based on the current credit rating of PPL Energy Supply, as guarantor, PPL EnergyPlus' credit limit was \$35 million at December 31, 2011. In no instance is PPL Electric required to post collateral to suppliers under these supply contracts.

PPL Electric's customers may choose an alternative supplier for their generation supply. See Note 1 for additional information regarding PPL Electric's purchases of accounts receivable from alternative suppliers, including PPL EnergyPlus.

At December 31, 2011, PPL Energy Supply had a net credit exposure of \$36 million to PPL Electric from its commitment as a PLR supplier and from the sale of its accounts receivable to PPL Electric.

### NUG Purchases

PPL Electric has a reciprocal contract with PPL EnergyPlus to sell electricity purchased under contracts with NUGs. PPL Electric purchases electricity from the NUGs at contractual rates and then sells the electricity at the same price to PPL EnergyPlus. These purchases were insignificant in 2011 and 2010 and were \$70 million in 2009. These amounts are included in the Statements of Income as "Electric revenue to affiliate" by PPL Electric, and as "Energy purchases from affiliate" by PPL Energy Supply. Most of the NUG contracts have expired, with the final NUG contract expiring in 2014.

### Wholesale Sales and Purchases *(LG&E and KU)*

LG&E and KU jointly dispatch their generation units with the lowest cost generation used to serve their retail native load. When LG&E has excess generation capacity after serving its own retail native load and its generation cost is lower than that of KU, KU purchases electricity from LG&E. When KU has excess generation capacity after serving its own retail native load and its generation cost is lower than that of LG&E, LG&E purchases electricity from KU. These transactions are reflected in the Statements of Income as "Electric revenue from affiliate" and "Energy purchases from affiliate" and are recorded at a price equal to the seller's fuel cost. Savings realized from such intercompany transactions are shared equally between the two companies. The volume of energy each company has to sell to the other is dependent on its native load needs and its available generation.

### Allocations of PPL Services Costs *(PPL Energy Supply, PPL Electric and LKE)*

PPL Services provides corporate functions such as financial, legal, human resources and information technology services. PPL Services charges the respective PPL subsidiaries for the cost of certain services when they can be specifically identified. The cost of services that is not directly charged to PPL subsidiaries is allocated to applicable subsidiaries based on an average of the subsidiaries' relative invested capital, operation and maintenance expenses and number of employees. PPL Services allocated the following amounts, which PPL management believes are reasonable, including amounts applied to accounts that are further distributed between capital and expense.

	2011	2010	2009 (a)
PPL Energy Supply	\$ 189	\$ 232	\$ 214
PPL Electric	145	134	121
LKE	16	3 (b)	

(a) Excludes allocated costs associated with the February 2009 workforce reduction. See Note 13 for additional information.

(b) Represents costs allocated during the two months ending December 31, 2010 as LKE was acquired November 1, 2010.

### Intercompany Billings by LKS (LG&E and KU)

LKS provides LG&E and KU with a variety of centralized administrative, management and support services. The cost of these services is directly charged to the company or, for general costs that cannot be directly attributed, charged based on predetermined allocation factors, including the following measures: number of customers, total assets, revenues, number of employees and/or other statistical information. LKS charged the amounts in the table below, which LKE management believes are reasonable, including amounts that are further distributed between capital and expense.

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
LG&E	\$ 190	\$ 32	\$ 200	\$ 180
KU	204	34	222	155

In addition, LG&E and KU provide services to each other and to LKS. Billings between LG&E and KU relate to labor and overheads associated with union and hourly employees performing work for the other company, charges related to jointly-owned generating units and other miscellaneous charges. Tax settlements between LKE and LG&E and KU are reimbursed through LKS.

### Intercompany Borrowings

*(PPL Energy Supply)*

A PPL Energy Supply subsidiary holds revolving lines of credit and demand notes from certain affiliates. A note with PPL Energy Funding had an outstanding balance at December 31, 2011 of \$198 million, which is reflected in "Notes receivable from affiliates" on the Balance Sheet. The interest rate on this borrowing was equal to one-month LIBOR plus 3.50%. There were no balances outstanding at December 31, 2010. Interest earned on these revolving facilities is included in "Interest Income from Affiliates" on the Statements of Income. For 2011, interest earned on borrowings was \$8 million, which was substantially attributable to borrowings by PPL Energy Funding as discussed above. For 2010, interest earned on borrowings, excluding the term notes discussed below, was \$5 million. Interest rates were equal to one-month LIBOR plus 1% and one-month LIBOR plus 3.50%. For 2009, interest earned on borrowings was insignificant.

*(PPL Energy Supply, LKE, LG&E and KU)*

In November 2010, a PPL Energy Supply subsidiary held term notes with LG&E and KU. These notes were subsequently repaid and therefore no balances were outstanding at December 31, 2010. Interest on these notes was due monthly at interest rates between 4.24% and 7.04%. Interest on these notes is included in "Interest Income from

Affiliates" for PPL Energy Supply and "Interest Expense with Affiliates" for LKE, LG&E and KU. When balances were outstanding, interest on these notes was \$4 million for 2010.

*(LKE)*

LKE maintains a \$300 million revolving line of credit with a PPL Energy Supply subsidiary whereby LKE can borrow funds on a short-term basis at market-based rates. The interest rates on borrowings are equal to one-month LIBOR plus a spread. There was no balance outstanding at December 31, 2011 or 2010. Interest on the revolving line of credit with the PPL Energy Supply subsidiary was not significant for 2011 or 2010.

After PPL's acquisition of LKE in November 2010, LKE held a note receivable from a PPL affiliate. At December 31, 2011, \$15 million was outstanding compared with \$61 million at December 31, 2010. The interest rate on the outstanding borrowing was 2.27% and 2.26% for 2011 and 2010. Interest income on this note was not significant in 2011 or 2010.

Prior to PPL's acquisition of LKE in November 2010, LKE had revolving credit facilities and several short-term and long-term loans with its former E.ON AG affiliates. During 2010 and 2009, LKE incurred interest expense on these debt arrangements of \$131 million and \$155 million, which is included in the Statements of Income as "Interest Expense with Affiliate." The consolidated debt had a weighted-average interest rate of 3.76% at December 31, 2009. Any such borrowings were repaid in 2010 prior to or at the time of the acquisition by PPL.

*(LG&E)*

LG&E participates in an intercompany money pool agreement whereby LKE and/or KU make available to LG&E funds up to \$500 million at an interest rate based on a market index of commercial paper issues. At December 31, 2011 there was no balance outstanding. At December 31, 2010, \$12 million was outstanding. The interest rate for the period ended December 31, 2010 was 0.25%. Interest expense incurred on the money pool agreement with LKE and/or KU was not significant for 2011, 2010 or 2009.

Prior to PPL's acquisition of LKE in November 2010, LG&E had long-term loans from its former E.ON AG affiliates. During 2010 and 2009, LG&E incurred interest expense related to these debt arrangements of \$22 million and \$27 million, which is included in the Statements of Income as "Interest Expense with Affiliate." The long-term intercompany debt had a weighted-average interest rate of 5.49% at December 31, 2009. Any such borrowings were repaid in 2010 prior to or at the time of the acquisition by PPL.

*(KU)*

KU participates in an intercompany money pool agreement whereby LKE and/or LG&E make available to KU funds up to \$500 million at an interest rate based on a market index of commercial paper issues. At December 31, 2011, there was no balance outstanding. At December 31, 2010, \$10 million was outstanding. The interest rate for the period ended December 31, 2010 was 0.25%. Interest expense incurred on the money pool agreement with LKE and/or LG&E was not significant for 2011, 2010 or 2009.

Prior to PPL's acquisition of LKE in November 2010, KU had long-term loans from its former E.ON AG affiliates. During 2010 and 2009, KU incurred interest expense on these debt arrangements of \$62 million and \$69 million, which are included in the Statements of Income as "Interest Expense with Affiliate." The long-term intercompany debt had a weighted-average interest rate of 5.50% at December 31, 2009. Any such borrowings were repaid in 2010 prior to or at the time of the acquisition by PPL.

*(PPL Energy Supply)*

### **Intercompany Derivatives**

In 2010 and 2009, PPL Global, which was a subsidiary of PPL Energy Supply, entered into a combination of average rate forwards and average rate options with PPL to sell British pounds sterling. These hedging instruments had terms identical to average rate forwards and average rate options entered into by PPL with third parties to protect the translation of expected income denominated in British pounds sterling to U.S. dollars. As a result of PPL Energy

Supply's January 2011 distribution of its membership interest in PPL Global to its parent, gains and losses, both realized and unrealized, on these types of hedging instruments are reflected in "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income. PPL Energy Supply recorded an insignificant net gain in 2010 and a net loss of \$9 million during 2009 related to average rate forwards and average rate options. Contracts outstanding at December 31, 2010 hedged a total exposure of £89 million related to the translation of expected income in 2011. The fair value of these positions was insignificant at December 31, 2010.

PPL Global was also a party to forward contracts with PPL to sell British pounds sterling to protect the value of a portion of its net investment in WPD. These hedging instruments had terms identical to forward sales contracts entered into by PPL with third parties. The total amount of the contracts outstanding at December 31, 2010 was £35 million (\$62 million based on contracted rates). The fair value of these positions at December 31, 2010 was an asset of \$7 million, which is included in "Current Assets - Price risk management assets" with an offsetting after-tax amount included in the foreign currency translation adjustment component of AOCI on the Balance Sheet.

As a result of PPL Energy Supply's distribution of its membership interest in PPL Global to its parent, these intercompany derivatives were removed from PPL Energy Supply's balance sheet in 2011. See Note 9 for additional information.

### Trademark Royalties

A PPL subsidiary owns PPL trademarks and billed certain affiliates for their use. PPL Energy Supply was billed \$40 million of license fees in 2011, 2010 and 2009. These fees are primarily included in "Other operation and maintenance" on the Statements of Income.

On December 31, 2011, this agreement was terminated.

### Distribution of Interest in PPL Global to Parent

In January 2011, PPL Energy Supply distributed its membership interest in PPL Global to its parent, PPL Energy Funding. See Note 9 for additional information.

### Intercompany Insurance *(PPL Electric)*

PPL Power Insurance Ltd. (PPL Power Insurance) is a subsidiary of PPL that provides insurance coverage to PPL and its subsidiaries for property damage, general/public liability and workers' compensation.

Due to damages resulting from several PUC-reportable storms that occurred in 2011, PPL Electric has exceeded its deductible for the 2011 policy year. Probable recoveries on insurance claims with PPL Power Insurance of \$26.5 million were recorded during 2011, of which \$16 million was included in "Other operation and maintenance" on the Statement of Income and the remainder was recorded in PP&E on the Balance Sheet.

### Other *(PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

See Note 1 for discussions regarding the intercompany tax sharing agreement and Note 7 for a discussion regarding capital transactions by PPL Energy Supply, PPL Electric, LKE, LG&E and KU. For PPL Energy Supply, PPL Electric and LKE, refer to Note 1 for discussions regarding intercompany allocations of stock-based compensation expense. For PPL Energy Supply, PPL Electric, LG&E and KU, see Note 13 for discussions regarding intercompany allocations associated with defined benefits.

## 17. Other Income (Expense) - net

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

The breakdown of "Other Income (Expense) - net" was:

PPL			PPL Energy Supply			PPL Electric		
2011	2010	2009	2011	2010	2009	2011	2010	2009

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Other Income									
Gains related to the extinguishment of notes (a)			\$ 29			\$ 25			
Earnings on securities in NDT funds	\$ 24	\$ 20	20	\$ 24	\$ 20	20			
Interest income	7	8	14	1	4	5	\$ 1	\$ 2	\$ 8
AFUDC	7	5	1				7	5	1
Net hedge gains associated with the 2011 Bridge Facility (b)	55								
Gain on redemption of debt (c)	22								
Miscellaneous - Domestic	11	5	9	6	4	3		1	
Miscellaneous - International	1	1	1						
Total Other Income	127	39	74	31	28	53	8	8	9
Other Expense									
Economic foreign currency exchange contracts	(10)	(3)	9						
Charitable contributions	9	4	6	3	1		2	1	2
Cash flow hedges (d)		29							
LKE other acquisition-related costs (Note 10)		31							
WPD Midlands other acquisition-related costs (Note 10)	34								
Foreign currency loss on 2011 Bridge Facility (e)	57								
U.K. stamp duty tax	21								
Miscellaneous - Domestic	9	7	8	5	5	9	1	2	1
Miscellaneous - International	3	2	4						
Total Other Expense	123	70	27	8	6	9	3	3	3
Other Income (Expense) - net	\$ 4	\$ (31)	\$ 47	\$ 23	\$ 22	\$ 44	\$ 5	\$ 5	\$ 6

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>LKE</b>				
Other Income				
Net derivative gains (losses)			\$ 19	\$ 18
Interest income	\$ 1			1
Equity in earnings of unconsolidated affiliate	1		3	
AFUDC				4
Life insurance			2	3
Gains on disposals of property				3
Miscellaneous			1	2
Total Other Income	4		25	31
Other Expense				
Charitable contributions	4	\$ 1	5	5
Joint-use-asset depreciation			3	
Miscellaneous	1	1	3	3
Total Other Expense	5	2	11	8
Other Income (Expense) - net	\$ (1)	\$ (2)	\$ 14	\$ 23

<b>LG&amp;E</b>				
Other Income				
Net derivative gains (losses)			\$ 19	\$ 18
Gains on disposals of property				3
Miscellaneous			1	1
Total Other Income			20	22
Other Expense				
Charitable contributions	\$ 1		2	2
Miscellaneous	1	\$ 3	1	1
Total Other Expense	2	3	3	3
Other Income (Expense) - net	\$ (2)	\$ (3)	\$ 17	\$ 19

<b>KU</b>				
Other Income				
Interest income				\$ 1
Equity in earnings of unconsolidated affiliate	\$ 1		\$ 3	1
AFUDC				4
Life insurance			2	3

Miscellaneous			1	
Total Other Income	1		6	9
Other Expense				
Charitable contributions	1		1	1
Joint-use-asset depreciation			3	
Miscellaneous	1		1	2
Total Other Expense	2		5	3
Other Income (Expense) - net	\$ (1)		\$ 1	\$ 6

- (a) Represents PPL Energy Supply's \$25 million gain on its tender offers to purchase up to \$250 million aggregate principal amount of certain of its outstanding senior notes and PPL's additional net gain of \$4 million as a result of reclassifying net gains on related cash flow hedges from AOCI into earnings.
- (b) Represents a gain on foreign currency contracts that hedged the repayment of the 2011 Bridge Facility borrowing.
- (c) As a result of PPL Electric's redemption of 7.125% Senior Secured Bonds due 2013, PPL recorded a gain on the accelerated amortization of the fair value adjustment to the debt recorded in connection with previously settled fair value hedges.
- (d) Represents losses reclassified from AOCI into earnings associated with discontinued hedges at PPL for debt that had been planned to be issued by PPL Energy Supply. As a result of the expected net proceeds from the sale of certain non-core generation facilities, coupled with the monetization of full-requirement sales contracts, the debt issuance was no longer needed.
- (e) Represents a foreign currency loss related to the repayment of the 2011 Bridge Facility borrowing.

## 18. Fair Value Measurements and Credit Concentration

(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). PPL and its subsidiaries use, as appropriate, a market approach (generally, data from market transactions), an income approach (generally, present value techniques and option-pricing models), and/or a cost approach (generally, replacement cost) to measure the fair value of an asset or liability. These valuation approaches incorporate inputs such as observable, independent market data and/or unobservable data that management believes are predicated on the assumptions market participants would use to price an asset or liability. These inputs may incorporate, as applicable, certain risks such as nonperformance risk, which includes credit risk.

### Recurring Fair Value Measurements

The assets and liabilities measured at fair value were:

	December 31, 2011				December 31, 2010			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
<b>PPL</b>								
Assets								
Cash and cash equivalents	\$ 1,202	\$ 1,202			\$ 925	\$ 925		
Short-term investments - municipal debt securities					163	163		
Restricted cash and cash equivalents (a)	209	209			66	66		
Price risk management assets:								
Energy commodities	3,423	3	\$ 3,390	\$ 30	2,503		\$ 2,452	\$ 51
Interest rate swaps	3		3		15		15	
Foreign currency exchange contracts	18		18		11		11	
Cross-currency swaps	24		20	4	44		44	
Total price risk management assets	3,468	3	3,431	34	2,573		2,522	51
NDT funds:								
Cash and cash equivalents	12	12			10	10		
Equity securities								
U.S. large-cap	292	202	90		303	207	96	
U.S. mid/small-cap	117	87	30		119	89	30	
Debt securities								
U.S. Treasury	86	86			75	75		
U.S. government sponsored agency	10		10		7		7	
Municipality	83		83		69		69	
Investment-grade corporate	38		38		33		33	
Other	2		2		1		1	
Receivables (payables), net		(3)	3		1	(1)	2	
Total NDT funds	640	384	256		618	380	238	



Auction rate securities (b)	24			24	25			25
Total assets	\$ 5,543	\$ 1,798	\$ 3,687	\$ 58	\$ 4,370	\$ 1,534	\$ 2,760	\$ 76
<b>Liabilities</b>								
Price risk management liabilities:								
Energy commodities	\$ 2,345	\$ 1	\$ 2,327	\$ 17	\$ 1,552		\$ 1,498	\$ 54
Interest rate swaps	63		63		53		53	
Cross-currency swaps	2		2		9		9	
Total price risk management liabilities	\$ 2,410	\$ 1	\$ 2,392	\$ 17	\$ 1,614		\$ 1,560	\$ 54
<b>PPL Energy Supply</b>								
<b>Assets</b>								
Cash and cash equivalents	\$ 379	\$ 379			\$ 661	\$ 661		
Restricted cash and cash equivalents (a)	145	145			26	26		
Price risk management assets:								
Energy commodities	3,423	3	\$ 3,390	\$ 30	2,503		\$ 2,452	\$ 51
Foreign currency exchange contracts					11		11	
Cross-currency swaps					44		44	
Total price risk management assets	3,423	3	3,390	30	2,558		2,507	51
<b>NDT funds:</b>								
Cash and cash equivalents	12	12			10	10		
Equity securities								
U.S. large-cap	292	202	90		303	207	96	
U.S. mid/small-cap	117	87	30		119	89	30	
Debt securities								
U.S. Treasury	86	86			75	75		
U.S. government sponsored agency	10		10		7		7	
Municipality	83		83		69		69	
Investment-grade corporate	38		38		33		33	
Other	2		2		1		1	
Receivables (payables), net		(3)	3		1	(1)	2	
Total NDT funds	640	384	256		618	380	238	
Auction rate securities (b)	19			19	20			20
Total assets	\$ 4,606	\$ 911	\$ 3,646	\$ 49	\$ 3,883	\$ 1,067	\$ 2,745	\$ 71
<b>Liabilities</b>								
Price risk management liabilities:								
Energy commodities	\$ 2,345	\$ 1	\$ 2,327	\$ 17	\$ 1,541		\$ 1,487	\$ 54
Cross-currency swaps					9		9	
Total price risk management liabilities	\$ 2,345	\$ 1	\$ 2,327	\$ 17	\$ 1,550		\$ 1,496	\$ 54

	December 31, 2011				December 31, 2010			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
<b>PPL Electric</b>								
<b>Assets</b>								
Cash and cash equivalents	\$ 320	\$ 320			\$ 204	\$ 204		
Restricted cash and cash equivalents (c)	13	13			14	14		
Total assets	\$ 333	\$ 333			\$ 218	\$ 218		

<b>LKE</b>								
<b>Assets</b>								
Cash and cash equivalents	\$ 59	\$ 59			\$ 11	\$ 11		
Short-term investments - municipal debt securities					163	163		
Restricted cash and cash equivalents (c)	29	29			23	23		
Total assets	\$ 88	\$ 88			\$ 197	\$ 197		
<b>Liabilities</b>								
Price risk management liabilities:								
Energy commodities (d)					\$ 2		\$ 2	
Interest rate swaps (e)	\$ 60		\$ 60		34		34	
Total liabilities	\$ 60		\$ 60		\$ 36		\$ 36	

<b>LG&amp;E</b>								
<b>Assets</b>								
Cash and cash equivalents	\$ 25	\$ 25			\$ 2	\$ 2		
Short-term investments - municipal debt								

securities				163	163		
Restricted cash and cash equivalents (c)	29	29		22	22		
Total assets	\$ 54	\$ 54		\$ 187	\$ 187		
<b>Liabilities</b>							
Price risk management liabilities:							
Energy commodities (d)				\$ 2	\$ 2		
Interest rate swaps (e)	\$ 60	\$ 60		34	34		
Total liabilities	\$ 60	\$ 60		\$ 36	\$ 36		

**KU**

<b>Assets</b>							
Cash and cash equivalents	\$ 31	\$ 31		\$ 3	\$ 3		
Restricted cash and cash equivalents (c)				1	1		
Total assets	\$ 31	\$ 31		\$ 4	\$ 4		

- (a) Current portion is included in "Restricted cash and cash equivalents" and long-term portion is included in "Other noncurrent assets" on the Balance Sheets.
- (b) Included in "Other investments" on the Balance Sheets.
- (c) Current portion is included in "Other current assets" on the Balance Sheets. Such amounts were insignificant at December 31, 2011 and December 31, 2010. The long-term portion is included in "Other noncurrent assets" on the Balance Sheets.
- (d) Included in "Other current liabilities" on the Balance Sheets.
- (e) Current portion is included in "Other current liabilities" on the Balance Sheets. The long-term portion is included in "Price risk management liabilities" on the Balance Sheets.

At December 31, 2011 and 2010, KU's price risk management assets and liabilities arising from energy commodities and interest rate swaps accounted for at fair value on a recurring basis were not significant.

A reconciliation of net assets and liabilities classified as Level 3 for the years ended is as follows:

	<b>PPL</b>			
	<b>Fair Value Measurements Using Significant Unobservable Inputs (Level 3)</b>			
	<b>Energy Commodities, net</b>	<b>Auction Rate Securities</b>	<b>Cross- Currency Swaps</b>	<b>Total</b>
<b>December 31, 2011</b>				
Balance at beginning of period	\$ (3)	\$ 25		\$ 22
Total realized/unrealized gains (losses)				
Included in earnings	(65)			(65)
Included in OCI (a)	(1)	(1)	(10)	(12)
Purchases	1			1
Sales	(3)			(3)
Settlements	20			20
Transfers into Level 3	(10)		14	4
Transfers out of Level 3	74			74
Balance at end of period	\$ 13	\$ 24	\$ 4	\$ 41
<b>December 31, 2010</b>				
Balance at beginning of period	\$ 107	\$ 25		\$ 132
Total realized/unrealized gains (losses)				
Included in earnings	(137)			(137)
Included in OCI (a)	11			11
Net purchases, sales, issuances and settlements (b)	(16)			(16)
Transfers into Level 3	(15)			(15)
Transfers out of Level 3	47			47
Balance at end of period	\$ (3)	\$ 25		\$ 22

- (a) "Energy Commodities" and "Cross-Currency Swaps" are included in "Qualifying derivatives" and "Auction Rate Securities" are included in "Available-for-sale securities" on the Statements of Comprehensive Income.
- (b) Accounting guidance effective January 1, 2011 requires purchase, sale, issuance and settlement transactions within Level 3 to be presented on a gross basis. The transactions in 2010 are reported on a net basis.

A reconciliation of net assets and liabilities classified as Level 3 for the years ended is as follows:

**PPL Energy Supply**

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	<b>Fair Value Measurements Using Significant Unobservable Inputs (Level 3)</b>		
	<b>Energy Commodities, net</b>	<b>Auction Rate Securities</b>	<b>Total</b>
<b>December 31, 2011</b>			
Balance at beginning of period	\$ (3)	\$ 20	\$ 17
Total realized/unrealized gains (losses)			
Included in earnings	(65)		(65)
Included in OCI (a)	(1)	(1)	(2)
Purchases	1		1
Sales	(3)		(3)
Settlements	20		20
Transfers into Level 3	(10)		(10)
Transfers out of Level 3	74		74
Balance at end of period	<u>\$ 13</u>	<u>\$ 19</u>	<u>\$ 32</u>
<b>December 31, 2010</b>			
Balance at beginning of period	\$ 107	\$ 20	\$ 127
Total realized/unrealized gains (losses)			
Included in earnings	(137)		(137)
Included in OCI (a)	11		11
Net purchases, sales, issuances and settlements (b)	(16)		(16)
Transfers into Level 3	(15)		(15)
Transfers out of Level 3	47		47
Balance at end of period	<u>\$ (3)</u>	<u>\$ 20</u>	<u>\$ 17</u>

- (a) "Energy Commodities" are included in "Qualifying derivatives" and "Auction Rate Securities" are included in "Available-for-sale securities" on the Statements of Comprehensive Income.
- (b) Accounting guidance effective January 1, 2011 requires purchase, sale, issuance and settlement transactions within Level 3 to be presented on a gross basis. The transactions in 2010 are reported on a net basis.

A reconciliation of net assets and liabilities classified as Level 3 for the periods ended December 31 is as follows:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)		
	Energy Commodities, net		
	Successor		Predecessor
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010
<b>LKE</b>			
Balance at beginning of period	\$	24	\$ 75
Included in discontinued operations		(3)	3
Settlements		(21)	(54)
Balance at end of period	\$		\$ 24

Net gains and losses on assets and liabilities classified as Level 3 and included in earnings for the years ended were reported in the Statements of Income as follows:

	PPL and PPL Energy Supply Energy Commodities, net			
	Unregulated Retail Electric and Gas	Wholesale Energy Marketing	Net Energy Trading Margins	Energy Purchases
<b>December 31, 2011</b>				
Total gains (losses) included in earnings	\$ 32		\$ (1)	\$ (96)
Change in unrealized gains (losses) relating to positions still held at the reporting date	23	\$ 5	1	(2)
<b>December 31, 2010</b>				
Total gains (losses) included in earnings	11	14		(162)
Change in unrealized gains (losses) relating to positions still held at the reporting date	4	6		(119)

PPL and its subsidiaries recognize transfers between levels at end-of-reporting-period values.

#### Price Risk Management Assets/Liabilities - Energy Commodities

Energy commodity contracts are generally valued using the income approach, except for exchange-traded derivative gas, oil and emission allowance contracts, which are valued using the market approach and are classified as Level 1. When observable inputs are used to measure all or most of the value of a contract, the contract is classified as Level 2. Over-the-counter (OTC) contracts are valued using quotes obtained from an exchange, binding and non-binding broker quotes, prices posted by ISOs or published tariff rates. Furthermore, PPL and its subsidiaries obtain independent quotes from the market to validate the forward price curves. OTC contracts include forwards, swaps, options and structured deals for electricity, gas, oil and/or emission allowances and may be offset with similar positions in exchange-traded markets. To the extent possible, fair value measurements utilize various inputs that include quoted prices for similar contracts or market-corroborated inputs. In certain instances, these instruments may be valued using models, including standard option valuation models and standard industry models. For example, the fair value of a structured deal that delivers power to an illiquid delivery point may be measured by valuing the nearest liquid trading point plus the value of the basis between the two points. The basis input may be from market quotes, FTR prices or historical prices.

When unobservable inputs are significant to the fair value measurement, a contract is classified as Level 3. Additionally, Level 2 and Level 3 fair value measurements include adjustments for credit risk based on PPL's own creditworthiness (for net liabilities) and its counterparties' creditworthiness (for net assets). PPL's credit department assesses all reasonably available market information and probabilities of default used to calculate the credit adjustment. PPL assumes that observable market prices include sufficient adjustments for liquidity and modeling risks, but for Level 3 fair value measurements, PPL also assesses the need for additional adjustments for liquidity or modeling risks. The contracts classified as Level 3 represent contracts for which delivery is at a location where pricing is unobservable or the delivery dates are beyond the dates for which independent prices are available. To measure the fair value of these contracts, PPL uses internally developed models that project forward prices. The models use proxy locations, historical settlement prices and extrapolation of observable forward curves.

In certain instances, energy commodity contracts are transferred between Level 2 and Level 3. The primary reasons for the transfers during 2011 and 2010 were changes in the availability of market information and changes in the significance of the unobservable portion of the contract. As the delivery period of a contract becomes closer, market information may become available. When this occurs, the model's unobservable inputs are replaced with observable market information.

#### Price Risk Management Assets/Liabilities - Interest Rate Swaps/Foreign Currency Exchange Contracts/Cross-Currency Swaps

To manage their interest rate risk, PPL and its subsidiaries generally use interest rate contracts such as forward-starting swaps, floating-to-fixed swaps and fixed-to-floating swaps. To manage their foreign currency exchange risk, PPL and its subsidiaries generally use foreign currency exchange contracts such as forwards and options, as well as cross-currency swaps that contain characteristics of both interest rate and foreign currency exchange contracts. PPL and its subsidiaries use an income approach to measure the fair value of these contracts, utilizing readily observable inputs, such as forward interest rates (e.g., LIBOR and government security rates) and forward foreign currency exchange rates (e.g., GBP and Euro), as well as inputs that may not be observable, such as credit valuation adjustments. In certain cases, PPL and its subsidiaries cannot practicably obtain market information to value credit risk and therefore rely on their own models. These models use projected probabilities of default based on historical observances. When the credit valuation adjustment is significant to the overall valuation, the contracts are classified as Level 3. Certain cross-currency contracts were executed in 2011 and upon remeasurement of their fair value were transferred to Level 3 due to the significance of the credit adjustment driven by the long dated nature of the contracts.

*(PPL and PPL Energy Supply)*

#### NDT Funds

PPL and PPL Energy Supply generally use the market approach to measure the fair value of equity securities held in the NDT funds.

- The fair value measurements of equity securities classified as Level 1 are based on quoted prices in active markets and are comprised of securities that are representative of the Wilshire 5000 index, which is invested in approximately 70% large-cap stocks and 30% mid/small-cap stocks.
- Investments in commingled equity funds are classified as Level 2 and represent securities that track the S&P 500 index and the Wilshire 4500 index. These fair value measurements are based on firm quotes of net asset values per share, which are not obtained from a quoted price in an active market.

Debt securities are generally measured using a market approach, including the use of matrix pricing. Common inputs include reported trades, broker/dealer bid/ask prices, benchmark securities and credit valuation adjustments. When necessary, the fair value of debt securities is measured using the income approach, which incorporates similar observable inputs, as well as benchmark yields, credit valuation adjustments, reference data from market research publications, monthly payment data, collateral performance and new issue data.

The debt securities held by the NDT funds at December 31, 2011 have a weighted-average coupon of 4.40% and a weighted-average maturity of 8.46 years.

#### Auction Rate Securities

PPL's and PPL Energy Supply's auction rate securities include Federal Family Education Loan Program guaranteed student loan revenue bonds, as well as various municipal bond issues. At December 31, 2011, contractual maturities for these auction rate securities were a weighted average of approximately 24 years. PPL and PPL Energy Supply do not have significant exposure to realize losses on these securities; however, auction rate securities are classified as Level 3 because failed auctions limit the amount of observable market data that is available for measuring the fair value of these securities.

The fair value of auction rate securities is estimated using an income approach with inputs for the underlying structure and credit quality of each security; the present value of future interest payments, estimated based on forward rates of the SIFMA Index, and principal payments discounted using interest rates for bonds with a credit rating and remaining term to maturity similar to the stated maturity of the auction rate securities; and the impact of auction failures or redemption at par.

### Nonrecurring Fair Value Measurements

The following nonrecurring fair value measurements occurred during the reporting periods, resulting in asset impairments.

	Carrying Amount (a)	Fair Value Measurements Using		Loss (b)
		Level 2	Level 3	
Sulfur dioxide emission allowances (c):				
September 30, 2011	\$ 1			\$ 1
March 31, 2011	1			1
December 31, 2010	2		\$ 1	1
September 30, 2010	6		2	4
June 30, 2010	11		3	8
March 31, 2010	13		10	3
December 31, 2009	20		13	7
March 31, 2009	45		15	30
RECs (c):				
September 30, 2011	1			1
June 30, 2011	2	\$ 1		1
March 31, 2011	3			3
Certain non-core generation facilities:				
September 30, 2010	473	381		96
Long Island generation business:				
December 31, 2009	132	128		5
September 30, 2009	137	133		5
June 30, 2009	189	138		52

(a) Represents carrying value before fair value measurement.

(b) Losses on sulfur dioxide emission allowances and RECs were recorded in the Supply segment and included in "Other operation and maintenance" on the Statements of Income. Losses on certain non-core generation facilities and the Long Island generation business were recorded in the Supply segment and included in "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income.

(c) Current and long-term sulfur dioxide emission allowances and RECs are included in "Other intangibles" in their respective areas on the Balance Sheets.

### Sulfur Dioxide Emission Allowances

Due to declines in market prices, PPL Energy Supply assessed the recoverability of sulfur dioxide emission allowances not expected to be consumed. When available, observable market prices were used to value the sulfur dioxide emission allowances. When observable market prices were not available, fair value was modeled using prices from observable transactions and appropriate discount rates. The modeled values were significant to the overall fair value measurement, resulting in the Level 3 classification.

### RECs

Due to declines in forecasted full-requirement obligations in certain markets as well as declines in market prices, PPL Energy Supply assessed the recoverability of certain RECs not expected to be used. Observable market prices (Level 2) were used to value the RECs.

### Certain Non-Core Generation Facilities

Certain non-core generation facilities met the held for sale criteria at September 30, 2010. As a result, net assets held for sale were written down to their estimated fair value less cost to sell. The fair value in the table above excludes \$4 million of estimated costs to sell and was based on the negotiated sales price (achieved through an active auction process). See Note 9 for additional information on the completed sale.

### Long Island Generation Business

The Long Island generation business met the held for sale criteria at June 30, 2009. As a result, net assets held for sale were written down to their estimated fair value less cost to sell. The fair value in the table above excludes \$1 million of estimated costs to sell and was based on the negotiated sales price (achieved through an active auction process). See Note 9 for additional information on the completed sale.

**Financial Instruments Not Recorded at Fair Value** (*PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU*)

The carrying amounts of contract adjustment payments related to the 2010 Purchase Contract component of the 2010 Equity Units, the 2011 Purchase Contract component of the 2011 Equity Units, and long-term debt on the Balance Sheets and their estimated fair values are set forth below. The fair values of these instruments were estimated using an income approach by discounting future cash flows at estimated current cost of funding rates. The effect of third-party credit enhancements is not included in the fair value measurement.

	December 31, 2011		December 31, 2010	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b><u>PPL</u></b>				
Contract adjustment payments (a)	\$ 198	\$ 198	\$ 146	\$ 148
Long-term debt	17,993	19,392	12,663	12,868
<b><u>PPL Energy Supply</u></b>				
Long-term debt	3,024	3,397	5,589	5,919
<b><u>PPL Electric</u></b>				
Long-term debt	1,718	2,012	1,472	1,578
<b><u>LKE</u></b>				
Long-term debt	4,073	4,306	3,825	3,607
<b><u>LG&amp;E</u></b>				
Long-term debt	1,112	1,164	1,112	1,069
<b><u>KU</u></b>				
Long-term debt	1,842	2,000	1,841	1,728

(a) Included in "Other current liabilities" and "Other deferred credits and noncurrent liabilities" on the Balance Sheets.

The carrying value of short-term debt (including notes between affiliates), when outstanding, represents or approximates fair value due to the variable interest rates associated with the financial instruments. The carrying value of held-to-maturity, short-term investments approximates fair value due to the liquid nature and short-term duration of these instruments.

**Credit Concentration Associated with Financial Instruments**

(*PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU*)

PPL and its subsidiaries enter into contracts with many entities for the purchase and sale of energy. Many of these contracts qualify for NPNS and as such, the fair value of these contracts is not reflected in the financial statements. However, the fair value of these contracts is considered when committing to new business from a credit perspective. See Note 19 for information on credit policies used by PPL and its subsidiaries to manage credit risk, including master netting arrangements and collateral requirements.

(*PPL*)

At December 31, 2011, PPL had credit exposure of \$3.0 billion from energy trading partners, excluding the effects of netting arrangements and collateral. As a result of netting arrangements and collateral, PPL's credit exposure was reduced to \$866 million. One of the counterparties accounted for 11% of the exposure, and the next highest counterparty accounted for 6% of the exposure. Ten counterparties accounted for \$457 million, or 53%, of the net exposure. These counterparties had an investment grade credit rating from S&P or Moody's. The foregoing excludes a long-term supply contract with SMGT due to SMGT's filing for bankruptcy protection during the fourth quarter of 2011. The outstanding accounts receivable associated with SMGT at December 31, 2011 was \$14 million, of which \$11 million has been reserved. See Note 15 for more information.

*(PPL Energy Supply)*

At December 31, 2011, PPL Energy Supply had credit exposure of \$3.0 billion from energy trading partners, excluding exposure from related parties and the effects of netting arrangements and collateral. As a result of netting arrangements and collateral, this credit exposure was reduced to \$863 million. One of the counterparties accounted for 11% of the exposure, and the next highest counterparty accounted for 6% of the exposure. Ten counterparties accounted for \$457 million, or 53%, of the net exposure. These counterparties had an investment grade credit rating from S&P or Moody's. The foregoing excludes a long-term supply contract with SMGT due to SMGT's filing for bankruptcy protection during the fourth quarter of 2011. The outstanding accounts receivable associated with SMGT at December 31, 2011 was \$14 million, of which \$11 million has been reserved. See Note 15 for more information.

*(PPL Electric)*

At December 31, 2011, PPL Electric had no credit exposure under energy supply contracts (including its supply contracts with PPL EnergyPlus).

*(LKE, LG&E and KU)*

At December 31, 2011, LKE's, LG&E's and KU's credit exposure was not significant.

## **19. Derivative Instruments and Hedging Activities**

### **Risk Management Objectives**

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

PPL has a risk management policy approved by the Board of Directors to manage market risk and counterparty credit risk. The RMC, comprised of senior management and chaired by the Chief Risk Officer, oversees the risk management function. Key risk control activities designed to ensure compliance with the risk policy and detailed programs include, but are not limited to, credit review and approval, validation of transactions and market prices, verification of risk and transaction limits, VaR analyses, portfolio stress tests, gross margin at risk analyses, sensitivity analyses and daily portfolio reporting, including open positions, determinations of fair value and other risk management metrics. During the second quarter of 2011, the RMC formally approved the inclusion of the risk programs for LKE (acquired in November 2010) under the risk management policy. WPD Midlands (acquired in April 2011) adhered to the applicable risk management programs, including interest rate and foreign currency exchange programs, from the date of acquisition.

### **Market Risk**

Market risk is the potential loss PPL and its subsidiaries may incur as a result of price changes associated with a particular financial or commodity instrument. PPL and its subsidiaries utilize forward contracts, futures contracts, options, swaps and structured deals, such as tolling agreements, as part of risk management strategies, to minimize unanticipated fluctuations in earnings caused by changes in commodity prices, volumes of full-requirement sales contracts, basis exposure, interest rates and/or foreign currency exchange rates. All derivatives are recognized on the Balance Sheets at their fair value, unless they qualify for NPNS.

PPL is exposed to market risk from foreign currency exchange risk primarily associated with its investments in U.K. affiliates, as well as additional market risk from certain subsidiaries, as discussed below. As described in Note 9, in January 2011, PPL Energy Supply distributed its membership interest in PPL Global to PPL Energy Supply's parent, PPL Energy Funding. Therefore, effective January 2011, PPL Energy Supply is no longer subject to interest rate and foreign currency exchange risk associated with investments in U.K. affiliates.

PPL Energy Supply is exposed to market risk from:

- commodity price, basis and volumetric risks for energy and energy-related products associated with the sale of electricity from its generating assets and other electricity marketing activities (including full-requirement sales



contracts) and the purchase of fuel and fuel-related commodities for generating assets, as well as for proprietary trading activities;

- interest rate and price risk associated with debt used to finance operations, as well as debt and equity securities in NDT funds and defined benefit plans; and
- foreign currency exchange rate risk associated with firm commitments in currencies other than the applicable functional currency.

PPL Electric is exposed to market and volumetric risks from PPL Electric's obligation as PLR. The PUC has approved a cost recovery mechanism that allows PPL Electric to pass through to customers the cost associated with fulfilling its PLR obligation. This cost recovery mechanism substantially eliminates PPL Electric's exposure to market risk. PPL Electric also mitigates its exposure to volumetric risk by entering into full-requirement supply agreements for its customers. These supply agreements transfer the volumetric risk associated with the PLR obligation to the energy suppliers.

By definition, the regulatory environments for PPL's other regulated entities, LKE (through its subsidiaries LG&E and KU) and WPD, significantly mitigate market risk. LG&E's and KU's rates are set to permit the recovery of prudently incurred costs, including certain mechanisms for fuel, gas supply and environmental expenses. These mechanisms generally provide for timely recovery of market price and volumetric fluctuations associated with these expenses. LG&E and KU primarily utilized forward financial transactions to manage price risk associated with expected economic generation capacity in excess of expected load requirements. WPD does not have supply risks as it is only in the distribution business.

LG&E also utilizes over-the-counter interest rate swaps to limit exposure to market fluctuations on interest expense. WPD utilizes over-the-counter cross currency swaps to limit exposure to market fluctuations on interest and principal payments from foreign currency exchange rates.

### **Credit Risk**

Credit risk is the potential loss PPL and its subsidiaries may incur due to a counterparty's non-performance, including defaults on payments and energy commodity deliveries.

PPL is exposed to credit risk from interest rate and foreign currency derivatives with financial institutions, as well as additional credit risk through certain of its subsidiaries, as discussed below.

PPL Energy Supply is exposed to credit risk from commodity derivatives with their energy trading partners, which include other energy companies, fuel suppliers and financial institutions.

PPL Electric is exposed to credit risk from PPL Electric's supply agreements for its PLR obligation.

LG&E is exposed to credit risk from interest rate derivatives with financial institutions.

The majority of PPL's and its subsidiaries' credit risk stems from PPL subsidiaries' commodity derivatives for multi-year contracts for energy sales and purchases. If PPL Energy Supply's counterparties fail to perform their obligations under such contracts and PPL Energy Supply could not replace the sales or purchases at the same prices as those under the defaulted contracts, PPL Energy Supply would incur financial losses. Those losses would be recognized immediately or through lower revenues or higher costs in future years, depending on the accounting treatment for the defaulted contracts. In the event a supplier of LKE (through its subsidiaries LG&E and KU) or PPL Electric defaults on its obligation, those entities would be required to seek replacement power or replacement fuel in the market. In general, incremental costs incurred by these entities would be recoverable from customers in future rates.

PPL and its subsidiaries have credit policies to manage their credit risk, including the use of an established credit approval process, daily monitoring of counterparty positions and the use of master netting agreements. These agreements generally include credit mitigation provisions, such as margin, prepayment or collateral requirements. PPL and its subsidiaries may request the additional credit assurance, in certain circumstances, in the event that the counterparties' credit ratings fall below investment grade or their exposures exceed an established credit limit. See Note 18 for credit concentration associated with financial instruments.

## Master Netting Arrangements

PPL and its subsidiaries have elected not to offset net derivative positions against the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) under master netting arrangements.

PPL's and PPL Energy Supply's obligation to return counterparty cash collateral under master netting arrangements was \$147 million and \$338 million at December 31, 2011 and December 31, 2010.

PPL Electric, LKE, LG&E and KU had no obligation to return cash collateral under master netting arrangements at December 31, 2011 and December 31, 2010.

PPL Energy Supply, PPL Electric and KU had not posted any cash collateral under master netting arrangements at December 31, 2011 and December 31, 2010.

PPL, LKE and LG&E had posted cash collateral under master netting arrangements of \$29 million at December 31, 2011 and \$19 million at December 31, 2010.

## Commodity Price Risk (Non-trading)

*(PPL and PPL Energy Supply)*

Commodity price and basis risks are among PPL's and PPL Energy Supply's most significant risks due to the level of investment that PPL and PPL Energy Supply maintain in their competitive generation assets, as well as the extent of their marketing and proprietary trading activities. Several factors influence price levels and volatilities. These factors include, but are not limited to, seasonal changes in demand, weather conditions, available generating assets within regions, transportation/transmission availability and reliability within and between regions, market liquidity, and the nature and extent of current and potential federal and state regulations.

PPL and PPL Energy Supply enter into financial and physical derivative contracts, including forwards, futures, swaps and options, to hedge the price risk associated with electricity, gas, oil and other commodities. Certain contracts qualify for NPNS or are non-derivatives and are therefore not reflected in the financial statements until delivery. PPL and PPL Energy Supply segregate their remaining non-trading activities into two categories: cash flow hedge activity and economic activity. In addition, the monetization of certain full-requirement sales contracts in 2010 impacted both the cash flow hedge and economic activity, as discussed below.

### Monetization of Certain Full-Requirement Sales Contracts

In July 2010, in order to raise additional cash for the LKE acquisition, PPL Energy Supply monetized certain full-requirement sales contracts that resulted in cash proceeds of \$249 million and triggered certain accounting:

- A portion of these sales contracts had previously been accounted for as NPNS and received accrual accounting treatment. PPL Energy Supply could no longer assert that it was probable that any contracts with these counterparties would result in physical delivery. Therefore, the fair value of the NPNS contracts of \$160 million was recorded on the Balance Sheet in "Price risk management assets," with a corresponding gain of \$144 million recorded to "Wholesale energy marketing - Realized" on the Statement of Income, and \$16 million recorded to "Wholesale energy marketing - Unrealized economic activity," related to full-requirement sales contracts that had not been monetized.
- The related purchases to supply these sales contracts were accounted for as cash flow hedges, with the effective portion of the change in fair value being recorded in AOCI and the ineffective portion recorded in "Energy purchases - Unrealized economic activity." The corresponding cash flow hedges were redesignated and all amounts previously recorded in AOCI were reclassified to earnings. This resulted in a pre-tax reclassification of \$(173) million of losses from AOCI into "Energy purchases - Unrealized economic activity" on the Statement of Income. An additional charge of \$(39) million was also recorded in "Wholesale energy marketing - Unrealized economic activity" on the Statement of Income to reflect the fair value of the sales contracts previously accounted for as economic activity.

- The net result of these transactions, excluding the full-requirement sales contracts that have not been monetized, was a loss of \$(68) million, or \$(40) million, after tax.

The proceeds of \$249 million from these monetizations are reflected in the Statement of Cash Flows as a component of "Net cash provided by operating activities."

### Cash Flow Hedges

Many derivative contracts have qualified for hedge accounting so that the effective portion of a derivative's gain or loss is deferred in AOCI and reclassified into earnings when the forecasted transaction occurs. The cash flow hedges that existed at December 31, 2011 range in maturity through 2016. At December 31, 2011, the accumulated net unrecognized after-tax gains (losses) that are expected to be reclassified into earnings during the next 12 months were \$394 million for PPL and PPL Energy Supply. Cash flow hedges are discontinued if it is no longer probable that the original forecasted transaction will occur by the end of the originally specified time periods and any amounts previously recorded in AOCI are reclassified into earnings once it is determined that the hedge transaction is probable of not occurring. For 2011, such reclassifications were insignificant. For 2010 and 2009, such reclassifications were after-tax gains (losses) of \$(89) million and \$9 million. The amounts recorded in 2010 were primarily due to the monetization of certain full-requirement sales contracts, for which the associated hedges are no longer required, as discussed above.

For 2011, 2010 and 2009, hedge ineffectiveness associated with energy derivatives was, after-tax, a loss of \$(22) million, a loss of \$(30) million and a gain of \$41 million.

In addition, when cash flow hedge positions fail hedge effectiveness testing, hedge accounting is not permitted in the quarter in which this occurs and, accordingly, the entire change in fair value for the periods that failed is recorded to the Statement of Income. Certain power and gas cash flow hedge positions failed effectiveness testing during 2008 and the first quarter of 2009. However, these positions were not redesignated as hedges, as prospective regression analysis demonstrated that these hedges were expected to be highly effective over their term. During 2009, fewer power and gas cash flow hedges failed hedge effectiveness testing; therefore, a portion of the previously recognized unrealized gains recorded in 2008 associated with these hedges were reversed. For 2009, after-tax gains (losses) of \$(215) million were recognized in earnings as a result of these reversals. During the first quarter of 2010, after-tax gains (losses) of \$(82) million were recognized in earnings as a result of these reversals continuing. Effective April 1, 2010, clarifying accounting guidance was issued that precludes the reversal of previously recognized gains/losses resulting from hedge failures. By the end of the first quarter of 2010, all previously recorded hedge ineffectiveness gains resulting from hedge failures were reversed; thus, the new accounting guidance did not have a significant impact at adoption on April 1, 2010.

### Economic Activity

Certain derivative contracts economically hedge the price and volumetric risk associated with electricity, gas, oil and other commodities but do not receive hedge accounting treatment. These derivatives hedge a portion of the economic value of PPL and PPL Energy Supply's competitive generation assets and unregulated full-requirement and retail contracts, which are subject to changes in fair value due to market price volatility and volume expectations. Additionally, economic activity includes the ineffective portion of qualifying cash flow hedges (see "Cash Flow Hedges" above). The derivative contracts in this category that existed at December 31, 2011 range in maturity through 2019.

Examples of economic activity include certain purchase contracts used to supply full-requirement sales contracts; FTRs or basis swaps used to hedge basis risk associated with the sale of competitive generation or supplying unregulated full-requirement sales contracts; spark spreads (sale of electricity with the simultaneous purchase of fuel); retail electric and gas activities; and fuel oil swaps used to hedge price escalation clauses in coal transportation and other fuel-related contracts. PPL Energy Supply also uses options, which include the sale of call options and the purchase of put options tied to a particular generating unit. Since the physical generating capacity is owned, the price exposure is limited to the cost of the particular generating unit and does not expose PPL Energy Supply to uncovered market price risk.

Unrealized activity associated with monetizing certain full-requirement sales contracts was also included in economic activity during 2011.

The net fair value of economic positions at December 31, 2011 and December 31, 2010 was a net (asset) liability of \$63 million and \$389 million for PPL Energy Supply. The unrealized gains (losses) for economic activity are as follows.

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Operating Revenues			
Unregulated retail electric and gas	\$ 31	\$ 1	\$ 6
Wholesale energy marketing	1,407	(805)	(229)
Operating Expenses			
Fuel	6	29	49
Energy purchases	(1,123)	286	(155)

The net gains (losses) recorded in "Wholesale energy marketing" resulted primarily from certain full-requirement sales contracts for which PPL Energy Supply did not elect NPNS, from hedge ineffectiveness, including hedges that failed effectiveness testing, as discussed in "Cash Flow Hedges" above, and from the July 2010 monetization of certain full-requirement sales contracts. The net gains (losses) recorded in "Energy purchases" resulted primarily from certain purchase contracts to supply the full-requirement sales contracts noted above for which PPL Energy Supply did not elect hedge treatment, from hedge ineffectiveness, including hedges that failed effectiveness testing, and from purchase contracts that no longer hedge the full-requirement sales contracts that were monetized as discussed above in "Monetization of Certain Full-Requirement Sales Contracts."

*(PPL, LKE, LG&E and KU)*

LG&E and KU primarily utilized forward financial transactions to manage price risk associated with expected economic generation capacity in excess of expected load requirements. Hedge accounting treatment was not elected for these transactions; therefore, realized and unrealized gains and losses are recorded in the Statements of Income.

The net fair value of economic positions for LKE, LG&E and KU at December 31, 2010 were not significant. There are no economic positions at December 31, 2011. Unrealized gains (losses) for economic activity for LKE, LG&E and KU in 2011, 2010 and 2009 were not significant.

*(PPL and PPL Energy Supply)*

### **Commodity Price Risk (Trading)**

PPL Energy Supply also executes energy contracts to take advantage of market opportunities. As a result, PPL Energy Supply may at times create a net open position in its portfolio that could result in significant losses if prices do not move in the manner or direction anticipated. PPL Energy Supply's trading activity is shown in "Net energy trading margins" on the Statements of Income.

### **Commodity Volumetric Activity**

PPL Energy Supply currently employs four primary strategies to maximize the value of its wholesale energy portfolio. As further discussed below, these strategies include the sales of baseload generation, optimization of intermediate and peaking generation, marketing activities, and proprietary trading activities. The tables within this section present the volumes of PPL Energy Supply's derivative activity, excluding those that qualify for NPNS, unless otherwise noted.

#### Sales of Baseload Generation

PPL Energy Supply has a formal hedging program for its competitive baseload generation fleet, which includes 7,252 MW of nuclear, coal and hydroelectric generating capacity. The objective of this program is to provide a reasonable level of near-term cash flow and earnings certainty while preserving upside potential of power price increases over the medium term. PPL Energy Supply sells its expected generation output on a forward basis using both derivative and non-derivative instruments. Both are included in the following tables.

The following table presents the expected sales, in GWh, from competitive baseload generation and tolling arrangements that are included in the baseload portfolio based on current forecasted assumptions for 2012-2014. These expected sales could be impacted by several factors, including plant availability.

<u>2012</u>	<u>2013</u>	<u>2014</u>
53,737	53,136	53,502

The following table presents the percentage of expected baseload generation sales shown above that has been sold forward under fixed price contracts and the related percentage of fuel that has been purchased or committed at December 31, 2011.

<u>Year</u>	<u>Derivative</u>	<u>Total Power</u>	<u>Fuel Purchases (c)</u>	
	<u>Sales (a)</u>	<u>Sales (b)</u>	<u>Coal</u>	<u>Nuclear</u>
2012	85%	93%	98%	100%
2013	63%	71%	89%	100%
2014 (d)	4%	10%	62%	100%

- (a) Excludes non-derivative contracts and contracts that qualify for NPNS. Volumes for option contracts factor in the probability of an option being exercised and may be less than the notional amount of the option.
- (b) Amount represents derivative (including contracts that qualify for NPNS) and non-derivative contracts. Volumes for option contracts factor in the probability of an option being exercised and may be less than the notional amount of the option. Percentages are based on fixed-price contracts only.
- (c) Coal and nuclear contracts receive accrual accounting treatment, as they are not derivative contracts. Percentages are based on both fixed- and variable-priced contracts.
- (d) Volumes for derivative sales contracts that deliver in future periods total 1,541 GWh and 7.2 Bcf.

In addition to the fuel purchases above, PPL Energy Supply attempts to economically hedge the fuel price risk that is within its fuel-related and coal transportation contracts, which are tied to changes in crude oil or diesel prices. PPL Energy Supply has also entered into contracts to financially hedge the physical sale of oil. The following table presents the net volumes (in thousands of barrels) of derivative (sales)/purchase contracts used in support of these strategies at December 31, 2011.

	<u>2012</u>	<u>2013</u>	<u>2014</u>
Oil Swaps	591	540	240

### Optimization of Intermediate and Peaking Generation

In addition to its competitive baseload generation activities, PPL Energy Supply attempts to optimize the overall value of its competitive intermediate and peaking fleet, which includes 3,256 MW of gas and oil-fired generation. The following table presents the net volumes of derivative (sales)/purchase contracts used in support of this strategy at December 31, 2011.

	<u>Units</u>	<u>2012</u>	<u>2013</u>	<u>2014 (a)</u>
Power Sales	GWh	(2,860)	(1,224)	(408)
Fuel Purchases (b)	Bcf	27.1	8.1	2.5

- (a) Volumes for derivative contracts used in support of these strategies that deliver in future periods are insignificant.
- (b) Included in these volumes are non-options and exercised option contracts that converted to non-option derivative contracts. Volumes associated with option contracts are not significant.

### Marketing Activities

PPL Energy Supply's marketing portfolio is comprised of full-requirement sales contracts and their related supply contracts, retail gas and electricity sales contracts and other marketing activities. The full-requirement sales contracts and their related supply contracts make up a significant component of the marketing portfolio. The obligations under the full-requirement sales contracts include supplying a bundled product of energy, capacity, RECs, and other ancillary products. The full-requirement sales contracts PPL Energy Supply is awarded do not provide for specific levels of load, and actual load could vary significantly from forecasted amounts. PPL Energy Supply uses a variety of strategies to hedge its full-requirement sales contracts, including purchasing energy at a liquid trading hub or directly at the load delivery zone, purchasing capacity and RECs in the market and supplying the energy, capacity and RECs with its

generation. The following table presents the volume of (sales)/purchase contracts, excluding FTRs, RECs, basis and capacity contracts, used in support of these activities at December 31, 2011.

	<u>Units</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Energy sales contracts (a)	GWh	(16,235)	(6,524)	(3,681)
Related energy supply contracts (a)				
Energy purchases	GWh	10,658	1,359	136
Volumetric hedges (b)	GWh	254	128	93
Generation supply	GWh	5,389	4,462	3,259
Retail gas sales contracts	Bcf	(13.5)	(2.6)	(0.7)
Retail gas purchase contracts	Bcf	13.2	2.5	0.7

(a) Includes NPNS and contracts that are not derivatives, which receive accrual accounting.

(b) PPL Energy Supply uses power and gas options, swaps and futures to hedge the volumetric risk associated with full-requirement sales contracts since the demand for power varies hourly. Volumes for option contracts factor in the probability of an option being exercised and may be less than the notional amount of the option.

### Proprietary Trading Activity

At December 31, 2011, PPL Energy Supply's proprietary trading positions, excluding FTR, basis and capacity contract activity that is included in the tables below, were not significant.

### Other Energy-Related Positions

#### *FTRs and Other Basis Positions*

PPL Energy Supply buys and sells FTRs and other basis positions to mitigate the basis risk between delivery points related to the sales of its generation, the supply of its full-requirement sales contracts and retail contracts, as well as for proprietary trading purposes. The following table presents the net volumes of derivative FTR and basis (sales)/purchase contracts at December 31, 2011.

	<u>Units</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
FTRs	GWh	16,562		
Power Basis Positions (a)	GWh	(18,035)	(8,343)	(2,628)
Gas Basis Positions (a)	Bcf	11.0	(5.2)	(0.9)

(a) Net volumes that deliver in future periods are (677) GWh and (5.1) Bcf.

