

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(a)**  
**Sponsoring Witness: Kent W. Blake**

**Description of Filing Requirement:**

*A jurisdictional financial summary for both the base period and the forecasted period that details how the utility derived the amount of the requested revenue increase.*

**Response:**

See attached.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE A

JURISDICTIONAL OVERALL FINANCIAL SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - ELECTRIC OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2016

SCHEDULE

DESCRIPTION

A OVERALL FINANCIAL SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
OVERALL FINANCIAL SUMMARY  
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE A  
PAGE 1 OF 1  
WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION                                     | SUPPORTING SCHEDULE REFERENCE | BASE PERIOD JURISDICTIONAL REVENUE REQUIREMENT<br>\$ | FORECASTED PERIOD JURISDICTIONAL REVENUE REQUIREMENT<br>\$ |
|----------|---|-------------------------------|--|--|
| 1        | CAPITALIZATION ALLOCATED TO ELECTRIC OPERATIONS | J                             | 2,115,180,786  | 2,140,429,716  |
| 2        | ADJUSTED OPERATING INCOME                       | C-1                           | 141,810,152  | 139,951,373  |
| 3        | EARNED RATE OF RETURN (2 / 1)                   |                               | 6.70%  | 6.54%  |
| 4        | REQUIRED RATE OF RETURN                         | J                             | 7.02%  | 7.35%  |
| 5        | REQUIRED OPERATING INCOME (1 x 4)               | C-1                           | 148,548,367  | 157,343,622  |
| 6        | OPERATING INCOME DEFICIENCY (5 - 2)             | C-1                           | 6,738,214  | 17,392,249   |
| 7        | GROSS REVENUE CONVERSION FACTOR                 | H                             | 1.608581   | 1.608581   |
| 8        | REVENUE DEFICIENCY (6 x 7)                      |                               | 10,838,961   | 27,976,834   |
| 9        | REVENUE INCREASE REQUESTED                      | C-1                           |  | 27,976,834   |
| 10       | ADJUSTED OPERATING REVENUES                     | C-1                           |  | 1,046,202,148  |
| 11       | REVENUE REQUIREMENTS (9 + 10)                   |                               |  | <u>1,074,178,983</u>                                       |

SCHEDULE A

JURISDICTIONAL OVERALL FINANCIAL SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - GAS OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2016

SCHEDULE

DESCRIPTION

A OVERALL FINANCIAL SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
OVERALL FINANCIAL SUMMARY  
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE A  
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WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION                                | SUPPORTING SCHEDULE REFERENCE | BASE PERIOD JURISDICTIONAL REVENUE REQUIREMENT<br>\$ | FORECASTED PERIOD JURISDICTIONAL REVENUE REQUIREMENT<br>\$ |
|----------|--|-------------------------------|--|--|
| 1        | CAPITALIZATION ALLOCATED TO GAS OPERATIONS | J                             | 501,879,209  | 524,072,007  |
| 2        | ADJUSTED OPERATING INCOME                  | C-1                           | 34,421,362   | 29,636,472   |
| 3        | EARNED RATE OF RETURN (2 / 1)              |                               | 6.86%  | 5.66%  |
| 4        | REQUIRED RATE OF RETURN                    | J                             | 7.02%  | 7.35%  |
| 5        | REQUIRED OPERATING INCOME (1 x 4)          | C-1                           | 35,246,792   | 38,524,688   |
| 6        | OPERATING INCOME DEFICIENCY (5 - 2)        | C-1                           | 825,430  | 8,888,217  |
| 7        | GROSS REVENUE CONVERSION FACTOR            | H                             | 1.608581   | 1.608581   |
| 8        | REVENUE DEFICIENCY (6 x 7)                 |                               | 1,327,771  | 14,297,413   |
| 9        | REVENUE INCREASE REQUESTED                 | C-1                           |  | 14,297,413   |
| 10       | ADJUSTED OPERATING REVENUES                | C-1                           |  | 148,090,584  |
| 11       | REVENUE REQUIREMENTS (9 + 10)              |                               |  | <u>162,387,998</u>   |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(b)**  
**Sponsoring Witness: Kent W. Blake**

**Description of Filing Requirement:**

*A jurisdictional rate base summary for both the base period and the forecasted period with supporting schedules, which include detailed analyses of each component of the rate base.*

**Response:**

See attached.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE B

JURISDICTIONAL RATE BASE SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - ELECTRIC OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED TEST PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2016

| <u>SCHEDULE</u> | <u>DESCRIPTION</u>   |
|-----------------|--|
| B-1             | RATE BASE SUMMARY  |
| B-2             | PLANT IN SERVICE BY MAJOR GROUPING                             |
| B-2.1           | PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS                   |
| B-2.2           | PROPOSED ADJUSTMENTS TO PLANT IN SERVICE                       |
| B-2.3           | GROSS ADDITIONS, RETIREMENTS AND TRANSFERS                     |
| B-2.4           | PROPERTY MERGED OR ACQUIRED                                    |
| B-2.5           | LEASED PROPERTY  |
| B-2.6           | PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE             |
| B-2.7           | PROPERTY EXCLUDED FROM RATE BASE                               |
| B-3             | ACCUMULATED DEPRECIATION AND AMORTIZATION                      |
| B-3.1           | ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION       |
| B-3.2           | DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT |
| B-4             | CONSTRUCTION WORK IN PROGRESS                                  |
| B-4.1           | ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS                   |
| B-4.2           | CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE               |
| B-5             | ALLOWANCE FOR WORKING CAPITAL                                  |
| B-5.1           | OTHER WORKING CAPITAL COMPONENTS                               |
| B-5.2           | CASH WORKING CAPITAL COMPONENTS                                |
| B-6             | DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES         |
| B-7             | JURISDICTIONAL PERCENTAGES                                     |
| B-7.1           | JURISDICTIONAL STATISTICS - RATE BASE                          |
| B-7.2           | EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES            |
| B-8             | COMPARATIVE BALANCE SHEETS                                     |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL RATE BASE SUMMARY

AS OF FEBRUARY 28, 2015

AS OF JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-1

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S): SEE BELOW

WITNESS: K. W. BLAKE

| LINE NO.  | RATE BASE COMPONENT                       | SUPPORTING SCHEDULE REFERENCE | BASE PERIOD                 | 13 MONTH AVG FORECAST PERIOD |
|-----------|---|-------------------------------|-----------------------------|------------------------------|
|           |   |                               | \$                          | \$                           |
| ELECTRIC: |   |                               |                             |                              |
| 1         | Plant in Service                          | B-2                           | 4,305,925,242               | 4,173,077,517                |
| 2         | Property Held for Future Use              | B-2.6                         | 5,867,294                   | 5,684,518                    |
| 3         | Accumulated Depreciation and Amortization | B-3                           | (2,070,272,105)             | (1,712,069,791)              |
| 4         | Net Plant in Service (Lines 1+2+3)        |                               | <u>2,241,520,431</u>        | <u>2,466,692,243</u>         |
| 5         | Construction Work in Progress             | B-4                           | 224,218,515                 | 80,547,481                   |
| 6         | Net Plant (Lines 4+5)                     |                               | <u>2,465,738,946</u>        | <u>2,547,239,724</u>         |
| 7         | Cash Working Capital Allowance            | B-5                           | 87,719,140                  | 80,312,763                   |
| 8         | Other Working Capital Allowances          | B-5                           | 96,713,817                  | 83,030,200                   |
| 9         | Customer Advances for Construction        | B-6                           | (1,485,303)                 | (1,631,544)                  |
| 10        | Deferred Income Taxes                     | B-6                           | (520,588,052)               | (477,275,716)                |
| 11        | Investment Tax Credits                    | B-6                           | -                           | -                            |
| 12        | Other Items                               | B-6                           | -                           | -                            |
| 13        | Rate Base (Lines 6 through 12)            |                               | <u><u>2,128,098,548</u></u> | <u><u>2,231,675,427</u></u>  |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO.  | MAJOR PROPERTY GROUPING | BASE PERIOD TOTAL COMPANY | JURIS. PERCENT | JURISDICTIONAL TOTAL | ADJUSTMENTS   | ADJUSTED JURISDICTION |
|-----------|-------------------------|---------------------------|----------------|----------------------|---------------|-----------------------|
|           |                         | \$                        |                | \$                   | \$            | \$                    |
| ELECTRIC: |                         |                           |                |                      |               |                       |
| 1         | INTANGIBLE PLANT        | 2,240                     | 100.000%       | 2,240                | -             | 2,240                 |
| 2         | STEAM PRODUCTION        | 2,536,273,896             | 100.000%       | 2,536,273,896        | (309,297,586) | 2,226,976,310         |
| 3         | HYDO PRODUCTION         | 96,693,960                | 100.000%       | 96,693,960           | (50,210)      | 96,643,750            |
| 4         | OTHER PRODUCTION        | 245,927,952               | 100.000%       | 245,927,952          | (32,136)      | 245,895,817           |
| 5         | TRANSMISSION            | 348,620,823               | 100.000%       | 348,620,823          | (218,085)     | 348,402,738           |
| 6         | DISTRIBUTION            | 1,184,704,741             | 100.000%       | 1,184,704,741        | (626,913)     | 1,184,077,828         |
| 7         | GENERAL                 | 21,326,584                | 100.000%       | 21,326,584           | (3,262,121)   | 18,064,463            |
| 8         | COMMON                  | 185,862,095               | 100.000%       | 185,862,095          | -             | 185,862,095           |
| 9         | TOTAL ELECTRIC          | 4,619,412,292             |                | 4,619,412,292        | (313,487,051) | 4,305,925,242         |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT / SUBACCOUNT TITLES             | BASE PERIOD<br>TOTAL<br>COMPANY | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL | ADJUSTMENTS   | ADJUSTED<br>JURISDICTION |
|----------|-----------|---|---------------------------------|-------------------|-------------------------|---------------|--------------------------|
|          |           |   | \$                              | <u>100%</u>       | \$                      | \$            | \$                       |
| 1        |           | <b><u>Electric Intangible Plant</u></b> |                                 |                   |                         |               |                          |
| 2        | 301       | Organization                            | 2,240                           |                   | 2,240                   | -             | 2,240                    |
| 3        | 302       | Franchises and Consents                 | -                               |                   | -                       | -             | -                        |
| 4        | 303       | Misc Intangible Plant                   | -                               |                   | -                       | -             | -                        |
| 5        |           | Total Intangible Plant                  | <u>2,240</u>                    |                   | <u>2,240</u>            | -             | <u>2,240</u>             |
| 6        |           | <b><u>Electric Steam Production</u></b> |                                 |                   |                         |               |                          |
| 7        | 310       | Land and Land Rights                    | 6,795,932                       |                   | 6,795,932               | (360,851)     | 6,435,080                |
| 8        | 311       | Structures and Improvements             | 311,412,971                     |                   | 311,412,971             | (7,625,735)   | 303,787,236              |
| 9        | 312       | Boiler Plant Equipment                  | 1,724,984,010                   |                   | 1,724,984,010           | (253,469,378) | 1,471,514,633            |
| 10       | 313       | Engines and engine-driven generators    | -                               |                   | -                       | -             | -                        |
| 11       | 314       | Turbogenerator Units                    | 241,735,047                     |                   | 241,735,047             | -             | 241,735,047              |
| 12       | 315       | Accessory Electric Equipment            | 180,813,217                     |                   | 180,813,217             | 2,100,095     | 182,913,311              |
| 13       | 316       | Misc Power Plant Equip                  | 21,540,691                      |                   | 21,540,691              | (949,688)     | 20,591,003               |
| 14       | 317       | ARO Cost Steam Production               | 48,992,028                      |                   | 48,992,028              | (48,992,028)  | -                        |
| 15       |           | Total Electric Steam Production         | <u>2,536,273,896</u>            |                   | <u>2,536,273,896</u>    | (309,297,586) | <u>2,226,976,310</u>     |
| 16       |           | <b><u>Electric Hydro Production</u></b> |                                 |                   |                         |               |                          |
| 17       | 330       | Land and Land Rights                    | 7                               |                   | 7                       | -             | 7                        |
| 18       | 331       | Structures and Improvements             | 7,744,472                       |                   | 7,744,472               | -             | 7,744,472                |
| 19       | 332       | Reservoirs, Dams, and Water             | 16,975,665                      |                   | 16,975,665              | -             | 16,975,665               |
| 20       | 333       | Water Wheels, Turbines, Generators      | 62,486,228                      |                   | 62,486,228              | -             | 62,486,228               |
| 21       | 334       | Accessory Electric Equipment            | 8,218,420                       |                   | 8,218,420               | -             | 8,218,420                |
| 22       | 335       | Misc Power Plant Equipment              | 1,189,029                       |                   | 1,189,029               | -             | 1,189,029                |
| 23       | 336       | Roads, Railroads, and Bridges           | 29,931                          |                   | 29,931                  | -             | 29,931                   |
| 24       | 337       | ARO Cost Hydro Production               | 50,210                          |                   | 50,210                  | (50,210)      | -                        |
| 25       |           | Total Electric Hydro Production         | <u>96,693,960</u>               |                   | <u>96,693,960</u>       | (50,210)      | <u>96,643,750</u>        |
| 26       |           | <b><u>Electric Other Production</u></b> |                                 |                   |                         |               |                          |
| 27       | 340       | Land and Land Rights                    | 15,542                          |                   | 15,542                  | -             | 15,542                   |
| 28       | 341       | Structures and Improvements             | 15,004,439                      |                   | 15,004,439              | -             | 15,004,439               |
| 29       | 342       | Fuel Holders, Producers, Accessories    | 8,141,511                       |                   | 8,141,511               | -             | 8,141,511                |
| 30       | 343       | Prime Movers                            | 163,070,528                     |                   | 163,070,528             | -             | 163,070,528              |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT / SUBACCOUNT TITLES         | BASE PERIOD<br>TOTAL<br>COMPANY | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL | ADJUSTMENTS | ADJUSTED<br>JURISDICTION |
|----------|-----------|-------------------------------------|---------------------------------|-------------------|-------------------------|-------------|--------------------------|
|          |           |                                     | \$                              | <u>100%</u>       | \$                      | \$          | \$                       |
| 31       | 344       | Generators                          | 33,700,498                      |                   | 33,700,498              | -           | 33,700,498               |
| 32       | 345       | Accessory Electric Equipment        | 22,164,558                      |                   | 22,164,558              | -           | 22,164,558               |
| 33       | 346       | Misc Power Plant Equipment          | 3,798,740                       |                   | 3,798,740               | -           | 3,798,740                |
| 34       | 347       | ARO Cost Other Production           | 32,136                          |                   | 32,136                  | (32,136)    | -                        |
| 35       |           | Total Electric Other Production     | 245,927,952                     |                   | 245,927,952             | (32,136)    | 245,895,817              |
| 36       |           | <b><u>Electric Transmission</u></b> |                                 |                   |                         |             |                          |
| 37       | 350       | Land and Land Rights                | 11,149,391                      |                   | 11,149,391              | -           | 11,149,391               |
| 38       | 352       | Structures and Improvements         | 6,751,085                       |                   | 6,751,085               | -           | 6,751,085                |
| 39       | 353       | Station Equipment                   | 158,344,737                     |                   | 158,344,737             | -           | 158,344,737              |
| 40       | 354       | Towers and Fixtures                 | 41,812,137                      |                   | 41,812,137              | -           | 41,812,137               |
| 41       | 355       | Poles and Fixtures                  | 68,146,152                      |                   | 68,146,152              | -           | 68,146,152               |
| 42       | 356       | OH Conductors and Devices           | 52,495,472                      |                   | 52,495,472              | -           | 52,495,472               |
| 43       | 357       | Underground Conduit                 | 2,278,628                       |                   | 2,278,628               | -           | 2,278,628                |
| 44       | 358       | UG Conductors and Devices           | 7,425,136                       |                   | 7,425,136               | -           | 7,425,136                |
| 45       | 359       | ARO Cost Elec Transmission          | 218,085                         |                   | 218,085                 | (218,085)   | -                        |
| 46       |           | Total Electric Transmission         | 348,620,823                     |                   | 348,620,823             | (218,085)   | 348,402,738              |
| 47       |           | <b><u>Electric Distribution</u></b> |                                 |                   |                         |             |                          |
| 48       | 360       | Land and Land Rights                | 4,100,654                       |                   | 4,100,654               | -           | 4,100,654                |
| 49       | 361       | Structures and Improvements         | 6,992,645                       |                   | 6,992,645               | -           | 6,992,645                |
| 50       | 362       | Station Equipment                   | 125,581,003                     |                   | 125,581,003             | -           | 125,581,003              |
| 51       | 364       | Poles, Towers, and Fixtures         | 176,233,205                     |                   | 176,233,205             | -           | 176,233,205              |
| 52       | 365       | OH Conductors and Devices           | 279,627,658                     |                   | 279,627,658             | -           | 279,627,658              |
| 53       | 366       | Underground Conduit                 | 83,490,786                      |                   | 83,490,786              | -           | 83,490,786               |
| 54       | 367       | UG Conductors and Devices           | 189,401,455                     |                   | 189,401,455             | -           | 189,401,455              |
| 55       | 368       | Line Transformers                   | 151,848,239                     |                   | 151,848,239             | -           | 151,848,239              |
| 56       | 369       | Services                            | 30,481,138                      |                   | 30,481,138              | -           | 30,481,138               |
| 57       | 370       | Meters                              | 40,954,943                      |                   | 40,954,943              | -           | 40,954,943               |
| 58       | 371       | Install on Customer Premise         | -                               |                   | -                       | -           | -                        |
| 59       | 373       | Street Lighting / Signal Systems    | 95,366,103                      |                   | 95,366,103              | -           | 95,366,103               |
| 60       | 374       | ARO Cost Elec Distribution          | 626,913                         |                   | 626,913                 | (626,913)   | -                        |
| 61       |           | Total Electric Distribution         | 1,184,704,741                   |                   | 1,184,704,741           | (626,913)   | 1,184,077,828            |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT / SUBACCOUNT TITLES              | BASE PERIOD<br>TOTAL<br>COMPANY | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL     | ADJUSTMENTS                 | ADJUSTED<br>JURISDICTION    |
|----------|-----------|--|---------------------------------|-------------------|-----------------------------|-----------------------------|-----------------------------|
|          |           |  | \$                              | <u>100%</u>       | \$                          | \$                          | \$                          |
| 62       |           | <b><u>Electric General Plant</u></b>     |                                 |                   |                             |                             |                             |
| 63       | 389       | Land and Land Rights                     | -                               |                   | -                           | -                           | -                           |
| 64       | 390       | Structures and Improvements              | -                               |                   | -                           | -                           | -                           |
| 65       | 391       | Office Furniture and Equipment           | -                               |                   | -                           | -                           | -                           |
| 66       | 392       | Transportation Equipment                 | 9,503,611                       |                   | 9,503,611                   | -                           | 9,503,611                   |
| 67       | 393       | Stores Equipment                         | -                               |                   | -                           | -                           | -                           |
| 68       | 394       | Tools, Shop, and Garage Equipment        | 6,077,685                       |                   | 6,077,685                   | -                           | 6,077,685                   |
| 69       | 395       | Laboratory Equipment                     | -                               |                   | -                           | -                           | -                           |
| 70       | 396       | Power Operated Equipment                 | 2,483,168                       |                   | 2,483,168                   | -                           | 2,483,168                   |
| 71       | 397       | Communication Equipment                  | 3,262,121                       |                   | 3,262,121                   | (3,262,121)                 | -                           |
| 72       | 398       | Miscellaneous Equipment                  | -                               |                   | -                           | -                           | -                           |
| 73       |           | Total Electric General Plant             | <u>21,326,584</u>               |                   | <u>21,326,584</u>           | <u>(3,262,121)</u>          | <u>18,064,463</u>           |
| 74       |           | <b><u>Common Plant (1)</u></b>           |                                 |                   |                             |                             |                             |
| 75       | 301       | Organization                             | 58,648                          |                   | 58,648                      | -                           | 58,648                      |
| 76       | 302       | Franchises and Consents                  | -                               |                   | -                           | -                           | -                           |
| 77       | 303       | Misc Intangible Plant                    | 63,235,755                      |                   | 63,235,755                  | -                           | 63,235,755                  |
| 78       | 389       | Land and Land Rights                     | 1,236,543                       |                   | 1,236,543                   | -                           | 1,236,543                   |
| 79       | 390       | Structures and Improvements              | 53,234,799                      |                   | 53,234,799                  | -                           | 53,234,799                  |
| 80       | 391       | Office Furniture and Equipment           | 33,723,790                      |                   | 33,723,790                  | -                           | 33,723,790                  |
| 81       | 392       | Transportation Equipment                 | 267,254                         |                   | 267,254                     | -                           | 267,254                     |
| 82       | 393       | Stores Equipment                         | 1,026,773                       |                   | 1,026,773                   | -                           | 1,026,773                   |
| 83       | 394       | Tools, Shop, and Garage Equipment        | 2,742,682                       |                   | 2,742,682                   | -                           | 2,742,682                   |
| 84       | 395       | Laboratory Equipment                     | -                               |                   | -                           | -                           | -                           |
| 85       | 396       | Power Operated Equipment                 | 174,985                         |                   | 174,985                     | -                           | 174,985                     |
| 86       | 397       | Communication Equipment                  | 30,160,868                      |                   | 30,160,868                  | -                           | 30,160,868                  |
| 87       | 398       | Miscellaneous Equipment                  | -                               |                   | -                           | -                           | -                           |
| 88       | 399       | ARO Cost Common                          | -                               |                   | -                           | -                           | -                           |
| 89       |           | Total Common Plant allocated to Electric | <u>185,862,095</u>              |                   | <u>185,862,095</u>          | <u>-</u>                    | <u>185,862,095</u>          |
| 90       |           | TOTAL ELECTRIC PLANT IN SERVICE          | <u><u>4,619,412,292</u></u>     |                   | <u><u>4,619,412,292</u></u> | <u><u>(313,487,051)</u></u> | <u><u>4,305,925,242</u></u> |

(1) 70% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                     | TOTAL COMPANY ADJUSTMENT | JURISDICTIONAL PERCENT | JURISDICTIONAL ADJUSTMENTS | WORKPAPER REFERENCE NO. | DESCRIPTION AND PURPOSE OF ADJUSTMENT |
|----------|-----------|-----------------------------------|--------------------------|------------------------|----------------------------|-------------------------|---------------------------------------|
|          |           |                                   | \$                       |                        | \$                         |                         |                                       |
| 1        | 310       | Land and Land Rights              | (360,851)                | 100.000%               | (360,851)                  |                         | ECR amounts excluded from rate base   |
| 2        | 311       | Structures and Improvements       | (7,625,735)              | 100.000%               | (7,625,735)                |                         | ECR amounts excluded from rate base   |
| 3        | 312       | Boiler Plant Equipment            | (253,469,378)            | 100.000%               | (253,469,378)              |                         | ECR amounts excluded from rate base   |
| 4        | 315       | Accessory Electric Equipment      | 2,100,095                | 100.000%               | 2,100,095                  |                         | ECR amounts excluded from rate base   |
| 5        | 316       | Misc Power Plant Equip            | (949,688)                | 100.000%               | (949,688)                  |                         | ECR amounts excluded from rate base   |
| 6        | 317       | ARO Cost Steam Production         | (48,992,028)             | 100.000%               | (48,992,028)               |                         | ARO amounts excluded from rate base   |
| 7        | 337       | ARO Cost Hydro Production         | (50,210)                 | 100.000%               | (50,210)                   |                         | ARO amounts excluded from rate base   |
| 8        | 347       | ARO Cost Other Production         | (32,136)                 | 100.000%               | (32,136)                   |                         | ARO amounts excluded from rate base   |
| 9        | 359       | ARO Cost Elec Transmission        | (218,085)                | 100.000%               | (218,085)                  |                         | ARO amounts excluded from rate base   |
| 10       | 374       | ARO Cost Elec Distribution        | (626,913)                | 100.000%               | (626,913)                  |                         | ARO amounts excluded from rate base   |
| 11       | 397       | Communication Equipment (General) | <u>(3,262,121)</u>       | 100.000%               | <u>(3,262,121)</u>         |                         | DSM amounts excluded from rate base   |
| 12       |           | TOTAL ADJUSTMENTS                 | <u>(313,487,051)</u>     |                        | <u>(313,487,051)</u>       |                         |                                       |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS  
FROM MARCH 1, 2014 TO FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.3

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                           | BASE PERIOD BEGINNING BALANCE | ADDITIONS   | RETIREMENTS   | TRANSFERS     | BASE PERIOD ENDING BALANCE |
|----------|-----------|---|-------------------------------|-------------|---------------|---------------|----------------------------|
|          |           |   | \$                            | \$          | \$            | \$            | \$                         |
| 1        |           | <b><u>Electric Intangible Plant</u></b> |                               |             |               |               |                            |
| 2        | 301       | Organization                            | 2,240                         | -           | -             | -             | 2,240                      |
| 3        | 302       | Franchises and Consents                 | -                             | -           | -             | -             | -                          |
| 4        | 303       | Misc Intangible Plant                   | -                             | -           | -             | -             | -                          |
| 5        |           | Total Intangible Plant                  | 2,240                         | -           | -             | -             | 2,240                      |
| 6        |           | <b><u>Electric Steam Production</u></b> |                               |             |               |               |                            |
| 7        | 310       | Land and Land Rights                    | 6,802,401                     | -           | (4,076)       | (2,394)       | 6,795,932                  |
| 8        | 311       | Structures and Improvements             | 302,015,606                   | 146,544,469 | (3,233,358)   | (133,913,746) | 311,412,971                |
| 9        | 312       | Boiler Plant Equipment                  | 1,462,920,185                 | 217,094,621 | (88,944,542)  | 133,913,746   | 1,724,984,010              |
| 10       | 313       | Engines and engine-driven generators    | -                             | -           | -             | -             | -                          |
| 11       | 314       | Turbogenerator Units                    | 233,063,696                   | 13,968,822  | (5,297,471)   | -             | 241,735,047                |
| 12       | 315       | Accessory Electric Equipment            | 179,400,077                   | 7,291,529   | (5,878,390)   | -             | 180,813,217                |
| 13       | 316       | Misc Power Plant Equip                  | 18,878,938                    | 2,784,181   | (125,716)     | 3,288         | 21,540,691                 |
| 14       | 317       | ARO Cost Steam Production               | 49,007,101                    | -           | (15,073)      | -             | 48,992,028                 |
| 15       |           | Total Electric Steam Production         | 2,252,088,005                 | 387,683,622 | (103,498,625) | 894           | 2,536,273,896              |
| 16       |           | <b><u>Electric Hydro Production</u></b> |                               |             |               |               |                            |
| 17       | 330       | Land and Land Rights                    | 7                             | -           | -             | -             | 7                          |
| 18       | 331       | Structures and Improvements             | 5,960,760                     | 1,797,078   | (13,366)      | -             | 7,744,472                  |
| 19       | 332       | Reservoirs, Dams, and Water             | 13,130,609                    | 4,006,113   | (161,058)     | -             | 16,975,665                 |
| 20       | 333       | Water Wheels, Turbines, Generators      | 36,268,447                    | 26,519,310  | (301,530)     | -             | 62,486,228                 |
| 21       | 334       | Accessory Electric Equipment            | 6,148,184                     | 2,072,962   | (2,726)       | -             | 8,218,420                  |
| 22       | 335       | Misc Power Plant Equipment              | 322,890                       | 866,139     | -             | -             | 1,189,029                  |
| 23       | 336       | Roads, Railroads, and Bridges           | 29,931                        | -           | -             | -             | 29,931                     |
| 24       | 337       | ARO Cost Hydro Production               | 50,210                        | -           | -             | -             | 50,210                     |
| 25       |           | Total Electric Hydro Production         | 61,911,037                    | 35,261,601  | (478,679)     | -             | 96,693,960                 |
| 26       |           | <b><u>Electric Other Production</u></b> |                               |             |               |               |                            |
| 27       | 340       | Land and Land Rights                    | 13,148                        | -           | -             | 2,394         | 15,542                     |
| 28       | 341       | Structures and Improvements             | 15,004,439                    | -           | -             | -             | 15,004,439                 |
| 29       | 342       | Fuel Holders, Producers, Accessories    | 7,601,229                     | 540,282     | -             | -             | 8,141,511                  |
| 30       | 343       | Prime Movers                            | 161,510,288                   | 1,507,844   | 52,396        | -             | 163,070,528                |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS  
FROM MARCH 1, 2014 TO FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.3

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 2 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                       | BASE PERIOD BEGINNING BALANCE | ADDITIONS  | RETIREMENTS | TRANSFERS | BASE PERIOD ENDING BALANCE |
|----------|-----------|-------------------------------------|-------------------------------|------------|-------------|-----------|----------------------------|
|          |           |                                     | \$                            | \$         | \$          | \$        | \$                         |
| 31       | 344       | Generators                          | 33,483,434                    | 465,569    | (248,506)   | -         | 33,700,498                 |
| 32       | 345       | Accessory Electric Equipment        | 21,432,297                    | 732,261    | -           | -         | 22,164,558                 |
| 33       | 346       | Misc Power Plant Equipment          | 3,796,323                     | 2,417      | -           | -         | 3,798,740                  |
| 34       | 347       | ARO Cost Other Production           | 32,136                        | -          | -           | -         | 32,136                     |
| 35       |           | Total Electric Other Production     | 242,873,295                   | 3,248,373  | (196,110)   | 2,394     | 245,927,952                |
| 36       |           | <b><u>Electric Transmission</u></b> |                               |            |             |           |                            |
| 37       | 350       | Land and Land Rights                | 10,884,232                    | 265,159    | -           | -         | 11,149,391                 |
| 38       | 352       | Structures and Improvements         | 6,602,296                     | 126,874    | (21,842)    | 43,757    | 6,751,085                  |
| 39       | 353       | Station Equipment                   | 147,065,583                   | 11,678,456 | (664,928)   | 265,626   | 158,344,737                |
| 40       | 354       | Towers and Fixtures                 | 40,885,187                    | 977,101    | (50,151)    | -         | 41,812,137                 |
| 41       | 355       | Poles and Fixtures                  | 61,259,638                    | 6,965,867  | (79,352)    | -         | 68,146,152                 |
| 42       | 356       | OH Conductors and Devices           | 49,187,344                    | 3,683,789  | (375,661)   | -         | 52,495,472                 |
| 43       | 357       | Underground Conduit                 | 2,278,628                     | -          | -           | -         | 2,278,628                  |
| 44       | 358       | UG Conductors and Devices           | 7,425,136                     | -          | -           | -         | 7,425,136                  |
| 45       | 359       | ARO Cost Elec Transmission          | 218,085                       | -          | -           | -         | 218,085                    |
| 46       |           | Total Electric Transmission         | 325,806,129                   | 23,697,245 | (1,191,934) | 309,383   | 348,620,823                |
| 47       |           | <b><u>Electric Distribution</u></b> |                               |            |             |           |                            |
| 48       | 360       | Land and Land Rights                | 4,123,724                     | -          | (23,069)    | -         | 4,100,654                  |
| 49       | 361       | Structures and Improvements         | 6,804,106                     | 248,949    | (16,653)    | (43,757)  | 6,992,645                  |
| 50       | 362       | Station Equipment                   | 119,949,319                   | 6,424,872  | (527,563)   | (265,626) | 125,581,003                |
| 51       | 364       | Poles, Towers, and Fixtures         | 163,606,824                   | 13,896,585 | (1,270,204) | -         | 176,233,205                |
| 52       | 365       | OH Conductors and Devices           | 261,847,692                   | 19,317,745 | (1,537,779) | -         | 279,627,658                |
| 53       | 366       | Underground Conduit                 | 75,133,334                    | 8,494,737  | (137,285)   | -         | 83,490,786                 |
| 54       | 367       | UG Conductors and Devices           | 169,552,857                   | 20,294,180 | (445,582)   | -         | 189,401,455                |
| 55       | 368       | Line Transformers                   | 147,401,701                   | 4,849,745  | (403,207)   | -         | 151,848,239                |
| 56       | 369       | Services                            | 30,194,052                    | 287,430    | (344)       | -         | 30,481,138                 |
| 57       | 370       | Meters                              | 39,431,876                    | 1,643,767  | (120,700)   | -         | 40,954,943                 |
| 58       | 371       | Install on Customer Premise         | -                             | -          | -           | -         | -                          |
| 59       | 373       | Street Lighting / Signal Systems    | 88,238,170                    | 8,880,584  | (1,752,650) | -         | 95,366,103                 |
| 60       | 374       | ARO Cost Elec Distribution          | 637,771                       | -          | (10,857)    | -         | 626,913                    |
| 61       |           | Total Electric Distribution         | 1,106,921,425                 | 84,338,595 | (6,245,895) | (309,383) | 1,184,704,741              |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS  
FROM MARCH 1, 2014 TO FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.3

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 3 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                            | BASE PERIOD BEGINNING BALANCE | ADDITIONS   | RETIREMENTS   | TRANSFERS | BASE PERIOD ENDING BALANCE |
|----------|-----------|--|-------------------------------|-------------|---------------|-----------|----------------------------|
|          |           |  | \$                            | \$          | \$            | \$        | \$                         |
| 62       | E         | <b>Electric General Plant</b>            |                               |             |               |           |                            |
| 63       | 389       | Land and Land Rights                     | -                             | -           | -             | -         | -                          |
| 64       | 390       | Structures and Improvements              | -                             | -           | -             | -         | -                          |
| 65       | 391       | Office Furniture and Equipment           | -                             | -           | -             | -         | -                          |
| 66       | 392       | Transportation Equipment                 | 8,660,518                     | 953,937     | (110,843)     | -         | 9,503,611                  |
| 67       | 393       | Stores Equipment                         | -                             | -           | -             | -         | -                          |
| 68       | 394       | Tools, Shop, and Garage Equipment        | 5,039,014                     | 1,038,671   | -             | -         | 6,077,685                  |
| 69       | 395       | Laboratory Equipment                     | -                             | 3,288       | -             | (3,288)   | -                          |
| 70       | 396       | Power Operated Equipment                 | 2,350,967                     | 132,201     | -             | -         | 2,483,168                  |
| 71       | 397       | Communication Equipment                  | 1,854,295                     | 1,407,826   | -             | -         | 3,262,121                  |
| 72       | 398       | Miscellaneous Equipment                  | -                             | -           | -             | -         | -                          |
| 73       |           | Total Electric General Plant             | 17,904,794                    | 3,535,922   | (110,843)     | (3,288)   | 21,326,584                 |
| 74       | C         | <b>Common Plant (1)</b>                  |                               |             |               |           |                            |
| 75       | 301       | Organization                             | 58,648                        | -           | -             | -         | 58,648                     |
| 76       | 302       | Franchises and Consents                  | -                             | -           | -             | -         | -                          |
| 77       | 303       | Misc Intangible Plant                    | 54,654,569                    | 9,449,477   | (868,291)     | -         | 63,235,755                 |
| 78       | 389       | Land and Land Rights                     | 1,321,188                     | -           | (49,029)      | (35,616)  | 1,236,543                  |
| 79       | 390       | Structures and Improvements              | 53,633,211                    | 1,162,068   | (1,560,480)   | -         | 53,234,799                 |
| 80       | 391       | Office Furniture and Equipment           | 26,478,324                    | 7,921,850   | (676,385)     | -         | 33,723,790                 |
| 81       | 392       | Transportation Equipment                 | 267,254                       | -           | -             | -         | 267,254                    |
| 82       | 393       | Stores Equipment                         | 933,605                       | 93,168      | -             | -         | 1,026,773                  |
| 83       | 394       | Tools, Shop, and Garage Equipment        | 2,653,397                     | 89,284      | -             | -         | 2,742,682                  |
| 84       | 395       | Laboratory Equipment                     | -                             | -           | -             | -         | -                          |
| 85       | 396       | Power Operated Equipment                 | 174,985                       | -           | -             | -         | 174,985                    |
| 86       | 397       | Communication Equipment                  | 26,872,966                    | 3,289,557   | (1,655)       | -         | 30,160,868                 |
| 87       | 398       | Miscellaneous Equipment                  | -                             | -           | -             | -         | -                          |
| 88       | 399       | ARO Cost Common                          | 75,207                        | -           | (75,207)      | -         | -                          |
| 89       |           | Total Common Plant allocated to Electric | 167,123,354                   | 22,005,404  | (3,231,046)   | (35,616)  | 185,862,095                |
| 90       |           | TOTAL ELECTRIC PLANT IN SERVICE          | 4,174,630,279                 | 559,770,762 | (114,953,132) | (35,616)  | 4,619,412,292              |

(1) 70% Common Plant allocated to Electric.



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
PROPERTY MERGED OR ACQUIRED  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.4

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

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| LINE NO. | ACCT. NO. | DESCRIPTION OF PROPERTY | ACQUISITION COST | COST BASIS | ACQUISITION ADJUSTMENT | COMMISSION APPROVAL DATE (DOCKET NO.) | DATE OF ACQUISITION | EXPLANATION OF TREATMENT |
|----------|-----------|-------------------------|------------------|------------|------------------------|---------------------------------------|---------------------|--------------------------|
|----------|-----------|-------------------------|------------------|------------|------------------------|---------------------------------------|---------------------|--------------------------|

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THE COMPANY HAS NOT MERGED OR ACQUIRED PROPERTY FROM OTHER THAN AFFILIATED COMPANIES.

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
LEASED PROPERTY  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.5

PAGE 1 OF 2

WITNESS: K. W. BLAKE

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| LINE NO. | IDENTIFICATION OR REFERENCE NUMBER | DESCRIPTION OF TYPE AND USE OF PROPERTY | NAME OF LESSEE | FREQUENCY OF PAYMENT | AMOUNT OF LEASE PAYMENT | DOLLAR VALUE OF PROPERTY INVOLVED | EXPLANATION METHOD OF CAPITALIZATION |
|----------|------------------------------------|---|----------------|----------------------|-------------------------|-----------------------------------|--------------------------------------|
|----------|------------------------------------|---|----------------|----------------------|-------------------------|-----------------------------------|--------------------------------------|

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THE COMPANY DOES NOT HAVE ANY CAPITAL LEASES.

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE  
AS OF FEBRUARY 28, 2015

DATA:  X BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.6

TYPE OF FILING:  ORIGINAL  X UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION AND LOCATION OF PROPERTY   | ACQUISITION DATE | ORIGINAL COST    | ACCUMULATED DEPRECIATION | NET ORIGINAL COST | REVENUE REALIZED |          |             | EXPENSES INCURRED |          |                      |
|----------|--|------------------|------------------|--------------------------|-------------------|------------------|----------|-------------|-------------------|----------|----------------------|
|          |  |                  |                  |                          |                   | AMOUNT           | ACCT NO. | DESCRIPTION | AMOUNT            | ACCT NO. | DESCRIPTION          |
|          |  |                  | \$               | \$                       | \$                | \$               |          |             |                   | \$       |                      |
| 1        | Land (Russell Corner - Tract No. D143) located at Eastside of US Hwy 42 North of KY Highway 53 intended for Substation                         | 1-Mar-2014       | 161,322          | -                        | 161,322           |                  |          |             |                   |          |                      |
| 2        | Land (Mt. Washington - Tract No. D141) located at Lots 4 & 5, Section 1 of Larry Subdivision on Gene Street intended for Substation            | 19-Sep-1979      | 60,595           | -                        | 60,595            |                  |          |             |                   |          |                      |
| 3        | Land (River Bluff - Tract No. D142) located at U.S. Hwy 42 and River Bluff Road intended for Substation  | 23-Oct-1979      | 56,140           | -                        | 56,140            |                  |          |             |                   |          |                      |
| 4        | Land (Kentucky Street - Tract No. D146) located at Northwest corner of Second and Kentucky Street intended for Substation                      | 2-May-1983       | 217,017          | -                        | 217,017           |                  |          |             |                   |          |                      |
| 5        | Land (Kentucky Street - Tract No. D146) located at Northwest corner of Second and Kentucky Street intended for Substation                      | 1-Jun-1992       | 8,846            | -                        | 8,846             |                  |          |             |                   |          |                      |
| 6        | Station Equipment - Fence (Kentucky Street - Tract No. D146) located at Northwest corner of Second and Kentucky Street intended for Substation | 1-Jun-1992       | 2,536            | -                        | 2,536             |                  |          |             |                   |          |                      |
| 7        | Land (US 42 - Tract No. D152) located at 5901 US Highway 42 intended for Substation  | 31-Jan-2000      | 253,321          | -                        | 253,321           |                  |          |             |                   |          |                      |
| 8        | Land (Tucker Station Distribution Substation) located at Blankenbaker Station Business Park - Tract 13 intended for Substation                 | 17-Dec-2010      | 745,731          | -                        | 745,731           |                  |          |             |                   |          |                      |
| 9        | Land located at 7301 Distribution Drive at Riverport intended for Office and Storage   | 13-Nov-2012      | 839,535          | -                        | 839,535           |                  |          |             |                   |          |                      |
| 10       | Structures and Improvements located at 7301 Distribution Drive at Riverport intended for Office and Storage                                    | 13-Nov-2012      | 2,772,653        | (83,061)                 | 2,689,592         |                  |          |             | 45,749            | 421      | Depreciation Expense |
| 11       | Land Rights (Fegenbush Distribution Substation) located at General Electric Appliance Park Plant intended for Substation                       | 1-May-2012       | 519,009          | -                        | 519,009           |                  |          |             |                   |          |                      |
| 12       | Land (Kentucky Sub) located at located at Northwest corner of Second and Kentucky Street intended for Substation                               | 1-Jun-1992       | 9,967            | -                        | 9,967             |                  |          |             |                   |          |                      |
| 13       | Station Equipment - Fence (Kentucky Sub) located at Northwest corner of Second and Kentucky Street intended for Substation                     | 1-Jun-1992       | 9,212            | -                        | 9,212             |                  |          |             |                   |          |                      |
| 14       | Land located at Green River Generation Site Intended for A Combined Cycle Gas Turbine Unit.  | 1-Sep-2014       | 211,410          | -                        | 211,410           | -                |          |             | -                 |          |                      |
| 14       | TOTAL PLANT HELD FOR FUTURE USE  |                  | <u>5,867,294</u> | <u>(83,061)</u>          | <u>5,784,233</u>  | -                |          |             | <u>45,749</u>     |          |                      |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
PROPERTY EXCLUDED FROM RATE BASE  
(FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION)  
AS OF FEBRUARY 28, 2015

DATA:  X BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  X UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.7  
PAGE 1 OF 2  
WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE OR DESCRIPTION OF EXCLUDED PROPERTY    | IN-SERVICE DATE | ORIGINAL COST  | ACCUMULATED DEPRECIATION | NET ORIGINAL COST | PERIOD REVENUE AND EXPENSE |          | REASONS FOR EXCLUSION                          |
|----------|-----------|--|-----------------|----------------|--------------------------|-------------------|----------------------------|----------|--|
|          |           |  |                 |                |                          |                   | AMOUNT                     | ACCT NO. |  |
|          |           |  |                 | \$             | \$                       | \$                | \$                         |          |  |
| 1        |           | <b>Land and Land Rights:</b>                         |                 |                |                          |                   |                            |          |  |
| 2        | 121       | Former Camp Taylor Substation - Tract No. D15        | 17-Dec-1939     | 29             | -                        | 29                |                            |          | Non-utility property not included in rate base |
| 3        | 121       | West Eastwood Distribution Substation                | 1-Sep-1978      | 21,927         | -                        | 21,927            |                            |          | Non-utility property not included in rate base |
| 4        | 121       | West Eastwood Distribution Substation                | 5-Oct-2010      | 455,614        | -                        | 455,614           |                            |          | Non-utility property not included in rate base |
| 5        | 121       | 943 Fetter Avenue - Tract No. F8-1                   | 7-Feb-1941      | 332            | -                        | 332               |                            |          | Non-utility property not included in rate base |
| 6        | 121       | Former Strawberry Lane Substation - Tract No. F43    | 11-Jul-1955     | 1,074          | -                        | 1,074             |                            |          | Non-utility property not included in rate base |
| 7        | 121       | Former Plymouth Substation - Tract No. D70           | 26-Sep-1956     | 3,291          | -                        | 3,291             |                            |          | Non-utility property not included in rate base |
| 8        | 121       | Standard Avenue Substation - Tract No. D124          | 21-Mar-1973     | 5,677          | -                        | 5,677             |                            |          | Non-utility property not included in rate base |
| 9        | 121       | 3842 Grand Avenue - Tract No. F19-2                  | 30-Jun-1942     | 269            | -                        | 269               |                            |          | Non-utility property not included in rate base |
| 10       | 121       | 10th St. & Ormsby - Tract No. F3-1                   | 31-Mar-2001     | 50,000         | -                        | 50,000            |                            |          | Non-utility property not included in rate base |
| 11       | 121       | Russell Corner - Tract No. D143                      | 23-Oct-1979     | 28,633         | -                        | 28,633            |                            |          | Non-utility property not included in rate base |
| 12       | 121       | Cherry Hill Coal Mine - Tract No. K2                 | 30-Jun-1940     | 185            | -                        | 185               |                            |          | Non-utility property not included in rate base |
| 13       | 121       | Cherry Hill Coal Mine - Tract No. K4                 | 30-Jun-1940     | 15             | -                        | 15                |                            |          | Non-utility property not included in rate base |
| 14       | 121       | Cherry Hill Coal Mine - Tract No. K5                 | 30-Jun-1940     | 48             | -                        | 48                |                            |          | Non-utility property not included in rate base |
| 15       | 121       | Cherry Hill Coal Mine - Tract No. K6                 | 30-Jun-1940     | 192            | -                        | 192               |                            |          | Non-utility property not included in rate base |
| 16       | 121       | Cherry Hill Coal Mine - Tract No. K12                | 30-Jun-1966     | 250            | -                        | 250               |                            |          | Non-utility property not included in rate base |
| 17       | 121       | Cherry Hill Coal Mine - Mineral Rights Tract No. K1B | 17-Jun-1954     | 31,483         | -                        | 31,483            |                            |          | Non-utility property not included in rate base |
| 18       | 121       | Cherry Hill Coal Mine - Mineral Rights               | 29-Jul-1940     | 31,628         | -                        | 31,628            |                            |          | Non-utility property not included in rate base |
| 19       | 121       | Cherry Hill Coal Mine - Right of Way                 | 30-Jun-1940     | 250            | -                        | 250               |                            |          | Non-utility property not included in rate base |
| 20       |           | <b>TOTAL</b>   |                 | <u>630,897</u> | <u>-</u>                 | <u>630,897</u>    | <u>-</u>                   |          | Non-utility property not included in rate base |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-3

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                           | RESERVE BALANCES                     |                 |                |                      |              |                       |
|----------|-----------|---|--------------------------------------|-----------------|----------------|----------------------|--------------|-----------------------|
|          |           |   | BASE PERIOD TOTAL COMPANY INVESTMENT | TOTAL COMPANY   | JURIS. PERCENT | JURISDICTIONAL TOTAL | ADJUSTMENTS  | ADJUSTED JURISDICTION |
|          |           |   | \$                                   | \$              | 100%           | \$                   | \$           | \$                    |
| 1        |           | <b><u>Electric Intangible Plant</u></b> |                                      |                 |                |                      |              |                       |
| 2        | 301       | Organization                            | 2,240                                | -               |                | -                    | -            | -                     |
| 3        | 302       | Franchises and Consents                 | -                                    | -               |                | -                    | -            | -                     |
| 4        | 303       | Misc Intangible Plant                   | -                                    | -               |                | -                    | -            | -                     |
| 5        |           | Total Intangible Plant                  | 2,240                                | -               |                | -                    | -            | -                     |
| 6        |           | <b><u>Electric Steam Production</u></b> |                                      |                 |                |                      |              |                       |
| 7        | 310       | Land and Land Rights                    | 6,795,932                            | -               |                | -                    | -            | -                     |
| 8        | 311       | Structures and Improvements             | 311,412,971                          | (202,174,121)   |                | (202,174,121)        | (2,610,275)  | (204,784,396)         |
| 9        | 312       | Boiler Plant Equipment                  | 1,724,984,010                        | (725,314,825)   |                | (725,314,825)        | (47,706,095) | (773,020,920)         |
| 10       | 313       | Engines and engine-driven generators    | -                                    | -               |                | -                    | -            | -                     |
| 11       | 314       | Turbogenerator Units                    | 241,735,047                          | (133,725,286)   |                | (133,725,286)        | -            | (133,725,286)         |
| 12       | 315       | Accessory Electric Equipment            | 180,813,217                          | (127,844,822)   |                | (127,844,822)        | (5,776,069)  | (133,620,891)         |
| 13       | 316       | Misc Power Plant Equip                  | 21,540,691                           | (8,403,321)     |                | (8,403,321)          | 11,181       | (8,392,141)           |
| 14       | 317       | ARO Cost Steam Production               | 48,992,028                           | (11,399,255)    |                | (11,399,255)         | 11,399,255   | -                     |
| 15       |           | Total Electric Steam Production         | 2,536,273,896                        | (1,208,861,631) |                | (1,208,861,631)      | (44,682,002) | (1,253,543,634)       |
| 16       |           | <b><u>Electric Hydro Production</u></b> |                                      |                 |                |                      |              |                       |
| 17       | 330       | Land and Land Rights                    | 7                                    | -               |                | -                    | -            | -                     |
| 18       | 331       | Structures and Improvements             | 7,744,472                            | (4,126,358)     |                | (4,126,358)          | -            | (4,126,358)           |
| 19       | 332       | Reservoirs, Dams, and Water             | 16,975,665                           | (2,180,362)     |                | (2,180,362)          | -            | (2,180,362)           |
| 20       | 333       | Water Wheels, Turbines, Generators      | 62,486,228                           | 380,962         |                | 380,962              | -            | 380,962               |
| 21       | 334       | Accessory Electric Equipment            | 8,218,420                            | (2,226,050)     |                | (2,226,050)          | -            | (2,226,050)           |
| 22       | 335       | Misc Power Plant Equipment              | 1,189,029                            | (30,181)        |                | (30,181)             | -            | (30,181)              |
| 23       | 336       | Roads, Railroads, and Bridges           | 29,931                               | (19,216)        |                | (19,216)             | -            | (19,216)              |
| 24       | 337       | ARO Cost Hydro Production               | 50,210                               | (5,007)         |                | (5,007)              | 5,007        | -                     |
| 25       |           | Total Electric Hydro Production         | 96,693,960                           | (8,206,212)     |                | (8,206,212)          | 5,007        | (8,201,205)           |
| 26       |           | <b><u>Electric Other Production</u></b> |                                      |                 |                |                      |              |                       |
| 27       | 340       | Land and Land Rights                    | 15,542                               | -               |                | -                    | -            | -                     |
| 28       | 341       | Structures and Improvements             | 15,004,439                           | (6,001,663)     |                | (6,001,663)          | -            | (6,001,663)           |
| 29       | 342       | Fuel Holders, Producers, Accessories    | 8,141,511                            | (3,080,072)     |                | (3,080,072)          | -            | (3,080,072)           |
| 30       | 343       | Prime Movers                            | 163,070,528                          | (54,356,833)    |                | (54,356,833)         | -            | (54,356,833)          |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-3

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                       | RESERVE BALANCES                     |               |                |                      |             |                       |
|----------|-----------|-------------------------------------|--------------------------------------|---------------|----------------|----------------------|-------------|-----------------------|
|          |           |                                     | BASE PERIOD TOTAL COMPANY INVESTMENT | TOTAL COMPANY | JURIS. PERCENT | JURISDICTIONAL TOTAL | ADJUSTMENTS | ADJUSTED JURISDICTION |
|          |           |                                     | \$                                   | \$            | 100%           | \$                   | \$          | \$                    |
| 31       | 344       | Generators                          | 33,700,498                           | (19,534,639)  |                | (19,534,639)         | -           | (19,534,639)          |
| 32       | 345       | Accessory Electric Equipment        | 22,164,558                           | (8,497,376)   |                | (8,497,376)          | -           | (8,497,376)           |
| 33       | 346       | Misc Power Plant Equipment          | 3,798,740                            | (1,687,207)   |                | (1,687,207)          | -           | (1,687,207)           |
| 34       | 347       | ARO Cost Other Production           | 32,136                               | (3,795)       |                | (3,795)              | 3,795       | -                     |
| 35       |           | Total Electric Other Production     | 245,927,952                          | (93,161,585)  |                | (93,161,585)         | 3,795       | (93,157,789)          |
| 36       |           | <b><u>Electric Transmission</u></b> |                                      |               |                |                      |             |                       |
| 37       | 350       | Land and Land Rights                | 11,149,391                           | (2,802,503)   |                | (2,802,503)          | -           | (2,802,503)           |
| 38       | 352       | Structures and Improvements         | 6,751,085                            | (1,768,923)   |                | (1,768,923)          | -           | (1,768,923)           |
| 39       | 353       | Station Equipment                   | 158,344,737                          | (67,984,206)  |                | (67,984,206)         | -           | (67,984,206)          |
| 40       | 354       | Towers and Fixtures                 | 41,812,137                           | (23,712,416)  |                | (23,712,416)         | -           | (23,712,416)          |
| 41       | 355       | Poles and Fixtures                  | 68,146,152                           | (20,533,544)  |                | (20,533,544)         | -           | (20,533,544)          |
| 42       | 356       | OH Conductors and Devices           | 52,495,472                           | (25,809,625)  |                | (25,809,625)         | -           | (25,809,625)          |
| 43       | 357       | Underground Conduit                 | 2,278,628                            | (615,920)     |                | (615,920)            | -           | (615,920)             |
| 44       | 358       | UG Conductors and Devices           | 7,425,136                            | (2,732,641)   |                | (2,732,641)          | -           | (2,732,641)           |
| 45       | 359       | ARO Cost Elec Transmission          | 218,085                              | (20,220)      |                | (20,220)             | 20,220      | -                     |
| 46       |           | Total Electric Transmission         | 348,620,823                          | (145,979,998) |                | (145,979,998)        | 20,220      | (145,959,778)         |
| 47       |           | <b><u>Electric Distribution</u></b> |                                      |               |                |                      |             |                       |
| 48       | 360       | Land and Land Rights                | 4,100,654                            | (31)          |                | (31)                 | -           | (31)                  |
| 49       | 361       | Structures and Improvements         | 6,992,645                            | (2,142,690)   |                | (2,142,690)          | -           | (2,142,690)           |
| 50       | 362       | Station Equipment                   | 125,581,003                          | (40,078,627)  |                | (40,078,627)         | -           | (40,078,627)          |
| 51       | 364       | Poles, Towers, and Fixtures         | 176,233,205                          | (74,094,058)  |                | (74,094,058)         | -           | (74,094,058)          |
| 52       | 365       | OH Conductors and Devices           | 279,627,658                          | (108,448,545) |                | (108,448,545)        | -           | (108,448,545)         |
| 53       | 366       | Underground Conduit                 | 83,490,786                           | (28,766,372)  |                | (28,766,372)         | -           | (28,766,372)          |
| 54       | 367       | UG Conductors and Devices           | 189,401,455                          | (53,689,359)  |                | (53,689,359)         | -           | (53,689,359)          |
| 55       | 368       | Line Transformers                   | 151,848,239                          | (71,035,763)  |                | (71,035,763)         | -           | (71,035,763)          |
| 56       | 369       | Services                            | 30,481,138                           | (23,613,482)  |                | (23,613,482)         | -           | (23,613,482)          |
| 57       | 370       | Meters                              | 40,954,943                           | (23,361,618)  |                | (23,361,618)         | -           | (23,361,618)          |
| 58       | 371       | Install on Customer Premise         | -                                    | -             |                | -                    | -           | -                     |
| 59       | 373       | Street Lighting / Signal Systems    | 95,366,103                           | (35,871,386)  |                | (35,871,386)         | -           | (35,871,386)          |
| 60       | 374       | ARO Cost Elec Distribution          | 626,913                              | (36,539)      |                | (36,539)             | 36,539      | -                     |
| 61       |           | Total Electric Distribution         | 1,184,704,741                        | (461,138,469) |                | (461,138,469)        | 36,539      | (461,101,930)         |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-3

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                            | RESERVE BALANCES                              |                  |                   |                         |                         |                          |
|----------|-----------|--|---|------------------|-------------------|-------------------------|-------------------------|--------------------------|
|          |           |  | BASE PERIOD<br>TOTAL<br>COMPANY<br>INVESTMENT | TOTAL<br>COMPANY | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL | ADJUSTED<br>ADJUSTMENTS | ADJUSTED<br>JURISDICTION |
|          |           |  | \$  | \$               | 100%              | \$                      | \$                      | \$                       |
| 62       | E         | <b>Electric General Plant</b>            |   |                  |                   |                         |                         |                          |
| 63       | 389       | Land and Land Rights                     | -   | -                |                   | -                       | -                       | -                        |
| 64       | 390       | Structures and Improvements              | -   | -                |                   | -                       | -                       | -                        |
| 65       | 391       | Office Furniture and Equipment           | -   | -                |                   | -                       | -                       | -                        |
| 66       | 392       | Transportation Equipment                 | 9,503,611                                     | (7,507,400)      |                   | (7,507,400)             | -                       | (7,507,400)              |
| 67       | 393       | Stores Equipment                         | -   | -                |                   | -                       | -                       | -                        |
| 68       | 394       | Tools, Shop, and Garage Equipment        | 6,077,685                                     | (2,229,139)      |                   | (2,229,139)             | -                       | (2,229,139)              |
| 69       | 395       | Laboratory Equipment                     | -   | (42)             |                   | (42)                    | -                       | (42)                     |
| 70       | 396       | Power Operated Equipment                 | 2,483,168                                     | (2,152,075)      |                   | (2,152,075)             | -                       | (2,152,075)              |
| 71       | 397       | Communication Equipment                  | 3,262,121                                     | (543,043)        |                   | (543,043)               | 543,043                 | -                        |
| 72       | 398       | Miscellaneous Equipment                  | -   | -                |                   | -                       | -                       | -                        |
| 73       |           | Total Electric General Plant             | 21,326,584                                    | (12,431,698)     |                   | (12,431,698)            | 543,043                 | (11,888,656)             |
| 74       | C         | <b>Common Plant (1)</b>                  |   |                  |                   |                         |                         |                          |
| 75       | 301       | Organization                             | 58,648  | -                |                   | -                       | -                       | -                        |
| 76       | 302       | Franchises and Consents                  | -   | -                |                   | -                       | -                       | -                        |
| 77       | 303       | Misc Intangible Plant                    | 63,235,755                                    | (28,416,763)     |                   | (28,416,763)            | -                       | (28,416,763)             |
| 78       | 389       | Land and Land Rights                     | 1,236,543                                     | (98,580)         |                   | (98,580)                | -                       | (98,580)                 |
| 79       | 390       | Structures and Improvements              | 53,234,799                                    | (21,818,743)     |                   | (21,818,743)            | -                       | (21,818,743)             |
| 80       | 391       | Office Furniture and Equipment           | 33,723,790                                    | (20,532,978)     |                   | (20,532,978)            | -                       | (20,532,978)             |
| 81       | 392       | Transportation Equipment                 | 267,254                                       | (174,162)        |                   | (174,162)               | -                       | (174,162)                |
| 82       | 393       | Stores Equipment                         | 1,026,773                                     | (529,505)        |                   | (529,505)               | -                       | (529,505)                |
| 83       | 394       | Tools, Shop, and Garage Equipment        | 2,742,682                                     | (1,288,154)      |                   | (1,288,154)             | -                       | (1,288,154)              |
| 84       | 395       | Laboratory Equipment                     | -   | -                |                   | -                       | -                       | -                        |
| 85       | 396       | Power Operated Equipment                 | 174,985                                       | (160,728)        |                   | (160,728)               | -                       | (160,728)                |
| 86       | 397       | Communication Equipment                  | 30,160,868                                    | (23,316,440)     |                   | (23,316,440)            | -                       | (23,316,440)             |
| 87       | 398       | Miscellaneous Equipment                  | -   | (0)              |                   | (0)                     | -                       | (0)                      |
| 88       | 399       | ARO Cost Common                          | -   | -                |                   | -                       | -                       | -                        |
| 89       |           | Total Common Plant allocated to Electric | 185,862,095                                   | (96,336,053)     |                   | (96,336,053)            | -                       | (96,336,053)             |
| 90       |           | TOTAL ELECTRIC PLANT                     | 4,619,412,292                                 | (2,026,115,647)  |                   | (2,026,115,647)         | (44,073,397)            | (2,070,189,044)          |

(1) 70% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.1

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WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                     | TOTAL COMPANY ADJUSTMENT | JURISDICTIONAL PERCENT | JURISDICTIONAL ADJUSTMENTS | WORKPAPER REFERENCE NO. | DESCRIPTION AND PURPOSE OF ADJUSTMENT |
|----------|-----------|-----------------------------------|--------------------------|------------------------|----------------------------|-------------------------|---------------------------------------|
|          |           |                                   | \$                       |                        | \$                         |                         |                                       |
| 1        | 311       | Structures and Improvements       | (2,610,275)              | 100.000%               | (2,610,275)                |                         | ECR amounts excluded from rate base   |
| 2        | 312       | Boiler Plant Equipment            | (47,706,095)             | 100.000%               | (47,706,095)               |                         | ECR amounts excluded from rate base   |
| 3        | 315       | Accessory Electric Equipment      | (5,776,069)              | 100.000%               | (5,776,069)                |                         | ECR amounts excluded from rate base   |
| 4        | 316       | Misc Power Plant Equip            | 11,181                   | 100.000%               | 11,181                     |                         | ECR amounts excluded from rate base   |
| 5        | 317       | ARO Cost Steam Production         | 11,399,255               | 100.000%               | 11,399,255                 |                         | ARO amounts excluded from rate base   |
| 6        | 337       | ARO Cost Hydro Production         | 5,007                    | 100.000%               | 5,007                      |                         | ARO amounts excluded from rate base   |
| 7        | 347       | ARO Cost Other Production         | 3,795                    | 100.000%               | 3,795                      |                         | ARO amounts excluded from rate base   |
| 8        | 359       | ARO Cost Elec Transmission        | 20,220                   | 100.000%               | 20,220                     |                         | ARO amounts excluded from rate base   |
| 9        | 374       | ARO Cost Elec Distribution        | 36,539                   | 100.000%               | 36,539                     |                         | ARO amounts excluded from rate base   |
| 10       | 399       | ARO Cost Common                   | -                        | 100.000%               | -                          |                         | ARO amounts excluded from rate base   |
| 11       | 397       | Communication Equipment (General) | 543,043                  | 100.000%               | 543,043                    |                         | DSM amounts excluded from rate base   |
| 12       |           | TOTAL ADJUSTMENTS                 | <u>(44,073,397)</u>      |                        | <u>(44,073,397)</u>        |                         |                                       |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-3.2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE OR MAJOR PROPERTY GROUPING | ADJUSTED JURISDICTION   |                            |                     | CALCULATED DEPRECIATION EXPENSE<br>(G=DxF) | % NET SALVAGE<br>(H) | REMAINING SERVICE LIFE<br>(I) | CURVE FORM<br>(J) |
|----------|-----------|--|-------------------------|----------------------------|---------------------|--|----------------------|-------------------------------|-------------------|
|          |           |  | PLANT INVESTMENT<br>(D) | ACCUMULATED BALANCE<br>(E) | ACCRUAL RATE<br>(F) |  |                      |                               |                   |
| (A)      | (B)       | (C)                                      | (D)                     | (E)                        | (F)                 | (G=DxF)                                    | (H)                  | (I)                           | (J)               |
|          |           |  | \$                      | \$                         |                     | \$   |                      |                               |                   |
| 1        |           | <b><u>Electric Intangible Plant</u></b>  |                         |                            |                     |  |                      |                               |                   |
| 2        | 301       | Organization                             | 2,240                   | -                          | 0.00%               | -  | 0%                   |                               |                   |
| 3        | 302       | Franchises and Consents                  | -                       | -                          | 0.00%               | -  | 0%                   |                               |                   |
| 4        | 303       | Misc Intangible Plant                    | -                       | -                          | 11.12%              | -  | 0%                   | 3.8-7.5                       | 5-SQ, SQUARE      |
| 5        |           | Total Intangible Plant                   | 2,240                   | -                          |                     | -  |                      |                               |                   |
| 6        |           | <b><u>Electric Steam Production</u></b>  |                         |                            |                     |  |                      |                               |                   |
| 7        | 310       | Land and Land Rights                     | 6,435,080               | -                          | 0.00%               | -  | 0%                   |                               |                   |
| 8        | 311       | Structures and Improvements              | 303,787,236             | 204,784,396                | 1.85%               | 5,612,148                                  | -2%,-8%,-11%         | 24.3                          | 100-S1            |
| 9        | 312       | Boiler Plant Equipment                   | 1,471,514,633           | 773,020,920                | 3.16%               | 46,539,019                                 | -2%,-8%,-11%         | 18.6                          | 50-R1.5           |
| 10       | 313       | Engines and engine-driven generators     | -                       | -                          | #N/A                |  |                      |                               |                   |
| 11       | 314       | Turbogenerator Units                     | 241,735,047             | 133,725,286                | 2.27%               | 5,490,407                                  | -2%,-8%,-11%         | 21.6                          | 60-S1.5           |
| 12       | 315       | Accessory Electric Equipment             | 182,913,311             | 133,620,891                | 2.75%               | 5,025,206                                  | -2%,-8%,-11%         | 14.4                          | 55-S2             |
| 13       | 316       | Misc Power Plant Equip                   | 20,591,003              | 8,392,141                  | 4.69%               | 966,449                                    | -2%,-8%,-11%         | 14.6                          | 45-R2.5           |
| 14       | 317       | ARO Cost Steam (Eqp)                     | -                       | -                          |                     |  |                      |                               |                   |
| 15       |           | Total Electric Steam Production          | 2,226,976,310           | 1,253,543,634              |                     | 63,633,228                                 |                      |                               |                   |
| 16       |           | <b><u>Electric Hydro Production</u></b>  |                         |                            |                     |  |                      |                               |                   |
| 17       | 330       | Land and Land Rights                     | 7                       | -                          | 0.00%               | -  | 0%                   |                               |                   |
| 18       | 331       | Structures and Improvements              | 7,744,472               | 4,126,358                  | 0.48%               | 37,482                                     | -3%                  | 33.5                          | 100-S2            |
| 19       | 332       | Reservoirs, Dams, and Water              | 16,975,665              | 2,180,362                  | 2.62%               | 445,116                                    | -3%                  | 33.7                          | 100-S2.5          |
| 20       | 333       | Water Wheels, Turbines, Generators       | 62,486,228              | (380,962)                  | 2.96%               | 1,847,495                                  | -3%                  | 33.3                          | 100-S2.5          |
| 21       | 334       | Accessory Electric Equipment             | 8,218,420               | 2,226,050                  | 2.01%               | 164,930                                    | -3%                  | 33.8                          | 80-S4             |
| 22       | 335       | Misc Power Plant Equipment               | 1,189,029               | 30,181                     | 2.64%               | 31,415                                     | -3%                  | 32.2                          | 80-S1.5           |
| 23       | 336       | Roads, Railroads, and Bridges            | 29,931                  | 19,216                     | 2.26%               | 676  | -3%                  | 19.3                          | 80-S4             |
| 24       | 337       | ARO Cost Hydro Prod (Eqp)                | -                       | -                          | 0.00%               |  |                      |                               |                   |
| 25       |           | Total Electric Hydro Production          | 96,643,750              | 8,201,205                  |                     | 2,527,114                                  |                      |                               |                   |
| 26       |           | <b><u>Electric Other Production</u></b>  |                         |                            |                     |  |                      |                               |                   |
| 27       | 340       | Land and Land Rights                     | 15,542                  | -                          | 0.00%               | -  |                      |                               |                   |
| 28       | 341       | Structures and Improvements              | 15,004,439              | 6,001,663                  | 3.70%               | 554,807                                    | -3%                  | 20.1                          | 55-R3             |
| 29       | 342       | Fuel Holders, Producers, Accessories     | 8,141,511               | 3,080,072                  | 4.25%               | 346,142                                    | -3%                  | 17.6                          | 45-R2.5           |
| 30       | 343       | Prime Movers                             | 163,070,528             | 54,356,833                 | 4.58%               | 7,465,769                                  | -2%,-3%              | 17.0                          | 30-R2             |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-3.2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE OR MAJOR PROPERTY GROUPING | ADJUSTED JURISDICTION |                         |                  | CALCULATED DEPRECIATION EXPENSE (G=DxF) | % NET SALVAGE (H) | REMAINING SERVICE LIFE (I) | CURVE FORM (J) |
|----------|-----------|--|-----------------------|-------------------------|------------------|---|-------------------|----------------------------|----------------|
|          |           |  | PLANT INVESTMENT (D)  | ACCUMULATED BALANCE (E) | ACCRUAL RATE (F) |   |                   |                            |                |
| (A)      | (B)       | (C)                                      | (D)                   | (E)                     | (F)              | (G=DxF)                                 | (H)               | (I)                        | (J)            |
|          |           |  | \$                    | \$                      |                  | \$                                      |                   |                            |                |
| 31       | 344       | Generators                               | 33,700,498            | 19,534,639              | 2.95%            | 993,312                                 | -3%               | 17.9                       | 60-S3          |
| 32       | 345       | Accessory Electric Equipment             | 22,164,558            | 8,497,376               | 4.07%            | 903,135                                 | -3%               | 18.1                       | 45-R3          |
| 33       | 346       | Misc Power Plant Equipment               | 3,798,740             | 1,687,207               | 3.68%            | 139,940                                 | -3%               | 19.1                       | 50-S3          |
| 34       | 347       | ARO Cost Other Prod (Eqp)                | -                     | -                       |                  |   |                   |                            |                |
| 35       |           | Total Electric Other Production          | 245,895,817           | 93,157,789              |                  | 10,403,104                              |                   |                            |                |
| 36       |           | <b><u>Electric Transmission</u></b>      |                       |                         |                  |   |                   |                            |                |
| 37       | 350       | Land and Land Rights                     | 11,149,391            | 2,802,503               | 1.50%            | 166,748                                 | 0%                | 47.3                       | 60-R3          |
| 38       | 352       | Structures and Improvements              | 6,751,085             | 1,768,923               | 1.74%            | 117,271                                 | -5%               | 47.1                       | 55-R1.5        |
| 39       | 353       | Station Equipment                        | 158,344,737           | 67,984,206              | 1.38%            | 2,188,797                               | -10%              | 40.2                       | 55-R2.5        |
| 40       | 354       | Towers and Fixtures                      | 41,812,137            | 23,712,416              | 1.72%            | 718,146                                 | -50%              | 54.6                       | 70-R3          |
| 41       | 355       | Poles and Fixtures                       | 68,146,152            | 20,533,544              | 2.89%            | 1,972,178                               | -55%              | 41.8                       | 53-R2          |
| 42       | 356       | OH Conductors and Devices                | 52,495,472            | 25,809,625              | 2.50%            | 1,310,415                               | -40%              | 35.2                       | 50-R2          |
| 43       | 357       | Underground Conduit                      | 2,278,628             | 615,920                 | 1.67%            | 38,142                                  | 0%                | 44.6                       | 55-R3          |
| 44       | 358       | UG Conductors and Devices                | 7,425,136             | 2,732,641               | 2.98%            | 221,461                                 | -5%               | 22.3                       | 35-R3          |
| 45       | 359       | ARO Cost Elec Transmission               | -                     | -                       |                  | -                                       |                   |                            |                |
| 46       |           | Total Electric Transmission              | 348,402,738           | 145,959,778             |                  | 6,733,157                               |                   |                            |                |
| 47       |           | <b><u>Electric Distribution</u></b>      |                       |                         |                  |   |                   |                            |                |
| 48       | 360       | Land and Land Rights                     | 4,100,654             | 31                      | 0.00%            | -                                       | 0%                |                            |                |
| 49       | 361       | Structures and Improvements              | 6,992,645             | 2,142,690               | 1.61%            | 112,796                                 | -10%              | 40.0                       | 50-L1.5        |
| 50       | 362       | Station Equipment                        | 125,581,003           | 40,078,627              | 2.09%            | 2,624,874                               | -15%              | 38.1                       | 50-R1.5        |
| 51       | 364       | Poles, Towers, and Fixtures              | 176,233,205           | 74,094,058              | 3.39%            | 5,966,337                               | -70%              | 35.4                       | 50-R2.5        |
| 52       | 365       | OH Conductors and Devices                | 279,627,658           | 108,448,545             | 2.98%            | 8,338,153                               | -60%              | 39.7                       | 50-R1.5        |
| 53       | 366       | Underground Conduit                      | 83,490,786            | 28,766,372              | 1.50%            | 1,250,887                               | -20%              | 54.8                       | 70-R4          |
| 54       | 367       | UG Conductors and Devices                | 189,401,455           | 53,689,359              | 1.92%            | 3,642,361                               | -20%              | 45.1                       | 55-R3          |
| 55       | 368       | Line Transformers                        | 151,848,239           | 71,035,763              | 2.38%            | 3,615,429                               | -20%              | 31.5                       | 45-R3          |
| 56       | 369       | Services                                 | 30,481,138            | 23,613,482              | 3.53%            | 1,076,283                               | -40%,-100%        | 29.7-34.2                  | 45-R2.5, 50-R2 |
| 57       | 370       | Meters                                   | 40,954,943            | 23,361,618              | 2.92%            | 1,195,495                               | 0%                | 16.1                       | 30-R2.5        |
| 58       | 371       | Install on Customer Premise              | -                     | -                       | #N/A             |   |                   |                            |                |
| 59       | 373       | Street Lighting / Signal Systems         | 95,366,103            | 35,871,386              | 3.66%            | 3,492,985                               | -25%,-30%         | 22.1-24.8                  | 28-L0.5, 35-R2 |
| 60       | 374       | ARO Cost Elec Distribution               | -                     | -                       |                  | -                                       |                   |                            |                |
| 61       |           | Total Electric Distribution              | 1,184,077,828         | 461,101,930             |                  | 31,315,600                              |                   |                            |                |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-3.2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE OR MAJOR PROPERTY GROUPING | ADJUSTED JURISDICTION |                         | ACCRUAL RATE | CALCULATED DEPRECIATION EXPENSE (G=DxF) | % NET SALVAGE (H) | REMAINING SERVICE LIFE (I) | CURVE FORM (J)                  |
|----------|-----------|--|-----------------------|-------------------------|--------------|---|-------------------|----------------------------|---------------------------------|
|          |           |  | PLANT INVESTMENT (D)  | ACCUMULATED BALANCE (E) |              |   |                   |                            |                                 |
| (A)      | (B)       | (C)                                      | (D)                   | (E)                     | (F)          | (G=DxF)                                 | (H)               | (I)                        | (J)                             |
|          |           |  | \$                    | \$                      |              |   |                   |                            |                                 |
| 62       |           | <b><u>Electric General Plant</u></b>     |                       |                         |              |   |                   |                            |                                 |
| 63       | 389       | Land and Land Rights                     | -                     | -                       | 0.00%        | -                                       | 0%                |                            |                                 |
| 64       | 390       | Structures and Improvements              | -                     | -                       | 3.25%        | -                                       | 0%                | 15.1-35.8                  | 35-R2, 30-R1.5, 45-R3, 45-R0.5  |
| 65       | 391       | Office Furniture and Equipment           | -                     | -                       | 10.44%       | -                                       | 0%                | 2.2-6.6                    | 4-SQ, 5-SQ, 10-SQ, 15-SQ, 20-SQ |
| 66       | 392       | Transportation Equipment                 | 9,503,611             | 7,507,400               | 1.86%        | 176,877                                 | 0%                | 5.8-13.5                   | 7-L2.5, 14-S1.5, 20-S1          |
| 67       | 393       | Stores Equipment                         | -                     | -                       | 5.82%        | -                                       | 0%                | 9.3                        | 25-SQ                           |
| 68       | 394       | Tools, Shop, and Garage Equipment        | 6,077,685             | 2,229,139               | 4.51%        | 273,811                                 | 0%                | 14.9                       | 25-SQ                           |
| 69       | 395       | Laboratory Equipment                     | -                     | 42                      | #N/A         |   |                   |                            |                                 |
| 70       | 396       | Power Operated Equipment                 | 2,483,168             | 2,152,075               | 2.78%        | 68,949                                  | 0%                | 7.8-10.8                   | 12-L1.5, 8-L2, 17-L3            |
| 71       | 397       | Communication Equipment                  | -                     | -                       | 13.14%       | -                                       | 0%                | 3.5                        | 10-SQ                           |
| 72       | 398       | Miscellaneous Equipment                  | -                     | -                       | 6.56%        | -                                       | 0%                |                            |                                 |
| 73       |           | Total Electric General Plant             | 18,064,463            | 11,888,656              |              | 519,636                                 |                   |                            |                                 |
| 74       |           | <b><u>Common Plant (1)</u></b>           |                       |                         |              |   |                   |                            |                                 |
| 75       | 301       | Organization                             | 58,648                | -                       | 0.00%        | -                                       |                   |                            |                                 |
| 76       | 302       | Franchises and Consents                  | -                     | -                       | 0.00%        | -                                       |                   |                            |                                 |
| 77       | 303       | Misc Intangible Plant                    | 63,235,755            | 28,416,763              | 11.12%       | 7,031,425                               | 0%                | 3.8-7.5                    | 5-SQ, SQUARE                    |
| 78       | 389       | Land and Land Rights                     | 1,236,543             | 98,580                  | 0.00%        | -                                       | 0%                |                            |                                 |
| 79       | 390       | Structures and Improvements              | 53,234,799            | 21,818,743              | 3.25%        | 1,730,131                               | 0%                | 15.1-35.8                  | 35-R2, 30-R1.5, 45-R3, 45-R0.5  |
| 80       | 391       | Office Furniture and Equipment           | 33,723,790            | 20,532,978              | 10.44%       | 3,520,764                               | 0%                | 2.2-6.6                    | 4-SQ, 5-SQ, 10-SQ, 15-SQ, 20-SQ |
| 81       | 392       | Transportation Equipment                 | 267,254               | 174,162                 | 11.38%       | 30,414                                  | 0%                | 6.0                        | 7-L2.5                          |
| 82       | 393       | Stores Equipment                         | 1,026,773             | 529,505                 | 5.82%        | 59,758                                  | 0%                | 9.3                        | 25-SQ                           |
| 83       | 394       | Tools, Shop, and Garage Equipment        | 2,742,682             | 1,288,154               | 5.04%        | 138,231                                 | 0%                | 14.2                       | 25-SQ                           |
| 84       | 395       | Laboratory Equipment                     | -                     | -                       | #N/A         |   |                   |                            |                                 |
| 85       | 396       | Power Operated Equipment                 | 174,985               | 160,728                 | 1.13%        | 1,977                                   | 0%                | 10.6                       | 12-L1.5                         |
| 86       | 397       | Communication Equipment                  | 30,160,868            | 23,316,440              | 13.14%       | 3,963,138                               | 0%                | 3.5                        | 10-SQ                           |
| 87       | 398       | Miscellaneous Equipment                  | -                     | 0                       | 6.56%        | -                                       | 0%                | -                          | 10-SQ                           |
| 88       | 399       | ARO Cost Common                          | -                     | -                       |              |   |                   |                            |                                 |
| 89       |           | Total Common Plant allocated to Electric | 185,862,095           | 96,336,053              |              | 16,475,838                              |                   |                            |                                 |
| 90       |           | TOTAL ELECTRIC PLANT                     | 4,305,925,242         | 2,070,189,044           |              | 131,607,677                             |                   |                            |                                 |