#### *Capacity Positions*

PPL Energy Supply buys and sells capacity related to the sales of its generation and the supply of its full-requirement sales contracts. These contracts qualify for NPNS and receive accrual accounting. PPL Energy Supply also sells and purchases capacity for proprietary trading purposes. These contracts are marked to fair value through earnings. The following table presents the net volumes of derivative capacity (sales)/purchase contracts at December 31, 2011.

	<u>Units</u>	<u>2012</u>	<u>2013</u>	<u>2014 (a)</u>
Capacity	MW-months	(7,797)	(3,108)	(2,578)

(a) Volumes that deliver in future periods are 989 MW-months.

### **Interest Rate Risk**

*(PPL, PPL Energy Supply, LKE and LG&E)*

PPL and its subsidiaries have issued debt to finance their operations, which exposes them to interest rate risk. PPL and its subsidiaries utilize various financial derivative instruments to adjust the mix of fixed and floating interest rates in their debt portfolio, adjust the duration of their debt portfolio and lock in benchmark interest rates in anticipation of future

financing, when appropriate. Risk limits under the risk management program are designed to balance risk exposure to volatility in interest expense and changes in the fair value of PPL's and its subsidiaries' debt portfolio due to changes in benchmark interest rates.

#### Cash Flow Hedges (PPL and PPL Energy Supply)

Interest rate risks include exposure to adverse interest rate movements for outstanding variable rate debt and for future anticipated financings. PPL and PPL Energy Supply enter into financial interest rate swap contracts that qualify as cash flow hedges to hedge floating interest rate risk associated with both existing and anticipated debt issuances. For PPL, outstanding interest rate swap contracts ranged in maturity through 2022 and had a notional value of \$150 million at December 31, 2011. No contracts were outstanding for PPL Energy Supply at December 31, 2011.

Through PPL, PPL WEM holds a notional position in cross-currency interest rate swaps totaling \$960 million that mature through 2021 to hedge the interest payments and principal of the U.S. dollar-denominated senior notes issued by PPL WEM in April 2011. Additionally, PPL WW holds a notional position in cross-currency interest rate swaps totaling \$302 million that mature through December 2028 to hedge the interest payments and principal of its U.S. dollar-denominated senior notes. In 2010, these PPL WW swaps were part of PPL Energy Supply's business. As a result of the distribution of PPL Energy Supply's membership interest in PPL Global to PPL Energy Funding effective January 2011, these swaps are no longer part of PPL Energy Supply's business.

For 2011, hedge ineffectiveness associated with interest rate derivatives resulted in a net after-tax gain (loss) of \$(9) million for PPL, which included a gain (loss) of \$(4) million attributable to certain interest rate swaps that failed hedge effectiveness testing during the second quarter of 2011. For 2010, hedge ineffectiveness associated with these derivatives resulted in a net after-tax gain (loss) of \$(9) million for PPL and was insignificant for PPL Energy Supply. For 2009, hedge ineffectiveness associated with these derivatives was insignificant for PPL and PPL Energy Supply.

Cash flow hedges are discontinued if it is no longer probable that the original forecasted transaction will occur by the end of the originally specified time periods and any amounts previously recorded in AOCI are reclassified into earnings once it is determined that the hedged transaction is probable of not occurring. PPL had no such reclassifications for 2011. As a result of the expected net proceeds from the anticipated sale of certain non-core generation facilities, coupled with the monetization of certain full-requirement sales contracts, debt that had been planned to be issued by PPL Energy Supply in 2010 was no longer needed. As a result, hedge accounting associated with interest rate swaps entered into by PPL in anticipation of a debt issuance by PPL Energy Supply was discontinued. PPL reclassified into earnings a net after-tax gain (loss) of \$(19) million in 2010 and an insignificant amount in 2009. PPL Energy Supply had no such reclassifications in 2011, 2010 and 2009.

At December 31, 2011, the accumulated net unrecognized after-tax gains (losses) on qualifying derivatives that are expected to be reclassified into earnings during the next 12 months were \$(12) million for PPL and insignificant for PPL Energy Supply. Amounts are reclassified as the hedged interest payments are made.

#### Fair Value Hedges

(PPL and PPL Energy Supply)

PPL and PPL Energy Supply are exposed to changes in the fair value of their debt portfolios. To manage this risk, PPL and PPL Energy Supply may enter into financial contracts to hedge fluctuations in the fair value of existing debt issuances due to changes in benchmark interest rates. At December 31, 2011, PPL held contracts that range in maturity through 2047 and had a notional value of \$99 million. PPL Energy Supply did not hold any such contracts at December 31, 2011. PPL and PPL Energy Supply did not recognize gains or losses resulting from the ineffective portion of fair value hedges or from a portion of the hedging instrument being excluded from the assessment of hedge effectiveness for 2011, 2010 and 2009.

(PPL)

In 2011, PPL Electric redeemed \$400 million of 7.125% Senior Secured Bonds due 2013. As a result of this redemption, PPL recorded a gain (loss) of \$22 million, or \$14 million after tax, for 2011 in "Other Income (Expense) - net" on the

Statement of Income as a result of accelerated amortization of the fair value adjustments to the debt in connection with previously settled fair value hedges. Additionally, PPL recognized insignificant amounts from hedges of debt that no longer qualified as fair value hedges for 2010 and 2009.

*(PPL Energy Supply)*

PPL Energy Supply did not recognize any gains or losses resulting from hedges of debt issuances that no longer qualified as fair value hedges for 2011, 2010 and 2009.

#### Economic Activity (PPL, LKE and LG&E)

LG&E enters into interest rate swap contracts that economically hedge interest payments on variable rate debt. Because realized gains and losses from the swaps, including a terminated swap contract, are recoverable through regulated rates, any subsequent changes in fair value of these derivatives are included in regulatory assets or liabilities until they are realized as interest expense. Realized gains and losses are recognized in "Interest Expense" on the Statements of Income when the hedged transaction occurs. At December 31, 2011, LG&E held contracts with aggregate notional amounts of \$179 million that range in maturity through 2033. The fair value of these contracts were recorded as liabilities of \$60 million and \$34 million at December 31, 2011 and 2010, with equal offsetting amounts recorded as regulatory assets.

Prior to the third quarter of 2010, LG&E Predecessor accounted for these contracts as cash flow hedges and reclassified amounts previously recorded in AOCI to earnings in the same period during which the forecasted transaction affected earnings.

#### **Foreign Currency Risk**

*(PPL and PPL Energy Supply)*

PPL is exposed to foreign currency risk, primarily through investments in U.K. affiliates. In addition, PPL and its subsidiaries are exposed to foreign currency risk associated with firm commitments in currencies other than the applicable functional currency.

PPL has adopted a foreign currency risk management program designed to hedge certain foreign currency exposures, including firm commitments, recognized assets or liabilities, anticipated transactions and net investments. In addition, PPL enters into financial instruments to protect against foreign currency translation risk of expected earnings.

#### Cash Flow Hedges

PPL may enter into foreign currency derivatives associated with foreign currency-denominated debt and the exchange rate associated with firm commitments (including those for the purchase of equipment) denominated in foreign currencies; however, at December 31, 2011, there were no existing contracts of this nature. Amounts previously settled and recorded in AOCI are reclassified as the hedged interest payments are made and as the related equipment is depreciated. Insignificant amounts are expected to be reclassified into earnings during the next 12 months.

During 2011, 2010 and 2009, no cash flow hedges were discontinued because it was probable that the original forecasted transaction would not occur by the end of the originally specified time periods.

#### Fair Value Hedges

PPL enters into foreign currency forward contracts to hedge the exchange rate risk associated with firm commitments denominated in foreign currencies; however, at December 31, 2011, there were no existing contracts of this nature and no gains or losses recorded for 2011, 2010 and 2009 related to hedge ineffectiveness, or from a portion of the hedging instrument being excluded from the assessment of hedge effectiveness, or from hedges of firm commitments that no longer qualified as fair value hedges.

#### Net Investment Hedges



PPL enters into foreign currency contracts on behalf of a subsidiary to protect the value of a portion of its net investment in WPD. In 2010 and 2009, these contracts were included in PPL Energy Supply's business. As a result of the distribution of PPL Energy Supply's membership interest in PPL Global to PPL Energy Funding, effective January 2011, these contracts are no longer included in PPL Energy Supply's business.

The contracts outstanding at December 31, 2011 had an aggregate notional amount of £92 million (approximately \$150 million based on contracted rates). The settlement dates of these contracts range from January 2012 through September 2012. At December 31, 2011 and 2010, the fair value of these positions was a net asset of \$7 million. For 2011, PPL recognized an insignificant amount of activity in the foreign currency translation adjustment component of AOCI. For 2010 and 2009, PPL and PPL Energy Supply recognized insignificant amounts in the foreign currency translation adjustment component of AOCI. At December 31, 2011, PPL had \$19 million of accumulated net investment hedge after-tax gains (losses) that were included in the foreign currency translation adjustment component of AOCI. At December 31, 2010, PPL and PPL Energy Supply had \$15 million of accumulated net investment hedge after-tax gains (losses) that were included in the foreign currency translation adjustment component of AOCI.

### Economic Activity

*(PPL)*

In anticipation of the repayment of a portion of the GBP-denominated borrowings under the 2011 Bridge Facility with U.S. dollar proceeds received from PPL's issuance of common stock and 2011 Equity Units and PPL WEM's issuance of U.S. dollar-denominated senior notes, as discussed in Note 7, PPL entered into forward contracts to purchase GBP in order to economically hedge the foreign currency exchange rate risk related to the repayment. When these trades were settled in April 2011, PPL recorded \$55 million of pre-tax, net gains (losses) in "Other Income (Expense) - net" on the Statements of Income.

*(PPL and PPL Energy Supply)*

PPL and PPL Energy Supply may enter into foreign currency contracts as an economic hedge of anticipated earnings denominated in British pounds sterling. In 2010 and 2009, these contracts were included in PPL Energy Supply's business. As a result of the distribution of PPL Energy Supply's membership interest in PPL Global to PPL Energy Funding, effective January 2011, these contracts are no longer included in PPL Energy Supply's business. At December 31, 2011, the total exposure hedged by PPL was £288 million and the fair value of these positions was a net asset of \$11 million. These contracts had termination dates ranging from January 2012 to November 2012. For PPL and PPL Energy Supply, the net fair value of similar hedging instruments outstanding at December 31, 2010 was insignificant. PPL records gains (losses) on these contracts, both realized and unrealized, in "Other Income (Expense) - net" on the Statements of Income. PPL Energy Supply records gains (losses) on these contracts, both realized and unrealized, in "Income (Loss) from Discontinued Operations (net of income taxes)" on the Statements of Income. For 2011, PPL recorded gains (losses) of \$10 million. For 2010, the amounts for PPL and PPL Energy Supply were insignificant. For 2009, PPL and PPL Energy Supply recorded gains (losses) of \$(9) million.

### **Accounting and Reporting**

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

All derivative instruments are recorded at fair value on the Balance Sheet as an asset or liability unless they qualify for NPNS. NPNS contracts for PPL and PPL Energy Supply include full-requirement sales contracts, other physical sales contracts and certain retail energy and physical capacity contracts, and for PPL Electric include full-requirement purchase contracts and other physical purchase contracts. Changes in the derivatives' fair value are recognized currently in earnings unless specific hedge accounting criteria are met, except for the changes in fair value of LG&E's interest rate swaps, which beginning in the third quarter of 2010, have been recognized as regulatory assets. See Note 6 for amounts recorded in regulatory assets at December 31, 2011 and December 31, 2010.

See Note 1 for additional information on accounting policies related to derivative instruments.

*(PPL)*

The following tables present the fair value and location of derivative instruments recorded on the Balance Sheets.

	December 31, 2011				December 31, 2010			
	Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments (a)		Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments (a)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Current:								
Price Risk Management								
Assets/Liabilities (b):								
Interest rate swaps	\$ 3	\$ 3	\$ 5	\$ 5	\$ 11	\$ 19	\$ 2	\$ 2
Cross-currency swaps		2			7	9		
Foreign currency exchange contracts	7		\$ 11		7		\$ 4	
Commodity contracts	872	3	1,655	1,557	878	19	1,011	1,095
Total current	882	8	1,666	1,562	903	47	1,015	1,097
Noncurrent:								
Price Risk Management								
Assets/Liabilities (b):								
Interest rate swaps				55	4			32
Cross-currency swaps	24				37			
Commodity contracts	42	2	854	783	169	7	445	431
Total noncurrent	66	2	854	838	210	7	445	463
Total derivatives	\$ 948	\$ 10	\$ 2,520	\$ 2,400	\$ 1,113	\$ 54	\$ 1,460	\$ 1,560

(a) \$237 million and \$326 million of net gains associated with derivatives that were no longer designated as hedging instruments are recorded in AOCI at December 31, 2011 and 2010.

(b) Represents the location on the Balance Sheet.

The after-tax balances of accumulated net gains (losses) (excluding net investment hedges) in AOCI were \$527 million, \$695 million and \$602 million at December 31, 2011, 2010 and 2009.

The following tables present the pre-tax effect of derivative instruments recognized in income, OCI or regulatory assets.

Derivatives in Fair Value Hedging Relationships	Hedged Items in Fair Value Hedging Relationships	Location of Gain (Loss) Recognized in Income	Gain (Loss) Recognized in Income on Derivative	Gain (Loss) Recognized in Income on Related Item
<b>2011</b>				
Interest rate swaps	Fixed rate debt	Interest expense	\$ 2	\$ 25
		Other Income - net		22
<b>2010</b>				
Interest rate swaps	Fixed rate debt	Interest expense	\$ 48	\$ (6)
<b>2009</b>				
Interest rate swaps	Fixed rate debt	Interest expense	\$ 12	\$ 29
		Other Income - net		7

Derivative Relationships	Derivative Gain (Loss) Recognized in OCI (Effective Portion)	Location of Gain (Loss) Recognized in Income	Gain (Loss) Reclassified from AOCI into Income (Effective Portion)	Gain (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)
<b>2011</b>				
Cash Flow Hedges:				
Interest rate swaps	\$ (55)	Interest expense	\$ (13)	\$ (13)
Cross-currency swaps	(35)	Interest expense	5	
		Other income (expense) - net	29	
Commodity contracts	431	Wholesale energy marketing	835	(39)
		Fuel	1	
		Depreciation	2	
		Energy purchases	(243)	1
Total	\$ 341		\$ 616	\$ (51)
Net Investment Hedges:				
Foreign exchange contracts	\$ 6			

Gain (Loss) Recognized in Income on Derivative

<b>Derivative Relationships</b>	<b>Derivative Gain (Loss) Recognized in OCI (Effective Portion)</b>	<b>Location of Gain (Loss) Recognized in Income</b>	<b>Gain (Loss) Reclassified from AOCI into Income (Effective Portion)</b>	<b>(Ineffective Portion and Amount Excluded from Effectiveness Testing)</b>
<b>2010</b>				
Cash Flow Hedges:				
Interest rate swaps	\$ (145)	Interest expense	\$ (4)	\$ (17)
		Other income (expense) - net	(30)	
Cross-currency swaps	25	Interest expense	2	
		Other income (expense) - net	16	
Commodity contracts	487	Wholesale energy marketing	680	(201)
		Fuel	2	
		Depreciation	2	
		Energy purchases	(458)	3
Total	<u>\$ 367</u>		<u>\$ 210</u>	<u>\$ (215)</u>
Net Investment Hedges:				
Foreign exchange contracts	\$ 5			
<b>2009</b>				
Cash Flow Hedges:				
Interest rate swaps	\$ 64	Interest expense	\$ (2)	
		Other income (expense) - net	1	
Cross-currency swaps	(45)	Interest expense	2	
		Other income (expense) - net	(20)	
Commodity contracts	829	Wholesale energy marketing	358	\$ (296)
		Fuel	(20)	2
		Depreciation	1	
		Energy purchases	(544)	(7)
		Other O&M	1	
Total	<u>\$ 848</u>		<u>\$ (223)</u>	<u>\$ (301)</u>
Net Investment Hedges:				
Foreign exchange contracts	\$ (9)			

<b>Derivatives Not Designated as Hedging Instruments:</b>	<b>Location of Gain (Loss) Recognized in Income on Derivatives</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Foreign exchange contracts	Other income (expense) - net	\$ 65	\$ 3	\$ (9)
Interest rate swaps	Interest expense	(8)		
Commodity contracts	Utility	(1)	(2)	
	Unregulated retail electric and gas	39	11	13
	Wholesale energy marketing	1,606	(70)	588
	Net energy trading margins (a)	(6)	1	
	Fuel	(1)	12	12
	Energy purchases	(1,493)	(405)	(808)
Total		<u>\$ 201</u>	<u>\$ (450)</u>	<u>\$ (204)</u>

<b>Derivatives Not Designated as Hedging Instruments:</b>	<b>Location of Gain (Loss) Recognized as Regulatory Liabilities/Assets</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Interest rate swaps	Regulatory assets - noncurrent	\$ (26)	\$ (11)	

(a) Differs from the Statement of Income due to intra-month transactions that PPL defines as spot activity, which is not accounted for as a derivative.

(PPL Energy Supply)

The following tables present the fair value and location of derivative instruments recorded on the Balance Sheets.

	<b>December 31, 2011</b>				<b>December 31, 2010</b>			
	<b>Derivatives designated as hedging instruments</b>		<b>Derivatives not designated as hedging instruments (a)</b>		<b>Derivatives designated as hedging instruments</b>		<b>Derivatives not designated as hedging instruments (a)</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
Current:								
Price Risk Management								
Assets/Liabilities (b):								
Cross-currency swaps					\$ 7	\$ 9		
Foreign currency exchange contracts					7		\$ 4	
Commodity contracts	\$ 872	\$ 3	\$ 1,655	\$ 1,557	878	19	1,011	\$ 1,084
Total current	<u>872</u>	<u>3</u>	<u>1,655</u>	<u>1,557</u>	<u>892</u>	<u>28</u>	<u>1,015</u>	<u>1,084</u>

	December 31, 2011				December 31, 2010			
	Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments (a)		Derivatives designated as hedging instruments		Derivatives not designated as hedging instruments (a)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Noncurrent:								
Price Risk Management								
Assets/Liabilities (b):								
Cross-currency swaps					37			
Commodity contracts	42	2	854	783	169	7	445	431
Total noncurrent	42	2	854	783	206	7	445	431
Total derivatives	\$ 914	\$ 5	\$ 2,509	\$ 2,340	\$ 1,098	\$ 35	\$ 1,460	\$ 1,515

(a) \$237 million and \$326 million of net gains associated with derivatives that were no longer designated as hedging instruments are recorded in AOCI at December 31, 2011 and 2010.

(b) Represents the location on the Balance Sheet.

The after-tax balances of accumulated net gains (losses) (excluding net investment hedges) in AOCI were \$605 million, \$733 million and \$573 million at December 31, 2011, 2010 and 2009. The December 31, 2011 AOCI balance reflects the effect of PPL Energy Supply's distribution of its membership interest in PPL Global to its parent, PPL Energy Funding. See Note 9 for additional information.

The following tables present the pre-tax effect of derivative instruments recognized in income or OCI.

Derivatives in Fair Value Hedging Relationships	Hedged Items in Fair Value Hedging Relationships	Location of Gain (Loss) Recognized in Income	Gain (Loss) Recognized in Income on Derivative	Gain (Loss) Recognized in Income on Related Item
<b>2011</b>				
Interest rate swaps	Fixed rate debt	Interest expense		\$ 2
<b>2010</b>				
Interest rate swaps	Fixed rate debt	Interest expense		2
<b>2009</b>				
Interest rate swaps	Fixed rate debt	Interest expense	\$ 1	
Derivative Relationships	Derivative Gain (Loss) Recognized in OCI (Effective Portion)	Location of Gain (Loss) Recognized in Income	Gain (Loss) Reclassified from AOCI into Income (Effective Portion)	Gain (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)
<b>2011</b>				
Cash Flow Hedges:				
Commodity contracts	\$ 431	Wholesale energy marketing	\$ 835	\$ (39)
		Fuel	1	
		Depreciation	2	
		Energy purchases	(243)	1
Total	\$ 431		\$ 595	\$ (38)
<b>2010</b>				
Cash Flow Hedges:				
Interest rate swaps		Discontinued operations (net of income taxes)		\$ (3)
Cross-currency swaps	\$ 25	Discontinued operations (net of income taxes)	\$ 18	
Commodity contracts	487	Wholesale energy marketing	680	(201)
		Fuel	2	
		Depreciation	2	
		Energy purchases	(458)	3
Total	\$ 512		\$ 244	\$ (201)
Net Investment Hedges:				
Foreign exchange contracts	\$ 5			
Derivative Relationships	Derivative Gain (Loss) Recognized in OCI (Effective Portion)	Location of Gain (Loss) Recognized in Income	Gain (Loss) Reclassified from AOCI into Income (Effective Portion)	Gain (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)

**2009**

Cash Flow Hedges:				
Cross-currency swaps	\$	(45)	Discontinued operations (net of income taxes)	\$ (18)
Commodity contracts		829	Wholesale energy marketing	358 \$ (296)
			Fuel	(20) 2
			Depreciation	1
			Energy purchases	(544) (7)
			Other O&M	1
Total	\$	<u>784</u>		<u>\$ (222) \$ (301)</u>
Net Investment Hedges:				
Foreign exchange contracts	\$	(9)		

<u>Derivatives Not Designated as Hedging Instruments:</u>	<u>Location of Gain (Loss) Recognized in Income on Derivatives</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Foreign exchange contracts	Discontinued Operations (net of income taxes)		\$ 3	\$ (9)
Commodity contracts	Unregulated retail electric and gas	\$ 39	11	13
	Wholesale energy marketing	1,606	(70)	588
	Net energy trading margins (a)	(6)	1	
	Fuel	(1)	12	12
	Energy purchases	(1,493)	(405)	(808)
Total		<u>\$ 145</u>	<u>\$ (448)</u>	<u>\$ (204)</u>

(a) Differs from the Statement of Income due to intra-month transactions that PPL Energy Supply defines as spot activity, which is not accounted for as a derivative.

*(LKE and LG&E)*

There were no derivatives designated as hedging instruments as of December 31, 2011 and December 31, 2010. The following table presents the fair value and location of derivative instruments not designated as hedging instruments recorded on the Balance Sheets:

	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>Derivatives not designated as hedging instruments</u>		<u>Derivatives not designated as hedging instruments</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Current:				
Other Current Liabilities				
Assets/Liabilities (a):				
Interest rate swaps		\$ 5		\$ 2
Commodity contracts				2
Total current		<u>5</u>		<u>4</u>
Noncurrent:				
Price Risk Management				
Assets/Liabilities (a):				
Interest rate swaps		55		32
Total noncurrent		<u>55</u>		<u>32</u>
Total derivatives		<u>\$ 60</u>		<u>\$ 36</u>

(a) Represents the location on the Balance Sheet.

The following tables present the pre-tax effect of derivative instruments recognized in income or regulatory assets for the periods ended December 31, 2011, 2010 and 2009, for the Successor and Predecessor.

<u>Derivatives Not Designated as Hedging Instruments:</u>	<u>Location of Gain (Loss) Recognized in Income on Derivatives</u>	<u>Successor</u>		<u>Predecessor</u>	
		<u>Year Ended December 31, 2011</u>	<u>Two Months Ended December 31, 2010</u>	<u>Ten Months Ended October 31, 2010</u>	<u>Year Ended December 31, 2009</u>
Interest rate swaps	Interest expense	\$ (8)	\$ (1)	\$ (7)	\$ 1
Commodity contracts	Operating revenues - retail and wholesale	(1)	(2)	3	9
Total		<u>\$ (9)</u>	<u>\$ (3)</u>	<u>\$ (4)</u>	<u>\$ 10</u>

Derivatives Not Designated as Hedging Instruments:	Location of Gain (Loss) Recognized as Regulatory Liabilities/Assets	December 31, 2011		December 31, 2010	
Interest rate swaps	Regulatory assets	\$	(26)	\$	(43)

(KU)

There were no derivatives designated as hedging instruments as of December 31, 2011 and December 31, 2010. There were no after-tax balances of accumulated net gains (losses) in AOCI at December 31, 2011 and 2010. The gains and losses recognized in income on derivatives associated with commodity contracts were not significant for the periods ended December 31, 2011, 2010, and 2009.

### Credit Risk-Related Contingent Features (PPL, PPL Energy Supply, LKE and LG&E)

Certain of PPL's, PPL Energy Supply's, LKE's and LG&E's derivative contracts contain credit risk-related contingent provisions which, when in a net liability position, would permit the counterparties to require the transfer of additional collateral upon a decrease in the credit ratings of PPL, PPL Energy Supply, LKE, LG&E, or certain of their subsidiaries. Most of these provisions would require PPL, PPL Energy Supply, LKE or LG&E to transfer additional collateral or permit the counterparty to terminate the contract if the applicable credit rating were to fall below investment grade. Some of these provisions also would allow the counterparty to require additional collateral upon each decrease in the credit rating at levels that remain above investment grade. In either case, if the applicable credit rating were to fall below investment grade (i.e., below BBB- for S&P or Fitch, or Baa3 for Moody's), and assuming no assignment to an investment grade affiliate were allowed, most of these credit contingent provisions require either immediate payment of the net liability as a termination payment or immediate and ongoing full collateralization by PPL, PPL Energy Supply, LKE or LG&E on derivative instruments in net liability positions.

Additionally, certain of PPL's, PPL Energy Supply's, LKE's and LG&E's derivative contracts contain credit risk-related contingent provisions that require PPL, PPL Energy Supply, LKE or LG&E to provide "adequate assurance" of performance if the other party has reasonable grounds for insecurity regarding PPL's, PPL Energy Supply's, LKE's or LG&E's performance of its obligation under the contract. A counterparty demanding adequate assurance could require a transfer of additional collateral or other security, including letters of credit, cash and guarantees from a creditworthy entity. This would typically involve negotiations among the parties. However, amounts disclosed below represent assumed immediate payment or immediate and ongoing full collateralization for derivative instruments in net liability positions with "adequate assurance" provisions.

At December 31, 2011, the effect of a decrease in credit ratings below investment grade on derivative contracts that contain credit contingent features and were in a net liability position is summarized as follows:

	PPL			
	PPL	Energy Supply	LKE	LG&E
Aggregate fair value of derivative instruments in a net liability position with credit risk-related contingent provisions	\$ 156	\$ 118	\$ 39	\$ 39
Aggregate fair value of collateral posted on these derivative instruments	38	9	29	29
Aggregate fair value of additional collateral requirements in the event of a credit downgrade below investment grade (a)	183	173	10	10

(a) Includes the effect of net receivables and payables already recorded on the Balance Sheet.

## 20. Goodwill and Other Intangible Assets

### Goodwill

(PPL and PPL Energy Supply)

The changes in the carrying amount of goodwill by segment were:

	Kentucky Regulated		International Regulated		Supply		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
<b>PPL</b>								
Balance at beginning of period (a)	\$ 662		\$ 679	\$ 715	\$ 420	\$ 91	\$ 1,761	\$ 806

Goodwill recognized during the period (b)	\$	662	2,391			334	2,391	996
Allocation to discontinued operations (c)						(5)		(5)
Effect of foreign currency exchange rates			(38)	(36)			(38)	(36)
Balance at end of period (a)	\$	662	3,032	679	420	420	4,114	1,761
			<b>International Regulated</b>		<b>Supply</b>		<b>Total</b>	
			<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>PPL Energy Supply</b>								
Balance at beginning of period (a)	\$	679	715	86	91	765	806	
Derecognition (d)		(679)				(679)		
Allocation to discontinued operations (c)					(5)		(5)	
Effect of foreign currency exchange rates			(36)				(36)	
Balance at end of period (a)	\$	679	86	86	86	86	765	

- (a) There were no accumulated impairment losses related to goodwill.
- (b) Activity in 2011 recognized as a result of the acquisition of WPD Midlands. Activity in 2010 recognized as a result of the acquisition of LKE. A portion of the goodwill related to the acquisition of LKE was allocated to the Supply segment. See Note 10 for additional information.
- (c) Represents goodwill allocated to certain non-core generation facilities that were held for sale in 2010 and sold in 2011.
- (d) Represents the amount of goodwill derecognized as a result of PPL Energy Supply's distribution of its membership interest in PPL Global to PPL Energy Supply's parent, PPL Energy Funding. See Note 9 for additional information on the distribution. Subsequent to the distribution, PPL Energy Supply operates in a single reportable segment and reporting unit.

*(LKE, LG&E and KU)*

The changes in the carrying amounts of goodwill were as follows.

	LKE	LG&E	KU
Balance at December 31, 2009 and October 31, 2010, Predecessor (a)	\$ 837		
Dispositions (b)	(837)		
Purchase accounting adjustments (c)	996	389	607
Balance at December 31, 2010 and 2011, Successor (a)	\$ 996	\$ 389	\$ 607

- (a) The opening balances included \$1.5 billion of impairment losses related to goodwill recorded in 2009. There were no accumulated impairment losses related to goodwill at December 31, 2010 or 2011.
- (b) Predecessor goodwill was eliminated in purchase accounting at November 1, 2010.
- (c) Recognized as a result of the November 1, 2010 acquisition by PPL. For LG&E and KU, the allocation of goodwill was based on the net asset values of the respective companies. See Note 10 for additional information.

*(LKE)*

For the 2009 annual impairment test, the estimated fair values of LG&E and KU were based on a combination of the income approach, which estimates the fair value of the reporting unit based on discounted future cash flows and the market approach, which estimates the fair value of the reporting unit based on market comparables. The discounted cash flows for LG&E and KU were based on discrete financial forecasts developed by management for planning purposes and consistent with those given to E.ON AG, LKE's former parent company. Cash flows beyond the discrete forecasts were estimated using a terminal-value calculation, which incorporated historical and forecasted financial trends for each of LG&E and KU and considered long-term earnings growth rates for publicly-traded peer companies. The level 3 income-approach valuations included a cash flow discount rate of 6.3% and a terminal-value growth rate of 1.1%. In addition, subsequent to 2009 but prior to the issuance of the 2009 financial statements, discussions were held with interested parties for the possible sale of LKE, including the regulated utilities. Data from this process was used for evaluating the carrying value of goodwill at December 31, 2009.

Based on information represented by bids received from interested parties, including PPL, LKE completed a goodwill impairment analysis at December 31, 2009. As a result of the impairment analysis described above, LKE recorded a goodwill impairment charge of \$1.5 billion in 2009. The primary factors contributing to the goodwill impairment charge in 2009 were the significant economic downturn, which caused a decline in the volume of projected sales of electricity to commercial customers and an increase in the implied discount rate due to higher risk premiums. In addition, a lower control premium was assumed, based on observable market data.

**Other Intangibles**

*(PPL)*

The gross carrying amount and the accumulated amortization of other intangible assets were:

	December 31, 2011		December 31, 2010	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
<b>Subject to amortization:</b>				
Contracts (a) (b)	\$ 611	\$ 155	\$ 597	\$ 49
Land and transmission rights (c)	263	110	256	110
Emission allowances/RECs (d) (e) (f)	20		37	
Licenses and other (g)	265	35	242	30
<b>Total subject to amortization</b>	1,159	300	1,132	189
<b>Not subject to amortization due to indefinite life:</b>				
Land and transmission rights	16		16	
Easements (h)	199		77	
<b>Total not subject to amortization due to indefinite life</b>	215		93	
<b>Total</b>	\$ 1,374	\$ 300	\$ 1,225	\$ 189

- (a) Gross carrying amount for 2010 includes \$394 million, which represents the fair value of contracts with terms favorable to market recognized as a result of the 2010 acquisition of LKE. The weighted average amortization period of these contracts was five years at the acquisition date. An offsetting regulatory liability was recorded related to these contracts, which is being amortized over the same weighted-average period as the intangible assets, eliminating any income statement impact. See Note 6 for additional information.
- (b) Gross carrying amount for 2011 includes \$10 million, which represents the fair value of customer contracts with terms favorable to market recognized as a result of the 2011 acquisition of WPD Midlands. The weighted-average amortization period of these contracts was ten years at the acquisition date. See Note 10 for additional information.
- (c) Gross carrying amount for 2010 includes \$14 million, which represents the fair value of land and transmission rights recognized as a result of the 2010 acquisition of LKE. The weighted-average amortization period of these rights was 14 years at the acquisition date. An offsetting regulatory liability was recorded related to these rights, which is being amortized over the same weighted-average period as the intangible assets, eliminating any income statement impact. See Note 6 for additional information.
- (d) These emission allowances/RECs are expensed when consumed or sold. Consumption expense was \$16 million, \$45 million, and \$32 million in 2011, 2010 and 2009. Consumption expense is expected to be insignificant in future periods.
- (e) Gross carrying amount for 2010 includes the fair value of emission allowances recognized as a result of the 2010 acquisition of LKE. An offsetting regulatory liability was recorded related to these emission allowances, which is being amortized as the emission allowances are consumed, eliminating any income statement impact. See Note 6 for additional information. The carrying amounts of these emission allowances were \$5 million and \$16 million as of December 31, 2011 and 2010. Consumption related to these emission allowances was \$11 million and \$2 million for 2011 and 2010.
- (f) During 2011 and 2010, PPL recorded \$7 million and \$17 million of impairment charges. See Note 18 for additional information.
- (g) "Other" includes costs for the development of licenses, the most significant of which is the COLA. Amortization of these costs begins when the related asset is placed in service. See Note 8 for additional information on the COLA.
- (h) Gross carrying amount for 2011 includes \$88 million, which represents the fair value of easements recognized as a result of the 2011 acquisition of WPD Midlands. See Note 10 for additional information.

Current intangible assets are included in "Other current assets" and long-term intangible assets are included in "Other intangibles" in their respective areas on the Balance Sheets.

Amortization expense, excluding consumption of emission allowances/RECs, was as follows:

	2011	2010	2009
Intangible assets with no regulatory offset	\$ 25	\$ 24	\$ 22
Intangible assets with regulatory offset	87	11	
<b>Total</b>	\$ 112	\$ 35	\$ 22

Amortization expense for each of the next five years, excluding consumption of emission allowances/RECs, is estimated to be:

	2012	2013	2014	2015	2016
Intangible assets with no regulatory offset	\$ 24	\$ 24	\$ 24	\$ 24	\$ 22
Intangible assets with a regulatory offset	46	52	46	51	27
<b>Total</b>	\$ 70	\$ 76	\$ 70	\$ 75	\$ 49

*(PPL Energy Supply)*



The gross carrying amount and the accumulated amortization of other intangible assets were:

	December 31, 2011		December 31, 2010	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
<b>Subject to amortization:</b>				
Contracts	\$ 203	\$ 53	\$ 203	\$ 38
Land and transmission rights	17	13	19	16
Emission allowances/RECs (a) (b)	15		20	
Licenses and other (c)	255	30	239	29
<b>Total subject to amortization</b>	<u>490</u>	<u>96</u>	<u>481</u>	<u>83</u>
<b>Not subject to amortization due to indefinite life:</b>				
Easements (d)			77	
<b>Total</b>	<u>\$ 490</u>	<u>\$ 96</u>	<u>\$ 558</u>	<u>\$ 83</u>

- (a) Removed from the Balance Sheets and expensed when consumed or sold. Consumption expense was \$16 million, \$46 million, and \$32 million in 2011, 2010, and 2009. Consumption expense is expected to be insignificant in future periods.
- (b) During 2011 and 2010, PPL Energy Supply recorded \$7 million and \$16 million of impairment charges. See Note 18 for additional information.
- (c) "Other" includes costs for the development of licenses, the most significant of which is the COLA. Amortization of these costs begins when the related asset is placed in service. See Note 8 for additional information on the COLA.
- (d) Easements for 2010 pertain to WPD. As a result of PPL Energy Supply's January 2011 distribution of its membership interest in PPL Global to its parent, PPL Energy Funding, the assets and liabilities of PPL Global, including WPD's easements at December 31, 2010 were removed from PPL Energy Supply's balance sheet in 2011. See Note 9 for additional information.

Current intangible assets are included in "Other current assets" and long-term intangible assets are presented as "Other intangibles" in their respective areas on the Balance Sheets.

Amortization expense, excluding consumption of emission allowances/RECs, was as follows:

	2011	2010	2009
Amortization expense	\$ 20	\$ 20	\$ 19

Amortization expense for each of the next five years, excluding consumption of emission allowances/RECs, is estimated to be:

	2012	2013	2014	2015	2016
Estimated amortization expense	\$ 20	\$ 20	\$ 20	\$ 20	\$ 18

(PPL Electric)

The gross carrying amount and the accumulated amortization of other intangible assets were:

	December 31, 2011		December 31, 2010	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
<b>Subject to amortization:</b>				
Land and transmission rights	\$ 232	\$ 96	\$ 222	\$ 93
Licenses and other	4	1	3	1
<b>Total subject to amortization</b>	<u>236</u>	<u>97</u>	<u>225</u>	<u>94</u>
<b>Not subject to amortization due to indefinite life:</b>				
Land and transmission rights	16		16	
<b>Total</b>	<u>\$ 252</u>	<u>\$ 97</u>	<u>\$ 241</u>	<u>\$ 94</u>

Intangible assets are shown as "Intangibles" on the Balance Sheets.

Amortization expense was insignificant in 2011, 2010 and 2009, and is expected to be insignificant in future years.

(LKE)

The gross carrying amount and the accumulated amortization of other intangible assets were:

	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>
<b>Subject to amortization:</b>				
Coal contracts (a)	\$ 269	\$ 89	\$ 269	\$ 9
Land and transmission rights (b)	14	1	14	
Emission allowances (c)	5		16	
OVEC power purchase agreement (d)	126	9	126	2
<b>Total subject to amortization</b>	<u>\$ 414</u>	<u>\$ 99</u>	<u>\$ 425</u>	<u>\$ 11</u>

- (a) Gross carrying amount represents the fair value of contracts with terms favorable to market recognized as a result of the 2010 acquisition by PPL. An offsetting regulatory liability was recorded related to these contracts, which is being amortized over the same period as the intangible assets, eliminating any income statement impact. See Note 6 for additional information.
- (b) Gross carrying amount represents the fair value of land and transmission rights recognized as an intangible asset as a result of adopting PPL's accounting policies in the Successor period. Amortization expense is recovered through base rates and is expected to be insignificant for future periods.
- (c) Represents the fair value of emission allowances recognized as a result of the 2010 acquisition by PPL. An offsetting regulatory liability was recorded related to these emission allowances, which is being amortized as the emission allowances are consumed, eliminating any income statement impact. Consumption related to these emission allowances was \$11 million and \$2 million for 2011 and 2010.
- (d) Gross carrying amount represents the fair value of the OVEC power purchase contract recognized as a result of the 2010 acquisition by PPL. See Note 6 for additional information.

Current intangible assets and long-term intangible assets are presented as "Other intangibles" in their respective areas on the Balance Sheets.

Amortization expense for the Successor, excluding consumption of emission allowances, was as follows:

	<u>2011</u>	<u>2010</u>
Intangible assets with no regulatory offset	\$ 1	
Intangible assets with regulatory offset	87	\$ 11
<b>Total</b>	<u>\$ 88</u>	<u>\$ 11</u>

Amortization expense for each of the next five years, excluding consumption of emission allowances, is estimated to be:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Intangibles with regulatory offset	\$ 46	\$ 52	\$ 46	\$ 51	\$ 27

(LG&E)

The gross carrying amount and the accumulated amortization of other intangible assets were:

	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>
<b>Subject to amortization:</b>				
Coal contracts (a)	\$ 124	\$ 46	\$ 124	\$ 6
Land and transmission rights (b)	6	1	6	
Emission allowances (c)	2		7	
OVEC power purchase agreement (d)	87	6	87	1
<b>Total subject to amortization</b>	<u>\$ 219</u>	<u>\$ 53</u>	<u>\$ 224</u>	<u>\$ 7</u>

- (a) Gross carrying amount represents the fair value of contracts with terms favorable to market recognized as a result of the 2010 acquisition by PPL. An offsetting regulatory liability was recorded related to these contracts, which is being amortized over the same period as the intangible assets, eliminating any income statement impact. See Note 6 for additional information.
- (b) Gross carrying amount represents the fair value of land and transmission rights recognized as an intangible asset as a result of adopting PPL's accounting policies in the Successor period. Amortization expense is recovered through base rates and is expected to be insignificant for future periods.

- (c) Represents the fair value of emission allowances recognized as a result of the 2010 acquisition by PPL. An offsetting regulatory liability was recorded related to these emission allowances, which is being amortized as the emission allowances are consumed, eliminating any income statement impact. Consumption related to these emission allowances was \$5 million and \$1 million for 2011 and 2010.
- (d) Gross carrying amount represents the fair value of the OVEC power purchase contract recognized as a result of the 2010 acquisition by PPL. See Note 6 for additional information.

Current intangible assets and long-term intangible assets are presented as "Other intangibles" in their respective areas on the Balance Sheets.

Amortization expense for the Successor, excluding consumption of emission allowances, was as follows:

	<u>2011</u>	<u>2010</u>
Intangible assets with no regulatory offset	\$ 1	
Intangible assets with regulatory offset	45	\$ 7
<b>Total</b>	<u>\$ 46</u>	<u>\$ 7</u>

Amortization expense for each of the next five years, excluding consumption of emission allowances, is estimated to be:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Intangibles with regulatory offset	\$ 22	\$ 25	\$ 23	\$ 24	\$ 14

(KU)

The gross carrying amount and the accumulated amortization of other intangible assets were:

	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>
<b>Subject to amortization:</b>				
Contracts (a)	\$ 145	\$ 43	\$ 145	\$ 3
Land and transmission rights (b)	8		8	
Emission allowances (c)	3		9	
OVEC power purchase agreement (d)	39	3	39	1
<b>Total subject to amortization</b>	<u>\$ 195</u>	<u>\$ 46</u>	<u>\$ 201</u>	<u>\$ 4</u>

- (a) Gross carrying amount represents the fair value of contracts with terms favorable to market recognized as a result of the 2010 acquisition by PPL. An offsetting regulatory liability was recorded related to these contracts, which is being amortized over the same period as the intangible assets, eliminating any income statement impact. See Note 6 for additional information.
- (b) Gross carrying amount represents the fair value of land and transmission rights recognized as an intangible asset as a result of adopting PPL's accounting policies in the Successor period. Amortization expense is recovered through base rates and is expected to be insignificant for future periods.
- (c) Represents the fair value of emission allowances recognized as a result of the 2010 acquisition by PPL. An offsetting regulatory liability was recorded related to these emission allowances, which is being amortized as the emission allowances are consumed, eliminating any income statement impact. Consumption related to these emission allowances was \$6 million and \$1 million for 2011 and 2010.
- (d) Gross carrying amount represents the fair value of the OVEC power purchase contract recognized as a result of the 2010 acquisition by PPL. See Note 6 for additional information.

Current intangible assets and long-term intangible assets are presented as "Other intangibles" in their respective areas on the Balance Sheets.

Amortization expense for the Successor, excluding consumption of emission allowances, was as follows:

	<u>2011</u>	<u>2010</u>
Intangible assets with regulatory offset	\$ 42	\$ 4

Amortization expense for each of the next five years, excluding consumption of emission allowances, is estimated to be:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Intangibles with regulatory offset	\$ 24	\$ 27	\$ 23	\$ 27	\$ 13

## 21. Asset Retirement Obligations

(PPL)

WPD has recorded conditional AROs required by U.K. law related to treated wood poles, gas-filled switchgear and fluid-filled cables.

(PPL and PPL Energy Supply)

PPL Energy Supply has recorded liabilities in the financial statements to reflect various legal obligations associated with the retirement of long-lived assets, the most significant of which relates to the decommissioning of the Susquehanna plant. The accrued nuclear decommissioning obligation was \$292 million and \$270 million at December 31, 2011 and 2010, and is included in "Asset retirement obligations" on the Balance Sheets. The fair value of investments that are legally restricted for the decommissioning of the Susquehanna nuclear plant was \$640 million and \$618 million at December 31, 2011 and 2010, and is included in "Nuclear plant decommissioning trust funds" on the Balance Sheets. See Notes 18 and 23 for additional information on the nuclear decommissioning trust funds. Other AROs recorded relate to various environmental requirements for coal piles, ash basins and other waste basin retirements.

PPL Energy Supply has recorded several conditional AROs, the most significant of which related to the removal and disposal of asbestos-containing material. In addition to the AROs that were recorded for asbestos-containing material, PPL Energy Supply identified other asbestos-related obligations, but were unable to reasonably estimate their fair values. PPL Energy Supply management was unable to reasonably estimate a settlement date or range of settlement dates for the remediation of all of the asbestos-containing material at certain of the generation plants. If economic events or other circumstances change that enable PPL Energy Supply to reasonably estimate the fair value of these retirement obligations, they will be recorded at that time.

PPL Energy Supply also identified legal retirement obligations associated with the retirement of a reservoir that could not be reasonably estimated due to an indeterminable settlement date.

(PPL and PPL Electric)

PPL Electric has identified legal retirement obligations for the retirement of certain transmission assets that could not be reasonably estimated due to indeterminable settlement dates. These assets are located on rights-of-way that allow the grantor to require PPL Electric to relocate or remove the assets. Since this option is at the discretion of the grantor of the right-of-way, PPL Electric is unable to determine when these events may occur.

(PPL, LKE, LG&E and KU)

LG&E's and KU's AROs are primarily related to the final retirement of assets associated with generating units. LG&E also has AROs related to natural gas mains and wells. LG&E's and KU's transmission and distribution lines largely operate under perpetual property easement agreements which do not generally require restoration upon removal of the property. Therefore, no material AROs are recorded for transmission and distribution assets. As described in Notes 1 and 6, the accretion and depreciation expense recorded by LG&E and KU is offset with a regulatory credit on the income statement, such that there is no earnings impact.

(PPL, PPL Energy Supply, LKE, LG&E and KU)

The changes in the carrying amounts of AROs were:

	PPL		PPL Energy Supply	
	2011	2010	2011	2010
ARO at beginning of period	\$ 448	\$ 426	\$ 345	\$ 426
Accretion expense	33	32	26	31
Obligations assumed in acquisition of LKE		103		
Obligations assumed in acquisition of WPD Midlands (a)	15			
Derecognition (b)			(5)	
Obligations incurred	14	4	11	4

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Changes in estimated cash flow or settlement date	5	(100)	(1)	(100)
Obligations settled	<u>(18)</u>	<u>(17)</u>	<u>(17)</u>	<u>(16)</u>
ARO at end of period	<u>\$ 497</u>	<u>\$ 448</u>	<u>\$ 359</u>	<u>\$ 345</u>
		<b><u>LKE</u></b>	<b><u>LG&amp;E</u></b>	<b><u>KU</u></b>
ARO at December 31, 2009, Predecessor	\$ 65	\$ 31	\$ 34	
Accretion expense	4	2	2	
Changes in estimated cash flow or settlement date	54	30	24	
Obligations settled	<u>(1)</u>	<u>(1)</u>		
ARO at October 31, 2010, Predecessor	122	62	60	
Purchase accounting	<u>(19)</u>	<u>(13)</u>	<u>(6)</u>	
ARO at December 31, 2010, Successor	103	49	54	
Accretion expense	6	3	3	
Obligations incurred	3	2	1	
Changes in estimated cash flow or settlement date	7	4	3	
Obligations settled	<u>(1)</u>	<u>(1)</u>		
ARO at December 31, 2011, Successor	<u>\$ 118</u>	<u>\$ 57</u>	<u>\$ 61</u>	

- (a) Obligations required under U.K. law related to treated wood poles, gas-filled switchgear and fluid-filled cables. See Note 10 for additional information on the acquisition.
- (b) Represents AROs derecognized as a result of PPL Energy Supply's distribution of its membership interest in PPL Global to PPL Energy Supply's parent, PPL Energy Funding. See Note 9 for additional information on the distribution.

In the third quarter of 2010, PPL Susquehanna completed a site-specific study to update the estimated cost to dismantle and decommission each Susquehanna nuclear unit immediately following final shutdown. This estimate included decommissioning the radiological portions of the station and the cost of removal of non-radiological structures and materials. Based on this study, which used a methodology consistent with the prior site-specific study done in 2002, the decommissioning ARO liability and the associated long-lived asset were reduced by \$103 million. The primary factor for this decline was the lower estimated inflation rate assumption used in the 2010 ARO calculation.

The classification of AROs on the Balance Sheets was as follows.

December 31, 2011					
	PPL	PPL Energy Supply	LKE	LG&E	KU
Current portion (a)	\$ 13	\$ 10	\$ 2	\$ 2	
Long-term portion (b)	484	349	116	55	\$ 61
Total	<u>\$ 497</u>	<u>\$ 359</u>	<u>\$ 118</u>	<u>\$ 57</u>	<u>\$ 61</u>
December 31, 2010					
	PPL	PPL Energy Supply	LKE	LG&E	KU
Current portion (a)	\$ 13	\$ 13			
Long-term portion (b)	435	332	\$ 103	\$ 49	\$ 54
Total	<u>\$ 448</u>	<u>\$ 345</u>	<u>\$ 103</u>	<u>\$ 49</u>	<u>\$ 54</u>

- (a) Included in "Other current liabilities."
- (b) Included in "Asset retirement obligations."

## 22. Variable Interest Entities

*(PPL and PPL Energy Supply)*

In December 2001, a subsidiary of PPL Energy Supply entered into a \$455 million operating lease arrangement, as lessee, for the development, construction and operation of a gas-fired combined-cycle generation facility located in Lower Mt. Bethel Township, Northampton County, Pennsylvania. The owner/lessor of this generation facility, LMB Funding, LP, was created to own/lease the facility and incur the related financing costs. The initial lease term commenced on the date of commercial operation, which occurred in May 2004, and ends in December 2013. Under a residual value guarantee, if the generation facility is sold at the end of the lease term and the cash proceeds from the sale are less than the original acquisition cost, the subsidiary of PPL Energy Supply is obligated to pay up to 70.52% of the original acquisition cost. This residual value guarantee protects the other variable interest holders from losses related to their investments. LMB Funding, LP cannot extend or cancel the lease or sell the facility without the prior consent of the PPL Energy Supply subsidiary. As a result, LMB Funding, LP was determined to be a VIE and the subsidiary of PPL Energy Supply was considered the primary beneficiary that consolidates this VIE.

The lease financing, which includes \$437 million of "Long-term Debt" and \$18 million of "Noncontrolling interests" at December 31, 2011 and December 31, 2010, is secured by, among other things, the generation facility, the carrying amount of which is disclosed on the Balance Sheets. The debt matures at the end of the initial lease term. As a result of the consolidation, PPL Energy Supply has recorded interest expense in lieu of rent expense. For 2011, 2010 and 2009, additional depreciation on the generation facility of \$16 million, \$16 million and \$11 million was recorded.

## 23. Available-for-Sale Securities

*(PPL, PPL Energy Supply, LKE and LG&E)*

PPL and its subsidiaries classify certain short-term investments, securities held by the NDT funds and auction rate securities as available-for-sale. Available-for-sale securities are carried on the Balance Sheet at fair value. Unrealized gains and losses on these securities are reported, net of tax, in OCI or are recognized currently in earnings when a decline in fair value is determined to be other-than-temporary. The specific identification method is used to calculate realized gains and losses.

The following table shows the amortized cost, the gross unrealized gains and losses recorded in AOCI and the fair value of available-for-sale securities.

	December 31, 2011				December 31, 2010			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<b><u>PPL</u></b>								
Short-term investments								
- municipal debt securities (a)					\$ 163			\$ 163
NDT funds:								
Cash and cash equivalents	\$ 12			\$ 12	10			10
Equity securities:								
U.S. large-cap	173	\$ 119		292	180	\$ 123		303
U.S. mid/small-cap	67	50		117	67	52		119
Debt securities:								
U.S. Treasury	76	10		86	71	4		75
U.S. government sponsored agency	9	1		10	6	1		7
Municipality	80	4	\$ 1	83	69			69
Investment-grade corporate	35	3		38	31	2		33
Other	2			2	1			1
Receivables/payables, net					1			1
Total NDT funds	454	187	1	640	436	182		618
Auction rate securities	25		1	24	25			25
Total	\$ 479	\$ 187	\$ 2	\$ 664	\$ 624	\$ 182		\$ 806
<b><u>PPL Energy Supply</u></b>								
NDT funds:								
Cash and cash equivalents	\$ 12			\$ 12	\$ 10			\$ 10
Equity securities:								
U.S. large-cap	173	\$ 119		292	180	\$ 123		303
U.S. mid/small-cap	67	50		117	67	52		119
Debt securities:								
U.S. Treasury	76	10		86	71	4		75
U.S. government sponsored agency	9	1		10	6	1		7
Municipality	80	4	\$ 1	83	69			69
Investment-grade corporate	35	3		38	31	2		33
Other	2			2	1			1
Receivables/payables, net					1			1
Total NDT funds	454	187	1	640	436	182		618
Auction rate securities	20		1	19	20			20
Total	\$ 474	\$ 187	\$ 2	\$ 659	\$ 456	\$ 182		\$ 638
<b><u>LKE and LG&amp;E</u></b>								
Short-term investments								
- municipal debt securities (a)					\$ 163			\$ 163

(a) Represents tax-exempt bonds issued by Louisville/Jefferson County, Kentucky, on behalf of LG&E that were subsequently purchased by LG&E. Such bonds were remarketed to unaffiliated investors in January 2011.

There were no securities with credit losses at December 31, 2011 and 2010.

The following table shows the scheduled maturity dates of debt securities held at December 31, 2011.

Maturity Less Than 1 Year	Maturity 1-5 Years	Maturity 5-10 Years	Maturity in Excess of 10 Years	Total
---------------------------	--------------------	---------------------	--------------------------------	-------

<u>PPL</u>										
Amortized cost	\$	14	\$	69	\$	62	\$	82	\$	227
Fair value		14		72		67		90		243
<u>PPL Energy Supply</u>										
Amortized cost	\$	14	\$	69	\$	62	\$	77	\$	222
Fair value		14		72		67		85		238

The following table shows proceeds from and realized gains and losses on sales of available-for-sale securities.

	<u>2011</u>		<u>2010</u>		<u>2009</u>	
<u>PPL</u>						
Proceeds from sales of NDT securities (a)	\$	156	\$	114	\$	201
Other proceeds from sales		163				154
Gross realized gains (b)		28		13		27
Gross realized losses (b)		16		5		20
<u>PPL Energy Supply</u>						
Proceeds from sales of NDT securities (a)	\$	156	\$	114	\$	201
Other proceeds from sales						154
Gross realized gains (b)		28		13		27
Gross realized losses (b)		16		5		20

(a) These proceeds are used to pay income taxes and fees related to managing the trust. Remaining proceeds are reinvested in the trust.

(b) Excludes the impact of other-than-temporary impairment charges recognized in the Statements of Income.

### Short-term Investments

*(PPL, LKE and LG&E)*

At December 31, 2010, LG&E held \$163 million aggregate principal amount of tax-exempt revenue bonds issued by Louisville/Jefferson County, Kentucky on behalf of LG&E that were purchased from the remarketing agent in 2008. At December 31, 2010, these investments were reflected in "Short-term investments" on the Balance Sheet. In 2011, LG&E received \$163 million for its investments in these bonds when they were remarketed to unaffiliated investors. No realized or unrealized gains (losses) were recorded on these securities, as the difference between carrying value and fair value was not significant.

*(PPL and PPL Energy Supply)*

In December 2008, the PEDFA issued \$150 million aggregate principal amount of Exempt Facilities Revenue Bonds, Series 2008A and 2008B due 2038 (Series 2008 Bonds) on behalf of PPL Energy Supply. PPL Investment Corp. acted as the initial purchaser of the Series 2008 Bonds upon issuance. In April 2009, PPL Investment Corp. received \$150 million for its investment in the Series 2008 Bonds when they were refunded by the PEDFA. No realized or unrealized gains (losses) were recorded on these securities, as the difference between carrying value and fair value was insignificant.

### NDT Funds

Beginning in January 1999 and ending in December 2009, in accordance with the PUC Final Order, decommissioning costs were recovered from PPL Electric's customers through the CTC over the 11-year life of the CTC rather than the remaining life of the Susquehanna nuclear plant. The recovery included a return on unamortized decommissioning costs. Under the power supply agreements between PPL Electric and PPL EnergyPlus, these revenues were passed on to PPL EnergyPlus. Similarly, these revenues were passed on to PPL Susquehanna under a power supply agreement between PPL EnergyPlus and PPL Susquehanna.

Amounts collected from PPL Electric's customers for decommissioning, less applicable taxes, were deposited in external trust funds for investment and can only be used for future decommissioning costs. To the extent that the actual costs for decommissioning exceed the amounts in the nuclear decommissioning trust funds, PPL Susquehanna would be obligated to fund 90% of the shortfall.



When the fair value of a security is less than amortized cost, PPL and PPL Energy Supply must make certain assertions to avoid recording an other-than-temporary impairment that requires a current period charge to earnings. The NRC requires that nuclear decommissioning trusts be managed by independent investment managers, with discretion to buy and sell securities in the trusts. As a result, PPL and PPL Energy Supply have been unable to demonstrate the ability to hold an impaired security until it recovers its value; therefore, unrealized losses on debt securities through March 31, 2009 and unrealized losses on equity securities for all periods presented, represented other-than-temporary impairments that required a current period charge to earnings. PPL and PPL Energy Supply recorded impairments for certain securities invested in the NDT funds of \$6 million, \$3 million and \$18 million for 2011, 2010 and 2009. These impairments are reflected on the Statements of Income in "Other-Than-Temporary Impairments."