(1) 70% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
CONSTRUCTION WORK IN PROGRESS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-4  
PAGE 1 OF 2  
WITNESS: K. W. BLAKE

| LINE NO.  | MAJOR PROPERTY GROUPING | ACCUMULATED COSTS   |                   |                | TOTAL COSTS | JURIS. PERCENT | JURISDICTIONAL TOTAL | ADJUSTMENTS   | ADJUSTED JURISDICTION |
|-----------|-------------------------|---------------------|-------------------|----------------|-------------|----------------|----------------------|---------------|-----------------------|
|           |                         | CONSTRUCTION AMOUNT | AFUDC CAPITALIZED | INDIRECT COSTS |             |                |                      |               |                       |
|           |                         | \$                  | \$                | \$             | \$          | \$             | \$                   | \$            |                       |
| ELECTRIC: |                         |                     |                   |                |             |                |                      |               |                       |
| 1         | INTANGIBLE              | -                   | -                 | -              | -           | 100.000%       | -                    | -             | -                     |
| 2         | PRODUCTION              | 631,628,631         | -                 | -              | 631,628,631 | 100.000%       | 631,628,631          | (475,907,545) | 155,721,086           |
| 3         | TRANSMISSION            | 47,770,020          | -                 | -              | 47,770,020  | 100.000%       | 47,770,020           |               | 47,770,020            |
| 4         | DISTRIBUTION            | 14,413,876          | -                 | -              | 14,413,876  | 100.000%       | 14,413,876           |               | 14,413,876            |
| 5         | GENERAL                 | -                   | -                 | -              | -           | 100.000%       | -                    | -             | -                     |
| 6         | COMMON                  | 6,313,532           | -                 | -              | 6,313,532   | 100.000%       | 6,313,532            |               | 6,313,532             |
| 7         | TOTAL ELECTRIC          | 700,126,060         | -                 | -              | 700,126,060 |                | 700,126,060          | (475,907,545) | 224,218,515           |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-4.1

PAGE 1 OF 2

WITNESS: K. W. BLAKE

| LINE NO. | MAJOR PROPERTY GROUPING | TOTAL COMPANY ADJUSTMENT | JURISDICTIONAL PERCENT | JURISDICTIONAL ADJUSTMENTS | WORKPAPER REFERENCE NO. | DESCRIPTION AND PURPOSE OF ADJUSTMENT |
|----------|-------------------------|--------------------------|------------------------|----------------------------|-------------------------|---------------------------------------|
|          |                         | \$                       |                        | \$                         |                         |                                       |
| 1        | PRODUCTION              | (475,907,545)            | 100.000%               | (475,907,545)              |                         | ECR amounts excluded from rate base   |
| 2        | TRANSMISSION            |                          | 100.000%               | -                          |                         |                                       |
| 3        | DISTRIBUTION            |                          | 100.000%               | -                          |                         |                                       |
| 4        | GENERAL                 |                          | 100.000%               | -                          |                         |                                       |
| 5        | COMMON                  |                          | 100.000%               | -                          |                         |                                       |
| 6        | TOTAL ADJUSTMENTS       | <u>(475,907,545)</u>     |                        | <u>(475,907,545)</u>       |                         |                                       |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
ALLOWANCE FOR WORKING CAPITAL  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-5

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO.  | WORKING CAPITAL COMPONENT          | DESCRIPTION OF METHODOLOGY USED TO DETERMINE JURISDICTIONAL REQUIREMENT | WORKPAPER REFERENCE NO. | TOTAL COMPANY      | JURIS. PERCENT | JURISDICTIONAL AMOUNT |
|-----------|------------------------------------|---|-------------------------|--------------------|----------------|-----------------------|
|           |                                    |   |                         | \$                 |                | \$                    |
| ELECTRIC: |                                    |   |                         |                    |                |                       |
| 1         | FUEL STOCK (a)                     | 13 MONTH AVERAGE BALANCE  | B-5.1                   | 52,921,910         | 100.000%       | 52,921,910            |
| 2         | MATERIAL AND SUPPLIES (a) (b)      | 13 MONTH AVERAGE BALANCE  | B-5.1                   | 38,474,307         | 100.000%       | 38,474,307            |
| 3         | PREPAYMENTS (c)                    | 13 MONTH AVERAGE BALANCE  | B-5.1                   | 5,317,600          | 100.000%       | 5,317,600             |
| 4         | OTHER                              | 13 MONTH AVERAGE BALANCE  | B-5.1                   | -                  | 100.000%       | -                     |
| 5         | CASH WORKING CAPITAL               | 1/8 O&M METHOD LESS PURCHASED POWER EXPENSE                             | B-5.2                   | 87,719,140         | 100.000%       | 87,719,140            |
| 6         | TOTAL WORKING CAPITAL REQUIREMENTS |   |                         | <u>184,432,957</u> |                | <u>184,432,957</u>    |

(a) Excludes 25% of Trimble County inventories disallowed

(b) Includes emission allowances (ECR amounts excluded)

(c) Excludes PSC fees

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
OTHER WORKING CAPITAL COMPONENTS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-5.1

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION                   | 13 MONTH AVERAGE FOR PERIOD |                |                       |
|----------|-------------------------------|-----------------------------|----------------|-----------------------|
|          |                               | TOTAL COMPANY               | JURIS. PERCENT | JURISDICTIONAL AMOUNT |
|          |                               | \$                          |                | \$                    |
|          | ELECTRIC:                     |                             |                |                       |
| 1        | FUEL STOCK (a)                | 52,921,910                  | 100.000%       | 52,921,910            |
| 2        | MATERIAL AND SUPPLIES (a) (b) | 38,474,307                  | 100.000%       | 38,474,307            |
| 3        | PREPAYMENTS (c)               | 5,317,600                   | 100.000%       | 5,317,600             |
| 4        | OTHER                         | -                           | 100.000%       | -                     |
| 5        | TOTAL OTHER WORKING CAPITAL   | <u>96,713,817</u>           |                | <u>96,713,817</u>     |

(a) Excludes 25% of Trimble County inventories disallowed

(b) Includes emission allowances (ECR amounts excluded)

(c) Excludes PSC fees

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
CASH WORKING CAPITAL COMPONENTS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-5.2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S).:

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION                                  | TOTAL COMPANY             | JURIS. PERCENT | JURISDICTIONAL AMOUNT     |
|----------|--|---------------------------|----------------|---------------------------|
|          |  | \$                        |                | \$                        |
|          | ELECTRIC:                                    |                           |                |                           |
| 1        | OPERATING AND MAINTENANCE EXPENSE (a)        | 746,942,490               | 100.000%       | 746,942,490               |
| 2        | ELECTRIC POWER PURCHASED                     | <u>45,189,370</u>         | 100.000%       | <u>45,189,370</u>         |
| 3        | O&M LESS PURCHASE POWER EXPENSE (LINE 1 - 2) | <u><u>701,753,120</u></u> |                | <u><u>701,753,120</u></u> |
| 4        | CASH WORKING CAPITAL (12.5% OF LINE 3)       | <u><u>87,719,140</u></u>  |                | <u><u>87,719,140</u></u>  |

(a) Excludes ECR amounts.



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-6  
PAGE 1 OF 2  
WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO.     | DESCRIPTION                        | BASE PERIOD TOTAL COMPANY | JURIS. PERCENT | JURISDICTIONAL TOTAL | ADJUSTMENTS  | ADJUSTED JURISDICTION |
|----------|---------------|------------------------------------|---------------------------|----------------|----------------------|--------------|-----------------------|
|          |               |                                    | \$                        |                | \$                   | \$           | \$                    |
| 1        | 252           | Customer Advances for Construction | 1,485,303                 | 100.000%       | 1,485,303            | -            | 1,485,303             |
| 2        | 255           | Deferred Investment Tax Credits    | -                         | 100.000%       | -                    | -            | -                     |
| 3        | 190, 282, 283 | Deferred Income Taxes (a)          | 575,407,292               | 100.000%       | 575,407,292          | (54,819,240) | 520,588,052           |

(a) Adjustment reflects ECR and DSM jurisdictional amounts.

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL PERCENTAGE  
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-7  
PAGE 1 OF 1  
WITNESS: K. W. BLAKE

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE | JURIS. PERCENT | DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION |
|----------|-----------|---------------|----------------|--|
|----------|-----------|---------------|----------------|--|

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ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL STATISTICS - RATE BASE  
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-7.1

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT | STATISTIC TOTAL COMPANY | ADJUSTMENT TO TOTAL COMPANY STATISTIC | ADJUSTED STATISTIC FOR TOTAL COMPANY | STATISTIC FOR RATE AREA | ALLOCATION FACTOR % |
|----------|--|-------------------------|---------------------------------------|--------------------------------------|-------------------------|---------------------|
| (A)      | (B)  | (C)                     | (D)                                   | (E=C+D)                              | (F)                     | (G=F/E)             |

ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES - RATE BASE  
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-7.2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

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| LINE NO. | ACCT. NO. | DESCRIPTION | PROCEDURES APPROVED IN PRIOR CASE | RATIONALE FOR CHANGE |
|----------|-----------|-------------|-----------------------------------|----------------------|
|----------|-----------|-------------|-----------------------------------|----------------------|

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ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY  
AS OF DECEMBER 31, 2009 - 2013 AND BASE AND FORECASTED PERIODS

DATA: \_\_X\_\_ BASE PERIOD \_\_X\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8  
PAGE 1 OF 4  
WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION                                      | 13 MO AVG        |          | BASE             |           | 2013             | % CHANGE | 2012             | % CHANGE   | 2011             | % CHANGE | 2010             | % CHANGE  | 2009             |
|----------|--|------------------|----------|------------------|-----------|------------------|----------|------------------|------------|------------------|----------|------------------|-----------|------------------|
|          |  | FORECAST PERIOD  | % CHANGE | PERIOD           | % CHANGE  |                  |          |                  |            |                  |          |                  |           |                  |
| 1        | <b>ASSETS</b>                                    |                  |          |                  |           |                  |          |                  |            |                  |          |                  |           |                  |
| 2        | <b>UTILITY PLANT</b>                             |                  |          |                  |           |                  |          |                  |            |                  |          |                  |           |                  |
| 3        | Utility Plant                                    | \$ 6,098,050,660 | 7.46%    | \$ 5,674,583,290 | 11.92%    | \$ 5,070,053,264 | 3.81%    | \$ 4,883,776,677 | 4.31%      | \$ 4,682,019,555 | 7.30%    | \$ 4,363,515,736 | 3.91%     | \$ 4,199,506,410 |
| 4        | Construction Work in Progress                    | 366,699,198      | -48.35%  | 709,974,685      | 8.99%     | 651,432,116      | 152.14%  | 258,364,758      | 20.02%     | 215,276,377      | -44.13%  | 385,323,918      | 12.63%    | 342,126,538      |
| 5        | Total Utility Plant                              | \$ 6,464,749,858 | 1.26%    | \$ 6,384,557,975 | 11.59%    | \$ 5,721,485,380 | 11.27%   | \$ 5,142,141,435 | 5.00%      | \$ 4,897,295,932 | 3.13%    | \$ 4,748,839,654 | 4.56%     | \$ 4,541,632,948 |
| 6        | Less: Accumulated Provision for Depreciation     | 2,087,843,420    | -10.92%  | 2,343,810,620    | 1.72%     | 2,304,132,232    | 4.65%    | 2,201,756,057    | 3.96%      | 2,117,873,453    | 3.66%    | 2,043,099,790    | 4.14%     | 1,961,838,755    |
| 7        | Net Utility Plant                                | \$ 4,376,906,438 | 8.32%    | \$ 4,040,747,355 | 18.24%    | \$ 3,417,353,148 | 16.22%   | \$ 2,940,385,378 | 5.79%      | \$ 2,779,422,479 | 2.72%    | \$ 2,705,739,864 | 4.88%     | \$ 2,579,794,193 |
| 8        | <b>OTHER PROPERTY AND INVESTMENTS</b>            |                  |          |                  |           |                  |          |                  |            |                  |          |                  |           |                  |
| 9        | Nonutility Property-Less Reserve                 | \$ 539,420       | -4.95%   | \$ 567,535       | 15.96%    | \$ 489,421       | -7.14%   | \$ 527,050       | 4336.82%   | \$ 11,879        | 0.00%    | \$ 11,879        | 0.00%     | \$ 11,879        |
| 10       | Investment in Subsidiary Companies               | -                | 0.00%    | -                | 0.00%     | -                | 0.00%    | -                | 0.00%      | -                | 0.00%    | -                | 0.00%     | -                |
| 11       | Other Investments                                | 594,286          | 0.00%    | 594,286          | 0.00%     | 594,286          | 0.00%    | 594,286          | 0.00%      | 594,286          | 0.00%    | 594,286          | 0.00%     | 594,286          |
| 12       | Special Funds                                    | 21,207,370       | -8.19%   | 23,097,939       | 3.93%     | 22,225,512       | -29.99%  | 31,747,624       | 10.06%     | 28,846,731       | 53.74%   | 18,763,174       | 9.84%     | 17,082,758       |
| 13       | Total Other Property and Investments             | \$ 22,341,077    | -7.91%   | \$ 24,259,760    | 4.08%     | \$ 23,309,219    | -29.08%  | \$ 32,868,960    | 11.60%     | \$ 29,452,896    | 52.06%   | \$ 19,369,339    | 9.50%     | \$ 17,688,923    |
| 14       | <b>CURRENT AND ACCRUED ASSETS</b>                |                  |          |                  |           |                  |          |                  |            |                  |          |                  |           |                  |
| 15       | Cash   | \$ 5,000,000     | -45.72%  | \$ 9,210,821     | 165.61%   | \$ 3,467,771     | -52.96%  | \$ 7,372,093     | -70.42%    | \$ 24,920,485    | 1130.27% | \$ 2,025,606     | -61.01%   | \$ 5,195,367     |
| 16       | Special Deposits                                 | -                | 0.00%    | -                | 0.00%     | -                | 0.00%    | -                | -100.00%   | 12,277           | -99.65%  | 3,511,015        | 361.26%   | 761,176          |
| 17       | Working Funds                                    | 19,790           | 100.00%  | -                | -100.00%  | 20,090           | 0.00%    | 20,090           | 0.00%      | 20,090           | 0.00%    | 20,090           | -2.62%    | 20,630           |
| 18       | Temporary Cash Investments                       | 11,816,053       | 222.80%  | 3,660,446        | -19.27%   | 4,534,363        | -68.33%  | 14,316,601       | 43199.66%  | 33,064           | -67.07%  | 100,405          | 83570.83% | 120              |
| 19       | Customer Accounts Receivable                     | 95,977,514       | -32.52%  | 142,231,459      | 38.49%    | 102,699,350      | 70.17%   | 60,350,235       | -2.38%     | 61,822,664       | -13.84%  | 71,756,568       | 4.90%     | 68,405,442       |
| 20       | Other Accounts Receivable                        | 9,013,365        | 8.61%    | 8,298,535        | -16.45%   | 9,932,730        | -38.38%  | 16,118,221       | 24.49%     | 12,947,354       | -25.72%  | 17,430,403       | 39.49%    | 12,496,194       |
| 21       | Less: Accum Prov. for Uncollectable Accts-Credit | 1,843,346        | 7.46%    | 1,715,407        | -6.20%    | 1,828,848        | 50.15%   | 1,218,026        | 33.86%     | 1,835,907        | -60.13%  | 4,604,835        | 170.22%   | 1,704,122        |
| 22       | Accounts Receivable from Associated Companies    | 16,226,934       | -80.53%  | 83,334,102       | 76539.63% | 108,735          | -99.20%  | 13,662,418       | 25.15%     | 10,916,898       | -63.37%  | 29,799,791       | -43.84%   | 53,063,384       |
| 23       | Fuel   | 50,713,481       | 1.00%    | 50,210,453       | -21.78%   | 64,191,758       | 5.06%    | 61,099,619       | 16.37%     | 52,502,546       | -22.84%  | 68,043,290       | 12.48%    | 60,492,689       |
| 24       | Plant Materials and Operating Supplies           | 25,536,854       | -27.99%  | 35,464,230       | -0.98%    | 35,816,744       | 9.44%    | 32,727,610       | 6.86%      | 30,625,941       | 4.43%    | 29,326,916       | 0.92%     | 29,060,731       |
| 25       | Stores Expense Undistributed                     | 6,277,557        | -2.35%   | 6,428,535        | 3.91%     | 6,186,832        | 5.58%    | 5,860,024        | 4.71%      | 5,596,506        | 13.22%   | 4,943,154        | 18.43%    | 4,173,783        |
| 26       | Gas Stored Underground                           | 30,973,031       | 27.11%   | 24,366,912       | -48.75%   | 47,546,888       | 13.18%   | 42,010,154       | -21.16%    | 53,287,605       | -11.12%  | 59,956,181       | 6.72%     | 56,183,317       |
| 27       | Prepayments                                      | 7,563,716        | 2.30%    | 7,393,433        | 44.24%    | 5,125,670        | -26.53%  | 6,976,761        | 27.49%     | 5,472,353        | -19.91%  | 6,832,694        | -12.69%   | 7,825,625        |
| 28       | Interest, Dividends, and Rents Receivable        | 764,729          | -15.27%  | 902,518          | 60.50%    | 562,307          | 55.80%   | 360,905          | 1150.23%   | 28,867           | -8.44%   | 31,529           | -74.89%   | 125,573          |
| 29       | Accrued Utility Revenues                         | 71,756,214       | -15.48%  | 84,901,327       | -0.29%    | 85,152,363       | 18.03%   | 72,143,278       | 11.96%     | 64,436,527       | -18.43%  | 78,996,467       | 24.06%    | 63,676,000       |
| 30       | Miscellaneous Current Assets                     | 23,618           | 273.70%  | 6,320            | -84.86%   | 41,739           | -99.42%  | 7,144,047        | 284296.78% | 2,512            | -98.21%  | 140,637          | -91.23%   | 1,603,440        |
| 31       | Total Current and Accrued Assets                 | \$ 329,819,509   | -27.46%  | \$ 454,693,684   | 25.07%    | \$ 363,558,492   | 7.26%    | \$ 338,944,030   | 5.66%      | \$ 320,789,782   | -12.90%  | \$ 368,309,911   | 1.92%     | \$ 361,379,349   |
| 32       | <b>DEFERRED DEBITS</b>                           |                  |          |                  |           |                  |          |                  |            |                  |          |                  |           |                  |
| 33       | Unamortized Debt Expense                         | \$ 11,076,094    | -12.69%  | \$ 12,686,211    | -9.16%    | \$ 13,965,458    | 6.39%    | \$ 13,126,319    | -1.50%     | \$ 13,326,195    | 1.60%    | \$ 13,116,652    | 240.32%   | \$ 3,854,161     |
| 34       | Other Regulatory Assets                          | 289,858,474      | -30.97%  | 419,900,836      | 34.30%    | 312,656,793      | -23.46%  | 408,462,227      | 2.86%      | 397,110,901      | 15.43%   | 344,036,363      | 7.51%     | 319,990,094      |
| 35       | Miscellaneous Deferred Debits                    | 5,341,794        | 12.13%   | 4,764,072        | 218.88%   | 1,493,996        | -23.07%  | 1,942,009        | 31.15%     | 1,480,708        | 31.38%   | 1,127,061        | -70.68%   | 3,844,267        |
| 36       | Unamortized Loss on Re-Acquired Debt             | 16,490,387       | -7.58%   | 17,842,559       | -3.25%    | 18,442,649       | -7.64%   | 19,968,045       | -4.75%     | 20,963,863       | -4.43%   | 21,934,649       | -5.12%    | 23,119,334       |
| 37       | Accumulated Deferred Income Taxes                | 125,509,565      | -23.94%  | 165,010,035      | 25.96%    | 130,998,531      | 22.60%   | 106,846,806      | 348.44%    | 23,826,072       | -38.50%  | 38,744,526       | -33.51%   | 58,267,128       |
| 38       | Total Deferred Debits                            | \$ 448,276,314   | -27.72%  | \$ 620,203,713   | 29.87%    | \$ 477,557,427   | -13.23%  | \$ 550,345,406   | 20.50%     | \$ 456,707,739   | 9.01%    | \$ 418,959,251   | 2.42%     | \$ 409,074,984   |
| 39       | Total Assets                                     | \$ 5,177,343,338 | 0.73%    | \$ 5,139,904,512 | 20.04%    | \$ 4,281,778,286 | 10.85%   | \$ 3,862,543,774 | 7.70%      | \$ 3,586,372,896 | 2.11%    | \$ 3,512,378,365 | 4.29%     | \$ 3,367,937,449 |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY  
AS OF DECEMBER 31, 2009 - 2013 AND BASE AND FORECASTED PERIODS

DATA: \_\_X\_\_ BASE PERIOD \_\_X\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):.

SCHEDULE B-8  
PAGE 2 OF 4  
WITNESS: K. W. BLAKE

| LINE NO.  | DESCRIPTION   | 13 MO AVG FORECAST PERIOD | % CHANGE     | BASE PERIOD             | % CHANGE      | 2013                    | % CHANGE      | 2012                    | % CHANGE     | 2011                    | % CHANGE     | 2010                    | % CHANGE     | 2009                    |
|-----------|---|---------------------------|--------------|-------------------------|---------------|-------------------------|---------------|-------------------------|--------------|-------------------------|--------------|-------------------------|--------------|-------------------------|
| <b>1</b>  | <b><u>LIABILITIES &amp; PROPRIETARY CAPITAL</u></b> |                           |              |                         |               |                         |               |                         |              |                         |              |                         |              |                         |
| <b>2</b>  | <b><u>PROPRIETARY CAPITAL</u></b>                   |                           |              |                         |               |                         |               |                         |              |                         |              |                         |              |                         |
| 3         | Common Stock Issued                                 | \$ 425,170,424            | 0.00%        | \$ 425,170,424          | 0.00%         | \$ 425,170,424          | 0.00%         | \$ 425,170,424          | 0.00%        | \$ 425,170,424          | 0.00%        | \$ 425,170,424          | 0.00%        | \$ 425,170,424          |
| 4         | Paid in Capital                                     | 439,313,765               | 34.31%       | 327,081,499             | 92.88%        | 169,581,499             | 102.89%       | 83,581,499              | 0.00%        | 83,581,499              | 0.00%        | 83,581,499              | 0.00%        | 83,581,499              |
| 5         | (Less) Capital Stock Expense                        | 835,889                   | 0.00%        | 835,889                 | 0.00%         | 835,889                 | 0.00%         | 835,889                 | 0.00%        | 835,889                 | 0.00%        | 835,889                 | 0.00%        | 835,889                 |
| 6         | Other Comprehensive Income                          | 0                         | 0.00%        | 0                       | 0.00%         | 0                       | 0.00%         | 0                       | 0.00%        | 0                       | 0.00%        | 0                       | -100.00%     | (10,454,765)            |
| 7         | Retained Earnings                                   | 1,092,416,674             | 3.73%        | 1,053,170,519           | 7.87%         | 976,302,939             | 6.51%         | 916,602,336             | 5.49%        | 868,929,558             | 4.94%        | 827,993,252             | 9.63%        | 755,278,866             |
| 8         | Unappropriated Undistributed Subsidiary Earnings    | 0                         | 0.00%        | 0                       | 0.00%         | 0                       | 0.00%         | 0                       | 0.00%        | 0                       | 0.00%        | 0                       | 0.00%        | 0                       |
| 9         | Total Proprietary Capital                           | \$ 1,956,064,974          | 8.39%        | \$ 1,804,586,553        | 14.93%        | \$ 1,570,218,973        | 10.23%        | \$ 1,424,518,370        | 3.46%        | \$ 1,376,845,592        | 3.06%        | \$ 1,335,909,286        | 6.64%        | \$ 1,252,740,135        |
| <b>10</b> | <b><u>LONG-TERM DEBT</u></b>                        |                           |              |                         |               |                         |               |                         |              |                         |              |                         |              |                         |
| 11        | Bonds   | \$ 1,581,969,450          | 16.77%       | \$ 1,354,798,504        | 0.03%         | \$ 1,354,402,769        | 22.47%        | \$ 1,105,915,402        | 0.03%        | \$ 1,105,635,542        | 17.35%       | \$ 942,155,683          | 129.18%      | \$ 411,104,000          |
| 12        | Long-Term Debt to Associated Companies              | 0                         | 0.00%        | 0                       | 0.00%         | 0                       | 0.00%         | 0                       | 0.00%        | 0                       | 0.00%        | 0                       | -100.00%     | 485,000,000             |
| 13        | Total Long-Term Debt                                | \$ 1,581,969,450          | 16.77%       | \$ 1,354,798,504        | 0.03%         | \$ 1,354,402,769        | 22.47%        | \$ 1,105,915,402        | 0.03%        | \$ 1,105,635,542        | 17.35%       | \$ 942,155,683          | 5.14%        | \$ 896,104,000          |
| <b>14</b> | <b><u>OTHER NON-CURRENT LIABILITIES</u></b>         |                           |              |                         |               |                         |               |                         |              |                         |              |                         |              |                         |
| 15        | Long Term Obligations Under Capital Leases          | \$ -                      | 0.00%        | \$ -                    | 0.00%         | \$ -                    | 0.00%         | \$ -                    | 0.00%        | \$ -                    | 0.00%        | \$ -                    | 0.00%        | \$ -                    |
| 16        | Accumulated Provision for Postretirement Benefits   | 46,110,576                | -61.93%      | 121,112,172             | 27.35%        | 95,101,935              | -48.96%       | 186,312,333             | 1.18%        | 184,133,496             | -13.79%      | 213,591,951             | 5.98%        | 201,536,191             |
| 17        | Total Other Non-Current Liabilities                 | \$ 46,110,576             | -61.93%      | \$ 121,112,172          | 27.35%        | \$ 95,101,935           | -48.96%       | \$ 186,312,333          | 1.18%        | \$ 184,133,496          | -13.79%      | \$ 213,591,951          | 5.98%        | \$ 201,536,191          |
| <b>18</b> | <b><u>CURRENT AND ACCRUED LIABILITIES</u></b>       |                           |              |                         |               |                         |               |                         |              |                         |              |                         |              |                         |
| 19        | Notes Payable                                       | \$ 168,476,606            | -42.89%      | \$ 294,981,079          | 1375.14%      | \$ 19,996,778           | -63.64%       | \$ 54,992,669           | 100.00%      | \$ -                    | -100.00%     | \$ 163,000,000          | 100.00%      | \$ -                    |
| 20        | Accounts Payable                                    | 238,990,281               | 5.67%        | 226,174,918             | 32.38%        | 170,850,243             | 40.53%        | 121,578,266             | 24.25%       | 97,848,808              | -6.79%       | 104,974,357             | 7.90%        | 97,284,356              |
| 21        | Notes Payable to Associated Companies               | 0                         | 0.00%        | 0                       | 0.00%         | 0                       | 0.00%         | 0                       | 0.00%        | 0                       | -100.00%     | 11,876,000              | -93.03%      | 170,400,400             |
| 22        | Accounts Payable to Associated Companies            | 24,994,014                | 81.53%       | 13,768,731              | -43.33%       | 24,294,741              | 6.55%         | 22,801,659              | -10.68%      | 25,528,426              | 28.00%       | 19,944,791              | -28.08%      | 27,731,236              |
| 23        | Customer Deposits                                   | 24,000,007                | -3.32%       | 24,824,335              | 3.11%         | 24,075,549              | 2.61%         | 23,464,189              | 4.93%        | 22,361,042              | -3.77%       | 23,237,608              | 3.46%        | 22,459,554              |
| 24        | Taxes Accrued                                       | 28,260,663                | 143.78%      | 11,592,728              | 1.03%         | 11,474,665              | 561.18%       | 1,735,495               | -86.94%      | 13,284,850              | 38.41%       | 9,598,153               | -64.09%      | 26,729,807              |
| 25        | Interest Accrued                                    | 13,605,394                | 15.43%       | 11,786,458              | 111.22%       | 5,580,258               | 9.02%         | 5,118,488               | -12.14%      | 5,825,755               | 11.27%       | 5,235,853               | 55.89%       | 3,358,756               |
| 26        | Tax Collections Payable                             | 1,218,859                 | 100.00%      | 0                       | 0.00%         | 0                       | 0.00%         | 0                       | 0.00%        | 0                       | 0.00%        | 0                       | 0.00%        | 0                       |
| 27        | Miscellaneous Current and Accrued Liabilities       | 60,706,639                | -60.27%      | 152,793,447             | 535.61%       | 24,038,771              | -5.70%        | 25,492,409              | 14.95%       | 22,176,210              | -10.76%      | 24,850,419              | 1.35%        | 24,518,758              |
| 28        | Total Current and Accrued Liabilities               | \$ 560,252,463            | -23.87%      | \$ 735,921,696          | 162.54%       | \$ 280,311,005          | 9.85%         | \$ 255,183,175          | 36.44%       | \$ 187,025,091          | -48.44%      | \$ 362,717,181          | -2.62%       | \$ 372,482,867          |
| <b>29</b> | <b><u>DEFERRED CREDITS</u></b>                      |                           |              |                         |               |                         |               |                         |              |                         |              |                         |              |                         |
| 30        | Customer Advances for Construction                  | \$ 7,841,390              | 1.07%        | \$ 7,758,016            | 14.97%        | \$ 6,748,025            | 0.57%         | \$ 6,709,975            | -8.17%       | \$ 7,307,168            | -14.84%      | \$ 8,580,930            | -10.20%      | \$ 9,555,185            |
| 31        | Accumulated Deferred Investment Tax Credits         | 34,658,197                | -3.08%       | 35,758,999              | -5.33%        | 37,770,885              | -5.27%        | 39,871,227              | -6.67%       | 42,718,844              | -6.16%       | 45,524,576              | -5.21%       | 48,026,350              |
| 32        | Other Deferred Credits                              | 17,650,946                | 6.11%        | 16,635,067              | -2.82%        | 17,117,636              | 131.03%       | 7,409,317               | 44.70%       | 5,120,367               | -9.81%       | 5,677,070               | -30.44%      | 8,161,866               |
| 33        | Other Regulatory Liabilities                        | 73,692,030                | -20.64%      | 92,852,684              | 0.31%         | 92,564,168              | 64.63%        | 56,225,014              | -4.08%       | 58,617,596              | 13.98%       | 51,426,349              | -39.43%      | 84,907,209              |
| 34        | Asset Retirement Obligation                         | 89,981,044                | 4.64%        | 85,988,289              | 4.61%         | 82,196,215              | 27.07%        | 64,684,737              | 10.37%       | 58,606,350              | 11.31%       | 52,650,789              | 59.34%       | 33,043,629              |
| 35        | Miscellaneous Long-Term Liabilities                 | 19,804,550                | 363.50%      | 4,272,805               | -88.31%       | 36,535,512              | -37.77%       | 58,713,172              | -3.28%       | 60,707,003              | 69.80%       | 35,751,188              | 5.39%        | 33,921,655              |
| 36        | Accumulated Deferred Income Taxes                   | 789,317,717               | -10.33%      | 880,219,727             | 24.18%        | 708,811,163             | 7.89%         | 657,001,051             | 31.49%       | 499,655,847             | 9.00%        | 458,393,362             | 7.24%        | 427,458,362             |
| 37        | Total Deferred Credits                              | \$ 1,032,945,874          | -8.06%       | \$ 1,123,485,587        | 14.44%        | \$ 981,743,604          | 10.23%        | \$ 890,614,493          | 21.55%       | \$ 732,733,175          | 11.36%       | \$ 658,004,264          | 2.00%        | \$ 645,074,256          |
| <b>38</b> | <b>Total Liabilities and Stockholders Equity</b>    | <b>\$ 5,177,343,338</b>   | <b>0.73%</b> | <b>\$ 5,139,904,512</b> | <b>20.04%</b> | <b>\$ 4,281,778,286</b> | <b>10.85%</b> | <b>\$ 3,862,543,773</b> | <b>7.70%</b> | <b>\$ 3,586,372,896</b> | <b>2.11%</b> | <b>\$ 3,512,378,365</b> | <b>4.29%</b> | <b>\$ 3,367,937,449</b> |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
COMPARATIVE BALANCE SHEETS - ELECTRIC  
AS OF DECEMBER 31, 2009 - 2013 AND BASE AND FORECASTED PERIODS

DATA: \_\_X\_\_ BASE PERIOD \_\_X\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8

PAGE 3 OF 4

WITNESS: K. W. BLAKE

| LINE NO.  | DESCRIPTION                                      | 13 MO AVG<br>FORECAST<br>PERIOD | % CHANGE | BASE<br>PERIOD   | % CHANGE  | 2013             | % CHANGE | 2012             | % CHANGE   | 2011             | % CHANGE  | 2010             | % CHANGE  | 2009             |
|-----------|--|---------------------------------|----------|------------------|-----------|------------------|----------|------------------|------------|------------------|-----------|------------------|-----------|------------------|
| <b>1</b>  | <b>ASSETS</b>                                    |                                 |          |                  |           |                  |          |                  |            |                  |           |                  |           |                  |
| <b>2</b>  | <b>UTILITY PLANT</b>                             |                                 |          |                  |           |                  |          |                  |            |                  |           |                  |           |                  |
| 3         | Utility Plant                                    | \$ 4,970,110,731                | 7.46%    | \$ 4,625,278,915 | 11.27%    | \$ 4,156,638,319 | 2.90%    | \$ 4,039,678,022 | 3.82%      | \$ 3,891,118,764 | 7.41%     | \$ 3,622,515,582 | 3.46%     | \$ 3,501,285,046 |
| 4         | Construction Work in Progress                    | 352,536,304                     | -49.65%  | 700,126,060      | 18.64%    | 590,138,114      | 199.96%  | 196,739,900      | 20.39%     | 163,420,425      | -51.91%   | 339,831,764      | 9.18%     | 311,252,974      |
| 5         | Total Utility Plant                              | \$ 5,322,647,035                | -0.05%   | \$ 5,325,404,975 | 12.19%    | \$ 4,746,776,433 | 12.05%   | \$ 4,236,417,922 | 4.49%      | \$ 4,054,539,189 | 2.33%     | \$ 3,962,347,346 | 3.93%     | \$ 3,812,538,020 |
| 6         | Less: Accumulated Provision for Depreciation     | 1,740,457,235                   | -14.10%  | 2,026,198,707    | 0.86%     | 2,009,012,851    | 4.44%    | 1,923,655,189    | 3.81%      | 1,853,022,115    | 3.57%     | 1,789,141,484    | 4.40%     | 1,713,708,346    |
| 7         | Net Utility Plant                                | \$ 3,582,189,800                | 8.58%    | \$ 3,299,206,268 | 20.51%    | \$ 2,737,763,582 | 18.38%   | \$ 2,312,762,733 | 5.05%      | \$ 2,201,517,074 | 1.30%     | \$ 2,173,205,862 | 3.54%     | \$ 2,098,829,674 |
| <b>8</b>  | <b>OTHER PROPERTY AND INVESTMENTS</b>            |                                 |          |                  |           |                  |          |                  |            |                  |           |                  |           |                  |
| 9         | Nonutility Property-Less Reserve                 | \$ 377,594                      | -5.12%   | \$ 397,979       | 14.31%    | \$ 348,170       | -32.01%  | \$ 512,108       | 5971.95%   | \$ 8,434         | -2.74%    | \$ 8,672         | -1.34%    | \$ 8,790         |
| 10        | Investment in Subsidiary Companies               | -                               | 0.00%    | -                | 0.00%     | -                | 0.00%    | -                | 0.00%      | -                | 0.00%     | -                | 0.00%     | -                |
| 11        | Other Investments                                | 594,286                         | 0.00%    | 594,286          | 0.00%     | 594,286          | 0.00%    | 594,286          | 0.00%      | 594,286          | 0.00%     | 594,286          | 0.00%     | 594,286          |
| 12        | Special Funds                                    | 17,515,167                      | -8.08%   | 19,055,800       | 6.51%     | 17,891,537       | -28.49%  | 25,020,302       | 9.82%      | 22,783,148       | 53.82%    | 14,811,650       | 9.01%     | 13,587,626       |
| 13        | Total Other Property and Investments             | \$ 18,487,047                   | -7.79%   | \$ 20,048,065    | 6.45%     | \$ 18,833,993    | -27.91%  | \$ 26,126,696    | 11.72%     | \$ 23,385,668    | 51.71%    | \$ 15,414,608    | 8.62%     | \$ 14,190,702    |
| <b>14</b> | <b>CURRENT AND ACCRUED ASSETS</b>                |                                 |          |                  |           |                  |          |                  |            |                  |           |                  |           |                  |
| 15        | Cash   | \$ 4,129,500                    | -48.18%  | \$ 7,969,033     | 148.72%   | \$ 3,203,959     | -43.75%  | \$ 5,696,192     | -71.06%    | \$ 19,682,199    | 1130.90%  | \$ 1,599,013     | -61.31%   | \$ 4,132,395     |
| 16        | Special Deposits                                 | -                               | 0.00%    | -                | 0.00%     | -                | 0.00%    | -                | -100.00%   | 12,277           | -99.65%   | 3,511,015        | 361.26%   | 761,176          |
| 17        | Working Funds                                    | 16,345                          | 100.00%  | -                | -100.00%  | 16,172           | 2.14%    | 15,833           | -0.21%     | 15,867           | 0.05%     | 15,859           | 9.54%     | 14,478           |
| 18        | Temporary Cash Investments                       | 9,758,878                       | 223.67%  | 3,015,097        | -17.28%   | 3,644,846        | -67.68%  | 11,277,136       | 43084.25%  | 26,114           | -67.05%   | 79,260           | 84219.15% | 94               |
| 19        | Customer Accounts Receivable                     | 74,488,149                      | -16.84%  | 89,571,238       | 29.91%    | 68,948,837       | 53.73%   | 44,850,387       | -8.65%     | 49,097,327       | -12.21%   | 55,926,565       | 11.94%    | 49,963,272       |
| 20        | Other Accounts Receivable                        | 6,995,273                       | -14.39%  | 8,170,918        | -16.45%   | 9,779,607        | -31.37%  | 14,249,923       | 20.78%     | 11,797,990       | -32.12%   | 17,380,787       | 45.99%    | 11,905,759       |
| 21        | Less: Accum Prov. for Uncollectable Accts-Credit | 1,430,621                       | 38.14%   | 1,035,664        | -26.80%   | 1,414,910        | 86.93%   | 756,926          | -40.11%    | 1,263,884        | -67.59%   | 3,900,043        | 219.99%   | 1,218,818        |
| 22        | Accounts Receivable from Associated Companies    | 13,415,310                      | -83.90%  | 83,318,700       | 76588.94% | 108,645          | -99.20%  | 13,651,496       | 33.53%     | 10,223,578       | -66.54%   | 23,523,955       | -44.26%   | 42,206,616       |
| 23        | Fuel   | 50,713,481                      | 1.00%    | 50,210,453       | -21.78%   | 64,191,758       | 5.06%    | 61,099,619       | 16.37%     | 52,502,546       | -22.84%   | 68,043,290       | 12.48%    | 60,492,689       |
| 24        | Plant Materials and Operating Supplies           | 25,148,224                      | -29.07%  | 35,453,972       | -0.98%    | 35,806,486       | 9.40%    | 32,728,389       | 6.87%      | 30,623,996       | 4.49%     | 29,309,147       | 0.92%     | 29,040,701       |
| 25        | Stores Expense Undistributed                     | 6,181,511                       | -0.28%   | 6,198,710        | 3.31%     | 5,999,956        | 2.81%    | 5,836,126        | 4.35%      | 5,593,072        | 13.22%    | 4,940,188        | 18.45%    | 4,170,861        |
| 26        | Gas Stored Underground                           | -                               | 0.00%    | -                | 0.00%     | -                | 0.00%    | -                | 0.00%      | -                | 0.00%     | -                | 0.00%     | -                |
| 27        | Prepayments                                      | 6,436,920                       | 0.92%    | 6,378,158        | 38.65%    | 4,600,261        | -25.28%  | 6,156,358        | 24.40%     | 4,948,923        | -19.12%   | 6,118,558        | -8.53%    | 6,689,011        |
| 28        | Interest, Dividends, and Rents Receivable        | 593,507                         | -34.21%  | 902,154          | 60.53%    | 561,989          | 56.13%   | 359,951          | 1792.09%   | 19,024           | -11.16%   | 21,413           | -82.90%   | 125,218          |
| 29        | Accrued Utility Revenues                         | 55,689,997                      | 4.15%    | 53,472,764       | -1.55%    | 54,316,676       | 5.48%    | 51,493,552       | 19.53%     | 43,081,180       | -13.24%   | 49,653,000       | 25.22%    | 39,654,000       |
| 30        | Miscellaneous Current Assets                     | 23,618                          | 273.70%  | 6,320            | -84.86%   | 41,739           | -99.26%  | 5,630,599        | 224048.05% | 2,512            | -98.21%   | 140,637          | -91.23%   | 1,603,440        |
| 31        | Total Current and Accrued Assets                 | \$ 252,160,090                  | -26.62%  | \$ 343,631,853   | 37.56%    | \$ 249,806,021   | -0.98%   | \$ 252,288,635   | 11.45%     | \$ 226,362,721   | -11.70%   | \$ 256,362,644   | 2.73%     | \$ 249,540,892   |
| <b>32</b> | <b>DEFERRED DEBITS</b>                           |                                 |          |                  |           |                  |          |                  |            |                  |           |                  |           |                  |
| 33        | Unamortized Debt Expense                         | \$ 9,147,746                    | -12.60%  | \$ 10,466,124    | -6.90%    | \$ 11,242,141    | 8.67%    | \$ 10,344,773    | -1.71%     | \$ 10,525,029    | 1.65%     | \$ 10,354,285    | 237.76%   | \$ 3,065,600     |
| 34        | Other Regulatory Assets                          | 247,339,501                     | -30.24%  | 354,561,768      | 36.49%    | 259,767,369      | -21.78%  | 332,093,457      | 7.59%      | 308,662,756      | 15.97%    | 266,158,396      | -0.30%    | 266,971,761      |
| 35        | Miscellaneous Deferred Debits                    | 5,480,423                       | 21.83%   | 4,498,401        | 228.23%   | 1,370,498        | -28.59%  | 1,919,134        | -75.28%    | 7,764,804        | -1233.23% | (685,195)        | -121.17%  | 3,235,997        |
| 36        | Unamortized Loss on Re-Acquired Debt             | 13,619,410                      | -7.48%   | 14,720,111       | -0.85%    | 14,845,857       | -5.66%   | 15,736,104       | -4.96%     | 16,557,259       | -4.38%    | 17,315,212       | -5.84%    | 18,389,118       |
| 37        | Accumulated Deferred Income Taxes                | 101,323,990                     | -22.86%  | 131,009,313      | 23.47%    | 106,110,403      | 27.23%   | 83,397,934       | 276.41%    | 22,156,141       | -19.83%   | 27,637,264       | -47.87%   | 53,015,915       |
| 38        | Total Deferred Debits                            | \$ 376,911,071                  | -26.85%  | \$ 515,255,717   | 31.00%    | \$ 393,336,268   | -11.31%  | \$ 443,491,402   | 21.28%     | \$ 365,665,989   | 13.99%    | \$ 320,779,962   | -6.93%    | \$ 344,678,391   |
| 39        | Total Assets                                     | \$ 4,229,748,007                | 1.24%    | \$ 4,178,141,903 | 22.90%    | \$ 3,399,739,864 | 12.03%   | \$ 3,034,669,466 | 7.73%      | \$ 2,816,931,652 | 1.85%     | \$ 2,765,763,076 | 2.16%     | \$ 2,707,239,659 |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
COMPARATIVE BALANCE SHEETS - ELECTRIC  
AS OF DECEMBER 31, 2009 - 2013 AND BASE AND FORECASTED PERIODS

DATA: \_\_X\_\_ BASE PERIOD \_\_X\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8  
PAGE 4 OF 4  
WITNESS: K. W. BLAKE

| LINE NO.  | DESCRIPTION   | 13 MO AVG FORECAST PERIOD | % CHANGE | BASE PERIOD      | % CHANGE | 2013             | % CHANGE | 2012             | % CHANGE | 2011             | % CHANGE | 2010             | % CHANGE | 2009             |
|-----------|---|---------------------------|----------|------------------|----------|------------------|----------|------------------|----------|------------------|----------|------------------|----------|------------------|
| <b>1</b>  | <b><u>LIABILITIES &amp; PROPRIETARY CAPITAL</u></b> |                           |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| <b>2</b>  | <b><u>PROPRIETARY CAPITAL</u></b>                   |                           |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| 3         | Common Stock Issued                                 | \$ 351,148,253            | 0.11%    | \$ 350,765,600   | 2.48%    | \$ 342,262,191   | 2.14%    | \$ 335,076,811   | -0.22%   | \$ 335,799,601   | 0.05%    | \$ 335,629,533   | -0.75%   | \$ 338,180,555   |
| 4         | Paid in Capital                                     | 362,829,238               | 34.46%   | 269,842,237      | 97.67%   | 136,513,107      | 107.24%  | 65,870,579       | -0.22%   | 66,012,668       | 0.05%    | 65,979,235       | -0.75%   | 66,480,724       |
| 5         | (Less) Capital Stock Expense                        | 690,360                   | 0.11%    | 689,608          | 2.48%    | 672,890          | 2.14%    | 658,764          | -0.22%   | 660,185          | 0.05%    | 659,851          | -0.75%   | 664,866          |
| 6         | Other Comprehensive Income                          | 0                         | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | -100.00% | (8,346,596)      |
| 7         | Retained Earnings                                   | 902,226,931               | 5.03%    | 859,023,300      | 9.88%    | 781,785,024      | 7.46%    | 727,496,268      | 4.35%    | 697,173,273      | 8.54%    | 642,305,745      | 5.31%    | 609,891,231      |
| 8         | Unappropriated Undistributed Subsidiary Earnings    | 0                         | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                |
| 9         | Total Proprietary Capital                           | \$ 1,615,514,062          | 9.23%    | \$ 1,478,941,529 | 17.39%   | \$ 1,259,887,432 | 11.71%   | \$ 1,127,784,894 | 2.68%    | \$ 1,098,325,357 | 5.28%    | \$ 1,043,254,662 | 3.75%    | \$ 1,005,541,048 |
| <b>10</b> | <b><u>LONG-TERM DEBT</u></b>                        |                           |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| 11        | Bonds   | \$ 1,306,548,569          | 17.03%   | \$ 1,116,458,766 | 2.40%    | \$ 1,090,294,229 | 25.10%   | \$ 871,571,928   | -0.19%   | \$ 873,230,951   | 17.41%   | \$ 743,737,695   | 127.45%  | \$ 326,992,122   |
| 12        | Long-Term Debt to Associated Companies              | 0                         | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | -100.00% | 385,769,000      |
| 13        | Total Long-Term Debt                                | \$ 1,306,548,569          | 17.03%   | \$ 1,116,458,766 | 2.40%    | \$ 1,090,294,229 | 25.10%   | \$ 871,571,928   | -0.19%   | \$ 873,230,951   | 17.41%   | \$ 743,737,695   | 4.35%    | \$ 712,761,122   |
| <b>14</b> | <b><u>OTHER NON-CURRENT LIABILITIES</u></b>         |                           |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| 15        | Long Term Obligations Under Capital Leases          | \$ -                      | 0.00%    | \$ -             | 0.00%    | \$ -             | 0.00%    | \$ -             | 0.00%    | \$ -             | 0.00%    | \$ -             | 0.00%    | \$ -             |
| 16        | Accumulated Provision for Postretirement Benefits   | 38,082,725                | -61.87%  | 99,872,149       | 30.54%   | 76,506,477       | -47.88%  | 146,777,786      | 0.97%    | 145,374,112      | -13.75%  | 168,554,859      | 5.18%    | 160,248,816      |
| 17        | Total Other Non-Current Liabilities                 | \$ 38,082,725             | -61.87%  | \$ 99,872,149    | 30.54%   | \$ 76,506,477    | -47.88%  | \$ 146,777,786   | 0.97%    | \$ 145,374,112   | -13.75%  | \$ 168,554,859   | 5.18%    | \$ 160,248,816   |
| <b>18</b> | <b><u>CURRENT AND ACCRUED LIABILITIES</u></b>       |                           |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| 19        | Notes Payable                                       | \$ 139,144,829            | -42.82%  | \$ 243,359,390   | 1411.79% | \$ 16,097,406    | -62.86%  | \$ 43,339,723    | 100.00%  | \$ -             | -100.00% | \$ 128,672,200   | 100.00%  | \$ -             |
| 20        | Accounts Payable                                    | 202,355,953               | 1.95%    | 198,479,088      | 34.79%   | 147,255,194      | 54.45%   | 95,339,107       | 25.09%   | 76,218,111       | -9.79%   | 84,487,695       | 4.81%    | 80,613,414       |
| 21        | Notes Payable to Associated Companies               | 0                         | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | -100.00% | 9,374,914        | -93.08%  | 135,536,478      |
| 22        | Accounts Payable to Associated Companies            | 20,642,556                | 77.20%   | 11,649,436       | -41.40%  | 19,880,669       | 8.51%    | 18,321,418       | -9.13%   | 20,162,351       | 28.06%   | 15,744,418       | -28.62%  | 22,057,425       |
| 23        | Customer Deposits                                   | 19,821,605                | -3.22%   | 20,480,076       | 10.22%   | 18,581,509       | -1.98%   | 18,956,625       | 9.06%    | 17,381,203       | -2.95%   | 17,909,096       | 11.01%   | 16,133,337       |
| 24        | Taxes Accrued                                       | 23,340,482                | 154.25%  | 9,180,012        | 2.87%    | 8,923,670        | 794.85%  | 997,222          | -90.81%  | 10,852,432       | 44.66%   | 7,502,229        | -64.62%  | 21,207,033       |
| 25        | Interest Accrued                                    | 11,236,695                | 15.44%   | 9,733,740        | 116.71%  | 4,491,573        | 11.33%   | 4,034,436        | -12.32%  | 4,601,181        | 11.32%   | 4,133,182        | 54.71%   | 2,671,555        |
| 26        | Tax Collections Payable                             | 1,006,656                 | 100.00%  | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                |
| 27        | Miscellaneous Current and Accrued Liabilities       | 50,137,614                | -57.69%  | 118,506,845      | 812.62%  | 12,985,373       | -7.42%   | 14,026,497       | 10.00%   | 12,751,065       | -1.44%   | 12,937,411       | -14.12%  | 15,065,273       |
| 28        | Total Current and Accrued Liabilities               | \$ 467,686,389            | -23.50%  | \$ 611,388,587   | 167.90%  | \$ 228,215,394   | 17.02%   | \$ 195,015,028   | 37.37%   | \$ 141,966,343   | -49.44%  | \$ 280,761,145   | -4.27%   | \$ 293,284,515   |
| <b>29</b> | <b><u>DEFERRED CREDITS</u></b>                      |                           |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| 30        | Customer Advances for Construction                  | \$ 1,631,544              | -75.39%  | \$ 6,629,834     | 262.43%  | \$ 1,829,256     | 26.82%   | \$ 1,442,449     | -83.68%  | \$ 8,838,612     | -8.31%   | \$ 9,639,871     | 419.69%  | \$ 1,854,939     |
| 31        | Accumulated Deferred Investment Tax Credits         | 34,513,542                | -2.92%   | 35,551,906       | -5.87%   | 37,770,885       | -5.27%   | 39,871,227       | -5.43%   | 42,162,638       | -8.18%   | 45,919,574       | -2.69%   | 47,190,104       |
| 32        | Other Deferred Credits                              | 14,577,916                | -10.99%  | 16,377,480       | 9.84%    | 14,910,808       | 106.72%  | 7,213,006        | 28.95%   | 5,593,678        | -9.12%   | 6,154,687        | -16.12%  | 7,337,510        |
| 33        | Other Regulatory Liabilities                        | 62,175,053                | -10.43%  | 69,412,215       | -3.22%   | 71,718,999       | 56.38%   | 45,861,847       | -5.66%   | 48,614,761       | 30.76%   | 37,178,969       | -18.34%  | 45,529,523       |
| 34        | Asset Retirement Obligation                         | 66,871,511                | 3.72%    | 64,473,193       | 6.87%    | 60,329,768       | 39.30%   | 43,309,603       | 181.68%  | 15,375,583       | 6.94%    | 14,377,696       | -53.66%  | 31,027,226       |
| 35        | Miscellaneous Long-Term Liabilities                 | 16,356,578                | 364.01%  | 3,525,064        | -88.01%  | 29,411,087       | -36.44%  | 46,271,851       | -3.49%   | 47,946,391       | 69.88%   | 28,223,265       | 4.60%    | 26,981,284       |
| 36        | Accumulated Deferred Income Taxes                   | 615,657,151               | -10.28%  | 686,168,963      | 21.88%   | 562,983,462      | 8.17%    | 520,451,334      | 28.47%   | 405,115,907      | 2.19%    | 396,417,884      | 5.22%    | 376,733,795      |
| 37        | Total Deferred Credits                              | \$ 811,783,294            | -7.98%   | \$ 882,138,655   | 13.25%   | \$ 778,954,265   | 10.58%   | \$ 704,421,317   | 22.80%   | \$ 573,647,570   | 6.64%    | \$ 537,911,946   | 0.23%    | \$ 536,654,381   |
| 38        | Total Liabilities and Stockholders Equity           | \$ 4,239,615,039          | 1.21%    | \$ 4,188,799,686 | 21.99%   | \$ 3,433,857,797 | 12.75%   | \$ 3,045,570,953 | 7.52%    | \$ 2,832,544,333 | 2.10%    | \$ 2,774,220,307 | 2.43%    | \$ 2,708,489,882 |
| 39        | Adjustment to Balance                               | \$ (9,867,032)            |          | \$ (10,657,783)  |          | \$ (34,117,933)  |          | \$ (10,901,487)  |          | \$ (15,612,681)  |          | \$ (8,457,231)   |          | \$ (1,250,223)   |



SCHEDULE B

JURISDICTIONAL RATE BASE SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - GAS OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED TEST PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2016

SCHEDULE

DESCRIPTION

|       |   |
|-------|---|
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LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - GAS OPERATIONS

JURISDICTIONAL RATE BASE SUMMARY

AS OF FEBRUARY 28, 2015

AS OF JUNE 30, 2016

DATA:  BASE  FORECASTED PERIOD

SCHEDULE B-1

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S): SEE BELOW

WITNESS: K. W. BLAKE

| LINE NO. | RATE BASE COMPONENT                       | SUPPORTING SCHEDULE REFERENCE | BASE PERIOD   | 13 MONTH AVG FORECAST PERIOD |
|----------|---|-------------------------------|---------------|------------------------------|
|          |   |                               | \$            | \$                           |
| GAS:     |   |                               |               |                              |
| 1        | Plant in Service                          | B-2                           | 918,694,289   | 949,876,067                  |
| 2        | Property Held for Future Use              | B-2.6                         | -             | -                            |
| 3        | Accumulated Depreciation and Amortization | B-3                           | (318,549,870) | (346,053,826)                |
| 4        | Net Plant in Service (Lines 1+2+3)        |                               | 600,144,418   | 603,822,242                  |
| 5        | Construction Work in Progress             | B-4                           | 9,848,626     | 14,162,893                   |
| 6        | Net Plant (Lines 4+5)                     |                               | 609,993,044   | 617,985,135                  |
| 7        | Cash Working Capital Allowance            | B-5                           | 8,429,885     | 9,688,245                    |
| 8        | Other Working Capital Allowances          | B-5                           | 35,661,581    | 32,310,680                   |
| 9        | Customer Advances for Construction        | B-6                           | (6,272,713)   | (6,209,847)                  |
| 10       | Deferred Income Taxes                     | B-6                           | (145,906,987) | (114,178,060)                |
| 11       | Investment Tax Credits                    | B-6                           | -             | -                            |
| 12       | Other Items                               | B-6                           | -             | -                            |
| 13       | Rate Base (Lines 6 through 12)            |                               | 501,904,810   | 539,596,153                  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | MAJOR PROPERTY GROUPING | BASE PERIOD<br>TOTAL<br>COMPANY | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL | ADJUSTMENTS          | ADJUSTED<br>JURISDICTION |
|----------|-------------------------|---------------------------------|-------------------|-------------------------|----------------------|--------------------------|
|          |                         | \$                              |                   | \$                      | \$                   | \$                       |
|          | GAS:                    |                                 |                   |                         |                      |                          |
| 1        | INTANGIBLE PLANT        | 387                             | 100.000%          | 387                     | -                    | 387                      |
| 2        | PRODUCTION              | -                               | 100.000%          | -                       | -                    | -                        |
| 3        | STORAGE AND PROCESSING  | 139,049,469                     | 100.000%          | 139,049,469             | (4,282,210)          | 134,767,260              |
| 4        | TRANSMISSION            | 53,239,315                      | 100.000%          | 53,239,315              | (3,860,347)          | 49,378,969               |
| 5        | DISTRIBUTION            | 766,177,369                     | 100.000%          | 766,177,369             | (122,449,778)        | 643,727,590              |
| 6        | GENERAL                 | 11,181,979                      | 100.000%          | 11,181,979              | (17,080)             | 11,164,899               |
| 7        | COMMON                  | 79,655,184                      | 100.000%          | 79,655,184              | -                    | 79,655,184               |
| 8        | TOTAL GAS               | <u>1,049,303,703</u>            |                   | <u>1,049,303,703</u>    | <u>(130,609,415)</u> | <u>918,694,289</u>       |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.1

PAGE 1 OF 6

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT / SUBACCOUNT TITLES                    | BASE PERIOD<br>TOTAL<br>COMPANY | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL | ADJUSTMENTS  | ADJUSTED<br>JURISDICTION |
|----------|-----------|--|---------------------------------|-------------------|-------------------------|--------------|--------------------------|
|          |           |  | \$                              | 100%              | \$                      | \$           | \$                       |
| 1        |           | <b><u>Gas Intangible Plant</u></b>             |                                 |                   |                         |              |                          |
| 2        | 301       | Organization                                   | -                               |                   | -                       | -            | -                        |
| 3        | 302       | Franchises and Consents                        | 387                             |                   | 387                     | -            | 387                      |
| 4        | 303       | Misc Intangible Plant                          | -                               |                   | -                       | -            | -                        |
| 5        |           | Total Intangible Plant                         | <u>387</u>                      |                   | <u>387</u>              | -            | <u>387</u>               |
| 6        |           | <b><u>Gas Storage</u></b>                      |                                 |                   |                         |              |                          |
| 7        | 350       | Land and Land Rights                           | 137,734                         |                   | 137,734                 | -            | 137,734                  |
| 8        | 351       | Structures and Improvements                    | 10,740,956                      |                   | 10,740,956              | -            | 10,740,956               |
| 9        | 352       | Wells  | 19,511,960                      |                   | 19,511,960              | -            | 19,511,960               |
| 10       | 352.1     | Storage Leaseholds and Rights                  | 548,241                         |                   | 548,241                 | -            | 548,241                  |
| 11       | 352.2     | Reservoirs                                     | 400,511                         |                   | 400,511                 | -            | 400,511                  |
| 12       | 117-352.3 | Nonrecoverable Natural Gas                     | 11,788,845                      |                   | 11,788,845              | -            | 11,788,845               |
| 13       | 353       | Lines  | 20,294,995                      |                   | 20,294,995              | -            | 20,294,995               |
| 14       | 354       | Compressor Station Equipment                   | 49,360,590                      |                   | 49,360,590              | -            | 49,360,590               |
| 15       | 355       | Measuring and Regulating Equipment             | 1,212,378                       |                   | 1,212,378               | -            | 1,212,378                |
| 16       | 356       | Purification Equipment                         | 18,215,384                      |                   | 18,215,384              | -            | 18,215,384               |
| 17       | 357       | Other Equipment                                | 2,555,665                       |                   | 2,555,665               | -            | 2,555,665                |
| 18       | 358       | ARO Cost Gas UG Store                          | 4,282,210                       |                   | 4,282,210               | (4,282,210)  | -                        |
| 19       |           | Total Gas Storage                              | <u>139,049,469</u>              |                   | <u>139,049,469</u>      | (4,282,210)  | <u>134,767,260</u>       |
| 20       |           | <b><u>Gas Transmission</u></b>                 |                                 |                   |                         |              |                          |
| 21       | 365       | Rights of Way                                  | 220,659                         |                   | 220,659                 | -            | 220,659                  |
| 22       | 367       | Mains  | 49,158,310                      |                   | 49,158,310              | -            | 49,158,310               |
| 23       | 372       | ARO Cost Gas Transmission                      | 3,860,347                       |                   | 3,860,347               | (3,860,347)  | -                        |
| 24       |           | Total Gas Transmission                         | <u>53,239,315</u>               |                   | <u>53,239,315</u>       | (3,860,347)  | <u>49,378,969</u>        |
| 25       |           | <b><u>Gas Distribution</u></b>                 |                                 |                   |                         |              |                          |
| 26       | 374       | Land and Land Rights                           | 134,497                         |                   | 134,497                 | -            | 134,497                  |
| 27       | 375       | Structures and Improvements                    | 911,565                         |                   | 911,565                 | -            | 911,565                  |
| 28       | 376       | Mains  | 371,452,457                     |                   | 371,452,457             | (33,843,484) | 337,608,973              |
| 28       | 377       | Compressor Station Equipment                   | -                               |                   | -                       | -            | -                        |
| 29       | 378       | Measuring and Regulating Station Equip-General | 14,858,635                      |                   | 14,858,635              | -            | 14,858,635               |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.1

PAGE 2 OF 6

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT / SUBACCOUNT TITLES                      | BASE PERIOD<br>TOTAL<br>COMPANY | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL | ADJUSTMENTS   | ADJUSTED<br>JURISDICTION |
|----------|-----------|--|---------------------------------|-------------------|-------------------------|---------------|--------------------------|
|          |           |  | \$                              | 100%              | \$                      | \$            | \$                       |
| 30       | 379       | Measuring and Regulating Station Equip-City Gate | 6,269,384                       |                   | 6,269,384               | -             | 6,269,384                |
| 31       | 380       | Services   | 288,510,283                     |                   | 288,510,283             | (76,745,620)  | 211,764,663              |
| 32       | 381       | Meters   | 45,754,701                      |                   | 45,754,701              | -             | 45,754,701               |
| 33       | 383       | House Regulators                                 | 25,413,373                      |                   | 25,413,373              | -             | 25,413,373               |
| 34       | 385       | Industrial Measuring and Regulating Equip        | 960,687                         |                   | 960,687                 | -             | 960,687                  |
| 35       | 387       | Other Equipment                                  | 51,112                          |                   | 51,112                  | -             | 51,112                   |
| 32       | 388       | ARO Cost Gas Distribution                        | 11,860,674                      |                   | 11,860,674              | (11,860,674)  | -                        |
| 33       |           | Total Gas Distribution                           | 766,177,369                     |                   | 766,177,369             | (122,449,778) | 643,727,590              |
| 34       | G         | <b>Gas General Plant</b>                         |                                 |                   |                         |               |                          |
| 35       | 389       | Land and Land Rights                             | -                               |                   | -                       | -             | -                        |
| 36       | 390       | Structures and Improvements                      | -                               |                   | -                       | -             | -                        |
| 37       | 391       | Office Furniture and Equipment                   | -                               |                   | -                       | -             | -                        |
| 38       | 392       | Transportation Equipment                         | 1,878,027                       |                   | 1,878,027               | -             | 1,878,027                |
| 39       | 393       | Stores Equipment                                 | -                               |                   | -                       | -             | -                        |
| 40       | 394       | Tools, Shop, and Garage Equipment                | 6,100,853                       |                   | 6,100,853               | -             | 6,100,853                |
| 41       | 395       | Laboratory Equipment                             | -                               |                   | -                       | -             | -                        |
| 42       | 396       | Power Operated Equipment                         | 3,186,019                       |                   | 3,186,019               | -             | 3,186,019                |
| 43       | 397       | Communication Equipment                          | 17,080                          |                   | 17,080                  | (17,080)      | -                        |
| 43       | 398       | Miscellaneous Equipment                          | -                               |                   | -                       | -             | -                        |
| 44       |           | Total Gas General Plant                          | 11,181,979                      |                   | 11,181,979              | (17,080)      | 11,164,899               |
| 45       | C         | <b>Common Plant (1)</b>                          |                                 |                   |                         |               |                          |
| 46       | 301       | Organization                                     | 25,135                          |                   | 25,135                  | -             | 25,135                   |
| 47       | 302       | Franchises and Consents                          | -                               |                   | -                       | -             | -                        |
| 48       | 303       | Misc Intangible Plant                            | 27,101,038                      |                   | 27,101,038              | -             | 27,101,038               |
| 49       | 389       | Land and Land Rights                             | 529,947                         |                   | 529,947                 | -             | 529,947                  |
| 50       | 390       | Structures and Improvements                      | 22,814,914                      |                   | 22,814,914              | -             | 22,814,914               |
| 51       | 391       | Office Furniture and Equipment                   | 14,453,053                      |                   | 14,453,053              | -             | 14,453,053               |
| 52       | 392       | Transportation Equipment                         | 114,537                         |                   | 114,537                 | -             | 114,537                  |
| 53       | 393       | Stores Equipment                                 | 440,045                         |                   | 440,045                 | -             | 440,045                  |
| 54       | 394       | Tools, Shop, and Garage Equipment                | 1,175,435                       |                   | 1,175,435               | -             | 1,175,435                |
| 55       | 395       | Laboratory Equipment                             | -                               |                   | -                       | -             | -                        |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.1

PAGE 3 OF 6

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT / SUBACCOUNT TITLES         | BASE PERIOD<br>TOTAL<br>COMPANY | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL | ADJUSTMENTS          | ADJUSTED<br>JURISDICTION |
|----------|-----------|-------------------------------------|---------------------------------|-------------------|-------------------------|----------------------|--------------------------|
|          |           |                                     | \$                              | 100%              | \$                      | \$                   | \$                       |
| 56       | 396       | Power Operated Equipment            | 74,993                          |                   | 74,993                  | -                    | 74,993                   |
| 57       | 397       | Communication Equipment             | 12,926,086                      |                   | 12,926,086              | -                    | 12,926,086               |
| 57       | 398       | Miscellaneous Equipment             | -                               |                   | -                       | -                    | -                        |
| 58       | 399       | ARO Cost Common                     | -                               |                   | -                       | -                    | -                        |
| 59       |           | Total Common Plant allocated to Gas | <u>79,655,184</u>               |                   | <u>79,655,184</u>       | -                    | <u>79,655,184</u>        |
| 60       |           | TOTAL GAS PLANT IN SERVICE          | <u>1,049,303,703</u>            |                   | <u>1,049,303,703</u>    | <u>(130,609,415)</u> | <u>918,694,289</u>       |

(1) 30% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE             | TOTAL COMPANY ADJUSTMENT | JURISDICTIONAL PERCENT | JURISDICTIONAL ADJUSTMENTS | WORKPAPER REFERENCE NO. | DESCRIPTION AND PURPOSE OF ADJUSTMENT |
|----------|-----------|---------------------------|--------------------------|------------------------|----------------------------|-------------------------|---------------------------------------|
|          |           |                           | \$                       |                        | \$                         |                         |                                       |
| 1        | 358       | ARO Cost Gas UG Store     | (4,282,210)              | 100.000%               | (4,282,210)                |                         | ARO amounts excluded from rate base   |
| 2        | 372       | ARO Cost Gas Transmission | (3,860,347)              | 100.000%               | (3,860,347)                |                         | ARO amounts excluded from rate base   |
| 3        | 376       | Mains                     | (33,843,484)             | 100.000%               | (33,843,484)               |                         | GLT amounts excluded from rate base   |
| 4        | 380       | Services                  | (76,745,620)             | 100.000%               | (76,745,620)               |                         | GLT amounts excluded from rate base   |
| 5        | 388       | ARO Cost Gas Distribution | (11,860,674)             | 100.000%               | (11,860,674)               |                         | ARO amounts excluded from rate base   |
| 6        | 397       | Communication Equipment   | (17,080)                 | 100.000%               | (17,080)                   |                         | DSM amounts excluded from rate base   |
| 7        |           | TOTAL ADJUSTMENTS         | <u>(130,609,415)</u>     |                        | <u>(130,609,415)</u>       |                         |                                       |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS  
FROM MARCH 1, 2014 TO FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.3

PAGE 1 OF 6

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                  | BASE PERIOD BEGINNING BALANCE | ADDITIONS   | RETIREMENTS | TRANSFERS | BASE PERIOD ENDING BALANCE |
|----------|-----------|--|-------------------------------|-------------|-------------|-----------|----------------------------|
|          |           |  | \$                            | \$          | \$          | \$        | \$                         |
| 1        |           | <b><u>Gas Intangible Plant</u></b>             |                               |             |             |           |                            |
| 2        | 301       | Organization                                   | -                             | -           | -           | -         | -                          |
| 3        | 302       | Franchises and Consents                        | 387                           | -           | -           | -         | 387                        |
| 4        | 303       | Misc Intangible Plant                          | -                             | -           | -           | -         | -                          |
| 5        |           | Total Intangible Plant                         | 387                           | -           | -           | -         | 387                        |
| 6        |           | <b><u>Gas Storage</u></b>                      |                               |             |             |           |                            |
| 7        | 350       | Land and Land Rights                           | 135,571                       | 2,163       | -           | -         | 137,734                    |
| 8        | 351       | Structures and Improvements                    | 9,089,476                     | 1,665,949   | (14,470)    | -         | 10,740,956                 |
| 9        | 352       | Wells  | 20,699,961                    | (1,146,041) | (41,960)    | -         | 19,511,960                 |
| 10       | 352.1     | Storage Leaseholds and Rights                  | 548,241                       | -           | -           | -         | 548,241                    |
| 11       | 352.2     | Reservoirs                                     | 400,511                       | -           | -           | -         | 400,511                    |
| 12       | 117-352.3 | Nonrecoverable Natural Gas                     | 11,788,845                    | -           | -           | -         | 11,788,845                 |
| 13       | 353       | Lines  | 19,656,362                    | 707,520     | (68,887)    | -         | 20,294,995                 |
| 14       | 354       | Compressor Station Equipment                   | 49,021,110                    | 514,673     | (136,587)   | (38,607)  | 49,360,590                 |
| 15       | 355       | Measuring and Regulating Equipment             | 627,196                       | 625,339     | (40,157)    | -         | 1,212,378                  |
| 16       | 356       | Purification Equipment                         | 14,610,881                    | 3,729,424   | (124,920)   | -         | 18,215,384                 |
| 17       | 357       | Other Equipment                                | 1,859,941                     | 762,973     | (105,855)   | 38,607    | 2,555,665                  |
| 18       | 358       | ARO Cost Gas UG Store                          | 4,356,377                     | -           | (74,167)    | -         | 4,282,210                  |
| 19       |           | Total Gas Storage                              | 132,794,472                   | 6,862,000   | (607,003)   | -         | 139,049,469                |
| 20       |           | <b><u>Gas Transmission</u></b>                 |                               |             |             |           |                            |
| 21       | 365       | Rights of Way                                  | 220,659                       | -           | -           | -         | 220,659                    |
| 22       | 367       | Mains  | 35,855,702                    | 13,459,873  | (157,265)   | -         | 49,158,310                 |
| 23       | 372       | ARO Cost Gas Transmission                      | 3,906,615                     | -           | (46,269)    | -         | 3,860,347                  |
| 24       |           | Total Gas Transmission                         | 39,982,977                    | 13,459,873  | (203,534)   | -         | 53,239,315                 |
| 25       |           | <b><u>Gas Distribution</u></b>                 |                               |             |             |           |                            |
| 26       | 374       | Land and Land Rights                           | 133,743                       | -           | (127)       | 881       | 134,497                    |
| 27       | 375       | Structures and Improvements                    | 961,871                       | (22,521)    | (27,785)    | -         | 911,565                    |
| 28       | 376       | Mains  | 355,639,151                   | 18,950,919  | (3,137,614) | -         | 371,452,457                |
| 28       | 377       | Compressor Station Equipment                   | -                             | -           | -           | -         | -                          |
| 29       | 378       | Measuring and Regulating Station Equip-General | 14,652,520                    | 266,453     | (60,338)    | -         | 14,858,635                 |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS  
FROM MARCH 1, 2014 TO FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.3

PAGE 2 OF 6

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                    | BASE PERIOD BEGINNING BALANCE | ADDITIONS  | RETIREMENTS | TRANSFERS | BASE PERIOD ENDING BALANCE |
|----------|-----------|--|-------------------------------|------------|-------------|-----------|----------------------------|
|          |           |  | \$                            | \$         | \$          | \$        | \$                         |
| 30       | 379       | Measuring and Regulating Station Equip-City Gate | 5,473,127                     | 860,074    | (63,817)    | -         | 6,269,384                  |
| 31       | 380       | Services   | 249,073,598                   | 43,299,392 | (3,862,707) | -         | 288,510,283                |
| 32       | 381       | Meters   | 44,615,878                    | 2,275,540  | (1,136,717) | -         | 45,754,701                 |
| 33       | 383       | House Regulators                                 | 24,935,848                    | 697,013    | (219,488)   | -         | 25,413,373                 |
| 34       | 385       | Industrial Measuring and Regulating Equip        | 944,325                       | 16,362     | -           | -         | 960,687                    |
| 35       | 387       | Other Equipment                                  | 51,112                        | -          | -           | -         | 51,112                     |
| 32       | 388       | ARO Cost Gas Distribution                        | 12,118,586                    | -          | (257,911)   | -         | 11,860,674                 |
| 33       |           | Total Gas Distribution                           | 708,599,759                   | 66,343,232 | (8,766,503) | 881       | 766,177,369                |
| 34       | G         | <b>Gas General Plant</b>                         |                               |            |             |           |                            |
| 35       | 389       | Land and Land Rights                             | -                             | -          | -           | -         | -                          |
| 36       | 390       | Structures and Improvements                      | -                             | -          | -           | -         | -                          |
| 37       | 391       | Office Furniture and Equipment                   | -                             | -          | -           | -         | -                          |
| 38       | 392       | Transportation Equipment                         | 1,790,398                     | 90,490     | (2,861)     | -         | 1,878,027                  |
| 39       | 393       | Stores Equipment                                 | -                             | -          | -           | -         | -                          |
| 40       | 394       | Tools, Shop, and Garage Equipment                | 5,339,153                     | 761,700    | -           | -         | 6,100,853                  |
| 41       | 395       | Laboratory Equipment                             | -                             | -          | -           | -         | -                          |
| 42       | 396       | Power Operated Equipment                         | 2,610,165                     | 710,346    | (134,492)   | -         | 3,186,019                  |
| 43       | 397       | Communication Equipment                          | 17,081                        | (0)        | -           | -         | 17,080                     |
| 43       | 398       | Miscellaneous Equipment                          | -                             | -          | -           | -         | -                          |
| 44       |           | Total Gas General Plant                          | 9,756,797                     | 1,562,535  | (137,353)   | -         | 11,181,979                 |
| 45       | C         | <b>Common Plant (1)</b>                          |                               |            |             |           |                            |
| 46       | 301       | Organization                                     | 25,135                        | -          | -           | -         | 25,135                     |
| 47       | 302       | Franchises and Consents                          | -                             | -          | -           | -         | -                          |
| 48       | 303       | Misc Intangible Plant                            | 23,423,387                    | 4,049,776  | (372,125)   | -         | 27,101,038                 |
| 49       | 389       | Land and Land Rights                             | 566,223                       | -          | (21,012)    | (15,264)  | 529,947                    |
| 50       | 390       | Structures and Improvements                      | 22,985,662                    | 498,029    | (668,777)   | -         | 22,814,914                 |
| 51       | 391       | Office Furniture and Equipment                   | 11,347,853                    | 3,395,079  | (289,879)   | -         | 14,453,053                 |
| 52       | 392       | Transportation Equipment                         | 114,537                       | -          | -           | -         | 114,537                    |
| 53       | 393       | Stores Equipment                                 | 400,116                       | 39,929     | -           | -         | 440,045                    |
| 54       | 394       | Tools, Shop, and Garage Equipment                | 1,137,170                     | 38,265     | -           | -         | 1,175,435                  |
| 55       | 395       | Laboratory Equipment                             | -                             | -          | -           | -         | -                          |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS  
FROM MARCH 1, 2014 TO FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.3

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 3 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                       | BASE PERIOD<br>BEGINNING<br>BALANCE | ADDITIONS  | RETIREMENTS  | TRANSFERS | BASE PERIOD<br>ENDING<br>BALANCE |
|----------|-----------|-------------------------------------|-------------------------------------|------------|--------------|-----------|----------------------------------|
|          |           |                                     | \$                                  | \$         | \$           | \$        | \$                               |
| 56       | 396       | Power Operated Equipment            | 74,993                              | -          | -            | -         | 74,993                           |
| 57       | 397       | Communication Equipment             | 11,516,985                          | 1,409,810  | (709)        | -         | 12,926,086                       |
| 58       | 398       | Miscellaneous Equipment             | -                                   | -          | -            | -         | -                                |
| 59       | 399       | ARO Cost Common                     | 32,231                              | -          | (32,231)     | -         | -                                |
| 60       |           | Total Common Plant allocated to Gas | 71,624,294                          | 9,430,887  | (1,384,734)  | (15,264)  | 79,655,184                       |
| 61       |           | TOTAL GAS PLANT IN SERVICE          | 962,758,686                         | 97,658,527 | (11,099,126) | (14,384)  | 1,049,303,703                    |

(1) 30% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
PROPERTY MERGED OR ACQUIRED  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.4

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

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| LINE NO. | ACCT. NO. | DESCRIPTION OF PROPERTY | ACQUISITION COST | COST BASIS | ACQUISITION ADJUSTMENT | COMMISSION APPROVAL DATE (DOCKET NO.) | DATE OF ACQUISITION | EXPLANATION OF TREATMENT |
|----------|-----------|-------------------------|------------------|------------|------------------------|---------------------------------------|---------------------|--------------------------|
|----------|-----------|-------------------------|------------------|------------|------------------------|---------------------------------------|---------------------|--------------------------|

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THE COMPANY HAS NOT MERGED OR ACQUIRED PROPERTY FROM OTHER THAN AFFILIATED COMPANIES.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - GAS OPERATIONS

LEASED PROPERTY

AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.5

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

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| LINE NO. | IDENTIFICATION OR REFERENCE NUMBER | DESCRIPTION OF TYPE AND USE OF PROPERTY | NAME OF LESSEE | FREQUENCY OF PAYMENT | AMOUNT OF LEASE PAYMENT | DOLLAR VALUE OF PROPERTY INVOLVED | EXPLANATION METHOD OF CAPITALIZATION |
|----------|------------------------------------|---|----------------|----------------------|-------------------------|-----------------------------------|--------------------------------------|
|----------|------------------------------------|---|----------------|----------------------|-------------------------|-----------------------------------|--------------------------------------|

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THE COMPANY DOES NOT HAVE ANY CAPITAL LEASES.