Effective April 1, 2009, when PPL and PPL Energy Supply intend to sell a debt security or more likely than not will be required to sell a debt security before recovery, then the other-than-temporary impairment recognized in earnings will equal the entire difference between the security's amortized cost basis and its fair value. However, if there is no intent to sell a debt security and it is not more likely than not that they will be required to sell the security before recovery, but the security has suffered a credit loss, the other-than-temporary impairment will be separated into the credit loss component, which is recognized in earnings, and the remainder of the other-than-temporary impairment, which is recorded in OCI. Temporary impairments of debt securities and unrealized gains on both debt and equity securities are recorded to OCI.

#### **24. New Accounting Guidance Pending Adoption**

*(PPL, PPL Energy Supply, PPL Electric, LKE, LG&E and KU)*

##### Fair Value Measurements

Effective January 1, 2012, the Registrants will prospectively adopt accounting guidance that was issued to clarify existing fair value measurement guidance as well as enhance fair value disclosures. The additional disclosures required by this guidance include quantitative information about significant unobservable inputs used for Level 3 measurements, qualitative information about the sensitivity of recurring Level 3 measurements, information about any transfers between Level 1 and 2 of the fair value hierarchy, information about when the current use of a non-financial asset is different from the highest and best use, and the hierarchy classification for assets and liabilities whose fair value is disclosed only in the notes to the financial statements.

Any fair value measurement differences resulting from the adoption of this guidance will be recognized in income in the period of adoption. The adoption of this guidance is not expected to have a significant impact on the Registrants.

##### Testing Goodwill for Impairment

Effective January 1, 2012, the Registrants will prospectively adopt accounting guidance which will allow an entity to elect the option to first make a qualitative evaluation about the likelihood of an impairment of goodwill. If, based on this assessment, the entity determines it is not more likely than not the fair value of a reporting unit is less than the carrying amount, the two-step goodwill impairment test is not necessary. However, the first step of the impairment test is required if an entity concludes it is more likely than not the fair value of a reporting unit is less than the carrying amount based on the qualitative assessment.

The adoption of this standard is not expected to have a significant impact on the Registrants.

##### Improving Disclosures about Offsetting Balance Sheet Items

Effective January 1, 2013, the Registrants will retrospectively adopt accounting guidance issued to enhance disclosures about financial instruments and derivative instruments that either (1) offset on the balance sheet or (2) are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are offset on the balance sheet.

Upon adoption, the enhanced disclosure requirements are not expected to have a significant impact on the Registrants.

#### **25. Subsequent Events**

*(PPL and PPL Energy Supply)*

In February 2012 PPL announced that its indirect wholly owned subsidiary, PPL Generation, had entered into a definitive agreement (Acquisition Agreement) to acquire from AES Ironwood, Inc. , a subsidiary of The AES Corporation, all of the equity interests of AES Ironwood, L.L.C. and AES Prescott, L.L.C., which together own and operate the 705 MW (winter rating) AES Ironwood combined-cycle natural-gas-fired power plant (Ironwood Facility) located in Lebanon, Pennsylvania. The Ironwood Facility began operation in 2001 and, since July 1, 2008, PPL EnergyPlus has supplied natural gas for the operation of the Ironwood Facility in return for receiving its full electricity output pursuant to a tolling agreement that expires in 2021.

The Acquisition Agreement provides for the sale of 100% of the issued and outstanding membership interests (collectively, the "Interests") of each of AES Ironwood, L.L.C. and AES Prescott, L.L.C. (collectively, the "Acquired Companies") to PPL Generation. The consideration payable by PPL Generation in respect of the acquisition is \$87 million in cash, which includes approximately \$4.8 million of net working capital of the Acquired Companies expected to be received at closing, plus the assumption at closing, through consolidation as a result of acquiring the Interests, of approximately \$217 million of net outstanding project indebtedness of AES Ironwood, L.L.C. The outstanding project indebtedness is represented by \$308.5 million aggregate principal amount of AES Ironwood, L.L.C. 8.857% senior secured bonds due 2025, the net amount of which expected to be outstanding at closing is approximately \$226 million, plus \$8 million of debt service reserve loans, less approximately \$17 million of restricted cash reserves. The cash purchase price is subject to adjustment based on the amounts by which the actual closing date net working capital and net project indebtedness vary from expected balances.

AES Ironwood, Inc. and PPL Generation have each made customary representations, warranties and covenants in the Acquisition Agreement. The transaction is subject to customary closing conditions, including the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, receipt of required regulatory approvals, including approval by the Federal Energy Regulatory Commission under section 203 of the Federal Power Act, and either a reaffirmation of the current ratings of Standard & Poor's Rating Group and Moody's Investors Services, Inc. on the outstanding project indebtedness or consent of the holders of two-thirds of the outstanding project indebtedness.

PPL Energy Supply has agreed to guarantee PPL Generation's obligations under the Acquisition Agreement until the cash purchase price has been paid in full, including any post-closing adjustments for net working capital and project indebtedness.

**SCHEDULE I - PPL CORPORATION  
CONDENSED UNCONSOLIDATED STATEMENTS OF INCOME  
FOR THE YEARS ENDED DECEMBER 31,**

*(Millions of Dollars, except share data)*

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Operating Revenues</b> .....	\$	\$	\$
<b>Operating Expenses</b>			
Other operation and maintenance .....		4	
Total Operating Expenses .....		<u>4</u>	
<b>Operating Loss</b> .....		(4)	
Other Income - net			
Equity in earnings of subsidiaries .....	1,562	1,038	378
Other income (expense) .....	(25)	(60)	3
Total .....	<u>1,537</u>	<u>978</u>	<u>381</u>
Interest Expense - net .....	<u>76</u>	<u>80</u>	<u>(39)</u>
<b>Income Before Income Taxes</b> .....	1,461	894	420
Income Tax Expense (Benefit) .....	<u>(34)</u>	<u>(44)</u>	<u>13</u>
<b>Net Income Attributable to PPL Corporation</b> .....	<u>\$ 1,495</u>	<u>\$ 938</u>	<u>\$ 407</u>
<b>Earnings Per Share of Common Stock:</b>			
Net Income Available to PPL Corporation Common Shareowners:			
Basic .....	\$ 2.71	\$ 2.17	\$ 1.08
Diluted .....	\$ 2.70	\$ 2.17	\$ 1.08
<b>Weighted-Average Shares of Common Stock Outstanding (in thousands)</b>			
Basic .....	550,395	431,345	376,082
Diluted .....	550,952	431,569	376,406

*The accompanying Notes to Condensed Unconsolidated Financial Statements are an integral part of the financial statements.*

**SCHEDULE I - PPL CORPORATION  
CONDENSED UNCONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31,**

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Cash Flows from Operating Activities</b>			
Net cash provided by (used in) operating activities .....	\$ 880	\$ 713	\$ 995
<b>Cash Flows from Investing Activities</b>			
Capital contributions to affiliated subsidiaries .....	(827)	(2,709)	(642)
Acquisition of LKE .....		(6,842)	
Return of capital from affiliated subsidiaries.....	549	150	100
Net cash provided by (used in) investing activities .....	<u>(278)</u>	<u>(9,401)</u>	<u>(542)</u>
<b>Cash Flows from Financing Activities</b>			
Issuance of equity, net of issuance costs.....	2,297	2,441	60
Net increase (decrease) in short-term debt with affiliates.....	(2,071)	6,826	5
Payment of common stock dividends .....	(746)	(566)	(517)
Contract adjustment payment .....	(72)	(13)	
Other .....	(10)		(1)
Net cash provided by (used in) financing activities.....	<u>(602)</u>	<u>8,688</u>	<u>(453)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>			
Cash and Cash Equivalents at Beginning of Period.....			
Cash and Cash Equivalents at End of Period.....	<u>\$</u>	<u>\$</u>	<u>\$</u>
<b>Supplemental Disclosures of Cash Flow Information:</b>			
Cash Dividends Received from Affiliated Subsidiaries .....	\$ 812	\$ 507	\$ 717
Non-cash transactions:			
Reduction in "Short-term debt with affiliates" and "Affiliated companies at equity".....		\$ 2,784	
Present value of contract adjustment payments .....	\$ 123	157	

*The accompanying Notes to Condensed Unconsolidated Financial Statements are an integral part of the financial statements.*

**SCHEDULE I - PPL CORPORATION**  
**CONDENSED UNCONSOLIDATED BALANCE SHEETS AT DECEMBER 31,**

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
<b>Current Assets</b>		
Accounts Receivable		
Other .....	\$ 5	\$ 6
Affiliates .....	25	29
Prepayments.....	36	121
Deferred income taxes .....	8	11
Price risk management assets .....	23	15
Total Current Assets .....	<u>97</u>	<u>182</u>
<b>Investments</b>		
Affiliated companies at equity .....	14,181	13,406
<b>Other Noncurrent Assets .....</b>	<b>80</b>	<b>32</b>
<b>Total Assets .....</b>	<b><u>\$ 14,358</u></b>	<b><u>\$ 13,620</u></b>
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Short-term debt with affiliates .....	\$ 1,991	\$ 4,062
Accounts payable with affiliates.....	1,095	958
Dividends.....	203	170
Price risk management liabilities .....	23	22
Other current liabilities .....	98	55
Total Current Liabilities .....	<u>3,410</u>	<u>5,267</u>
<b>Deferred Credits and Other Noncurrent Liabilities .....</b>	<b>120</b>	<b>143</b>
<b>Equity</b>		
PPL Corporation Shareowners' Common Equity		
Common stock - \$0.01 par value (a).....	6	5
Additional paid-in capital .....	6,813	4,602
Earnings reinvested.....	4,797	4,082
Accumulated other comprehensive loss.....	(788)	(479)
Total PPL Corporation Shareowners' Common Equity .....	<u>10,828</u>	<u>8,210</u>
<b>Total Liabilities and Equity .....</b>	<b><u>\$ 14,358</u></b>	<b><u>\$ 13,620</u></b>

(a) 780,000 shares authorized; 578,405 and 483,391 shares issued and outstanding at December 31, 2011 and December 31, 2010.

*The accompanying Notes to Condensed Unconsolidated Financial Statements are an integral part of the financial statements.*

**SCHEDULE I - PPL CORPORATION  
NOTES TO CONDENSED UNCONSOLIDATED FINANCIAL STATEMENTS****1. Basis of Presentation**

PPL Corporation is a holding company and conducts substantially all of its business operations through its subsidiaries. Substantially all of its consolidated assets are held by such subsidiaries. Accordingly, its cash flow and its ability to meet its obligations are largely dependent upon the earnings of these subsidiaries and the distribution or other payment of such earnings to it in the form of dividends, loans or advances or repayment of loans and advances from it. These condensed financial statements and related footnotes have been prepared in accordance with Reg. §210.12-04 of Regulation S-X. These statements should be read in conjunction with the consolidated financial statements and notes thereto of PPL Corporation.

PPL Corporation indirectly or directly owns all of the ownership interests of its significant subsidiaries. PPL Corporation does not own the preferred securities of PPL Electric Utilities Corporation. PPL Corporation relies on dividends or loans from its subsidiaries to fund PPL Corporation's dividends to its common shareholders and to meet its other cash requirements.

**2. Commitments and Contingencies**

See Note 15 to PPL Corporation's consolidated financial statements for commitments and contingencies of its subsidiaries.

**Guarantees and Other Assurances**

PPL Corporation's subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts that may become due under PPL Corporation's guarantees or other assurances or to make any funds available for such payment.

PPL Corporation fully and unconditionally guarantees the payment of principal, premium and interest on all of the debt securities of PPL Capital Funding. The estimated maximum potential amount of future payments that could be required under the guarantees at December 31, 2011 was \$5.2 billion. These guarantees will expire in 2067.

PPL Corporation has provided indemnification to the purchaser of PPL Gas Utilities and Penn Fuel Propane, LLC for damages arising out of any breach of the representations, warranties and covenants under the related transaction agreement and for damages arising out of certain other matters, including certain pre-closing unknown environmental liabilities relating to former manufactured gas plant properties or off-site disposal sites, if any, outside of Pennsylvania. The estimated maximum potential amount of future payments that could be required under the indemnifications at December 31, 2011 was \$300 million. The indemnification provisions for most representations and warranties, including tax and environmental matters, are capped at \$45 million, in the aggregate, and are triggered (i) only if the individual claim exceeds \$50,000, and (ii) only if, and only to the extent that, in the aggregate, total claims exceed \$4.5 million. The indemnification provisions for most representations and warranties expired on September 30, 2009 without any claims having been made. Certain representations and warranties, including those having to do with transaction authorization and title, survive indefinitely, are capped at the purchase price and are not subject to the above threshold or deductible. The indemnification provision for the tax matters representations survives for the duration of the applicable statute of limitation. The indemnification provision for the environmental matters representations expired on September 30, 2011 without any claims having been made. The indemnification for covenants survives until the applicable covenant is performed and is not subject to any cap.

The probability of expected payment under each of the guarantees is remote.

**SCHEDULE I - LG&E and KU Energy LLC**  
**CONDENSED UNCONSOLIDATED STATEMENTS OF INCOME**

(Millions of Dollars)

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Operating Revenues</b> .....				
<b>Operating Expenses</b>				
Other operation and maintenance .....			\$ (3)	\$ (1)
Total Operating Expenses .....			(3)	(1)
Loss on Impairment of Goodwill .....				1,493
<b>Operating Income (Loss)</b> .....			3	(1,492)
Equity in Earnings of Subsidiaries .....	\$ 267	\$ 48	204	(61)
Other Income (Expense) - net .....			(1)	
Interest Income with Affiliate .....	29	5	29	31
Interest Expense .....	31	4		
Interest Expense with Affiliate .....	2	1	47	60
<b>Income (Loss) from Continuing Operations Before Income Taxes</b> .....	263	48	188	(1,582)
Income Tax Expense (Benefit) .....	(2)	1	(2)	(6)
<b>Income (Loss) from Continuing Operations After Income Taxes</b> .....	265	47	190	(1,576)
Income (Loss) from Discontinued Operations (net of income taxes) .....				39
<b>Net Income (Loss)</b> .....	265	47	190	(1,537)
Noncontrolling Interest - Loss from Discontinued Operations .....				5
<b>Net Income (Loss) Attributable to Member</b> .....	\$ 265	\$ 47	\$ 190	\$ (1,542)

The accompanying Notes to Condensed Unconsolidated Financial Statements are an integral part of the financial statements.

**SCHEDULE I - LG&E and KU Energy LLC**  
**CONDENSED UNCONSOLIDATED STATEMENTS OF CASH FLOWS**

(Millions of Dollars)

	Successor		Predecessor	
	Year Ended December 31, 2011	Two Months Ended December 31, 2010	Ten Months Ended October 31, 2010	Year Ended December 31, 2009
<b>Cash Flows from Operating Activities</b>				
Net cash provided by (used in) operating activities.....	\$ 346	\$ 53	\$ 156	\$ 63
<b>Cash Flows from Investing Activities</b>				
Capital contributions to affiliated subsidiaries.....		(3)	(525)	(75)
Net decrease (increase) in notes receivable from affiliates.....	(63)	313	234	(742)
Net cash provided by (used in) investing activities.....	(63)	310	(291)	(817)
<b>Cash Flows from Financing Activities</b>				
Net increase (decrease) in debt with affiliates.....		(208)	243	803
Repayment of short-term borrowings.....		(2,103)		
Retirement of long-term debt.....		(400)		
Issuance of long-term debt.....	250	870		
Debt-issuance costs.....		(6)		
Contribution from member.....		1,565		
Distribution to member.....	(533)	(100)		
Payment of common stock dividends.....			(87)	(49)
Net cash provided by (used in) financing activities.....	(283)	(382)	156	754
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>				
Cash and Cash Equivalents at Beginning of Period.....	2	21	21	
Cash and Cash Equivalents at End of Period.....	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 21</u>	<u>\$</u>
<b>Supplemental disclosures of cash flow information:</b>				
Cash Dividends Received from Affiliated Subsidiaries.....	\$ 207	\$	\$ 105	\$ 80

The accompanying Notes to Condensed Unconsolidated Financial Statements are an integral part of the financial statements.



**SCHEDULE I - LG&E and KU Energy LLC**  
**CONDENSED UNCONSOLIDATED BALANCE SHEETS AT DECEMBER 31,**

(Millions of Dollars)

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents .....	\$ 2	\$ 2
Accounts receivable from affiliates .....	11	61
Notes receivable from affiliates .....	1,520	787
Other current assets .....	4	
Total Current Assets .....	<u>1,537</u>	<u>850</u>
<b>Investments</b>		
Affiliated companies at equity .....	<u>4,056</u>	<u>3,998</u>
<b>Other Noncurrent Assets</b>		
Notes receivable from affiliates .....		670
Deferred income taxes .....	163	166
Other noncurrent assets .....	8	6
Total Other Noncurrent Assets .....	<u>171</u>	<u>842</u>
<b>Total Assets .....</b>	<u>\$ 5,764</u>	<u>\$ 5,690</u>
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Accounts payable to affiliates .....	\$ 701	\$ 606
Other current liabilities .....	6	7
Total Current Liabilities .....	<u>707</u>	<u>613</u>
<b>Long-term Debt</b>		
Long-term debt .....	1,120	870
Notes payable to affiliates .....	196	196
Total Long-term Debt .....	<u>1,316</u>	<u>1,066</u>
<b>Equity .....</b>	<u>3,741</u>	<u>4,011</u>
<b>Total Liabilities and Equity .....</b>	<u>\$ 5,764</u>	<u>\$ 5,690</u>

The accompanying Notes to Condensed Unconsolidated Financial Statements are an integral part of the financial statements.

## Schedule I - LG&E and KU Energy LLC Notes to Condensed Unconsolidated Financial Statements

### 1. Basis of Presentation

LG&E and KU Energy LLC (LKE) is a holding company and conducts substantially all of its business operations through its subsidiaries. Substantially all of its consolidated assets are held by such subsidiaries. Accordingly, its cash flow and its ability to meet its obligations are largely dependent upon the earnings of these subsidiaries and the distribution or other payment of such earnings to it in the form of dividends or repayment of loans and advances from the subsidiaries. These condensed financial statements and related footnotes have been prepared in accordance with Reg. §210.12-04 of Regulation S-X. These statements should be read in conjunction with the consolidated financial statements and notes thereto of LKE.

LKE indirectly or directly owns all of the ownership interests of its significant subsidiaries. LKE relies primarily on dividends from its subsidiaries to fund LKE's dividends to its member and to meet its other cash requirements.

### 2. Commitments and Contingencies

See Note 15 to LKE's consolidated financial statements for commitments and contingencies of its subsidiaries.

#### Guarantees

In connection with various divestitures, LKE has indemnified/guaranteed respective parties against certain liabilities that may arise in connection with these transactions and business activities. The terms of these indemnifications/guarantees vary, as do the expiration terms. LKE has issued direct financial guarantees to parties involved in the WKE lease termination, which occurred in July 2009. These guarantees cover the due and punctual payment, performance and discharge by each party of its respective present and future obligations. The most comprehensive of these guarantees is a guarantee covering operational, regulatory and environmental commitments and indemnifications made by WKE under the WKE Transaction Termination Agreement. This guarantee has a term of 12 years beginning on July 16, 2009 and a cumulative maximum exposure of \$200 million. Certain items, such as non-excluded government fines and penalties, fall outside the cumulative cap. Another guarantee with a maximum exposure of \$100 million covering other indemnifications expires in 2023. Certain matters are currently under discussion among the parties, including one matter currently in arbitration and a further matter for which LKE is contesting the applicability of the indemnification requirement. The matter in arbitration may be ruled upon during early 2012, which ruling may result in increases or decreases to the liability estimate LKE has currently recorded. The ultimate outcome of both matters cannot be predicted at this time. See Note 9, Discontinued Operations, for further information. Additionally, LKE has indemnified various third parties related to historical obligations for divested subsidiaries and affiliates. The indemnifications vary by entity and the maximum amounts range from being capped at the sale price to no specified maximum; however, LKE is not aware of claims made by any party at this time. LKE could be required to perform on these indemnifications in the event of covered losses or liabilities being claimed by an indemnified party. No additional material loss is anticipated by reason of such indemnifications. A subsidiary of LKE has recorded liabilities for all guarantees totaling \$11 million with respect to which LKE has certain guarantee obligations.

## QUARTERLY FINANCIAL, COMMON STOCK PRICE AND DIVIDEND DATA (Unaudited) PPL Corporation and Subsidiaries

(Millions of Dollars, except per share data)

	For the Quarters Ended (a)			
	March 31	June 30	Sept. 30	Dec. 31
<b>2011</b>				
Operating revenues .....	\$ 2,910	\$ 2,489	\$ 3,120	\$ 4,218
Operating income .....	805	595	767	934
Income from continuing operations after income taxes .....	402	201	449	458
Income (loss) from discontinued operations .....	3	(1)		
Net income.....	405	200	449	458
Net income attributable to PPL Corporation .....	401	196	444	454
Income from continuing operations after income taxes available to PPL Corporation common shareowners: (b)				
Basic EPS .....	0.82	0.35	0.76	0.78
Diluted EPS .....	0.82	0.35	0.76	0.78
Net income available to PPL Corporation common shareowners: (b)				
Basic EPS .....	0.82	0.35	0.76	0.78
Diluted EPS .....	0.82	0.35	0.76	0.78
Dividends declared per share of common stock (c) .....	0.350	0.350	0.350	0.350
Price per common share:				
High .....	\$ 26.98	\$ 28.38	\$ 29.61	\$ 30.27
Low .....	24.10	25.23	25.00	27.00
<b>2010</b>				
Operating revenues .....	\$ 3,006	\$ 1,473	\$ 2,179	\$ 1,863
Operating income .....	476	226	522	642
Income from continuing operations after income taxes .....	247	85	306	338
Income (loss) from discontinued operations .....	8	7	(53)	21
Net income.....	255	92	253	359
Net income attributable to PPL Corporation .....	250	85	248	355
Income from continuing operations after income taxes available to PPL Corporation common shareowners: (b)				
Basic EPS .....	0.64	0.20	0.62	0.69
Diluted EPS .....	0.64	0.20	0.62	0.69
Net income available to PPL Corporation common shareowners: (b)				
Basic EPS .....	0.66	0.22	0.51	0.73
Diluted EPS .....	0.66	0.22	0.51	0.73
Dividends declared per share of common stock (c) .....	0.350	0.350	0.350	0.350
Price per common share:				
High .....	\$ 32.77	\$ 28.80	\$ 28.00	\$ 28.14
Low .....	27.47	23.75	24.83	25.13

- (a) Quarterly results can vary depending on, among other things, weather and the forward pricing of power. In addition, earnings in 2011 and 2010 were affected by special items. Accordingly, comparisons among quarters of a year may not be indicative of overall trends and changes in operations.
- (b) The sum of the quarterly amounts may not equal annual earnings per share due to changes in the number of common shares outstanding during the year or rounding.
- (c) PPL has paid quarterly cash dividends on its common stock in every year since 1946. Future dividends, declared at the discretion of the Board of Directors, will be dependent upon future earnings, cash flows, financial requirements and other factors.

**QUARTERLY FINANCIAL DATA (Unaudited)**  
**PPL Electric Utilities Corporation and Subsidiaries**

(Millions of Dollars)

	For the Quarters Ended (a)			
	March 31	June 30	Sept. 30	Dec. 31
<b>2011</b>				
Operating revenues .....	\$ 558	\$ 440	\$ 455	\$ 439
Operating income .....	103	82	69	94
Net income.....	56	40	32	61
Net income available to PPL Corporation .....	52	36	28	57
<b>2010</b>				
Operating revenues .....	\$ 813	\$ 522	\$ 571	\$ 549
Operating income .....	87	56	79	62
Net income.....	42	23	40	30
Net income available to PPL Corporation .....	37	16	36	26

- (a) PPL Electric's business is seasonal in nature, with peak sales periods generally occurring in the winter and summer months. Accordingly, comparisons among quarters of a year may not be indicative of overall trends and changes in operations.

**ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS  
ON ACCOUNTING AND FINANCIAL DISCLOSURE**

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

None.

**ITEM 9A. CONTROLS AND PROCEDURES**

(a) Evaluation of disclosure controls and procedures.

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

The registrants' principal executive officers and principal financial officers, based on their evaluation of the registrants' disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934) have concluded that, as of December 31, 2011, the registrants' disclosure controls and procedures are effective to ensure that material information relating to the registrants and their consolidated subsidiaries is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms, particularly during the period for which this annual report has been prepared. The aforementioned principal officers have concluded that the disclosure controls and procedures are also effective to ensure that information required to be disclosed in reports filed under the Exchange Act is accumulated and communicated to management, including the principal executive and principal financial officers, to allow for timely decisions regarding required disclosure.

**PPL Corporation**

PPL acquired WPD Midlands on April 1, 2011. These companies are included in PPL's 2011 financial statements as of the date of the acquisition, on a one-month lag. WPD Midlands accounted for approximately 9% of PPL's net income for the twelve months ended December 31, 2011. WPD Midlands represented 19% and 27% of PPL's total assets and net assets at December 31, 2011. The internal control over financial reporting of WPD Midlands was excluded from a formal evaluation of effectiveness of PPL's disclosure controls and procedures. This decision was based upon the significance of these companies to PPL, and the timing of integration efforts underway to transition WPD Midlands' processes, information technology systems and other components of internal control over financial reporting to the internal control structure of PPL. PPL has expanded its consolidation and disclosure controls and procedures to include the acquired companies, and PPL continues to assess the current internal control over financial reporting at WPD Midlands. Risks related to the increased account balances were partially mitigated by PPL's expanded controls and PPL's existing policy of consolidating foreign subsidiaries on a one-month lag, which provided management additional time for review and analysis of WPD Midlands' results and their incorporation into PPL's consolidated financial statements.

(b) Changes in internal control over financial reporting.

**PPL Corporation**

PPL's principal executive officer and principal financial officer have concluded that a recent systems migration related to the WPD Midlands acquisition created a material change to its internal control over financial reporting. Specifically, on December 1, 2011 the use of legacy information technology systems at WPD Midlands was discontinued and the related data, processes and internal controls were migrated to the systems, processes and controls currently in place at PPL WW. Due to PPL's existing policy of consolidating foreign subsidiaries on a one-month lag, the system migration will primarily impact 2012 financial reporting for PPL and will likely have limited impact on PPL's 2011 financial reporting.

Risks related to the system migration were partially mitigated by PPL's expanded internal control over financial reporting that were implemented subsequent to the acquisition and PPL's existing policy of consolidating foreign subsidiaries on a one-month lag, which provided management additional time for review and analysis of WPD Midlands' results and their incorporation into PPL's consolidated financial statements. PPL continues to assess the

internal control over financial reporting at WPD subsequent to the December 1, 2011 system migration.

The aforementioned principal executive officer and principal financial officer have concluded that there were no other changes in the registrant's internal control over financial reporting during the registrant's fourth fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

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

The registrants' principal executive officers and principal financial officers have concluded that there were no changes in the registrants' internal control over financial reporting during the registrants' fourth fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrants' internal control over financial reporting.

**Management's Report on Internal Control over Financial Reporting**

**PPL Corporation**

PPL's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f) or 15d-15(f). PPL's internal control over financial reporting is a process designed to provide reasonable assurance to PPL's management and Board of Directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in "Internal Control - Integrated Framework," our management concluded that our internal control over financial reporting was effective as of December 31, 2011. The effectiveness of our internal control over financial reporting has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report contained on page 195.

In accordance with SEC rules, management excluded WPD Midlands from its evaluation of internal control over financial reporting due to the significance of these companies to PPL's financial results and the migration of WPD Midlands' legacy information technology systems, processes and controls to those at PPL WW. WPD Midlands accounted for 9% of PPL's net income for the year ended December 31, 2011. WPD Midlands represented 19% and 27% of PPL's consolidated total assets and net assets, respectively, at December 31, 2011. As discussed above, PPL Corporation is continuing to enhance and evaluate processes, information technology systems and other components of internal control over financial reporting as part of its ongoing integration activities.

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

Management of PPL's non-accelerated filer companies, PPL Energy Supply, PPL Electric, LKE, LG&E and KU, are responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f) or 15d-15(f). PPL's internal control over financial reporting is a process designed to provide reasonable assurance to PPL's management and Board of Directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements.

Under the supervision and with the participation of our management, including our principal executive officers and principal financial officers, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in "Internal Control - Integrated Framework," our management concluded that our internal control over financial reporting was effective as of December 31, 2011. This annual report does not include an attestation report of Ernst & Young LLP, the companies' independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the companies' registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit the companies to provide only management's report in this annual report.

#### **ITEM 9B. OTHER INFORMATION**

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

None.

#### **PART III**

#### **ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

##### **PPL Corporation**

Additional information for this item will be set forth in the sections entitled "Nominees for Directors," "Board Committees - Audit Committee" and "Section 16(a) Beneficial Ownership Reporting Compliance" in PPL's 2012 Notice of Annual Meeting and Proxy Statement, which will be filed with the SEC not later than 120 days after December 31, 2011, and which information is incorporated herein by reference. There have been no changes to the procedures by which shareowners may recommend nominees to PPL's board of directors since the filing with the SEC of PPL's 2011 Notice of Annual Meeting and Proxy Statement. Information required by this item concerning the executive officers of PPL is set forth at the end of Part I of this report.

PPL has adopted a code of ethics entitled "Standards of Integrity" that applies to all directors, managers, trustees, officers (including the principal executive officers, principal financial officers and principal accounting officers (each, a "principal officer")), employees and agents of PPL and PPL's subsidiaries for which it has operating control (including PPL Energy Supply, PPL Electric, LKE, LG&E and KU). The "Standards of Integrity" are posted on PPL's Internet website: [www.pplweb.com/about/corporate+governance](http://www.pplweb.com/about/corporate+governance). A description of any amendment to the "Standards of Integrity" (other than a technical, administrative or other non-substantive amendment) will be posted on PPL's Internet website within four business days following the date of the amendment. In addition, if a waiver constituting a material departure from a provision of the "Standards of Integrity" is granted to one of the principal officers, a description of the nature of the waiver, the name of the person to whom the waiver was granted and the date of the waiver will be posted on PPL's Internet website within four business days following the date of the waiver.

PPL also has adopted its "Guidelines for Corporate Governance," which address, among other things, director qualification standards and director and board committee responsibilities. These guidelines, and the charters of each of the committees of PPL's board of directors, are posted on PPL's Internet website: [www.pplweb.com/about/corporate+governance](http://www.pplweb.com/about/corporate+governance).

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

Item 10 is omitted as PPL Energy Supply, PPL Electric, LKE, LG&E and KU meet the conditions set forth in General Instruction (I)(1)(a) and (b) of Form 10-K.

**EXECUTIVE OFFICERS OF THE REGISTRANTS**

Officers of the Registrants are elected annually by their Boards of Directors (or Board of Managers for PPL Energy Supply) to serve at the pleasure of the respective Boards. There are no family relationships among any of the executive officers, nor is there any arrangement or understanding between any executive officer and any other person pursuant to which the officer was selected.

There have been no events under any bankruptcy act, no criminal proceedings and no judgments or injunctions material to the evaluation of the ability and integrity of any executive officer during the past five years.

Listed below are the executive officers at December 31, 2011.

**PPL Corporation**

<u>Name</u>	<u>Age</u>	<u>Positions Held During the Past Five Years</u>	<u>Dates</u>
James H. Miller (a)	63	Chairman Chief Executive Officer President	October 2006 - present October 2006 - November 2011 August 2005 - July 2011
William H. Spence (b)	54	President and Chief Executive Officer President-PPL Generation President and Chief Operating Officer Executive Vice President and Chief Operating Officer	November 2011 - present June 2008 - present July 2011 - November 2011 June 2006 - July 2011
Paul A. Farr	44	Executive Vice President and Chief Financial Officer Senior Vice President-Financial	April 2007 - present January 2006 - March 2007
Robert J. Grey	61	Senior Vice President, General Counsel and Secretary	March 1996 - present
David G. DeCampli (c)	54	President-PPL Electric Senior Vice President-Transmission and Distribution Engineering and Operations-PPL Electric	April 2007 - present December 2006 - April 2007
Robert D. Gabbard (c)	52	President-PPL EnergyPlus Senior Vice President-Trading-PPL EnergyPlus Senior Vice President Merchant Trading Operations- Conectiv Energy	June 2008 - present June 2008 - June 2008 June 2005 - May 2008
Rick L. Klingensmith (c)	51	President-PPL Global	August 2004 - present
Victor A. Staffieri (c)	56	Chairman of the Board, President and Chief Executive Officer-LKE	May 2001 - present
James E. Abel	59	Senior Vice President-Finance and Treasurer Vice President-Finance and Treasurer	August 2010 - present June 1999 - August 2010
J. Matt Simmons, Jr. (c)	46	Vice President-Risk Management and Chief Risk Officer Vice President and Controller	September 2009 - present January 2006 - March 2010
Vincent Sorgi	40	Vice President and Controller Controller-Supply Accounting Controller-PPL EnergyPlus Financial Director-Supply-PPL Generation	March 2010 - present June 2008 - March 2010 April 2007 - June 2008 April 2006 - April 2007

- (a) On July 22, 2011, James H. Miller resigned as President. On November 17, 2011, he also resigned as Chief Executive Officer. Mr. Miller has announced he will be retiring, effective April 1, 2012.
- (b) On July 22, 2011, William H. Spence resigned as Executive Vice President and was elected President and Chief Operating Officer. On November 17, 2011, he also resigned as Chief Operating Officer and was elected President and Chief Executive Officer.
- (c) Designated an executive officer of PPL by virtue of their respective positions at a PPL subsidiary.





**ITEM 11. EXECUTIVE COMPENSATION****PPL Corporation**

Information for this item will be set forth in the sections entitled "Compensation of Directors," "Compensation Committee Interlocks and Insider Participation" and "Executive Compensation" in PPL's 2012 Notice of Annual Meeting and Proxy Statement, which will be filed with the SEC not later than 120 days after December 31, 2011, and which information is incorporated herein by reference.

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

Item 11 is omitted as PPL Energy Supply, PPL Electric, LKE, LG&E and KU meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS****PPL Corporation**

Information for this item will be set forth in the section entitled "Stock Ownership" in PPL's 2012 Notice of Annual Meeting and Proxy Statement, which will be filed with the SEC not later than 120 days after December 31, 2011, and which information is incorporated herein by reference. In addition, provided below in tabular format is information as of December 31, 2011, with respect to compensation plans (including individual compensation arrangements) under which equity securities of PPL are authorized for issuance.

**Equity Compensation Plan Information**

	Number of securities to be issued upon exercise of outstanding options, warrants and rights (3)	Weighted-average exercise price of outstanding options, warrants and rights (3)	Number of securities remaining available for future issuance under equity compensation plans (4)
Equity compensation plans approved by security holders (1)	4,559,845 - ICP <u>2,970,353</u> - ICPKE 7,530,198 - Total	\$ 30.90 - ICP \$ 30.28 - ICPKE \$ 30.65 - Combined	1,107,321 - ICP 7,608,727 - ICPKE <u>14,452,166</u> - DDCP 23,168,214 - Total
Equity compensation plans not approved by security holders (2)			

- (1) Includes (a) the Amended and Restated Incentive Compensation Plan (ICP), under which stock options, restricted stock, restricted stock units, performance units, dividend equivalents and other stock-based awards may be awarded to executive officers of PPL; (b) the Amended and Restated Incentive Compensation Plan for Key Employees (ICPKE), under which stock options, restricted stock, restricted stock units, performance units, dividend equivalents and other stock-based awards may be awarded to non-executive key employees of PPL and its subsidiaries; and (c) the Directors Deferred Compensation Plan (DDCP), under which stock units may be awarded to directors of PPL. See Note 12 to the Financial Statements for additional information.
- (2) All of PPL's current compensation plans under which equity securities of PPL are authorized for issuance have been approved by PPL's shareowners.
- (3) Relates to common stock issuable upon the exercise of stock options awarded under the ICP and ICPKE as of December 31, 2011. In addition, as of December 31, 2011, the following other securities had been awarded and are outstanding under the ICP, ICPKE and DDCP: 45,400 shares of restricted stock, 549,805 restricted stock units and 236,714 performance units under the ICP; 24,600 shares of restricted stock, 1,420,230 restricted stock units and 161,894 performance units under the ICPKE; and 425,306 stock units under the DDCP.

- (4) Based upon the following aggregate award limitations under the ICP, ICPKE and DDCP: (a) under the ICP, 15,769,431 awards (i.e., 5% of the total PPL common stock outstanding as of April 23, 1999) granted after April 23, 1999; (b) under the ICPKE, 16,573,608 awards (i.e., 5% of the total PPL common stock outstanding as of January 1, 2003) granted after April 25, 2003, reduced by outstanding awards for which common stock was not yet issued as of such date of 2,373,812 resulting in a limit of 14,199,796; and (c) under the DDCP, 15,052,856 securities. In addition, each of the ICP and ICPKE includes an annual award limitation of 2% of total PPL common stock outstanding as of January 1 of each year.

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

Item 12 is omitted as PPL Energy Supply, PPL Electric, LKE, LG&E and KU meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

**PPL Corporation**

Information for this item will be set forth in the sections entitled "Transactions with Related Persons" and "Independence of Directors" in PPL's 2012 Notice of Annual Meeting and Proxy Statement, which will be filed with the SEC not later than 120 days after December 31, 2011, and is incorporated herein by reference.

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

Item 13 is omitted as PPL Energy Supply, PPL Electric, LKE, LG&E and KU meet the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K.

**ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES**

**PPL Corporation**

Information for this item will be set forth in the section entitled "Fees to Independent Auditor for 2011 and 2010" in PPL's 2012 Notice of Annual Meeting and Proxy Statement, which will be filed with the SEC not later than 120 days after December 31, 2011, and which information is incorporated herein by reference.

**PPL Energy Supply, LLC**

The following table presents an allocation of fees billed, including expenses, by Ernst & Young LLP (EY) to PPL for the fiscal years ended December 31, 2011 and 2010, for professional services rendered for the audit of PPL Energy Supply's annual financial statements and for fees billed for other services rendered by EY.

	<u>2011</u>	<u>2010</u>
	(in thousands)	
Audit fees (a)	\$ 1,701	\$ 2,581
Audit-related fees (b)	9	16
Tax fees (c)	518	375
All other fees (d)		118

- (a) Includes estimated fees for audit of annual financial statements and review of financial statements included in PPL Energy Supply's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.
- (b) Fees for performance of specific agreed-upon procedures.

- (c) Includes fees for tax advice in connection with a tax basis and earnings and profit study, a private letter ruling related to the sale of Safe Harbor, the funding of the Western Power Utilities Pension Scheme, review and consultation related to PPL's recognition of tax benefits resulting from U.S. Court decisions, consultation and analysis related to non-income tax process improvements initiated by PPL and review, consultation and analysis related to investment tax credits and related capital expenditures on certain hydro-electric plant upgrades.
- (d) Fees related to access to an EY online accounting research tool and an International Financial Reporting Standards diagnostic readiness assessment.

### PPL Electric Utilities Corporation

The following table presents an allocation of fees billed, including expenses, by EY to PPL for the fiscal years ended December 31, 2011 and 2010, for professional services rendered for the audit of PPL Electric's annual financial statements and for fees billed for other services rendered by EY.

	<u>2011</u>	<u>2010</u>
	(in thousands)	
Audit fees (a)	\$ 1,193	\$ 810
Audit-related fees (b)	45	21
Tax fees (c)	19	58
All other fees (d)		42

- (a) Includes estimated fees for audit of annual financial statements and review of financial statements included in PPL Electric's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.
- (b) Fees for consultation on a transmission and distribution study and performance of specific agreed-upon procedures.
- (c) Fees for consultation and analysis related to non-income tax process improvements initiated by PPL and review and consultation related to tax impacts resulting from U.S. Court decisions.
- (d) Fees related to access to an EY online accounting research tool and an International Financial Reporting Standards diagnostic readiness assessment.

### LG&E and KU Energy LLC

For the fiscal year ended 2011, EY served as LKE's independent auditor. For the fiscal year ended 2010, PricewaterhouseCoopers LLP (PwC) served as LKE's independent auditor. The following table presents an allocation of fees billed, including expenses, by EY and PwC to LKE for the fiscal years ended December 31, 2011 and 2010, for professional services rendered for the audits of LKE's annual financial statements and for fees billed for other services rendered by EY and PwC.

	<u>Successor</u>	<u>Predecessor</u>
	<u>2011</u>	<u>2010</u>
	(in thousands)	
Audit fees (a)	\$ 1,528	\$ 1,964
Tax fees		6
All other fees		2

- (a) Includes estimated fees for audit of annual financial statements and review of financial statements included in LKE's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.

### Louisville Gas and Electric Company

For the fiscal year ended 2011, EY served as LG&E's independent auditor. For the fiscal year ended 2010, PwC served as LG&E's independent auditor. The following table presents an allocation of fees billed, including expenses, by EY and

PwC to LG&E for the fiscal years ended December 31, 2011 and 2010, for professional services rendered for the audits of LG&E's annual financial statements and for fees billed for other services rendered by EY and PwC.

	<u>Successor</u> <u>2011</u>	<u>Predecessor</u> <u>2010</u>
	(in thousands)	
Audit fees (a)	\$ 552	\$ 871
All other fees		1

- (a) Includes estimated fees for audit of annual financial statements and review of financial statements included in LG&E's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.

### Kentucky Utilities Company

For the fiscal year ended 2011, EY served as KU's independent auditor. For the fiscal year ended 2010, PwC served as KU's independent auditor. The following table presents an allocation of fees billed, including expenses, by EY and PwC to KU for the fiscal years ended December 31, 2011 and 2010, for professional services rendered for the audits of KU's annual financial statements and for fees billed for other services rendered by EY and PwC.

	<u>Successor</u> <u>2011</u>	<u>Predecessor</u> <u>2010</u>
	(in thousands)	
Audit fees (a)	\$ 552	\$ 811
Tax fees		6
All other fees		1

- (a) Includes estimated fees for audit of annual financial statements and review of financial statements included in KU's Quarterly Reports on Form 10-Q and for services in connection with statutory and regulatory filings or engagements, including comfort letters and consents for financings and filings made with the SEC.

### PPL Corporation, PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company

Approval of Fees The Audit Committee of PPL has procedures for pre-approving audit and non-audit services to be provided by the independent auditor. These procedures are designed to ensure the continued independence of the independent auditor. More specifically, the use of the independent auditor to perform either audit or non-audit services is prohibited unless specifically approved in advance by the Audit Committee of PPL. As a result of this approval process, the Audit Committee of PPL has pre-approved specific categories of services and authorization levels. All services outside of the specified categories and all amounts exceeding the authorization levels are approved by the Chair of the Audit Committee of PPL, who serves as the Committee designee to review and approve audit and non-audit related services during the year. A listing of the approved audit and non-audit services is reviewed with the full Audit Committee of PPL no later than its next meeting.

The Audit Committee of PPL approved 100% of the 2011 and 2010 services provided by EY.

The Audit Committee of PPL approved 100% of the 2010 services provided by PwC to LKE, LG&E and KU following their acquisition by PPL. Prior to the November 2010 acquisition of LKE by PPL, the Audit Committee of LKE, LG&E and KU maintained procedures for pre-approval of independent auditor services and fees substantially similar to those described above. The LKE, LG&E and KU Audit Committee approved 100% of the 2010 services provided by PwC prior to the PPL acquisition.

**PART IV**

**ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES**

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

(a) The following documents are filed as part of this report:

1. Financial Statements - Refer to the "Table of Contents" for an index of the financial statements included in this report.
2. Supplementary Data and Supplemental Financial Statement Schedule - included in response to Item 8.

Schedule I - PPL Corporation Condensed Unconsolidated Financial Statements.

Schedule I - LG&E and KU Energy LLC Condensed Unconsolidated Financial Statements.

All other schedules are omitted because of the absence of the conditions under which they are required or because the required information is included in the financial statements or notes thereto.

3. Exhibits

See Exhibit Index immediately following the signature pages.

**SHAREOWNER AND INVESTOR INFORMATION**

**Annual Meetings:** The 2012 annual meeting of shareowners of PPL will be held on Wednesday, May 16, 2012, at the Zoellner Arts Center, on the campus of Lehigh University in Bethlehem, Pennsylvania, in Northampton County.

**Proxy and Information Statement Material:** A proxy statement and notice of PPL's annual meeting is mailed to all shareowners of record as of February 29, 2012.

**PPL Annual Report:** The report is published and mailed in the beginning of April to all shareowners of record. The latest annual report can be accessed at [www.pplweb.com](http://www.pplweb.com). If you have more than one account, or if there is more than one investor in your household, you may call the PPL Shareowner Information Line to request that only one annual report be delivered to your address. Please provide account numbers for all duplicate mailings.

**Dividends:** Subject to the declaration of dividends on PPL common stock by the PPL Board of Directors or its Executive Committee and PPL Electric preference stock by the PPL Electric Board of Directors, dividends are paid on the first business day of April, July, October and January. The 2012 record dates for dividends are expected to be March 9, June 8, September 10 and December 10.

**Direct Deposit of Dividends:** Shareowners may choose to have their dividend checks deposited directly into their checking or savings account.

**PPL Shareowner Information Line (1-800-345-3085):** Shareowners can get detailed corporate and financial information 24 hours a day using the PPL Shareowner Information Line. They can hear timely recorded messages about earnings, dividends and other company news releases; request information by fax; and request printed materials in the mail. Other PPL publications, such as the annual and quarterly reports to the Securities and Exchange Commission (Forms 10-K and 10-Q), will be mailed upon request, or write to:

Manager - PPL Investor Services  
Two North Ninth Street (GENTW13)  
Allentown, PA 18101

FAX: 610-774-5106  
Via email: [invserv@pplweb.com](mailto:invserv@pplweb.com)

**PPL's Website ([www.pplweb.com](http://www.pplweb.com)):** Shareowners can access PPL Securities and Exchange Commission filings, corporate governance materials, news releases, stock quotes and historical performance. Visitors to our website can provide their email address and indicate their desire to receive future earnings or news releases automatically.

**Shareowner Inquiries:**

PPL Shareowner Services  
Wells Fargo Bank, N.A.  
161 North Concord Exchange  
South St. Paul, MN 55075-1139

Toll Free: 1-800-345-3085  
Outside U.S.: 651-453-2129  
FAX: 651-450-4085  
[www.wellsfargo.com/shareownerservices](http://www.wellsfargo.com/shareownerservices)

**Online Account Access:** Registered shareowners can access account information by visiting [www.shareowneronline.com](http://www.shareowneronline.com).

**Dividend Reinvestment and Direct Stock Purchase Plan (Plan):** PPL offers its existing shareowners, employees and new investors the opportunity to acquire shares of PPL common stock through its Plan. Shareowners may choose to have dividends on their PPL common stock fully or partially reinvested in PPL common stock or can



receive full payment of cash dividends by check or EFT. Participants in the Plan may choose to have their common stock certificates deposited into their Plan account.

**Direct Registration System:** PPL participates in the Direct Registration System (DRS). Shareowners may choose to have their common stock certificates deposited into the DRS.

**Listed Securities:**

**New York Stock Exchange**

**PPL Corporation:**

Common Stock (Code: PPL)

Corporate Units issued 2010 (Code: PPLPRU)

Corporate Units issued 2011 (Code: PPLPRW)

**PPL Capital Funding, Inc.:**

2007 Series A Junior Subordinated Notes due 2067 (Code: PPL/67)

6.85% Senior Notes due 2047 (Code: PLV)

**Fiscal Agents:**

**Stock Transfer Agent and Registrar; Dividend Reinvestment Plan Agent**

Wells Fargo Bank, N.A.  
Shareowner Services  
161 North Concord Exchange  
South St. Paul, MN 55075-1139

Toll Free: 1-800-345-3085  
Outside U.S.: 651-453-2129

**Dividend Disbursing Office**

PPL Investor Services  
Two North Ninth Street (GENTW13)  
Allentown, PA 18101

FAX: 610-774-5106  
Via email: [invserv@pplweb.com](mailto:invserv@pplweb.com)

Or call the PPL Shareowner Information Line  
Toll Free: 1-800-345-3085

**1945 Mortgage Bond Trustee, Transfer and Bond Interest Paying Agent**

Deutsche Bank Trust Company Americas  
5022 Gate Parkway (Suite 200)  
Jacksonville, FL 32256

Toll Free: 1-800-735-7777  
FAX: 615-866-3887

**Indenture Trustee**

The Bank of New York Mellon  
101 Barclay Street  
New York, NY 10286

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**PPL Corporation**

(Registrant)

By /s/ William H. Spence

\_\_\_\_\_  
William H. Spence -

President and  
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

By /s/ William H. Spence

\_\_\_\_\_  
William H. Spence -

President and  
Chief Executive Officer  
(Principal Executive Officer)

By /s/ Paul A. Farr

\_\_\_\_\_  
Paul A. Farr -

Executive Vice President and  
Chief Financial Officer  
(Principal Financial Officer)

By /s/ Vincent Sorgi

\_\_\_\_\_  
Vincent Sorgi -

Vice President and Controller  
(Principal Accounting Officer)

Directors:

Frederick M. Bernthal  
John W. Conway  
Steven G. Elliott  
Louise K. Goeser  
Stuart E. Graham  
Stuart Heydt

Venkata Rajamannar Madabhushi  
James H. Miller  
Craig A. Rogerson  
William H. Spence  
Natica von Althann  
Keith H. Williamson

By /s/ William H. Spence

William H. Spence, Attorney-in-fact

Date: February 28, 2012

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**PPL Energy Supply, LLC**  
(Registrant)

By /s/ James H. Miller

\_\_\_\_\_  
James H. Miller -  
President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

By /s/ James H. Miller

\_\_\_\_\_  
James H. Miller -  
President  
(Principal Executive Officer)

By /s/ Paul A. Farr

\_\_\_\_\_  
Paul A. Farr -  
Executive Vice President  
(Principal Financial Officer)

By /s/ Vincent Sorgi

\_\_\_\_\_  
Vincent Sorgi -  
Vice President and Controller  
(Principal Accounting Officer)

Managers:

/s/ James H. Miller

\_\_\_\_\_  
James H. Miller

/s/ Paul A. Farr

\_\_\_\_\_  
Paul A. Farr

/s/ Robert J. Grey

\_\_\_\_\_  
Robert J. Grey

/s/ William H. Spence

\_\_\_\_\_  
William H. Spence

Date: February 28, 2012

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**PPL Electric Utilities Corporation**

(Registrant)

By /s/ David G. DeCampli

\_\_\_\_\_  
David G. DeCampli -  
President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

By /s/ David G. DeCampli

\_\_\_\_\_  
David G. DeCampli -  
President  
(Principal Executive Officer)

By /s/ Vincent Sorgi

\_\_\_\_\_  
Vincent Sorgi -  
Vice President and Chief Accounting Officer  
(Principal Financial and Accounting Officer)

Directors:

/s/ James H. Miller

\_\_\_\_\_  
James H. Miller

/s/ William H. Spence

\_\_\_\_\_  
William H. Spence

/s/ Paul A. Farr

\_\_\_\_\_  
Paul A. Farr

/s/ David G. DeCampli

\_\_\_\_\_  
David G. DeCampli

/s/ Robert J. Grey

\_\_\_\_\_  
Robert J. Grey

/s/ Dean A. Christiansen

\_\_\_\_\_  
Dean a. Christiansen

Date: February 28, 2012

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**LG&E and KU Energy LLC**

(Registrant)

By /s/ Victor A. Staffieri

Victor A. Staffieri -  
Chairman, Chief Executive Officer and  
President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

By /s/ Victor A. Staffieri

Victor A. Staffieri -  
Chairman, Chief Executive Officer and  
President  
(Principal Executive Officer)

By /s/ Kent W. Blake

Kent W. Blake -  
Chief Financial Officer  
(Principal Financial Officer and  
Principal Accounting Officer)

Directors:

/s/ Paul A. Farr

Paul A. Farr

/s/ William H. Spence

William H. Spence

/s/ Chris Hermann

Chris Hermann

/s/ Victor A. Staffieri

Victor A. Staffieri

/s/ John R. McCall

John R. McCall

/s/ Paul W. Thompson

Paul W. Thompson

/s/ S. Bradford Rives

S. Bradford Rives

Date: February 28, 2012

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Louisville Gas and Electric Company**

(Registrant)

By /s/ Victor A. Staffieri

Victor A. Staffieri -  
Chairman, Chief Executive Officer and  
President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

By /s/ Victor A. Staffieri

Victor A. Staffieri -  
Chairman, Chief Executive Officer and  
President  
(Principal Executive Officer)

By /s/ Kent W. Blake

Kent W. Blake -  
Chief Financial Officer  
(Principal Financial Officer and  
Principal Accounting Officer)

Directors:

/s/ Paul A. Farr

Paul A. Farr

/s/ William H. Spence

William H. Spence

/s/ Chris Hermann

Chris Hermann

/s/ Victor A. Staffieri

Victor A. Staffieri

/s/ John R. McCall

John R. McCall

/s/ Paul W. Thompson

Paul W. Thompson

/s/ S. Bradford Rives

S. Bradford Rives

Date: February 28, 2012



SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Kentucky Utilities Company**

(Registrant)

By /s/ Victor A. Staffieri

Victor A. Staffieri -  
Chairman, Chief Executive Officer and  
President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

By /s/ Victor A. Staffieri

Victor A. Staffieri -  
Chairman, Chief Executive Officer and  
President  
(Principal Executive Officer)

By /s/ Kent W. Blake

Kent W. Blake -  
Chief Financial Officer  
(Principal Financial Officer and  
Principal Accounting Officer)

Directors:

/s/ Paul A. Farr

Paul A. Farr

/s/ William H. Spence

William H. Spence

/s/ Chris Hermann

Chris Hermann

/s/ Victor A. Staffieri

Victor A. Staffieri

/s/ John R. McCall

John R. McCall

/s/ Paul W. Thompson

Paul W. Thompson

/s/ S. Bradford Rives

S. Bradford Rives

Date: February 28, 2012

EXHIBIT INDEX

The following Exhibits indicated by an asterisk preceding the Exhibit number are filed herewith. The balance of the Exhibits have heretofore been filed with the Commission and pursuant to Rule 12(b)-32 are incorporated herein by reference. Exhibits indicated by a [ ] are filed or listed pursuant to Item 601(b)(10)(iii) of Regulation S-K.