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-2.6

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION AND LOCATION OF PROPERTY | ACQUISITION DATE | ORIGINAL COST | ACCUMULATED DEPRECIATION | NET ORIGINAL COST | REVENUE REALIZED |          |             | EXPENSES INCURRED |          |             |
|----------|--------------------------------------|------------------|---------------|--------------------------|-------------------|------------------|----------|-------------|-------------------|----------|-------------|
|          |                                      |                  |               |                          |                   | AMOUNT           | ACCT NO. | DESCRIPTION | AMOUNT            | ACCT NO. | DESCRIPTION |
|          |                                      |                  | \$            | \$                       | \$                | \$               |          |             | \$                |          |             |

NONE

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
PROPERTY EXCLUDED FROM RATE BASE  
(FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION)  
AS OF FEBRUARY 28, 2015

DATA:  X BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  X UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.7  
PAGE 1 OF 2  
WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE OR DESCRIPTION OF EXCLUDED PROPERTY    | IN-SERVICE DATE | ORIGINAL COST  | ACCUMULATED DEPRECIATION | NET ORIGINAL COST | PERIOD REVENUE AND EXPENSE |                      | REASONS FOR EXCLUSION                          |
|----------|-----------|--|-----------------|----------------|--------------------------|-------------------|----------------------------|----------------------|--|
|          |           |  |                 |                |                          |                   | AMOUNT                     | ACCT NO. DESCRIPTION |  |
|          |           |  |                 | \$             | \$                       | \$                | \$                         |                      |  |
| 1        |           | <b>Land and Land Rights:</b>                         |                 |                |                          |                   |                            |                      |  |
| 2        | 121       | Former Camp Taylor Substation - Tract No. D15        | 17-Dec-1939     | 29             | -                        | 29                |                            |                      | Non-utility property not included in rate base |
| 3        | 121       | West Eastwood Distribution Substation                | 1-Sep-1978      | 21,927         | -                        | 21,927            |                            |                      | Non-utility property not included in rate base |
| 4        | 121       | West Eastwood Distribution Substation                | 5-Oct-2010      | 455,614        | -                        | 455,614           |                            |                      | Non-utility property not included in rate base |
| 5        | 121       | 943 Fetter Avenue - Tract No. F8-1                   | 7-Feb-1941      | 332            | -                        | 332               |                            |                      | Non-utility property not included in rate base |
| 6        | 121       | Former Strawberry Lane Substation - Tract No. F43    | 11-Jul-1955     | 1,074          | -                        | 1,074             |                            |                      | Non-utility property not included in rate base |
| 7        | 121       | Former Plymouth Substation - Tract No. D70           | 26-Sep-1956     | 3,291          | -                        | 3,291             |                            |                      | Non-utility property not included in rate base |
| 8        | 121       | Standard Avenue Substation - Tract No. D124          | 21-Mar-1973     | 5,677          | -                        | 5,677             |                            |                      | Non-utility property not included in rate base |
| 9        | 121       | 3842 Grand Avenue - Tract No. F19-2                  | 30-Jun-1942     | 269            | -                        | 269               |                            |                      | Non-utility property not included in rate base |
| 10       | 121       | 10th St. & Ormsby - Tract No. F3-1                   | 31-Mar-2001     | 50,000         | -                        | 50,000            |                            |                      | Non-utility property not included in rate base |
| 11       | 121       | Russell Corner - Tract No. D143                      | 23-Oct-1979     | 28,633         | -                        | 28,633            |                            |                      | Non-utility property not included in rate base |
| 12       | 121       | Cherry Hill Coal Mine - Tract No. K2                 | 30-Jun-1940     | 185            | -                        | 185               |                            |                      | Non-utility property not included in rate base |
| 13       | 121       | Cherry Hill Coal Mine - Tract No. K4                 | 30-Jun-1940     | 15             | -                        | 15                |                            |                      | Non-utility property not included in rate base |
| 14       | 121       | Cherry Hill Coal Mine - Tract No. K5                 | 30-Jun-1940     | 48             | -                        | 48                |                            |                      | Non-utility property not included in rate base |
| 15       | 121       | Cherry Hill Coal Mine - Tract No. K6                 | 30-Jun-1940     | 192            | -                        | 192               |                            |                      | Non-utility property not included in rate base |
| 16       | 121       | Cherry Hill Coal Mine - Tract No. K12                | 30-Jun-1966     | 250            | -                        | 250               |                            |                      | Non-utility property not included in rate base |
| 17       | 121       | Cherry Hill Coal Mine - Mineral Rights Tract No. K1B | 17-Jun-1954     | 31,483         | -                        | 31,483            |                            |                      | Non-utility property not included in rate base |
| 18       | 121       | Cherry Hill Coal Mine - Mineral Rights               | 29-Jul-1940     | 31,628         | -                        | 31,628            |                            |                      | Non-utility property not included in rate base |
| 19       | 121       | Cherry Hill Coal Mine - Right of Way                 | 30-Jun-1940     | 250            | -                        | 250               |                            |                      | Non-utility property not included in rate base |
| 20       |           | <b>TOTAL</b>   |                 | <b>630,897</b> | <b>-</b>                 | <b>630,897</b>    | <b>-</b>                   |                      | Non-utility property not included in rate base |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-3

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                  | RESERVE BALANCES                              |                  |                   |                         |             |                          |
|----------|-----------|--|---|------------------|-------------------|-------------------------|-------------|--------------------------|
|          |           |  | BASE PERIOD<br>TOTAL<br>COMPANY<br>INVESTMENT | TOTAL<br>COMPANY | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL | ADJUSTMENTS | ADJUSTED<br>JURISDICTION |
|          |           |  | \$  | \$               | 100%              | \$                      | \$          | \$                       |
| 1        |           | <b><u>Gas Intangible Plant</u></b>             |   |                  |                   |                         |             |                          |
| 2        | 301       | Organization                                   | -   | -                |                   | -                       | -           | -                        |
| 3        | 302       | Franchises and Consents                        | 387   | (89)             |                   | (89)                    | -           | (89)                     |
| 4        | 303       | Misc Intangible Plant                          | -   | -                |                   | -                       | -           | -                        |
| 5        |           | Total Intangible Plant                         | 387   | (89)             |                   | (89)                    | -           | (89)                     |
| 6        |           | <b><u>Gas Storage</u></b>                      |   |                  |                   |                         |             |                          |
| 7        | 350       | Land and Land Rights                           | 137,734                                       | (71,337)         |                   | (71,337)                | -           | (71,337)                 |
| 8        | 351       | Structures and Improvements                    | 10,740,956                                    | (1,656,195)      |                   | (1,656,195)             | -           | (1,656,195)              |
| 9        | 352       | Wells  | 19,511,960                                    | (5,292,870)      |                   | (5,292,870)             | -           | (5,292,870)              |
| 10       | 352.1     | Storage Leaseholds and Rights                  | 548,241                                       | (569,590)        |                   | (569,590)               | -           | (569,590)                |
| 11       | 352.2     | Reservoirs                                     | 400,511                                       | (452,027)        |                   | (452,027)               | -           | (452,027)                |
| 12       | 117-352.3 | Nonrecoverable Natural Gas                     | 11,788,845                                    | (8,034,665)      |                   | (8,034,665)             | -           | (8,034,665)              |
| 13       | 353       | Lines  | 20,294,995                                    | (7,924,526)      |                   | (7,924,526)             | -           | (7,924,526)              |
| 14       | 354       | Compressor Station Equipment                   | 49,360,590                                    | (5,670,976)      |                   | (5,670,976)             | -           | (5,670,976)              |
| 15       | 355       | Measuring and Regulating Equipment             | 1,212,378                                     | (124,644)        |                   | (124,644)               | -           | (124,644)                |
| 16       | 356       | Purification Equipment                         | 18,215,384                                    | (4,715,084)      |                   | (4,715,084)             | -           | (4,715,084)              |
| 17       | 357       | Other Equipment                                | 2,555,665                                     | (226,331)        |                   | (226,331)               | -           | (226,331)                |
| 18       | 358       | ARO Cost Gas UG Store                          | 4,282,210                                     | (745,678)        |                   | (745,678)               | 745,678     | -                        |
| 19       |           | Total Gas Storage                              | 139,049,469                                   | (35,483,923)     |                   | (35,483,923)            | 745,678     | (34,738,245)             |
| 20       |           | <b><u>Gas Transmission</u></b>                 |   |                  |                   |                         |             |                          |
| 21       | 365       | Rights of Way                                  | 220,659                                       | (210,198)        |                   | (210,198)               | -           | (210,198)                |
| 22       | 367       | Mains  | 49,158,310                                    | (10,949,450)     |                   | (10,949,450)            | -           | (10,949,450)             |
| 23       | 372       | ARO Cost Gas Transmission                      | 3,860,347                                     | (267,886)        |                   | (267,886)               | 267,886     | -                        |
| 24       |           | Total Gas Transmission                         | 53,239,315                                    | (11,427,534)     |                   | (11,427,534)            | 267,886     | (11,159,648)             |
| 25       |           | <b><u>Gas Distribution</u></b>                 |   |                  |                   |                         |             |                          |
| 26       | 374       | Land and Land Rights                           | 134,497                                       | (77,440)         |                   | (77,440)                | -           | (77,440)                 |
| 27       | 375       | Structures and Improvements                    | 911,565                                       | (323,572)        |                   | (323,572)               | -           | (323,572)                |
| 28       | 376       | Mains  | 371,452,457                                   | (117,182,911)    |                   | (117,182,911)           | (2,217,003) | (119,399,914)            |
| 28       | 377       | Compressor Station Equipment                   | -   | -                |                   | -                       | -           | -                        |
| 29       | 378       | Measuring and Regulating Station Equip-General | 14,858,635                                    | (1,720,931)      |                   | (1,720,931)             | -           | (1,720,931)              |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3

PAGE 2 OF 6

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                    | RESERVE BALANCES                              |                  |                   |                         |             |                          |
|----------|-----------|--|---|------------------|-------------------|-------------------------|-------------|--------------------------|
|          |           |  | BASE PERIOD<br>TOTAL<br>COMPANY<br>INVESTMENT | TOTAL<br>COMPANY | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL | ADJUSTMENTS | ADJUSTED<br>JURISDICTION |
|          |           |  | \$  | \$               | 100%              | \$                      | \$          | \$                       |
| 30       | 379       | Measuring and Regulating Station Equip-City Gate | 6,269,384                                     | (1,462,334)      |                   | (1,462,334)             | -           | (1,462,334)              |
| 31       | 380       | Services   | 288,510,283                                   | (87,239,166)     |                   | (87,239,166)            | (829,045)   | (88,068,211)             |
| 32       | 381       | Meters   | 45,754,701                                    | (11,488,849)     |                   | (11,488,849)            | -           | (11,488,849)             |
| 33       | 383       | House Regulators                                 | 25,413,373                                    | (3,085,003)      |                   | (3,085,003)             | -           | (3,085,003)              |
| 34       | 385       | Industrial Measuring and Regulating Equip        | 960,687                                       | (166,039)        |                   | (166,039)               | -           | (166,039)                |
| 35       | 387       | Other Equipment                                  | 51,112  | (24,847)         |                   | (24,847)                | -           | (24,847)                 |
| 32       | 388       | ARO Cost Gas Distribution                        | 11,860,674                                    | (1,089,162)      |                   | (1,089,162)             | 1,089,162   | -                        |
| 33       |           | Total Gas Distribution                           | 766,177,369                                   | (223,860,253)    |                   | (223,860,253)           | (1,956,886) | (225,817,139)            |
| 34       | G         | <b>Gas General Plant</b>                         |   |                  |                   |                         |             |                          |
| 35       | 389       | Land and Land Rights                             | -   | -                |                   | -                       | -           | -                        |
| 36       | 390       | Structures and Improvements                      | -   | -                |                   | -                       | -           | -                        |
| 37       | 391       | Office Furniture and Equipment                   | -   | -                |                   | -                       | -           | -                        |
| 38       | 392       | Transportation Equipment                         | 1,878,027                                     | (1,103,169)      |                   | (1,103,169)             | -           | (1,103,169)              |
| 39       | 393       | Stores Equipment                                 | -   | -                |                   | -                       | -           | -                        |
| 40       | 394       | Tools, Shop, and Garage Equipment                | 6,100,853                                     | (2,294,226)      |                   | (2,294,226)             | -           | (2,294,226)              |
| 41       | 395       | Laboratory Equipment                             | -   | -                |                   | -                       | -           | -                        |
| 42       | 396       | Power Operated Equipment                         | 3,186,019                                     | (2,150,474)      |                   | (2,150,474)             | -           | (2,150,474)              |
| 43       | 397       | Communication Equipment                          | 17,080  | (5,365)          |                   | (5,365)                 | 5,365       | -                        |
| 43       | 398       | Miscellaneous Equipment                          | -   | -                |                   | -                       | -           | -                        |
| 44       |           | Total Gas General Plant                          | 11,181,979                                    | (5,553,234)      |                   | (5,553,234)             | 5,365       | (5,547,869)              |
| 45       | C         | <b>Common Plant (1)</b>                          |   |                  |                   |                         |             |                          |
| 46       | 301       | Organization                                     | 25,135  | -                |                   | -                       | -           | -                        |
| 47       | 302       | Franchises and Consents                          | -   | -                |                   | -                       | -           | -                        |
| 48       | 303       | Misc Intangible Plant                            | 27,101,038                                    | (12,178,613)     |                   | (12,178,613)            | -           | (12,178,613)             |
| 49       | 389       | Land and Land Rights                             | 529,947                                       | (42,249)         |                   | (42,249)                | -           | (42,249)                 |
| 50       | 390       | Structures and Improvements                      | 22,814,914                                    | (9,350,890)      |                   | (9,350,890)             | -           | (9,350,890)              |
| 51       | 391       | Office Furniture and Equipment                   | 14,453,053                                    | (8,799,848)      |                   | (8,799,848)             | -           | (8,799,848)              |
| 52       | 392       | Transportation Equipment                         | 114,537                                       | (74,641)         |                   | (74,641)                | -           | (74,641)                 |
| 53       | 393       | Stores Equipment                                 | 440,045                                       | (226,931)        |                   | (226,931)               | -           | (226,931)                |
| 54       | 394       | Tools, Shop, and Garage Equipment                | 1,175,435                                     | (552,066)        |                   | (552,066)               | -           | (552,066)                |
| 55       | 395       | Laboratory Equipment                             | -   | -                |                   | -                       | -           | -                        |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
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SCHEDULE B-3

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WITNESS: K. W. BLAKE

|          |           |                                     | RESERVE BALANCES                              |                             |                   |                             |                         |                             |
|----------|-----------|-------------------------------------|---|-----------------------------|-------------------|-----------------------------|-------------------------|-----------------------------|
| LINE NO. | ACCT. NO. | ACCOUNT TITLE                       | BASE PERIOD<br>TOTAL<br>COMPANY<br>INVESTMENT | TOTAL<br>COMPANY            | JURIS.<br>PERCENT | JURISDICTIONAL<br>TOTAL     | ADJUSTMENTS             | ADJUSTED<br>JURISDICTION    |
|          |           |                                     | \$  | \$                          | <u>100%</u>       | \$                          | \$                      | \$                          |
| 56       | 396       | Power Operated Equipment            | 74,993  | (68,884)                    |                   | (68,884)                    | -                       | (68,884)                    |
| 57       | 397       | Communication Equipment             | 12,926,086                                    | (9,992,760)                 |                   | (9,992,760)                 | -                       | (9,992,760)                 |
| 57       | 398       | Miscellaneous Equipment             | -   | (0)                         |                   | (0)                         | -                       | (0)                         |
| 58       | 399       | ARO Cost Common                     | -   | -                           |                   | -                           | -                       | -                           |
| 59       |           | Total Common Plant allocated to Gas | <u>79,655,184</u>                             | <u>(41,286,880)</u>         |                   | <u>(41,286,880)</u>         | -                       | <u>(41,286,880)</u>         |
| 60       |           | TOTAL GAS PLANT                     | <u><u>1,049,303,703</u></u>                   | <u><u>(317,611,913)</u></u> |                   | <u><u>(317,611,913)</u></u> | <u><u>(937,957)</u></u> | <u><u>(318,549,870)</u></u> |

(1) 30% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-3.1

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE             | TOTAL              | JURISDICTIONAL PERCENT | JURISDICTIONAL   | WORKPAPER REFERENCE NO. | DESCRIPTION AND PURPOSE OF ADJUSTMENT |
|----------|-----------|---------------------------|--------------------|------------------------|------------------|-------------------------|---------------------------------------|
|          |           |                           | COMPANY ADJUSTMENT |                        | ADJUSTMENTS      |                         |                                       |
|          |           |                           | \$                 |                        | \$               |                         |                                       |
| 1        | 358       | ARO Cost Gas UG Store     | 745,678            | 100.000%               | 745,678          |                         | ARO amounts excluded from rate base   |
| 2        | 372       | ARO Cost Gas Transmission | 267,886            | 100.000%               | 267,886          |                         | ARO amounts excluded from rate base   |
| 3        | 376       | Mains                     | (2,217,003)        | 100.000%               | (2,217,003)      |                         | GLT amounts excluded from rate base   |
| 4        | 380       | Services                  | (829,045)          | 100.000%               | (829,045)        |                         | GLT amounts excluded from rate base   |
| 5        | 388       | ARO Cost Gas Distribution | 1,089,162          | 100.000%               | 1,089,162        |                         | ARO amounts excluded from rate base   |
| 6        | 397       | Communication Equipment   | 5,365              | 100.000%               | 5,365            |                         | DSM amounts excluded from rate base   |
| 7        |           | TOTAL ADJUSTMENTS         | <u>(937,957)</u>   |                        | <u>(937,957)</u> |                         |                                       |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT  
AS OF FEBRUARY 28, 2015

DATA:   X   BASE PERIOD        FORECASTED PERIOD  
TYPE OF FILING:        ORIGINAL   X   UPDATED        REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.2  
PAGE 1 OF 6  
WITNESS: K. W. BLAKE

| ADJUSTED JURISDICTION |           |  |                  |                     |              |                                 |               |                        |                  |  |
|-----------------------|-----------|--|------------------|---------------------|--------------|---------------------------------|---------------|------------------------|------------------|--|
| LINE NO.              | ACCT. NO. | ACCOUNT TITLE OR MAJOR PROPERTY GROUPING       | PLANT INVESTMENT | ACCUMULATED BALANCE | ACCRUAL RATE | CALCULATED DEPRECIATION EXPENSE | % NET SALVAGE | REMAINING SERVICE LIFE | CURVE FORM       |  |
| (A)                   | (B)       | (C)  | (D)              | (E)                 | (F)          | (G=DxF)                         | (H)           | (I)                    | (J)              |  |
|                       |           |  | \$               | \$                  |              |                                 |               |                        |                  |  |
| 1                     | 301       | Organization                                   | -                | -                   |              | -                               |               |                        |                  |  |
| 2                     | 302       | Franchises and Consents                        | 387              | 89                  | 10.58%       | 41                              | -             | -                      | 20-SQ            |  |
| 3                     | 303       | Misc Intangible Plant                          | -                | -                   |              | -                               |               |                        |                  |  |
| 4                     |           | Total Intangible Plant                         | 387              | 89                  |              | 41                              |               |                        |                  |  |
| <br>                  |           |  |                  |                     |              |                                 |               |                        |                  |  |
| 5                     |           | <b>Gas Storage</b>                             |                  |                     |              |                                 |               |                        |                  |  |
| 6                     | 350       | Land and Land Rights                           | 137,734          | 71,337              | 0.56%        | 766                             | -             | 47.3                   | 50-R4            |  |
| 7                     | 351       | Structures and Improvements                    | 10,740,956       | 1,656,195           | 1.94%        | 208,898                         | -5,-10        | 43.7-53.5              | 50-R3, 50-R2.5   |  |
| 8                     | 352       | Wells  | 19,511,960       | 5,292,870           | 2.28%        | 445,228                         | -20           | 34.4-35.4              | 45-R1.5, 55-R2.5 |  |
| 9                     | 352.1     | Storage Leaseholds and Rights                  | 548,241          | 569,590             | 0.00%        | -                               | 0             | -                      | 65-R4            |  |
| 10                    | 352.2     | Reservoirs                                     | 400,511          | 452,027             | 0.00%        | -                               | 0             | -                      | 55-R4            |  |
| 11                    | 352.3     | Nonrecoverable Natural Gas                     | 11,788,845       | 8,034,665           | 0.83%        | 98,299                          | 0             | 23.3                   | 50-SQ            |  |
| 12                    | 353       | Lines  | 20,294,995       | 7,924,526           | 1.82%        | 370,207                         | -10           | 33.4                   | 45-S1            |  |
| 13                    | 354       | Compressor Station Equipment                   | 49,360,590       | 5,670,976           | 2.37%        | 1,167,456                       | -5            | 33.3                   | 45-S0.5          |  |
| 14                    | 355       | Measuring and Regulating Equipment             | 1,212,378        | 124,644             | 1.53%        | 18,526                          | -5            | 33.4                   | 40-R1            |  |
| 15                    | 356       | Purification Equipment                         | 18,215,384       | 4,715,084           | 1.97%        | 358,693                         | -15           | 35.9                   | 45-R2.5          |  |
| 16                    | 357       | Other Equipment                                | 2,555,665        | 226,331             | 2.25%        | 57,446                          | -5            | 37.3                   | 45-R2            |  |
| 17                    | 358       | ARO Cost Gas UG Store                          | -                | -                   |              | -                               |               |                        |                  |  |
| 18                    |           | Total Gas Storage                              | 134,767,260      | 34,738,245          |              | 2,725,519                       |               |                        |                  |  |
| <br>                  |           |  |                  |                     |              |                                 |               |                        |                  |  |
| 19                    |           | <b>Gas Transmission</b>                        |                  |                     |              |                                 |               |                        |                  |  |
| 20                    | 365       | Rights of Way                                  | 220,659          | 210,198             | 0.163%       | 359                             | 0             | 33                     | 65-S3            |  |
| 21                    | 367       | Mains  | 49,158,310       | 10,949,450          | 0.790%       | 388,221                         | -10           | 58                     | 65-R2.5          |  |
| 22                    | 372       | ARO Cost Gas Transmission                      | -                | -                   |              | -                               |               |                        |                  |  |
| 23                    |           | Total Gas Transmission                         | 49,378,969       | 11,159,648          |              | 388,580                         |               |                        |                  |  |
| <br>                  |           |  |                  |                     |              |                                 |               |                        |                  |  |
| 24                    |           | <b>Gas Distribution</b>                        |                  |                     |              |                                 |               |                        |                  |  |
| 25                    | 374       | Land and Land Rights                           | 134,497          | 77,440              | 0.000%       | -                               | 0             | -                      | 65-S3            |  |
| 26                    | 375       | Structures and Improvements                    | 911,565          | 323,572             | 3.707%       | 33,789                          | -5            | 12.9-50.4              | 35-L2, 55-R3     |  |
| 27                    | 376       | Mains  | 337,608,973      | 119,399,914         | 1.892%       | 6,388,022                       | -30           | 51                     | 65-S2            |  |
| 27                    | 377       | Compressor Station Equipment                   | -                | -                   |              | -                               |               |                        |                  |  |
| 28                    | 378       | Measuring and Regulating Station Equip-General | 14,858,635       | 1,720,931           | 2.579%       | 383,262                         | -10           | 34                     | 41-S0            |  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT  
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DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
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SCHEDULE B-3.2  
PAGE 2 OF 6  
WITNESS: K. W. BLAKE

| ADJUSTED JURISDICTION |           |   |                    |                     |              |                                 |               |                        |                                 |  |
|-----------------------|-----------|---|--------------------|---------------------|--------------|---------------------------------|---------------|------------------------|---------------------------------|--|
| LINE NO.              | ACCT. NO. | ACCOUNT TITLE OR MAJOR PROPERTY GROUPING  | PLANT INVESTMENT   | ACCUMULATED BALANCE | ACCRUAL RATE | CALCULATED DEPRECIATION EXPENSE | % NET SALVAGE | REMAINING SERVICE LIFE | CURVE FORM                      |  |
| (A)                   | (B)       | (C)                                       | (D)                | (E)                 | (F)          | (G=DxF)                         | (H)           | (I)                    | (J)                             |  |
|                       |           |   | \$                 | \$                  |              |                                 |               |                        |                                 |  |
| 29                    | 379       | Gate                                      | 6,269,384          | 1,462,334           | 2.120%       | 132,922                         | -15           | 36                     | 45-R1                           |  |
| 30                    | 380       | Services                                  | 211,764,663        | 88,068,211          | 3.786%       | 8,016,641                       | -60           | 33                     | 42-S0.5                         |  |
| 31                    | 381       | Meters                                    | 45,754,701         | 11,488,849          | 4.027%       | 1,842,748                       | 0             | 20                     | 28-R2                           |  |
| 32                    | 383       | House Regulators                          | 25,413,373         | 3,085,003           | 4.100%       | 1,041,933                       | -10           | 26                     | 30-R3                           |  |
| 33                    | 385       | Industrial Measuring and Regulating Equip | 960,687            | 166,039             | 2.853%       | 27,409                          | -5            | 33                     | 40-S2.5                         |  |
| 34                    | 387       | Other Equipment                           | 51,112             | 24,847              | 2.778%       | 1,420                           | 0             | 22                     | 40-S2                           |  |
| 31                    | 388       | ARO Cost Gas Distribution                 | -                  | -                   |              | -                               |               |                        |                                 |  |
| 32                    |           | <b>Total Gas Distribution</b>             | <b>643,727,590</b> | <b>225,817,139</b>  |              | <b>17,868,146</b>               |               |                        |                                 |  |
| 33                    |           | <b>Gas General Plant</b>                  |                    |                     |              |                                 |               |                        |                                 |  |
| 34                    | 389       | Land and Land Rights                      | -                  | -                   |              | -                               |               |                        |                                 |  |
| 35                    | 390       | Structures and Improvements               | -                  | -                   |              | -                               |               |                        |                                 |  |
| 36                    | 391       | Office Furniture and Equipment            | -                  | -                   |              | -                               |               |                        |                                 |  |
| 37                    | 392       | Transportation Equipment                  | 1,878,027          | 1,103,169           | 2.778%       | 52,176                          | 0.5           | 6.3-12.4               | 7-L2.5, 14-S1.5, 20-S1          |  |
| 38                    | 393       | Stores Equipment                          | -                  | -                   |              | -                               |               |                        |                                 |  |
| 39                    | 394       | Tools, Shop, and Garage Equipment         | 6,100,853          | 2,294,226           | 4.659%       | 284,233                         | 0             | 14                     | 25-SQ                           |  |
| 40                    | 395       | Laboratory Equipment                      | -                  | -                   |              | -                               |               |                        |                                 |  |
| 41                    | 396       | Power Operated Equipment                  | 3,186,019          | 2,150,474           | 1.516%       | 48,299                          | 0.5           | 11.3-12.6              | 12-L1.5, 8-L2, 17-L3            |  |
| 42                    | 397       | Communication Equipment                   | -                  | -                   | 13.140%      | -                               | 0             | 4                      | 10-SQ                           |  |
| 42                    | 398       | Miscellaneous Equipment                   | -                  | -                   |              | -                               |               |                        |                                 |  |
| 43                    |           | <b>Total Gas General Plant</b>            | <b>11,164,899</b>  | <b>5,547,869</b>    |              | <b>384,708</b>                  |               |                        |                                 |  |
| 44                    |           | <b>Common Plant (1)</b>                   |                    |                     |              |                                 |               |                        |                                 |  |
| 45                    | 301       | Organization                              | 25,135             | -                   |              | -                               |               |                        |                                 |  |
| 46                    | 302       | Franchises and Consents                   | -                  | -                   |              | -                               |               |                        |                                 |  |
| 47                    | 303       | Misc Intangible Plant                     | 27,101,038         | 12,178,613          | 11.119%      | 3,013,468                       | 0             | 3.8-7.5                | 5-SQ, SQUARE                    |  |
| 48                    | 389       | Land and Land Rights                      | 529,947            | 42,249              |              | -                               |               |                        |                                 |  |
| 49                    | 390       | Structures and Improvements               | 22,814,914         | 9,350,890           | 3.250%       | 741,485                         | -5,-10        | 15.1-35.8              | 35-R2, 30-R1.5, 45-R3, 45-R0.5  |  |
| 50                    | 391       | Office Furniture and Equipment            | 14,453,053         | 8,799,848           | 10.440%      | 1,508,899                       | 0             | 2.2-6.6                | 4-SQ, 5-SQ, 10-SQ, 15-SQ, 20-SQ |  |
| 51                    | 392       | Transportation Equipment                  | 114,537            | 74,641              | 11.380%      | 13,034                          | 0             | 6                      | 7-L2.5                          |  |
| 52                    | 393       | Stores Equipment                          | 440,045            | 226,931             | 5.820%       | 25,611                          | 0             | 9                      | 25-SQ                           |  |
| 53                    | 394       | Tools, Shop, and Garage Equipment         | 1,175,435          | 552,066             | 5.040%       | 59,242                          | 0             | 14                     | 25-SQ                           |  |
| 54                    | 395       | Laboratory Equipment                      | -                  | -                   |              | -                               |               |                        |                                 |  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT  
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DATA:  BASE PERIOD  FORECASTED PERIOD  
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WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.2  
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WITNESS: K. W. BLAKE

| ADJUSTED JURISDICTION |           |  |                  |                     |              |                                 |               |                        |            |  |
|-----------------------|-----------|--|------------------|---------------------|--------------|---------------------------------|---------------|------------------------|------------|--|
| LINE NO.              | ACCT. NO. | ACCOUNT TITLE OR MAJOR PROPERTY GROUPING | PLANT INVESTMENT | ACCUMULATED BALANCE | ACCRUAL RATE | CALCULATED DEPRECIATION EXPENSE | % NET SALVAGE | REMAINING SERVICE LIFE | CURVE FORM |  |
| (A)                   | (B)       | (C)                                      | (D)              | (E)                 | (F)          | (G=DxF)                         | (H)           | (I)                    | (J)        |  |
|                       |           |  | \$               | \$                  |              | \$                              |               |                        |            |  |
| 55                    | 396       | Power Operated Equipment                 | 74,993           | 68,884              | 1.130%       | 847                             | 0             | 11                     | 12-L1.5    |  |
| 56                    | 397       | Communication Equipment                  | 12,926,086       | 9,992,760           | 13.140%      | 1,698,488                       | 0             | 4                      | 10-SQ      |  |
| 56                    | 398       | Miscellaneous Equipment                  | -                | 0                   | 0.000%       | -                               | 0             | -                      | 10-SQ      |  |
| 57                    | 399       | ARO Cost Common                          | -                | -                   |              | -                               |               |                        |            |  |
| 58                    |           | Total Common Plant allocated to Gas      | 79,655,184       | 41,286,880          |              | 7,061,073                       |               |                        |            |  |
| 59                    |           | TOTAL GAS PLANT                          | 918,694,289      | 318,549,870         |              | 28,428,068                      |               |                        |            |  |

(1) 30% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
CONSTRUCTION WORK IN PROGRESS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
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SCHEDULE B-4  
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WITNESS: K. W. BLAKE

| LINE NO. | MAJOR PROPERTY GROUPING | ACCUMULATED COSTS   |                   |                | TOTAL COSTS | JURIS. PERCENT | JURISDICTIONAL TOTAL | ADJUSTMENTS | ADJUSTED JURISDICTION |
|----------|-------------------------|---------------------|-------------------|----------------|-------------|----------------|----------------------|-------------|-----------------------|
|          |                         | CONSTRUCTION AMOUNT | AFUDC CAPITALIZED | INDIRECT COSTS |             |                |                      |             |                       |
|          |                         | \$                  | \$                | \$             | \$          | \$             | \$                   | \$          |                       |
| GAS:     |                         |                     |                   |                |             |                |                      |             |                       |
| 1        | PRODUCTION              | -                   | -                 | -              | -           | 100.000%       | -                    | -           | -                     |
| 2        | STORAGE AND PROCESSING  | 1,160,331           | -                 | -              | 1,160,331   | 100.000%       | 1,160,331            | -           | 1,160,331             |
| 3        | TRANSMISSION            | 804,423             | -                 | -              | 804,423     | 100.000%       | 804,423              | -           | 804,423               |
| 4        | DISTRIBUTION            | 4,983,032           | -                 | -              | 4,983,032   | 100.000%       | 4,983,032            | -           | 4,983,032             |
| 5        | GENERAL                 | 195,039             | -                 | -              | 195,039     | 100.000%       | 195,039              | -           | 195,039               |
| 6        | COMMON                  | 2,705,800           | -                 | -              | 2,705,800   | 100.000%       | 2,705,800            | -           | 2,705,800             |
| 7        | TOTAL GAS               | 9,848,626           | -                 | -              | 9,848,626   |                | 9,848,626            | -           | 9,848,626             |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
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| LINE NO. | MAJOR PROPERTY GROUPING | TOTAL COMPANY ADJUSTMENT | JURISDICTIONAL PERCENT | JURISDICTIONAL ADJUSTMENTS | WORKPAPER REFERENCE NO. | DESCRIPTION AND PURPOSE OF ADJUSTMENT |
|----------|-------------------------|--------------------------|------------------------|----------------------------|-------------------------|---------------------------------------|
|          |                         | \$                       |                        | \$                         |                         |                                       |
|          | GAS:                    |                          |                        |                            |                         |                                       |
| 1        | PRODUCTION              |                          | 100.000%               | -                          |                         |                                       |
| 2        | STORAGE AND PROCESSING  |                          | 100.000%               | -                          |                         |                                       |
| 3        | TRANSMISSION            |                          | 100.000%               | -                          |                         |                                       |
| 4        | DISTRIBUTION            |                          | 100.000%               | -                          |                         |                                       |
| 5        | GENERAL                 |                          | 100.000%               | -                          |                         |                                       |
| 6        | COMMON                  |                          | 100.000%               | -                          |                         |                                       |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
ALLOWANCE FOR WORKING CAPITAL  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-5

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | WORKING CAPITAL COMPONENT          | DESCRIPTION OF METHODOLOGY USED TO DETERMINE JURISDICTIONAL REQUIREMENT | WORKPAPER REFERENCE NO. | TOTAL COMPANY | JURIS. PERCENT | JURISDICTIONAL AMOUNT |
|----------|------------------------------------|---|-------------------------|---------------|----------------|-----------------------|
|          |                                    |   |                         | \$            |                | \$                    |
|          | GAS:                               |   |                         |               |                |                       |
| 1        | GAS STORED UNDERGROUND             | 13 MONTH AVERAGE BALANCE  | B-5.1                   | 34,216,018    | 100.000%       | 34,216,018            |
| 2        | MATERIAL AND SUPPLIES              | 13 MONTH AVERAGE BALANCE  | B-5.1                   | 545,202       | 100.000%       | 545,202               |
| 3        | PREPAYMENTS (a)                    | 13 MONTH AVERAGE BALANCE  | B-5.1                   | 900,361       | 100.000%       | 900,361               |
| 4        | OTHER                              | 13 MONTH AVERAGE BALANCE  | B-5.1                   | -             | 100.000%       | -                     |
| 5        | CASH WORKING CAPITAL               | 1/8 O&M METHOD LESS GAS SUPPLY EXPENSE                                  | B-5.2                   | 8,429,885     | 100.000%       | 8,429,885             |
| 6        | TOTAL WORKING CAPITAL REQUIREMENTS |   |                         | 44,091,466    |                | 44,091,466            |

(a) Excludes PSC fees.



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
OTHER WORKING CAPITAL COMPONENTS  
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DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-5.1

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION                 | 13 MONTH AVERAGE FOR PERIOD |                |                       |
|----------|-----------------------------|-----------------------------|----------------|-----------------------|
|          |                             | TOTAL COMPANY               | JURIS. PERCENT | JURISDICTIONAL AMOUNT |
|          |                             | \$                          |                | \$                    |
|          | GAS:                        |                             |                |                       |
| 1        | GAS STORED UNDERGROUND      | 34,216,018                  | 100.000%       | 34,216,018            |
| 2        | MATERIAL AND SUPPLIES       | 545,202                     | 100.000%       | 545,202               |
| 3        | PREPAYMENTS (a)             | 900,361                     | 100.000%       | 900,361               |
| 4        | OTHER                       | -                           | 100.000%       | -                     |
| 5        | TOTAL OTHER WORKING CAPITAL | <u>35,661,581</u>           |                | <u>35,661,581</u>     |

(a) Excludes PSC fees.