- 3(a) - Amended and Restated Articles of Incorporation of PPL Corporation, effective as of May 21, 2008 (Exhibit 3(i) to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 21, 2008)
- 3(b) - Amended and Restated Articles of Incorporation of PPL Electric Utilities Corporation, effective as of May 2, 2006 (Exhibit 3(a) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended March 31, 2006)
- 3(c)-1 - Certificate of Formation of PPL Energy Supply, LLC, effective as of November 14, 2000 (Exhibit 3.1 to PPL Energy Supply, LLC Form S-4 (Registration Statement No. 333-74794))
- \*3(c)-2 - Certificate of Amendment of PPL Energy Supply, LLC, effective as of November 12, 2002
- 3(d) - Amended and Restated Bylaws of PPL Corporation, effective as of May 19, 2010 (Exhibit 99.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 24, 2010)
- 3(e) - Amended and Restated Bylaws of PPL Electric Utilities Corporation, effective as of March 30, 2006 (Exhibit 3.2 to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated March 30, 2006)
- 3(f) - Limited Liability Company Agreement of PPL Energy Supply, LLC, effective as of March 20, 2001 (Exhibit 3.2 to PPL Energy Supply, LLC Form S-4 (Registration Statement No. 333-74794))
- 3(g) - Articles of Organization of LG&E and KU Energy LLC, effective as of December 29, 2003 (Exhibit 3(a) to Registration Statement filed on Form S-4 (File No. 333-173665))
- 3(h) - Amended and Restated Operating Agreement of LG&E and KU Energy LLC, effective as of November 1, 2010 (Exhibit 3(b) to Registration Statement filed on Form S-4 (File No. 333-173665))
- 3(i)-1 - Amended and Restated Articles of Incorporation of Louisville Gas and Electric Company, effective as of November 6, 1996 (Exhibit 3(a) to Registration Statement filed on Form S-4 (File No. 333-173676))
- 3(i)-2 - Articles of Amendment to Articles of Incorporation of Louisville Gas and Electric Company, effective as of April 6, 2004 (Exhibit 3(b) to Registration Statement filed on Form S-4 (File No. 333-173676))
- 3(j) - Bylaws of Louisville Gas and Electric Company, effective as of December 16, 2003 (Exhibit 3(c) to Registration Statement filed on Form S-4 (File No. 333-173676))
- 3(k)-1 - Amended and Restated Articles of Incorporation of Kentucky Utilities Company, effective as of December 14, 1993 (Exhibit 3(a) to Registration Statement filed on Form S-4 (File No. 333-173675))
- 3(k)-2 - Articles of Amendment to Articles of Incorporation of Kentucky Utilities Company, effective as of April 8, 2004 (Exhibit 3(b) to Registration Statement filed on Form S-4 (File No. 333-173675))
- 3(l) - Bylaws of Kentucky Utilities Company, effective as of December 16, 2003 (Exhibit 3(c) to Registration Statement filed on Form S-4 (File No. 333-173675))
- 4(a) - Pollution Control Facilities Loan Agreement, dated as of May 1, 1973, between PPL Electric Utilities Corporation and the Lehigh County Industrial Development Authority (Exhibit 5(z) to Registration

Statement No. 2-60834)

- 4(b)-1 - Amended and Restated Employee Stock Ownership Plan, dated January 12, 2007 (Exhibit 4(a) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- 4(b)-2 - Amendment No. 1 to said Employee Stock Ownership Plan, dated July 2, 2007 (Exhibit 4(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2007)
- 4(b)-3 - Amendment No. 2 to said Employee Stock Ownership Plan, dated December 13, 2007 (Exhibit 4(a)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2007)
- 4(b)-4 - Amendment No. 3 to said Employee Stock Ownership Plan, dated August 19, 2009 (Exhibit 4(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September 30, 2009)
- 4(b)-5 - Amendment No. 4 to said Employee Stock Ownership Plan, dated December 2, 2009 (Exhibit 4(a)-5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2009)
- 4(b)-6 - Amendment No. 5 to said Employee Stock Ownership Plan, dated November 17, 2010 (Exhibit 4(b)-6 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(c) - Trust Deed constituting £150 million 9 ¼ percent Bonds due 2020, dated November 9, 1995, between South Wales Electric plc and Bankers Trustee Company Limited (Exhibit 4(k) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2004)
- 4(d)-1 - Indenture, dated as of November 1, 1997, among PPL Corporation, PPL Capital Funding, Inc. and JPMorgan Chase Bank (formerly The Chase Manhattan Bank), as Trustee (Exhibit 4.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated November 12, 1997)
- 4(d)-2 - Supplemental Indenture No. 7, dated as of July 1, 2007, to said Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated July 16, 2007)
- 4(e) - Indenture, dated as of March 16, 2001, among WPD Holdings UK, Bankers Trust Company, as Trustee, Principal Paying Agent, and Transfer Agent and Deutsche Bank Luxembourg, S.A., as Paying and Transfer Agent (Exhibit 4(g) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2009)
- 4(f)-1 - Indenture, dated as of August 1, 2001, by PPL Electric Utilities Corporation and JPMorgan Chase Bank (formerly The Chase Manhattan Bank), as Trustee (Exhibit 4.1 to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 21, 2001)
- 4(f)-2 - Supplemental Indenture No. 4, dated as of February 1, 2005, to said Indenture (Exhibit 4(g)-5 to PPL Electric Utilities Corporation Form 10-K Report (File No. 1-905) for the year ended December 31, 2004)
- 4(f)-3 - Supplemental Indenture No. 5, dated as of May 1, 2005, to said Indenture (Exhibit 4(b) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended June 30, 2005)
- 4(f)-4 - Supplemental Indenture No. 6, dated as of December 1, 2005, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated December 22, 2005)
- 4(f)-5 - Supplemental Indenture No. 7, dated as of August 1, 2007, to said Indenture (Exhibit 4(b) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 14, 2007)
- 4(f)-6 - Supplemental Indenture No. 9, dated as of October 1, 2008, to said Indenture (Exhibit 4(c) to PPL

Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated October 31, 2008)

- 4(f)-7 - Supplemental Indenture No. 10, dated as of May 1, 2009, to said Indenture (Exhibit 4(b) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated May 22, 2009)
- 4(f)-8 - Supplemental Indenture No. 11, dated as of July 1, 2011, to said Indenture (Exhibit 4.1 to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated July 13, 2011)
- 4(f)-9 - Supplemental Indenture No. 12, dated as of July 1, 2011, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated July 18, 2011)
- 4(f)-10 - Supplemental Indenture No. 13, dated as of August 1, 2011, to said Indenture (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 23, 2011)
- 4(g)-1 - Indenture, dated as of October 1, 2001, by PPL Energy Supply, LLC and JPMorgan Chase Bank (formerly The Chase Manhattan Bank), as Trustee (Exhibit 4.1 to PPL Energy Supply, LLC Form S-4 (Registration Statement No. 333-74794))
- 4(g)- 2 - Supplemental Indenture No. 2, dated as of August 15, 2004, to said Indenture (Exhibit 4(h)-4 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2004)
- 4(g)-3 - Supplemental Indenture No. 3, dated as of October 15, 2005, to said Indenture (Exhibit 4(a) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated October 28, 2005)
- 4(g)-4 - Form of Note for PPL Energy Supply, LLC's \$300 million aggregate principal amount of 5.70% REset Put Securities due 2035 (REPS<sup>SM</sup>) (Exhibit 4(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated October 28, 2005)
- 4(g)-5 - Supplemental Indenture No. 4, dated as of May 1, 2006, to said Indenture (Exhibit 4(a) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended June 30, 2006)
- 4(g)-6 - Supplemental Indenture No. 6, dated as of July 1, 2006, to said Indenture (Exhibit 4(c) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended June 30, 2006)
- 4(g)-7 - Supplemental Indenture No. 7, dated as of December 1, 2006, to said Indenture (Exhibit 4(f)-10 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2006)
- 4(g)-8 - Supplemental Indenture No. 8, dated as of December 1, 2007, to said Indenture (Exhibit 4(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated December 20, 2007)
- 4(g)-9 - Supplemental Indenture No. 9, dated as of March 1, 2008, to said Indenture (Exhibit 4(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated March 14, 2008)
- 4(g)-10 - Supplemental Indenture No. 10, dated as of July 1, 2008, to said Indenture (Exhibit 4(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated July 21, 2008)
- 4(g)-11 - Supplemental Indenture No. 11, dated as of December 1, 2011, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-1149) dated December 16, 2011)
- 4(h)-1 - Trust Deed constituting £200 million 5.875 percent Bonds due 2027, dated March 25, 2003, between Western Power Distribution (South West) plc and J.P. Morgan Corporate Trustee Services Limited (Exhibit 4(o)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2004)

- 4(h)-2 - Supplement, dated May 27, 2003, to said Trust Deed, constituting £50 million 5.875 percent Bonds due 2027 (Exhibit 4(o)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2004)
- 4(i)-1 - Pollution Control Facilities Loan Agreement, dated as of February 1, 2005, between PPL Electric Utilities Corporation and the Lehigh County Industrial Development Authority (Exhibit 10(ff) to PPL Electric Utilities Corporation Form 10-K Report (File No. 1-905) for the year ended December 31, 2004)
- 4(i)-2 - Pollution Control Facilities Loan Agreement, dated as of May 1, 2005, between PPL Electric Utilities Corporation and the Lehigh County Industrial Development Authority (Exhibit 10(a) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended June 30, 2005)
- 4(i)-3 - Pollution Control Facilities Loan Agreement, dated as of October 1, 2008, between Pennsylvania Economic Development Financing Authority and PPL Electric Utilities Corporation (Exhibit 4(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated October 31, 2008)
- 4(j) - Trust Deed constituting £105 million 1.541 percent Index-Linked Notes due 2053, dated December 1, 2006, between Western Power Distribution (South West) plc and HSBC Trustee (CI) Limited (Exhibit 4(i) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- 4(k) - Trust Deed constituting £120 million 1.541 percent Index-Linked Notes due 2056, dated December 1, 2006, between Western Power Distribution (South West) plc and HSBC Trustee (CI) Limited (Exhibit 4(j) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- 4(l) - Trust Deed constituting £225 million 4.80436 percent Notes due 2037, dated December 21, 2006, between Western Power Distribution (South Wales) plc and HSBC Trustee (CI) Limited (Exhibit 4(k) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- 4(m)-1 - Subordinated Indenture, dated as of March 1, 2007, between PPL Capital Funding, Inc., PPL Corporation and The Bank of New York, as Trustee (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 20, 2007)
- 4(m)-2 - Supplemental Indenture No. 1, dated as of March 1, 2007, to said Subordinated Indenture (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 20, 2007)
- 4(m)-3 - Supplemental Indenture No. 2, dated as of June 28, 2010, to said Subordinated Indenture (Exhibit 4.3 to PPL Corporation Form 8-K Report (File No. 1-11459) dated June 30, 2010)
- 4(m)-4 - Supplemental Indenture No. 3, dated as of April 15, 2011, to said Subordinated Indenture (Exhibit 4.3 to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 19, 2011).
- 4(n)-1 - Series 2009A Exempt Facilities Loan Agreement, dated as of April 1, 2009, between PPL Energy Supply, LLC and Pennsylvania Economic Development Financing Authority (Exhibit 4(a) to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated April 9, 2009)
- 4(n)-2 - Series 2009B Exempt Facilities Loan Agreement, dated as of April 1, 2009, between PPL Energy Supply, LLC and Pennsylvania Economic Development Financing Authority (Exhibit 4(b) to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated April 9, 2009)
- 4(n)-3 - Series 2009C Exempt Facilities Loan Agreement, dated as of April 1, 2009, between PPL Energy Supply, LLC and Pennsylvania Economic Development Financing Authority (Exhibit 4(c) to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated April 9, 2009)

- 4(o) - Trust Deed constituting £200 million 5.75 percent Notes due 2040, dated March 23, 2010, between Western Power Distribution (South Wales) plc and HSBC Corporate Trustee Company (UK) Limited (Exhibit 4(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2010)
- 4(p) - Trust Deed constituting £200 million 5.75 percent Notes due 2040, dated March 23, 2010, between Western Power Distribution (South West) plc and HSBC Corporate Trustee Company (UK) Limited (Exhibit 4(b) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2010)
- 4(q)-1 - Indenture, dated as of October 1, 2010, between Kentucky Utilities Company and The Bank of New York Mellon, as Trustee (Exhibit 4(q)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(q)-2 - Supplemental Indenture No. 1, dated as of October 15, 2010, to said Indenture (Exhibit 4(q)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(q)-3 - Supplemental Indenture No. 2, dated as of November 1, 2010, to said Indenture (Exhibit 4(q)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(r)-1 - Indenture, dated as of October 1, 2010, between Louisville Gas and Electric Company and The Bank of New York Mellon, as Trustee (Exhibit 4(r)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(r)-2 - Supplemental Indenture No. 1, dated as of October 15, 2010, to said Indenture (Exhibit 4(r)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(r)-3 - Supplemental Indenture No. 2, dated as of November 1, 2010, to said Indenture (Exhibit 4(r)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(s)-1 - Indenture, dated as of November 1, 2010, between LG&E and KU Energy LLC and The Bank of New York Mellon, as Trustee (Exhibit 4(s)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(s)-2 - Supplemental Indenture No. 1, dated as of November 1, 2010, to said Indenture (Exhibit 4(s)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(s)-3 - Supplemental Indenture No. 2, dated as of September 1, 2011, to said Indenture (Exhibit 4(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated September 30, 2011)
- 4(t)-1 - 2002 Series A Carroll County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(w)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(t)-2 - Amendment No. 1 dated as of September 1, 2010 to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(w)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(u)-1 - 2002 Series B Carroll County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(x)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(u)-2 - Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(x)-2 to PPL Corporation Form 10-K

Report (File No. 1-11459) for the year ended December 31, 2010)

- 4(v)-1 - 2002 Series C Carroll County Loan Agreement, dated July 1, 2002, by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(y)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(v)-2 - Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(y)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(w)-1 - 2004 Series A Carroll County Loan Agreement, dated October 1, 2004 and amended and restated as of September 1, 2008, by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(z)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(w)-2 - Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(z)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(x)-1 - 2006 Series B Carroll County Loan Agreement, dated October 1, 2006 and amended and restated September 1, 2008, by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(aa)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(x)-2 - Amendment No. 1 dated as of September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(aa)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(y)-1 - 2007 Series A Carroll County Loan Agreement, dated March 1, 2007, by and between Kentucky Utilities Company and County of Carroll, Kentucky (Exhibit 4(bb)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(y)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(bb)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(z)-1 - 2008 Series A Carroll County Loan Agreement, dated August 1, 2008 by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(cc)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(z)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Carroll, Kentucky (Exhibit 4(cc)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(aa)-1 - 2000 Series A Mercer County Loan Agreement, dated May 1, 2000 and amended and restated as of September 1, 2008, by and between Kentucky Utilities Company, and County of Mercer, Kentucky (Exhibit 4(dd)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(aa)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Mercer, Kentucky (Exhibit 4(dd)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(bb)-1 - 2002 Series A Mercer County Loan Agreement, dated February 1, 2002, by and between Kentucky

Utilities Company, and County of Mercer, Kentucky (Exhibit 4(ee)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)

- 4(bb)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Mercer, Kentucky (Exhibit 4(ee)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(cc)-1 - 2002 Series A Muhlenberg County Loan Agreement, dated February 1, 2002, by and between Kentucky Utilities Company, and County of Muhlenberg, Kentucky (Exhibit 4(ff)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(cc)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Muhlenberg, Kentucky (Exhibit 4(ff)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(dd)-1 - 2007 Series A Trimble County Loan Agreement, dated March 1, 2007, by and between Kentucky Utilities Company, and County of Trimble, Kentucky (Exhibit 4(gg)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(dd)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Kentucky Utilities Company, and County of Trimble, Kentucky (Exhibit 4(gg)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(ee)-1 - 2000 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated May 1, 2000 and amended and restated as of September 1, 2008, by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(hh)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(ee)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(hh)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- \*4(ee)-3 - Amendment No. 2 dated as of October 1, 2011, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky
- 4(ff)-1 - 2001 Series A Jefferson County Loan Agreement, dated July 1, 2001, by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky (Exhibit 4(ii)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(ff)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky (Exhibit 4(ii)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(gg)-1 - 2001 Series A Jefferson County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky (Exhibit 4(jj)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(gg)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky (Exhibit 4(jj)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(hh)-1 - 2001 Series B Jefferson County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky (Exhibit 4(kk)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)



- 4(hh)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Jefferson County, Kentucky (Exhibit 4(kk)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(ii)-1 - 2003 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated October 1, 2003, by and between Louisville Gas and Electric Company and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(ll)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(ii)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(ll)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(jj)-1 - 2005 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated February 1, 2005 and amended and restated as of September 1, 2008, by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(mm)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(jj)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(mm)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(kk)-1 - 2007 Series A Louisville/Jefferson County Metro Government Loan Agreement, dated as of March 1, 2007 and amended and restated as of September 1, 2008, by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(nn)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(kk)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(nn)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(ll) - 2007 Series B Louisville/Jefferson County Metro Government Amended and Restated Loan Agreement, dated November 1, 2010, by and between Louisville Gas and Electric Company and Louisville/Jefferson County Metro Government, Kentucky (Exhibit 4(oo) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(mm)-1 - 2000 Series A Trimble County Loan Agreement, dated August 1, 2000, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(pp)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(mm)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(pp)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(nn)-1 - 2001 Series A Trimble County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(qq)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(nn)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and the County of Trimble, Kentucky (Exhibit 4(qq)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(oo)-1 - 2001 Series B Trimble County Loan Agreement, dated November 1, 2001, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(rr)-1 to PPL Corporation Form

10-K Report (File No. 1-11459) for the year ended December 31, 2010)

- 4(oo)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(rr)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(pp)-1 - 2002 Series A Trimble County Loan Agreement, dated July 1, 2002, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(ss)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(pp)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(ss)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(qq)-1 - 2007 Series A Trimble County Loan Agreement, dated March 1, 2007, by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(tt)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(qq)-2 - Amendment No. 1 dated September 1, 2010, to said Loan Agreement by and between Louisville Gas and Electric Company, and County of Trimble, Kentucky (Exhibit 4(tt)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 4(rr)-1 - Indenture, dated April 21, 2011, between PPL WEM Holdings PLC, as Issuer, and The Bank of New York Mellon, as Trustee (Exhibit 10.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 21, 2011)
- 4(rr)-2 - Supplemental Indenture No. 1, dated April 21, 2011, to said Indenture (Exhibit 10.3 to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 21, 2011)
- 4(ss)-1 - Trust Deed, dated April 27, 2011, by and among Western Power Distribution (East Midlands) plc and Western Power Distribution (West Midlands) plc, as Issuers, and HSBC Corporate Trustee Company (UK) Limited as Note Trustee (Exhibit 4.1 to PPL Corporation Form 8-K Report (File No.1-11459) dated May 17, 2011)
- 4(ss)-2 - Final Terms of WPD West Midlands £800,000,000 5.75 per cent Notes due 2032 (Exhibit 1.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 17, 2011)
- 4(ss)-3 - Final Terms of WPD East Midlands £600,000,000 5.25 per cent Notes due 2023 (Exhibit 1.2 to PPL Corporation Form 8-K Report (File No. 1-11459 ) dated May 17, 2011)
- 4(ss)-4 - Final Terms of WPD East Midlands £100,000,000 Index Linked Notes due 2043 (Exhibit 1.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated June 2, 2011)
- 4(tt) - Agency Agreement, dated April 27, 2011, by and among Western Power Distribution (East Midlands) plc and Western Power Distribution (West Midlands) plc, as Issuers, and HSBC Corporate Trustee Company (UK) Limited and HSBC Bank plc (Exhibit 4.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 17, 2011)
- 4(uu) - Registration Rights Agreement, dated September 29, 2011, between LG&E and KU Energy LLC and the Initial Purchasers (Exhibit 4(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated September 30, 2011)
- 10(a) - Generation Supply Agreement, dated as of June 20, 2001, between PPL Electric Utilities Corporation and PPL EnergyPlus, LLC (Exhibit 10.5 to PPL Energy Supply, LLC Form S-4 (Registration Statement

No. 333-74794))

- 10(b)-1 - Master Power Purchase and Sale Agreement, dated as of October 15, 2001, between NorthWestern Energy Division (successor in interest to The Montana Power Company) and PPL Montana, LLC (Exhibit 10(g) to PPL Montana, LLC Form 10-K Report (File No. 333-50350) for the year ended December 31, 2001)
- 10(b)-2 - Confirmation Letter, dated July 5, 2006, between PPL Montana, LLC and NorthWestern Corporation (PPL Corporation and PPL Energy Supply, LLC Form 8-K Reports (File Nos. 1-11459 and 333-74794) dated July 6, 2006)
- 10(c) - Guaranty, dated as of December 21, 2001, from PPL Energy Supply, LLC in favor of LMB Funding, Limited Partnership (Exhibit 10(j) to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2001)
- 10(d)-1 - Agreement for Lease, dated as of December 21, 2001, between LMB Funding, Limited Partnership and Lower Mt. Bethel Energy, LLC (Exhibit 10(m) to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2003)
- 10(d)-2 - Amendment No. 1 to said Agreement for Lease, dated as of September 16, 2002, between LMB Funding, Limited Partnership and Lower Mt. Bethel Energy, LLC (Exhibit 10(m)-1 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2003)
- 10(e)-1 - Lease Agreement, dated as of December 21, 2001, between LMB Funding, Limited Partnership and Lower Mt. Bethel Energy, LLC (Exhibit 10(n) to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2003)
- 10(e)-2 - Amendment No. 1 to said Lease Agreement, dated as of September 16, 2002, between LMB Funding, Limited Partnership and Lower Mt. Bethel Energy, LLC (Exhibit 10(n)-1 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2003)
- 10(f) - Facility Lease Agreement (BA 1/2) between PPL Montana, LLC and Montana OL3, LLC (Exhibit 4.7a to PPL Montana, LLC Form S-4 (Registration Statement No. 333-50350))
- 10(g) - Facility Lease Agreement (BA 3) between PPL Montana, LLC and Montana OL4, LLC (Exhibit 4.8a to PPL Montana, LLC Form S-4 (Registration Statement No. 333-50350))
- 10(h) - Services Agreement, dated as of July 1, 2000, among PPL Corporation, PPL Energy Funding Corporation and its direct and indirect subsidiaries in various tiers, PPL Capital Funding, Inc., PPL Gas Utilities Corporation, PPL Services Corporation and CEP Commerce, LLC (Exhibit 10.20 to PPL Energy Supply, LLC Form S-4 (Registration Statement No. 333-74794))
- 10(i)-1 - Asset Purchase Agreement, dated as of June 1, 2004, by and between PPL Sundance Energy, LLC, as Seller, and Arizona Public Service Company, as Purchaser (Exhibit 10(a) to PPL Corporation and PPL Energy Supply, LLC Form 10-Q Reports (File Nos. 1-11459 and 333-74794) for the quarter ended June 30, 2004)
- 10(i)-2 - Amendment No. 1, dated December 14, 2004, to said Asset Purchase Agreement (Exhibit 99.1 to PPL Corporation and PPL Energy Supply, LLC Form 8-K Reports (File Nos. 1-11459 and 333-74794) dated December 15, 2004)
- 10(j)-1 - Receivables Sale Agreement, dated as of August 1, 2004, between PPL Electric Utilities Corporation, as Originator, and PPL Receivables Corporation, as Buyer (Exhibit 10(d) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended June 30, 2004)

- 10(j)-2 - Amendment No. 1, dated as of August 5, 2008, to said Receivables Sale Agreement, between PPL Electric Utilities Corporation, as Originator, and PPL Receivables Corporation, as Buyer (Exhibit 10(b) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 6, 2008)
- 10(j)-3 - Credit and Security Agreement, dated as of August 5, 2008, among PPL Receivables Corporation, PPL Electric Utilities Corporation, Victory Receivables Corporation, the Liquidity Banks from time to time party thereto and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch (Exhibit 10(a) to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated August 6, 2008)
- 10(j)-4 - Amendment No. 1, dated as of July 28, 2009, to said Credit and Security Agreement (Exhibit 10(a) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended September 30, 2009)
- 10(j)-5 - Amendment No. 2, dated as of July 27, 2010, to said Credit and Security Agreement (Exhibit 10(g) to PPL Electric Utilities Corporation Form 10-Q Report (File No. 1-905) for the quarter ended June 30, 2010)
- 10(j)-6 - Amendment No. 3, dated as of December 23, 2010, to said Credit and Security Agreement (Exhibit 10(j)-6 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 10(j)-7 - Amendment No. 4, dated as of March 31, 2011, to said Credit and Security Agreement (Exhibit 10(c) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2011)
- 10(j)-8 - Amendment No. 5, dated as of July 26, 2011, to said Credit and Security Agreement (Exhibit 10(c) to PPL Corporation Form 10-Q/A Report (File No. 1-11459) for the quarter ended June 30, 2011)
- 10(k)-1 - Reimbursement Agreement, dated as of March 31, 2005, among PPL Energy Supply, LLC, The Bank of Nova Scotia, as Issuer and Administrative Agent, and the Lenders party thereto from time to time (Exhibit 10(a) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended March 31, 2005)
- 10(k)-2 - First Amendment, dated as of June 16, 2005, to said Reimbursement Agreement (Exhibit 10(b) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended June 30, 2005)
- 10(k)-3 - Second Amendment, dated as of September 1, 2005, to said Reimbursement Agreement (Exhibit 10(a) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended September 30, 2005)
- 10(k)-4 - Third Amendment, dated as of March 30, 2006, to said Reimbursement Agreement (Exhibit 10(a) to PPL Energy Supply, LLC Form 8-K Report (File No. 333-74794) dated April 5, 2006)
- 10(k)-5 - Fourth Amendment, dated as of April 12, 2006, to said Reimbursement Agreement (Exhibit 10(b) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended September 30, 2006)
- 10(k)-6 - Fifth Amendment, dated as of November 1, 2006, to said Reimbursement Agreement (Exhibit 10(q)-6 to PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2006)
- 10(k)-7 - Sixth Amendment, dated as of March 29, 2007, to said Reimbursement Agreement (Exhibit 10(q)-7 to

- PPL Energy Supply, LLC Form 10-K Report (File No. 333-74794) for the year ended December 31, 2007)
- 10(k)-8 - Seventh Amendment, dated as of March 1, 2008, to said Reimbursement Agreement (Exhibit 10(a) to PPL Energy Supply, LLC Form 10-Q Report (File No. 333-74794) for the quarter ended March 31, 2008)
  - 10(k)-9 - Eighth Amendment, dated as of March 30, 2009, to said Reimbursement Agreement (Exhibit 10(a) to PPL Energy Supply, LLC Form 10-Q Report (File No. 1-32944) for the quarter ended March 31, 2009)
  - 10(k)-10 - Ninth Amendment, dated as of March 31, 2010, to said Reimbursement Agreement (Exhibit 99.1 to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated April 6, 2010)
  - \*10(k)-11 - Tenth Amendment, dated as of February 22, 2012, to said Reimbursement Agreement
  - 10(l)-1 - \$200,000,000 Revolving Credit Agreement, dated as of December 31, 2010, among PPL Electric Utilities Corporation, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and Issuing Lender (Exhibit 10.1 to PPL Electric Utilities Corporation Form 8-K Report (File No. 1-905) dated January 6, 2011)
  - 10(l)-2 - Amendment No. 1, dated as of October 19, 2011, to said Revolving Credit Agreement (Exhibit 10.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated October 25, 2011)
  - 10(m)-1 - \$4,000,000,000 Revolving Credit Agreement, dated as of October 19, 2010, among PPL Energy Supply, LLC, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and Issuing Lender (Exhibit 10.1 to PPL Energy Supply, LLC Form 8-K Report (File No. 1-32944) dated October 21, 2010)
  - 10(m)-2 - Notice of Reduction to said Revolving Credit Agreement, dated November 17, 2010, effective as of December 1, 2010 (Exhibit 10(p)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
  - 10(m)-3 - Amendment No. 1, dated as of October 19, 2011, to said Revolving Credit Agreement (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated October 25, 2011)
  - 10(n) - £150 million Credit Agreement, dated as of January 24, 2007, among Western Power Distribution Holdings Limited and the banks named therein (Exhibit 10(y) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
  - 10(o) - £210 million Multicurrency Revolving Facility Agreement, dated July 7, 2009, between Western Power Distribution (South West) plc and HSBC Bank plc, Lloyds TSB Bank plc and Clydesdale Bank plc (Exhibit 10(c) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2009)
  - 10(p) - Purchase and Sale Agreement, dated as of April 28, 2010, by and between E.ON US Investments Corp., PPL Corporation and E.ON AG (Exhibit No. 99.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 30, 2010)
  - 10(q) - \$500 million Facility Agreement, dated as of May 14, 2010, among PPL Energy Supply, LLC, as Borrower, and Morgan Stanley Bank, as Issuer (Exhibit 10(b) to PPL Energy Supply, LLC Form 10-Q Report (File No. 1-32944) for the quarter ended June 30, 2010)
  - 10(r) - Purchase and Sale Agreement, dated as of September 9, 2010, by and between PPL Holtwood, LLC and LSP Safe Harbor Holdings, LLC (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459)

dated September 13, 2010)

- 10(s) - Purchase and Sale Agreement, dated as of September 9, 2010, by and between PPL Generation, LLC and Harbor Gen Holdings, LLC (Exhibit 10.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated September 13, 2010)
- 10(t) - Open-End Mortgage, Security Agreement and Fixture Filing from PPL Montour, LLC to Wilmington Trust FSB, as Collateral Agent, dated as of October 26, 2010 (Exhibit 10(w) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 10(u) - Open-End Mortgage, Security Agreement and Fixture Filing from PPL Brunner Island, LLC to Wilmington Trust FSB, as Collateral Agent, dated as of October 26, 2010 (Exhibit 10(x) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 10(v) - Guaranty of PPL Montour, LLC and PPL Brunner Island, LLC, dated as of November 3, 2010, in favor of Wilmington Trust FSB, as Collateral Agent, for itself as Beneficiary and for the Secured Counterparties described therein (Exhibit 10(y) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2010)
- 10(w)-1 - \$400,000,000 Revolving Credit Agreement, dated as of November 1, 2010, among Kentucky Utilities Company, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and Issuing Lender (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated November 1, 2010)
- 10(w)-2 - Amendment No.1, dated as of June 13, 2011, to said Revolving Credit Agreement (Exhibit 10(a) to PPL Corporation Form 10-Q/A Report (File No. 1-11459) for the quarter ended June 30, 2011)
- 10(w)-3 - Amendment No. 2, dated as of October 19, 2011, to said Revolving Credit Agreement (Exhibit 10.4 to PPL Corporation Form 8-K Report (File No. 1-11459) dated October 25, 2011)
- 10(x)-1 - \$400,000,000 Revolving Credit Agreement, dated as of November 1, 2010, among Louisville Gas and Electric Company, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and Issuing Lender (Exhibit 10.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated November 1, 2010)
- 10(x)-2 - Amendment No. 1, dated as of June 13, 2011, to said Revolving Credit Agreement (Exhibit 10(b) to PPL Corporation Form 10-Q/A Report (File No. 1-11459) for the quarter ended June 30, 2011)
- 10(x)-3 - Amendment No. 2, dated as of October 19, 2011, to said Revolving Credit Agreement (Exhibit 10.3 to PPL Corporation Form 8-K Report (File No. 1-11459) dated October 25, 2011)
- 10(y)-1 - £3,600,000,000 Senior Bridge Term Loan Credit Agreement, dated as of March 25, 2011, among PPL Capital Funding, Inc. and PPL WEM Holdings PLC (f/k/a WPD Investment Holdings Limited), as Borrowers, PPL, as Guarantor, the lenders from time to time party thereto and Bank of America, N.A., as Administrative Agent, Credit Suisse, AG, as Syndication Agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporation and Credit Suisse Securities (USA) LLC as Joint Lead Arrangers and Joint Bookrunners (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated March 29, 2011)
- 10(y)-2 - Amendment No. 1, dated April 15, 2011, to said Senior Bridge Term Loan Credit Agreement (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 19, 2011)
- 10(z) - £300,000,000 Multicurrency Revolving Credit Facility Agreement, dated April 4, 2011, among Western Power Distribution (West Midlands) plc and Royal Bank of Canada as Lead Arranger, Bank of

America Securities Limited as Bookrunner and Facility Agent, Bank of America, N.A. as Issuing Bank and the other banks party thereto as Mandated Lead Arrangers (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 8, 2011)

- 10(aa) - £300,000,000 Multicurrency Revolving Credit Facility Agreement, dated April 4, 2011, among Western Power Distribution (East Midlands) plc and Royal Bank of Canada as Lead Arranger, Bank of America Securities Limited as Bookrunner and Facility Agent, Bank of America, N.A. as Issuing Bank and the other banks party thereto as Mandated Lead Arrangers (Exhibit 10.2 to PPL Corporation Form 8-K Report (File No. 1-11459) dated April 8, 2011)
- 10(bb)-1 - \$198,309,583.05 Letter of Credit Agreement, dated as of April 29, 2011, among Kentucky Utilities Company, as Borrowers, and Banco Bilbao Vizcaya Argentaria, S.A., New York Branch, as Administrative Agent and the lenders and letter of credit issuing banks party thereto from time to time (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated May 2, 2011)
- 10(bb)-2 - Amendment No. 1, dated as of August 2, 2011, to said Letter of Credit Agreement (Exhibit 10(d) to PPL Corporation Form 10-Q/A Report (File No. 1-11459) for the quarter ended June 30, 2011)
- 10(cc) - £245,000,000 Revolving Credit Facility Agreement, dated January 12, 2012, among Western Power Distribution (South West) plc, the lenders party thereto and Lloyds TSB Bank Plc and Mizuho Corporate Bank, Ltd. as Joint Coordinators (Exhibit 10.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated January 18, 2012)
- [\_]10(dd)-1 - Amended and Restated Directors Deferred Compensation Plan, dated June 12, 2000 (Exhibit 10(h) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2000)
- [\_]10(dd)-2 - Amendment No. 1 to said Directors Deferred Compensation Plan, dated December 18, 2002 (Exhibit 10(m)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2002)
- [\_]10(dd)-3 - Amendment No. 2 to said Directors Deferred Compensation Plan, dated December 4, 2003 (Exhibit 10(q)-2 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2003)
- [\_]10(dd)-4 - Amendment No. 3 to said Directors Deferred Compensation Plan, dated as of January 1, 2005 (Exhibit 10(cc)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2005)
- [\_]10(dd)-5 - Amendment No. 4 to said Directors Deferred Compensation Plan, dated as of May 1, 2008 (Exhibit 10(x)-5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)
- [\_]10(dd)-6 - Amendment No. 5 to said Directors Deferred Compensation Plan, dated May 28, 2010 (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2010)
- [\_]10(ee)-1 - Trust Agreement, dated as of April 1, 2001, between PPL Corporation and Wachovia Bank, N.A. (as successor to First Union National Bank), as Trustee
- [\_]10(ee)-2 - Trust Agreement, dated as of March 20, 2007, between PPL Corporation and Wachovia Bank, N.A., as Trustee (Exhibit 10(c) to PPL Corporation Form 10-Q Report (File No. 1-1149) for the quarter ended March 31, 2007)
- [\_]10(ee)-3 - Trust Agreement, dated as of March 20, 2007, between PPL Corporation and Wachovia Bank, N.A., as Trustee (Exhibit 10(d) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended

March 31, 2007)

- [\_]10(ee)-4 - Trust Agreement, dated as of March 20, 2007, between PPL Corporation and Wachovia Bank, N.A., as Trustee (Exhibit 10(e) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
- [\_]10(ff)-1 - Amended and Restated Officers Deferred Compensation Plan, dated December 8, 2003 (Exhibit 10(r) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2003)
- [\_]10(ff)-2 - Amendment No. 1 to said Officers Deferred Compensation Plan, dated as of January 1, 2005 (Exhibit 10(ee)-1 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2005)
- [\_]10(ff)-3 - Amendment No. 2 to said Officers Deferred Compensation Plan, dated as of January 22, 2007 (Exhibit 10(bb)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [\_]10(ff)-4 - Amendment No. 3 to said Officers Deferred Compensation Plan, dated as of June 1, 2008 (Exhibit 10(z)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)
- \*[\_]10(ff)-5 - Amendment No. 4 to said Officers Deferred Compensation Plan, dated as of February 15, 2012
- [\_]10(gg)-1 - Amended and Restated Supplemental Executive Retirement Plan, dated December 8, 2003 (Exhibit 10(s) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2003)
- [\_]10(gg)-2 - Amendment No. 1 to said Supplemental Executive Retirement Plan, dated December 16, 2004 (Exhibit 99.1 to PPL Corporation Form 8-K Report (File No. 1-11459) dated December 17, 2004)
- [\_]10(gg)-3 - Amendment No. 2 to said Supplemental Executive Retirement Plan, dated as of January 1, 2005 (Exhibit 10(ff)-3 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2005)
- [\_]10(gg)-4 - Amendment No. 3 to said Supplemental Executive Retirement Plan, dated as of January 22, 2007 (Exhibit 10(cc)-4 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [\_]10(gg)-5 - Amendment No. 4 to said Supplemental Executive Retirement Plan, dated as of December 9, 2008 (Exhibit 10(aa)-5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)
- \*[\_]10(gg)-6 - Amendment No. 5 to said Supplemental Executive Retirement Plan, dated as of February 15, 2012
- [\_]10(hh)-1 - Amended and Restated Incentive Compensation Plan, effective January 1, 2003 (Exhibit 10(p) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2002)
- [\_]10(hh)-2 - Amendment No. 1 to said Incentive Compensation Plan, dated as of January 1, 2005 (Exhibit 10(gg)-2 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2005)
- [\_]10(hh)-3 - Amendment No. 2 to said Incentive Compensation Plan, dated as of January 26, 2007 (Exhibit 10(dd)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [\_]10(hh)-4 - Amendment No. 3 to said Incentive Compensation Plan, dated as of March 21, 2007 (Exhibit 10(f) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)



- [ ]10(hh)-5 - Amendment No. 4 to said Incentive Compensation Plan, effective December 1, 2007 (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended September, 30, 2008)
- [ ]10(hh)-6 - Amendment No. 5 to said Incentive Compensation Plan, dated as of December 16, 2008 (Exhibit 10(bb)-6 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2008)
- [ ]10(hh)-7 - Form of Stock Option Agreement for stock option awards under the Incentive Compensation Plan (Exhibit 10(a) to PPL Corporation Form 8-K Report (File No. 1-11459) dated February 1, 2006)
- [ ]10(hh)-8 - Form of Restricted Stock Unit Agreement for restricted stock unit awards under the Incentive Compensation Plan (Exhibit 10(b) to PPL Corporation Form 8-K Report (File No. 1-11459) dated February 1, 2006)
- [ ]10(hh)-9 - Form of Restricted Stock Unit Agreement for restricted stock unit awards under the Incentive Compensation Plan pursuant to PPL Corporation Cash Incentive Premium Exchange Program (Exhibit 10(c) to PPL Corporation Form 8-K Report (File No. 1-11459) dated February 1, 2006)
- [ ]10(ii)-1 - Amended and Restated Incentive Compensation Plan for Key Employees, effective January 1, 2003 (Schedule B to Proxy Statement of PPL Corporation, dated March 17, 2003)
- [ ]10(ii)-2 - Amendment No. 1 to said Incentive Compensation Plan for Key Employees, dated as of January 1, 2005 (Exhibit (hh)-1 to PPL Corporation Form 10-K Report (File 1-11459) for the year ended December 31, 2005)
- [ ]10(ii)-3 - Amendment No. 2 to said Incentive Compensation Plan for Key Employees, dated as of January 26, 2007 (Exhibit 10(ee)-3 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [ ]10(ii)-4 - Amendment No. 3 to said Incentive Compensation Plan for Key Employees, dated as of March 21, 2007 (Exhibit 10(q) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
- [ ]10(ii)-5 - Amendment No. 4 to said Incentive Compensation Plan for Key Employees, dated as of December 15, 2008 (Exhibit 10(cc)-5 to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2008)
- [ ]10(ii)-6 - Amendment No. 5 to said Incentive Compensation Plan for Key Employees, dated as of March 24, 2011 (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2011)
- [ ]10(jj) - Short-term Incentive Plan (Schedule A to Proxy Statement of PPL Corporation, dated April 6, 2011)
- [ ]10(kk) - Agreement, dated January 15, 2003, between PPL Corporation and Mr. Miller regarding Supplemental Pension Benefits (Exhibit 10(u) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2002)
- [ ]10(ll) - Employment letter, dated May 31, 2006, between PPL Services Corporation and William H. Spence (Exhibit 10(pp) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2006)
- [ ]10(mm) - Amendments to certain compensation programs and arrangements for Named Executive Officers of PPL Corporation and PPL Electric Utilities Corporation and compensation arrangement changes for non-employee Directors of PPL Corporation (PPL Corporation and PPL Electric Utilities Corporation Form 8-K Reports (File Nos. 1-11459 and 1-905) dated November 1, 2006)

- [\_]10(nn) - Form of Retention Agreement entered into between PPL Corporation and Messrs. Farr and Miller (Exhibit 10(h) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
- [\_]10(oo)-1 - Form of Severance Agreement entered into between PPL Corporation and the Named Executive Officers (Exhibit 10(i) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended March 31, 2007)
- [\_]10(oo)-2 - Amendment to said Severance Agreement (Exhibit 10(a) to PPL Corporation Form 10-Q Report (File No. 1-11459) for the quarter ended June 30, 2009)
- [\_]10(pp) - Form of Performance Unit Agreement entered into between PPL Corporation and the Named Executive Officers (Exhibit 10(ss) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2007)
- [\_]10(qq) - Retention Agreement, effective as of December 1, 2010, entered into between PPL Corporation and Victor A. Staffieri (Exhibit 10(rr) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2011)
- [\_]10(rr) - Amended and Restated Employment and Severance Agreement, dated as of October 29, 2010, between E.ON U.S. LLC and Victor A. Staffieri (Exhibit 10(ss) to PPL Corporation Form 10-K Report (File No. 1-11459) for the year ended December 31, 2011)
- \*12(a) - PPL Corporation and Subsidiaries Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends
- \*12(b) - PPL Energy Supply, LLC and Subsidiaries Computation of Ratio of Earnings to Fixed Charges
- \*12(c) - PPL Electric Utilities Corporation and Subsidiaries Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends
- \*12(d) - LG&E and KU Energy LLC and Subsidiaries Computation of Ratio of Earnings to Fixed Charges
- \*12(e) - Louisville Gas and Electric Company Computation of Ratio of Earnings to Fixed Charges
- \*12(f) - Kentucky Utilities Company Computation of Ratio of Earnings to Fixed Charges
- \*21 - Subsidiaries of PPL Corporation
- \*23(a) - Consent of Ernst & Young LLP - PPL Corporation
- \*23(b) - Consent of Ernst & Young LLP - PPL Energy Supply, LLC
- \*23(c) - Consent of Ernst & Young LLP - PPL Electric Utilities Corporation
- \*23(d) - Consent of PricewaterhouseCoopers LLP - PPL Corporation
- \*24 - Power of Attorney
- \*31(a) - Certificate of PPL's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

- \*31(b) - Certificate of PPL's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(c) - Certificate of PPL Energy Supply's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(d) - Certificate of PPL Energy Supply's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(e) - Certificate of PPL Electric's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(f) - Certificate of PPL Electric's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(g) - Certificate of LKE's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(h) - Certificate of LKE's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(i) - Certificate of LG&E's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(j) - Certificate of LG&E's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(k) - Certificate of KU's principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*31(l) - Certificate of KU's principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- \*32(a) - Certificate of PPL's principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(b) - Certificate of PPL's principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(c) - Certificate of PPL Energy Supply's principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(d) - Certificate of PPL Energy Supply's principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(e) - Certificate of PPL Electric's principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(f) - Certificate of PPL Electric's principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(g) - Certificate of LKE's principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

- \*32(h) - Certificate of LKE's principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(i) - Certificate of LG&E's principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(j) - Certificate of LG&E's principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(k) - Certificate of KU's principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- \*32(l) - Certificate of KU's principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 101.INS - XBRL Instance Document for PPL Corporation, PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company
- 101.SCH - XBRL Taxonomy Extension Schema for PPL Corporation, PPL Corporation, PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company
- 101.CAL - XBRL Taxonomy Extension Calculation Linkbase for PPL Corporation, PPL Corporation, PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company
- 101.DEF - XBRL Taxonomy Extension Definition Linkbase for PPL Corporation, PPL Corporation, PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company
- 101.LAB - XBRL Taxonomy Extension Label Linkbase for PPL Corporation, PPL Corporation, PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company
- 101.PRE - XBRL Taxonomy Extension Presentation Linkbase for PPL Corporation, PPL Corporation, PPL Energy Supply, LLC, PPL Electric Utilities Corporation, LG&E and KU Energy LLC, Louisville Gas and Electric Company and Kentucky Utilities Company

Exhibit 12(a)

## PPL CORPORATION AND SUBSIDIARIES

COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND  
PREFERRED STOCK DIVIDENDS

(Millions of Dollars)

	2011	2010	2009	2008	2007
Earnings, as defined:					
Income from Continuing Operations Before Income Taxes .....	\$ 2,201	\$ 1,239	\$ 538	\$ 1,273	\$ 1,230
Adjustment to reflect earnings from equity method investments on a cash basis .....	1	7	1		2
	<u>2,202</u>	<u>1,246</u>	<u>539</u>	<u>1,273</u>	<u>1,232</u>
Total fixed charges as below .....	1,022	698	513	568	609
Less:					
Capitalized interest .....	51	30	43	57	55
Preferred security distributions of subsidiaries on a pre-tax basis .....	23	21	24	27	23
Interest expense and fixed charges related to discontinued operations .....	3	12	15	16	39
Total fixed charges included in Income from Continuing Operations Before Income Taxes .....	<u>945</u>	<u>635</u>	<u>431</u>	<u>468</u>	<u>492</u>
Total earnings .....	<u>\$ 3,147</u>	<u>\$ 1,881</u>	<u>\$ 970</u>	<u>\$ 1,741</u>	<u>\$ 1,724</u>
Fixed charges, as defined:					
Interest charges (a) .....	\$ 955	\$ 637	\$ 446	\$ 518	\$ 565
Estimated interest component of operating rentals .....	44	39	42	22	21
Preferred securities distributions of subsidiaries on a pre-tax basis .....	23	21	24	27	23
Fixed charges of majority-owned share of 50% or less-owned persons .....		1	1	1	
Total fixed charges (b) .....	<u>\$ 1,022</u>	<u>\$ 698</u>	<u>\$ 513</u>	<u>\$ 568</u>	<u>\$ 609</u>
Ratio of earnings to fixed charges .....	<u>3.1</u>	<u>2.7</u>	<u>1.9</u>	<u>3.1</u>	<u>2.8</u>
Ratio of earnings to combined fixed charges and preferred stock dividends (c) .....	<u>3.1</u>	<u>2.7</u>	<u>1.9</u>	<u>3.1</u>	<u>2.8</u>

(a) Includes interest on long-term and short-term debt, as well as amortization of debt discount, expense and premium - net.

(b) Interest on unrecognized tax benefits is not included in fixed charges.

(c) PPL, the parent holding company, does not have any preferred stock outstanding; therefore, the ratio of earnings to combined fixed charges and preferred stock dividends is the same as the ratio of earnings to fixed charges.

**PPL ENERGY SUPPLY, LLC AND SUBSIDIARIES**  
**COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES**  
*(Millions of Dollars)*

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Earnings, as defined:					
Income (Loss) from Continuing Operations Before Income Taxes .....	\$ <b>1,212</b>	\$ 881	\$ (13)	\$ 671	\$ 785
Adjustments to reflect earnings from equity method investments on a cash basis .....	<b>1</b>	7	1		2
	<b>1,213</b>	888	(12)	671	787
Total fixed charges as below .....	<b>259</b>	426	364	390	388
Less:					
Capitalized interest .....	<b>47</b>	33	44	57	54
Interest expense and fixed charges related to discontinued operations .....	<b>3</b>	147	102	157	217
Total fixed charges included in Income from Continuing Operations Before Income Taxes .....	<b>209</b>	246	218	176	117
Total earnings .....	<b>\$ 1,422</b>	\$ 1,134	\$ 206	\$ 847	\$ 904
Fixed charges, as defined:					
Interest charges (a).....	\$ <b>223</b>	\$ 387	\$ 321	\$ 374	\$ 374
Estimated interest component of operating rentals .....	<b>36</b>	38	42	15	14
Fixed charges of majority-owned share of 50% or less-owned persons.....		1	1	1	
Total fixed charges (b).....	<b>\$ 259</b>	\$ 426	\$ 364	\$ 390	\$ 388
Ratio of earnings to fixed charges .....	<b>5.5</b>	2.7	0.6	2.2	2.3

- (a) Includes interest on long-term and short-term debt, as well as amortization of debt discount, expense and premium - net.  
(b) Interest on unrecognized tax benefits is not included in fixed charges.

Exhibit 12(c)

## PPL ELECTRIC UTILITIES CORPORATION AND SUBSIDIARIES

COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND  
PREFERRED STOCK DIVIDENDS*(Millions of Dollars)*

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Earnings, as defined:					
Income Before Income Taxes .....	\$ 257	\$ 192	\$ 221	\$ 278	\$ 246
Total fixed charges as below .....	<u>105</u>	<u>102</u>	<u>121</u>	<u>114</u>	<u>143</u>
Total earnings .....	<u>\$ 362</u>	<u>\$ 294</u>	<u>\$ 342</u>	<u>\$ 392</u>	<u>\$ 389</u>
Fixed charges, as defined:.....					
Interest charges (a).....	\$ 102	\$ 101	\$ 120	\$ 113	\$ 139
Estimated interest component of operating rentals .....	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>4</u>
Total fixed charges (b).....	<u>\$ 105</u>	<u>\$ 102</u>	<u>\$ 121</u>	<u>\$ 114</u>	<u>\$ 143</u>
Ratio of earnings to fixed charges .....	<u>3.4</u>	<u>2.9</u>	<u>2.8</u>	<u>3.4</u>	<u>2.7</u>
Preferred stock dividend requirements on a pre-tax basis.....	\$ 21	\$ 23	\$ 28	\$ 28	\$ 27
Fixed charges, as above .....	<u>105</u>	<u>102</u>	<u>121</u>	<u>114</u>	<u>143</u>
Total fixed charges and preferred stock dividends .....	<u>\$ 126</u>	<u>\$ 125</u>	<u>\$ 149</u>	<u>\$ 142</u>	<u>\$ 170</u>
Ratio of earnings to combined fixed charges and preferred stock dividends .....	<u>2.9</u>	<u>2.4</u>	<u>2.3</u>	<u>2.8</u>	<u>2.3</u>

(a) Includes interest on long-term and short-term debt, as well as amortization of debt discount, expense and premium - net.

(b) Interest on unrecognized tax benefits is not included in fixed charges.

Exhibit 12(d)

## LG&amp;E AND KU ENERGY LLC AND SUBSIDIARIES

## COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES

(Millions of Dollars)

	Successor		Predecessor				
	Year	2 Months	10 Months	Year Ended December 31,			
	Ended	Ended	Ended	2009	2008	2007	2006
	Dec. 31,	Dec. 31,	Oct. 31,				
	2011	2010	2010				
Earnings, as defined:							
Income from Continuing Operations							
Before Income Taxes .....	\$ 419	\$ 70	\$ 300	\$ (1,235)	\$ (1,536)	\$ 332	\$ 310
Adjustment to reflect earnings from equity method investments on a cash basis.....	(1)		(4)	11		(5)	(2)
Loss on impairment of goodwill .....				1,493	1,806		
Mark to market impact of derivative instruments .....		2	(20)	(19)	34		
	<u>418</u>	<u>72</u>	<u>276</u>	<u>250</u>	<u>304</u>	<u>327</u>	<u>308</u>
Total fixed charges as below .....	<u>153</u>	<u>25</u>	<u>158</u>	<u>186</u>	<u>199</u>	<u>170</u>	<u>161</u>
Total earnings .....	<u>\$ 571</u>	<u>\$ 97</u>	<u>\$ 434</u>	<u>\$ 436</u>	<u>\$ 503</u>	<u>\$ 497</u>	<u>\$ 469</u>
Fixed charges, as defined:							
Interest charges (a).....	\$ 147	\$ 24	\$ 153	\$ 176	\$ 184	\$ 155	\$ 143
Estimated interest component of operating rentals .....	6	1	5	5	5	4	4
Estimated discontinued operations interest component of rental expense .....				5	10	10	10
Preferred stock dividends.....						1	4
Total fixed charges.....	<u>\$ 153</u>	<u>\$ 25</u>	<u>\$ 158</u>	<u>\$ 186</u>	<u>\$ 199</u>	<u>\$ 170</u>	<u>\$ 161</u>
Ratio of earnings to fixed charges .....	<u>3.7</u>	<u>3.9</u>	<u>2.7</u>	<u>2.3</u>	<u>2.5</u>	<u>2.9</u>	<u>2.9</u>

(a) Includes interest on long-term and short-term debt, as well as amortization of debt discount, expense and premium - net.



Exhibit 12(e)

## LOUISVILLE GAS AND ELECTRIC COMPANY

## COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES

(Millions of Dollars)

	Successor		Predecessor				
	Year	2 Months	10 Months	Year Ended December 31,			
	Ended	Ended	Ended				
	Dec. 31,	Dec. 31,	Oct. 31,	2009	2008	2007	2006
	2011	2010	2010				
Earnings, as defined:							
Income Before Income Taxes .....	\$ 195	\$ 29	\$ 167	\$ 142	\$ 131	\$ 179	\$ 179
Mark to market impact of derivative instruments .....		1	(20)	(20)	35		
	<u>195</u>	<u>30</u>	<u>147</u>	<u>122</u>	<u>166</u>	<u>179</u>	<u>179</u>
Total fixed charges as below .....	<u>46</u>	<u>8</u>	<u>40</u>	<u>46</u>	<u>60</u>	<u>53</u>	<u>47</u>
Total earnings .....	<u>\$ 241</u>	<u>\$ 38</u>	<u>\$ 187</u>	<u>\$ 168</u>	<u>\$ 226</u>	<u>\$ 232</u>	<u>\$ 226</u>
Fixed charges, as defined:							
Interest charges (a).....	\$ 44	\$ 8	\$ 38	\$ 44	\$ 58	\$ 50	\$ 41
Estimated interest component of operating rentals.....	2		2	2	2	2	2
Preferred stock dividends.....						1	4
Total fixed charges.....	<u>\$ 46</u>	<u>\$ 8</u>	<u>\$ 40</u>	<u>\$ 46</u>	<u>\$ 60</u>	<u>\$ 53</u>	<u>\$ 47</u>
Ratio of earnings to fixed charges .....	<u>5.2</u>	<u>4.8</u>	<u>4.7</u>	<u>3.7</u>	<u>3.8</u>	<u>4.4</u>	<u>4.8</u>

(a) Includes interest on long-term and short-term debt, as well as amortization of debt discount, expense and premium - net.

Exhibit 12(f)

## KENTUCKY UTILITIES COMPANY

## COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES

(Millions of Dollars)

	Successor		Predecessor				
	Year Ended Dec. 31, 2011	2 Months Ended Dec. 31, 2010	10 Months Ended Oct. 31, 2010	Year Ended December 31,			
			2009	2008	2007	2006	
Earnings, as defined:							
Income Before Income Taxes .....	\$ 282	\$ 55	\$ 218	\$ 200	\$ 226	\$ 244	\$ 226
Adjustment to reflect earnings from equity method investments on a cash basis.....	(1)		(4)	11		(5)	(2)
Mark to market impact of derivative instruments .....				1	(1)		
	<u>281</u>	<u>55</u>	<u>214</u>	<u>212</u>	<u>225</u>	<u>239</u>	<u>224</u>
Total fixed charges as below .....	<u>73</u>	<u>11</u>	<u>71</u>	<u>79</u>	<u>77</u>	<u>59</u>	<u>41</u>
Total earnings .....	<u>\$ 354</u>	<u>\$ 66</u>	<u>\$ 285</u>	<u>\$ 291</u>	<u>\$ 302</u>	<u>\$ 298</u>	<u>\$ 265</u>
Fixed charges, as defined:							
Interest charges (a).....	\$ 70	\$ 10	\$ 69	\$ 76	\$ 74	\$ 57	\$ 39
Estimated interest component of operating rentals.....	<u>3</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>2</u>
Total fixed charges.....	<u>\$ 73</u>	<u>\$ 11</u>	<u>\$ 71</u>	<u>\$ 79</u>	<u>\$ 77</u>	<u>\$ 59</u>	<u>\$ 41</u>
Ratio of earnings to fixed charges .....	<u>4.8</u>	<u>6.0</u>	<u>4.0</u>	<u>3.7</u>	<u>3.9</u>	<u>5.1</u>	<u>6.5</u>

(a) Includes interest on long-term and short-term debt, as well as amortization of debt discount, expense and premium - net.

CERTIFICATION

I, WILLIAM H. SPENCE, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Corporation (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ William H. Spence

William H. Spence  
President and Chief Executive Officer

PPL Corporation

Exhibit 31(b)

CERTIFICATION

I, PAUL A. FARR, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Corporation (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ Paul A. Farr

Paul A. Farr

Executive Vice President and Chief Financial Officer

PPL Corporation

CERTIFICATION

I, JAMES H. MILLER, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Energy Supply, LLC (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ James H. Miller  
\_\_\_\_\_  
James H. Miller  
President

PPL Energy Supply, LLC



CERTIFICATION

I, PAUL A. FARR, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Energy Supply, LLC (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ Paul A. Farr  
\_\_\_\_\_

Paul A. Farr  
Executive Vice President  
PPL Energy Supply, LLC

CERTIFICATION

I, DAVID G. DECAMPLI, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Electric Utilities Corporation (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ David G. DeCampli

David G. DeCampli  
President  
PPL Electric Utilities Corporation

CERTIFICATION

I, VINCENT SORGI, certify that:

1. I have reviewed this annual report on Form 10-K of PPL Electric Utilities Corporation (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ Vincent Sorgi

Vincent Sorgi  
Vice President and Chief Accounting Officer  
PPL Electric Utilities Corporation

CERTIFICATION

I, VICTOR A. STAFFIERI, certify that:

1. I have reviewed this annual report on Form 10-K of LG&E and KU Energy LLC (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ Victor A. Staffieri

Victor A. Staffieri

Chairman, President and Chief Executive Officer

LG&E and KU Energy LLC



CERTIFICATION

I, KENT W. BLAKE, certify that:

1. I have reviewed this annual report on Form 10-K of LG&E and KU Energy LLC (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ Kent W. Blake

Kent W. Blake  
Chief Financial Officer

LG&E and KU Energy LLC

CERTIFICATION

I, VICTOR A. STAFFIERI, certify that:

1. I have reviewed this annual report on Form 10-K of Louisville Gas and Electric Company (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ Victor A. Staffieri

Victor A. Staffieri

Chairman, President and Chief Executive Officer

Louisville Gas and Electric Company

CERTIFICATION

I, KENT W. BLAKE, certify that:

1. I have reviewed this annual report on Form 10-K of Louisville Gas and Electric Company (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ Kent W. Blake

\_\_\_\_\_  
Kent W. Blake  
Chief Financial Officer

Louisville Gas and Electric Company

CERTIFICATION

I, VICTOR A. STAFFIERI, certify that:

1. I have reviewed this annual report on Form 10-K of Kentucky Utilities Company (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ Victor A. Staffieri

Victor A. Staffieri

Chairman, President and Chief Executive Officer

Kentucky Utilities Company



CERTIFICATION

I, KENT W. BLAKE, certify that:

1. I have reviewed this annual report on Form 10-K of Kentucky Utilities Company (the "registrant") for the year ended December 31, 2011;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ Kent W. Blake

Kent W. Blake  
Chief Financial Officer

Kentucky Utilities Company

Exhibit 32(a)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL CORPORATION'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2011

In connection with the annual report on Form 10-K of PPL Corporation (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal executive officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ William H. Spence

\_\_\_\_\_  
William H. Spence  
President and Chief Executive Officer  
PPL Corporation

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(b)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL CORPORATION'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2011

In connection with the annual report on Form 10-K of PPL Corporation (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal financial officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ Paul A. Farr  
Paul A. Farr  
Executive Vice President and Chief Financial Officer  
PPL Corporation

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(c)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL ENERGY SUPPLY, LLC'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2011

In connection with the annual report on Form 10-K of PPL Energy Supply, LLC (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal executive officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ James H. Miller

James H. Miller

President

PPL Energy Supply, LLC

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(d)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL ENERGY SUPPLY, LLC'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2011

In connection with the annual report on Form 10-K of PPL Energy Supply, LLC (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal financial officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ Paul A. Farr  
\_\_\_\_\_  
Paul A. Farr  
Executive Vice President  
PPL Energy Supply, LLC

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(e)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL ELECTRIC UTILITIES CORPORATION'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31,  
2011

In connection with the annual report on Form 10-K of PPL Electric Utilities Corporation (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal executive officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ David G. DeCampli

David G. DeCampli

President

PPL Electric Utilities Corporation

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(f)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR PPL ELECTRIC UTILITIES CORPORATION'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31,  
2011

In connection with the annual report on Form 10-K of PPL Electric Utilities Corporation (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal financial officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ Vincent Sorgi

Vincent Sorgi

Vice President and Chief Accounting Officer

PPL Electric Utilities Corporation

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.