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
CASH WORKING CAPITAL COMPONENTS  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-5.2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION                              | TOTAL COMPANY | JURIS. PERCENT | JURISDICTIONAL AMOUNT |
|----------|--|---------------|----------------|-----------------------|
|          |  | \$            |                | \$                    |
|          | GAS:                                     |               |                |                       |
| 1        | OPERATING AND MAINTENANCE EXPENSE        | 261,364,295   | 100.000%       | 261,364,295           |
| 2        | GAS SUPPLY EXPENSES                      | 193,925,218   | 100.000%       | 193,925,218           |
| 3        | O&M LESS GAS SUPPLY EXPENSE (LINE 1 - 2) | 67,439,077    |                | 67,439,077            |
| 4        | CASH WORKING CAPITAL (12.5% OF LINE 3)   | 8,429,885     |                | 8,429,885             |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-6  
PAGE 1 OF 2  
WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO.     | DESCRIPTION                        | BASE PERIOD TOTAL COMPANY | JURIS. PERCENT | JURISDICTIONAL TOTAL | ADJUSTMENTS  | ADJUSTED JURISDICTION |
|----------|---------------|------------------------------------|---------------------------|----------------|----------------------|--------------|-----------------------|
|          |               |                                    | \$                        |                | \$                   | \$           | \$                    |
| 1        | 252           | Customer Advances for Construction | 6,272,713                 | 100.000%       | 6,272,713            | -            | 6,272,713             |
| 2        | 255           | Deferred Investment Tax Credits    |                           | 100.000%       | -                    | -            | -                     |
| 3        | 190, 282, 283 | Deferred Income Taxes (a)          | 162,739,197               | 100.000%       | 162,739,197          | (16,832,210) | 145,906,987           |

(a) Adjustment reflects GLT and DSM jurisdictional amounts.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - GAS OPERATIONS

JURISDICTIONAL PERCENTAGE

BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-7

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE | JURIS. PERCENT | DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION |
|----------|-----------|---------------|----------------|--|
|----------|-----------|---------------|----------------|--|

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ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - GAS OPERATIONS

JURISDICTIONAL STATISTICS - RATE BASE

BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-7.1

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

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| LINE NO. | DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT | STATISTIC TOTAL COMPANY | ADJUSTMENT TO TOTAL COMPANY STATISTIC | ADJUSTED STATISTIC FOR TOTAL COMPANY | STATISTIC FOR RATE AREA | ALLOCATION FACTOR % |
|----------|--|-------------------------|---------------------------------------|--------------------------------------|-------------------------|---------------------|
| (A)      | (B)  | (C)                     | (D)                                   | (E=C+D)                              | (F)                     | (G=F/E)             |

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ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - GAS OPERATIONS

EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES - RATE BASE

BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD

SCHEDULE B-7.2

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S):

WITNESS: K. W. BLAKE

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| LINE NO. | ACCT. NO. | DESCRIPTION | PROCEDURES APPROVED IN PRIOR CASE | RATIONALE FOR CHANGE |
|----------|-----------|-------------|-----------------------------------|----------------------|
|----------|-----------|-------------|-----------------------------------|----------------------|

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ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY  
AS OF DECEMBER 31, 2009 - 2013 AND BASE AND FORECASTED PERIODS

DATA: \_\_X\_\_BASE PERIOD \_\_X\_\_FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):.

SCHEDULE B-8  
PAGE 1 OF 4  
WITNESS: K. W. BLAKE

| LINE NO.                                | DESCRIPTION                                      | 13 MO AVG        |          | BASE             |           | 2013             | % CHANGE | 2012             | % CHANGE   | 2011             | % CHANGE | 2010             | % CHANGE  | 2009             |
|---|--|------------------|----------|------------------|-----------|------------------|----------|------------------|------------|------------------|----------|------------------|-----------|------------------|
|   |  | FORECAST PERIOD  | % CHANGE | PERIOD           | % CHANGE  |                  |          |                  |            |                  |          |                  |           |                  |
| <b>1 ASSETS</b>                         |  |                  |          |                  |           |                  |          |                  |            |                  |          |                  |           |                  |
| <b>2 UTILITY PLANT</b>                  |  |                  |          |                  |           |                  |          |                  |            |                  |          |                  |           |                  |
| 3                                       | Utility Plant                                    | \$ 6,098,050,660 | 7.46%    | \$ 5,674,583,290 | 11.97%    | \$ 5,067,913,274 | 3.82%    | \$ 4,881,636,687 | 4.31%      | \$ 4,679,879,565 | 7.30%    | \$ 4,361,375,746 | 3.91%     | \$ 4,197,366,420 |
| 4                                       | Construction Work in Progress                    | 366,699,198      | -48.35%  | 709,974,685      | 8.99%     | 651,432,116      | 152.14%  | 258,364,758      | 20.02%     | 215,276,377      | -44.13%  | 385,323,918      | 12.63%    | 342,126,538      |
| 5                                       | Total Utility Plant                              | \$ 6,464,749,858 | 1.26%    | \$ 6,384,557,975 | 11.63%    | \$ 5,719,345,390 | 11.27%   | \$ 5,140,001,445 | 5.00%      | \$ 4,895,155,942 | 3.13%    | \$ 4,746,699,664 | 4.56%     | \$ 4,539,492,958 |
| 6                                       | Less: Accumulated Provision for Depreciation     | 2,087,843,420    | -10.92%  | 2,343,810,620    | 1.72%     | 2,304,132,232    | 4.65%    | 2,201,756,057    | 3.96%      | 2,117,873,453    | 3.66%    | 2,043,099,790    | 4.14%     | 1,961,838,755    |
| 7                                       | Net Utility Plant                                | \$ 4,376,906,438 | 8.32%    | \$ 4,040,747,355 | 18.32%    | \$ 3,415,213,158 | 16.23%   | \$ 2,938,245,388 | 5.80%      | \$ 2,777,282,489 | 2.73%    | \$ 2,703,599,874 | 4.89%     | \$ 2,577,654,203 |
| <b>8 OTHER PROPERTY AND INVESTMENTS</b> |  |                  |          |                  |           |                  |          |                  |            |                  |          |                  |           |                  |
| 9                                       | Nonutility Property-Less Reserve                 | \$ 539,420       | -4.95%   | \$ 567,535       | 15.96%    | \$ 489,421       | -7.14%   | \$ 527,050       | 4336.82%   | \$ 11,879        | 0.00%    | \$ 11,879        | 0.00%     | \$ 11,879        |
| 10                                      | Investment in Subsidiary Companies               | -                | 0.00%    | -                | 0.00%     | -                | 0.00%    | -                | 0.00%      | -                | 0.00%    | -                | 0.00%     | -                |
| 11                                      | Other Investments                                | 594,286          | 0.00%    | 594,286          | 0.00%     | 594,286          | 0.00%    | 594,286          | 0.00%      | 594,286          | 0.00%    | 594,286          | 0.00%     | 594,286          |
| 12                                      | Special Funds                                    | 21,207,370       | -8.19%   | 23,097,939       | 3.93%     | 22,225,512       | -29.99%  | 31,747,624       | 10.06%     | 28,846,731       | 53.74%   | 18,763,174       | 9.84%     | 17,082,758       |
| 13                                      | Total Other Property and Investments             | \$ 22,341,077    | -7.91%   | \$ 24,259,760    | 4.08%     | \$ 23,309,219    | -29.08%  | \$ 32,868,960    | 11.60%     | \$ 29,452,896    | 52.06%   | \$ 19,369,339    | 9.50%     | \$ 17,688,923    |
| <b>14 CURRENT AND ACCRUED ASSETS</b>    |  |                  |          |                  |           |                  |          |                  |            |                  |          |                  |           |                  |
| 15                                      | Cash   | \$ 5,000,000     | -45.72%  | \$ 9,210,821     | 165.61%   | \$ 3,467,771     | -52.96%  | \$ 7,372,093     | -70.42%    | \$ 24,920,485    | 1130.27% | \$ 2,025,606     | -61.01%   | \$ 5,195,367     |
| 16                                      | Special Deposits                                 | -                | 0.00%    | -                | 0.00%     | -                | 0.00%    | -                | -100.00%   | 12,277           | -99.65%  | 3,511,015        | 361.26%   | 761,176          |
| 17                                      | Working Funds                                    | 19,790           | 100.00%  | -                | -100.00%  | 20,090           | 0.00%    | 20,090           | 0.00%      | 20,090           | 0.00%    | 20,090           | -2.62%    | 20,630           |
| 18                                      | Temporary Cash Investments                       | 11,816,053       | 222.80%  | 3,660,446        | -19.27%   | 4,534,363        | -68.33%  | 14,316,601       | 43199.66%  | 33,064           | -67.07%  | 100,405          | 83570.83% | 120              |
| 19                                      | Customer Accounts Receivable                     | 95,977,514       | -32.52%  | 142,231,459      | 38.49%    | 102,699,350      | 70.17%   | 60,350,235       | -2.38%     | 61,822,664       | -13.84%  | 71,756,568       | 4.90%     | 68,405,444       |
| 20                                      | Other Accounts Receivable                        | 9,013,365        | 8.61%    | 8,298,535        | -16.45%   | 9,932,730        | -38.38%  | 16,118,221       | 24.49%     | 12,947,354       | -25.72%  | 17,430,403       | 39.49%    | 12,496,194       |
| 21                                      | Less: Accum Prov. for Uncollectable Accts-Credit | 1,843,346        | 7.46%    | 1,715,407        | -6.20%    | 1,828,848        | 50.15%   | 1,218,026        | -33.66%    | 1,835,907        | -60.13%  | 4,604,835        | 170.22%   | 1,704,122        |
| 22                                      | Accounts Receivable from Associated Companies    | 16,226,934       | -80.53%  | 83,334,102       | 76539.63% | 108,735          | -99.20%  | 13,662,418       | 25.15%     | 10,916,898       | -63.37%  | 29,799,791       | -43.84%   | 53,063,384       |
| 23                                      | Fuel   | 50,713,481       | 1.00%    | 50,210,453       | -21.78%   | 64,191,758       | 5.06%    | 61,099,619       | 16.37%     | 52,502,546       | -22.84%  | 68,043,290       | 12.48%    | 60,492,689       |
| 24                                      | Plant Materials and Operating Supplies           | 25,536,854       | -27.99%  | 35,464,230       | -0.98%    | 35,816,744       | 9.44%    | 32,727,610       | 6.86%      | 30,625,941       | 4.43%    | 29,326,916       | 0.92%     | 29,060,731       |
| 25                                      | Stores Expense Undistributed                     | 6,277,557        | -2.35%   | 6,428,535        | 3.91%     | 6,186,832        | 5.58%    | 5,860,024        | 4.71%      | 5,596,506        | 13.22%   | 4,943,154        | 18.43%    | 4,173,783        |
| 26                                      | Gas Stored Underground                           | 30,973,031       | 27.11%   | 24,366,912       | -50.96%   | 49,686,878       | 12.54%   | 44,150,144       | -20.35%    | 55,427,595       | -10.74%  | 62,096,171       | 6.47%     | 58,323,307       |
| 27                                      | Prepayments                                      | 7,563,716        | 2.30%    | 7,393,433        | 44.24%    | 5,125,670        | -26.53%  | 6,976,761        | 27.49%     | 5,472,353        | -19.91%  | 6,832,694        | -12.69%   | 7,825,625        |
| 28                                      | Interest, Dividends, and Rents Receivable        | 764,729          | -15.27%  | 902,518          | 60.50%    | 562,307          | 55.80%   | 360,905          | 1150.23%   | 28,867           | -8.44%   | 31,529           | -74.89%   | 125,573          |
| 29                                      | Accrued Utility Revenues                         | 71,756,214       | -15.48%  | 84,901,327       | -0.29%    | 85,152,363       | 18.03%   | 72,143,278       | 11.96%     | 64,436,527       | -18.43%  | 78,996,467       | 24.06%    | 63,676,000       |
| 30                                      | Miscellaneous Current Assets                     | 23,618           | 273.70%  | 6,320            | -84.86%   | 41,739           | -99.42%  | 7,144,047        | 284296.78% | 2,512            | -98.21%  | 140,637          | -91.22%   | 1,603,440        |
| 31                                      | Total Current and Accrued Assets                 | \$ 329,819,509   | -27.46%  | \$ 454,693,684   | 24.34%    | \$ 365,698,482   | 7.22%    | \$ 341,084,020   | 5.62%      | \$ 322,929,772   | -12.83%  | \$ 370,449,901   | 1.91%     | \$ 363,519,339   |
| <b>32 DEFERRED DEBITS</b>               |  |                  |          |                  |           |                  |          |                  |            |                  |          |                  |           |                  |
| 33                                      | Unamortized Debt Expense                         | \$ 11,076,094    | -12.69%  | \$ 12,686,211    | -9.16%    | \$ 13,965,458    | 6.39%    | \$ 13,126,319    | -1.50%     | \$ 13,326,195    | 1.60%    | \$ 13,116,652    | 240.32%   | \$ 3,854,161     |
| 34                                      | Other Regulatory Assets                          | 289,858,474      | -30.97%  | 419,900,836      | 34.30%    | 312,656,793      | -23.46%  | 408,462,227      | 2.86%      | 397,110,901      | 15.43%   | 344,036,363      | 7.51%     | 319,990,094      |
| 35                                      | Miscellaneous Deferred Debits                    | 5,341,794        | 12.13%   | 4,764,072        | 218.88%   | 1,493,996        | -23.07%  | 1,942,009        | 31.15%     | 1,480,708        | 31.38%   | 1,127,061        | -70.68%   | 3,844,267        |
| 36                                      | Unamortized Loss on Re-Acquired Debt             | 16,490,387       | -7.58%   | 17,842,559       | -3.25%    | 18,442,649       | -7.64%   | 19,968,045       | -4.75%     | 20,963,863       | -4.43%   | 21,934,649       | -5.12%    | 23,119,334       |
| 37                                      | Accumulated Deferred Income Taxes                | 125,509,565      | -23.94%  | 165,010,035      | 25.96%    | 130,998,531      | 22.60%   | 106,846,806      | 348.44%    | 23,826,072       | -38.50%  | 38,744,526       | -33.51%   | 58,267,128       |
| 38                                      | Total Deferred Debits                            | \$ 448,276,314   | -27.72%  | \$ 620,203,713   | 29.87%    | \$ 477,557,427   | -13.23%  | \$ 550,345,406   | 20.50%     | \$ 456,707,739   | 9.01%    | \$ 418,959,251   | 2.42%     | \$ 409,074,984   |
| 39                                      | Total Assets                                     | \$ 5,177,343,338 | 0.73%    | \$ 5,139,904,512 | 20.04%    | \$ 4,281,778,286 | 10.85%   | \$ 3,862,543,774 | 7.70%      | \$ 3,586,372,896 | 2.11%    | \$ 3,512,378,365 | 4.29%     | \$ 3,367,937,449 |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY  
AS OF DECEMBER 31, 2009 - 2013 AND BASE AND FORECASTED PERIODS

DATA: \_\_X\_\_ BASE PERIOD \_\_X\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8  
PAGE 2 OF 4  
WITNESS: K. W. BLAKE

| LINE NO.  | DESCRIPTION                                       | 13 MO AVG FORECAST |          | BASE             |          | 2013             | % CHANGE | 2012             | % CHANGE | 2011             | % CHANGE | 2010             | % CHANGE | 2009             |
|-----------|---|--------------------|----------|------------------|----------|------------------|----------|------------------|----------|------------------|----------|------------------|----------|------------------|
|           |   | PERIOD             | % CHANGE | PERIOD           | % CHANGE |                  |          |                  |          |                  |          |                  |          |                  |
| <b>1</b>  | <b>LIABILITIES &amp; PROPRIETARY CAPITAL</b>      |                    |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| <b>2</b>  | <b>PROPRIETARY CAPITAL</b>                        |                    |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| 3         | Common Stock Issued                               | \$ 425,170,424     | 0.00%    | \$ 425,170,424   | 0.00%    | \$ 425,170,424   | 0.00%    | \$ 425,170,424   | 0.00%    | \$ 425,170,424   | 0.00%    | \$ 425,170,424   | 0.00%    | \$ 425,170,424   |
| 4         | Paid in Capital                                   | 439,313,765        | 34.31%   | 327,081,499      | 92.88%   | 169,581,499      | 102.89%  | 83,581,499       | 0.00%    | 83,581,499       | 0.00%    | 83,581,499       | 0.00%    | 83,581,499       |
| 5         | (Less) Capital Stock Expense                      | 835,889            | 0.00%    | 835,889          | 0.00%    | 835,889          | 0.00%    | 835,889          | 0.00%    | 835,889          | 0.00%    | 835,889          | 0.00%    | 835,889          |
| 6         | Other Comprehensive Income                        | 0                  | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | -100.00% | (10,454,765)     |
| 7         | Retained Earnings                                 | 1,092,416,674      | 3.73%    | 1,053,170,519    | 7.87%    | 976,302,939      | 6.51%    | 916,602,336      | 5.49%    | 868,929,558      | 4.94%    | 827,993,252      | 9.63%    | 755,278,866      |
| 8         | Unappropriated Undistributed Subsidiary Earnings  | 0                  | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                |
| 9         | Total Proprietary Capital                         | \$ 1,956,064,974   | 8.39%    | \$ 1,804,586,553 | 14.93%   | \$ 1,570,218,973 | 10.23%   | \$ 1,424,518,370 | 3.46%    | \$ 1,376,845,592 | 3.06%    | \$ 1,335,909,286 | 6.64%    | \$ 1,252,740,135 |
| <b>10</b> | <b>LONG-TERM DEBT</b>                             |                    |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| 11        | Bonds   | \$ 1,581,969,450   | 16.77%   | \$ 1,354,798,504 | 0.03%    | \$ 1,354,402,769 | 22.47%   | \$ 1,105,915,402 | 0.03%    | \$ 1,105,635,542 | 17.35%   | \$ 942,155,683   | 129.18%  | \$ 411,104,000   |
| 12        | Long-Term Debt to Associated Companies            | 0                  | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | -100.00% | 485,000,000      |
| 13        | Total Long-Term Debt                              | \$ 1,581,969,450   | 16.77%   | \$ 1,354,798,504 | 0.03%    | \$ 1,354,402,769 | 22.47%   | \$ 1,105,915,402 | 0.03%    | \$ 1,105,635,542 | 17.35%   | \$ 942,155,683   | 5.14%    | \$ 896,104,000   |
| <b>14</b> | <b>OTHER NON-CURRENT LIABILITIES</b>              |                    |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| 15        | Long Term Obligations Under Capital Leases        | \$ -               | 0.00%    | \$ -             | 0.00%    | \$ -             | 0.00%    | \$ -             | 0.00%    | \$ -             | 0.00%    | \$ -             | 0.00%    | \$ -             |
| 16        | Accumulated Provision for Postretirement Benefits | 46,110,576         | -61.93%  | 121,112,172      | 27.35%   | 95,101,935       | -48.96%  | 186,312,333      | 1.18%    | 184,133,496      | -13.79%  | 213,591,951      | 5.98%    | 201,536,191      |
| 17        | Total Other Non-Current Liabilities               | \$ 46,110,576      | -61.93%  | \$ 121,112,172   | 27.35%   | \$ 95,101,935    | -48.96%  | \$ 186,312,333   | 1.18%    | \$ 184,133,496   | -13.79%  | \$ 213,591,951   | 5.98%    | \$ 201,536,191   |
| <b>18</b> | <b>CURRENT AND ACCRUED LIABILITIES</b>            |                    |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| 19        | Notes Payable                                     | \$ 168,476,606     | -42.89%  | \$ 294,981,079   | 1375.14% | \$ 19,996,778    | -63.64%  | \$ 54,992,669    | 100.00%  | \$ -             | -100.00% | \$ 163,000,000   | 100.00%  | \$ -             |
| 20        | Accounts Payable                                  | 238,990,281        | 5.67%    | 226,174,918      | 32.38%   | 170,850,243      | 40.53%   | 121,578,266      | 24.25%   | 97,848,808       | -6.79%   | 104,974,357      | 7.90%    | 97,284,356       |
| 21        | Notes Payable to Associated Companies             | 0                  | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | -100.00% | 11,876,000       | -93.03%  | 170,400,400      |
| 22        | Accounts Payable to Associated Companies          | 24,994,014         | 81.53%   | 13,768,731       | -43.33%  | 24,294,741       | 6.56%    | 22,801,659       | -10.68%  | 25,528,426       | 28.00%   | 19,944,791       | -28.08%  | 27,731,236       |
| 23        | Customer Deposits                                 | 24,000,007         | -3.32%   | 24,824,335       | 3.11%    | 24,075,549       | 2.61%    | 23,464,189       | 4.93%    | 22,361,042       | -3.77%   | 23,237,608       | 3.46%    | 22,459,554       |
| 24        | Taxes Accrued                                     | 28,260,663         | 143.78%  | 11,592,728       | 1.03%    | 11,474,665       | 561.18%  | 1,735,495        | -86.94%  | 13,284,850       | 38.41%   | 9,598,153        | -64.09%  | 26,729,807       |
| 25        | Interest Accrued                                  | 13,605,394         | 15.43%   | 11,786,458       | 111.22%  | 5,580,258        | 9.02%    | 5,118,488        | -12.14%  | 5,825,755        | 11.27%   | 5,235,853        | 55.89%   | 3,358,756        |
| 26        | Tax Collections Payable                           | 1,218,859          | 100.00%  | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                | 0.00%    | 0                |
| 27        | Miscellaneous Current and Accrued Liabilities     | 60,706,639         | -60.27%  | 152,793,447      | 535.61%  | 24,038,771       | -5.70%   | 25,492,409       | 14.95%   | 22,176,210       | -10.76%  | 24,850,419       | 1.35%    | 24,518,758       |
| 28        | Total Current and Accrued Liabilities             | \$ 560,252,463     | -23.87%  | \$ 735,921,696   | 162.54%  | \$ 280,311,005   | 9.85%    | \$ 255,183,175   | 36.44%   | \$ 187,025,091   | -48.44%  | \$ 362,717,181   | -2.62%   | \$ 372,482,867   |
| <b>29</b> | <b>DEFERRED CREDITS</b>                           |                    |          |                  |          |                  |          |                  |          |                  |          |                  |          |                  |
| 30        | Customer Advances for Construction                | \$ 7,841,390       | 1.07%    | \$ 7,758,016     | 14.97%   | \$ 6,748,025     | 0.57%    | \$ 6,709,975     | -8.17%   | \$ 7,307,168     | -14.84%  | \$ 8,580,930     | -10.20%  | \$ 9,555,185     |
| 31        | Accumulated Deferred Investment Tax Credits       | 34,658,197         | -3.08%   | 35,758,999       | -5.33%   | 37,770,885       | -5.27%   | 39,871,227       | -6.67%   | 42,718,844       | -6.16%   | 45,524,576       | -5.21%   | 48,026,350       |
| 32        | Other Deferred Credits                            | 17,650,946         | 6.11%    | 16,635,067       | -2.82%   | 17,117,636       | 131.03%  | 7,409,317        | 44.70%   | 5,120,367        | -9.81%   | 5,677,070        | -30.44%  | 8,161,866        |
| 33        | Other Regulatory Liabilities                      | 73,692,030         | -20.64%  | 92,852,684       | 0.31%    | 92,564,168       | 64.63%   | 56,225,014       | -4.08%   | 58,617,596       | 13.98%   | 51,426,349       | -39.43%  | 84,907,209       |
| 34        | Asset Retirement Obligation                       | 89,981,044         | 4.64%    | 85,988,289       | 4.61%    | 82,196,215       | 27.07%   | 64,684,737       | 10.37%   | 58,606,350       | 11.31%   | 52,650,789       | 59.34%   | 33,043,629       |
| 35        | Miscellaneous Long-Term Liabilities               | 19,804,550         | 363.50%  | 4,272,805        | -88.31%  | 36,535,512       | -37.77%  | 58,713,172       | -3.28%   | 60,707,003       | 69.80%   | 35,751,188       | 5.39%    | 33,921,655       |
| 36        | Accumulated Deferred Income Taxes                 | 789,317,717        | -10.33%  | 880,219,727      | 24.18%   | 708,811,163      | 7.89%    | 657,001,051      | 31.49%   | 499,655,847      | 9.00%    | 458,393,362      | 7.24%    | 427,458,362      |
| 37        | Total Deferred Credits                            | \$ 1,032,945,874   | -8.06%   | \$ 1,123,485,587 | 14.44%   | \$ 981,743,604   | 10.23%   | \$ 890,614,493   | 21.55%   | \$ 732,733,175   | 11.36%   | \$ 658,004,264   | 2.00%    | \$ 645,074,256   |
| 38        | Total Liabilities and Stockholders Equity         | \$ 5,177,343,338   | 0.73%    | \$ 5,139,904,512 | 20.04%   | \$ 4,281,778,286 | 10.85%   | \$ 3,862,543,773 | 7.70%    | \$ 3,586,372,896 | 2.11%    | \$ 3,512,378,365 | 4.29%    | \$ 3,367,937,449 |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
COMPARATIVE BALANCE SHEETS - GAS  
AS OF DECEMBER 31, 2009 - 2013 AND BASE AND FORECASTED PERIODS

DATA: \_\_X\_\_BASE PERIOD \_\_X\_\_FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):.

SCHEDULE B-8  
PAGE 3 OF 4  
WITNESS: K. W. BLAKE

| LINE NO.  | DESCRIPTION                                      | 13 MO AVG        |           | BASE             |           | 2013           | % CHANGE  | 2012           | % CHANGE  | 2011           | % CHANGE | 2010           | % CHANGE  | 2009           |
|-----------|--|------------------|-----------|------------------|-----------|----------------|-----------|----------------|-----------|----------------|----------|----------------|-----------|----------------|
|           |  | FORECAST PERIOD  | % CHANGE  | PERIOD           | % CHANGE  |                |           |                |           |                |          |                |           |                |
| <b>1</b>  | <b>ASSETS</b>                                    |                  |           |                  |           |                |           |                |           |                |          |                |           |                |
| <b>2</b>  | <b>UTILITY PLANT</b>                             |                  |           |                  |           |                |           |                |           |                |          |                |           |                |
| 3         | Utility Plant                                    | \$ 1,127,939,930 | 7.71%     | \$ 1,047,164,385 | 14.91%    | \$ 911,274,955 | 8.23%     | \$ 841,958,665 | 6.74%     | \$ 788,760,801 | 6.75%    | \$ 738,860,164 | 6.15%     | \$ 696,081,374 |
| 4         | Construction Work in Progress                    | 14,162,893       | 43.81%    | 9,848,626        | -83.93%   | 61,294,002     | -0.54%    | 61,624,858     | 18.84%    | 51,855,952     | 13.99%   | 45,492,154     | 47.35%    | 30,873,564     |
| 5         | Total Utility Plant                              | \$ 1,142,102,823 | 8.05%     | \$ 1,057,013,011 | 8.68%     | \$ 972,568,957 | 7.63%     | \$ 903,583,523 | 7.49%     | \$ 840,616,753 | 7.17%    | \$ 784,352,318 | 7.90%     | \$ 726,954,938 |
| 6         | Less: Accumulated Provision for Depreciation     | 347,386,185      | 9.37%     | 317,611,913      | 7.62%     | 295,119,381    | 6.12%     | 278,100,868    | 5.00%     | 264,851,338    | 4.29%    | 253,958,306    | 2.35%     | 248,130,409    |
| 7         | Net Utility Plant                                | \$ 794,716,638   | 7.48%     | \$ 739,401,098   | 9.14%     | \$ 677,449,576 | 8.31%     | \$ 625,482,655 | 8.63%     | \$ 575,765,415 | 8.55%    | \$ 530,394,012 | 10.77%    | \$ 478,824,529 |
| <b>8</b>  | <b>OTHER PROPERTY AND INVESTMENTS</b>            |                  |           |                  |           |                |           |                |           |                |          |                |           |                |
| 9         | Nonutility Property-Less Reserve                 | \$ 161,826       | -4.56%    | \$ 169,556       | 20.04%    | \$ 141,251     | 845.33%   | \$ 14,942      | 333.73%   | \$ 3,445       | 7.42%    | \$ 3,207       | 3.82%     | \$ 3,089       |
| 10        | Investment in Subsidiary Companies               | -                | 0.00%     | -                | 0.00%     | -              | 0.00%     | -              | 0.00%     | -              | 0.00%    | -              | 0.00%     | -              |
| 11        | Other Investments                                | -                | 0.00%     | -                | 0.00%     | -              | 0.00%     | -              | 0.00%     | -              | 0.00%    | -              | 0.00%     | -              |
| 12        | Special Funds                                    | 3,692,203        | -8.66%    | 4,042,139        | -6.73%    | 4,333,975      | -35.58%   | 6,727,322      | 10.95%    | 6,063,583      | 53.45%   | 3,951,524      | 13.06%    | 3,495,132      |
| 13        | Total Other Property and Investments             | \$ 3,854,029     | -8.49%    | \$ 4,211,695     | -5.89%    | \$ 4,475,226   | -33.62%   | \$ 6,742,264   | 11.13%    | \$ 6,067,028   | 53.41%   | \$ 3,954,731   | 13.05%    | \$ 3,498,221   |
| <b>14</b> | <b>CURRENT AND ACCRUED ASSETS</b>                |                  |           |                  |           |                |           |                |           |                |          |                |           |                |
| 15        | Cash   | \$ 870,500       | -29.90%   | \$ 1,241,788     | 370.71%   | \$ 263,812     | -84.26%   | \$ 1,675,901   | -68.01%   | \$ 5,238,286   | 1127.94% | \$ 426,593     | -59.87%   | \$ 1,062,972   |
| 16        | Special Deposits                                 | -                | 0.00%     | -                | 0.00%     | -              | 0.00%     | -              | 0.00%     | -              | 0.00%    | -              | 0.00%     | -              |
| 17        | Working Funds                                    | 3,445            | 100.00%   | -                | -100.00%  | 3,918          | -7.96%    | 4,257          | 0.81%     | 4,223          | -0.19%   | 4,231          | -31.23%   | 6,152          |
| 18        | Temporary Cash Investments                       | 2,057,175        | 218.77%   | 645,349          | -27.45%   | 889,517        | -70.73%   | 3,039,465      | 43633.31% | 6,950          | -67.13%  | 21,145         | 81226.92% | 26             |
| 19        | Customer Accounts Receivable                     | 21,489,365       | -59.19%   | 52,660,221       | 56.03%    | 33,750,513     | 117.75%   | 15,499,848     | 21.80%    | 12,725,337     | -19.61%  | 15,830,003     | -14.16%   | 18,442,170     |
| 20        | Other Accounts Receivable                        | 2,018,092        | 1481.37%  | 127,617          | -16.66%   | 153,123        | -91.80%   | 1,868,298      | 62.55%    | 1,149,364      | 2216.52% | 49,616         | -91.60%   | 590,435        |
| 21        | Less: Accum Prov. for Uncollectable Accts-Credit | 412,725          | -39.28%   | 679,743          | 64.21%    | 413,938        | -10.23%   | 461,100        | -19.39%   | 572,023        | -18.84%  | 704,792        | 45.23%    | 485,304        |
| 22        | Accounts Receivable from Associated Companies    | 2,811,623        | 18154.92% | 15,402           | 17013.33% | 90             | -99.18%   | 10,922         | -98.42%   | 693,320        | -88.95%  | 6,275,836      | -42.19%   | 10,856,768     |
| 23        | Fuel   | -                | 0.00%     | -                | 0.00%     | -              | 0.00%     | -              | 0.00%     | -              | 0.00%    | -              | 0.00%     | -              |
| 24        | Plant Materials and Operating Supplies           | 388,630          | 3688.56%  | 10,258           | 0.00%     | 10,258         | -1416.82% | (779)          | -140.05%  | 1,945          | -89.05%  | 17,769         | -11.29%   | 20,030         |
| 25        | Stores Expense Undistributed                     | 96,047           | -58.21%   | 229,825          | 22.98%    | 186,876        | 681.97%   | 23,898         | 595.92%   | 3,434          | 15.78%   | 2,966          | 1.51%     | 2,922          |
| 26        | Gas Stored Underground                           | 30,973,031       | 16.85%    | 26,506,902       | -46.65%   | 49,686,878     | 12.54%    | 44,150,144     | -20.35%   | 55,427,595     | -10.74%  | 62,096,171     | 6.47%     | 58,323,307     |
| 27        | Prepayments                                      | 1,126,796        | 10.98%    | 1,015,275        | 93.24%    | 525,409        | -35.96%   | 820,403        | 56.74%    | 523,430        | -26.70%  | 714,136        | -37.17%   | 1,136,614      |
| 28        | Interest, Dividends, and Rents Receivable        | 171,223          | 46939.27% | 364              | 14.47%    | 318            | -66.67%   | 954            | -90.31%   | 9,843          | -2.70%   | 10,116         | 2749.58%  | 355            |
| 29        | Accrued Utility Revenues                         | 16,066,216       | -48.88%   | 31,428,563       | 1.92%     | 30,835,687     | 49.33%    | 20,649,726     | -3.30%    | 21,355,347     | -27.22%  | 29,343,467     | 22.15%    | 24,022,000     |
| 30        | Miscellaneous Current Assets                     | -                | 0.00%     | -                | 0.00%     | -              | -100.00%  | 1,513,448      | 100.00%   | -              | 0.00%    | -              | 0.00%     | -              |
| 31        | Total Current and Accrued Assets                 | \$ 77,659,419    | -31.40%   | \$ 113,201,821   | -2.32%    | \$ 115,892,461 | 30.52%    | \$ 88,795,385  | -8.05%    | \$ 96,567,051  | -15.36%  | \$ 114,087,257 | 0.10%     | \$ 113,978,447 |
| <b>32</b> | <b>DEFERRED DEBITS</b>                           |                  |           |                  |           |                |           |                |           |                |          |                |           |                |
| 33        | Unamortized Debt Expense                         | \$ 1,928,348     | -13.14%   | \$ 2,220,087     | -18.48%   | \$ 2,723,317   | -2.09%    | \$ 2,781,546   | -0.70%    | \$ 2,801,166   | 1.40%    | \$ 2,762,367   | 250.30%   | \$ 788,561     |
| 34        | Other Regulatory Assets                          | 42,518,973       | -34.93%   | 65,339,068       | 23.54%    | 52,889,424     | -30.74%   | 76,368,770     | -13.66%   | 88,448,145     | 13.57%   | 77,877,967     | 46.89%    | 53,018,333     |
| 35        | Miscellaneous Deferred Debits                    | (138,629)        | -152.18%  | 265,671          | 115.12%   | 123,498        | 439.88%   | 22,875         | -100.36%  | (6,284,096)    | -446.76% | 1,812,256      | 197.94%   | 608,270        |
| 36        | Unamortized Loss on Re-Acquired Debt             | 2,870,976        | -8.05%    | 3,122,448        | -13.19%   | 3,596,792      | -15.01%   | 4,231,941      | -3.96%    | 4,406,604      | -4.61%   | 4,619,437      | -2.34%    | 4,730,216      |
| 37        | Accumulated Deferred Income Taxes                | 24,185,574       | -28.87%   | 34,000,722       | 36.61%    | 24,888,128     | 6.14%     | 23,448,872     | 1304.18%  | 1,669,931      | -84.97%  | 11,107,262     | 111.52%   | 5,251,213      |
| 38        | Total Deferred Debits                            | \$ 71,365,243    | -32.00%   | \$ 104,947,996   | 24.61%    | \$ 84,221,159  | -21.18%   | \$ 106,854,004 | 17.37%    | \$ 91,041,750  | -7.27%   | \$ 98,179,289  | 52.46%    | \$ 64,396,593  |
| 39        | Total Assets                                     | \$ 947,595,330   | -1.47%    | \$ 961,762,610   | 9.04%     | \$ 882,038,422 | 6.54%     | \$ 827,874,308 | 7.59%     | \$ 769,441,244 | 3.06%    | \$ 746,615,289 | 13.00%    | \$ 660,697,790 |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
COMPARATIVE BALANCE SHEETS - GAS  
AS OF DECEMBER 31, 2009 - 2013 AND BASE AND FORECASTED PERIODS