Exhibit 32(g)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR LG&E AND KU ENERGY LLC'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2011

In connection with the annual report on Form 10-K of LG&E and KU Energy LLC (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal executive officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ Victor A. Staffieri

\_\_\_\_\_  
Victor A. Staffieri

Chairman, President and Chief Executive Officer  
LG&E and KU Energy LLC

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(h)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR LG&E AND KU ENERGY LLC'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2011

In connection with the annual report on Form 10-K of LG&E and KU Energy LLC (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal financial officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ Kent W. Blake

\_\_\_\_\_  
Kent W. Blake

Chief Financial Officer

LG&E and KU Energy LLC

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(i)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR LOUISVILLE GAS AND ELECTRIC COMPANY'S FORM 10-K FOR THE YEAR ENDED DECEMBER  
31, 2011

In connection with the annual report on Form 10-K of Louisville Gas and Electric Company (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal executive officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ Victor A. Staffieri

\_\_\_\_\_  
Victor A. Staffieri

Chairman, President and Chief Executive Officer  
Louisville Gas and Electric Company

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(j)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR LOUISVILLE GAS AND ELECTRIC COMPANY'S FORM 10-K FOR THE YEAR ENDED DECEMBER  
31, 2011

In connection with the annual report on Form 10-K of Louisville Gas and Electric Company (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal financial officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ Kent W. Blake

\_\_\_\_\_  
Kent W. Blake

Chief Financial Officer

Louisville Gas and Electric Company

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(k)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR KENTUCKY UTILITIES COMPANY'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2011

In connection with the annual report on Form 10-K of Kentucky Utilities Company (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal executive officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ Victor A. Staffieri

\_\_\_\_\_  
Victor A. Staffieri

Chairman, President and Chief Executive Officer  
Kentucky Utilities Company

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(l)

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
FOR KENTUCKY UTILITIES COMPANY'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2011

In connection with the annual report on Form 10-K of Kentucky Utilities Company (the "Company") for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), I, the principal financial officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that:

- The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ Kent W. Blake

\_\_\_\_\_  
Kent W. Blake  
Chief Financial Officer

Kentucky Utilities Company

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 266**

**Responding Witness: Daniel K. Arbough**

Q-266. Please provide a copy of Mr. Arbough's testimony in Microsoft Word.

A-266. The Commission's electronic filing procedures do not permit the electronic filing of Word documents. Therefore, the requested Word document will be provided to the Attorney General under separate cover.

The attachment is being provided in a separate file in Word format.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 267**

**Responding Witness: Daniel K. Arbough**

Q-267. Please provide copies of all source documents, articles, cited documents listed in footnotes, regulatory decisions, work papers, and other sources used in the development and preparation of the testimony of Mr. Arbough.

A-267. See attachment page 1 of 4-3 for calculation of equity ratio as of March 31, 2012, see attachment page 2 of 4 for calculation of weighted average interest rate and weighted average maturity of First Mortgage Bonds, and see attachment page 3 of 4 for calculation of weighted average interest rate and weighted average maturity of Fidelity loans.

In addition, see the response to PSC 1-43 for calculation of weighted average cost of debt as of March 31, 2012, see the response to Question No. 268 for support of Exhibit 6 to Mr. Arbough's testimony, see the response to KIUC 1-11 for support of Exhibit 7 to Mr. Arbough's testimony, see the response to KIUC 1-1 for support of Schedule 1.14, Schedule 1.19, and Schedule 1.24 of Blake Exhibit 1 referenced in Mr. Arbough's testimony.

The attachment is being provided in a separate file in Excel format.

3 files

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 268**

**Responding Witness: Daniel K. Arbough**

Q-268. Please provide Microsoft Excel copies of all source documents, work papers, and data used to develop Exhibit No. 6 in the testimony of Mr. Arbough. For the Microsoft Excel copies of the data, please keep all formulas intact.

A-268. See attached.

The attachment is being provided in a separate file in Excel format.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 269**

**Responding Witness: Daniel K. Arbough**

Q-269. Please provide copies of the source documents, work papers, and underlying data used in the development of Reference Schedule 1.14 of Blake Exhibit 1. Please provide the data and work papers in both hard copy and electronic formats (Microsoft Excel), with all data and formulas intact. Please also include electronic copies (Microsoft Excel) of the Exhibit, leaving all data and formulas intact.

A-269. See the response to PSC 1-54(c) and KIUC 1-1 for support.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 270**

**Responding Witness: Daniel K. Arbough**

Q-270. Please provide copies of the source documents, work papers, and underlying data used in the development of Reference Schedule 1.19 of Blake Exhibit 1. Please provide the data and work papers in both hard copy and electronic formats (Microsoft Excel), with all data and formulas intact. Please also include electronic copies (Microsoft Excel) of the Exhibit, leaving all data and formulas intact.

A-270. See the response to KIUC 1-1.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 271**

**Responding Witness: William E. Avera**

Q-271. Please provide a copy of Dr. Avera's testimony in Microsoft Word.

A-271. The Commission's electronic filing procedures do not permit the electronic filing of Word documents. Therefore, the requested Word document will be provided to the Attorney General under separate cover.

The attachment is being provided in a separate file in Word format.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 272**

**Responding Witness: William E. Avera**

Q-272. Please provide copies of all source documents, articles, cited documents listed in footnotes, regulatory decisions, work papers, and other sources used in the development and preparation of the testimony of Dr. Avera.

A-272. Please refer to the response to KIUC 1-10.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 273**

**Responding Witness: William E. Avera**

Q-273. Please provide Microsoft Excel copies of all source documents, work papers, and data used to develop the tables and figures in the testimony of Dr. Avera. For the Microsoft Excel copies of the data, please keep all formulas intact.

A-273. Please refer to the response to KIUC 1-10.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 274**

**Responding Witness: William E. Avera**

Q-274. With reference to pages 7-8, please provide a breakdown by assets, revenues, and net income for the subsidiaries of PPL Corporation for year-end 2010 and 2011.

A-274. Dr. Avera did not perform such an analysis in the course of preparing his testimony; nor was it necessary to support his conclusions and recommendations. To the extent it is publicly available, this information may be obtained from PPL Corporation's Form 10-K Report, which can be obtained at <http://www.sec.gov/edgar/searchedgar/companysearch.html>.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 275**

**Responding Witness: William E. Avera**

Q-275. With reference to pages 9-13, please provide copies of all empirical studies performed that compare the business, financial, and investment risk of the jurisdictional electric and gas utility operations of LG&E to: (1) PPL Corporation; and (2) electric utility companies.

A-275. Dr. Avera has not conducted any empirical studies to compare the business, financial, and investment risk of the jurisdictional electric and gas utility operations of LG&E to PPL Corporation or other electric utility companies. As indicated in his testimony, he relied on objective risk indicators, such as published credit ratings, which are relied on by investors.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 276**

**Responding Witness: William E. Avera**

- Q-276. With reference to page 22, lines 1-14, please: (1) indicate the universe of companies with electric and gas operations as indicated by Value Line Investment Survey, (2) the companies eliminated from the group from each of the four screens; and (3) the reasons each of the companies were eliminated.
- A-276. Please refer to the Excel workbook provided in response to KIUC 1-10, which contains the requested information.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 277**

**Responding Witness: William E. Avera**

Q-277. With reference to page 25, lines 6-11, please: (1) list the screens applied to the Value Line database in establishing the Non-Utility Proxy Group; (2) indicate the justification for each of the screens applied to the companies in the Value Line Investment Survey in establishing the Non-Utility Proxy Group; (3) the companies eliminated from the group from each of the five screens; and (4) the reasons that each of the companies were eliminated.

A-277. 1) As indicated at page 25, lines 8-11 of Dr. Avera's testimony, the screens used to identify the firms in the Non-Utility Group were (1) pay common dividends; (2) have a Safety Rank of "1"; (3) have a Financial Strength Rating of "B++" or greater; (4) have a beta of 0.65 or less; and, (5) have investment grade credit ratings from S&P.

2) With respect to criteria (1), Dr. Avera required that the non-utility firms pay common dividends because the dividend yield is a key component required to apply the constant growth DCF model to estimate the cost of equity. Meanwhile criteria (2) through (5) were applied to ensure that the resulting group of non-utility firms would represent a conservative, low risk group of companies with investment risks that are comparable to or lower than those of the firms in the Combination Utility Group. Please also refer to the discussion at pages 25-26 of Dr. Avera's testimony.

3) Value Line includes coverage for approximately 1,700 firms. Dr. Avera applied his screening criteria interactively using Value Line's proprietary stock screening software, and does not have any information concerning the firms that did not meet his screening criteria.

4) Please refer to the response to subpart (3), above.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 278**

**Responding Witness: William E. Avera**

Q-278. With reference to page 39, line 11 to page 41, line 8, please: (1) provide copies of FERC orders that specify its 'extreme outliers' as it relates to low DCF estimates; and (2) indicate the page numbers where the test of extreme outliers as it relates to low DCF estimates is defined.

A-278. Please refer to the specific orders cases cited in footnotes 40 and 41 of Dr. Avera's testimony, which are publicly available at <http://www.ferc.gov/docs-filing/elibrary.asp>.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 279**

**Responding Witness: William E. Avera**

- Q-279. With reference to page 41, lines 17-18, please; (1) provide copies of FERC orders that defines "extreme outliers" as it pertains to high DCF estimates; and (2) indicate the page numbers where "extreme outliers" as it pertains to high DCF estimates is defined.
- A-279. Please refer to the citation provided in footnote 43 to Dr. Avera's testimony, which established the FERC's test of high-end outliers. This document is publicly available at <http://www.ferc.gov/docs-filing/elibrary.asp>.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 280**

**Responding Witness: William E. Avera**

Q-280. With reference to page 59, for each of the flotation cost estimates (5%-10%, 3.6%, 12-47 basis points), please provide the breakdown of the flotation costs into underwriting spread, company issuance costs, market pressure, and other expenses. Please show all calculations, and provide the associate source documents and work papers.

A-280. The source documents supporting the flotation cost percentages cited in Dr. Avera's testimony are included in his workpapers, provided in response to KIUC 1-10. The 3.6% cost percentage represents gross underwriting spread only, and does not include other issuance costs, such as legal, printing, and other company issuance costs. Nor does it include any allowance for market pressure. While the 5% to 10% range represents a total flotation cost percentage based on a review of the financial literature, no breakdown between the various components of flotation cost was provided.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 281**

**Responding Witness: William E. Avera**

- Q-281. With reference to page 74, lines 5-6, please indicate which of the numbers in Table WEA-8 were used and which of the numbers in Table WEA-8 were not used in arriving at the 10.1%-11.5% recommended range as an equity cost rate for the Company.
- A-281. Dr. Avera considered the results of all the analyses presented in his testimony. As explained in his testimony, he arrived at his recommended ROE range by considering the relative strengths and weaknesses inherent in each method, and conservatively giving less emphasis to the upper- and lower-most boundaries of the range of results. As indicated on pages 74-75 of his testimony, Dr. Avera also considered the results of his DCF analysis for the Non-Utility Group in his evaluation of the DCF results for the Combination Utility Group.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 282**

**Responding Witness: William E. Avera**

Q-282. Please provide copies of the source documents, work papers, and underlying data used in the development of Exhibit WEA-2 through WEA-10. Please provide the data and work papers in both hard copy and electronic formats (Microsoft Excel), with all data and formulas intact. Please also include electronic copies (Microsoft Excel) of the Exhibit, leaving all data and formulas intact.

A-282. Please refer to the response to KIUC 1-10.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 283**

**Responding Witness: Kent W. Blake**

Q-283. Please provide a copy of Mr. Blake's testimony in Microsoft Word.

A-283. The Commission's electronic filing procedures do not permit the electronic filing of Word documents. Therefore, the requested Word document will be provided to the Attorney General under separate cover.

The attachment is being provided in a separate file in Word format.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 284**

**Responding Witness: Kent W. Blake**

Q-284. With reference to Exhibit 2, please provide: (1) copies of all data, source documents, work papers, and other sources used in the development of the Company's proposed capital structure in Exhibit 2; copies of all data, source documents, work papers, and other sources used in the adjustments made to the balance sheet amounts of debt and equity in the development of the Company's proposed capital structure in Exhibit 2; and (3) the data and work papers in (1) – (2), in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

A-284. See the response to KIUC 1-1.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 285**

**Responding Witness: Daniel K. Arbough**

Q-285. With reference to Exhibit 2, please: (1) provide the Company's monthly amounts of short-term debt outstanding for the thirteen months March 31, 2012; (2) indicate the cost of the short-term debt on a monthly basis; and (3) show all calculations involved in the calculation of short-term debt cost rate; (4) provide copies of all loan documents and lending agreements associated with either inter-company and/or financial institution short-term debt; and (5) provide the data and work papers in (1) – (4), in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

- A-285. 1) Refer to attachment 001 for support of the Company's monthly amounts of short-term debt outstanding for the thirteen months ended March 31, 2012.
- 2) Refer to attachment 001 for support of the Company's cost of short-term debt on a monthly basis for the thirteen months ended March 31, 2012.
- 3) Refer to attachment 001 for calculations involved in the calculation of the Company's short-term debt cost rate for the thirteen months ended March 31, 2012.
- 4) Refer to attachments 002 and 003 for copies of the intercompany loan agreements and to attachment 004 for a schedule of where the loan documents and lending agreements associated with the short-term debt at LG&E can be found on the SEC website.
- 5) Work papers in (1) – (4) are provided in both hard copy and electronic formats, with all data and formulas intact.

The attachment is being provided in a separate file in Excel format.



**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**March 2011**

Date	Debit	Credit	Balance	Debt	
				Rate	Interest
Beginning balance			(\$5,664,000.00)		
03/01/11	0.00	0.00	(\$5,664,000.00)	0.2500%	(\$39.33)
03/02/11	0.00	3,000,000.00	(\$2,664,000.00)	0.2500%	(\$18.50)
03/03/11	0.00	2,664,000.00	\$0.00	0.2500%	\$0.00
03/04/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/05/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/06/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/07/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/08/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/09/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/10/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/11/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/12/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/13/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/14/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/15/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/16/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/17/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/18/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/19/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/20/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/21/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/22/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/23/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/24/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/25/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/26/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/27/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/28/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/29/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/30/11	0.00	0.00	\$0.00	0.2500%	\$0.00
03/31/11	0.00	0.00	\$0.00	0.2500%	\$0.00
	<b>0.00</b>	<b>5,664,000.00</b>	<b>(5,664,000.00)</b>	<b>0.2500%</b>	<b>(57.83)</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**April 2011**

Date	Debit	Credit	Balance	AVG	Interest
				Debt Rate	
Beginning balance			\$0.00		
04/01/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/02/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/03/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/04/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/05/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/06/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/07/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/08/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/09/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/10/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/11/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/12/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/13/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/14/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/15/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/16/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/17/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/18/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/19/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/20/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/21/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/22/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/23/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/24/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/25/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/26/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/27/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/28/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/29/11	0.00	0.00	\$0.00	0.2000%	\$0.00
04/30/11	0.00	0.00	\$0.00	0.2000%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.2000%</b>	<b>0.00</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**May 2011**

				<b>AVG</b>	
				<b>Debt</b>	
<b>Date</b>	<b>Debit</b>	<b>Credit</b>	<b>Balance</b>	<b>Rate</b>	<b>Interest</b>
Beginning balance			\$0.00		
05/01/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/02/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/03/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/04/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/05/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/06/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/07/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/08/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/09/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/10/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/11/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/12/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/13/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/14/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/15/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/16/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/17/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/18/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/19/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/20/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/21/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/22/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/23/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/24/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/25/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/26/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/27/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/28/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/29/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/30/11	0.00	0.00	\$0.00	0.1900%	\$0.00
05/31/11	0.00	0.00	\$0.00	0.1900%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.1900%</b>	<b>0.00</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**June 2011**

Date	Debit	Credit	Balance	AVG	Interest
				Debt Rate	
Beginning balance			\$0.00		
06/01/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/02/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/03/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/04/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/05/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/06/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/07/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/08/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/09/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/10/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/11/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/12/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/13/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/14/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/15/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/16/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/17/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/18/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/19/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/20/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/21/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/22/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/23/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/24/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/25/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/26/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/27/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/28/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/29/11	0.00	0.00	\$0.00	0.1600%	\$0.00
06/30/11	0.00	0.00	\$0.00	0.1600%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.1600%</b>	<b>0.00</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**July 2011**

Date	Debit	Credit	Balance	AVG	Interest
				Debt Rate	
Beginning balance			\$0.00		
07/01/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/02/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/03/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/04/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/05/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/06/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/07/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/08/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/09/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/10/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/11/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/12/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/13/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/14/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/15/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/16/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/17/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/18/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/19/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/20/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/21/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/22/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/23/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/24/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/25/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/26/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/27/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/28/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/29/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/30/11	0.00	0.00	\$0.00	0.1600%	\$0.00
07/31/11	0.00	0.00	\$0.00	0.1600%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.1600%</b>	<b>0.00</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**August 2011**

				<b>AVG</b>	
				<b>Debt</b>	
<b>Date</b>	<b>Debit</b>	<b>Credit</b>	<b>Balance</b>	<b>Rate</b>	<b>Interest</b>
Beginning balance			\$0.00		
08/01/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/02/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/03/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/04/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/05/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/06/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/07/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/08/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/09/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/10/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/11/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/12/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/13/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/14/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/15/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/16/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/17/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/18/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/19/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/20/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/21/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/22/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/23/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/24/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/25/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/26/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/27/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/28/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/29/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/30/11	0.00	0.00	\$0.00	0.1200%	\$0.00
08/31/11	0.00	0.00	\$0.00	0.1200%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.1200%</b>	<b>0.00</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**September 2011**

Date	Debit	Credit	Balance	AVG	
				Debt Rate	Interest
Beginning balance			\$0.00		
09/01/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/02/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/03/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/04/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/05/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/06/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/07/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/08/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/09/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/10/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/11/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/12/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/13/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/14/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/15/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/16/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/17/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/18/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/19/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/20/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/21/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/22/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/23/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/24/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/25/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/26/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/27/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/28/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/29/11	0.00	0.00	\$0.00	0.1700%	\$0.00
09/30/11	0.00	0.00	\$0.00	0.1700%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.1700%</b>	<b>0.00</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**October 2011**

Date	Debit	Credit	Balance	AVG	Interest
				Debt Rate	
Beginning balance			\$0.00		
10/01/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/02/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/03/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/04/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/05/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/06/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/07/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/08/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/09/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/10/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/11/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/12/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/13/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/14/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/15/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/16/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/17/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/18/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/19/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/20/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/21/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/22/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/23/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/24/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/25/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/26/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/27/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/28/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/29/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/30/11	0.00	0.00	\$0.00	0.1700%	\$0.00
10/31/11	0.00	0.00	\$0.00	0.1700%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.1700%</b>	<b>0.00</b>



**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**November 2011**

Date	Debit	Credit	Balance	AVG	Interest
				Debt Rate	
Beginning balance			\$0.00		
11/01/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/02/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/03/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/04/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/05/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/06/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/07/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/08/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/09/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/10/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/11/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/12/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/13/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/14/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/15/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/16/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/17/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/18/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/19/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/20/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/21/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/22/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/23/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/24/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/25/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/26/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/27/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/28/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/29/11	0.00	0.00	\$0.00	0.1300%	\$0.00
11/30/11	0.00	0.00	\$0.00	0.1300%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.1300%</b>	<b>0.00</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**December 2011**

Date	Debit	Credit	Balance	AVG	Interest
				Debt Rate	
Beginning balance			\$0.00		
12/01/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/02/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/03/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/04/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/05/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/06/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/07/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/08/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/09/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/10/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/11/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/12/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/13/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/14/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/15/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/16/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/17/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/18/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/19/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/20/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/21/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/22/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/23/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/24/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/25/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/26/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/27/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/28/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/29/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/30/11	0.00	0.00	\$0.00	0.4500%	\$0.00
12/31/11	0.00	0.00	\$0.00	0.4500%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.4500%</b>	<b>0.00</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**January 2012**

Date	Debit	Credit	Balance	AVG	Interest
				Debt Rate	
Beginning balance			<b>\$0.00</b> *		
01/01/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/02/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/03/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/04/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/05/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/06/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/07/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/08/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/09/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/10/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/11/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/12/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/13/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/14/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/15/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/16/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/17/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/18/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/19/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/20/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/21/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/22/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/23/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/24/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/25/12	4,000,000.00	0.00	(\$4,000,000.00)	0.5000%	(\$55.56)
01/26/12	0.00	4,000,000.00	\$0.00	0.5000%	\$0.00
01/27/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/28/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/29/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/30/12	0.00	0.00	\$0.00	0.5000%	\$0.00
01/31/12	0.00	0.00	\$0.00	0.5000%	\$0.00
	<b>4,000,000.00</b>	<b>4,000,000.00</b>	<b>0.00</b>	<b>0.5000%</b>	<b>(55.56)</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**February 2012**

Date	Debit	Credit	Balance	AVG Debt Rate	Interest
Beginning balance			<b>\$0.00</b>		
02/01/12	0.00	0.00	\$0.00	0.4300%	\$0.00
02/02/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/03/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/04/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/05/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/06/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/07/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/08/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/09/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/10/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/11/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/12/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/13/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/14/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/15/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/16/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/17/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/18/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/19/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/20/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/21/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/22/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/23/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/24/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/25/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/26/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/27/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/28/12	0.00	0.00	\$0.00	0.2500%	\$0.00
02/29/12	0.00	0.00	\$0.00	0.2500%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>-</b>	<b>0.2500%</b>	<b>0.00</b>

**Money Pool Statements**  
**POOL - LOUISVILLE GAS AND ELECTRIC**

**March 2012**

Date	Debit	Credit	Balance	AVG	Interest
				Debt Rate	
Beginning balance			<b>\$0.00</b>		
03/01/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/02/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/03/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/04/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/05/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/06/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/07/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/08/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/09/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/10/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/11/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/12/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/13/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/14/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/15/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/16/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/17/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/18/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/19/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/20/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/21/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/22/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/23/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/24/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/25/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/26/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/27/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/28/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/29/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/30/12	0.00	0.00	\$0.00	0.4100%	\$0.00
03/31/12	0.00	0.00	\$0.00	0.4100%	\$0.00
	<b>0.00</b>	<b>0.00</b>	<b>-</b>	<b>0.4100%</b>	<b>0.00</b>

## 2011 UTILITY MONEY POOL AGREEMENT

This Amended Utility Money Pool Agreement (the "Agreement"), dated as of December \_\_, 2011, is made and entered into by and among LG&E and KU Energy LLC ("LKE") (f/k/a E.ON U.S. LLC), a Kentucky limited liability company, a Kentucky limited liability company and a holding company under the Federal Power Act ("FPA") and the Public Utility Holding Company Act of 2005 ("PUHCA 2005"), each as amended, LG&E and KU Services Company ("LG&E and KU Services") (f/k/a E.ON U.S. Services Inc.), a Kentucky corporation and a non-utility subsidiary of LKE and a service company under PUHCA 2005, (in its role as administrator of the money pool), Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (each a "Party" and collectively, the "Parties"). LKE shall participate in the money pool as a lender only ("Lender").

WITNESSETH:

WHEREAS, pursuant to an Amended Utility Money Pool Agreement dated December 17, 2007, (the "Prior Agreement") the Parties previously established a Money Pool (the "Utility Money Pool") to coordinate and provide for certain of their short-term cash and working capital requirements; and

WHEREAS, the parties desire to terminate the Prior Agreement and enter into this Agreement to govern the Utility Money Pool; and

WHEREAS, the utility subsidiaries that will participate in the Utility Money Pool (each a "Utility Subsidiary" and collectively, the "Utility Subsidiaries") will from time to time have need to borrow funds on a short-term basis, and certain of the Parties will from time to time have funds available to loan on a short-term basis;

NOW, THEREFORE, in consideration of the premises and the mutual agreements, covenants and provisions contained herein, the Parties hereto agree as follows:

ARTICLE I  
CONTRIBUTIONS AND BORROWINGS

Section 1.01 Contributions to Utility Money Pool.

Each Party will determine each day, on the basis of cash flow projections and other relevant factors, in such Party's sole discretion, the amount of funds it has available for contribution to the Utility Money Pool, and will contribute such funds to the Utility Money Pool. The determination of whether a Party at any time has surplus funds to lend to the Utility Money Pool or shall lend funds to the Utility Money Pool will be made by or under the direction of such Party's chief financial officer or treasurer, or by their authorized designee, on the basis of cash flow projections and other relevant factors, in such Party's sole discretion. Each Party may withdraw any of its funds at any time upon notice to LG&E and KU Services as administrative agent of the Utility Money Pool.

#### Section 1.02 Rights to Borrow.

Subject to the provisions of Section 1.04(c) of this Agreement, short-term borrowing needs of the Utility Subsidiaries may be met by funds in the Utility Money Pool to the extent such funds are available. Each Utility Subsidiary shall have the right to make short-term borrowings from the Utility Money Pool from time to time, subject to the availability of funds and the limitations and conditions set forth herein, in the FPA and PUHCA 2005 and in the applicable orders of the Federal Energy Regulatory Commission ("FERC") thereunder. Each Utility Subsidiary may request loans from the Utility Money Pool from time to time during the period from the date hereof until this Agreement is terminated by written agreement of the Parties; provided, however, that the aggregate amount of all loans requested by any Utility Subsidiary hereunder shall not exceed the applicable borrowing limits set forth in applicable orders of the FERC and other regulatory authorities, resolutions of such Utility Subsidiary's Board of Directors, such Utility Subsidiary's governing corporate documents, and agreements binding upon such Utility Subsidiary. No loans through the Utility Money Pool will be made to, and no borrowings through the Utility Money Pool will be made by, LKE or LG&E and KU Services.

#### Section 1.03 Source of Funds.

Funds will be available through the Utility Money Pool from the following sources for use by the Parties from time to time: (1) surplus funds in the treasuries of the Utility Subsidiaries, (2) surplus funds in the treasuries of LKE, (3) intercompany short-term loans, and (4) proceeds from bank borrowings and/or the sale of commercial paper by each of the Parties (other than LG&E and KU Services) ("External Funds"), in each case to the extent permitted by applicable laws and regulatory orders. Funds will be made available from such sources in such other order as LG&E and KU Services, as administrator of the Utility Money Pool, may determine will result in a lower cost of borrowing to companies borrowing from the Utility Money Pool, consistent with the individual borrowing needs and financial standing of the Parties providing funds to the Utility Money Pool.

#### Section 1.04 Authorization.

(a) Each loan shall be authorized by or under the direction of the lending Party's chief financial officer or treasurer, or by their authorized designee.

(b) LG&E and KU Services, as administrator of the Utility Money Pool, will provide each Party with periodic activity and cash accounting reports that include, among other things, reports of cash activity, the daily balance of loans outstanding and the calculation of interest charged.

(c) All borrowings from the Utility Money Pool shall be authorized by or under the direction of the borrowing Party's chief financial officer or treasurer, or by their authorized designee. No Party shall be required to effect a borrowing through the Utility Money Pool if

such Party determines that it can (and is authorized to) effect such borrowing at lower cost directly from banks or through the sale of its own commercial paper.

#### Section 1.05 Interest.

The daily outstanding balance of all loans to any Utility Subsidiary during a calendar month shall accrue interest at the rates for A2/P2/F2 rated US Commercial Paper programs as quoted by Bloomberg under the ticker DCPD030D on the last business day of the prior calendar month. LG&E and KU Services will not charge interest or fees for managing the Utility Money Pool.

#### Section 1.06 Certain Costs.

The cost of compensating balances and fees paid to banks to maintain credit lines by Parties lending External Funds to the Utility Money Pool shall be paid by the Party maintaining such line.

#### Section 1.07 Repayment.

Each Utility Subsidiary receiving a loan from the Utility Money Pool hereunder shall repay the principal amount of such loan, together with all interest accrued thereon, on demand and in any event within 365 days of the date on which such loan was made. All loans made through the Utility Money Pool may be prepaid by the borrower without premium or penalty.

#### Section 1.08 Form of Loans to Utility Subsidiaries.

Loans to the Utility Subsidiaries from the Utility Money Pool shall be made as open-account advances, pursuant to the terms of this Agreement. A separate promissory note will not be required for each individual transaction. Instead, a promissory note evidencing the terms of the transactions shall be signed by the Parties to the transaction. Any such note shall: (a) be in substantially the form attached hereto as Exhibit A; (b) be dated as of the date of the initial borrowing; (c) be payable on demand; and (d) be repayable in whole at any time or in part from time to time, without premium or penalty.

## ARTICLE II OPERATION OF UTILITY MONEY POOL

#### Section 2.01 Operation.

Operation of the Utility Money Pool, including record keeping and coordination of loans, will be handled by LG&E and KU Services under the authority of the appropriate officers of the Parties. LG&E and KU Services shall be responsible for the determination of all applicable interest rates and charges to be applied to advances outstanding at any time hereunder, shall maintain records of all balances, advances, interest charges and accruals, maturity dates, interest and principal payments, security, restrictions, and/or methods or Parties' duties regarding the above (all, as and if applicable) for purposes hereof, and shall prepare periodic reports thereof for



the Parties, LG&E and KU Services will not charge for managing the Utility Money Pool. Such documentation shall be maintained in accordance with the applicable documentation requirements of the FERC's Uniform System of Accounts. Separate records shall be kept by LG&E and KU Services for the Utility Money Pool established by this Agreement and any other money pool administered by LG&E and KU Services.

#### Section 2.02 Investment of Surplus Funds in the Utility Money Pool.

Funds not required for the Utility Money Pool loans (with the exception of funds required to satisfy the Utility Money Pool's liquidity requirements) will ordinarily be invested in one or more short-term investments, including (i) interest-bearing accounts with banks; (ii) obligations issued or guaranteed by the U.S. government and/or its agencies and instrumentalities, including obligations under repurchase agreements; (iii) obligations issued or guaranteed by any state or political subdivision thereof, provided that such obligations are rated not less than A by a nationally recognized rating agency; (iv) commercial paper rated not less than A-1 by S&P or P-1 by Moody's, or their equivalent by a nationally recognized rating agency; (v) money market funds; (vi) bank certificates of deposit; (vii) Eurodollar funds and (viii) such other investments as are permitted by Section 203 of the FPA and Rule 33 thereunder.

#### Section 2.03 Allocation of Interest Income and Investment Earnings.

The interest income and other investment income earned by the Utility Money Pool on loans and investment of surplus funds will be allocated among the Parties in accordance with the proportion each Party's contribution of funds in the Utility Money Pool bears to the total amount of funds in the Utility Money Pool. Interest and other investment earnings will be computed on a daily basis and settled once per month.

#### Section 2.04 Event of Default.

If any Utility Subsidiary shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors, or any proceeding shall be instituted by or against any Party seeking to adjudicate it bankrupt or insolvent, then LG&E and KU Services, on behalf of the Utility Money Pool, may, by notice to the Utility Subsidiary, terminate the Utility Money Pool's commitment to the Utility Subsidiary and/or declare the principal amount then outstanding of, and the accrued interest on, the loans and all other amounts payable to the Utility Money Pool by the Utility Subsidiary hereunder to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by each Utility Subsidiary.

ARTICLE III  
MISCELLANEOUS

Section 3.01 Amendments.

No amendment to this Agreement shall be adopted except in a writing executed by a duly authorized officer of each of the Parties hereto and subject to all applicable approvals by the FERC and the applicable state utility regulatory commission.

Section 3.02 Legal Responsibility.

Nothing herein contained shall render any Party liable for the obligations of any other Party hereunder and the rights, obligations and liabilities of the Parties are several in accordance with their respective obligations, and not joint.

Section 3.03 Rules for Implementation.

The Parties may develop a set of guidelines for implementing the provisions of this Agreement, provided that the guidelines are consistent with all of the provisions of this Agreement.

Section 3.04 Governing Law.

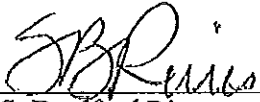
This Agreement shall be governed by and construed in accordance with, the laws of the Commonwealth of Kentucky.

Section 3.05 Termination of Prior Agreement

Upon the effectiveness of this Agreement, including applicable FERC or state utility commission approvals, the Prior Agreement shall be deemed terminated and no further effect.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each Party hereto as of the date first above written.

**LG&E AND KU ENERGY LLC  
LG&E AND KU SERVICES COMPANY**

By:   
Name: S. Bradford Rives  
Title: Chief Financial Officer

**LOUISVILLE GAS AND ELECTRIC COMPANY  
KENTUCKY UTILITIES COMPANY**

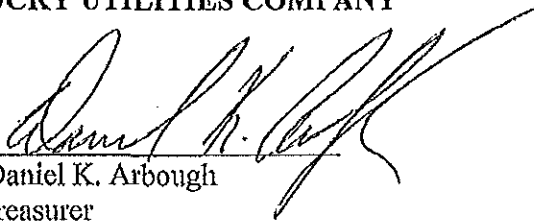
By:   
Name: Daniel K. Arbough  
Title: Treasurer

Exhibit A  
To 2011 Utility Money Pool Agreement

FORM OF NOTE

FOR VALUE RECEIVED, the undersigned, \_\_\_\_\_ (the "Borrower"), hereby promises to pay to the order of LG&E and KU Services Company, as administrator of the Utility Money Pool as defined in the 2011 Utility Money Pool Agreement (as defined below), at its principal office in Louisville, Kentucky, on demand, the principal amount outstanding from time to time under that certain 2011 Utility Money Pool Agreement dated as of \_\_\_\_\_, 2011 by and among LG&E and KU Energy LLC, LG&E and KU Services Company, as administrator, the undersigned, and each of the other utility subsidiaries whose name appears on the signature pages thereof (the "Money Pool Agreement"). The principal amount outstanding under this note shall bear interest at a rate determined in accordance with the Money Pool Agreement. The undersigned hereby authorizes the administrator to record on the grid on the reverse side hereof or attached hereto, or in a similar electronic record, the date and amount of each advance under the Money Pool Agreement and each payment made on account of the principal thereof. The principal amount outstanding, as set forth in such record, shall be rebuttable presumptive evidence of the principal amount owing and unpaid on this note. This note may be prepaid in full at any time or in part from time to time, without premium or penalty.

Date: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



AMENDED UTILITY MONEY POOL AGREEMENT

This Amended Utility Money Pool Agreement (the "Agreement"), dated as of December 17, 2007, is made and entered into by and among E.ON U.S. LLC ("E.ON US"), a Kentucky limited liability company and a holding company under the Federal Power Act ("FPA") and the Public Utility Holding Company Act of 2005 ("PUHCA 2005"), each as amended, E.ON U.S. Services Inc. ("E.ON US Services"), a Kentucky corporation and a non-utility subsidiary of E.ON US and a service company under PUHCA 2005, (in its role as administrator of the money pool), Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (each a "Party" and collectively, the "Parties").

WITNESSETH:

WHEREAS, pursuant to an Utility Money Pool Agreement dated September 1, 2002, (the "Prior Agreement") the Parties previously established a Money Pool (the "Utility Money Pool") to coordinate and provide for certain of their short-term cash and working capital requirements; and

WHEREAS, in accordance with recent changes in law and regulations under the FPA and PUHCA 2005, the parties desire to terminate the Prior Agreement and enter into this Agreement to govern the Utility Money Pool; and

WHEREAS, the utility subsidiaries that will participate in the Utility Money Pool (each a "Utility Subsidiary" and collectively, the "Utility Subsidiaries") will from time to time have need to borrow funds on a short-term basis, and certain of the Parties will from time to time have funds available to loan on a short-term basis;

NOW, THEREFORE, in consideration of the premises and the mutual agreements, covenants and provisions contained herein, the Parties hereto agree as follows:

ARTICLE I  
CONTRIBUTIONS AND BORROWINGS

Section 1.01 Contributions to Utility Money Pool.

Each Party will determine each day, on the basis of cash flow projections and other relevant factors, in such Party's sole discretion, the amount of funds it has available for contribution to the Utility Money Pool, and will contribute such funds to the Utility Money Pool. The determination of whether a Party at any time has surplus funds to lend to the Utility Money Pool or shall lend funds to the Utility Money Pool will be made by such Party's chief financial officer or treasurer, or by a designee thereof, on the basis of cash flow projections and other relevant factors, in such Party's sole discretion. Each Party may withdraw any of its funds at any time upon notice to E.ON US Services as administrative agent of the Utility Money Pool.

#### Section 1.02 Rights to Borrow.

Subject to the provisions of Section 1.04(c) of this Agreement, short-term borrowing needs of the Utility Subsidiaries will be met by funds in the Utility Money Pool to the extent such funds are available. Each Utility Subsidiary shall have the right to make short-term borrowings from the Utility Money Pool from time to time, subject to the availability of funds and the limitations and conditions set forth herein, in the FPA and PUHCA 2005 and in the applicable orders of the Federal Energy Regulatory Commission ("FERC") thereunder. Each Utility Subsidiary may request loans from the Utility Money Pool from time to time during the period from the date hereof until this Agreement is terminated by written agreement of the Parties; provided, however, that the aggregate amount of all loans requested by any Utility Subsidiary hereunder shall not exceed the applicable borrowing limits set forth in applicable orders of the FERC and other regulatory authorities, resolutions of such Utility Subsidiary's Board of Directors, such Utility Subsidiary's governing corporate documents, and agreements binding upon such Utility Subsidiary. No loans through the Utility Money Pool will be made to, and no borrowings through the Utility Money Pool will be made by, E.ON US or E.ON US Services.

#### Section 1.03 Source of Funds.

Funds will be available through the Utility Money Pool from the following sources for use by the Parties from time to time: (1) surplus funds in the treasuries of the Utility Subsidiaries, (2) surplus funds in the treasuries of E.ON US, (3) intercompany short-term loans, and (4) proceeds from bank borrowings and/or the sale of commercial paper by each of the Parties (other than E.ON US Services) ("External Funds"), in each case to the extent permitted by applicable laws and regulatory orders. Funds will be made available from such sources in such other order as E.ON US Services, as administrator of the Utility Money Pool, may determine will result in a lower cost of borrowing to companies borrowing from the Utility Money Pool, consistent with the individual borrowing needs and financial standing of the Parties providing funds to the Utility Money Pool.

#### Section 1.04 Authorization.

- (a) Each loan shall be authorized by the lending Party's chief financial officer or treasurer, or by a designee thereof.
- (b) E.ON US Services, as administrator of the Utility Money Pool, will provide each Party with periodic activity and cash accounting reports that include, among other things, reports of cash activity, the daily balance of loans outstanding and the calculation of interest charged.
- (c) All borrowings from the Utility Money Pool shall be authorized by the borrowing Party's chief financial officer or treasurer, or by a designee thereof. No Party shall be required to effect a borrowing through the Utility Money Pool if such Party determines that it can (and is authorized to) effect such borrowing at lower cost directly from banks or through the sale of its own commercial paper.

#### Section 1.05 Interest.

The daily outstanding balance of all loans to any Utility Subsidiary during a calendar month shall accrue interest at the rates for high-grade unsecured 30-day commercial paper of major corporations sold through dealers as quoted in The Wall Street Journal (the "Average Composite") on the last business day of the prior calendar month. E.ON US Services will not charge interest or fees for managing the Utility Money Pool.

#### Section 1.06 Certain Costs.

The cost of compensating balances and fees paid to banks to maintain credit lines by Parties lending External Funds to the Utility Money Pool shall be paid by the Party maintaining such line.

#### Section 1.07 Repayment.

Each Utility Subsidiary receiving a loan from the Utility Money Pool hereunder shall repay the principal amount of such loan, together with all interest accrued thereon, on demand and in any event within 365 days of the date on which such loan was made. All loans made through the Utility Money Pool may be prepaid by the borrower without premium or penalty.

#### Section 1.08 Form of Loans to Utility Subsidiaries.

Loans to the Utility Subsidiaries from the Utility Money Pool shall be made as open-account advances, pursuant to the terms of this Agreement. A separate promissory note will not be required for each individual transaction. Instead, a promissory note evidencing the terms of the transactions shall be signed by the Parties to the transaction. Any such note shall: (a) be in substantially the form attached hereto as Exhibit A; (b) be dated as of the date of the initial borrowing; (c) be payable on demand; and (d) be repayable in whole at any time or in part from time to time, without premium or penalty.

## ARTICLE II OPERATION OF UTILITY MONEY POOL

#### Section 2.01 Operation.

Operation of the Utility Money Pool, including record keeping and coordination of loans, will be handled by E.ON US Services under the authority of the appropriate officers of the Parties. E.ON US Services shall be responsible for the determination of all applicable interest rates and charges to be applied to advances outstanding at any time hereunder, shall maintain records of all balances, advances, interest charges and accruals, maturity dates, interest and principal payments, security, restrictions, and/or methods or Parties' duties regarding the above (all, as and if applicable) for purposes hereof, and shall prepare periodic reports thereof for the Parties. E.ON US Services will not charge for managing the Utility Money Pool. Such documentation shall be maintained in accordance with the applicable documentation requirements of the FERC's Uniform System of Accounts. Separate records shall be kept by



E.ON US Services for the Utility Money Pool established by this Agreement and any other money pool administered by E.ON US Services.

Section 2.02 Investment of Surplus Funds in the Utility Money Pool.

Funds not required for the Utility Money Pool loans (with the exception of funds required to satisfy the Utility Money Pool's liquidity requirements) will ordinarily be invested in one or more short-term investments, including (i) interest-bearing accounts with banks; (ii) obligations issued or guaranteed by the U.S. government and/or its agencies and instrumentalities, including obligations under repurchase agreements; (iii) obligations issued or guaranteed by any state or political subdivision thereof, provided that such obligations are rated not less than A by a nationally recognized rating agency; (iv) commercial paper rated not less than A-1 by S&P or P-1 by Moody's, or their equivalent by a nationally recognized rating agency; (v) money market funds; (vi) bank certificates of deposit; (vii) Eurodollar funds and (viii) such other investments as are permitted by Section 203 of the FPA and Rule 33 thereunder.

Section 2.03 Allocation of Interest Income and Investment Earnings.

The interest income and other investment income earned by the Utility Money Pool on loans and investment of surplus funds will be allocated among the Parties in accordance with the proportion each Party's contribution of funds in the Utility Money Pool bears to the total amount of funds in the Utility Money Pool. Interest and other investment earnings will be computed on a daily basis and settled once per month.

Section 2.04 Event of Default.

If any Utility Subsidiary shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors, or any proceeding shall be instituted by or against any Party seeking to adjudicate it bankrupt or insolvent, then E.ON US Services, on behalf of the Utility Money Pool, may, by notice to the Utility Subsidiary, terminate the Utility Money Pool's commitment to the Utility Subsidiary and/or declare the principal amount then outstanding of, and the accrued interest on, the loans and all other amounts payable to the Utility Money Pool by the Utility Subsidiary hereunder to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by each Utility Subsidiary.

ARTICLE III  
MISCELLANEOUS

Section 3.01 Amendments.

No amendment to this Agreement shall be adopted except in a writing executed by a duly authorized officer of each of the Parties hereto and subject to all applicable approvals by the FERC and the applicable state utility regulatory commission.

Section 3.02 Legal Responsibility.

Nothing herein contained shall render any Party liable for the obligations of any other Party hereunder and the rights, obligations and liabilities of the Parties are several in accordance with their respective obligations, and not joint.

Section 3.03 Rules for Implementation.

The Parties may develop a set of guidelines for implementing the provisions of this Agreement, provided that the guidelines are consistent with all of the provisions of this Agreement.

Section 3.04 Governing Law.


This Agreement shall be governed by and construed in accordance with, the laws of the Commonwealth of Kentucky.

Section 3.05 Termination of Prior Agreement

Upon the effectiveness of this Agreement, including applicable FERC or state utility commission approvals, the Prior Agreement shall be deemed terminated and no further effect.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each Party hereto as of the date first above written.

E.ON U.S. LLC  
E.ON U.S. SERVICES INC.

By:   
Name: S. Bradford Rives  
Title: Chief Financial Officer

LOUISVILLE GAS AND ELECTRIC COMPANY  
KENTUCKY UTILITIES COMPANY

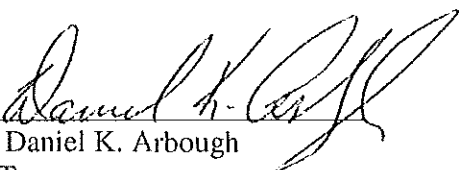
By:   
Name: Daniel K. Arbough  
Title: Treasurer

Exhibit A  
To Amended Utility Money Pool Agreement

FORM OF NOTE

FOR VALUE RECEIVED, the undersigned, \_\_\_\_\_ (the "Borrower"), hereby promises to pay to the order of E.ON US Services Inc., as administrator of the Utility Money Pool as defined in the Amended Utility Money Pool Agreement (as defined below), at its principal office in Louisville, Kentucky, on demand, the principal amount outstanding from time to time under that certain Amended Utility Money Pool Agreement dated as of \_\_\_\_\_, 2007 by and among E.ON U.S. LLC, E.ON U.S. Services Inc., as administrator, the undersigned, and each of the other utility subsidiaries whose name appears on the signature pages thereof (the "Money Pool Agreement"). The principal amount outstanding under this note shall bear interest at a rate determined in accordance with the Money Pool Agreement. The undersigned hereby authorizes the administrator to record on the grid on the reverse side hereof or attached hereto, or in a similar electronic record, the date and amount of each advance under the Money Pool Agreement and each payment made on account of the principal thereof. The principal amount outstanding, as set forth in such record, shall be rebuttable presumptive evidence of the principal amount owing and unpaid on this note. This note may be prepaid in full at any time or in part from time to time, without premium or penalty.

Date: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



## Utility Money Pool

## PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, Louisville Gas and Electric Company (the "Borrower"), hereby promises to pay to the order of E.ON US Services Inc., as administrator of the Utility Money Pool as defined in the Amended Utility Money Pool Agreement (as defined below), at its principal office in Louisville, Kentucky, on demand, the principal amount outstanding from time to time under that certain Amended Utility Money Pool Agreement dated as of December 17, 2007, by and among E.ON U.S. LLC, E.ON U.S. Services Inc., as administrator, the undersigned, and each of the other utility subsidiaries whose name appears on the signature pages thereof (the "Money Pool Agreement"). The principal amount outstanding under this note shall bear interest at a rate determined in accordance with the Money Pool Agreement. The undersigned hereby authorizes the administrator to record on the grid on the reverse side hereof or attached hereto, or in a similar electronic record, the date and amount of each advance under the Money Pool Agreement and each payment made on account of the principal thereof. The principal amount outstanding, as set forth in such record, shall be rebuttable presumptive evidence of the principal amount owing and unpaid on this note. This note may be prepaid in full at any time or in part from time to time, without premium or penalty.

Date: December 17, 2007

LOUISVILLE GAS AND ELECTRIC COMPANY

By: 

Name: Daniel K. Arbough

Title: Treasurer

## Utility Money Pool

## PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, Kentucky Utilities Company (the "Borrower"), hereby promises to pay to the order of E.ON US Services Inc., as administrator of the Utility Money Pool as defined in the Amended Utility Money Pool Agreement (as defined below), at its principal office in Louisville, Kentucky, on demand, the principal amount outstanding from time to time under that certain Amended Utility Money Pool Agreement dated as of December 17, 2007, by and among E.ON U.S. LLC, E.ON U.S. Services Inc., as administrator, the undersigned, and each of the other utility subsidiaries whose name appears on the signature pages thereof (the "Money Pool Agreement"). The principal amount outstanding under this note shall bear interest at a rate determined in accordance with the Money Pool Agreement. The undersigned hereby authorizes the administrator to record on the grid on the reverse side hereof or attached hereto, or in a similar electronic record, the date and amount of each advance under the Money Pool Agreement and each payment made on account of the principal thereof. The principal amount outstanding, as set forth in such record, shall be rebuttable presumptive evidence of the principal amount owing and unpaid on this note. This note may be prepaid in full at any time or in part from time to time, without premium or penalty.

Date: December 17, 2007

KENTUCKY UTILITIES COMPANY

By: 

Name: Daniel K. Arbough

Title: Treasurer

FIRST AMENDMENT

This FIRST AMENDMENT dated as of the 31<sup>st</sup> day of December, 2009 (this "Amendment") amends the Amended Utility Money Pool Agreement (the "Agreement") as of December 17, 2007, by and between E.ON U.S. LLC ("E.ON US"), E.ON U.S. Services Inc. ("E.ON US Services"), Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (each a "Party" and collectively, the "Parties").

WITNESSETH:

WHEREAS, the parties have agree to amend certain provisions of the Amended Utility Money Pool Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual agreements, covenants and provisions contained herein, the Parties hereto agree as follows:

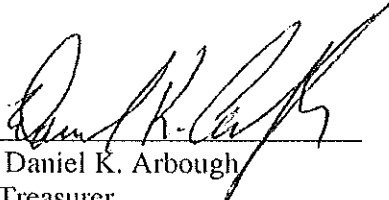
The extension of the Agreement term through December 31, 2011.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each Party hereto as of the date first above written.

E.ON U.S. LLC  
E.ON U.S. SERVICES INC.

By:   
Name: S. Bradford Rives  
Title: Chief Financial Officer

LOUISVILLE GAS AND ELECTRIC COMPANY  
KENTUCKY UTILITIES COMPANY

By:   
Name: Daniel K. Arbough  
Title: Treasurer

**SECOND AMENDMENT**  
**TO**  
**AMENDED UTILITY MONEY POOL AGREEMENT**

This **SECOND AMENDMENT** dated as of the 14 day of December, 2010 (this "Amendment") amends the Amended Utility Money Pool Agreement (the "Agreement") as of December 17, 2007, by and between E.ON U.S. LLC ("E.ON US"), E.ON U.S. Services Inc. ("E.ON US Services"), Louisville Gas and Electric Company and Kentucky Utilities Company (each a "Party" and collectively, the "Parties").

**WITNESSETH:**


**WHEREAS**, the Parties desire to amend certain provisions of the Amended Utility Money Pool Agreement to reflect their recent name changes;

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements, covenants and provisions contained herein, the Parties hereto agree as follows:

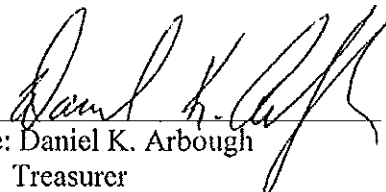
1. As used in the Agreement, the name "E.ON U.S. LLC" shall be replaced with the name "LG&E and KU Energy LLC" and the name "E.ON U.S. Services Inc." shall be replaced with "LG&E and KU Services Company"

**IN WITNESS WHEREOF**, this Amendment has been duly executed and delivered by the duly authorized officer of each Party hereto as of the date first above written.

**LG&E AND KU ENERGY LLC (f/k/a E.ON U.S. LLC)**  
**LG&E AND KU SERVICES COMPANY (f/k/a E.ON U.S. SERVICES INC.)**

By:   
Name: S. Bradford Rives  
Title: Chief Financial Officer

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**KENTUCKY UTILITIES COMPANY**

By:   
Name: Daniel K. Arbough  
Title: Treasurer



## Louisville Gas & Electric Company Short-Term Debt Loan Documents and Agreements

Exhibits are filed within the following SEC documents:

(\*) - Filed within Form 8-K dated November 1, 2010 for PPL Corporation

(\*\*) - Filed within Form 10-Q/A for the quarter ended June 30, 2011 for PPL Corporation

(\*\*\*) - Filed within Form 8-K dated October 25, 2011 for PPL Corporation

Link to PPL Form 8-K dated November 1, 2010: [http://www.sec.gov/Archives/edgar/data/922224/000092222410000129/form8k-exhibit10\\_2.htm](http://www.sec.gov/Archives/edgar/data/922224/000092222410000129/form8k-exhibit10_2.htm)

Link to PPL Form 10-Q/A for the quarter ended June 30, 2011: <http://www.sec.gov/Archives/edgar/data/55387/000092222411000136/form10q-exhibit10b.htm>

Link to PPL Form 8-K dated October 25, 2011: [http://www.sec.gov/Archives/edgar/data/55387/000092222411000168/exhibit10\\_3.htm](http://www.sec.gov/Archives/edgar/data/55387/000092222411000168/exhibit10_3.htm)

	<u>Amount</u>	<u>SEC Exhibit Number</u>
Revolving Credit Agreement	400,000,000	10.2*, 10(b)**, 10.3***

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 286**

**Responding Witness: Daniel K. Arbough**

Q-286. With reference to Exhibit 2, please: (1) provide the Company's amounts of long-term debt as of March 31, 2012; (2) indicate the cost of the long-term debt; and (3) show all calculations involved any all adjustments made to long-term debt; (4) provide copies of all loan documents and lending agreements associated with either inter-company and/or financial institution long-term debt; and (5) provide the data and work papers in (1) – (4), in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

- A-286. 1) See the response to PSC 1-3, page 1 for support of the Company's long-term debt outstanding as of March 31, 2012.
- 2) See the response to PSC 1-4(a), page 2 for support of the Company's cost of long-term debt outstanding as of March 31, 2012.
- 3) See the response to PSC 1-3, page 2 for support of the calculations of the Company's adjustments to long-term debt outstanding as of March 31, 2012.
- 4) Refer to the attached for a schedule of where the loan documents and lending agreements associated with the long-term debt at LG&E can be found on the SEC website.
- 5) Work papers in (1) – (4) are provided in both hard copy and electronic formats, with all data and formulas intact.

## Louisville Gas & Electric Company

### Loan Documents and Agreements

All Exhibits are filed within Form 10-K for the Year Ended December 31, 2010 for PPL Corporation, except for those indicated below:

(\*) - Filed within Form 10-K for the Year Ended December 31, 2011 for PPL Corporation

Link to PPL 2010 10-K: <http://www.sec.gov/Archives/edgar/data/317187/000092222411000029/form10k.htm>

Link to PPL 2011 10-K: <http://www.sec.gov/Archives/edgar/data/55387/000092222412000023/form10k.htm>

	<u>Amount</u>	<u>SEC Exhibit Number</u>
<u>Secured Debt</u>		
FMB 1.625% Series	250,000,000	4( r)-1, 4( r)-3
FMB 5.125% Series	<u>285,000,000</u>	4( r)-1, 4( r)-3
Sub-total taxable FMB's	535,000,000	
<u>Tax-Exempt Debt</u>		
2000 Series A Jefferson County	25,000,000	4( r)-1, 4( r)-2, 4(hh)-1, 4(hh)-2, 4(ee)-3*
2000 Series A Trimble County	83,335,000	4( r)-1, 4( r)-2, 4(pp)-1, 4(pp)-2
2001 Series A Jefferson County	10,104,000	4( r)-1, 4( r)-2, 4(ii)-1, 4(ii)-2
2001 Series A Jefferson County	22,500,000	4( r)-1, 4( r)-2, 4(jj)-1, 4(jj)-2
2001 Series A Trimble County	27,500,000	4( r)-1, 4( r)-2, 4(qq)-1, 4(qq)-2
2001 Series B Jefferson County	35,000,000	4( r)-1, 4( r)-2, 4(kk)-1, 4(kk)-2
2001 Series B Trimble County	35,000,000	4( r)-1, 4( r)-2, 4(rr)-1, 4(rr)-2
2002 Series A Trimble County	41,665,000	4( r)-1, 4( r)-2, 4(ss)-1, 4(ss)-2
2003 Series A Louisville Metro	128,000,000	4( r)-1, 4( r)-2, 4(ll)-1, 4(ll)-2
2005 Series A Louisville Metro	40,000,000	4( r)-1, 4( r)-2, 4(mm)-1, 4(mm)-2
2007 Series A Trimble County	60,000,000	4( r)-1, 4( r)-2, 4(tt)-1, 4(tt)-2
2007 Series B Louisville Metro	35,200,000	4( r)-1, 4( r)-2, 4(oo)
2007 Series A Louisville Metro	<u>31,000,000</u>	4( r)-1, 4( r)-2, 4(nn)-1, 4(nn)-2
Sub-total - tax-exempt bonds	574,304,000	

CONFIDENTIAL

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**TERM SHEET**

**\$250,000,000 First Mortgage Bonds Due 2015**  
**\$285,000,000 First Mortgage Bonds Due 2040**

Issuer:	Louisville Gas and Electric Company	
Distribution:	Rule 144A / Regulation S with registration rights	
Trade Date:	November 8, 2010	
Expected Settlement Date:	November 16, 2010 (T+5)	
Joint Book-Running Managers:	Credit Suisse Securities (USA) LLC Merrill Lynch, Pierce, Fenner & Smith Incorporated Credit Agricole Securities (USA) Inc. Deutsche Bank Securities Inc. KeyBanc Capital Markets Inc. Lloyds TSB Bank plc. U.S. Bancorp Investments, Inc.	
Co-Managers:	BNY Mellon Capital Markets, LLC Fifth Third Securities, Inc. Mizuho Securities USA Inc. PNC Capital Markets LLC	
Security Description:	<u>First Mortgage Bonds Due 2015</u>	<u>First Mortgage Bonds Due 2040</u>
Principal Amount:	\$250 million	\$285 million
Expected Ratings (Moody's / S&P / Fitch)*:	A2 (stable) / A (stable) / A+ (stable)	A2 (stable) / A (stable) / A+ (stable)
Maturity Date:	November 15, 2015	November 15, 2040
Interest Payment Dates:	May 15 and November 15, commencing May 15, 2011	May 15 and November 15, commencing May 15, 2011
Benchmark Treasury:	1.25% due October 31, 2015	4.375% due May 15, 2040
Benchmark Treasury Yield:	1.119%	4.117%
Spread to Benchmark Treasury:	+58 basis points	+108 basis points
Yield to Maturity:	1.699%	5.197%
Coupon:	1.625% per annum	5.125% per annum

Offering Price:	99.647% of principal amount	98.912% of principal amount
Redemption Provisions:	Make-whole call, in whole or in part, at T+10 basis points, plus accrued and unpaid interest.	Prior to May 15, 2040, make-whole call, in whole or in part, at T+20 basis points, plus accrued and unpaid interest.  On or after May 15, 2040, callable, in whole or in part, at par plus accrued and unpaid interest.
Denominations:	\$2,000 and integral multiples of \$1,000	\$2,000 and integral multiples of \$1,000
CUSIP / ISIN:	144A: 546676 AR8 / US546676AR87 Reg S: U5462R AA5 / USU5462RAA50	144A: 546676 AT4 / US546676AT44 Reg S: U5462R AB3 / USU5462RAB34

\* Note: A security rating is not a recommendation to buy, sell or hold securities, it may be revised or withdrawn at any time by the assigning rating organization and each rating presented should be evaluated independently of any other rating.

**These securities have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and may only be sold to qualified institutional buyers pursuant to Rule 144A or outside the United States to non-U.S. persons in compliance with Regulation S under the Securities Act.**

This communication should be read in conjunction with the Issuer's preliminary offering memorandum dated November 8, 2010 (the "Offering Memorandum"). The information in this communication supersedes the information in the Offering Memorandum to the extent it is inconsistent with the information in the Offering Memorandum. This communication is qualified in its entirety by reference to the Offering Memorandum.

ANY DISCLAIMERS OR OTHER NOTICES THAT MAY APPEAR BELOW ARE NOT APPLICABLE TO THIS COMMUNICATION AND SHOULD BE DISREGARDED. SUCH DISCLAIMERS OR OTHER NOTICES WERE AUTOMATICALLY GENERATED AS A RESULT OF THIS COMMUNICATION BEING SENT VIA BLOOMBERG OR ANOTHER EMAIL SYSTEM.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 287**

**Responding Witness: Daniel K. Arbough**

Q-287. With reference to Exhibit 2, please: (1) provide the quarterly amounts of short-term debt, long-term debt, and shareholders' equity for the Company for the four quarters ending March 31, 2012; (2) provide the data and work papers in (1) in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.

A-287. See attached.

The attachment is being provided in a separate file in Excel format.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 288**

**Responding Witness: Robert M. Conroy**

Q-288. Please provide a fully executable computerized copy of the LG&E electric class cost of service study in Microsoft Excel format. In this response provide all linked files.

A-288. See the response to PSC 2-108.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 289**

**Responding Witness: Robert M. Conroy**

- Q-289. Please explain and provide all workpapers and spreadsheets showing the determination of the separation of Production and Transmission costs among Base, Intermediate, and Peak implicit in the determination in LG&E Conroy Exhibit C1 and Page 22 of Mr. Conroy's Direct Testimony. In this response, explain the relevance or relationship with LG&E Conroy Exhibit C1 of the Non-Time-Differentiated Cost (34.35%), Summer Peak Period Cost (33.26%) and Winter Peak Period Costs (32.39%). Please provide this response in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel), including all workpapers, source documents, calculations etc. that support the amounts, assumptions, and calculations presented therein.
- A-289. The modified BIP methodology takes into account the cost differences inherent in providing electric service to customers at different times during the calendar year due to changes in demand for electricity. The BIP separation is used to allocate the costs associated with production and transmission facilities in place to serve customers during each of those three periods. The base or non-time differentiated period includes the portion of the costs that do not vary with time, the summer peak period includes the portion of those costs that are associated with serving the peak load during the summer peak, and the winter peak period includes the portion of those costs associated with serving the peak load during the winter peak. See the response to PSC 2-108 for the workpapers associated with this exhibit.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 290**

**Responding Witness: Robert M. Conroy**

Q-290. Please provide all workpapers, source documents, and electronic spreadsheets showing the development of each external allocator ("functional vector") utilized in Mr. Conroy's LG&E electric class cost of service study (Conroy Exhibit C1) and referred to at Page 26 of his Direct Testimony. In this response, provide the source for all data and the bases for any weightings. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-290. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 291**

**Responding Witness: Paul W. Thompson / Shannon L. Charnas**

Q-291. For each KU and LG&E generating unit that was in service at the end of the test year, owned individually, jointly, or partially, please provide the following:

- (a) names of owners (and ownership percentages);
- (b) type and fuels;
- (c) total nameplate (rated) capacity (MW);
- (d) total and individual company gross investment at the end of test year;
- (e) total and individual company depreciation reserve at the end of test year;
- (f) total and individual company annual test year depreciation expense;
- (g) gross KWH produced during the test year; and,
- (h) net (less station use) KWH produced during the test year.

A-291. a. – e. See attached.

f. Depreciation expense is not tracked separately by unit. See the response to Question No. 316 and KU AG Question No. 273.

g. – h. See attached.

Generating Unit (a)	Owner (a)	Ownership Percentage (a)			Type (b)	Fuels (b)	Generator Nameplate Ratings (MW) (c)	Generator Nameplate Ownership (MW) (c)		
		KU	LGE	Other				KU	LGE	Other
Brown 1	KU	100%			Conventional	Coal	114	114		
Brown 2	KU	100%			Conventional	Coal	180	180		
Brown 3	KU	100%			Conventional	Coal	464	464		
Brown 5	Joint	47%	53%		Conventional	Gas	123	58	65	
Brown 6	Joint	62%	38%		Conventional	Gas, Oil	177	110	67	
Brown 7	Joint	62%	38%		Conventional	Gas, Oil	177	110	67	
Brown 8	KU	100%			Conventional	Gas, Oil	126	126		
Brown 9	KU	100%			Conventional	Gas, Oil	126	126		
Brown 10	KU	100%			Conventional	Gas, Oil	126	126		
Brown 11	KU	100%			Conventional	Gas, Oil	126	126		
Cane Run 4	LGE		100%		Conventional	Coal	164		164	
Cane Run 5	LGE		100%		Conventional	Coal	209		209	
Cane Run 6	LGE		100%		Conventional	Coal	272		272	
Dix Dam 1	KU	100%			Conventional	Hydro	9	9		
Dix Dam 2	KU	100%			Conventional	Hydro	9	9		
Dix Dam 3	KU	100%			Conventional	Hydro	9	9		
Ghent 1	KU	100%			Conventional	Coal	557	557		
Ghent 2	KU	100%			Conventional	Coal	556	556		
Ghent 3	KU	100%			Conventional	Coal	557	557		
Ghent 4	KU	100%			Conventional	Coal	556	556		
Green River 3	KU	100%			Conventional	Coal	75	75		
Green River 4	KU	100%			Conventional	Coal	114	114		
Haefling 1	KU	100%			Full Outdoor	Gas, Oil	21	21		
Haefling 2	KU	100%			Full Outdoor	Gas, Oil	21	21		
Haefling 3	KU	100%			Full Outdoor	Gas, Oil	21	21		
Mill Creek 1	LGE		100%		Conventional	Coal	356		356	
Mill Creek 2	LGE		100%		Conventional	Coal	356		356	
Mill Creek 3	LGE		100%		Conventional	Coal	463		463	
Mill Creek 4	LGE		100%		Conventional	Coal	544		544	
Ohio Falls 1	LGE		100%		Conventional	Hydro	10		10	
Ohio Falls 2	LGE		100%		Conventional	Hydro	10		10	
Ohio Falls 3	LGE		100%		Conventional	Hydro	10		10	

Generating Unit (a)	Owner (a)	Ownership Percentage (a)			Type (b)	Fuels (b)	Generator Nameplate Ratings (MW) (c)	Generator Nameplate Ownership (MW) (c)		
		KU	LGE	Other				KU	LGE	Other
Ohio Falls 4	LGE		100%		Conventional	Hydro	10		10	
Ohio Falls 5	LGE		100%		Conventional	Hydro	10		10	
Ohio Falls 6	LGE		100%		Conventional	Hydro	13		13	
Ohio Falls 7	LGE		100%		Conventional	Hydro	13		13	
Ohio Falls 8	LGE		100%		Conventional	Hydro	10		10	
Paddys Run 13	Joint	47%	53%		Conventional	Gas	178	84	94	
Trimble County 1	LGE		75%	25%	Conventional	Coal	566		425	141
Trimble County 2	Joint	60.75%	14.25%	25%	Conventional	Coal	838	510	119	209
Trimble County 5	Joint	71%	29%		Conventional	Gas	199	141	58	
Trimble County 6	Joint	71%	29%		Conventional	Gas	199	141	58	
Trimble County 7	Joint	63%	37%		Conventional	Gas	199	125	74	
Trimble County 8	Joint	63%	37%		Conventional	Gas	199	125	74	
Trimble County 9	Joint	63%	37%		Conventional	Gas	199	125	74	
Trimble County 10	Joint	63%	37%		Conventional	Gas	199	125	74	
Tyrone 3	KU	100%			Conventional	Coal	75	75		
Cane Run 11	LGE		100%		Conventional	Gas, Oil	16		16	
Paddy's Run 11	LGE		100%		Conventional	Gas	16		16	
Paddy's Run 12	LGE		100%		Conventional	Gas	33		33	
Zorn 1	LGE		100%		Conventional	Gas	18		18	

Generating Unit (a)	KU Gross Investment (d) (3) 3/31/2012	LGE Gross Investment (d) (3) 3/31/2012	Total Gross Investment (d) (3) 3/31/2012	KU Depr. Reserve (e) (3) 3/31/2012	LGE Depr. Reserve (e) (3) 3/31/2012	Total Depr. Reserve (e) (3) 3/31/2012	Test Year Gross KWH Produced (g)	Test Year Net KWH Produced (h)
Brown 1	\$ 76,780,399		\$ 76,780,399	\$ (40,396,765)		\$ (40,396,765)	331,614,000	275,317,000
Brown 2	\$ 59,125,163		\$ 59,125,163	\$ (30,234,057)		\$ (30,234,057)	651,887,000	581,164,000
Brown 3	\$ 617,105,989		\$ 617,105,989	\$ (147,403,796)		\$ (147,403,796)	1,464,795,000	1,298,614,000
Brown 5	\$ 23,714,800	\$ 25,970,484	\$ 49,685,283	\$ (7,393,580)	\$ (8,557,121)	\$ (15,950,700)	5,367,000	3,196,000
Brown 6	\$ 40,941,008	\$ 23,871,399	\$ 64,812,408	\$ (10,630,445)	\$ (3,945,762)	\$ (14,576,208)	32,996,000	30,756,000
Brown 7	\$ 38,302,774	\$ 21,922,694	\$ 60,225,468	\$ (10,549,397)	\$ (6,271,977)	\$ (16,821,375)	36,921,000	34,745,000
Brown 8	\$ 37,227,939		\$ 37,227,939	\$ (15,831,770)		\$ (15,831,770)	3,979,000	2,436,000
Brown 9	\$ 48,713,646		\$ 48,713,646	\$ (25,302,272)		\$ (25,302,272)	5,870,000	3,807,000
Brown 10	\$ 30,167,921		\$ 30,167,921	\$ (14,992,796)		\$ (14,992,796)	3,174,000	1,568,000
Brown 11	\$ 44,740,278		\$ 44,740,278	\$ (20,484,420)		\$ (20,484,420)	4,579,000	2,890,000
Cane Run 4		\$ 82,888,694	\$ 82,888,694		\$ (66,185,231)	\$ (66,185,231)	884,818,000	807,948,000
Cane Run 5		\$ 97,221,510	\$ 97,221,510		\$ (73,589,671)	\$ (73,589,671)	987,054,000	905,328,000
Cane Run 6		\$ 153,644,905	\$ 153,644,905		\$ (97,237,301)	\$ (97,237,301)	1,253,786,000	1,138,782,000
Dix Dam 1 (1)	\$ 28,850,449		\$ 28,850,449	\$ (8,229,141)		\$ (8,229,141)	82,176,000	82,033,000
Dix Dam 2								
Dix Dam 3								
Ghent 1	\$ 457,703,835		\$ 457,703,835	\$ (186,215,746)		\$ (186,215,746)	3,546,945,000	3,282,901,000
Ghent 2	\$ 273,472,042		\$ 273,472,042	\$ (190,083,224)		\$ (190,083,224)	3,635,340,000	3,341,264,000
Ghent 3	\$ 778,865,366		\$ 778,865,366	\$ (301,031,231)		\$ (301,031,231)	3,242,660,000	2,940,071,000
Ghent 4	\$ 426,413,546		\$ 426,413,546	\$ (188,011,561)		\$ (188,011,561)	3,093,325,000	2,801,767,000
Green River 3	\$ 27,716,488		\$ 27,716,488	\$ (17,627,185)		\$ (17,627,185)	350,701,000	320,975,000
Green River 4	\$ 46,859,950		\$ 46,859,950	\$ (38,271,009)		\$ (38,271,009)	542,901,000	501,882,000
Haefling 1 (2)	\$ 6,346,312		\$ 6,346,312	\$ (4,119,242)		\$ (4,119,242)	292,000	169,300
Haefling 2							312,000	186,300
Haefling 3							172,000	48,400
Mill Creek 1		\$ 171,459,435	\$ 171,459,435		\$ (119,312,463)	\$ (119,312,463)	2,287,465,000	2,053,056,000
Mill Creek 2		\$ 132,002,570	\$ 132,002,570		\$ (91,946,259)	\$ (91,946,259)	1,964,196,000	1,734,022,000
Mill Creek 3		\$ 284,377,385	\$ 284,377,385		\$ (161,737,586)	\$ (161,737,586)	2,242,869,000	2,051,810,000
Mill Creek 4		\$ 510,585,061	\$ 510,585,061		\$ (282,006,078)	\$ (282,006,078)	3,447,708,000	3,150,394,000
		\$	\$ -					
Ohio Falls 1 (1)		\$ 42,551,883	\$ 42,551,883		\$ (9,096,063)	\$ (9,096,063)	189,744,000	185,569,000
Ohio Falls 2								
Ohio Falls 3								

Generating Unit (a)	KU Gross Investment (d) (3) 3/31/2012	LGE Gross Investment (d) (3) 3/31/2012	Total Gross Investment (d) (3) 3/31/2012	KU Depr. Reserve (e) (3) 3/31/2012	LGE Depr. Reserve (e) (3) 3/31/2012	Total Depr. Reserve (e) (3) 3/31/2012	Test Year Gross KWH Produced (g)	Test Year Net KWH Produced (h)
Ohio Falls 4								
Ohio Falls 5								
Ohio Falls 6								
Ohio Falls 7								
Ohio Falls 8								
Paddy's Run 13	\$ 30,811,079	\$ 34,909,382	\$ 65,720,461	\$ (9,514,308)	\$ (10,953,547)	\$ (20,467,855)	32,059,000	31,743,000
Trimble County 1		\$ 515,981,742	\$ 515,981,742		\$ (237,557,028)	\$ (237,557,028)	3,607,977,000	3,308,126,000
Trimble County 2	\$ 826,660,812	\$ 193,298,671	\$ 1,019,959,482	\$ (102,647,709)	\$ (10,364,745)	\$ (113,012,453)	5,126,802,000	4,740,434,000
Trimble County 5	\$ 47,344,876	\$ 19,459,592	\$ 66,804,469	\$ (13,018,828)	\$ (5,424,384)	\$ (18,443,212)	64,157,000	62,572,000
Trimble County 6	\$ 44,764,108	\$ 18,154,647	\$ 62,918,755	\$ (11,870,032)	\$ (4,882,569)	\$ (16,752,601)	94,809,000	93,551,000
Trimble County 7	\$ 34,198,560	\$ 20,038,300	\$ 54,236,861	\$ (9,134,044)	\$ (5,401,864)	\$ (14,535,908)	93,192,000	91,965,000
Trimble County 8	\$ 33,976,721	\$ 19,896,965	\$ 53,873,686	\$ (9,068,640)	\$ (5,360,083)	\$ (14,428,724)	63,054,000	61,973,000
Trimble County 9	\$ 34,083,243	\$ 19,945,058	\$ 54,028,300	\$ (8,832,784)	\$ (5,218,035)	\$ (14,050,819)	87,040,000	85,420,000
Trimble County 10	\$ 38,049,880	\$ 22,412,217	\$ 60,462,097	\$ (9,511,654)	\$ (5,714,812)	\$ (15,226,466)	53,874,000	53,035,000
Tyrone 3	\$ 28,798,957		\$ 28,798,957	\$ (22,094,535)		\$ (22,094,535)		(1,477,000)
Cane Run 11		\$ 3,557,311	\$ 3,557,311		\$ (2,262,940)	\$ (2,262,940)	198,000	198,000
Paddy's Run 11		\$ 1,609,957	\$ 1,609,957		\$ (1,746,312)	\$ (1,746,312)	148,000	100,000
Paddy's Run 12		\$ 3,990,011	\$ 3,990,011		\$ (3,570,369)	\$ (3,570,369)	14,000	(273,000)
Zorn 1		\$ 1,951,456	\$ 1,951,456		\$ (2,050,826)	\$ (2,050,826)	37,000	(49,000)

(1) Gross, Net Generation, Investment and Depreciation Reserve reported for Dix Dam, and Ohio Falls represents total plant. Generation is not reported on a per unit basis and fixed asset costs are not accumulated on a per unit basis.

(2) Investment and Depreciation Reserve reported for Haefling represents total plant. Fixed asset costs are not accumulated on a per unit basis.

(3) Investment and Depreciation Reserve is shown for active units only. This does not include structural components still in place, land, and ARO costs associated with retired units.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 292**

**Responding Witness: Paul W. Thompson / Shannon L. Charnas**

Q-292. For each KU and LG&E generating unit included in this rate application that was not actually in service at the end of the test year, i.e., included in CWIP, please provide the following:

- (a) names of owners (and ownership percentages);
- (b) type and fuels;
- (c) total nameplate (rated) capacity (MW);
- (d) total and individual company gross investment at the end of test year;
- (e) total expected gross investment when ultimately placed in service; and,
- (f) design or expected rate of each fuel type.

- A-292. a. Kentucky Utilities Company (78% ownership) and Louisville Gas and Electric Company (22% ownership).
- b. Natural Gas fired combined cycle
- c. The net rated capacity is 640 MW for the entire unit (net nominal summer rating).
- d. The KU amount at the end of the test year is \$2,220,392. The LG&E amount at the end of the test year is \$734,831, the total amount is \$2,955,223.
- f. The total estimated gross investment when the unit is placed in service is \$559 million (\$436 million KU and \$123 million LG&E).
- g. The design net heat rate is 6,655 BTU/KWH (High Heating Value) with the CT's in new and clean conditions.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 293**

**Responding Witness: Robert M. Conroy**

Q-293. Please provide the combined KU and LG&E generating order of dispatch by unit and basis for this order of dispatch for units in service during the test year.

A-293. See the attached dispatch merit order. The dispatch merit order provided is based on unit assumptions at full load considering fuel and variable costs. The schedule is updated monthly. The schedule attached is for the month of March 2012. Actual dispatch merit order is determined dynamically in the Energy Management System (EMS) based on heat rate curves and operating parameters for each unit.

KU and LG&E Dispatch Merit Order  
March 2012

- 1 TRIMBLE 2
- 2 TRIMBLE 1
- 3 GHENT 2
- 4 MILL CREEK 1
- 5 MILL CREEK 2
- 6 MILL CREEK 4
- 7 GHENT 1
- 8 GHENT 3
- 9 GR RIVER 4
- 10 MILL CREEK 3
- 11 GHENT 4
- 12 TRIMBLE 5
- 13 TRIMBLE 6
- 14 TRIMBLE 7
- 15 TRIMBLE 8
- 16 TRIMBLE 9
- 17 TRIMBLE 10
- 18 CANE RUN 5
- 19 BROWN 6
- 20 BROWN 7
- 21 CANE RUN 6
- 22 PADDYS RUN 13
- 23 GR RIVER 3
- 24 CANE RUN 4
- 25 BROWN 2
- 26 BROWN 5
- 27 BROWN 3
- 28 BROWN 9
- 29 BROWN 10
- 30 BROWN 8
- 31 BROWN 11
- 32 BROWN 1
- 33 PADDYS RUN 11
- 34 CANE RUN 11
- 35 PADDYS RUN 12
- 36 ZORN 1
- 37 HAEFLING

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 294**

**Responding Witness: Robert M. Conroy**

Q-294. Please provide the combined KU and LG&E generating order of dispatch by unit and basis for this order of dispatch, with the addition of all units currently included in CWIP.

A-294. See the response to Question No. 293. KU and LG&E currently have no units included in CWIP.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 295**

**Responding Witness: Robert M. Conroy**

Q-295. Please provide total system, total KU, total LG&E, and LG&E class contributions to each monthly system (KU + LG&E) coincident peak demand during the test year. Provide class contributions at generation voltage level. In this response please provide the date and hour of each provided observation.

A-295. See the response to KIUC 1-8.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 296**

**Responding Witness: Robert M. Conroy**

Q-296. Please provide total system, total KU, total LG&E, and LG&E class contributions to the 24 highest system (KU + LG&E) having coincident peak demands during the test year. In this response, please provide the date and hour of each provided observation.

A-296. See attached.

Year	Month	Day	Hour	Combined System	KU	LGE	Residential	General Service	CPS Primary
2011	7	11	15	6,756	4,102	2,654	1,224,639	330,150	30,057
2011	7	28	14	6,733	4,062	2,671	1,113,983	379,594	31,123
2011	7	20	14	6,719	4,128	2,591	1,056,158	364,246	31,446
2011	7	11	16	6,715	4,060	2,655	1,299,149	289,348	29,319
2011	7	28	15	6,715	4,060	2,655	1,179,305	342,456	29,989
2011	7	11	14	6,710	4,065	2,645	1,173,956	356,493	30,207
2011	7	21	14	6,699	4,040	2,659	1,101,983	361,098	32,412
2011	7	11	17	6,698	4,056	2,642	1,292,057	264,626	30,224
2011	7	28	13	6,692	4,058	2,634	1,095,898	382,729	29,967
2011	7	27	14	6,687	4,050	2,637	1,100,987	370,847	31,021
2011	8	2	15	6,684	4,061	2,623	1,173,871	330,488	30,001
2011	7	28	16	6,679	4,025	2,654	1,238,316	293,563	29,792
2011	8	2	14	6,675	4,058	2,617	1,162,577	344,012	29,547
2011	8	2	16	6,672	4,056	2,616	1,250,895	276,674	28,971
2011	7	27	15	6,670	4,026	2,644	1,144,729	345,196	30,582
2011	7	21	15	6,660	3,993	2,667	1,143,770	339,864	32,006
2011	7	20	13	6,654	4,065	2,589	1,024,390	382,694	31,671
2011	7	11	13	6,652	4,041	2,611	1,134,873	364,428	29,784
2011	7	27	16	6,646	4,012	2,634	1,181,517	302,032	30,361
2011	7	21	12	6,642	4,018	2,624	1,066,425	376,115	30,836
2011	7	12	13	6,632	3,928	2,704	1,143,810	384,454	32,058
2011	7	28	17	6,630	3,989	2,641	1,324,277	248,600	28,175
2011	7	21	13	6,619	3,971	2,648	1,088,804	371,398	31,658
2011	9	2	15	6,615	4,024	2,591	1,275,637	316,152	27,523

Year	Month	Day	Hour	CPS Secondary	CTOD Primary	CTOD Secondary	IPS Secondary	IPS Primary	ITOD Secondary
2011	7	11	15	367,512	61,511	74,720	70,006	7,021	18,514
2011	7	28	14	382,257	60,829	76,354	79,329	7,908	20,353
2011	7	20	14	378,910	65,205	77,888	78,091	6,824	20,495
2011	7	11	16	351,039	59,607	71,265	66,561	6,551	17,467
2011	7	28	15	370,103	58,936	74,833	73,410	7,284	19,708
2011	7	11	14	369,261	61,264	74,796	72,690	7,866	18,812
2011	7	21	14	397,423	66,766	80,088	80,489	4,862	21,410
2011	7	11	17	355,043	61,353	71,120	67,705	6,582	17,827
2011	7	28	13	368,461	58,830	72,854	79,168	8,073	20,424
2011	7	27	14	381,735	61,305	75,455	78,283	8,256	20,411
2011	8	2	15	378,464	61,369	77,924	67,297	5,537	17,996
2011	7	28	16	360,863	59,013	73,760	71,871	7,070	19,465
2011	8	2	14	370,619	59,401	74,965	67,153	6,316	17,739
2011	8	2	16	362,227	59,980	74,942	64,037	5,577	17,342
2011	7	27	15	379,548	60,851	76,113	76,212	7,715	20,103
2011	7	21	15	391,903	66,220	79,591	76,691	4,678	20,897
2011	7	20	13	382,563	64,764	77,249	79,661	7,130	20,569
2011	7	11	13	364,269	59,426	73,187	74,633	7,814	18,742
2011	7	27	16	373,372	61,314	75,541	74,125	7,217	20,003
2011	7	21	12	377,532	63,491	75,420	79,951	6,827	21,126
2011	7	12	13	380,969	64,032	76,475	78,521	5,637	20,460
2011	7	28	17	336,035	56,116	69,461	68,416	6,522	18,908
2011	7	21	13	387,600	64,768	77,359	79,778	5,114	20,872
2011	9	2	15	337,359	61,274	68,786	57,597	5,982	18,112

Year	Month	Day	Hour	Large TOD	RTS	Special Contract #1	Special Contract #2	Unmetered and Lighting Energy	Traffic Energy Svc
2011	7	11	15	196,171	66,011	9,016	46,658	-	352
2011	7	28	14	235,588	74,965	8,548	49,448	-	352
2011	7	20	14	242,652	67,673	5,508	51,032	-	352
2011	7	11	16	192,254	66,560	9,009	45,363	-	352
2011	7	28	15	220,626	71,984	9,098	47,442	-	352
2011	7	11	14	202,359	69,252	8,894	47,887	-	352
2011	7	21	14	245,592	60,988	8,516	47,373	-	352
2011	7	11	17	199,673	69,561	9,246	45,394	-	352
2011	7	28	13	238,935	74,783	8,203	47,540	-	352
2011	7	27	14	234,413	66,685	9,199	48,269	-	352
2011	8	2	15	216,892	62,868	8,758	41,568	-	352
2011	7	28	16	222,655	71,984	9,536	46,203	-	352
2011	8	2	14	222,864	63,267	8,440	40,882	-	352
2011	8	2	16	215,084	62,104	8,706	39,654	-	352
2011	7	27	15	226,123	69,467	8,625	47,717	-	352
2011	7	21	15	236,250	67,406	8,536	48,131	-	352
2011	7	20	13	248,095	68,850	6,136	50,607	-	352
2011	7	11	13	210,378	69,051	8,797	47,244	-	352
2011	7	27	16	231,185	71,017	8,550	47,308	-	352
2011	7	21	12	249,443	76,974	8,077	44,909	-	352
2011	7	12	13	232,769	70,923	11,082	47,638	-	352
2011	7	28	17	213,722	68,768	9,343	42,999	-	352
2011	7	21	13	254,580	63,039	8,264	46,171	-	352
2011	9	2	15	181,147	59,588	8,697	26,807	-	352

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 297**

**Responding Witness: Robert M. Conroy**

Q-297. For each KU and LG&E generating unit, please provide all forced (unscheduled) outages (dates, time, and duration) by unit during the test year.

A-297. See attached for KU and LG&E forced outages by unit during the test year.



Unit	Start Date & Time	End Date & Time	Duration
Brown 1	4/19/11 10:05 PM	4/20/11 2:41 AM	4.6
Brown 1	4/20/11 2:41 AM	4/20/11 9:39 PM	19.0
Brown 1	5/5/11 10:08 PM	5/6/11 3:30 PM	17.4
Brown 1	5/9/11 3:47 PM	5/9/11 10:03 PM	6.3
Brown 1	5/17/11 8:46 PM	5/17/11 9:07 PM	0.4
Brown 1	7/4/11 2:24 PM	7/4/11 2:44 PM	0.3
Brown 1	10/10/11 8:18 PM	10/10/11 10:47 PM	2.5
Brown 1	10/12/11 10:31 AM	10/19/11 11:10 PM	180.7
Brown 1	12/4/11 9:45 AM	12/4/11 10:14 PM	12.5
Brown 10	11/16/11 6:26 PM	11/16/11 8:35 PM	2.2
Brown 10	2/25/12 7:10 AM	2/25/12 8:20 AM	1.2
Brown 11	5/13/11 10:20 AM	5/13/11 1:19 PM	3.0
Brown 11	6/8/11 11:56 AM	6/8/11 12:03 PM	0.1
Brown 11	11/16/11 6:49 PM	11/16/11 7:22 PM	0.6
Brown 11	1/13/12 5:50 AM	1/13/12 9:14 AM	3.4
Brown 11	2/25/12 7:10 AM	2/25/12 8:20 AM	1.2
Brown 2	4/28/11 7:15 AM	4/29/11 7:09 PM	35.9
Brown 2	5/7/11 7:30 PM	5/8/11 7:17 AM	11.8
Brown 2	5/8/11 8:31 AM	5/8/11 5:10 PM	8.7
Brown 2	5/8/11 6:07 PM	5/8/11 9:23 PM	3.3
Brown 2	5/16/11 9:06 PM	5/17/11 10:09 AM	13.1
Brown 2	6/8/11 12:45 PM	6/8/11 7:31 PM	6.8
Brown 2	6/27/11 1:25 PM	6/27/11 5:31 PM	4.1
Brown 2	7/11/11 3:29 PM	7/11/11 9:17 PM	5.8
Brown 2	7/20/11 6:52 AM	7/20/11 1:03 PM	6.2
Brown 2	7/22/11 4:33 AM	7/22/11 1:54 PM	9.4
Brown 2	7/24/11 8:37 AM	7/24/11 3:15 PM	6.6
Brown 2	7/24/11 4:01 PM	7/25/11 5:25 PM	25.4
Brown 2	7/25/11 5:25 PM	7/28/11 8:06 AM	62.7
Brown 2	7/28/11 8:06 AM	7/28/11 2:12 PM	6.1
Brown 2	8/8/11 1:21 PM	8/8/11 5:54 PM	4.6
Brown 2	9/15/11 6:20 AM	9/15/11 7:33 AM	1.2
Brown 2	11/7/11 3:04 PM	11/7/11 4:19 PM	1.3
Brown 2	11/10/11 12:26 AM	11/10/11 1:32 PM	13.1
Brown 2	11/26/11 1:32 PM	11/27/11 3:20 AM	13.8
Brown 2	12/26/11 5:24 PM	12/28/11 10:35 AM	41.2
Brown 2	1/23/12 8:57 PM	1/24/12 12:21 AM	3.4
Brown 2	3/5/12 9:53 AM	3/6/12 4:56 PM	31.1
Brown 3	5/7/11 10:16 AM	5/7/11 1:46 PM	3.5
Brown 3	9/9/11 1:03 PM	9/9/11 2:34 PM	1.5
Brown 3	9/26/11 3:51 PM	9/27/11 9:30 PM	29.7
Brown 3	10/11/11 9:37 AM	10/11/11 8:00 PM	10.4
Brown 3	10/11/11 8:00 PM	10/12/11 12:26 AM	4.4
Brown 3	10/12/11 2:19 AM	10/12/11 2:45 AM	0.4
Brown 3	10/12/11 10:27 PM	10/16/11 9:21 AM	82.9
Brown 3	10/16/11 1:18 PM	10/18/11 5:31 AM	40.2
Brown 3	11/5/11 3:25 PM	11/11/11 2:42 AM	131.3
Brown 3	11/21/11 9:50 AM	11/22/11 2:13 AM	16.4
Brown 3	3/12/12 8:45 AM	3/14/12 12:00 AM	39.3
Brown 5	7/12/11 6:30 AM	7/12/11 5:25 PM	10.9

Unit	Start Date & Time	End Date & Time	Duration
Brown 5	1/13/12 2:20 PM	1/14/12 3:37 PM	25.3
Brown 6	5/30/11 3:54 PM	5/30/11 6:05 PM	2.2
Brown 6	5/31/11 11:49 AM	5/31/11 12:03 PM	0.2
Brown 6	6/1/11 10:10 AM	6/1/11 11:21 AM	1.2
Brown 6	7/11/11 10:40 AM	7/11/11 6:11 PM	7.5
Brown 6	7/20/11 1:09 PM	7/20/11 2:00 PM	0.9
Brown 6	7/20/11 2:37 PM	7/20/11 3:39 PM	1.0
Brown 6	7/21/11 6:19 PM	7/22/11 12:00 AM	5.7
Brown 6	10/13/11 6:07 AM	10/13/11 6:29 AM	0.4
Brown 6	10/13/11 6:36 AM	10/13/11 6:52 AM	0.3
Brown 6	11/10/11 4:49 PM	11/10/11 5:34 PM	0.8
Brown 6	11/10/11 5:38 PM	11/10/11 10:23 PM	4.8
Brown 6	11/10/11 10:23 PM	11/11/11 10:30 AM	12.1
Brown 6	3/9/12 6:54 AM	3/9/12 12:58 PM	6.1
Brown 7	5/30/11 4:33 PM	5/30/11 5:23 PM	0.8
Brown 7	5/30/11 5:28 PM	5/30/11 5:47 PM	0.3
Brown 7	6/1/11 12:33 PM	6/1/11 12:34 PM	0.0
Brown 7	6/1/11 1:52 PM	6/1/11 8:10 PM	6.3
Brown 7	6/30/11 10:45 AM	6/30/11 2:15 PM	3.5
Brown 7	7/11/11 1:36 PM	7/12/11 10:26 AM	20.8
Brown 7	7/12/11 3:57 PM	7/13/11 11:57 AM	20.0
Brown 7	8/2/11 7:36 AM	8/2/11 8:01 AM	0.4
Brown 7	8/8/11 5:00 PM	8/8/11 5:08 PM	0.1
Brown 8	10/19/11 11:40 AM	10/19/11 2:58 PM	3.3
Brown 8	2/25/12 7:10 AM	2/25/12 8:20 AM	1.2
Brown 9	5/16/11 6:57 PM	5/18/11 10:15 AM	39.3
Brown 9	6/8/11 11:56 AM	6/8/11 11:57 AM	0.0
Brown 9	11/16/11 6:26 PM	11/16/11 6:53 PM	0.5
Brown 9	1/13/12 6:12 AM	1/13/12 8:37 AM	2.4
Brown 9	2/6/12 8:41 PM	2/6/12 9:27 PM	0.8
Brown 9	2/25/12 7:10 AM	2/25/12 8:20 AM	1.2
Cane Run 11	7/28/11 2:30 PM	7/28/11 3:46 PM	1.3
Cane Run 11	8/2/11 3:38 PM	11/22/11 7:20 AM	2,679.7
Cane Run 11	1/4/12 8:30 AM	1/4/12 10:57 AM	2.5
Cane Run 11	1/23/12 3:50 PM	1/24/12 12:00 PM	20.2
Cane Run 4	4/23/11 8:59 AM	4/23/11 9:37 AM	0.6
Cane Run 4	4/23/11 11:13 AM	4/23/11 5:29 PM	6.3
Cane Run 4	5/4/11 11:51 PM	5/6/11 2:50 AM	27.0
Cane Run 4	5/6/11 2:50 AM	5/6/11 6:56 AM	4.1
Cane Run 4	5/9/11 5:51 PM	5/10/11 3:13 PM	21.4
Cane Run 4	5/10/11 3:13 PM	5/11/11 4:59 AM	13.8
Cane Run 4	5/11/11 5:25 AM	5/11/11 6:47 AM	1.4
Cane Run 4	6/28/11 10:28 PM	6/30/11 2:38 AM	28.2
Cane Run 4	7/28/11 7:31 AM	7/28/11 8:52 AM	1.4
Cane Run 4	7/28/11 9:08 AM	7/28/11 9:51 AM	0.7
Cane Run 4	10/3/11 6:18 AM	10/5/11 11:38 AM	53.3
Cane Run 4	10/18/11 10:00 PM	10/20/11 1:28 AM	27.5
Cane Run 4	1/25/12 3:39 AM	1/25/12 4:10 AM	0.5
Cane Run 4	1/25/12 4:23 AM	1/25/12 4:47 AM	0.4
Cane Run 4	3/7/12 9:03 PM	3/7/12 10:07 PM	1.1

Unit	Start Date & Time	End Date & Time	Duration
Cane Run 4	3/15/12 10:02 PM	3/16/12 4:25 PM	18.4
Cane Run 4	3/16/12 4:25 PM	3/16/12 8:27 PM	4.0
Cane Run 4	3/28/12 7:30 AM	3/28/12 12:29 PM	5.0
Cane Run 5	4/8/11 7:06 AM	4/8/11 8:49 AM	1.7
Cane Run 5	4/12/11 11:13 AM	4/13/11 12:08 PM	24.9
Cane Run 5	4/16/11 12:26 AM	4/17/11 10:31 AM	34.1
Cane Run 5	4/19/11 9:27 AM	4/21/11 7:08 PM	57.7
Cane Run 5	4/26/11 9:45 AM	4/26/11 8:31 PM	10.8
Cane Run 5	5/23/11 3:59 AM	5/23/11 8:00 AM	4.0
Cane Run 5	5/23/11 8:02 PM	5/23/11 9:44 PM	1.7
Cane Run 5	5/23/11 9:51 PM	5/23/11 10:11 PM	0.3
Cane Run 5	5/25/11 2:13 AM	5/25/11 3:20 AM	1.1
Cane Run 5	5/25/11 3:20 AM	5/25/11 1:49 PM	10.5
Cane Run 5	6/6/11 9:41 PM	6/7/11 2:46 AM	5.1
Cane Run 5	10/4/11 6:30 AM	10/4/11 9:06 AM	2.6
Cane Run 5	11/11/11 8:07 AM	11/12/11 12:20 PM	28.2
Cane Run 5	12/18/11 10:36 AM	12/21/11 2:53 AM	64.3
Cane Run 5	1/29/12 11:40 PM	1/31/12 1:07 PM	37.5
Cane Run 5	2/6/12 1:14 AM	2/6/12 4:37 AM	3.4
Cane Run 5	3/2/12 5:43 PM	3/4/12 11:31 AM	41.8
Cane Run 5	3/26/12 10:43 PM	3/27/12 10:52 AM	12.2
Cane Run 5	3/27/12 11:47 AM	3/27/12 2:11 PM	2.4
Cane Run 6	4/28/11 6:32 PM	4/28/11 10:11 PM	3.7
Cane Run 6	5/9/11 5:51 PM	5/12/11 4:14 AM	58.4
Cane Run 6	7/6/11 10:47 PM	7/7/11 8:30 AM	9.7
Cane Run 6	8/8/11 4:39 PM	8/10/11 7:02 AM	38.4
Cane Run 6	8/14/11 4:05 PM	8/17/11 10:31 AM	66.4
Cane Run 6	8/17/11 10:31 AM	8/17/11 5:20 PM	6.8
Cane Run 6	8/25/11 3:29 PM	8/26/11 2:45 PM	23.3
Cane Run 6	10/8/11 6:15 AM	10/9/11 3:33 PM	33.3
Cane Run 6	10/11/11 10:29 PM	10/11/11 11:29 PM	1.0
Cane Run 6	12/8/11 12:12 AM	12/8/11 3:20 AM	3.1
Cane Run 6	12/18/11 9:44 AM	12/19/11 6:47 AM	21.1
Cane Run 6	2/1/12 5:57 AM	2/1/12 8:00 AM	2.1
Cane Run 6	2/17/12 12:02 AM	2/17/12 1:38 AM	1.6
Cane Run 6	3/16/12 5:18 PM	3/17/12 1:25 PM	20.1
Ghent 1	4/13/11 5:20 AM	4/13/11 10:55 AM	5.6
Ghent 1	5/13/11 8:23 PM	5/15/11 3:23 AM	31.0
Ghent 1	6/12/11 9:33 AM	6/13/11 9:38 AM	24.1
Ghent 1	10/12/11 8:26 AM	10/14/11 5:30 PM	57.1
Ghent 1	10/14/11 5:30 PM	10/16/11 6:29 PM	49.0
Ghent 1	2/2/12 12:58 PM	2/3/12 10:29 AM	21.5
Ghent 1	3/14/12 1:42 PM	3/19/12 5:42 AM	112.0
Ghent 2	4/16/11 12:29 AM	4/16/11 11:00 PM	22.5
Ghent 2	6/26/11 5:12 AM	6/26/11 10:56 AM	5.7
Ghent 2	7/10/11 8:47 PM	7/10/11 10:40 PM	1.9
Ghent 2	7/10/11 11:53 PM	7/11/11 5:11 AM	5.3
Ghent 2	7/11/11 5:18 AM	7/11/11 7:22 AM	2.1
Ghent 2	7/11/11 9:25 AM	7/11/11 1:32 PM	4.1
Ghent 2	10/25/11 1:10 PM	10/25/11 2:23 PM	1.2

Unit	Start Date & Time	End Date & Time	Duration
Ghent 3	6/20/11 3:30 AM	6/21/11 12:09 AM	20.7
Ghent 3	6/21/11 12:09 AM	6/21/11 5:44 PM	17.6
Ghent 3	6/26/11 12:06 PM	6/26/11 2:28 PM	2.4
Ghent 3	8/12/11 2:59 AM	8/12/11 5:39 AM	2.7
Ghent 3	8/19/11 5:33 AM	8/21/11 10:22 PM	64.8
Ghent 3	8/22/11 4:16 AM	8/22/11 8:57 AM	4.7
Ghent 3	9/18/11 8:53 PM	9/19/11 5:18 AM	8.4
Ghent 4	5/4/11 11:25 PM	5/5/11 6:01 PM	18.6
Ghent 4	5/12/11 6:54 AM	5/13/11 2:15 PM	31.4
Ghent 4	5/30/11 12:41 AM	5/30/11 10:04 PM	21.4
Ghent 4	8/2/11 7:19 AM	8/2/11 9:07 AM	1.8
Ghent 4	10/14/11 11:27 AM	10/14/11 1:21 PM	1.9
Ghent 4	10/23/11 12:01 AM	10/24/11 8:28 PM	44.5
Ghent 4	11/15/11 1:50 PM	11/15/11 3:25 PM	1.6
Green River 3	4/23/11 2:00 AM	4/23/11 4:03 AM	2.1
Green River 3	4/23/11 5:02 AM	4/23/11 10:09 AM	5.1
Green River 3	4/24/11 6:09 AM	4/24/11 7:33 AM	1.4
Green River 3	5/8/11 8:08 PM	5/8/11 10:30 PM	2.4
Green River 3	5/24/11 4:18 PM	5/24/11 11:34 PM	7.3
Green River 3	5/28/11 3:30 AM	5/29/11 4:59 PM	37.5
Green River 3	6/6/11 10:56 AM	6/6/11 6:31 PM	7.6
Green River 3	10/12/11 10:10 AM	10/12/11 5:30 PM	7.3
Green River 3	10/28/11 12:08 AM	10/28/11 2:02 AM	1.9
Green River 3	11/2/11 10:25 AM	11/2/11 3:05 PM	4.7
Green River 3	11/15/11 1:58 PM	11/15/11 2:59 PM	1.0
Green River 3	11/20/11 10:04 AM	11/20/11 3:40 PM	5.6
Green River 3	11/29/11 9:23 PM	11/30/11 10:24 AM	13.0
Green River 3	1/7/12 11:17 AM	1/7/12 3:36 PM	4.3
Green River 3	2/6/12 10:29 PM	2/7/12 3:26 AM	5.0
Green River 3	2/9/12 9:48 AM	2/10/12 11:20 AM	25.5
Green River 3	2/11/12 6:56 PM	2/12/12 12:36 AM	5.7
Green River 3	2/28/12 9:56 PM	3/2/12 5:58 AM	56.0
Green River 4	4/1/11 9:15 PM	4/2/11 2:00 PM	16.8
Green River 4	4/2/11 2:00 PM	4/2/11 8:34 PM	6.6
Green River 4	4/22/11 6:21 PM	4/22/11 6:43 PM	0.4
Green River 4	6/30/11 9:07 PM	7/2/11 1:50 AM	28.7
Green River 4	7/18/11 8:17 AM	7/19/11 5:38 PM	33.4
Green River 4	7/19/11 6:05 PM	7/19/11 6:43 PM	0.6
Green River 4	7/19/11 10:33 PM	7/20/11 8:33 PM	22.0
Green River 4	7/29/11 11:32 AM	8/1/11 5:12 AM	65.7
Green River 4	8/3/11 3:26 PM	8/4/11 9:06 PM	29.7
Green River 4	8/7/11 5:13 PM	8/9/11 8:08 PM	50.9
Green River 4	8/28/11 11:02 AM	9/2/11 3:58 AM	112.9
Green River 4	9/8/11 2:42 AM	9/9/11 6:37 AM	27.9
Green River 4	9/28/11 8:35 PM	9/29/11 6:21 PM	21.8
Green River 4	10/17/11 4:59 PM	10/19/11 7:10 AM	38.2
Green River 4	10/26/11 1:26 AM	10/28/11 7:43 AM	54.3
Green River 4	11/20/11 4:20 PM	11/21/11 1:17 AM	9.0
Green River 4	11/23/11 3:45 AM	11/24/11 9:11 PM	41.4
Green River 4	12/1/11 12:08 PM	12/2/11 5:14 AM	17.1

Unit	Start Date & Time	End Date & Time	Duration
Green River 4	12/16/11 12:50 PM	12/16/11 5:05 PM	4.3
Green River 4	12/25/11 5:11 PM	12/25/11 10:47 PM	5.6
Green River 4	1/13/12 8:12 AM	1/14/12 1:58 PM	29.8
Green River 4	2/11/12 7:20 AM	2/12/12 9:05 AM	25.8
Green River 4	3/11/12 12:04 PM	3/12/12 6:14 PM	30.2
Green River 4	3/21/12 7:38 AM	3/23/12 2:20 AM	42.7
Green River 4	3/29/12 10:42 AM	3/30/12 8:09 PM	33.5
Haefling 1	7/11/11 12:32 PM	7/13/11 9:47 AM	45.3
Haefling 1	12/13/11 10:36 AM	12/15/11 12:22 PM	49.8
Haefling 1	1/25/12 11:15 AM	1/26/12 1:30 PM	26.3
Haefling 1	1/26/12 1:30 PM	1/30/12 12:49 PM	95.3
Haefling 2	4/28/11 2:49 PM	4/28/11 4:30 PM	1.7
Haefling 2	7/11/11 7:00 PM	7/12/11 4:02 PM	21.0
Haefling 2	9/2/11 12:38 PM	9/2/11 12:48 PM	0.2
Haefling 2	1/25/12 11:26 AM	1/25/12 12:36 PM	1.2
Haefling 2	1/26/12 1:30 PM	1/27/12 2:28 PM	25.0
Haefling 3	7/11/11 7:00 PM	7/14/11 10:53 AM	63.9
Haefling 3	7/20/11 7:52 AM	8/4/11 1:40 PM	365.8
Haefling 3	1/25/12 11:09 AM	1/25/12 12:34 PM	1.4
Haefling 3	1/26/12 1:30 PM	1/27/12 2:28 PM	25.0
Mill Creek 1	4/25/11 10:36 AM	4/25/11 12:13 PM	1.6
Mill Creek 1	4/26/11 1:31 AM	4/26/11 3:06 AM	1.6
Mill Creek 1	4/27/11 9:45 AM	4/27/11 10:20 AM	0.6
Mill Creek 1	4/28/11 7:51 PM	4/28/11 9:25 PM	1.6
Mill Creek 1	4/29/11 1:40 AM	4/29/11 3:57 AM	2.3
Mill Creek 1	6/20/11 11:46 AM	6/22/11 11:16 AM	47.5
Mill Creek 1	8/1/11 7:56 AM	8/5/11 8:53 AM	97.0
Mill Creek 1	8/7/11 1:51 AM	8/7/11 8:01 AM	6.2
Mill Creek 1	8/11/11 9:27 PM	8/14/11 6:52 AM	57.4
Mill Creek 1	9/14/11 5:20 AM	9/15/11 5:34 PM	36.2
Mill Creek 1	12/17/11 4:40 AM	12/17/11 6:39 AM	2.0
Mill Creek 1	12/22/11 7:33 AM	12/22/11 9:05 AM	1.5
Mill Creek 2	3/29/11 10:58 AM	4/1/11 6:53 AM	67.9
Mill Creek 2	4/1/11 10:50 AM	4/3/11 2:24 AM	39.6
Mill Creek 2	4/3/11 12:35 PM	4/5/11 2:36 AM	38.0
Mill Creek 2	4/12/11 6:31 AM	4/12/11 9:08 AM	2.6
Mill Creek 2	4/25/11 10:35 AM	4/25/11 11:54 AM	1.3
Mill Creek 2	4/26/11 2:15 AM	4/26/11 1:50 PM	11.6
Mill Creek 2	4/27/11 2:46 PM	4/27/11 3:32 PM	0.8
Mill Creek 2	4/27/11 4:44 PM	4/27/11 5:47 PM	1.1
Mill Creek 2	4/28/11 11:23 PM	4/29/11 1:40 PM	14.3
Mill Creek 2	4/29/11 1:40 PM	4/29/11 10:48 PM	9.1
Mill Creek 2	4/29/11 10:48 PM	4/30/11 10:17 AM	11.5
Mill Creek 2	7/28/11 1:20 PM	7/28/11 2:29 PM	1.2
Mill Creek 2	8/8/11 6:57 PM	8/9/11 12:05 AM	5.1
Mill Creek 2	10/17/11 5:30 AM	10/17/11 8:55 AM	3.4
Mill Creek 2	10/19/11 4:38 PM	10/19/11 6:19 PM	1.7
Mill Creek 2	12/5/11 12:40 AM	12/5/11 2:38 PM	14.0
Mill Creek 2	12/13/11 8:00 PM	12/15/11 4:35 AM	32.6
Mill Creek 2	1/19/12 8:21 PM	1/21/12 10:07 AM	37.8

Unit	Start Date & Time	End Date & Time	Duration
Mill Creek 3	6/27/11 4:31 PM	6/27/11 6:35 PM	2.1
Mill Creek 3	7/26/11 12:37 AM	7/27/11 6:09 AM	29.5
Mill Creek 3	7/27/11 7:28 AM	7/29/11 10:31 AM	51.1
Mill Creek 3	8/4/11 4:07 PM	8/4/11 10:01 PM	5.9
Mill Creek 3	8/22/11 9:01 AM	8/26/11 2:06 AM	89.1
Mill Creek 3	8/26/11 2:49 AM	8/27/11 6:45 AM	27.9
Mill Creek 3	8/27/11 6:45 AM	8/28/11 6:41 AM	23.9
Mill Creek 3	8/28/11 6:41 AM	8/29/11 5:06 AM	22.4
Mill Creek 3	9/2/11 11:07 AM	9/2/11 4:22 PM	5.3
Mill Creek 3	10/5/11 2:46 PM	10/5/11 5:27 PM	2.7
Mill Creek 3	10/5/11 5:58 PM	10/5/11 8:33 PM	2.6
Mill Creek 3	12/1/11 12:42 AM	12/1/11 2:54 AM	2.2
Mill Creek 3	1/28/12 6:25 PM	1/29/12 1:24 AM	7.0
Mill Creek 3	3/8/12 12:02 PM	3/8/12 2:06 PM	2.1
Mill Creek 3	3/12/12 7:45 AM	3/12/12 4:30 PM	8.8
Mill Creek 3	3/12/12 4:30 PM	3/12/12 7:08 PM	2.6
Mill Creek 4	4/7/11 11:39 PM	4/11/11 3:18 AM	75.7
Mill Creek 4	4/11/11 3:25 AM	4/11/11 4:07 AM	0.7
Mill Creek 4	4/27/11 4:44 AM	4/27/11 7:21 AM	2.6
Mill Creek 4	5/9/11 5:54 PM	5/9/11 9:42 PM	3.8
Mill Creek 4	5/20/11 7:11 AM	5/20/11 10:01 AM	2.8
Mill Creek 4	6/7/11 12:15 AM	6/8/11 8:19 AM	32.1
Mill Creek 4	6/9/11 12:28 AM	6/10/11 12:10 PM	35.7
Mill Creek 4	6/10/11 12:29 PM	6/10/11 1:25 PM	0.9
Mill Creek 4	6/27/11 4:31 PM	6/27/11 6:01 PM	1.5
Mill Creek 4	6/28/11 10:26 AM	6/30/11 3:34 AM	41.1
Mill Creek 4	7/15/11 11:49 PM	7/24/11 7:30 AM	199.7
Mill Creek 4	7/24/11 7:30 AM	7/24/11 8:44 PM	13.2
Mill Creek 4	7/31/11 10:53 PM	8/2/11 1:47 PM	38.9
Mill Creek 4	8/13/11 8:18 AM	8/13/11 11:01 AM	2.7
Mill Creek 4	9/9/11 11:48 AM	9/11/11 7:43 AM	43.9
Mill Creek 4	10/7/11 10:12 AM	10/9/11 2:47 PM	52.6
Mill Creek 4	10/17/11 10:15 AM	10/18/11 6:41 PM	32.4
Mill Creek 4	11/4/11 1:53 AM	11/4/11 5:31 AM	3.6
Mill Creek 4	11/4/11 8:49 AM	11/4/11 9:47 AM	1.0
Mill Creek 4	11/5/11 12:09 PM	11/5/11 8:24 PM	8.3
Mill Creek 4	11/5/11 8:24 PM	11/9/11 4:39 PM	92.3
Mill Creek 4	12/16/11 8:54 AM	12/16/11 10:10 AM	1.3
Mill Creek 4	1/7/12 12:05 AM	1/7/12 9:53 AM	9.8
Mill Creek 4	2/6/12 4:11 PM	2/6/12 10:30 PM	6.3
Mill Creek 4	2/8/12 8:08 AM	2/10/12 10:13 AM	50.1
Mill Creek 4	2/24/12 5:39 AM	2/24/12 11:50 AM	6.2
Mill Creek 4	3/7/12 8:03 AM	3/8/12 8:12 PM	36.2
Mill Creek 4	3/18/12 9:12 AM	3/21/12 1:03 PM	75.9
Mill Creek 4	3/25/12 9:52 AM	3/27/12 11:36 AM	49.7
Paddy's Run 11	7/11/11 12:55 PM	7/16/11 9:05 AM	116.2
Paddy's Run 11	7/21/11 12:33 PM	7/21/11 1:01 PM	0.5
Paddy's Run 11	9/2/11 2:08 PM	9/2/11 2:41 PM	0.6
Paddy's Run 12	5/17/11 2:10 PM	5/18/11 3:16 PM	25.1
Paddy's Run 12	7/11/11 1:48 PM	7/13/11 9:00 AM	43.2

Unit	Start Date & Time	End Date & Time	Duration
Paddy's Run 12	7/15/11 11:00 AM	7/15/11 8:38 PM	9.6
Paddy's Run 12	7/21/11 12:33 PM	7/21/11 1:51 PM	1.3
Paddy's Run 12	7/21/11 1:56 PM	7/21/11 4:23 PM	2.5
Paddy's Run 12	8/2/11 11:05 AM	12/20/11 4:23 PM	3,365.3
Paddy's Run 13	5/11/11 3:00 PM	5/12/11 7:36 AM	16.6
Paddy's Run 13	5/12/11 7:53 AM	5/12/11 8:10 AM	0.3
Paddy's Run 13	5/19/11 10:49 AM	5/19/11 11:39 AM	0.8
Paddy's Run 13	6/4/11 11:40 AM	6/4/11 12:06 PM	0.4
Paddy's Run 13	6/7/11 10:00 AM	6/7/11 10:29 AM	0.5
Paddy's Run 13	6/7/11 10:32 AM	6/7/11 10:48 AM	0.3
Paddy's Run 13	6/7/11 10:51 AM	6/7/11 1:15 PM	2.4
Paddy's Run 13	6/7/11 9:15 PM	6/8/11 12:17 PM	15.0
Paddy's Run 13	7/15/11 11:00 AM	7/15/11 8:38 PM	9.6
Paddy's Run 13	7/18/11 12:00 PM	7/18/11 1:12 PM	1.2
Paddy's Run 13	7/18/11 7:17 PM	7/18/11 7:48 PM	0.5
Paddy's Run 13	9/1/11 11:24 AM	9/1/11 12:17 PM	0.9
Paddy's Run 13	9/1/11 3:54 PM	9/1/11 4:43 PM	0.8
Paddy's Run 13	9/3/11 1:24 PM	9/3/11 1:51 PM	0.5
Paddy's Run 13	9/3/11 2:18 PM	9/3/11 2:51 PM	0.6
Paddy's Run 13	9/3/11 2:54 PM	9/3/11 3:46 PM	0.9
Paddy's Run 13	1/26/12 10:38 AM	1/26/12 11:10 AM	0.5
Trimble County 1	5/23/11 5:38 PM	5/24/11 3:34 PM	21.9
Trimble County 1	6/2/11 12:34 PM	6/4/11 12:35 PM	48.0
Trimble County 1	7/12/11 8:24 PM	7/14/11 9:12 PM	48.8
Trimble County 1	7/23/11 3:20 AM	7/24/11 9:38 PM	42.3
Trimble County 1	8/7/11 6:52 PM	8/11/11 12:12 AM	77.3
Trimble County 1	8/11/11 12:12 AM	8/11/11 8:57 PM	20.8
Trimble County 1	11/18/11 7:59 PM	11/18/11 9:55 PM	1.9
Trimble County 1	11/18/11 10:20 PM	11/18/11 10:49 PM	0.5
Trimble County 1	11/21/11 1:46 PM	11/23/11 3:46 AM	38.0
Trimble County 1	11/23/11 3:46 AM	11/23/11 12:39 PM	8.9
Trimble County 1	11/23/11 12:43 PM	11/23/11 2:17 PM	1.6
Trimble County 1	11/26/11 2:52 PM	11/26/11 7:36 PM	4.7
Trimble County 1	11/27/11 2:09 PM	12/1/11 10:33 AM	92.4
Trimble County 1	12/1/11 10:33 AM	12/1/11 12:00 PM	1.5
Trimble County 1	12/11/11 8:38 AM	12/12/11 12:40 PM	28.0
Trimble County 1	12/12/11 12:40 PM	12/12/11 10:56 PM	10.3
Trimble County 1	12/15/11 10:05 AM	12/15/11 10:54 PM	12.8
Trimble County 1	2/20/12 6:25 AM	2/20/12 11:42 AM	5.3
Trimble County 1	2/20/12 11:43 AM	2/20/12 12:17 PM	0.6
Trimble County 1	3/1/12 1:28 PM	3/1/12 5:48 PM	4.3
Trimble County 1	3/2/12 3:38 PM	3/2/12 6:24 PM	2.8
Trimble County 1	3/11/12 3:10 AM	3/11/12 9:17 AM	6.1
Trimble County 10	4/10/11 8:58 PM	4/10/11 11:36 PM	2.6
Trimble County 10	4/29/11 12:10 AM	4/29/11 1:45 PM	13.6
Trimble County 10	7/11/11 9:31 AM	7/11/11 12:06 PM	2.6
Trimble County 10	7/21/11 12:49 PM	7/21/11 1:35 PM	0.8
Trimble County 10	1/12/12 7:40 AM	1/12/12 6:34 PM	10.9
Trimble County 10	3/2/12 4:15 PM	3/2/12 4:57 PM	0.7
Trimble County 10	3/3/12 7:24 PM	3/4/12 1:35 AM	6.2