DATA: \_\_X\_\_BASE PERIOD \_\_X\_\_FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8  
PAGE 4 OF 4  
WITNESS: K. W. BLAKE

| LINE NO.  | DESCRIPTION                                       | 13 MO AVG FORECAST |          | BASE           |          | 2013           | % CHANGE | 2012           | % CHANGE | 2011           | % CHANGE | 2010           | % CHANGE | 2009           |
|-----------|---|--------------------|----------|----------------|----------|----------------|----------|----------------|----------|----------------|----------|----------------|----------|----------------|
|           |   | PERIOD             | % CHANGE | PERIOD         | % CHANGE |                |          |                |          |                |          |                |          |                |
| <b>1</b>  | <b>LIABILITIES &amp; PROPRIETARY CAPITAL</b>      |                    |          |                |          |                |          |                |          |                |          |                |          |                |
| <b>2</b>  | <b>PROPRIETARY CAPITAL</b>                        |                    |          |                |          |                |          |                |          |                |          |                |          |                |
| 3         | Common Stock Issued                               | \$ 74,022,171      | -0.51%   | \$ 74,404,824  | -10.26%  | \$ 82,908,233  | -7.98%   | \$ 90,093,613  | 0.81%    | \$ 89,370,823  | -0.19%   | \$ 89,540,891  | 2.93%    | \$ 86,989,869  |
| 4         | Paid in Capital                                   | 76,484,526         | 33.62%   | 57,239,262     | 73.09%   | 33,068,392     | 86.71%   | 17,710,920     | 0.81%    | 17,568,831     | -0.19%   | 17,602,264     | 2.93%    | 17,100,775     |
| 5         | (Less) Capital Stock Expense                      | 145,528            | -0.51%   | 146,281        | -10.26%  | 162,999        | -7.98%   | 177,125        | 0.81%    | 175,704        | -0.19%   | 176,038        | 2.93%    | 171,023        |
| 6         | Other Comprehensive Income                        | 0                  | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | -100.00% | (2,108,169)    |
| 7         | Retained Earnings                                 | 190,189,743        | -2.04%   | 194,147,219    | -0.19%   | 194,517,915    | 2.86%    | 189,106,068    | 10.10%   | 171,756,285    | -7.50%   | 185,687,507    | 27.72%   | 145,387,635    |
| 8         | Unappropriated Undistributed Subsidiary Earnings  | 0                  | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              |
| 9         | Total Proprietary Capital                         | \$ 340,550,912     | 4.58%    | \$ 325,645,024 | 4.93%    | \$ 310,331,541 | 4.58%    | \$ 296,733,476 | 6.54%    | \$ 278,520,235 | -4.83%   | \$ 292,654,624 | 18.39%   | \$ 247,199,087 |
| <b>10</b> | <b>LONG-TERM DEBT</b>                             |                    |          |                |          |                |          |                |          |                |          |                |          |                |
| 11        | Bonds   | \$ 275,420,881     | 15.56%   | \$ 238,339,738 | -9.76%   | \$ 264,108,540 | 12.70%   | \$ 234,343,474 | 0.83%    | \$ 232,404,591 | 17.13%   | \$ 198,417,988 | 135.90%  | \$ 84,111,878  |
| 12        | Long-Term Debt to Associated Companies            | 0                  | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | -100.00% | 99,231,000     |
| 13        | Total Long-Term Debt                              | \$ 275,420,881     | 15.56%   | \$ 238,339,738 | -9.76%   | \$ 264,108,540 | 12.70%   | \$ 234,343,474 | 0.83%    | \$ 232,404,591 | 17.13%   | \$ 198,417,988 | 8.22%    | \$ 183,342,878 |
| <b>14</b> | <b>OTHER NON-CURRENT LIABILITIES</b>              |                    |          |                |          |                |          |                |          |                |          |                |          |                |
| 15        | Long Term Obligations Under Capital Leases        | \$ -               | 0.00%    | \$ -           | 0.00%    | \$ -           | 0.00%    | \$ -           | 0.00%    | \$ -           | 0.00%    | \$ -           | 0.00%    | \$ -           |
| 16        | Accumulated Provision for Postretirement Benefits | 8,027,851          | -62.20%  | 21,240,023     | 14.22%   | 18,595,458     | -52.96%  | 39,534,547     | 2.00%    | 38,759,384     | -13.94%  | 45,037,092     | 9.08%    | 41,287,375     |
| 17        | Total Other Non-Current Liabilities               | \$ 8,027,851       | -62.20%  | \$ 21,240,023  | 14.22%   | \$ 18,595,458  | -52.96%  | \$ 39,534,547  | 2.00%    | \$ 38,759,384  | -13.94%  | \$ 45,037,092  | 9.08%    | \$ 41,287,375  |
| <b>18</b> | <b>CURRENT AND ACCRUED LIABILITIES</b>            |                    |          |                |          |                |          |                |          |                |          |                |          |                |
| 19        | Notes Payable                                     | \$ 29,331,777      | -43.18%  | \$ 51,621,689  | 1223.85% | \$ 3,899,372   | -66.54%  | \$ 11,652,946  | 100.00%  | \$ -           | -100.00% | \$ 34,327,800  | 100.00%  | \$ -           |
| 20        | Accounts Payable                                  | 36,634,328         | 32.27%   | 27,695,830     | 17.38%   | 23,595,049     | -10.08%  | 26,239,159     | 21.31%   | 21,630,697     | 5.58%    | 20,486,662     | 22.89%   | 16,670,942     |
| 21        | Notes Payable to Associated Companies             | 0                  | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | -100.00% | 2,501,086      | -92.83%  | 34,863,922     |
| 22        | Accounts Payable to Associated Companies          | 4,351,458          | 105.33%  | 2,119,295      | -51.99%  | 4,414,072      | -1.48%   | 4,480,241      | -16.51%  | 5,366,075      | 27.75%   | 4,200,373      | -25.97%  | 5,673,811      |
| 23        | Customer Deposits                                 | 4,178,401          | -3.82%   | 4,344,259      | -20.93%  | 5,494,040      | 21.88%   | 4,507,564      | -9.48%   | 4,979,839      | -6.54%   | 5,328,512      | -15.77%  | 6,326,217      |
| 24        | Taxes Accrued                                     | 4,920,181          | 103.93%  | 2,412,716      | -5.42%   | 2,550,995      | 245.54%  | 738,273        | -69.65%  | 2,432,418      | 16.05%   | 2,095,924      | -62.05%  | 5,522,774      |
| 25        | Interest Accrued                                  | 2,368,699          | 15.39%   | 2,052,718      | 88.55%   | 1,088,685      | 0.43%    | 1,084,052      | -11.48%  | 1,224,574      | 11.06%   | 1,102,671      | 60.46%   | 687,201        |
| 26        | Tax Collections Payable                           | 212,203            | 100.00%  | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              | 0.00%    | 0              |
| 27        | Miscellaneous Current and Accrued Liabilities     | 10,569,026         | -69.17%  | 34,286,602     | 210.19%  | 11,053,398     | -3.60%   | 11,465,912     | 21.65%   | 9,425,145      | -20.88%  | 11,913,008     | 26.02%   | 9,453,485      |
| 28        | Total Current and Accrued Liabilities             | \$ 92,566,074      | -25.67%  | \$ 124,533,109 | 139.05%  | \$ 52,095,611  | -13.42%  | \$ 60,168,147  | 33.53%   | \$ 45,058,748  | -45.02%  | \$ 81,956,036  | 3.48%    | \$ 79,198,352  |
| <b>29</b> | <b>DEFERRED CREDITS</b>                           |                    |          |                |          |                |          |                |          |                |          |                |          |                |
| 30        | Customer Advances for Construction                | \$ 6,209,847       | 450.43%  | \$ 1,128,182   | -77.06%  | \$ 4,918,769   | -6.62%   | \$ 5,267,526   | -443.96% | \$ (1,531,444) | 44.62%   | \$ (1,058,941) | -113.75% | \$ 7,700,246   |
| 31        | Accumulated Deferred Investment Tax Credits       | 144,655            | -30.15%  | 207,093        | 100.00%  | 0              | 0.00%    | 0              | -100.00% | 556,206        | -240.81% | (394,998)      | -147.23% | 836,246        |
| 32        | Other Deferred Credits                            | 3,073,030          | 1093.01% | 257,587        | -88.33%  | 2,206,828      | 1024.15% | 196,311        | -141.48% | (473,311)      | -0.90%   | (477,617)      | -157.94% | 824,356        |
| 33        | Other Regulatory Liabilities                      | 11,516,977         | -50.87%  | 23,440,469     | 12.45%   | 20,845,169     | 101.15%  | 10,363,167     | 3.60%    | 10,002,835     | -29.79%  | 14,247,380     | -63.82%  | 39,377,686     |
| 34        | Asset Retirement Obligation                       | 23,109,533         | 7.41%    | 21,515,096     | -1.61%   | 21,866,447     | 2.30%    | 21,375,134     | -50.56%  | 43,230,767     | 12.95%   | 38,273,093     | 1798.09% | 2,016,403      |
| 35        | Miscellaneous Long-Term Liabilities               | 3,447,972          | 361.12%  | 747,741        | -89.50%  | 7,124,425      | -42.74%  | 12,441,321     | -2.50%   | 12,760,612     | 69.51%   | 7,527,923      | 8.47%    | 6,940,371      |
| 36        | Accumulated Deferred Income Taxes                 | 173,660,565        | -10.51%  | 194,050,764    | 33.07%   | 145,827,701    | 6.79%    | 136,549,717    | 44.44%   | 94,539,940     | 52.54%   | 61,975,478     | 22.18%   | 50,724,567     |
| 37        | Total Deferred Credits                            | \$ 221,162,580     | -8.36%   | \$ 241,346,932 | 19.01%   | \$ 202,789,339 | 8.91%    | \$ 186,193,176 | 17.04%   | \$ 159,085,605 | 32.47%   | \$ 120,092,318 | 10.77%   | \$ 108,419,875 |
| 38        | Total Liabilities and Stockholders Equity         | \$ 937,728,298     | -1.41%   | \$ 951,104,826 | 12.17%   | \$ 847,920,489 | 3.79%    | \$ 816,972,820 | 8.38%    | \$ 753,828,563 | 2.12%    | \$ 738,158,058 | 11.94%   | \$ 659,447,567 |
| 39        | Adjustment to Balance                             | \$ 9,867,032       |          | \$ 10,657,784  |          | \$ 34,117,933  |          | \$ 10,901,488  |          | \$ 15,612,681  |          | \$ 8,457,231   |          | \$ 1,250,223   |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(c)**  
**Sponsoring Witness: Kent W. Blake**

**Description of Filing Requirement:**

*A jurisdictional operating income summary for both the base period and the forecasted period with supporting schedules, which provide breakdowns by major account group and by individual account.*

**Response:**

See attached.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE C

JURISDICTIONAL OPERATING INCOME SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - ELECTRIC OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2016

| <u>SCHEDULE</u> | <u>DESCRIPTION</u>   |
|-----------------|--|
| C-1             | JURISDICTIONAL OPERATING INCOME SUMMARY                    |
| C-2             | JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT         |
| C-2.1           | JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNTS |
| C-2.2           | COMPARISON OF ELECTRIC UTILITY ACCOUNT BALANCES            |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL OPERATING INCOME SUMMARY  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE C-1  
PAGE 1 OF 1  
WITNESS: K. W. BLAKE

| LINE NO.  | DESCRIPTION  | BASE PERIOD<br>RETURN AT<br>CURRENT RATES | FORECASTED<br>ADJUSTMENTS AT<br>CURRENT RATES | FORECASTED<br>RETURN AT<br>CURRENT RATES | PROPOSED<br>INCREASE | FORECASTED<br>RETURN AT<br>PROPOSED<br>RATES |
|-----------|--|---|---|--|----------------------|--|
|           |  | (1)                                       | (2)   | (3)                                      | (4)                  | (5)  |
|           |  | \$  | \$  | \$                                       | \$                   | \$   |
| <b>1</b>  | <b><u>OPERATING REVENUES</u></b>                       |   |   |  |                      |  |
| 2         | ELECTRIC SALES REVENUES                                | 1,056,640,413                             | (27,155,700)                                  | 1,029,484,713                            | 27,976,834           | 1,057,461,548                                |
| 3         | OTHER OPERATING REVENUES                               | 17,137,988                                | (420,553)                                     | 16,717,435                               |                      | 16,717,435                                   |
| <b>4</b>  | <b>TOTAL OPERATING REVENUES</b>                        | <u>1,073,778,401</u>                      | <u>(27,576,253)</u>                           | <u>1,046,202,148</u>                     | <u>27,976,834</u>    | <u>1,074,178,983</u>                         |
| <b>5</b>  | <b><u>OPERATING EXPENSES</u></b>                       |   |   |  |                      |  |
| 6         | OPERATION AND MAINTENANCE EXPENSE                      | 722,739,076                               | (23,628,132)                                  | 699,110,944                              | 89,526               | 699,200,470                                  |
| 7         | DEPRECIATION AND AMORTIZATION                          | 127,173,585                               | (9,876,032)                                   | 117,297,553                              |                      | 117,297,553                                  |
| 8         | TAXES OTHER THAN INCOME TAXES                          | 25,592,550                                | 4,286,508                                     | 29,879,058                               | 54,611               | 29,933,669                                   |
| 9         | TOTAL INCOME TAXES                                     | 58,082,738                                | 3,095,344                                     | 61,178,082                               | 10,440,449           | 71,618,531                                   |
| 10        | INVESTMENT TAX CREDIT                                  | (1,619,701)                               | 404,839                                       | (1,214,862)                              |                      | (1,214,862)                                  |
| 11        | LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES          | 0   | (0)   | -  |                      | -  |
| <b>12</b> | <b>TOTAL OPERATING EXPENSES</b>                        | <u>931,968,249</u>                        | <u>(25,717,474)</u>                           | <u>906,250,775</u>                       | <u>10,584,585</u>    | <u>916,835,361</u>                           |
| <b>13</b> | <b>NET OPERATING INCOME</b>                            | <u>141,810,152</u>                        | <u>(1,858,779)</u>                            | <u>139,951,373</u>                       | <u>17,392,249</u>    | <u>157,343,622</u>                           |
| <b>14</b> | <b>CAPITALIZATION ALLOCATED TO ELECTRIC OPERATIONS</b> | <u>2,115,180,786</u>                      | <u>25,248,930</u>                             | <u>2,140,429,716</u>                     |                      | <u>2,140,429,716</u>                         |
| <b>15</b> | <b>RATE OF RETURN ON CAPITALIZATION</b>                | <u>6.70%</u>                              |   | <u>6.54%</u>                             |                      | <u>7.35%</u>                                 |
| <b>16</b> | <b>ELECTRIC RATE BASE</b>                              | <u>2,128,098,548</u>                      | <u>103,576,879</u>                            | <u>2,231,675,427</u>                     |                      | <u>2,231,675,427</u>                         |
| <b>17</b> | <b>RATE OF RETURN ON RATE BASE</b>                     | <u>6.66%</u>                              |   | <u>6.27%</u>                             |                      | <u>7.05%</u>                                 |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2

PAGE 1 OF 1

WITNESS: K. W. BLAKE

| LINE NO.  | MAJOR ACCOUNT OR GROUP CLASSIFICATION             | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD | PRO FORMA FORECASTED PERIOD JURISDICTIONAL |
|-----------|---|----------------------------|---|----------------------------------|---|--|
|           |   | (1)                        | (2)                                       | (3)                              | (4)   | (5)  |
|           |   | \$                         | \$  | \$                               | \$  | \$   |
| <b>1</b>  | <b><u>OPERATING REVENUES</u></b>                  |                            |   |                                  |   |  |
| 2         | ELECTRIC SALES REVENUES                           | 1,056,640,413              | (18,099,125)                              | 1,038,541,288                    | (9,056,575)   | 1,029,484,713                              |
| 3         | OTHER OPERATING REVENUES                          | 17,137,988                 | (420,553)                                 | 16,717,435                       | -   | 16,717,435                                 |
| <b>4</b>  | <b>TOTAL OPERATING REVENUES</b>                   | <b>1,073,778,401</b>       | <b>(18,519,678)</b>                       | <b>1,055,258,723</b>             | <b>(9,056,575)</b>  | <b>1,046,202,148</b>                       |
| <b>5</b>  | <b><u>OPERATING EXPENSES</u></b>                  |                            |   |                                  |   |  |
| <b>6</b>  | <b><u>OPERATION AND MAINTENANCE EXPENSES:</u></b> |                            |   |                                  |   |  |
| 7         | PRODUCTION EXPENSE                                | 562,190,044                | (31,563,004)                              | 530,627,040                      | -   | 530,627,040                                |
| 8         | TRANSMISSION EXPENSE                              | 14,722,391                 | 381,848                                   | 15,104,239                       | -   | 15,104,239                                 |
| 9         | DISTRIBUTION EXPENSE                              | 48,906,331                 | (1,458,476)                               | 47,447,855                       | -   | 47,447,855                                 |
| 10        | CUSTOMER ACCOUNTS EXPENSE                         | 12,505,727                 | 345,726                                   | 12,851,453                       | -   | 12,851,453                                 |
| 11        | CUSTOMER SERVICE AND INFORMATIONAL EXPENSE        | 995,124                    | 115,038                                   | 1,110,162                        | -   | 1,110,162                                  |
| 12        | SALES EXPENSE                                     | 141,202                    | 48,798                                    | 190,000                          | (190,000)   | -  |
| 13        | ADMINISTRATIVE AND GENERAL EXPENSE                | 83,278,257                 | 7,983,646                                 | 91,261,903                       | 708,292   | 91,970,195                                 |
| <b>14</b> | <b>TOTAL OPERATION AND MAINTENANCE EXPENSES</b>   | <b>722,739,076</b>         | <b>(24,146,424)</b>                       | <b>698,592,652</b>               | <b>518,292</b>  | <b>699,110,944</b>                         |
| 15        | DEPRECIATION AND AMORTIZATION                     | 127,173,585                | (9,955,151)                               | 117,218,435                      | 79,118  | 117,297,553                                |
| 16        | TAXES OTHER THAN INCOME TAXES                     | 25,592,550                 | 4,286,508                                 | 29,879,058                       | -   | 29,879,058                                 |
| 17        | FEDERAL INCOME TAXES                              | 49,500,414                 | 853,828                                   | 50,354,242                       | 1,848,407   | 52,202,649                                 |
| 18        | STATE INCOME TAXES                                | 8,582,324                  | 50,719                                    | 8,633,042                        | 342,390   | 8,975,432                                  |
| 19        | INVESTMENT TAX CREDIT                             | (1,619,701)                | 404,839                                   | (1,214,862)                      | -   | (1,214,862)                                |
| 20        | LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES     | 0                          | (0)                                       | -                                | -   | -  |
| <b>21</b> | <b>TOTAL OPERATING EXPENSES</b>                   | <b>931,968,249</b>         | <b>(28,505,682)</b>                       | <b>903,462,567</b>               | <b>2,788,208</b>  | <b>906,250,775</b>                         |
| <b>22</b> | <b>NET OPERATING INCOME</b>                       | <b>141,810,152</b>         | <b>9,986,004</b>                          | <b>151,796,156</b>               | <b>(11,844,783)</b>                                       | <b>139,951,373</b>                         |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  X \_\_\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL  X \_\_\_ UPDATED \_\_\_ REVISIED  
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1  
PAGE 1 OF 12  
WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                     | UNADJUSTED TOTAL COMPANY | JURIS. PERCENT | UNADJUSTED JURISDICTION | JURISDICTIONAL ADJUSTMENTS SCH D-2 | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL METHOD / DESCRIPTION |
|----------|-----------|---|--------------------------|----------------|-------------------------|------------------------------------|----------------------------|-------------------------------------|
|          |           |   | (1)                      | (2)            | (3)                     | (4)                                | (5)                        | (6)                                 |
|          |           |   | \$                       |                | \$                      | \$                                 | \$                         | ALL ELECTRIC 100%                   |
| 1        |           | <b><u>OPERATING REVENUES</u></b>                  |                          |                |                         |                                    |                            |                                     |
| 2        |           | <b><u>SALES OF ELECTRICITY:</u></b>               |                          |                |                         |                                    |                            |                                     |
| 3        | 440       | RESIDENTIAL                                       | 419,793,691              | 100.000%       | 419,793,691             | (45,803,459)                       | 373,990,232                |                                     |
| 4        | 442.2     | COMMERCIAL  | 344,806,179              | 100.000%       | 344,806,179             | (29,243,438)                       | 315,562,741                |                                     |
| 5        | 442.3     | INDUSTRIAL  | 184,564,264              | 100.000%       | 184,564,264             | (11,963,971)                       | 172,600,293                |                                     |
| 6        | 444       | PUBLIC STREET AND HIGHWAY LIGHTING                | 2,793,851                | 100.000%       | 2,793,851               | (185,223)                          | 2,608,628                  |                                     |
| 7        | 445       | OTHER SALES TO PUBLIC AUTHORITIES                 | 95,295,830               | 100.000%       | 95,295,830              | (7,101,436)                        | 88,194,394                 |                                     |
| 8        |           | TOTAL SALES TO ULTIMATE CONSUMERS                 | 1,047,253,815            |                | 1,047,253,815           | (94,297,526)                       | 952,956,289                |                                     |
| 9        | 447       | SALES FOR RESALE                                  | 103,684,124              | 100.000%       | 103,684,124             | -                                  | 103,684,124                |                                     |
| 10       | 449.1     | PROVISION FOR RATE REFUNDS                        | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 11       |           | TOTAL SALES OF ELECTRICITY                        | 1,150,937,939            |                | 1,150,937,939           | (94,297,526)                       | 1,056,640,413              |                                     |
| 12       |           | <b><u>OTHER OPERATING REVENUES:</u></b>           |                          |                |                         |                                    |                            |                                     |
| 13       | 450       | LATE PAYMENT CHARGES                              | 2,485,906                | 100.000%       | 2,485,906               | -                                  | 2,485,906                  |                                     |
| 14       | 451       | ELECTRIC SERVICE REVENUES                         | 1,542,350                | 100.000%       | 1,542,350               | -                                  | 1,542,350                  |                                     |
| 15       | 454       | RENT FROM ELECTRIC PROPERTY                       | 3,649,401                | 100.000%       | 3,649,401               | -                                  | 3,649,401                  |                                     |
| 16       | 456       | OTHER MISCELLANEOUS REVENUE                       | 9,460,331                | 100.000%       | 9,460,331               | -                                  | 9,460,331                  |                                     |
| 17       |           | TOTAL OTHER OPERATING REVENUES                    | 17,137,988               |                | 17,137,988              | -                                  | 17,137,988                 |                                     |
| 18       |           | <b>TOTAL OPERATING REVENUES</b>                   | 1,168,075,927            |                | 1,168,075,927           | (94,297,526)                       | 1,073,778,401              |                                     |
| 19       |           | <b><u>OPERATING EXPENSES</u></b>                  |                          |                |                         |                                    |                            |                                     |
| 20       |           | <b><u>OPERATION AND MAINTENANCE EXPENSES:</u></b> |                          |                |                         |                                    |                            |                                     |
| 21       |           | <b><u>STEAM GENERATION:</u></b>                   |                          |                |                         |                                    |                            |                                     |
| 22       | 500       | STEAM OPERATION SUPERVISION AND ENGINEERING       | 4,170,703                | 100.000%       | 4,170,703               | -                                  | 4,170,703                  |                                     |
| 23       | 501       | FUEL  | 368,456,434              | 100.000%       | 368,456,434             | (9,672,093)                        | 358,784,341                |                                     |
| 24       | 502       | STEAM EXPENSES                                    | 34,802,591               | 100.000%       | 34,802,591              | (98,043)                           | 34,704,548                 |                                     |
| 25       | 504       | STEAM TRANSFERRED-CREDIT                          | (5,774)                  | 100.000%       | (5,774)                 | -                                  | (5,774)                    |                                     |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  X \_\_\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL  X \_\_\_ UPDATED \_\_\_ REVISIED  
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1  
PAGE 2 OF 12  
WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                 | UNADJUSTED TOTAL COMPANY | JURIS. PERCENT | UNADJUSTED JURISDICTION | JURISDICTIONAL ADJUSTMENTS SCH D-2 | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL METHOD / DESCRIPTION |
|----------|-----------|---|--------------------------|----------------|-------------------------|------------------------------------|----------------------------|-------------------------------------|
|          |           |   | (1)                      | (2)            | (3)                     | (4)                                | (5)                        | (6)                                 |
|          |           |   | \$                       |                | \$                      | \$                                 | \$                         | ALL ELECTRIC 100%                   |
| 26       | 505       | ELECTRIC EXPENSES                             | 809,275                  | 100.000%       | 809,275                 | -                                  | 809,275                    |                                     |
| 27       | 506       | MISC STEAM POWER EXPENSES                     | 19,696,134               | 100.000%       | 19,696,134              | (1,813,909)                        | 17,882,225                 |                                     |
| 28       | 507       | RENTS   | 46,854                   | 100.000%       | 46,854                  | -                                  | 46,854                     |                                     |
| 29       | 509       | ALLOWANCES                                    | 291,929                  | 100.000%       | 291,929                 | (268,105)                          | 23,824                     |                                     |
| 30       | 510       | MAINTENANCE SUPERVISION AND ENGINEERING       | 1,849,267                | 100.000%       | 1,849,267               | -                                  | 1,849,267                  |                                     |
| 31       | 511       | MAINTENANCE OF STRUCTURES                     | 2,840,492                | 100.000%       | 2,840,492               | -                                  | 2,840,492                  |                                     |
| 32       | 512       | MAINTENANCE OF BOILER PLANT                   | 40,902,355               | 100.000%       | 40,902,355              | (101,618)                          | 40,800,737                 |                                     |
| 33       | 513       | MAINTENANCE OF ELECTRIC PLANT                 | 9,294,771                | 100.000%       | 9,294,771               | -                                  | 9,294,771                  |                                     |
| 34       | 514       | MAINTENANCE OF MISC STEAM PLANT               | 1,703,387                | 100.000%       | 1,703,387               | -                                  | 1,703,387                  |                                     |
| 35       |           | TOTAL STEAM GENERATION                        | <u>484,858,418</u>       |                | <u>484,858,418</u>      | <u>(11,953,770)</u>                | <u>472,904,648</u>         |                                     |
| 36       |           | <u>HYDRAULIC GENERATION:</u>                  |                          |                |                         |                                    |                            |                                     |
| 37       | 535       | HYDRO OPERATION SUPERVISION AND ENGINEERING   | 129,323                  | 100.000%       | 129,323                 | -                                  | 129,323                    |                                     |
| 38       | 536       | WATER FOR POWER                               | 39,018                   | 100.000%       | 39,018                  | -                                  | 39,018                     |                                     |
| 39       | 537       | HYDRAULIC EXPENSES                            | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 40       | 538       | ELECTRIC EXPENSES                             | 265,270                  | 100.000%       | 265,270                 | -                                  | 265,270                    |                                     |
| 41       | 539       | MISC HYDRAULIC POWER GENERATION EXPENSES      | 154,704                  | 100.000%       | 154,704                 | -                                  | 154,704                    |                                     |
| 42       | 540       | RENTS   | 457,558                  | 100.000%       | 457,558                 | -                                  | 457,558                    |                                     |
| 43       | 541       | HYDRO MAINTENANCE SUPERVISION AND ENGINEERING | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 44       | 542       | MAINTENANCE OF STRUCTURES                     | 391,300                  | 100.000%       | 391,300                 | -                                  | 391,300                    |                                     |
| 45       | 543       | MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS | 87,747                   | 100.000%       | 87,747                  | -                                  | 87,747                     |                                     |
| 46       | 544       | MAINTENANCE OF ELECTRIC PLANT                 | 344,446                  | 100.000%       | 344,446                 | -                                  | 344,446                    |                                     |
| 47       | 545       | MAINTENANCE OF MISC HYDRAULIC PLANT           | 1,857                    | 100.000%       | 1,857                   | -                                  | 1,857                      |                                     |
| 48       |           | TOTAL HYDRAULIC GENERATION                    | <u>1,871,223</u>         |                | <u>1,871,223</u>        | <u>-</u>                           | <u>1,871,223</u>           |                                     |
| 49       |           | <u>OTHER GENERATION:</u>                      |                          |                |                         |                                    |                            |                                     |
| 50       | 546       | OTHER OPERATION SUPERVISION AND ENGINEERING   | 56,861                   | 100.000%       | 56,861                  | -                                  | 56,861                     |                                     |
| 51       | 547       | OTHER FUEL                                    | 38,030,657               | 100.000%       | 38,030,657              | -                                  | 38,030,657                 |                                     |
| 52       | 548       | GENERATION EXPENSES                           | 138,488                  | 100.000%       | 138,488                 | -                                  | 138,488                    |                                     |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                    | UNADJUSTED TOTAL COMPANY | JURIS. PERCENT | UNADJUSTED JURISDICTION | JURISDICTIONAL ADJUSTMENTS SCH D-2 | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL METHOD / DESCRIPTION |
|----------|-----------|--|--------------------------|----------------|-------------------------|------------------------------------|----------------------------|-------------------------------------|
|          |           |  | (1)                      | (2)            | (3)                     | (4)                                | (5)                        | (6)                                 |
|          |           |  | \$                       |                | \$                      | \$                                 | \$                         | ALL ELECTRIC 100%                   |
| 53       | 549       | MISC OTHER POWER GENERATION EXPENSES             | 107,465                  | 100.000%       | 107,465                 | -                                  | 107,465                    |                                     |
| 54       | 550       | RENTS  | 12,598                   | 100.000%       | 12,598                  | -                                  | 12,598                     |                                     |
| 55       | 551       | MAINTENANCE SUPERVISION AND ENGINEERING          | 19,120                   | 100.000%       | 19,120                  | -                                  | 19,120                     |                                     |
| 56       | 552       | MAINTENANCE OF STRUCTURES                        | 71,876                   | 100.000%       | 71,876                  | -                                  | 71,876                     |                                     |
| 57       | 553       | MAINTENANCE OF GENERATING AND ELECTRIC PLANT     | 1,269,663                | 100.000%       | 1,269,663               | -                                  | 1,269,663                  |                                     |
| 58       | 554       | MAINTENANCE OF MISC OTHER POWER GENERATION PLANT | 95,274                   | 100.000%       | 95,274                  | -                                  | 95,274                     |                                     |
| 59       |           | TOTAL OTHER GENERATION                           | <u>39,802,002</u>        |                | <u>39,802,002</u>       | -                                  | <u>39,802,002</u>          |                                     |
| 60       |           | <u>OTHER POWER SUPPLY:</u>                       |                          |                |                         |                                    |                            |                                     |
| 61       | 555       | PURCHASED POWER                                  | 45,189,369               | 100.000%       | 45,189,369              | -                                  | 45,189,369                 |                                     |
| 62       | 556       | SYSTEM CONTROL AND LOAD DISPATCHING              | 1,390,815                | 100.000%       | 1,390,815               | -                                  | 1,390,815                  |                                     |
| 63       | 557       | OTHER EXPENSES                                   | <u>1,031,987</u>         | 100.000%       | <u>1,031,987</u>        | -                                  | <u>1,031,987</u>           |                                     |
| 64       |           | TOTAL OTHER POWER SUPPLY                         | <u>47,612,171</u>        |                | <u>47,612,171</u>       | -                                  | <u>47,612,171</u>          |                                     |
| 65       |           | TOTAL PRODUCTION EXPENSES                        | <u>574,143,814</u>       |                | <u>574,143,814</u>      | (11,953,770)                       | <u>562,190,044</u>         |                                     |
| 66       |           | <u>TRANSMISSION EXPENSES:</u>                    |                          |                |                         |                                    |                            |                                     |
| 67       | 560       | TRANS OPERATION SUPERVISION AND ENGINEERING      | 934,425                  | 100.000%       | 934,425                 | -                                  | 934,425                    |                                     |
| 68       | 561       | LOAD DISPATCHING                                 | 2,163,268                | 100.000%       | 2,163,268               | -                                  | 2,163,268                  |                                     |
| 69       | 562       | STATION EXPENSES                                 | 1,824,990                | 100.000%       | 1,824,990               | -                                  | 1,824,990                  |                                     |
| 70       | 563       | OVERHEAD LINE EXPENSES                           | 266,352                  | 100.000%       | 266,352                 | -                                  | 266,352                    |                                     |
| 71       | 564       | UNDERGROUND LINE EXPENSES                        | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 72       | 565       | TRANSMISSION OF ELECTRICITY BY OTHERS            | 1,082,743                | 100.000%       | 1,082,743               | -                                  | 1,082,743                  |                                     |
| 73       | 566       | MISC TRANSMISSION EXPENSES                       | 5,590,258                | 100.000%       | 5,590,258               | -                                  | 5,590,258                  |                                     |
| 74       | 567       | RENTS  | 35,952                   | 100.000%       | 35,952                  | -                                  | 35,952                     |                                     |
| 75       | 568       | TRANS MAINTENANCE SUPERVISION AND ENGINEERING    | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 76       | 569       | MAINTENANCE OF STRUCTURES                        | (88)                     | 100.000%       | (88)                    | -                                  | (88)                       |                                     |
| 77       | 570       | MAINTENANCE OF STATION EQUIPMENT                 | 1,849,027                | 100.000%       | 1,849,027               | -                                  | 1,849,027                  |                                     |
| 78       | 571       | MAINTENANCE OF OVERHEAD LINES                    | 1,121,419                | 100.000%       | 1,121,419               | -                                  | 1,121,419                  |                                     |
| 79       | 572       | MAINTENANCE OF UNDERGROUND LINES                 | -                        | 100.000%       | -                       | -                                  | -                          |                                     |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
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FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                     | UNADJUSTED TOTAL COMPANY | JURIS. PERCENT | UNADJUSTED JURISDICTION | JURISDICTIONAL ADJUSTMENTS SCH D-2 | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL METHOD / DESCRIPTION |
|----------|-----------|---|--------------------------|----------------|-------------------------|------------------------------------|----------------------------|-------------------------------------|
|          |           |   | (1)                      | (2)            | (3)                     | (4)                                | (5)                        | (6)                                 |
|          |           |   | \$                       |                | \$                      | \$                                 | \$                         | ALL ELECTRIC 100%                   |
| 80       | 573       | MAINTENANCE OF MISC TRANSMISSION PLANT            | 141,198                  | 100.000%       | 141,198                 | -                                  | 141,198                    |                                     |
| 81       | 575       | MISO DAY 1 AND 2 EXPENSE                          | <u>(287,153)</u>         | 100.000%       | <u>(287,153)</u>        | -                                  | <u>(287,153)</u>           |                                     |
| 82       |           | TOTAL TRANSMISSION EXPENSES                       | <u>14,722,391</u>        |                | <u>14,722,391</u>       | -                                  | <u>14,722,391</u>          |                                     |
| 83       |           | <u>DISTRIBUTION EXPENSES:</u>                     |                          |                |                         |                                    |                            |                                     |
| 84       | 580       | DISTR OPERATION SUPERVISION AND ENGINEERING       | 1,506,402                | 100.000%       | 1,506,402               | -                                  | 1,506,402                  |                                     |
| 85       | 581       | LOAD DISPATCHING                                  | 777,737                  | 100.000%       | 777,737                 | -                                  | 777,737                    |                                     |
| 86       | 582       | STATION EXPENSES                                  | 1,361,312                | 100.000%       | 1,361,312               | -                                  | 1,361,312                  |                                     |
| 87       | 583       | OVERHEAD LINE EXPENSES                            | 6,655,470                | 100.000%       | 6,655,470               | -                                  | 6,655,470                  |                                     |
| 88       | 584       | UNDERGROUND LINE EXPENSES                         | 424,305                  | 100.000%       | 424,305                 | -                                  | 424,305                    |                                     |
| 89       | 585       | STREET LIGHTING AND SIGNAL SYSTEM EXPENSES        | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 90       | 586       | METER EXPENSES                                    | 6,382,454                | 100.000%       | 6,382,454               | -                                  | 6,382,454                  |                                     |
| 91       | 587       | CUSTOMER INSTALLATIONS EXPENSES                   | (158,263)                | 100.000%       | (158,263)               | -                                  | (158,263)                  |                                     |
| 92       | 588       | MISC DISTRIBUTION EXPENSES                        | 3,541,074                | 100.000%       | 3,541,074               | -                                  | 3,541,074                  |                                     |
| 93       | 589       | RENTS   | 9,519                    | 100.000%       | 9,519                   | -                                  | 9,519                      |                                     |
| 94       | 590       | DISTR MAINTENANCE SUPERVISION AND ENGINEERING     | 122,525                  | 100.000%       | 122,525                 | -                                  | 122,525                    |                                     |
| 95       | 591       | MAINTENANCE OF STRUCTURES                         | (162,718)                | 100.000%       | (162,718)               | -                                  | (162,718)                  |                                     |
| 96       | 592       | MAINTENANCE OF STATION EQUIPMENT                  | 892,520                  | 100.000%       | 892,520                 | -                                  | 892,520                    |                                     |
| 97       | 593       | MAINTENANCE OF OVERHEAD LINES                     | 24,414,354               | 100.000%       | 24,414,354              | -                                  | 24,414,354                 |                                     |
| 98       | 594       | MAINTENANCE OF UNDERGROUND LINES                  | 1,569,363                | 100.000%       | 1,569,363               | -                                  | 1,569,363                  |                                     |
| 99       | 595       | MAINTENANCE OF LINE TRANSFORMERS                  | 163,246                  | 100.000%       | 163,246                 | -                                  | 163,246                    |                                     |
| 100      | 596       | MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS | 310,133                  | 100.000%       | 310,133                 | -                                  | 310,133                    |                                     |
| 101      | 597       | MAINTENANCE OF METERS                             | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 102      | 598       | MAINTENANCE OF MISC DISTRIBUTION PLANT            | <u>1,096,898</u>         | 100.000%       | <u>1,096,898</u>        | -                                  | <u>1,096,898</u>           |                                     |
| 103      |           | TOTAL DISTRIBUTION EXPENSES                       | <u>48,906,331</u>        |                | <u>48,906,331</u>       | -                                  | <u>48,906,331</u>          |                                     |
| 104      |           | <u>CUSTOMER ACCOUNTS EXPENSES:</u>                |                          |                |                         |                                    |                            |                                     |
| 105      | 901       | CUSTOMER ACCTS SUPERVISION                        | 1,083,773                | 100.000%       | 1,083,773               | -                                  | 1,083,773                  |                                     |
| 106      | 902       | METER READING EXPENSES                            | 2,386,014                | 100.000%       | 2,386,014               | -                                  | 2,386,014                  |                                     |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                       | UNADJUSTED TOTAL COMPANY | JURIS. PERCENT | UNADJUSTED JURISDICTION | JURISDICTIONAL ADJUSTMENTS SCH D-2 | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL METHOD / DESCRIPTION |
|----------|-----------|---|--------------------------|----------------|-------------------------|------------------------------------|----------------------------|-------------------------------------|
|          |           |   | (1)                      | (2)            | (3)                     | (4)                                | (5)                        | (6)                                 |
|          |           |   | \$                       |                | \$                      | \$                                 | \$                         | ALL ELECTRIC 100%                   |
| 107      | 903       | CUSTOMER RECORDS AND COLLECTION EXPENSES            | 5,555,151                | 100.000%       | 5,555,151               | -                                  | 5,555,151                  |                                     |
| 108      | 904       | UNCOLLECTIBLE ACCOUNTS                              | 3,480,356                | 100.000%       | 3,480,356               | -                                  | 3,480,356                  |                                     |
| 109      | 905       | MISC CUSTOMER ACCOUNTS EXPENSE                      | 433                      | 100.000%       | 433                     | -                                  | 433                        |                                     |
| 110      |           | TOTAL CUSTOMER ACCOUNTS EXPENSES                    | <u>12,505,727</u>        |                | <u>12,505,727</u>       | -                                  | <u>12,505,727</u>          |                                     |
| 111      |           | <u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u> |                          |                |                         |                                    |                            |                                     |
| 112      | 907       | CUSTOMER SERVICE AND INFO SUPERVISION               | 205,920                  | 100.000%       | 205,920                 | -                                  | 205,920                    |                                     |
| 113      | 908       | CUSTOMER ASSISTANCE EXPENSES                        | 13,876,035               | 100.000%       | 13,876,035              | (13,930,985)                       | (54,950)                   |                                     |
| 114      | 909       | INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP      | 384,992                  | 100.000%       | 384,992                 | -                                  | 384,992                    |                                     |
| 115      | 910       | MISC CUSTOMER SERVICE AND INFO EXPENSES             | 459,162                  | 100.000%       | 459,162                 | -                                  | 459,162                    |                                     |
| 116      |           | TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES   | <u>14,926,109</u>        |                | <u>14,926,109</u>       | <u>(13,930,985)</u>                | <u>995,124</u>             |                                     |
| 117      |           | <u>SALES EXPENSES:</u>                              |                          |                |                         |                                    |                            |                                     |
| 118      | 911       | SALES SUPERVISION                                   | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 119      | 912       | DEMONSTRATING AND SELLING EXPENSES                  | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 120      | 913       | ADVERTISING EXPENSES                                | 141,202                  | 100.000%       | 141,202                 | -                                  | 141,202                    |                                     |
| 121      | 916       | MISC SALES EXPENSES                                 | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 122      |           | TOTAL SALES EXPENSES                                | <u>141,202</u>           |                | <u>141,202</u>          | -                                  | <u>141,202</u>             |                                     |
| 123      |           | <u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>         |                          |                |                         |                                    |                            |                                     |
| 124      | 920       | ADMINISTRATIVE AND GENERAL SALARIES                 | 24,204,722               | 100.000%       | 24,204,722              | -                                  | 24,204,722                 |                                     |
| 125      | 921       | OFFICE SUPPLIES AND EXPENSES                        | 5,544,622                | 100.000%       | 5,544,622               | -                                  | 5,544,622                  |                                     |
| 126      | 922       | ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT         | (3,798,275)              | 100.000%       | (3,798,275)             | -                                  | (3,798,275)                |                                     |
| 127      | 923       | OUTSIDE SERVICES                                    | 15,951,829               | 100.000%       | 15,951,829              | (36,681)                           | 15,915,148                 |                                     |
| 128      | 924       | PROPERTY INSURANCE                                  | 4,377,660                | 100.000%       | 4,377,660               | -                                  | 4,377,660                  |                                     |
| 129      | 925       | INJURIES AND DAMAGES                                | 3,342,580                | 100.000%       | 3,342,580               | -                                  | 3,342,580                  |                                     |
| 130      | 926       | EMPLOYEE PENSION AND BENEFITS                       | 26,985,071               | 100.000%       | 26,985,071              | -                                  | 26,985,071                 |                                     |
| 131      | 927       | FRANCHISE REQUIREMENTS                              | 35,962                   | 100.000%       | 35,962                  | -                                  | 35,962                     |                                     |
| 132      | 928       | REGULATORY COMMISSION EXPENSES                      | 790,403                  | 100.000%       | 790,403                 | -                                  | 790,403                    |                                     |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                 | UNADJUSTED TOTAL COMPANY<br>(1) | JURIS. PERCENT<br>(2) | UNADJUSTED JURISDICTION<br>(3) | JURISDICTIONAL ADJUSTMENTS SCH D-2<br>(4) | BASE PERIOD JURISDICTIONAL<br>(5) | JURISDICTIONAL METHOD / DESCRIPTION<br>(6) |
|----------|-----------|---|---------------------------------|-----------------------|--------------------------------|---|-----------------------------------|--|
|          |           |   | \$                              |                       | \$                             | \$  | \$                                |  |
|          |           |   |                                 |                       |                                |   |                                   | ALL ELECTRIC 100%                          |
| 133      | 929       | DUPLICATE CHARGES--CREDIT                     | (281,212)                       | 100.000%              | (281,212)                      | -   | (281,212)                         |  |
| 134      | 930.1     | GENERAL ADVERTISING EXPENSES                  | 827,529                         | 100.000%              | 827,529                        | -   | 827,529                           |  |
| 135      | 930.2     | MISC GENERAL EXPENSES                         | 2,877,794                       | 100.000%              | 2,877,794                      | -   | 2,877,794                         |  |
| 136      | 931       | RENTS   | 1,655,500                       | 100.000%              | 1,655,500                      | -   | 1,655,500                         |  |
| 137      | 935       | MAINTENANCE OF GENERAL PLANT                  | 800,753                         | 100.000%              | 800,753                        | -   | 800,753                           |  |
| 138      |           | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES     | <u>83,314,938</u>               |                       | <u>83,314,938</u>              | <u>(36,681)</u>                           | <u>83,278,257</u>                 |  |
| 139      |           | TOTAL OPERATION AND MAINTENANCE EXPENSES      | <u>748,660,512</u>              |                       | <u>748,660,512</u>             | <u>(25,921,436)</u>                       | <u>722,739,076</u>                |  |
| 140      | 403-404   | DEPRECIATION AND AMORTIZATION                 | 129,165,601                     | 100.000%              | 129,165,601                    | (1,992,016)                               | 127,173,585                       |  |
| 141      | 408.1     | TAXES OTHER THAN INCOME TAXES                 | 26,197,404                      | 100.000%              | 26,197,404                     | (604,854)                                 | 25,592,550                        |  |
| 142      | 409-411   | FEDERAL INCOME TAXES                          | 70,082,898                      | 100.000%              | 70,082,898                     | (20,582,484)                              | 49,500,414                        |  |
| 143      | 409-411   | STATE INCOME TAXES                            | 12,394,928                      | 100.000%              | 12,394,928                     | (3,812,604)                               | 8,582,324                         |  |
| 144      | 411.4     | INVESTMENT TAX CREDIT                         | (1,619,701)                     | 100.000%              | (1,619,701)                    | -   | (1,619,701)                       |  |
| 145      | 411.8     | LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES | <u>(427)</u>                    | 100.000%              | <u>(427)</u>                   | <u>427</u>                                | <u>0</u>                          |  |
| 146      |           | TOTAL OPERATING EXPENSES                      | <u>984,881,215</u>              |                       | <u>984,881,215</u>             | <u>(52,912,966)</u>                       | <u>931,968,249</u>                |  |
| 147      |           | NET OPERATING INCOME                          | <u>183,194,712</u>              |                       | <u>183,194,712</u>             | <u>(41,384,560)</u>                       | <u>141,810,152</u>                |  |