Unit	Start Date & Time	End Date & Time	Duration
Trimble County 2	5/4/11 3:00 AM	5/6/11 7:55 AM	52.9
Trimble County 2	5/30/11 12:08 AM	5/30/11 11:30 PM	23.4
Trimble County 2	7/1/11 1:16 AM	7/1/11 4:39 PM	15.4
Trimble County 2	8/15/11 6:29 AM	8/16/11 8:42 AM	26.2
Trimble County 2	8/17/11 8:16 AM	8/18/11 2:10 AM	17.9
Trimble County 2	9/14/11 1:31 PM	9/15/11 4:21 AM	14.8
Trimble County 2	9/15/11 5:44 AM	9/15/11 11:00 AM	5.3
Trimble County 2	9/30/11 1:18 AM	9/30/11 5:53 AM	4.6
Trimble County 2	11/16/11 6:04 PM	11/17/11 9:19 AM	15.3
Trimble County 2	1/7/12 1:26 PM	1/11/12 8:18 PM	102.9
Trimble County 2	1/12/12 12:47 AM	1/12/12 8:32 AM	7.8
Trimble County 2	1/12/12 9:08 AM	1/12/12 5:42 PM	8.6
Trimble County 5	6/7/11 11:06 AM	6/8/11 3:45 AM	16.7
Trimble County 5	7/6/11 1:35 AM	7/6/11 2:11 AM	0.6
Trimble County 5	7/11/11 7:08 PM	7/11/11 8:15 PM	1.1
Trimble County 5	7/21/11 12:50 PM	7/21/11 1:26 PM	0.6
Trimble County 5	8/10/11 11:24 AM	8/11/11 6:40 AM	19.3
Trimble County 5	8/17/11 12:09 PM	8/18/11 1:56 PM	25.8
Trimble County 5	12/10/11 11:39 AM	12/12/11 8:46 PM	57.1
Trimble County 5	12/13/11 1:10 PM	12/13/11 2:05 PM	0.9
Trimble County 5	1/12/12 9:21 PM	1/13/12 5:10 AM	7.8
Trimble County 5	1/13/12 8:28 AM	1/13/12 10:10 AM	1.7
Trimble County 5	3/2/12 4:15 PM	3/2/12 4:57 PM	0.7
Trimble County 5	3/9/12 8:34 AM	3/9/12 12:48 PM	4.2
Trimble County 6	4/10/11 8:58 PM	4/10/11 10:37 PM	1.7
Trimble County 6	5/5/11 5:45 AM	5/5/11 5:52 AM	0.1
Trimble County 6	5/26/11 5:59 PM	5/26/11 6:46 PM	0.8
Trimble County 6	6/3/11 4:41 PM	6/3/11 8:14 PM	3.6
Trimble County 6	7/11/11 9:20 PM	7/12/11 1:00 AM	3.7
Trimble County 6	7/21/11 12:50 PM	7/21/11 1:46 PM	0.9
Trimble County 6	11/21/11 11:45 AM	11/21/11 12:27 PM	0.7
Trimble County 6	12/10/11 11:39 AM	12/13/11 4:59 PM	77.3
Trimble County 6	1/12/12 9:21 PM	1/13/12 5:10 AM	7.8
Trimble County 6	2/3/12 6:10 AM	2/3/12 7:11 AM	1.0
Trimble County 6	2/8/12 7:31 AM	2/8/12 8:56 AM	1.4
Trimble County 6	3/2/12 4:15 PM	3/2/12 4:57 PM	0.7
Trimble County 6	3/27/12 5:55 PM	3/27/12 7:50 PM	1.9
Trimble County 7	7/6/11 1:04 PM	7/7/11 4:49 AM	15.8
Trimble County 7	7/20/11 9:42 PM	7/21/11 12:20 AM	2.6
Trimble County 7	7/21/11 12:44 PM	7/21/11 1:35 PM	0.9
Trimble County 7	7/31/11 4:15 PM	7/31/11 4:50 PM	0.6
Trimble County 7	11/21/11 11:12 AM	11/21/11 11:45 AM	0.6
Trimble County 7	1/11/12 3:40 PM	1/11/12 6:51 PM	3.2
Trimble County 7	1/17/12 1:43 PM	1/17/12 4:23 PM	2.7
Trimble County 7	2/3/12 6:30 AM	2/3/12 9:15 PM	14.8
Trimble County 7	2/11/12 6:46 PM	2/11/12 6:58 PM	0.2
Trimble County 7	2/22/12 7:10 AM	2/22/12 3:00 PM	7.8
Trimble County 7	3/2/12 4:15 PM	3/2/12 4:57 PM	0.7
Trimble County 7	3/6/12 8:02 AM	3/6/12 8:55 AM	0.9
Trimble County 8	5/20/11 4:26 AM	5/20/11 6:38 AM	2.2



<b>Unit</b>	<b>Start Date &amp; Time</b>	<b>End Date &amp; Time</b>	<b>Duration</b>
Trimble County 8	5/22/11 7:48 AM	5/22/11 7:52 AM	0.1
Trimble County 8	7/21/11 12:50 PM	7/21/11 1:35 PM	0.8
Trimble County 8	1/11/12 3:40 PM	1/11/12 6:51 PM	3.2
Trimble County 8	1/17/12 1:43 PM	1/17/12 4:23 PM	2.7
Trimble County 8	2/22/12 7:10 AM	2/22/12 3:00 PM	7.8
Trimble County 8	3/2/12 4:15 PM	3/2/12 4:57 PM	0.7
Trimble County 9	4/10/11 8:58 PM	4/10/11 11:36 PM	2.6
Trimble County 9	4/13/11 5:26 AM	4/13/11 5:34 AM	0.1
Trimble County 9	5/30/11 11:34 AM	5/30/11 12:02 PM	0.5
Trimble County 9	6/4/11 11:57 AM	6/4/11 12:55 PM	1.0
Trimble County 9	7/11/11 9:20 AM	7/11/11 11:44 AM	2.4
Trimble County 9	7/21/11 12:49 PM	7/21/11 1:34 PM	0.8
Trimble County 9	8/26/11 10:45 AM	8/26/11 4:05 PM	5.3
Trimble County 9	11/11/11 2:15 AM	11/11/11 1:09 PM	10.9
Trimble County 9	11/11/11 10:06 PM	11/12/11 6:43 AM	8.6
Trimble County 9	3/2/12 4:15 PM	3/2/12 4:57 PM	0.7
Zorn 1	7/21/11 12:06 PM	7/22/11 8:51 AM	20.8
Zorn 1	7/28/11 2:26 PM	11/16/11 2:17 PM	2,663.9

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 298**

**Responding Witness: Robert M. Conroy**

Q-298. Please identify and explain any events or circumstance occurring during the test year that materially (significantly) altered the normal (typical) economic dispatch of LG&E's and KU's electric production resources (if any).

A-298. During the test year, all units were economically dispatched within their dispatch capability except for the occasional re-dispatch by the transmission operator, unit outages, and unit de-rates. None of these events were material.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 299**

**Responding Witness: Robert M. Conroy**

Q-299. For each KU and LG&E generating unit, please provide average annual fuel cost per KWH during test year.

A-299. See attached.

Station	KU	LGE
	Average Annual Fuel Cost, \$/kWh	Average Annual Fuel Cost, \$/kWh
BR1	\$ 0.0401	
BR2	\$ 0.0365	
BR3	\$ 0.0378	
BR 5	\$ 0.0925	\$ 0.0925
BR 6	\$ 0.0601	\$ 0.0601
BR 7	\$ 0.0544	\$ 0.0544
BR 8	\$ 0.0812	
BR 9	\$ 0.0870	
BR 10	\$ 0.1025	
BR 11	\$ 0.0782	
CR4		\$ 0.0229
CR5		\$ 0.0218
CR6		\$ 0.0215
CR 11		\$ 0.2325
DD	\$ -	
GH1	\$ 0.0239	
GH2	\$ 0.0246	
GH3	\$ 0.0246	
GH4	\$ 0.0250	
GR3	\$ 0.0339	
GR4	\$ 0.0305	
HA 1	\$ 0.3500	
HA 2	\$ 0.3356	
HA 3	\$ 0.9729	
MC1		\$ 0.0218
MC2		\$ 0.0225
MC3		\$ 0.0218
MC4		\$ 0.0217
OF		\$ -
PR 11 & 12		\$ (1.7033)
PR 13	\$ 0.0804	\$ 0.0804
TC1		\$ 0.0232
TC2	\$ 0.0210	\$ 0.0210
TC 5	\$ 0.1059	\$ 0.1059
TC 6	\$ 0.0765	\$ 0.0765
TC 7	\$ 0.0812	\$ 0.0812
TC 8	\$ 0.0893	\$ 0.0893
TC 9	\$ 0.0961	\$ 0.0961
TC 10	\$ 0.1070	\$ 0.1070
TY3	\$ -	
ZN 1		\$ (0.0965)

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 300**

**Responding Witness: Robert M. Conroy**

Q-300. Please specifically explain and define how LG&E distinguishes between primary and secondary voltage; e.g., voltage level.

A-300. The voltage levels for primary and secondary delivery are defined on Sheet No. 99, Character of Service, of the proposed P.S.C. Electric No. 9, which is provided in Volume 1, Tab 8 of the Filing Requirements.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 301**

**Responding Witness: Robert M. Conroy**

Q-301. Please provide a copy of the most recent LG&E class load study including all supporting tables, schedules, and data.

A-301. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 302**

**Responding Witness: Robert M. Conroy**

- Q-302. Please provide all workpapers, analyses, calculations, etc. supporting all LG&E non-jurisdictional and jurisdictional class demands (loads) utilized in the jurisdictional and class cost of service studies. In this response, please explain and indicate how class demands were specifically determined or estimated. Include all definitions of demand utilized; e.g., CP, NCP and sum of individual customers. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).
- A-302. The CP, NCP, and sum of individual customer demands were calculated using the load research data provided in response to PSC 2-108. The CP demand allocators are the class contributions to the summer and winter hourly peaks respectively, the NCP allocator is the highest hourly class maximum demand recorded during the test year, and the sum of individual customer demands is the maximum hourly demand for each individual customer in each rate class summed together.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 303**

**Responding Witness: Robert M. Conroy**

Q-303. Please explain how interruptible (curtailment riders: CSR10 and CSR30) customers' demands and energy usage are reflected in the LG&E class cost of service study.

A-303. Curtailable customers' actual energy usages were used to develop the energy allocation factors. The customers' CP demands were adjusted to reflect levels that would have occurred had the customers not been curtailed.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 304**

**Responding Witness: Lonnie E. Bellar**

Q-304. With regard to LG&E's current Curtailment Service Rider (CSR10), please provide the following amounts by rate schedule, separated between Primary and Transmission, for each month of the test year:

- (a) total firm contract demand;
- (b) total contract curtailment load;
- (c) total billing demand;
- (d) total demand credits;
- (e) total non-compliance charges by month; and,
- (f) listing of date, time, duration, and estimated MW curtailment.

Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-304. See the response to KIUC 1-46

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 305**

**Responding Witness: Lonnie E. Bellar**

Q-305. With regard to LG&E's current Curtailment Service Rider (CSR30), please provide the following amounts by rate schedule, separated between Primary and Transmission, for each month of the test year:

- (a) total firm contract demand;
- (b) total contract curtailment load;
- (c) total billing demand;
- (d) total demand credits;
- (e) total non-compliance charges by month; and,
- (f) listing of date, time, duration, and estimated MW curtailment.

Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-305. See the response to Question No. 304.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 306**

**Responding Witness: Lonnie E. Bellar**

Q-306. With regard to LG&E's proposed Curtailable Service Riders ("CSRs") referenced at Pages 8 through 11 of Mr. Bellar's Direct Testimony, please provide all workpapers, spreadsheets, source documents, assumptions, etc. utilized to develop the CSR provisions (curtailable hours, buy-through rates, etc.) being proposed in this case. Please provide the response in hard copy as well as in Microsoft readable electronic format as applicable (preferably Microsoft Excel).

A-306. See the response to KIUC 1-44.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 307**

**Responding Witness: Robert M. Conroy**

Q-307. With regards to the Specific Assignment of Interruptible Credits shown in LG&E Conroy Exhibit C3, Pages 25 and 26:

- (a) please explain what the <\$472,778> of "Specific Assignment of Interruptible Credit" represents and provide all workpapers showing the determination of this amount;
- (b) please explain and provide all workpapers, spreadsheets, source documents, and analyses showing how the "specific assignments" were made to individual classes; and,
- (c) please explain the basis and provide all workpapers and spreadsheets showing how the Allocation of Interruptible Credits of \$472,778 were made; e.g., the development of Allocation Vector "INTCRE."

A-307. See the response to PSC 2-108 for workpapers.

- a. The <\$472,778> of "Specific Assignment of Interruptible Credit" represents the interruptible credits provided to CSR customers during the test year based upon the proposed CSR credit. See page 3 of Conroy Exhibit R4.
- b. The amount is assigned to the rate class under which the customer is served. See page 1 of Conroy Exhibit R4.
- c. The "INTCRE" allocation factor represents the sum of the winter and summer fixed production plant. The calculation is shown in the cost of service study provided in response to PSC-2 Question No. 108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 308**

**Responding Witness: Robert M. Conroy**

Q-308. With respect to Mr. Conroy's LG&E zero-intercept analysis (summarized in Exhibits C4 through C6), please provide:

- (a) statistical output including all diagnostic statistics;
- (b) specific definition of dependent and independent variable(s) utilized corresponding to the data provided in each Exhibit;
- (c) specific regression model (including coefficient);
- (d) definition of "size" for each account;
- (e) definition of "cost" for each account;
- (f) definition of "quantity" for each account; and,
- (g) source documents supporting Mr. Conroy's regression data.

A-308. a. See the response to PSC 2-108.

b. For overhead conductor, the dependent variable is the average cost per foot of conductor the independent variable is the size of the conductor in MCM. For underground conductor, the dependent variable is the average cost per foot of conductor the independent variable is the size of the conductor in MCM. For line transformers, the dependent variable is the average cost per transformer and the independent variable is the size of the transformer category in kVA. The analysis uses weighted regression with the feet of conductor or number of transformers as the weights.

c. See the response to PSC 2-108.

d. See response to b.

- e. See response to b.
- f. See response to b.
- g. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 309**

**Responding Witness: Robert M. Conroy**

Q-309. Please provide Mr. Conroy's LG&E Exhibits C4 through C6 in executable electronic spreadsheets. In this response include all analyses and calculations conducted to develop each zero-intercept analysis.

A-309. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 310**

**Responding Witness: Robert M. Conroy**

Q-310. Please provide the following separated between primary and secondary (as available) by vintage year, size, and type for LG&E Account 365 (Overhead Conductors) in the greatest level of detail available:

- (a) installed footage;
- (b) gross investment;
- (c) materials investment;
- (d) capitalized labor; and,
- (e) Handy-Whitman Cost Index or equivalent.

If all data is not available for all years, please provide the level of detail that is available. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-310. See the response to PSC 2-108. Gross investment includes both materials investment and capitalized labor.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 311**

**Responding Witness: Robert M. Conroy**

Q-311. Please provide the following separated between primary and secondary (as available) by vintage year, size, and type for LG&E Account 367 (Underground Conductors) in the greatest level of detail available:

- (a) installed footage;
- (b) gross investment;
- (c) materials investment;
- (d) capitalized labor; and,
- (e) Handy-Whitman Cost Index or equivalent.

If all data is not available for all years, please provide the level of detail that is available. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-311. See the response to PSC 2-108. Gross investment includes both materials investment and capitalized labor.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 312**

**Responding Witness: Robert M. Conroy**

Q-312. Please provide the following separated between primary and secondary as available by vintage year, size and type for LG&E Account 368 (Line Transformers) in the greatest level of detail available:

- (a) installed units;
- (b) gross investment;
- (c) materials investment;
- (d) capitalized labor; and,
- (e) Handy-Whitman Cost Index or equivalent.

If all data is not available for all years, please provide the level of detail that is available. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-312. See the response to PSC 2-108. Gross investment includes both materials investment and capitalized labor.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 313**

**Responding Witness: Robert M. Conroy**

Q-313. Please provide each of the following LG&E Conroy Exhibits associated with the electric operations filing in executable Excel format (include all linked files):

- (a) Exhibits: P1 through P5, P7 and P8;
- (b) Exhibits: C1 through C6;
- (c) Exhibits: R2 through R6 (Electric and Gas);
- (d) Exhibit: M1 (Electric and Gas);
- (e) Exhibits: M2, M3, M5, M6 and M9; and,
- (f) Exhibits: M8 (Electric and Gas) and M11 (Electric and Gas).

Please include in this response all the workpapers, spreadsheets, source documents, etc. that support the amounts, assumptions and calculations presented in these Exhibits.

A-313. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 314**

**Responding Witness: Shannon L. Charnas**

Q-314. Please provide LG&E adjusted test year General plant in the greatest detail available by FERC account and sub-account.

A-314. See attached.

**LOUISVILLE GAS & ELECTRIC COMPANY  
GENERAL PLANT IN SERVICE - ELECTRIC  
MARCH 2012**

<b>Account</b>	<b>Total</b>
E392.10-Transportation - Cars Truck	\$ 8,263,701
E392.20-Transportation - Trailers	682,934
E394.00-Tools, Shop, and Garage Equipment	4,652,755
E396.10-Power Operated Equip-Hourly Rated	2,403,265
E396.20-Power Operated Equip-Other	151,087
Total General Electric Plant in Service	<u>\$ 16,153,742</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 315**

**Responding Witness: Shannon L. Charnas**

Q-315. Please provide LG&E adjusted test year CWIP in the greatest detail available. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-315. See attached.

The attachment is being provided in a separate file in Excel format.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 316**

**Responding Witness: Shannon L. Charnas**

Q-316. Please provide LG&E adjusted test year depreciation reserve and depreciation expense in the greatest detail available by FERC account and sub-account.

A-316. See attached.



**Louisville Gas & Electric Company**  
**Depreciation Reserve and Expense - Electric**  
**As of March 31, 2012**

<u>Account</u>	<u>Reserve</u>	<u>Test Year Expense</u>
<b>Distribution</b>		
E361.00-Structures and Improvements	\$ (1,942,936)	
E362.00-Station Equipment	(37,681,795)	
E364.00-Poles, Towers, and Fixtures	(68,496,632)	
E365.00-OH Conductors and Devices	(97,196,895)	
E366.00-Underground Conduit	(26,506,073)	
E367.00-UG Conductors and Devices	(48,417,202)	
E368.00-Line Transformers	(63,826,236)	
E369.10-Underground Services	(1,211,657)	
E369.20-Overhead Services	(19,661,579)	
E370.00-Meters	(20,266,671)	
E373.10-Overhead Street Lighting	(12,785,140)	
E373.20-Underground Street Lighting	(21,621,678)	
E373.40-Street Lighting Transformer	(96,557)	
E374.05-ARO Cost Distribution Land/Building	(8,799)	
E374.07-ARO Cost Distribution Equipment	(1,565)	
	<u>\$ (419,721,415)</u>	<u>\$ 23,284,454</u>
<b>Hydro</b>		
E331.00-Structures and Improvements	\$ (4,306,275)	
E332.00-Reservoirs, Dams, and Water	(1,801,526)	
E333.00-Water Wheels, Turbines, Generators	(928,197)	
E334.00-Accessory Electric Equipment	(1,982,408)	
E335.00-Misc Power Plant Equipment	(57,373)	
E336.00-Roads, Railroads, and Bridges	(17,806)	
E337.07-ARO Cost Hydro Production Equipment	(2,550)	
	<u>\$ (9,096,136)</u>	<u>\$ 611,031</u>
<b>Other Production</b>		
E341.00-Structures and Improvements	\$ (4,440,137)	
E342.00-Fuel Holders, Producers, Access	(2,198,478)	
E343.00-Prime Movers	(40,298,530)	
E344.00-Generators	(16,876,247)	
E345.00-Accessory Electric Equipment	(6,241,479)	
E346.00-Misc Power Plant Equipment	(1,304,137)	
E347.05-ARO Cost Other Prod Land/Building	(1,593)	
E347.07-ARO Cost Other Production Equipment	-	
	<u>\$ (71,360,601)</u>	<u>\$ 8,549,263</u>

**Louisville Gas & Electric Company**  
**Depreciation Reserve and Expense - Electric**  
**As of March 31, 2012**

<u>Account</u>	<u>Reserve</u>	<u>Test Year Expense</u>
<b>Steam Production</b>		
E311.00-Structures and Improvements	\$ (197,153,022)	
E311.01-AROP Structures and Improvements	(8,815,843)	
E312.00-Boiler Plant Equipment	(696,077,077)	
E312.01-AROP Boiler Plant Equipment	(595,004)	
E314.00-Turbogenerator Units	(129,348,868)	
E315.00-Accessory Electric Equipment	(122,137,881)	
E315.01-AROP Accessory Electric Equipment	-	
E316.00-Misc Power Plant Equipment	(6,560,587)	
E317.07-ARO Cost Steam Equipment	(1,850,284)	
	<u>\$ (1,162,538,565)</u>	<u>\$ 74,399,456</u>
<b>Electric Transmission</b>		
E350.10-Land Rights	\$ (2,348,190)	
E352.10-Struct & Imp-Non Sys Control	(1,519,764)	
E353.10-Station Equipment - Non System	(68,821,230)	
E353.11-AROP Station Equip Non System	(12,516)	
E354.00-Towers and Fixtures	(22,634,669)	
E355.00-Poles and Fixtures	(18,346,971)	
E356.00-OH Conductors and Devices	(24,759,623)	
E357.00-Underground Conduit	(501,855)	
E358.00-UG Conductors and Devices	(2,049,961)	
E359.15-ARO Cost Transmission Land/Building	(290)	
E359.17-ARO Cost Transmission Equipment	(2,652)	
	<u>\$ (140,997,721)</u>	<u>\$ 5,608,413</u>
<b>General</b>		
E392.10-Transportation - Cars Truck	\$ (7,176,648)	
E392.20-Transportation - Trailers	(263,327)	
E394.00-Tools, Shop, and Garage Equipment	(1,558,872)	
E395.00-Laboratory Equipment	-	
E396.10-Power Operated Equipment-Hourly Rtd	(2,232,421)	
E396.20-Power Operated Equipment-Other	(28,146)	
	<u>\$ (11,259,415)</u>	<u>\$ 228,287</u>
<b>Total Electric Plant in Service</b>	<u>\$ (1,814,973,852)</u>	<u>\$ 112,680,902</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 317**

**Responding Witness: Valerie L. Scott**

Q-317. Please provide all LG&E calculated, actual, or estimated test year uncollectible expense by customer class.

A-317. This information is not available. The Company does not maintain uncollectible expense by customer class.

See the response to PSC 1-35 for additional information.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 318**

**Responding Witness: Sidney L. "Butch" Cockerill**

Q-318. Please provide actual and estimated LG&E meter reads by customer class during the test year, and/or the most recent 12 months available.

A-318. The table below includes manually read meters for the period April 1, 2011 – March 31, 2012. Remotely read meters are not included.

<u>Rate Schedule</u>	<u>Number of Actual Meter Reads</u>	<u>Number of Estimated Meter Reads</u>
General Service	609,436	21,236
Low Emission Vehicle Service	66	0
Power Service	79,212	2,234
Residential Service	4,235,599	43,096
Retail Transmission Service	509	28
Traffic Energy Service	10,493	92
Volunteer Fire Department	72	0
Lighting Energy Service	2,126	92
Net Metering	2,118	0
Commercial Time of Day - Primary	1,887	9
Commercial Time of Day - Secondary	7,041	16
Industrial Time of Day - Primary	1,923	7
Industrial Time of Day - Secondary	2,966	9
Temporary Suspension - Industrial	31	0
Temporary Suspension - Commercial	2,401	972
Temporary Suspension - Residential	2,277	529
Total	4,958,157	68,320

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 319**

**Responding Witness: Robert M. Conroy**

Q-319. With regard to LG&E Purchased Power (Account 555) included in its electric class cost service study, please provide:

- (a) all workpapers and analyses showing the determination of total demand costs within the Account total; and,
- (b) all workpapers and analyses showing the determination of total energy costs within the Account total.

A-319. a. See attached, which ties to page 2 of LG&E's monthly Form Bs filed with the Commission. The energy and demand amounts reported on the Form B are used to allocate total purchased power expense for the test year. The small difference between test year total expense and the amounts reported in the Form Bs is energy imbalance. Energy imbalance is estimated monthly to report total purchased power expense, while the Form B reports the actual amount as trued up in the subsequent month.

- b. See response to (a).

Calculation of Demand & Energy Split of Purchased Power Account 555 for LG&E						
	kWh	Demand (\$)	Fuel (\$)	Other Charges (\$)	Total Charges (\$)	
April-11	109,812,000	\$ 1,891,305	\$ 3,001,267	\$ 38,311	\$ 4,930,884	
May-11	166,620,000	1,589,277	4,716,407	90,315	6,396,000	
June-11	172,844,000	1,165,123	5,234,998	91,643	6,491,763	
July-11	170,221,000	1,338,885	5,493,443	85,554	6,917,883	
August-11	121,825,000	1,363,741	4,002,468	40,106	5,406,316	
September-11	143,777,000	1,383,841	4,002,191	121,332	5,507,363	
October-11	203,407,000	1,979,969	5,430,125	217,105	7,627,198	
November-11	120,857,000	1,809,353	3,187,945	68,042	5,065,340	
December-11	179,359,000	1,963,618	4,831,730	143,397	6,938,746	
January-12	141,466,000	1,274,081	3,868,886	146,915	5,289,883	
February-12	71,772,000	1,708,448	2,063,881	15,847	3,788,176	
March-12	89,705,000	2,217,436	2,467,720	21,720	4,706,876	
	1,691,665,000	\$ 19,685,078	\$ 48,301,062	\$ 1,080,287	\$ 69,066,428	

Demand Charges : \$ 20,765,366

Energy Charges : \$ 48,301,062

Total Charges : \$ 69,066,428

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 320**

**Responding Witness: Robert M. Conroy**

Q-320. With regard to LG&E Intercompany Sales of \$78,675,99 (Conroy Exhibit C3, Page 25), please provide:

- (a) a detailed explanation along with all workpapers and analyses showing the pricing methodology (basis) and amount (units and dollars) for sales to affiliates; and,
- (b) if not provided in (a) above, please provide the detailed determination of test year Intercompany sales (units and dollars) by month and by affiliate.

- A-320. a. The only sales to affiliates that LG&E makes are intercompany sales to Kentucky Utilities. LG&E and KU follow the long-standing practice of pricing intercompany sales at the fuel cost of the selling utility plus one-half of the savings of the buying utility. The generation assigned to intercompany sales is determined by the Companies' After the Fact Billing program, which 'stacks' all sources by hour in order of cost, and matches the sources so that highest cost sources are assigned to off-system sales.
- b. See attached, which ties to page 2 of LG&E's monthly Form Bs filed with the Commission.

Intercompany Sales to Kentucky Utilities					
	kWh	Demand (\$)	Fuel (\$)	Other Charges (\$)	Total Charges (\$)
April-11	367,551,000	\$ -	\$ 8,118,434	\$ 0	\$ 8,118,434
May-11	212,079,000	-	4,980,857	2,242	4,983,100
June-11	129,241,000	-	3,055,372	602	3,055,974
July-11	165,945,000	-	4,090,136	94	4,090,230
August-11	214,820,000	-	5,046,773	4	5,046,777
September-11	367,228,000	-	8,278,923	-	8,278,923
October-11	298,428,000	-	6,626,293	183	6,626,476
November-11	240,256,000	-	5,409,753	-	5,409,753
December-11	425,541,000	-	9,545,513	-	9,545,513
January-12	436,448,000	-	9,670,814	-	9,670,814
February-12	290,185,000	-	6,444,957	-	6,444,957
March-12	317,379,000	-	7,405,050	-	7,405,050
	3,465,101,000	\$ -	\$ 78,672,875	\$ 3,125	\$ 78,675,999



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 321**

**Responding Witness: Robert M. Conroy**

Q-321. With regard to each LG&E rate schedule, please provide a history of all base rates during the last 10-years. In this response please provide each rate element (e.g., customer charge, energy charge, demand charge, etc.) as well as the effective date of each base rate.

A-321. See attached.

Rate	Component	PSC 5	FAC rollin	ECR rollin	FAC rollin	ECR rollin
		March 1, 2000	June 1, 2000	November 1, 2002	May 1, 2003	January 5, 2004
RS	Customer Charge, per month	\$ 3.29	\$ 3.29	\$ 3.31	\$ 3.31	\$ 3.40
	Winter Rates					
	Energy, block 1, per kWh	\$ 0.05315	\$ 0.05325	\$ 0.05364	\$ 0.05526	\$ 0.05669
	Energy, block 2, per kWh	\$ 0.04062	\$ 0.04069	\$ 0.04099	\$ 0.04261	\$ 0.04370
	Summer Rates					
RPM	Energy, block 1, per kWh	\$ 0.05777	\$ 0.05788	\$ 0.05831	\$ 0.05993	\$ 0.06149
	Energy, block 2, per kWh	\$ 0.05942	\$ 0.05953	\$ 0.05997	\$ 0.06159	\$ 0.06319
	Prepaid Metering Facilities Charge, per year	\$ 24.60	\$ 24.60	\$ 24.60	\$ 24.00	\$ 24.60
	Basic Customer Charge, per year	\$ 40.80	\$ 40.80	\$ 40.80	\$ 39.72	\$ 40.80
	Energy, per kWh	\$ 0.06000	\$ 0.06040	\$ 0.06275	\$ 0.05537	\$ 0.05681
WH	Customer Charge, per month	\$ 0.93	\$ 0.93	\$ 0.94	\$ 0.94	\$ 0.97
	Energy, all, per kWh	\$ 0.03832	\$ 0.03839	\$ 0.03867	\$ 0.04029	\$ 0.04132
GS	Customer Charge, single phase, per month	\$ 3.89	\$ 3.89	\$ 3.92	\$ 3.92	\$ 4.02
	Customer Charge, 3 phase, per month	\$ 7.78	\$ 7.78	\$ 7.84	\$ 7.84	\$ 8.05
	Winter Rates					
	Energy, per kWh	\$ 0.05724	\$ 0.05734	\$ 0.05776	\$ 0.05983	\$ 0.06092
	Summer Rates					
VFD	Energy, per kWh	\$ 0.06470	\$ 0.06481	\$ 0.06529	\$ 0.06691	\$ 0.06865
	Customer Charge, per month	\$ 3.29	\$ 3.29	\$ 3.31	\$ 3.31	\$ 3.40
	Winter Rates					
	Energy, block 1, per kWh	\$ 0.05315	\$ 0.05325	\$ 0.05364	\$ 0.05526	\$ 0.05669
	Energy, block 2, per kWh	\$ 0.04062	\$ 0.04069	\$ 0.04099	\$ 0.04261	\$ 0.04370
LC-Secondary	Summer Rates					
	Energy, block 1, per kWh	\$ 0.05777	\$ 0.05788	\$ 0.05831	\$ 0.05993	\$ 0.06149
	Energy, block 2, per kWh	\$ 0.05942	\$ 0.05953	\$ 0.05997	\$ 0.06159	\$ 0.06319
	Customer Charge, per month	\$ 17.11	\$ 17.11	\$ 17.24	\$ 17.24	\$ 17.70
	Energy, per kWh	\$ 0.02703	\$ 0.02704	\$ 0.02886	\$ 0.02886	\$ 0.02959
LC-Primary	Winter demand, per kW	\$ 6.99	\$ 7.02	\$ 7.07	\$ 7.07	\$ 7.26
	Summer demand, per kW	\$ 9.95	\$ 9.98	\$ 10.05	\$ 10.05	\$ 10.32
	Customer Charge, per month	\$ 17.11	\$ 17.11	\$ 17.24	\$ 17.24	\$ 17.70
	Energy, per kWh	\$ 0.02703	\$ 0.02704	\$ 0.02886	\$ 0.02886	\$ 0.02959
	Winter demand, per kW	\$ 5.43	\$ 5.45	\$ 5.49	\$ 5.49	\$ 5.64
LC-TOD-Secondary	Summer demand, per kW	\$ 8.14	\$ 8.16	\$ 8.22	\$ 8.22	\$ 8.44
	Customer Charge, per month	\$ 19.13	\$ 19.13	\$ 19.27	\$ 19.27	\$ 19.78
	Energy, all, per kWh	\$ 0.02705	\$ 0.02708	\$ 0.02728	\$ 0.02890	\$ 0.02963
	Basic Demand, per kW	\$ 3.54	\$ 3.55	\$ 3.58	\$ 3.58	\$ 3.68
	Summer Peak, per kW	\$ 6.40	\$ 6.41	\$ 6.46	\$ 6.46	\$ 6.63
LC-TOD-Primary	Winter Peak, per kW	\$ 3.41	\$ 3.42	\$ 3.45	\$ 3.45	\$ 3.54
	Customer Charge, per month	\$ 19.13	\$ 19.13	\$ 19.27	\$ 19.27	\$ 19.78
	Energy, all, per kWh	\$ 0.02705	\$ 0.02708	\$ 0.02728	\$ 0.02890	\$ 0.02963
	Basic Demand, per kW	\$ 1.91	\$ 1.92	\$ 1.93	\$ 1.93	\$ 1.98
	Summer Peak, per kW	\$ 6.40	\$ 6.41	\$ 6.46	\$ 6.46	\$ 6.63
LP-Secondary	Winter Peak, per kW	\$ 3.41	\$ 3.42	\$ 3.45	\$ 3.45	\$ 3.54
	Customer Charge, per month	\$ 42.33	\$ 42.33	\$ 42.64	\$ 42.64	\$ 43.78
	Energy, per kWh	\$ 0.02296	\$ 0.02301	\$ 0.02318	\$ 0.02480	\$ 0.02542
	Winter demand, per kW	\$ 7.83	\$ 7.84	\$ 7.90	\$ 7.90	\$ 8.11
LP-Primary	Summer demand, per kW	\$ 10.32	\$ 10.33	\$ 10.41	\$ 10.41	\$ 10.69
	Customer Charge, per month	\$ 42.33	\$ 42.33	\$ 42.64	\$ 42.64	\$ 43.78
	Energy, per kWh	\$ 0.02296	\$ 0.02301	\$ 0.02318	\$ 0.02480	\$ 0.02542
	Winter demand, per kW	\$ 5.96	\$ 5.97	\$ 6.01	\$ 6.01	\$ 6.17
LP-Transmission	Summer demand, per kW	\$ 8.48	\$ 8.49	\$ 8.55	\$ 8.55	\$ 8.78
	Customer Charge, per month	\$ 42.33	\$ 42.33	\$ 42.64	\$ 42.64	\$ 43.78
	Energy, per kWh	\$ 0.02296	\$ 0.02301	\$ 0.02318	\$ 0.02480	\$ 0.02542
	Winter demand, per kW	\$ 4.81	\$ 4.83	\$ 4.87	\$ 4.87	\$ 5.00
	Summer demand, per kW	\$ 7.32	\$ 7.34	\$ 7.39	\$ 7.39	\$ 7.59

Rate	Component	PSC 5	FAC rollin	ECR rollin	FAC rollin	ECR rollin
		March 1, 2000	June 1, 2000	November 1, 2002	May 1, 2003	January 5, 2004
LP-TOD-Secondary	Customer Charge, per month	\$ 44.29	\$ 44.29	\$ 44.62	\$ 44.62	\$ 45.81
	Energy, all, per kWh	\$ 0.02297	\$ 0.02301	\$ 0.02318	\$ 0.02480	\$ 0.02542
	Basic Demand, per kW	\$ 5.06	\$ 5.07	\$ 5.11	\$ 5.11	\$ 5.25
	Summer Peak, per kW	\$ 5.31	\$ 5.32	\$ 5.36	\$ 5.36	\$ 5.50
	Winter Peak, per kW	\$ 2.81	\$ 2.82	\$ 2.84	\$ 2.84	\$ 2.92
LP-TOD-Primary	Customer Charge, per month	\$ 44.29	\$ 44.29	\$ 44.62	\$ 44.62	\$ 45.81
	Energy, all, per kWh	\$ 0.02297	\$ 0.02301	\$ 0.02318	\$ 0.02480	\$ 0.02542
	Basic Demand, per kW	\$ 3.18	\$ 3.18	\$ 3.20	\$ 3.20	\$ 3.29
	Summer Peak, per kW	\$ 5.31	\$ 5.32	\$ 5.36	\$ 5.36	\$ 5.50
	Winter Peak, per kW	\$ 2.81	\$ 2.82	\$ 2.84	\$ 2.84	\$ 2.92
LP-TOD-Transmissio	Customer Charge, per month	\$ 44.29	\$ 44.29	\$ 44.62	\$ 44.62	\$ 45.81
	Energy, all, per kWh	\$ 0.02297	\$ 0.02301	\$ 0.02318	\$ 0.02480	\$ 0.02542
	Basic Demand, per kW	\$ 2.03	\$ 2.03	\$ 2.05	\$ 2.05	\$ 2.10
	Summer Peak, per kW	\$ 5.31	\$ 5.32	\$ 5.36	\$ 5.36	\$ 5.50
	Winter Peak, per kW	\$ 2.81	\$ 2.82	\$ 2.84	\$ 2.84	\$ 2.92
SLE	Energy, all, per kWh	\$ 0.03500	\$ 0.03506	\$ 0.03532	\$ 0.03694	\$ 0.03788
TLE	Customer Charge, per month	\$ 2.45	\$ 2.45	\$ 2.47	\$ 2.47	\$ 2.54
	Energy, all, per kWh	\$ 0.04454	\$ 0.04462	\$ 0.04495	\$ 0.04657	\$ 0.04777

Rate	Component	PSC 6	FAC Rollin	ECR Rollin	FAC Rollin	ECR Rollin
		July 4, 2004	June 30, 2005	March 5, 2007	December 3, 2007	May 2, 2008
RS	Customer Charge, per month	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
	Energy, per kWh	\$ 0.05887	\$ 0.05955	\$ 0.06035	\$ 0.06389	\$ 0.06404
VFD	Customer Charge, per month	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
	Energy, per kWh	\$ 0.05887	\$ 0.05955	\$ 0.06035	\$ 0.06389	\$ 0.06404
RPM	Prepaid Metering Facilities Charge, per year	\$ 24.60				
	Basic Customer Charge, per year	\$ 60.00				
	Energy, per kWh	\$ 0.05887				
GS	Customer Charge, single phase, per month	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00
	Customer Charge, 3 phase, per month	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
	Winter Rates Energy, per kWh	\$ 0.06313	\$ 0.06381	\$ 0.06473	\$ 0.06827	\$ 0.06849
	Summer Rates Energy, per kWh	\$ 0.07086	\$ 0.07154	\$ 0.07245	\$ 0.07599	\$ 0.07621
LC-Secondary	Customer Charge, per month	\$ 65.00	\$ 65.00	\$ 65.00	\$ 65.00	\$ 65.00
	Energy, per kWh	\$ 0.02349	\$ 0.02417	\$ 0.02348	\$ 0.02702	\$ 0.02702
	Winter demand, per kW	\$ 11.14	\$ 11.14	\$ 11.70	\$ 11.70	\$ 11.75
	Summer demand, per kW	\$ 14.20	\$ 14.20	\$ 14.76	\$ 14.76	\$ 14.81
LC-Primary	Customer Charge, per month	\$ 65.00	\$ 65.00	\$ 65.00	\$ 65.00	\$ 65.00
	Energy, per kWh	\$ 0.02349	\$ 0.02417	\$ 0.02348	\$ 0.02702	\$ 0.02702
	Winter demand, per kW	\$ 9.52	\$ 9.52	\$ 10.12	\$ 10.12	\$ 10.17
	Summer demand, per kW	\$ 12.32	\$ 12.32	\$ 12.92	\$ 12.92	\$ 12.97
LC-TOD-Secondary	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, all, per kWh	\$ 0.02349	\$ 0.02417	\$ 0.02352	\$ 0.02706	\$ 0.02706
	Basic Demand, per kW	\$ 3.22	\$ 3.22	\$ 3.53	\$ 3.53	\$ 3.57
	Summer Peak, per kW	\$ 10.98	\$ 10.98	\$ 11.17	\$ 11.17	\$ 11.21
	Winter Peak, per kW	\$ 7.92	\$ 7.92	\$ 8.11	\$ 8.11	\$ 8.15
LC-TOD-Primary	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, all, per kWh	\$ 0.02349	\$ 0.02417	\$ 0.02352	\$ 0.02706	\$ 0.02706
	Basic Demand, per kW	\$ 2.17	\$ 2.17	\$ 2.52	\$ 2.52	\$ 2.56
	Summer Peak, per kW	\$ 10.15	\$ 10.15	\$ 10.38	\$ 10.38	\$ 10.42
	Winter Peak, per kW	\$ 7.35	\$ 7.35	\$ 7.58	\$ 7.58	\$ 7.62
LP-Secondary	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, per kWh	\$ 0.02000	\$ 0.02068	\$ 0.02003	\$ 0.02357	\$ 0.02357
	Winter demand, per kW	\$ 11.76	\$ 11.76	\$ 12.24	\$ 12.24	\$ 12.35
	Summer demand, per kW	\$ 14.35	\$ 14.35	\$ 14.83	\$ 14.83	\$ 14.94
LP-Primary	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, per kWh	\$ 0.02000	\$ 0.02068	\$ 0.02003	\$ 0.02357	\$ 0.02357
	Winter demand, per kW	\$ 9.96	\$ 9.96	\$ 10.48	\$ 10.48	\$ 10.59
	Summer demand, per kW	\$ 12.55	\$ 12.55	\$ 13.07	\$ 13.07	\$ 13.18
LP-Transmission	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, per kWh	\$ 0.02000	\$ 0.02068	\$ 0.02003	\$ 0.02357	\$ 0.02357
	Winter demand, per kW	\$ 8.76	\$ 8.76	\$ 9.45	\$ 9.45	\$ 9.56
	Summer demand, per kW	\$ 11.35	\$ 11.35	\$ 12.04	\$ 12.04	\$ 12.15
LP-TOD-Secondary	Customer Charge, per month	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00
	Energy, all, per kWh	\$ 0.02000	\$ 0.02068	\$ 0.02008	\$ 0.02362	\$ 0.02362
	Basic Demand, per kW	\$ 4.62	\$ 4.62	\$ 4.88	\$ 4.88	\$ 4.85
	Summer Peak, per kW	\$ 9.73	\$ 9.73	\$ 10.02	\$ 10.02	\$ 9.99
	Winter Peak, per kW	\$ 7.14	\$ 7.14	\$ 7.43	\$ 7.43	\$ 7.40
LP-TOD-Primary	Customer Charge, per month	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00
	Energy, all, per kWh	\$ 0.02000	\$ 0.02068	\$ 0.02008	\$ 0.02362	\$ 0.02362
	Basic Demand, per kW	\$ 3.52	\$ 3.52	\$ 3.82	\$ 3.82	\$ 3.79
	Summer Peak, per kW	\$ 9.03	\$ 9.03	\$ 9.32	\$ 9.32	\$ 9.29
	Winter Peak, per kW	\$ 6.44	\$ 6.44	\$ 6.73	\$ 6.73	\$ 6.70

Rate	Component	PSC 6	FAC Rollin	ECR Rollin	FAC Rollin	ECR Rollin
		July 4, 2004	June 30, 2005	March 5, 2007	December 3, 2007	May 2, 2008
LP-TOD-Transmission	Customer Charge, per month	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00
	Energy, all, per kWh	\$ 0.02000	\$ 0.02068	\$ 0.02008	\$ 0.02362	\$ 0.02362
	Basic Demand, per kW	\$ 2.33	\$ 2.33	\$ 2.66	\$ 2.66	\$ 2.63
	Summer Peak, per kW	\$ 9.02	\$ 9.02	\$ 9.31	\$ 9.31	\$ 9.28
	Winter Peak, per kW	\$ 6.43	\$ 6.43	\$ 6.72	\$ 6.72	\$ 6.69
LI-TOD-Secondary	Customer Charge, per month	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00
	Energy, all, per kWh	\$ 0.02000	\$ 0.02068	\$ 0.02008	\$ 0.02362	\$ 0.02362
	Basic Demand, per kVA	\$ 4.62	\$ 4.62	\$ 4.88	\$ 4.88	\$ 4.85
	Winter Peak, per kVA	\$ 7.14	\$ 7.14	\$ 7.43	\$ 7.43	\$ 7.40
	Summer Peak, per kVA	\$ 9.73	\$ 9.73	\$ 10.02	\$ 10.02	\$ 9.99
	Fluctuating Load Charges:					
	Basic Demand, per kVA	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31
	Winter Peak, per kVA	\$ 3.57	\$ 3.57	\$ 3.57	\$ 3.57	\$ 3.57
	Summer Peak, per kVA	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87
LI-TOD-Primary	Customer Charge, per month	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00
	Energy, all, per kWh	\$ 0.02000	\$ 0.02068	\$ 0.02008	\$ 0.02362	\$ 0.02362
	Basic Demand, per kVA	\$ 3.52	\$ 3.52	\$ 3.82	\$ 3.82	\$ 3.79
	Winter Peak, per kVA	\$ 6.44	\$ 6.44	\$ 6.73	\$ 6.73	\$ 6.70
	Summer Peak, per kVA	\$ 9.03	\$ 9.03	\$ 9.32	\$ 9.32	\$ 9.29
	Fluctuating Load Charges:					
	Basic Demand, per kVA	\$ 1.76	\$ 1.76	\$ 1.76	\$ 1.76	\$ 1.76
	Winter Peak, per kVA	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.22
	Summer Peak, per kVA	\$ 4.52	\$ 4.52	\$ 4.52	\$ 4.52	\$ 4.52
LI-TOD-Transmission	Customer Charge, per month	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00
	Energy, all, per kWh	\$ 0.02000	\$ 0.02068	\$ 0.02008	\$ 0.02362	\$ 0.02362
	Basic Demand, per kVA	\$ 2.33	\$ 2.33	\$ 2.66	\$ 2.66	\$ 2.63
	Winter Peak, per kVA	\$ 6.43	\$ 6.43	\$ 6.72	\$ 6.72	\$ 6.69
	Summer Peak, per kVA	\$ 9.02	\$ 9.02	\$ 9.31	\$ 9.31	\$ 9.28
	Fluctuating Load Charges:					
	Basic Demand, per kVA	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17
	Winter Peak, per kVA	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.22	\$ 3.22
	Summer Peak, per kVA	\$ 4.51	\$ 4.51	\$ 4.51	\$ 4.51	\$ 4.51
SLE	Energy, all, per kWh	\$ 0.04059	\$ 0.04127	\$ 0.04178	\$ 0.04532	\$ 0.04628
TLE	Customer Charge, per month	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80
	Energy, all, per kWh	\$ 0.05114	\$ 0.05182	\$ 0.05256	\$ 0.05610	\$ 0.05660

Rate	Component	PSC 7	FAC Rollin	ECR Rollin
		February 6, 2009	June 29, 2009	January 28, 2010
RS	Customer Charge, per month	\$ 5.00	\$ 5.00	\$ 5.00
	Energy, per kWh	\$ 0.06303	\$ 0.06658	\$ 0.06714
VFD	Customer Charge, per month	\$ 5.00	\$ 5.00	\$ 5.00
	Energy, per kWh	\$ 0.06303	\$ 0.06658	\$ 0.06714
GS	Customer Charge, single phase, per month	\$ 10.00	\$ 10.00	\$ 10.00
	Customer Charge, 3 phase, per month	\$ 15.00	\$ 15.00	\$ 15.00
	Energy, per kWh	\$ 0.07050	\$ 0.07405	\$ 0.07579
IPS-Secondary	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, per kWh	\$ 0.02256	\$ 0.02611	\$ 0.02611
	Summer demand, per kW	\$ 14.94	\$ 14.94	\$ 15.10
	Winter demand, per kW	\$ 12.35	\$ 12.35	\$ 12.51
IPS-Primary	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, per kWh	\$ 0.02256	\$ 0.02611	\$ 0.02611
	Summer demand, per kW	\$ 13.18	\$ 13.18	\$ 13.34
	Winter demand, per kW	\$ 10.59	\$ 10.59	\$ 10.75
CPS-Secondary	Customer Charge, per month	\$ 65.00	\$ 65.00	\$ 65.00
	Energy, per kWh	\$ 0.02601	\$ 0.02956	\$ 0.02956
	Winter demand, per kW	\$ 14.81	\$ 14.81	\$ 14.99
	Summer demand, per kW	\$ 11.75	\$ 11.75	\$ 11.93
CPS-Primary	Customer Charge, per month	\$ 65.00	\$ 65.00	\$ 65.00
	Energy, per kWh	\$ 0.02601	\$ 0.02956	\$ 0.02956
	Winter demand, per kW	\$ 12.97	\$ 12.97	\$ 13.15
	Summer demand, per kW	\$ 10.17	\$ 10.17	\$ 10.35
ITOD-Secondary	Customer Charge, per month	\$ 120.00	\$ 120.00	\$ 120.00
	Energy, all, per kWh	\$ 0.02261	\$ 0.02616	\$ 0.02616
	Basic Demand, per kW	\$ 4.85	\$ 4.85	\$ 4.91
	Summer Peak, per kW	\$ 9.99	\$ 9.99	\$ 10.05
	Winter Peak, per kW	\$ 7.40	\$ 7.40	\$ 7.46
ITOD-Primary	Customer Charge, per month	\$ 120.00	\$ 120.00	\$ 120.00
	Energy, all, per kWh	\$ 0.02261	\$ 0.02616	\$ 0.02616
	Basic Demand, per kW	\$ 3.79	\$ 3.79	\$ 3.85
	Summer Peak, per kW	\$ 9.29	\$ 9.29	\$ 9.35
	Winter Peak, per kW	\$ 6.70	\$ 6.70	\$ 6.76
CTOD-Secondary	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, all, per kWh	\$ 0.02605	\$ 0.02960	\$ 0.02960
	Basic Demand, per kW	\$ 3.57	\$ 3.57	\$ 3.65
	Summer Peak, per kW	\$ 11.21	\$ 11.21	\$ 11.29
	Winter Peak, per kW	\$ 8.15	\$ 8.15	\$ 8.23
CTOD-Primary	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, all, per kWh	\$ 0.02605	\$ 0.02960	\$ 0.02960
	Basic Demand, per kW	\$ 2.56	\$ 2.56	\$ 2.64
	Summer Peak, per kW	\$ 10.42	\$ 10.42	\$ 10.50
	Winter Peak, per kW	\$ 7.62	\$ 7.62	\$ 7.70

Rate	Component	PSC 7	FAC Rollin	ECR Rollin
		February 6, 2009	June 29, 2009	January 28, 2010
RTS	Customer Charge, per month	\$ 120.00	\$ 120.00	\$ 120.00
	Energy, per kWh	\$ 0.02226	\$ 0.02616	\$ 0.02616
	Basic Demand, per kVA	\$ 2.29	\$ 2.29	\$ 2.36
	Summer Peak, per kVA	\$ 8.08	\$ 8.08	\$ 8.15
	Winter Peak, per kVA	\$ 5.83	\$ 5.83	\$ 5.90
IS-Secondary	Customer Charge, per month	\$ 120.00	\$ 120.00	\$ 120.00
	Energy, all, per kWh	\$ 0.02261	\$ 0.02616	\$ 0.02616
	Basic Demand, per kVA	\$ 4.85	\$ 4.85	\$ 4.92
	Winter Peak, per kVA	\$ 7.40	\$ 7.40	\$ 7.47
	Summer Peak, per kVA	\$ 9.99	\$ 9.99	\$ 10.06
	Fluctuating Load Charges:			
	Basic Demand, per kVA	\$ 2.31	\$ 2.31	\$ 2.38
	Winter Peak, per kVA	\$ 3.57	\$ 3.57	\$ 3.64
	Summer Peak, per kVA	\$ 4.87	\$ 4.87	\$ 4.94
	IS-Pirmary	Customer Charge, per month	\$ 120.00	\$ 120.00
Energy, all, per kWh		\$ 0.02000	\$ 0.02068	\$ 0.02616
Basic Demand, per kVA		\$ 3.79	\$ 3.79	\$ 3.86
Winter Peak, per kVA		\$ 6.70	\$ 6.70	\$ 6.77
Summer Peak, per kVA		\$ 9.29	\$ 9.29	\$ 9.36
Fluctuating Load Charges:				
Basic Demand, per kVA		\$ 1.76	\$ 1.76	\$ 1.83
Winter Peak, per kVA		\$ 3.22	\$ 3.22	\$ 3.29
Summer Peak, per kVA		\$ 4.52	\$ 4.52	\$ 4.59
IS-Transmission		Customer Charge, per month	\$ 120.00	\$ 120.00
	Energy, all, per kWh	\$ 0.02000	\$ 0.02068	\$ 0.02616
	Basic Demand, per kVA	\$ 2.63	\$ 2.63	\$ 2.70
	Winter Peak, per kVA	\$ 6.69	\$ 6.69	\$ 6.76
	Summer Peak, per kVA	\$ 9.28	\$ 9.28	\$ 9.35
	Fluctuating Load Charges:			
	Basic Demand, per kVA	\$ 1.17	\$ 1.17	\$ 1.24
	Winter Peak, per kVA	\$ 3.22	\$ 3.22	\$ 3.29
	Summer Peak, per kVA	\$ 4.51	\$ 4.51	\$ 4.58
LE	Energy, all, per kWh	\$ 0.04527	\$ 0.04882	\$ 0.04871
TE	Customer Charge, per month	\$ 2.80	\$ 2.80	\$ 2.80
	Energy, all, per kWh	\$ 0.05559	\$ 0.05914	\$ 0.05903

Rate	Component	PSC 8	FAC Rollin	ECR Rollin
		August 1, 2010	June 29, 2011	February 29, 2012
RS	Customer Charge, per month	\$ 8.50	\$ 8.50	\$ 8.50
	Energy, per kWh	\$ 0.07068	\$ 0.07225	\$ 0.07242
VFD	Customer Charge, per month	\$ 8.50	\$ 8.50	\$ 8.50
	Energy, per kWh	\$ 0.07068	\$ 0.07225	\$ 0.07242
GS	Customer Charge, single phase, per month	\$ 17.50	\$ 17.50	\$ 17.50
	Customer Charge, 3 phase, per month	\$ 32.50	\$ 32.50	\$ 32.50
	Energy, per kWh	\$ 0.08051	\$ 0.08208	\$ 0.08240
PS-Secondary	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, per kWh	\$ 0.03264	\$ 0.03421	\$ 0.03421
	Summer demand, per kW	\$ 15.32	\$ 15.32	\$ 15.39
	Winter demand, per kW	\$ 13.07	\$ 13.07	\$ 13.14
PS-Primary	Customer Charge, per month	\$ 90.00	\$ 90.00	\$ 90.00
	Energy, per kWh	\$ 0.03264	\$ 0.03421	\$ 0.03421
	Summer demand, per kW	\$ 13.48	\$ 13.48	\$ 13.55
	Winter demand, per kW	\$ 11.24	\$ 11.24	\$ 11.31
ITOD-Secondary	Customer Charge, per month	\$ 300.00	\$ 300.00	\$ 300.00
	Energy, all, per kWh	\$ 0.02827	\$ 0.02984	\$ 0.02984
	Peak Demand, per kW	\$ 5.20	\$ 5.20	\$ 5.18
	Intermediate Demand, per kW	\$ 3.70	\$ 3.70	\$ 3.68
	Base Demand, per kW	\$ 5.48	\$ 5.48	\$ 5.46
CTOD-Secondary	Customer Charge, per month	\$ 200.00	\$ 200.00	\$ 200.00
	Energy, all, per kWh	\$ 0.03226	\$ 0.03383	\$ 0.03383
	Peak Demand, per kW	\$ 5.81	\$ 5.81	\$ 5.78
	Intermediate Demand, per kW	\$ 4.28	\$ 4.28	\$ 4.25
	Base Demand, per kW	\$ 3.79	\$ 3.79	\$ 3.76
ITOD-Primary	Customer Charge, per month	\$ 300.00	\$ 300.00	\$ 300.00
	Energy, all, per kWh	\$ 0.02827	\$ 0.02984	\$ 0.02984
	Basic Demand, per kW	\$ 4.16	\$ 4.16	\$ 4.17
	Summer Peak, per kW	\$ 10.11	\$ 10.11	\$ 10.12
	Winter Peak, per kW	\$ 7.31	\$ 7.31	\$ 7.32
CTOD-Primary	Customer Charge, per month	\$ 200.00	\$ 200.00	\$ 200.00
	Energy, all, per kWh	\$ 0.03226	\$ 0.03383	\$ 0.03383
	Peak Demand, per kVA	\$ 5.70	\$ 5.70	\$ 5.65
	Intermediate Demand, per kVA	\$ 4.20	\$ 4.20	\$ 4.15
	Base Demand, per kVA	\$ 2.64	\$ 2.64	\$ 2.59
RTS	Customer Charge, per month	\$ 500.00	\$ 500.00	\$ 500.00
	Energy, per kWh	\$ 0.02827	\$ 0.02984	\$ 0.02984
	Basic Demand, per kVA	\$ 4.36	\$ 4.36	\$ 4.32
	Summer Peak, per kVA	\$ 2.86	\$ 2.86	\$ 2.82
	Winter Peak, per kVA	\$ 2.61	\$ 2.61	\$ 2.57



Rate	Component	PSC 8	FAC Rollin	ECR Rollin
		August 1, 2010	June 29, 2011	February 29, 2012
FLS-Primary	Customer Charge, per month	\$ 500.00	\$ 500.00	\$ 500.00
	Energy, all, per kWh	\$ 0.03553	\$ 0.03710	\$ 0.03710
	Basic Demand, per kVA	\$ 2.75	\$ 2.75	\$ 2.71
	Winter Peak, per kVA	\$ 1.75	\$ 1.75	\$ 1.71
	Summer Peak, per kVA	\$ 1.75	\$ 1.75	\$ 1.71
FLS-Transmission	Customer Charge, per month	\$ 500.00	\$ 500.00	\$ 500.00
	Energy, all, per kWh	\$ 0.03271	\$ 0.03428	\$ 0.03428
	Basic Demand, per kVA	\$ 2.75	\$ 2.75	\$ 2.71
	Winter Peak, per kVA	\$ 1.75	\$ 1.75	\$ 1.71
	Summer Peak, per kVA	\$ 1.00	\$ 1.00	\$ 0.96
LE	Energy, all, per kWh	\$ 0.05465	\$ 0.05622	\$ 0.05646
TE	Customer Charge, per month	\$ 3.14	\$ 3.14	\$ 3.14
	Energy, all, per kWh	\$ 0.06780	\$ 0.03804	\$ 0.06870

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 322**

**Responding Witness: Robert M. Conroy**

Q-322. Please provide a table or matrix comparing each rate class in this filing with the rate classes shown in LG&E's last cost of service study in Docket No. 2009-00549. In this response please explain any consolidations and migrations.

A-322. See the table below.

<b>2012 Rate Class</b>	<b>2009 Rate Class</b>
Residential - RS	Residential - RS
General Service – GS	General Service – GS
Power Service Secondary – PSS	Power Service Secondary – PSS
Power Service Primary – PSP	Power Service Primary – PSP
Time of Day Secondary - TODS	Commercial Time of Day Secondary – CTODS
	Industrial Time of Day Secondary – ITODS
Time of Day Primary - TODP	Commercial Time of Day Primary – CTODP
	Industrial Time of Day Primary – ITODP
Retail Transmission Service – RTS	Retail Transmission Service – RTS
Special Contracts	Special Contracts
Lighting Service – LS & RLS	Lighting Service – LS, RLS & DSK
Lighting Energy – LE	Lighting Energy – LE
Traffic Energy – TE	Traffic Energy – TLE

The rate schedules in this filing map to the rate classes from the cost of service study provided in the referenced case, with the sole exception being that Rate VFD is included with Rate RS in both cost of service studies. Additionally, rates with no customers, i.e. Rate FLS, are not included in the cost of service. The only substantive change between the rate classes from 2009 has been the consolidation of the commercial and industrial time-of-day rate classes to harmonize LG&E's tariffs with its sister company KU.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 323**

**Responding Witness: Chris Hermann**

Q-323. Please provide the following actual or estimated number of circuit miles as follows:

- (a) separated between primary and secondary voltage;
- (b) separated between 3-phase and single (dual) phase; and,
- (c) separated by size of conductor.

A-323. (a) LG&E has approximately 6,257 primary circuit miles and 4,349 of secondary circuit miles.

(b) LG&E has approximately 2,277 three phase circuit miles and 8,329 single (dual) phase circuit miles.

(c) Circuit miles by size of conductor are not readily available

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 324**

**Responding Witness: Robert M. Conroy**

Q-324. With regard to the LG&E Direct Testimony of Mr. Conroy, Page 51, Line 19 through Page 52, Line 3, please provide all workpapers, data, electronic computer models and spreadsheets, assumptions, calculations, etc. that show how the proposed class revenue percentage increases and the corresponding revenue dollar increases were determined.

A-324. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 325**

**Responding Witness: Robert M. Conroy**

- Q-325. Please provide a listing of the LG&E gas rate schedules that are included in each of the customer classes presented in the gas class cost of service study (Conroy Exhibit C10); i.e., Residential (RGS), Commercial (CGS), Industrial (IGS), As-Available Gas Service (AAGS), Firm Transportation (FT), and Special Contracts (SP).
- A-325. The rate schedules listed in the question (i.e. RGS, CGS, IGS, AAGS, FT, and SP) map to the rate classes from the cost of service study, with the sole exception being that Rate VFD is included with Rate RGS. Additionally, rates with no customers (i.e. Rate DGGS) are not included in the cost of service.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
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**Question No. 326**

**Responding Witness: Robert M. Conroy**

Q-326. With regard to LG&E Conroy's Direct Testimony at Pages 15 through 18 and Conroy Exhibit P12, please provide all detailed output reports including diagnostic statistics, confidence intervals, number of observations, coefficients, etc. regarding the statistical modeling developed in this case regarding the temperature normalization adjustments to test period usage and revenues for LG&E gas operations. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-326. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 327**

**Responding Witness: Robert M. Conroy**

Q-327. With regard to Conroy LG&E Exhibit P12:

- (a) Please provide the Exhibit in executable Excel format (include all linked files); and,
- (b) Please provide all workpapers, spreadsheets, assumptions, etc. that support each of the various components of the gas temperature normalization adjustments for Residential (Rate RGS), Commercial (Rate CGS), Industrial (Rate IGS), As Available Gas Service (Rate AAGS), Firm Transportation (Rate FT) and Special Contracts (SC) determined therein, including the determinations of actual and normal heating degree days, the development of net revenue per MCF sold, etc.

A-327. a See the response to PSC 2-108.

b. See part a.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
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**Question No. 328**

**Responding Witness: Robert M. Conroy**

Q-328. With regard to the LG&E Direct Testimony of Mr. Conroy, Page 39, Lines 7 through 9, please provide an executable computer spreadsheet of Conroy LG&E Exhibit C9, Gas Zero Intercept-Distribution Mains analysis. Please include in the response all the workpapers, spreadsheets, source documents, etc. that support the amounts, assumptions, and calculations presented therein.

A-328. See the response to PSC 2-108.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 329**

**Responding Witness: Robert M. Conroy**

Q-329. Please provide an executable computer spreadsheet of Mr. Conroy's LG&E gas class cost of service study initially referenced at Page 31 of his Direct Testimony and the results of which are presented in Conroy Exhibit C10.

A-329. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 330**

**Responding Witness: J. Clay Murphy**

Q-330. With regard to LG&E gas Special Contracts customers, please provide:

- (a) the requirements and criteria for eligibility to be served under gas special contracts;
- (b) the specific criteria and circumstances that exist for each Special Contract customers;
- (c) all contracts with "special contracts" customers;
- (d) all workpapers, analyses, internal memoranda, and correspondence regarding the threat of bypass, alternative fuel switching, and determination of rates charged to each Special Contract customer; and,
- (e) an explanation of the monitoring and/or on-going evaluations, etc. that LG&E undertakes to validate the continued eligibility of special customers.

A-330. a. When a standard tariff offering does not provide adequate flexibility to meet the needs of a particular customer's circumstance, then a special contract may be able to provide that flexibility. The ability to offer special contracts that incorporate rates and/or services not offered in LG&E's standard tariff offerings can allow LG&E to address a variety of customer-specific circumstances that it would not otherwise be able to address. LG&E does not enter into special contracts lightly or without careful consideration of the unique situation of the customer requesting special contract service.

The circumstances that support a special contract can vary by customer. By way of example, special contracts may provide a local distribution company with the ability to offer rates that discourage a current or potential customer from taking service directly from an interstate pipeline. Also, a special contract can be of use in competing with the customer's ability to use alternate fuels. Still another use of a special contract is to ensure that the customer's revenue responsibility is commensurate with the capacity and services that are

being reserved to serve the customer. In order to meet the particular circumstances of the customer, the rates and provisions associated with each special contract may not be exactly the same.

- b. As explained above, special contracts can be used to address circumstances that are unique to the customer requesting the special contract. Below are the unique circumstances associated with LG&E's special contract customers that reveal the criteria that support this customer receiving service under a special contract.

**E. I. DuPont de Nemours:**

E. I. DuPont de Nemours ("DuPont) first became a special contract gas customer in 1994. The current special contract, which provides for transportation-only service became effective in 1997.

The circumstances and criteria that support the DuPont special contract are different from those that support other special contracts. The DuPont special contract was developed to serve a new load that previously had not been served by LG&E, not an existing load at risk of bypassing LG&E. Prior to the special contract, DuPont utilized coal to meet its steam needs at the Louisville Plant. DuPont was considering two options at the time it requested the special contract: either replacing its aging coal-fired boilers and continuing to utilize coal or installing gas-fired boilers and utilizing natural gas. The fuel cost associated with natural gas was presumably higher than that of coal. The special contract rate that LG&E offered to DuPont apparently satisfied DuPont's total financial requirements for the project at the time and DuPont made the decision to install gas-fired boilers. Given the large volume for the facility and the incremental nature of the load served under the special contract, and the fact that the customer could have chosen an alternate fuel, makes it a candidate for a special contract.

DuPont is served under a special contract which incorporates the terms and conditions associated with Rate FT, but not the one-part commodity-only rate structure of Rate FT. Instead, the DuPont special contract incorporates a cost-based two-part rate structure that includes a demand rate and a commodity rate, as well as a customer charge. These three charges are derived from the unbundled cost elements of the commodity-only charge under Rate FT.

Importantly, LG&E achieved this incremental throughput with little or no incremental capital investment. DuPont continues to make a contribution to LG&E's fixed costs. The special contract rates and provisions facilitate the continuance of that contribution to fixed costs, which costs would otherwise be borne by all other customers.

**Electric Generation:**

The special contract between LG&E's gas business and the electric generation businesses of LG&E and KU first became effective in 2008. Prior to that date, these electric generation facilities were being charged only for the cost of gas that they consumed, and there was no contract defining the terms and conditions of service or charges for the services provided.

LG&E serves three LG&E/KU electric generation facilities under a single special contract. The Mill Creek and Cane Run power plants are provided with sales service, while the Paddy's Run facility is provided with transportation-only service.

Electric Generation is served under a special contract which incorporates the terms and conditions associated with Rate FT, but instead of a one-part commodity-only rate, the Electric Generation special contract incorporates a cost-based two-part rate structure that includes a demand rate and a commodity rate, as well as a customer charge. These three charges are derived from the unbundled cost elements of the commodity-only charge under Rate FT for Paddy's Run and commodity-only charge under Rate IGS for Mill Creek and Cane Run. In addition to the two-part rate structure, the contract includes special operating parameters associated with each plant.

A special contract was determined to be appropriate for the three electric generation facilities of this customer because of the unique load profiles of these facilities as compared to other gas customers who receive gas service under standard tariffs. The amount of capacity held on LG&E's gas system to meet the potential maximum daily requirements is very high relative to the annual throughput. A commodity-only rate would not have adequately reflected the cost of holding that daily capacity available and resulted in other gas customers paying for the capacity that is held to serve electric generation loads.

Importantly, LG&E serves the loads of this customer's facilities with only a modest incremental capital investment. Electric Generation makes a contribution to LG&E's fixed costs. The special contract rates and provisions facilitate the continuance of that contribution to fixed costs, which costs would otherwise be borne by all other customers.

- c. See attached for copies of the following special contracts and associated documents:

**E. I. DuPont de Nemours:**

- Transmittal letter for DuPont Special Contract
- Special Contract with DuPont approved by the Commission

**Electric Generation:**

- Transmittal letter with Public Version (redacted) of the Special Contract for Electric Generation
  - Commission data request and response of LG&E/KU
  - Letter approving confidential treatment of Special Contract with Electric Generation
  - Order approving the Special Contract in Case No. 2007-00449
- d. The customer files associated with each of these special contracts are voluminous. This information is available for inspection and review at the offices of LG&E.
- e. None of the circumstances which originally prompted the offering of the special contract to each of these customers has materially changed. Therefore, no changes, other than the changes proposed in this proceeding, are warranted at this time.

The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 331**

**Responding Witness: Robert M. Conroy / J. Clay Murphy**

Q-331. With regard to LG&E gas Special Contract customers:

- (a) please explain and reconcile the rates and amounts in:
  - (i) Conroy LG&E Exhibit R11, Page 6; and,
  - (ii) Conroy LG&E Exhibit R11, Page 7.
- (b) please explain if each Special Contracts customer is served directly from LG&E's transmission system, high pressure distribution system or low pressure distribution system;
- (c) please explain in detail what facilities are served under the Intra-Company Special Contracts shown in Page 6 of Conroy Exhibit R11, as well as the bases for the Unit Charges shown therein; and,
- (d) please provide a map or schematic showing each Special Contracts customer with LG&E transmission and distribution Mains.

A-331. a. See the response to PSC 2-108. The exhibits are descriptive.

- b. The Special Contract customers are served directly from either the gas transmission system or the high pressure distribution system.
- c. The electric generation facilities served with natural gas under the intracompany special contract are Paddy's Run, Cane Run and Mill Creek. The Distribution Cost Component and Demand Charges were originally approved by the Commission in Case No. 2007-00449, in its Order dated April 11, 2008. Certain of those rates were revised by order of the Kentucky Public Service Commission in Case No. 2008-00252 and Case No. 2009-00549.
- d. Attached is an overview map of LG&E's gas service territory showing each special contract customer. Other, more detailed maps as requested are

protected from public disclosure as critical infrastructure information pursuant to federal and state law and therefore are not attached. Copies of those maps may be examined in the offices of LG&E upon request of counsel.



The attachment is being  
provided in a separate  
file.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 332**

**Responding Witness: Robert M. Conroy**

Q-332. For each LG&E gas customer taking service from the high pressure system, please provide:

- (a) rate schedule;
- (b) test year sales volume;
- (c) test year transportation volume;
- (d) size of Main at customer connection;
- (e) contract demand (as applicable); and,
- (f) pressure at the low side of the regulator at the location(s) where the customer is taking service.

Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-332. See the response to PSC 2-108. LG&E does not have a business reason to maintain ongoing files with the requested information segregated according to requested parameters. The attached information represents LG&E's effort to extract the data according to the requested parameters within the time allowed to respond to this request for information.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 333**

**Responding Witness: J. Clay Murphy**

Q-333. With regard to LG&E gas storage, please provide:

- (a) test year total injections and withdrawals of LG&E owned gas;
- (b) test year total injections and withdrawals of customer-owned gas by distribution customer served by the LG&E gas system; and,
- (c) test year total injections and withdrawals of gas owned for the use of customers not served by the LG&E distribution system (i.e., off-system customers).

A-333. a. For the 12 months ended March 31, 2012, LG&E's financial operating reports indicate that LG&E injected 12,114,330 Mcf into its on-system storage facilities. For the 12 months ended March 31, 2012, LG&E's financial reports indicate that LG&E withdrew 11,255,570 Mcf from its on-system storage facilities.

LG&E's financial operating reports set forth the total of all injections and the total of all withdrawals during a given month. Injections and withdrawals for a given day are not netted to produce a single daily volume, but instead are accumulated by either injection or withdrawal activity.

- b. LG&E does not provide storage services for gas owned by distribution customers served by the LG&E gas system.
- c. LG&E has not provided storage services for gas owned by customers not served by the LG&E gas system (i.e., off-system customers) during the test year.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 334**

**Responding Witness: Robert M. Conroy**

Q-334. With regard to Conroy LG&E Exhibit C8, please provide:

- (a) an explanation including support for the design day average temperature of -12 degrees; and,
- (b) explain and provide all workpapers and analyses showing how the implicit design day demands for high pressure customers was determined; i.e., the differences between "Demands-High Pressure Distribution System" and "Demands-Low and Medium Pressure Distribution System."

- A-334. a. The -12 degree Fahrenheit design day represents an extreme weather occurrence used by LG&E to plan the operation of its gas system. It reflects the maximum HDD that could reasonably occur in the tail region of a probability distribution function. For the gas day of January 18, 1994, LG&E experienced an actual average hourly temperature of -12 degrees Fahrenheit.
- b. See the response to PSC 2-108. The spreadsheets provided therein are descriptive.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 335**

**Responding Witness: Robert M. Conroy**

Q-335. Please provide monthly gas sales and transportation (separately) customers and volumes by month for the test year. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-335. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 336**

**Responding Witness: Robert M. Conroy**

Q-336. Please provide the following separated between high pressure Mains and medium/low pressure Mains (as available) by vintage year, size, and type (plastic, steel, cast iron, etc.) for LG&E gas Account 376 in the greatest level of detail available:

- (a) installed footage;
- (b) gross investment;
- (c) materials investment;
- (d) capitalized labor; and,
- (e) Handy-Whitman Cost Index.

If all data is not available for all years, please provide the level of detail that is available. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-336. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General’s Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 337**

**Responding Witness: J. Clay Murphy**

Q-337. For each of the ten highest LG&E gas distribution system daily sendouts during the test year, please provide the following:

- (a) date;
- (b) daily distribution system volume;
- (c) volumes by rate schedule for those customers metered on a daily basis; and,
- (d) distribution system curtailments (if any).

A-337. Below is a table showing the requested information for LG&E’s ten highest gas distribution system daily sendouts during the test year. All volumes are in Mcf.

(a)	(b)	(c-1)	(c-2)	(d)
DATE	TOTAL SENDOUT	DAILY METERED CUSTOMERS		SYSTEM CURTAILMENTS
		RATE FT	SPECIAL CONTRACTS	
Jan. 13, 2012	371,493	48,734	5,545	0
Feb. 11, 2012	350,493	38,655	5,408	0
Jan. 2, 2012	349,237	43,488	4,949	0
Jan. 12, 2012	343,881	49,863	5,367	0
Jan. 3, 2012	329,728	49,221	4,130	0
Jan. 14, 2012	299,588	38,314	4,801	0
Feb. 12, 2012	297,508	39,433	4,760	0
Jan. 18, 2012	289,012	48,928	4,556	0
Jan. 21, 2012	287,534	37,263	4,559	0
Jan. 19, 2012	284,929	47,232	3,771	0

Please note that the volumes set forth in Column B and Column C-2 include volumes for the now terminated special contract as discussed in LG&E’s response to Question No. 98 of the Commission’s Second Data Request.

Only customers served under Rate FT and special contracts for gas transportation service are required to have daily metering.

There were no curtailments of sales service on any of the dates indicated above. Similarly, for the 12 months ended March 31, 2012, LG&E did not have any Operational Flow Orders in effect applicable to customers served under Rate FT and related transportation-only special contracts.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 338**

**Responding Witness: Shannon L. Charnas**

Q-338. Please provide LG&E adjusted test year gas General plant by FERC account.

A-338. See attached.

**LOUISVILLE GAS & ELECTRIC COMPANY  
GENERAL PLANT IN SERVICE - GAS  
MARCH 2012**

<u>Account</u>	<u>TOTAL</u>
G392.10-Transportation Equip-Car/Trucks	\$ 1,382,105
G392.20-Transportation Equip-Trailers	599,856
G394.00-Tools, Shop, and Garage Equipment	4,533,726
G396.10-Power Operated Equip-Hourly Rated	2,286,752
G396.20-Power Operated Equip - Other	177,782
Total Gas Plant in Service	<u>\$ 8,980,221</u>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 339**

**Responding Witness: Shannon L. Charnas**

Q-339. Please provide LG&E gas adjusted test year CWIP in the greatest detail available. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-339. See attached.

The attachment is being provided in a separate file in Excel format.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 340**

**Responding Witness: Shannon L. Charnas**

Q-340. Please provide LG&E gas adjusted test year depreciation reserve and depreciation expense by FERC account. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-340. See attached.

The attachment is being provided in a separate file in Excel format.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 341**

**Responding Witness: Valerie L. Scott**

Q-341. Please provide all LG&E gas calculated, actual, or estimated uncollectible expense by customer class. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-341. This information is not available. The Company does not maintain uncollectible expense by customer class.

See the response to PSC 1-35 for additional information.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 342**

**Responding Witness: Sidney L. "Butch" Cockerill**

Q-342. Please provide actual and estimated LG&E gas meter reads by class during the test year.

A-342. See below for the period April 1, 2011 – March 31, 2012.

Rate Schedule	Number of Actual Meter Reads	Number of Estimated Meter Reads
As Available Gas Service, Commercial	90	6
As Available Gas Service, Industrial	137	9
Firm Commercial Gas Service	313,246	5,455
Firm Industrial Gas Service	2,862	63
Residential Service	3,557,081	39,189
Volunteer Fire Department	47	0
Temporary Suspension, Commercial	11,557	482
Temporary Suspension, Industrial	48	0
Temporary Suspension, Residential	21,803	922
<hr/> Total	<hr/> 3,906,871	<hr/> 46,126



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 343**

**Responding Witness: Robert M. Conroy**

Q-343. Please provide the following LG&E Conroy Exhibits associated with the gas operations filing in executable excel format (include all linked files):

- (a) Exhibits: P6, and P9 through P12;
- (b) Exhibits: C7 through C10;
- (c) Exhibits: R7 through R11; and,
- (d) Exhibits: M4, M7, M10 and M12.

Please include in this response all the workpapers, spreadsheets, source documents, etc., that support the amounts, assumptions, and calculations presented in these Exhibits.

A-343. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 344**

**Responding Witness: Robert M. Conroy**

Q-344. Please provide all workpapers, analyses, spreadsheets, source documents, etc. that show how each of the electric class cost of service study allocation factors was determined that are identified in Conroy's Direct Testimony at Pages 23 through 26.

A-344. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 345**

**Responding Witness: Robert M. Conroy**

Q-345. Please provide all workpapers, analyses, electronic computer models and spreadsheets, source documents, etc. that show how each of the gas class cost of service study allocation factors was determined that are identified in Conroy's Direct Testimony at Pages 34 through 39. Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-345. See the response to PSC 2-108.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 346**

**Responding Witness: Robert M. Conroy**

Q-346. With regard to Conroy's Direct Testimony, please explain where LG&E revenues from Cable TV attachment charges (Page 67), meter test charges (Page 68), disconnect/reconnect service charges (Page 69), meter pulse charges (Page 69), customer deposits (Page 71), inspection charges (Page 71), additional trip charges (Page 72), and other special charges (Page 72) and the respective amounts of these charges are included in LG&E's electric class cost of service study or LG&E's gas class cost of service study. In this response, please itemize and quantify each electric service charge or gas service charge item individually.

A-346. Customer Deposits are not included in the Cost of Service Study.

Gas Cost Of Service Study. The following revenue is classified as Miscellaneous Revenue and is found under Net Operating Income – Adjusted Test Period, Operating Revenues in the Allocation Section. In the electronic version, Miscellaneous Revenue is on Row 469.

- Meter Test Charges
- Disconnect/Reconnect Service Charges
- Meter Pulse Charge
- Inspection Charges
- Additional Trip Charges
- Other Special Charges

Electric Cost of Service Study. The following revenue is classified as Miscellaneous Revenue and is found in the Operating Revenue section of the cost of service study, on pages 25-26:

- Cable TV attachment charges
- Meter test charges
- Disconnect/reconnect service charges
- Meter pulse charges

<b>Electric Charges</b>	<b>G/L Account</b>	<b>Balance</b>
Cable TV Attachment	454001	\$774,128
Meter Test	451004	2,040
Disconnect/Reconnect	451001	1,568,161
Meter Pulse	456028	8,748
Meter Data Processing	456028	3,784

<b>Gas Charges</b>	<b>G/L Account</b>	<b>Balance</b>
Meter Test	488004	\$0
Disconnect/Reconnect	488001	84,685
Meter Pulse	488005	527
Inspection	488003	6,209
Additional Trip	488005	0

<b>Combined Charges</b>	<b>G/L Account</b>	<b>Balance</b>
Customer Deposits	235001	\$22,435,650
Return Payment	456007/495005	116,242

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 347**

**Responding Witness: Robert M. Conroy**

Q-347. With respect to Figure 2, Page 27 of Conroy's Direct Testimony, please provide the "Costs By Account" (FERC accounts) and respective amounts that are incorporated in LG&E's electric class cost of service study (Conroy Exhibit C3). Include in this response, matrices or tables that show the individual FERC accounts and corresponding amounts included in each of the line item amounts in the electric class cost of service study (Conroy Exhibit C3) categories; rate base (pages 1-6); operation and maintenance expenses (Pages 7 and 8); labor expenses (Pages 9 and 10); depreciation expenses (Pages 11 and 12); regulatory credits (Pages 13 and 14); accretion expenses (Pages 15 and 16); property and other taxes (Pages 17 and 18); amortization of ITC (Pages 19 and 20); other expenses (Pages 21 and 22); and revenues (Page 25).

A-347. See the response to PSC 2-108. The requested details are found in Conroy Exhibit C-2—Electric Cost of Service Study – Functional Assignment. FERC account designations are included with item descriptions in column 1, and total amounts used in Conroy Exhibit 3 are found in the column labeled "Total System."

Rate base: Conroy Exhibit C2, pages 1-9

Operation and maintenance expenses: Conroy Exhibit C2, pages 10-24

Depreciation expenses: Conroy Exhibit C2, pages 40-42

Regulatory credits: Conroy Exhibit C2, pages 40-42

Accretion expenses: Conroy Exhibit C2, pages 40-42

Property and other taxes: Conroy Exhibit C2, pages 40-42

Amortization of ITC: Conroy Exhibit C2, pages 40-42

Other expenses: Conroy Exhibit C2, pages 40-42

Revenues by category are booked to the following FERC accounts:

Sales to ultimate consumers – 440, 442, 444, 445

Intercompany sales – 447

Off-system sales – 447

Settled swap revenue and expense – 447

Forfeited discounts – 450  
Miscellaneous service revenues – 456  
Rent from electric property - 454  
Other electric revenue – 456  
Unbilled revenues – 440-445

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 348**

**Responding Witness: Robert M. Conroy**

- Q-348. With regard to LG&E Operating revenue line items listed under "Total System" in Conroy Exhibit C3, Page 25, please provide the workpapers and analyses, including units, dollars, etc., that show how each of the amounts was determined, as well as detailed explanations as necessary regarding these determinations.
- A-348. The Total System revenue amounts on page 25 are per book amounts that were taken from LG&E's income statement for the 12 months ending March 31, 2012. There are no other workpapers or analysis.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information  
Dated July 31, 2012**

**Question No. 349**

**Responding Witness: Paul Gregory "Greg" Thomas**

Q-349. Please provide a copy of the Department of Transportation's Pipeline and Hazardous Materials Safety Administration "advisory bulletin" (March 2008) referenced at Hermann Direct Testimony, Page 18, Lines 5 through 8.

A-349. See attached.



(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.)

**Authority:** 23 U.S.C. 139(l)(1).

Issued on: February 26, 2008.

**Jeffrey W. Kolb,**  
Division Administrator, Federal Highway Administration, Albany, New York.

[FR Doc. E8-4090 Filed 3-3-08; 8:45 am]

**BILLING CODE 4910-RY-P**

**DEPARTMENT OF TRANSPORTATION**

**Pipeline and Hazardous Materials Safety Administration**

**Office of Hazardous Materials Safety; Notice of Delays in Processing of Special Permits Applications**

**AGENCY:** Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

**ACTION:** List of applications delayed more than 180 days.

**SUMMARY:** In accordance with the requirements of 49 U.S.C. 5117(c), PHMSA is publishing the following list of special permit applications that have been in process for 180 days or more. The reason(s) for delay and the expected completion date for action on each application is provided in association with each identified application.

**FOR FURTHER INFORMATION CONTACT:** Delmer F. Billings, Director, Office of Hazardous Materials Special Permits and Approvals, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, East Building, PHH-30, 1200 New Jersey Avenue, Southeast, Washington, DC 20590-0001, (202) 366-4535.

**Key to "Reason for Delay"**

1. Awaiting additional information from applicant.
2. Extensive public comment under review.

3. Application is technically complex and is of significant impact or precedent-setting and requires extensive analysis.

4. Staff review delayed by other priority issues or volume of special permit applications.

**Meaning of Application Number Suffixes**

- N—New application.
- M—Modification request.
- PM—Party to application with modification request.

Issued in Washington, DC, on February 27, 2008.

**Delmer F. Billings,**  
Director, Office of Hazardous Materials, Special Permits and Approvals.

Application No.	Applicant	Reason for delay of completion	Estimated date
<b>Modification to Special Permits</b>			
11579-M .....	Austin Powder Company, Cleveland, OR .....	3, 4	03-31-2008
10964-M .....	Kidde Aerospace & Defense, Wilson, NC .....	4	03-31-2008
13173-M .....	Dynetek Industries Ltd., Calgary Alberta, Canada .....	1	03-31-2008
<b>New Special Permit Applications</b>			
14385-N .....	Kansas City Southern Railway Company, Kansas City, MO .....	4	03-31-2008
14566-N .....	Nantong CIMCTank Equipment Co. Ltd., Nantong City .....	3	03-31-2008
14576-N .....	Structural Composites Industries(SCI), Pomona, CA .....	1	03-31-2008
14572-N .....	WEW Westervaelder Eisenwerk, Weitefeld Germany .....	3	03-31-2008
14549-N .....	Greif, Inc., Delaware, OR .....	3,4	03-31-2008
14402-N .....	Lincoln Composites, Lincoln, NE .....	3,4	03-31-2008

[FR Doc. E8-4111 Filed 3-3-08; 8:45 am]  
**BILLING CODE 4910-60-P**

**DEPARTMENT OF TRANSPORTATION**

**Pipeline and Hazardous Materials Safety Administration**

[Docket No. PHMSA-RSPA-2004-19856]

**Pipeline Safety: Issues Related to Mechanical Couplings Used in Natural Gas Distribution Systems**

**AGENCY:** Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

**ACTION:** Notice; issuance of advisory bulletin.

**SUMMARY:** Recent events concerning failures of mechanical couplings and

related appurtenances have raised concerns about safety in natural gas distribution systems. This notice updates information provided in Advisory Bulletin ADB-86-02 and advises owners and operators of gas pipelines to consider the potential failure modes for mechanical couplings used for joining and pressure sealing two pipes together. Failures can occur when there is inadequate restraint for the potential stresses on the two pipes, when the couplings are incorrectly installed or supported, or when the coupling components such as elastomers degrade over time. In addition, inadequate leak surveys which fail to identify leaks requiring immediate repair can lead to more serious incidents. This notice urges operators to review their procedures for using mechanical couplings and ensure

coupling design, installation procedures, leak survey procedures, and personnel qualifications meet Federal requirements. Operators should work with Federal and State pipeline safety representatives, manufacturers, and industry partners to determine how best to resolve potential issues in their respective state or region. Documented repair or replacement programs may prove beneficial to all stakeholders involved.

**FOR FURTHER INFORMATION CONTACT:** Richard Sanders at (405) 954-7214, or by e-mail at [richard.sanders@dot.gov](mailto:richard.sanders@dot.gov); or Max Kieba at (202) 493-0595, or by e-mail at [max.kieba@dot.gov](mailto:max.kieba@dot.gov).

**SUPPLEMENTARY INFORMATION:**



### I. Background

Mechanical couplings are fittings used for joining and pressure sealing two pipes together. Other methods of joining pipe include welding for steel and heat fusion for plastic. There have been improvements in materials and manufacturing methods over the years, but the basic design concept has not changed. Most couplings rely on elastomers and compression as sealing mechanisms. Couplings appear in a variety of configurations: Straight or inline couplings, elbows (45 or 90 degree), tees, reducing couplings (for joining pipes of different diameters), and couplings integrated with risers. A variety of gaskets and sleeves also exist. Properly installed and supported, couplings successfully connect steel, cast iron, copper, and plastic pipes. However, there is also a history of significant incidents related to coupling failures.

Advisory Bulletin ADB-86-02, issued February 26, 1986, informed natural gas pipeline operators to review procedures for using mechanical couplings and ensure coupling design, procedures, and personnel qualifications meet 49 CFR part 192 requirements. ADB-86-02 is posted on PHMSA's Web site and in Docket ID PHMSA-RSPA-2004-19856. The bulletin discussed pipeline failures that had been attributed to temperature-related contraction of the plastic pipe and the inadequate restraint capabilities of mechanical couplings.

Additionally, the National Transportation Safety Board (NTSB) issued a Pipeline Accident Report titled "National Fuel Gas Company, Natural Gas Explosion and Fire, Sharpsville, Pennsylvania, February 22, 1985" (NTSB/PAR-85/02). The factors involved in the Sharpsville incident were similar to those of several other incidents reported to PHMSA's Office of Pipeline Safety. As documented in the NTSB report, the cyclic effects of temperature-related contraction and expansion on plastic pipe in an improperly designed mechanical joint can be cumulative and lead to a failure even after several years of satisfactory service.

A number of incidents have occurred since issuance of ADB-86-02. PHMSA searched 3,417 gas distribution incident reports submitted to the agency since 1984, and identified 274 incidents that could potentially include coupling or fitting failures. After closer examination of the incident detail, PHMSA determined 148 of those incidents more reliably appear to be coupling or fitting failures on steel or plastic pipe. Although this accounts for only four to

eight percent of all distribution incidents reported to PHMSA, the significant incidents within that data, as well as the potential for additional significant incidents, should not be ignored. Significant incidents include the following: a failure in Buffalo, Minnesota on February 19, 2004 that resulted in significant property damage; a failure in Ramsey, Minnesota on December 28, 2004 that resulted in three fatalities and one serious injury; and, a failure in Wylie, Texas on October 16, 2006 that resulted in two fatalities.

It is important to note that this data only includes incidents that were reportable to PHMSA. These numbers could be much greater if they included incidents that were reported at the State level.

In addition to these incidents, a number of other issues have been cited:

- In 1993, the New York State Public Service Commission (NY PSC) concluded an investigation concerning the increased incidence of leaks attributed to gaskets and gas quality in a coupled steel natural gas distribution system on Long Island.

- In 2005, Washington Gas Company issued a report on the increased incidence of natural gas leaks attributed to gaskets and gas quality on mechanically coupled steel pipe in a major portion of its distribution system.

- In 2005, the Public Utilities Commission of Ohio (PUCO) opened a statewide investigation due to a series of natural gas incidents reported to PUCO by local distribution companies involving risers, the vertical portions of the service lines that connect the distribution systems to customers' meters. In addition to four reportable incidents, a number of "non-reportable" riser failures were also reported to the staff. The PUCO opened a case to examine riser types, reviewing installation and overall performance because of the potential risk posed by risers as links between the gas distribution service lines and meters, located near or within a customer's premises.

- In addition to the 2004 incidents in Minnesota already discussed, two other incidents occurred in the State. After the first incident, Minnesota's Office of Pipeline Safety began to review the couplings installed in the system in question. The second incident occurred while the study was being conducted.

Between 1980 and 2007, seven incidents occurred in Texas. These are outlined in a February 2008 Railroad Commission of Texas report titled "Study Report on Compression Type Couplings." (<http://www.rrc.state.tx.us/divisions/gs/pls/TXcouplingrpt.pdf>)

These incidents involve a variety of types and sections of couplings or risers. For example, the issues surrounding the Ohio couplings were slightly different than the Texas couplings. Both were related to risers, but the Ohio issues involved the compression mechanisms located aboveground on the risers that connect meter settings to underground service lines. The couplings in Texas have been located on the ends of service risers where service lines connect to risers. While some incidents in question were reportable to PHMSA and investigated by PHMSA, those that were not were investigated by the relevant State pipeline safety agency. This notice does not focus on a particular State, operator, or type of coupling. Rather, it intends to provide generally applicable advice on incidents affecting multiple stakeholders and systems throughout the country.

Although a number of variables exist, the safety problem appears to involve two predominant failure modes. First, in the cases involving pullout of pipe, often plastic, from compression couplings, an additional and perhaps unique factor produced the pullout forces. These additional factors could include cyclic fatigue from changing of the seasons (especially in northern climates), or soil shifting by other means (ground movement from earthquakes or after heavy rains). Improper installation (most couplings currently come with product warnings) or old age (parts of the coupling deteriorating) could also have contributed to the pullout. Some studies found couplings that were installed with components that differed from the original manufacturer specifications, modified prior to installation, or missing parts entirely. As another example of incorrect application, the coupling involved in the Ramsey, Minnesota incident was designed to be used on steel pipe, not plastic, and had a service tee welded to it contrary to manufacturer's recommendations. The common factor in all incidents involving pullout is that the compression fitting did not have adequate restraint to assure safety under service conditions. In some cases, the coupling failed after many years of successful service.

The second failure mode involves leakage through the sealing surface between the coupling and the pipe. This occurred when the integrity of long-term viscous and elastic effects of the seals degraded which eventually caused a leak path to develop. In some cases, a change in the gas quality in the distribution system may have contributed to the failure.



Other contributing factors can also lead to incidents. These factors include leak surveys conducted in conditions that prevent gas from properly migrating to the surface, such as after heavy rains or certain soil and surface features. Some incidents indicated leak surveys involving equipment not calibrated properly or not appropriate for the intended use, or personnel not sufficiently trained. If an operator is doing proper leak surveys at regular intervals, an operator can usually detect a leak early, fix the source of the leak, and prevent an incident. There have, however, been cases where a leak survey, using properly calibrated equipment showing no problems, was followed by an incident involving sudden pullout only weeks later.

Follow-up has already occurred with some of the incidents mentioned in this bulletin:

- The NY PSC and the operator agreed to a replacement program involving approximately 45,000 natural gas service lines equipped with couplings.
- In Ohio, nearly 500,000 risers were identified by the PUCO's study as prone to failure. Currently, the PUCO is working with the operators who have these risers and the Ohio Consumers' Counsel to set up replacement schedules and address costs.
- In May 2005, Minnesota's Office of Pipeline Safety issued a compliance order to an operator to replace service lines installed prior to January 1, 1984, or visually inspect the entire service line to verify it contains only mechanical fittings that comply with 49 CFR 192.283(b). Any mechanical fittings identified that did not meet the requirements were required to be replaced.

- The Railroad Commission of Texas has required operators to replace, within a 2-year period, 97,000 remaining old mechanical couplings that have been in service for some 28 to 30 years. In addition, the Railroad Commission of Texas has adopted mandatory replacement programs in an effort to remove compression couplings found leaking on both steel and plastic pipe that are susceptible to pullout.

A number of other studies, tests, and repair or replacement programs, some of them voluntary, have been conducted in other States.

## II. Advisory Bulletin (ADB-08-02)

*To:* All Gas Distribution Operators.

*Subject:* Identifying Issues with Mechanical Coupling That Could Lead to Failure.

*Advisory:* Due to variables related to age of couplings, specific procedures

and installation practices, and conditions specific to certain regions of the country, it is difficult to cite common criteria affecting all failures that operators should address. However, PHMSA advises operators of gas distribution pipelines using mechanical couplings to do the following to ensure compliance with 49 CFR part 192:

(1) Review procedures for using mechanical couplings, including the coupling design and installation and ensure that they meet manufacturer's recommendations;

(2) Review leak survey procedures to ensure that leak surveys are properly conducted, taking into account other contributing factors (i.e., weather conditions, calibration); and,

(3) Review personnel qualifications to ensure they address leak surveys sufficiently.

PHMSA also advises operators of gas distribution pipelines using mechanical couplings to consider taking the following measures to reduce the risk of failures of mechanical couplings:

(4) Use Category 1 fittings only if mechanical couplings are used on pipe sizes ½ CTS (Copper Tube Size) to 2' IPS (Iron Pipe Size). Per ASTM D2513-99 titled "Standard Specification for Thermoplastic Gas Pressure Pipe, Tubing and Fittings," Category 1 is a mechanical joint design that provides a seal plus a resistance to a force on the pipe end equal to or greater than that which will cause a permanent deformation of the pipe. At this time there is insufficient data to indicate there are issues involving fittings for larger diameter pipe. PHMSA will revisit if such issues do arise with larger diameter pipe.

(5) Improve recordkeeping on specific couplings that exist, i.e., their type, installation date, maintenance schedule, and any failures encountered, to help identify a trend of problems that may occur with a specific coupling or type of installation.

(6) Consider whether to adopt a full replacement program if there are too many unknowns related to couplings in service.

(7) Work with Federal and State pipeline safety representatives, manufacturers, and industry partners to determine how best to resolve potential issues in their respective state or region.

Documented repair and replacement programs may prove beneficial to all stakeholders involved. If operators are unsure of the appropriate representative, contact the individual(s) listed in this advisory bulletin for further information.

Issued in Washington, DC, on February 28, 2008.

Jeffrey D. Wiese,

Associate Administrator for Pipeline Safety.

[FR Doc. E8-4155 Filed 3-3-08; 8:45 am]

BILLING CODE 4910-60-P

## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

#### Additional Designations of Entities Pursuant to Executive Order 13448

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Notice.

**SUMMARY:** The Treasury Department's Office of Foreign Assets Control ("OFAC") is publishing the names of two newly-designated entities whose property and interests in property are blocked pursuant to Executive Order 13448 of October 18, 2007, "Blocking Property and Prohibiting Certain Transactions Related to Burma."

**DATES:** The designation by the Director of OFAC of two entities identified in this notice, pursuant to Executive Orders 13448, is effective February 25, 2008.

**FOR FURTHER INFORMATION CONTACT:** Assistant Director, Compliance Outreach & Implementation, Office of Foreign Assets Control, Department of the Treasury, 1500 Pennsylvania Avenue NW., (Treasury Annex), Washington, DC 20220, Tel.: 202/622-2490.

#### SUPPLEMENTARY INFORMATION:

##### Electronic and Facsimile Availability

Information about these designations and additional information concerning OFAC are available from OFAC's Web site (<http://www.treas.gov/ofac>) or via facsimile through a 24-hour fax-on-demand service, Tel.: 202/622-0077.

##### Background

On October 18, 2007, the President signed Executive Order 13448 (the "Order") pursuant to, *inter alia*, the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*). In the Order, the President took additional steps with respect to, and expanded, the national emergency declared in Executive Order 13047 of May 20, 1997, to address the Government of Burma's continued repression of the democratic opposition. The President identified twelve individuals and entities as subject to the economic sanctions in the Annex to the Order.

Section 1 of the Order blocks, with certain exceptions, all property and



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2012-00222**

**Response to Attorney General's Initial Requests for Information**

**Dated July 31, 2012**

**Question No. 350**

**Responding Witness: Paul Gregory "Greg" Thomas**

Q-350. Please provide a detailed discussion of the Company's efforts regarding removal of "failed gas service risers for investigation" referenced at Hermann Direct Testimony, Page 16, Lines 14 and 15. Include in this response, the number of gas service risers removed, the vintage of the gas risers, the reason(s) for failure, the results; i.e., reports, recommendations, etc. of the "investigation" undertaken by the Company, and the ratemaking accounting treatment of the risers removed and new risers installed, and whether and how the customers whose risers were replaced were compensated. Additionally, please explain whether the "removal" of gas risers included the customer's gas service line, and what was the result and ratemaking accounting treatment of the removal of a customer's gas service line.

A-350. In response to the Department of Transportation Pipeline and Hazardous Materials Safety Administration advisory bulletin, and to evaluate failure trends, LG&E's Gas Construction and Maintenance crews started replacing failed customer owned gas service risers on LG&E's gas distribution system. Failed risers were replaced with LG&E's revised standard riser which incorporates an anti-pullout design.

Two prevailing types of failures have been recorded on gas service riser compression fittings in the industry: pullout or leakage. Pullouts involve the separation of the service piping from the coupling stiffener, and have been attributed to thermal cycling of the pipe, soil stresses, soil shifts, coupling deterioration, or improper installation. Leakage involves long-term viscous and elastic effects which cause a leak path to form between the mechanical coupling and plastic pipe.

Failed gas service risers were collected and evaluated by LG&E's Gas Engineering Department. Through April 2012, 370 customer owned gas service risers had been collected and evaluated. Failure characteristics were documented for each collected riser, including riser manufacturer, installer, date of installation, geographic location, period of failure, operating pressure, size, and mode of failure. Some results of the analysis include:

- The installation period for failed risers was between 1980 and 2010.
- Roughly 2/3 of failures occurred on risers installed between 2000 and 2010.
- Riser pull-outs represented approximately 28% of the failures.
- Failure rates appear highest during winter months.
- Roughly 52% of failures appear to have resulted from incorrect assembly.
- Material defects represented approximately 11% of failures.
- Inconclusive/unknown causes represented roughly 26% of the failures.

All costs associated with customer owned service risers replaced by LG&E crews were charged to expenses. No service lines were replaced as part of the riser replacement, as the compression coupling in the riser and not the plastic pipe was the failed component.

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**Question No. 351**

**Responding Witness: Paul Gregory "Greg" Thomas**

Q-351. Please provide a copy, as well as supporting documents, of the Company's "review" that was conducted as referenced at Hermann Direct Testimony, Page 16, Lines 15 through 17.

A-351. Between February and April 2011, LG&E conducted a field survey of all customer services to identify, count, and document targeted customer owned services. LG&E subsequently calculated the number of target risers by eliminating service risers installed after LG&E's 2008 standards change from the total count.

The results of the field review revealed approximately 213K customer owned gas service lines were constructed with gas service risers that contain mechanical compression fittings not incorporating an anti-pullout design.

Please see Hermann Exhibit 1, Appendix Item 1, Page 13 to see a breakdown of the target risers identified by geographic location.

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**Question No. 352**

**Responding Witness: Paul Gregory "Greg" Thomas**

Q-352. With regard to the statements at Hermann Direct Testimony, Page 16, Line 20 through Page 17, Line 3, please discuss in detail whether this is (was) customer gas riser replacement concurrently with customer gas service line replacement. Include in this discussion, the reason(s) that a customer's gas riser and service line is (was) not done concurrently if that is (was) the case, and the Company's future plans for these replacements.

A-352. LG&E is not proposing to replace customer services as part of the Gas Service Riser Replacement Program. Targeted gas risers are only present on polyethylene (plastic) service lines. The issue with the target risers is with the compression coupling in the riser and not with the plastic pipe itself.

Under LG&E's proposed Customer Service Ownership Program, LG&E will assume responsibility for installing, replacing, repairing, and maintaining customer services.



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**Question No. 353**

**Responding Witness: Paul Gregory "Greg" Thomas**

Q-353. Please provide a detailed discussion of the Company's "assessment" referenced at Hermann Direct Testimony, Page 17, Lines 12 through 16. Include in this response what is meant by the phrase "according to appropriate priorities" as this applies to the Company's overall gas riser replacement plan, and how gas service lines are incorporated in the plan.

A-353. As a precursor to LG&E's Gas Service Riser Replacement Program, LG&E plans to conduct a sample gas service riser replacement and assessment effort of 800 customer owned service risers on LG&E's gas distribution system. Each of the replaced risers will be assessed to identify any visible deficiencies in material, workmanship, or construction practices. All identified deficiencies will be documented, and associated data will be coupled with data previously collected on failed customer owned service risers to help build an overall program prioritization model and replacement schedule based on the following failure data:

- (1) Manufacturer Failure Rates
- (2) System Operating Pressure
- (3) Riser Size Failure Rates
- (4) Installer Failure Rates
- (5) Failure Rates by Geographic Location
- (6) Period of Installation Failure Rates

LG&E is not proposing to replace customer services as part of the gas service riser replacement program. Targeted gas risers are only present on polyethylene (plastic) service lines. The issue with the target risers is with the compression coupling in the riser and not with the plastic pipe itself.

Under the Customer Service Ownership proposal, LG&E proposes to assume responsibility for installing, replacing, repairing, maintaining, and operating customer owned services as conditions dictate.

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**Question No. 354**

**Responding Witness: Paul Gregory "Greg" Thomas**

Q-354. With regard to Hermann Exhibit 1, please provide a detailed discussion of the Company's "several actions" listed as items 1. through 5. on Page 3.

A-354. Following receipt of the Federal DOT Pipeline and Hazardous Materials Administration March 2008 Advisory Bulletin:

1. Material Standards Revision –

LG&E worked with industry partners, reviewed industry standards, and, in May 2008, revised its material standards to require customers to use category 1 type service riser compression fittings that incorporate an anti-pull-out design for gas service risers used with polyethylene gas pipe sizes ½" CTS to 2" IPS.

All local plumbing supply houses were notified in writing of the revised standard, and a Standards Watch was issued internally to require all personnel and business partners to begin enforcing utilization of the new standard in July 2008. A copy of the Standards Watch and Plumbing Supply letters are attached.

2. Failed Riser Assessment –

See the response to Question No. 350.

3. Duke Energy Visit –

Duke Energy entered into a riser replacement program in their Ohio service territory as a result of a mandate from the Ohio Public Utility Commission. LG&E representatives met with Duke's representatives in order to share practices used by Duke during their riser replacement projects in Ohio and Kentucky.

June 30, 2008

**Item: Gas Service Riser Design Change**

**From: Paul Stratman**



This Standards Watch is being issued to inform all distribution and design personnel, inspectors and their supervisors about a design change to customer gas service risers.

Effective Monday, July 7, 2008, LG&E will only accept risers and service head adapters listed below for use on service line installations (new or replacement).

Item Description	Elster – Perfection Part No.
1" NPT x 1/2" CTS, SDR 7 x 36", flex riser	71420
1" NPT x 1/2" IPS, SDR 9.3 x 36", flex riser	71272
1" NPT x 1" CTS, SDR 11.4 x 36", flex riser	71200
1-1/4" NPT x 1-1/4" IPS, SDR 10 x 36", flex riser	71705
2" NPT x 2" IPS, SDR 11 x 36", flex riser	75905



These risers have fewer parts, and offer a simpler installation than styles historically used at LG&E. Please be aware that the PE pipe must be prepared with a chamfering tool. As with any plumbing installation, manufacturer installation instructions shall be strictly adhered to when installing these products.

Local plumbing supply houses were notified of the change in early May, however many waited over a month before placing orders with Perfection for product, therefore supply may be scarce until the end of July. McJunkin-Redman has agreed to make a **limited** amount of their stock available for will-call purchase at their branch location:

McJunkin Redman Corporation  
 3405 Kramers Ln.  
 Louisville, KY 40216  
 Becky Parsons  
 449-1660

Plumbers are strongly encouraged to contact their normal supply channels for these materials, as the McJunkin-Redman stock will be limited.

Please post and make available to you purchasing department, as well as any clients purchasing gas products for use on LG&E customer service lines.



May 9, 2008

Effective Monday, July 7, 2008, LG&E will only accept risers and service head adapters listed below for use on service line installations (new or replacement).

Item Description	Elster – Perfection Part No.
1" NPT x 1/2" CTS, SDR 7 x 36", flex riser	71420
1" NPT x 1/2" IPS, SDR 9.3 x 36", flex riser	71272
1" NPT x 1" CTS, SDR 11.4 x 36", flex riser	71200
1-1/4" NPT x 1-1/4" IPS, SDR 10 x 36", flex riser	71705
2" NPT x 2" IPS, SDR 11 x 36", flex riser	75905

These risers have fewer parts, and offer a simpler installation than styles historically used at LG&E. Please be aware that the PE pipe must be prepared with a chamfering tool. As with any plumbing installation, manufacturer installation instructions shall be strictly adhered to when installing these products.

Other risers may also be acceptable but must be approved by LG&E in advance.

Nothing herein is meant to or should be read to interfere with or affect any obligation you have pursuant to any contracts you have in place regarding the purchase or use of any products used in service line or other installations.

For details associated with new and replacement gas service lines, please refer to the LG&E Customer Gas Piping Handbook, Fifth Edition (May, 2006). Copies are available by calling LG&E at (502) 627-3740 or online at:

[http://www.eon-us.com/rsc/lge/lge\\_customer\\_handbooks.asp](http://www.eon-us.com/rsc/lge/lge_customer_handbooks.asp)

For additional information or clarifications, please contact one of the following individuals:

Paul Stratman  
Senior Engineer, Gas Engineering  
(502) 364-8764

Joe Ryan  
Manager, Gas Engineering & Planning  
(502) 333-1813

4. Leak Survey –

In January 2011, LG&E conducted an incremental sample leak survey of gas service risers. A combustible gas indicator was used to determine if a natural gas leak was present or not at a sample population of gas service risers. The sample services were selected from different areas of the gas system to determine if leaks were present, and, where applicable, enable assessment of the installation period, geography, and installers for leaking risers. The results of the field survey revealed no leaks on the 7,000 sample service risers surveyed.

5. Gas Riser Survey –

See the response to Question No. 351.

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**Question No. 355**

**Responding Witness: Paul Gregory "Greg" Thomas**

Q-355. Please provide the workpapers, calculations, assumptions, spreadsheets, and all other supporting documentation that shows how the "estimated financial impacts" were determined for each of the years 2013 through 2017 for each of the line items presented in Hermann Direct Testimony, table at Page 6.

A-355. See attached.

The attachment is being provided in a separate file in Excel format.

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**Question No. 356**

**Responding Witness: Paul Gregory "Greg" Thomas / Robert M. Conroy**

Q-356. With regard to Hermann Direct Testimony, Page 16, Line 20 through Page 17, Line 3, it is stated that risers and service lines are owned by customers. However, Mr. Conroy's gas cost of service study (Exhibit C7, Page 1) indicates that LG&E has a gross investment of \$187.2 million in gas services. In this regard:

- (a) please explain and clarify this apparent inconsistency;
- (b) please provide a detailed explanation of circumstances in which LG&E currently owns and operates customer service lines and risers;
- (c) please provide a detailed explanation and quantification of the \$187.2 million service line investment by customer or rate class; and,
- (d) please provide a detailed quantification of the \$187.2 million service line investment by size of service line.

Please provide in hard copy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

- A-356. a. There is no inconsistency; the \$187.2 million in service line investment on Exhibit C7, Page 1 is the Company investment in the part of the service line that is installed and owned by the Company. Please see Hermann Exhibit 1, Appendix Page 9, to see division of service responsibilities for LG&E and Customers.
- b. See part a. above.
  - c. The information is not available by customer or rate class. See part d.
  - d. See attached.



The attachment is being provided in a separate file in Excel format.

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**Question No. 357**

**Responding Witness: Lonnie E. Bellar**

- Q-357. With regard to the discussion of the Company's request to the Commission for a certificate of Public Convenience and Necessity referenced at Bellar Direct Testimony, Page 12, Line 17 through Page 13, Line 7, please provide a detailed explanation of the differences between the "Gas Line Program" (replacement of the gas risers and service lines) and the "gas leak mitigation program" (includes the replacement of gas mains).
- A-357. The Gas Line Program refers to the replacement of risers and service lines. The Gas Leak Mitigation Program includes not only the main replacement program but also includes repairs to parts of the system other than distribution. See Mr. Hermann's testimony for a description of the two programs.

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**Question No. 358**

**Responding Witness: Lonnie E. Bellar**

- Q-358. With regard to the discussion of the Company's financing of the Gas Line Program referenced at Bellar Direct Testimony, Page 13, Lines 9 through 11, please provide the estimated capital costs (debt, equity and depreciation) associated with the capital investments for 2013 through 2017 shown in the table presented on Page 6 of Hermann Exhibit 1.
- A-358. The depreciation for each year is provided on Bellar Exhibit 2, page 2, line 9. Any capital costs associated with debt or equity would be based on the information provided in Bellar Exhibit 2, page 4.

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**Question No. 359**

**Responding Witness: Lonnie E. Bellar**

- Q-359. With regard to the allocation of costs of the Gas Line Program to rate schedules at Bellar Direct Testimony, Page 16, Lines 3 through 5, please discuss in detail why the Company cannot assign the costs specifically to a rate schedule as the replacement work is being undertaken by the Company.
- A-359. The Company could assign costs as the question indicates; however, the Company has proposed a charge based on forecasted rather than actual costs to better align its cost recovery with the expenditures it will incur during construction. The rider's true-up mechanism will ensure that LG&E recovers only its actual costs across time.

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**Question No. 360**

**Responding Witness: Lonnie E. Bellar**

Q-360. With regard to Bellar Exhibit 2, please provide all source documents, worksheets, spreadsheets, etc. that support the figures shown therein. Include in this response, the source documents and Exhibit 2 in hardcopy as well as in Microsoft readable electronic format (preferably Microsoft Excel).

A-360. See attached.

The attachment is being provided in a separate file in Excel format.