SCHEDULE C

JURISDICTIONAL OPERATING INCOME SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - GAS OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2016

| <u>SCHEDULE</u> | <u>DESCRIPTION</u>   |
|-----------------|--|
| C-1             | JURISDICTIONAL OPERATING INCOME SUMMARY                    |
| C-2             | JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT         |
| C-2.1           | JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNTS |
| C-2.2           | COMPARISON OF TOTAL GAS UTILITY ACCOUNT BALANCES           |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL OPERATING INCOME SUMMARY  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION                                       | BASE PERIOD<br>RETURN AT<br>CURRENT RATES | FORECASTED<br>ADJUSTMENTS AT<br>CURRENT RATES | FORECASTED<br>RETURN AT<br>CURRENT RATES | PROPOSED<br>INCREASE | FORECASTED<br>RETURN AT<br>PROPOSED<br>RATES |
|----------|---|---|---|--|----------------------|--|
|          |   | (1)                                       | (2)   | (3)                                      | (4)                  | (5)  |
|          |   | \$  | \$  | \$                                       | \$                   | \$   |
| 1        | <b>OPERATING REVENUES</b>                         |   |   |  |                      |  |
| 2        | GAS SALES REVENUES                                | 144,210,313                               | (3,544,507)                                   | 140,665,806                              | 14,297,413           | 154,963,219                                  |
| 3        | OTHER OPERATING REVENUES                          | 9,117,424                                 | (1,692,646)                                   | 7,424,779                                |                      | 7,424,779                                    |
| 4        | <b>TOTAL OPERATING REVENUES</b>                   | <u>153,327,737</u>                        | <u>(5,237,153)</u>                            | <u>148,090,584</u>                       | <u>14,297,413</u>    | <u>162,387,998</u>                           |
| 5        | <b>OPERATING EXPENSES</b>                         |   |   |  |                      |  |
| 6        | OPERATION AND MAINTENANCE EXPENSE                 | 62,073,361                                | 6,140,978                                     | 68,214,338                               | 45,752               | 68,260,090                                   |
| 7        | DEPRECIATION AND AMORTIZATION                     | 27,390,901                                | 2,005,722                                     | 29,396,624                               |                      | 29,396,624                                   |
| 8        | TAXES OTHER THAN INCOME TAXES                     | 7,910,263                                 | 263,816                                       | 8,174,079                                | 27,909               | 8,201,987                                    |
| 9        | TOTAL INCOME TAXES                                | 21,625,903                                | (8,887,762)                                   | 12,738,142                               | 5,335,536            | 18,073,678                                   |
| 10       | INVESTMENT TAX CREDIT                             | (94,053)                                  | 24,983  | (69,070)                                 |                      | (69,070)                                     |
| 11       | LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES     | -   | -   | -  |                      | -  |
| 12       | <b>TOTAL OPERATING EXPENSES</b>                   | <u>118,906,375</u>                        | <u>(452,263)</u>                              | <u>118,454,113</u>                       | <u>5,409,196</u>     | <u>123,863,309</u>                           |
| 13       | <b>NET OPERATING INCOME</b>                       | <u>34,421,362</u>                         | <u>(4,784,890)</u>                            | <u>29,636,472</u>                        | <u>8,888,217</u>     | <u>38,524,688</u>                            |
| 14       | <b>CAPITALIZATION ALLOCATED TO GAS OPERATIONS</b> | <u>501,879,209</u>                        | <u>22,192,798</u>                             | <u>524,072,007</u>                       |                      | <u>524,072,007</u>                           |
| 15       | <b>RATE OF RETURN ON CAPITALIZATION</b>           | <u>6.86%</u>                              |   | <u>5.66%</u>                             |                      | <u>7.35%</u>                                 |
| 16       | <b>GAS RATE BASE</b>                              | <u>501,904,810</u>                        | <u>37,691,343</u>                             | <u>539,596,153</u>                       |                      | <u>539,596,153</u>                           |
| 17       | <b>RATE OF RETURN ON RATE BASE</b>                | <u>6.86%</u>                              |   | <u>5.49%</u>                             |                      | <u>7.14%</u>                                 |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  X BASE PERIOD  X FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  X UPDATED  REVISIED  
WORKPAPER REFERENCE NO(S)::

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WITNESS: K. W. BLAKE

| LINE NO.  | MAJOR ACCOUNT OR GROUP CLASSIFICATION             | BASE PERIOD<br>JURISDICTIONAL | JURISDICTIONAL<br>ADJUSTMENTS TO<br>BASE PERIOD | FORECASTED<br>PERIOD<br>JURISDICTIONAL | JURISDICTIONAL<br>PRO FORMA<br>ADJUSTMENTS TO<br>FORECASTED<br>PERIOD | PRO FORMA<br>FORECASTED<br>PERIOD<br>JURISDICTIONAL |
|-----------|---|-------------------------------|---|--|---|---|
|           |   | (1)                           | (2)   | (3)                                    | (4)   | (5)   |
|           |   | \$                            | \$  | \$                                     | \$  | \$  |
| <b>1</b>  | <b><u>OPERATING REVENUES</u></b>                  |                               |   |  |   |   |
| 2         | GAS SALES REVENUES                                | 144,210,313                   | (1,721,234)                                     | 142,489,079                            | (1,823,274)   | 140,665,806   |
| 3         | OTHER OPERATING REVENUES                          | 9,117,424                     | (1,683,730)                                     | 7,433,694                              | (8,915)   | 7,424,779   |
| <b>4</b>  | <b>TOTAL OPERATING REVENUES</b>                   | <u>153,327,737</u>            | <u>(3,404,964)</u>                              | <u>149,922,773</u>                     | <u>(1,832,189)</u>  | <u>148,090,584</u>                                  |
| <b>5</b>  | <b><u>OPERATING EXPENSES</u></b>                  |                               |   |  |   |   |
| <b>6</b>  | <b><u>OPERATION AND MAINTENANCE EXPENSES:</u></b> |                               |   |  |   |   |
| 7         | OTHER GAS SUPPLY EXPENSES                         | 87,061                        | (116,141)                                       | (29,080)                               | -   | (29,080)  |
| 8         | UNDERGROUND STORAGE EXPENSES                      | 8,868,233                     | 575,880   | 9,444,113                              | -   | 9,444,113   |
| 8         | TRANSMISSION EXPENSE                              | 2,152,301                     | 636,992   | 2,789,293                              | -   | 2,789,293   |
| 9         | DISTRIBUTION EXPENSE                              | 22,733,494                    | (5,441)   | 22,728,053                             | -   | 22,728,053  |
| 10        | CUSTOMER ACCOUNTS EXPENSE                         | 7,876,110                     | 335,260   | 8,211,371                              | -   | 8,211,371   |
| 11        | CUSTOMER SERVICE AND INFORMATIONAL EXPENSE        | 721,232                       | (370,652)                                       | 350,580                                | -   | 350,580   |
| 12        | SALES EXPENSE                                     | 46,235                        | 13,765  | 60,000                                 | (60,000)  | -   |
| 13        | ADMINISTRATIVE AND GENERAL EXPENSE                | 19,588,695                    | 6,273,742                                       | 25,862,437                             | (1,142,429)   | 24,720,008  |
| <b>14</b> | <b>TOTAL OPERATION AND MAINTENANCE EXPENSES</b>   | <u>62,073,361</u>             | <u>7,343,407</u>                                | <u>69,416,767</u>                      | <u>(1,202,429)</u>  | <u>68,214,338</u>                                   |
| 15        | DEPRECIATION AND AMORTIZATION                     | 27,390,901                    | 2,005,722                                       | 29,396,624                             | -   | 29,396,624  |
| 16        | TAXES OTHER THAN INCOME TAXES                     | 7,910,263                     | 263,816   | 8,174,079                              | -   | 8,174,079   |
| 17        | FEDERAL INCOME TAXES                              | 18,931,753                    | (8,917,298)                                     | 10,014,455                             | 820,376   | 10,834,831  |
| 18        | STATE INCOME TAXES                                | 2,694,150                     | (942,802)                                       | 1,751,348                              | 151,963   | 1,903,311   |
| 19        | INVESTMENT TAX CREDIT                             | (94,053)                      | 24,983  | (69,070)                               | -   | (69,070)  |
| 20        | LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES     | -                             | -   | -                                      | -   | -   |
| <b>21</b> | <b>TOTAL OPERATING EXPENSES</b>                   | <u>118,906,375</u>            | <u>(222,172)</u>                                | <u>118,684,203</u>                     | <u>(230,090)</u>  | <u>118,454,113</u>                                  |
| <b>22</b> | <b>NET OPERATING INCOME</b>                       | <u>34,421,362</u>             | <u>(3,182,791)</u>                              | <u>31,238,570</u>                      | <u>(1,602,099)</u>  | <u>29,636,472</u>                                   |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                     | UNADJUSTED TOTAL COMPANY | JURIS. PERCENT | UNADJUSTED JURISDICTION | JURISDICTIONAL ADJUSTMENTS SCH D-2 | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL METHOD / DESCRIPTION |
|----------|-----------|---|--------------------------|----------------|-------------------------|------------------------------------|----------------------------|-------------------------------------|
|          |           |   | (1)                      | (2)            | (3)                     | (4)                                | (5)                        | (6)                                 |
|          |           |   | \$                       |                | \$                      | \$                                 | \$                         | ALL GAS 100%                        |
| 1        |           | <b><u>OPERATING REVENUES</u></b>                  |                          |                |                         |                                    |                            |                                     |
| 2        |           | <b><u>SALES OF GAS:</u></b>                       |                          |                |                         |                                    |                            |                                     |
| 3        | 480       | RESIDENTIAL                                       | 233,566,420              | 100.000%       | 233,566,420             | (131,320,908)                      | 102,245,512                |                                     |
| 4        | 481.1     | COMMERCIAL  | 89,362,163               | 100.000%       | 89,362,163              | (58,125,035)                       | 31,237,128                 |                                     |
| 5        | 481.2     | INDUSTRIAL  | 12,449,968               | 100.000%       | 12,449,968              | (8,853,719)                        | 3,596,249                  |                                     |
| 6        | 482       | OTHER SALES TO PUBLIC AUTHORITIES                 | <u>12,704,916</u>        | 100.000%       | <u>12,704,916</u>       | <u>(8,807,051)</u>                 | <u>3,897,865</u>           |                                     |
| 7        |           | TOTAL SALES TO ULTIMATE CONSUMERS                 | 348,083,467              |                | 348,083,467             | (207,106,714)                      | 140,976,753                |                                     |
| 8        | 483-484   | SALES FOR RESALE                                  | 6,186,966                | 100.000%       | 6,186,966               | (2,953,406)                        | 3,233,560                  |                                     |
| 9        | 496       | PROVISION FOR RATE REFUNDS                        | <u>-</u>                 | 100.000%       | <u>-</u>                | <u>-</u>                           | <u>-</u>                   |                                     |
| 10       |           | TOTAL SALES OF GAS                                | <u>354,270,433</u>       |                | <u>354,270,433</u>      | <u>(210,060,120)</u>               | <u>144,210,313</u>         |                                     |
| 11       |           | <b><u>OTHER OPERATING REVENUES:</u></b>           |                          |                |                         |                                    |                            |                                     |
| 12       | 487       | FORFEITED DISCOUNTS                               | 1,217,849                | 100.000%       | 1,217,849               | -                                  | 1,217,849                  |                                     |
| 13       | 488       | MISCELLANEOUS SERVICE REVENUE                     | 78,972                   | 100.000%       | 78,972                  | -                                  | 78,972                     |                                     |
| 14       | 489       | TRANSPORTATION OF GAS OF OTHERS                   | 8,156,033                | 100.000%       | 8,156,033               | (713,654)                          | 7,442,379                  |                                     |
| 15       | 493       | RENT FROM GAS PROPERTY                            | 377,598                  | 100.000%       | 377,598                 | -                                  | 377,598                    |                                     |
| 16       | 495       | OTHER GAS REVENUE                                 | <u>626</u>               | 100.000%       | <u>626</u>              | <u>-</u>                           | <u>626</u>                 |                                     |
| 17       |           | TOTAL OTHER OPERATING REVENUES                    | <u>9,831,078</u>         |                | <u>9,831,078</u>        | <u>(713,654)</u>                   | <u>9,117,424</u>           |                                     |
| 18       |           | <b>TOTAL OPERATING REVENUES</b>                   | <u>364,101,511</u>       |                | <u>364,101,511</u>      | <u>(210,773,774)</u>               | <u>153,327,737</u>         |                                     |
| 19       |           | <b><u>OPERATING EXPENSES</u></b>                  |                          |                |                         |                                    |                            |                                     |
| 20       |           | <b><u>OPERATION AND MAINTENANCE EXPENSES:</u></b> |                          |                |                         |                                    |                            |                                     |
| 21       |           | <b><u>OTHER GAS SUPPLY EXPENSES:</u></b>          |                          |                |                         |                                    |                            |                                     |
| 22       | 801-803   | NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES   | 198,705,827              | 100.000%       | 198,705,827             | (198,705,827)                      | -                          |                                     |
| 23       | 804       | NATURAL GAS CITY GATE PURCHASES                   | -                        | 0.000%         | -                       | -                                  | -                          |                                     |
| 24       | 805       | OTHER GAS PURCHASES                               | -                        | 0.000%         | -                       | -                                  | -                          |                                     |
| 25       | 806       | EXCHANGE GAS                                      | (3,218,716)              | 100.000%       | (3,218,716)             | 3,218,716                          | -                          |                                     |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                               | UNADJUSTED TOTAL COMPANY | JURIS. PERCENT | UNADJUSTED JURISDICTION | JURISDICTIONAL ADJUSTMENTS SCH D-2 | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL METHOD / DESCRIPTION |
|----------|-----------|---|--------------------------|----------------|-------------------------|------------------------------------|----------------------------|-------------------------------------|
|          |           |   | (1)                      | (2)            | (3)                     | (4)                                | (5)                        | (6)                                 |
|          |           |   | \$                       |                | \$                      | \$                                 | \$                         | ALL GAS 100%                        |
| 26       | 807       | PURCHASED GAS EXPENSE                       | 709,603                  | 100.000%       | 709,603                 | (5,541)                            | 704,062                    |                                     |
| 27       | 808       | GAS WITHDRAWN FROM STORAGE                  | (2,082,795)              | 100.000%       | (2,082,795)             | 2,082,795                          | (0)                        |                                     |
| 28       | 810       | GAS USED FOR COMPRESSOR STATION FUEL        | (617,001)                | 100.000%       | (617,001)               | -                                  | (617,001)                  |                                     |
| 29       | 812       | GAS USED FOR OTHER UTILITY OPERATIONS       | (188,701)                | 100.000%       | (188,701)               | 188,701                            | -                          |                                     |
| 30       | 813       | OTHER GAS SUPPLY EXPENSES                   | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 31       |           | TOTAL OTHER GAS SUPPLY EXPENSES             | <u>193,308,217</u>       |                | <u>193,308,217</u>      | <u>(193,221,156)</u>               | <u>87,061</u>              |                                     |
| 32       |           | <u>UNDERGROUND STORAGE EXPENSES:</u>        |                          |                |                         |                                    |                            |                                     |
| 33       | 814       | OPERATION SUPERVISION AND ENGINEERING       | 556,408                  | 100.000%       | 556,408                 | -                                  | 556,408                    |                                     |
| 34       | 816       | WELLS EXPENSE                               | 317,714                  | 100.000%       | 317,714                 | -                                  | 317,714                    |                                     |
| 35       | 817       | LINES EXPENSE                               | 713,355                  | 100.000%       | 713,355                 | -                                  | 713,355                    |                                     |
| 36       | 818       | COMPRESSOR STATION EXPENSES                 | 2,221,512                | 100.000%       | 2,221,512               | -                                  | 2,221,512                  |                                     |
| 37       | 819       | COMPRESSOR STATION FUEL AND POWER           | 618,426                  | 100.000%       | 618,426                 | -                                  | 618,426                    |                                     |
| 38       | 821       | PURIFICATION EXPENSES                       | 1,373,191                | 100.000%       | 1,373,191               | -                                  | 1,373,191                  |                                     |
| 39       | 823       | GAS LOSSES                                  | 1,942,726                | 100.000%       | 1,942,726               | (1,942,726)                        | -                          |                                     |
| 40       | 824       | OTHER EXPENSES                              | 12,128                   | 100.000%       | 12,128                  | -                                  | 12,128                     |                                     |
| 41       | 825       | STORAGE WELL ROYALTIES                      | 98,455                   | 100.000%       | 98,455                  | -                                  | 98,455                     |                                     |
| 42       | 826       | RENTS-STORAGE FIELDS                        | (168)                    | 100.000%       | (168)                   | -                                  | (168)                      |                                     |
| 43       | 830       | MAINTENANCE SUPERVISION AND ENGINEERING     | 432,393                  | 100.000%       | 432,393                 | -                                  | 432,393                    |                                     |
| 44       | 832       | MAINTENANCE OF RESERVOIRS AND WELLS         | 678,483                  | 100.000%       | 678,483                 | -                                  | 678,483                    |                                     |
| 45       | 833       | MAINTENANCE OF LINES                        | 138,965                  | 100.000%       | 138,965                 | -                                  | 138,965                    |                                     |
| 46       | 834       | MAINTENANCE OF COMPRESSOR STATION EQUIPMENT | 733,976                  | 100.000%       | 733,976                 | -                                  | 733,976                    |                                     |
| 47       | 835       | MAINTENANCE OF REGULATING STATION EQUIPMENT | 25,752                   | 100.000%       | 25,752                  | -                                  | 25,752                     |                                     |
| 48       | 836       | MAINTENANCE OF PURIFICATION EQUIPMENT       | 850,732                  | 100.000%       | 850,732                 | -                                  | 850,732                    |                                     |
| 49       | 837       | MAINTENANCE OF OTHER EQUIPMENT              | 96,911                   | 100.000%       | 96,911                  | -                                  | 96,911                     |                                     |
| 50       |           | TOTAL UNDERGROUND STORAGE EXPENSES          | <u>10,810,959</u>        |                | <u>10,810,959</u>       | <u>(1,942,726)</u>                 | <u>8,868,233</u>           |                                     |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                       | UNADJUSTED TOTAL COMPANY | JURIS. PERCENT | UNADJUSTED JURISDICTION | JURISDICTIONAL ADJUSTMENTS SCH D-2 | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL METHOD / DESCRIPTION |
|----------|-----------|---|--------------------------|----------------|-------------------------|------------------------------------|----------------------------|-------------------------------------|
|          |           |   | (1)                      | (2)            | (3)                     | (4)                                | (5)                        | (6)                                 |
|          |           |   | \$                       |                | \$                      | \$                                 | \$                         | ALL GAS 100%                        |
| 51       |           | <u>TRANSMISSION EXPENSES:</u>                       |                          |                |                         |                                    |                            |                                     |
| 52       | 850       | OPERATION SUPERVISION AND ENGINEERING               | 369,386                  | 100.000%       | 369,386                 | -                                  | 369,386                    |                                     |
| 53       | 851       | SYSTEM CONTROL AND LOAD DISPATCHING                 | 364,481                  | 100.000%       | 364,481                 | -                                  | 364,481                    |                                     |
| 54       | 852       | COMMUNICATION SYSTEM EXPENSES                       | 1,000                    | 100.000%       | 1,000                   | -                                  | 1,000                      |                                     |
| 55       | 856       | MAIN EXPENSES                                       | 417,406                  | 100.000%       | 417,406                 | -                                  | 417,406                    |                                     |
| 56       | 859       | OTHER EXPENSES                                      | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 57       | 860       | RENTS-GAS TRANSMISSION                              | 7,079                    | 100.000%       | 7,079                   | -                                  | 7,079                      |                                     |
| 58       | 863       | MAINTENANCE OF MAINS                                | 992,949                  | 100.000%       | 992,949                 | -                                  | 992,949                    |                                     |
| 59       |           | TOTAL TRANSMISSION EXPENSES                         | <u>2,152,301</u>         |                | <u>2,152,301</u>        | -                                  | <u>2,152,301</u>           |                                     |
| 60       |           | <u>DISTRIBUTION EXPENSES:</u>                       |                          |                |                         |                                    |                            |                                     |
| 61       | 870       | OPERATION SUPERVISION AND ENGINEERING               | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 62       | 871       | DISTRIBUTION LOAD DISPATCHING                       | 532,167                  | 100.000%       | 532,167                 | -                                  | 532,167                    |                                     |
| 63       | 874       | MAINS AND SERVICES EXPENSES                         | 2,581,727                | 100.000%       | 2,581,727               | 5,917                              | 2,587,644                  |                                     |
| 64       | 875       | MEASURING AND REGULATING STATION EXP - GEN.         | 1,034,326                | 100.000%       | 1,034,326               | -                                  | 1,034,326                  |                                     |
| 65       | 876       | MEASURING AND REGULATING STATION EXP - IND.         | 354,381                  | 100.000%       | 354,381                 | -                                  | 354,381                    |                                     |
| 66       | 877       | MEASURING AND REGULATING STATION EXP - CG           | 185,999                  | 100.000%       | 185,999                 | -                                  | 185,999                    |                                     |
| 67       | 878       | METER AND HOUSE REGULATOR EXPENSE                   | 2,029,261                | 100.000%       | 2,029,261               | 9,639                              | 2,038,900                  |                                     |
| 68       | 879       | CUSTOMER INSTALLATIONS EXPENSE                      | 214,887                  | 100.000%       | 214,887                 | 125,828                            | 340,715                    |                                     |
| 69       | 880       | OTHER EXPENSES                                      | 2,254,494                | 100.000%       | 2,254,494               | (239,824)                          | 2,014,670                  |                                     |
| 70       | 881       | RENTS-GAS DISTRIBUTION                              | 10,794                   | 100.000%       | 10,794                  | -                                  | 10,794                     |                                     |
| 71       | 885       | MAINTENANCE SUPERVISION AND ENGINEERING             | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 72       | 886       | MAINTENANCE OF STRUCTURES AND IMPROVEMENTS          | (96,938)                 | 100.000%       | (96,938)                | -                                  | (96,938)                   |                                     |
| 73       | 887       | MAINTENANCE OF MAINS                                | 11,044,891               | 100.000%       | 11,044,891              | (2,391)                            | 11,042,500                 |                                     |
| 74       | 889       | MTCE OF MEASURING AND REGULATING STATION EXP - GEN. | 146,617                  | 100.000%       | 146,617                 | -                                  | 146,617                    |                                     |
| 75       | 890       | MTCE MEASURING AND REGULATING STATION EXP - IND.    | 350,513                  | 100.000%       | 350,513                 | -                                  | 350,513                    |                                     |
| 76       | 891       | MTCE MEASURING AND REGULATING STATION EXP - CG      | 510,878                  | 100.000%       | 510,878                 | -                                  | 510,878                    |                                     |
| 77       | 892       | MAINTENANCE OF SERVICES                             | 2,713,795                | 100.000%       | 2,713,795               | (1,169,664)                        | 1,544,131                  |                                     |
| 78       | 893       | MAINTENANCE OF METERS AND HOUSE REGULATORS          | -                        | 100.000%       | -                       | -                                  | -                          |                                     |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
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FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1  
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WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                       | UNADJUSTED TOTAL COMPANY<br>(1) | JURIS. PERCENT<br>(2) | UNADJUSTED JURISDICTION<br>(3) | JURISDICTIONAL ADJUSTMENTS SCH D-2<br>(4) | BASE PERIOD JURISDICTIONAL<br>(5) | JURISDICTIONAL METHOD / DESCRIPTION<br>(6) |
|----------|-----------|---|---------------------------------|-----------------------|--------------------------------|---|-----------------------------------|--|
|          |           |   | \$                              |                       | \$                             | \$  | \$                                | ALL GAS 100%                               |
| 74       | 894       | MAINTENANCE OF OTHER EQUIPMENT                      | 136,196                         | 100.000%              | 136,196                        | -   | 136,196                           |  |
| 75       |           | TOTAL DISTRIBUTION EXPENSES                         | <u>24,003,988</u>               |                       | <u>24,003,988</u>              | <u>(1,270,494)</u>                        | <u>22,733,494</u>                 |  |
| 76       |           | <u>CUSTOMER ACCOUNTS EXPENSES:</u>                  |                                 |                       |                                |   |                                   |  |
| 77       | 901       | CUSTOMER ACCTS SUPERVISION                          | 886,721                         | 100.000%              | 886,721                        | -   | 886,721                           |  |
| 78       | 902       | METER READING EXPENSES                              | 1,952,194                       | 100.000%              | 1,952,194                      | -   | 1,952,194                         |  |
| 79       | 903       | CUSTOMER RECORDS AND COLLECTION EXPENSES            | 4,545,124                       | 100.000%              | 4,545,124                      | -   | 4,545,124                         |  |
| 80       | 904       | UNCOLLECTIBLE ACCOUNTS                              | 908,897                         | 100.000%              | 908,897                        | (423,714)                                 | 485,183                           |  |
| 81       | 905       | MISC CUSTOMER ACCOUNTS EXPENSE                      | 6,888                           | 100.000%              | 6,888                          | -   | 6,888                             |  |
| 82       |           | TOTAL CUSTOMER ACCOUNTS EXPENSES                    | <u>8,299,824</u>                |                       | <u>8,299,824</u>               | <u>(423,714)</u>                          | <u>7,876,110</u>                  |  |
| 83       |           | <u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u> |                                 |                       |                                |   |                                   |  |
| 84       | 907       | CUSTOMER SERVICE AND INFO SUPERVISION               | 65,557                          | 100.000%              | 65,557                         | -   | 65,557                            |  |
| 85       | 908       | CUSTOMER ASSISTANCE EXPENSES                        | 2,827,806                       | 100.000%              | 2,827,806                      | (2,432,864)                               | 394,942                           |  |
| 86       | 909       | INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP      | 114,532                         | 100.000%              | 114,532                        | -   | 114,532                           |  |
| 87       | 910       | MISC CUSTOMER SERVICE AND INFO EXPENSES             | 146,201                         | 100.000%              | 146,201                        | -   | 146,201                           |  |
| 88       |           | TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES   | <u>3,154,096</u>                |                       | <u>3,154,096</u>               | <u>(2,432,864)</u>                        | <u>721,232</u>                    |  |
| 89       |           | <u>SALES EXPENSES:</u>                              |                                 |                       |                                |   |                                   |  |
| 90       | 911       | SALES SUPERVISION                                   | -                               | 100.000%              | -                              | -   | -                                 |  |
| 91       | 912       | DEMONSTRATING AND SELLING EXPENSES                  | -                               | 100.000%              | -                              | -   | -                                 |  |
| 92       | 913       | ADVERTISING EXPENSES                                | 46,235                          | 100.000%              | 46,235                         | -   | 46,235                            |  |
| 93       | 916       | MISC SALES EXPENSES                                 | -                               | 100.000%              | -                              | -   | -                                 |  |
| 94       |           | TOTAL SALES EXPENSES                                | <u>46,235</u>                   |                       | <u>46,235</u>                  | <u>-</u>                                  | <u>46,235</u>                     |  |
| 95       |           | <u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>         |                                 |                       |                                |   |                                   |  |
| 96       | 920       | ADMINISTRATIVE AND GENERAL SALARIES                 | 6,386,070                       | 100.000%              | 6,386,070                      | -   | 6,386,070                         |  |
| 97       | 921       | OFFICE SUPPLIES AND EXPENSES                        | 1,468,083                       | 100.000%              | 1,468,083                      | -   | 1,468,083                         |  |
| 98       | 922       | ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT         | (734,686)                       | 100.000%              | (734,686)                      | -   | (734,686)                         |  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  X \_\_\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL  X \_\_\_ UPDATED \_\_\_ REVISIED  
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1  
PAGE 5 OF 10  
WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                 | UNADJUSTED TOTAL COMPANY | JURIS. PERCENT | UNADJUSTED JURISDICTION | JURISDICTIONAL ADJUSTMENTS SCH D-2 | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL METHOD / DESCRIPTION |
|----------|-----------|---|--------------------------|----------------|-------------------------|------------------------------------|----------------------------|-------------------------------------|
|          |           |   | (1)                      | (2)            | (3)                     | (4)                                | (5)                        | (6)                                 |
|          |           |   | \$                       |                | \$                      | \$                                 | \$                         | ALL GAS 100%                        |
| 99       | 923       | OUTSIDE SERVICES                              | 3,289,565                | 100.000%       | 3,289,565               | -                                  | 3,289,565                  |                                     |
| 100      | 924       | PROPERTY INSURANCE                            | 14,306                   | 100.000%       | 14,306                  | -                                  | 14,306                     |                                     |
| 101      | 925       | INJURIES AND DAMAGES                          | 524,790                  | 100.000%       | 524,790                 | -                                  | 524,790                    |                                     |
| 102      | 926       | EMPLOYEE PENSION AND BENEFITS                 | 7,135,665                | 100.000%       | 7,135,665               | -                                  | 7,135,665                  |                                     |
| 103      | 927       | FRANCHISE REQUIREMENTS                        | 374,002                  | 100.000%       | 374,002                 | -                                  | 374,002                    |                                     |
| 104      | 928       | REGULATORY COMMISSION EXPENSES                | 104,878                  | 100.000%       | 104,878                 | -                                  | 104,878                    |                                     |
| 105      | 929       | DUPLICATE CHARGES--CREDIT                     | (494,556)                | 100.000%       | (494,556)               | -                                  | (494,556)                  |                                     |
| 106      | 930.1     | GENERAL ADVERTISING EXPENSES                  | 350,512                  | 100.000%       | 350,512                 | -                                  | 350,512                    |                                     |
| 107      | 930.2     | MISC GENERAL EXPENSES                         | 379,258                  | 100.000%       | 379,258                 | -                                  | 379,258                    |                                     |
| 108      | 931       | RENTS   | 440,070                  | 100.000%       | 440,070                 | -                                  | 440,070                    |                                     |
| 109      | 935       | MAINTENANCE OF GENERAL PLANT                  | 350,738                  | 100.000%       | 350,738                 | -                                  | 350,738                    |                                     |
| 110      |           | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES     | <u>19,588,695</u>        |                | <u>19,588,695</u>       | -                                  | <u>19,588,695</u>          |                                     |
| 111      |           | TOTAL OPERATION AND MAINTENANCE EXPENSES      | <u>261,364,315</u>       |                | <u>261,364,315</u>      | <u>(199,290,954)</u>               | <u>62,073,361</u>          |                                     |
| 112      | 403-404   | DEPRECIATION AND AMORTIZATION                 | 30,098,638               | 100.000%       | 30,098,638              | (2,707,737)                        | 27,390,901                 |                                     |
| 113      | 408.1     | TAXES OTHER THAN INCOME TAXES                 | 8,147,551                | 100.000%       | 8,147,551               | (237,288)                          | 7,910,263                  |                                     |
| 114      | 409-411   | FEDERAL INCOME TAXES                          | 21,603,233               | 100.000%       | 21,603,233              | (2,671,480)                        | 18,931,753                 |                                     |
| 115      | 409-411   | STATE INCOME TAXES                            | 3,189,003                | 100.000%       | 3,189,003               | (494,853)                          | 2,694,150                  |                                     |
| 116      | 411.4     | INVESTMENT TAX CREDIT                         | (94,053)                 | 100.000%       | (94,053)                | -                                  | (94,053)                   |                                     |
| 117      | 411.8     | LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES | -                        | 100.000%       | -                       | -                                  | -                          |                                     |
| 118      |           | <b>TOTAL OPERATING EXPENSES</b>               | <u>324,308,687</u>       |                | <u>324,308,687</u>      | <u>(205,402,312)</u>               | <u>118,906,375</u>         |                                     |
| 119      |           | <b>NET OPERATING INCOME</b>                   | <u>39,792,824</u>        |                | <u>39,792,824</u>       | <u>(5,371,462)</u>                 | <u>34,421,362</u>          |                                     |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
COMPARISON OF GAS UTILITY ACTIVITY  
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA: \_\_\_X\_\_\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_\_\_X\_\_\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.2  
SHEET 2 OF 4

WITNESS: K. W. BLAKE

| Line No. | Acct No. | Account Description                            | Actual Mar-14 | Actual Apr-14 | Actual May-14 | Actual Jun-14 | Actual Jul-14 | Actual Aug-14 | Actual Sep-14 | Actual Oct-14 | Actual Nov-14 | Actual Dec-14 | Actual Jan-15 | Actual Feb-15 | TOTAL        |
|----------|----------|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| 67       | 902      | METER READING EXPENSES                         | 153,619       | 169,827       | 162,576       | 148,708       | 169,685       | 155,997       | 159,779       | 166,623       | 169,245       | 184,062       | 153,161       | 158,912       | 1,952,194    |
| 68       | 903      | CUSTOMER RECORDS AND COLLECTION EXPENSES       | 387,988       | 395,591       | 419,136       | 383,461       | 371,687       | 372,800       | 380,137       | 394,434       | 344,666       | 341,276       | 373,634       | 380,314       | 4,545,124    |
| 69       | 904      | UNCOLLECTIBLE ACCOUNTS                         | 104,197       | 52,616        | 76,053        | 31,771        | 71,029        | 89,003        | 120,898       | 60,945        | 34,426        | 75,946        | 96,422        | 95,591        | 908,897      |
| 70       | 905      | MISC CUSTOMER ACCOUNTS EXPENSE                 | 7,228         | 6,665         | 5,831         | (68,419)      | 8,257         | 35,489        | 2,033         | (12,142)      | 18,601        | 538           | 2,011         | 796           | 6,888        |
| 71       | 907      | CUSTOMER SERVICE AND INFO SUPERVISION          | 5,622         | 4,739         | 7,967         | 11,111        | (1,940)       | 4,689         | 4,612         | 9,853         | 3,986         | 4,862         | 5,049         | 5,007         | 65,557       |
| 72       | 908      | CUSTOMER ASSISTANCE EXPENSES                   | 164,719       | 202,627       | 303,854       | 212,156       | 233,857       | 305,756       | 357,359       | 208,308       | 229,699       | 178,920       | 236,159       | 194,392       | 2,827,806    |
| 73       | 909      | INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP | 9,833         | 18,557        | 3,937         | 13,939        | 2,645         | (1,196)       | 10,999        | 2,693         | 9,464         | 26,836        | 4,442         | 12,383        | 114,532      |
| 74       | 910      | MISC CUSTOMER SERVICE AND INFO EXPENSES        | 13,326        | 8,801         | 2,214         | 11,020        | 22,160        | 9,753         | 21,105        | 13,643        | 7,206         | 14,107        | 5,278         | 17,588        | 146,201      |
| 75       | 911      | SALES SUPERVISION                              | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -            |
| 76       | 912      | DEMONSTRATING AND SELLING EXPENSES             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -            |
| 77       | 913      | ADVERTISING EXPENSES                           | -             | 12,711        | 1,143         | 1,073         | 44            | (44)          | 58            | -             | -             | -             | -             | 31,250        | 46,235       |
| 78       | 916      | MISC SALES EXPENSES                            | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -            |
| 79       | 920      | ADMINISTRATIVE AND GENERAL SALARIES            | 607,331       | 554,686       | 534,981       | 495,068       | 555,391       | 413,428       | 566,506       | 609,582       | 393,474       | 564,724       | 544,270       | 546,629       | 6,386,070    |
| 80       | 921      | OFFICE SUPPLIES AND EXPENSES                   | 221,840       | 109,272       | 172,495       | (11,935)      | 143,072       | 132,512       | 112,837       | 81,055        | 104,807       | 211,591       | 76,713        | 113,824       | 1,468,083    |
| 81       | 922      | ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT    | (60,225)      | (57,685)      | (58,086)      | (49,033)      | (69,348)      | (55,044)      | (65,050)      | (72,891)      | (48,587)      | (75,042)      | (59,662)      | (64,033)      | (734,686)    |
| 82       | 923      | OUTSIDE SERVICES                               | 331,169       | 218,447       | 233,697       | 411,642       | 235,236       | 207,153       | 291,434       | 287,830       | 210,878       | 337,440       | 249,513       | 275,126       | 3,289,565    |
| 83       | 924      | PROPERTY INSURANCE                             | 16,451        | 6,460         | (39,270)      | 9,554         | 689           | -             | 9,554         | -             | 537           | -             | 6,897         | 3,434         | 14,306       |
| 84       | 925      | INJURIES AND DAMAGES                           | 127,467       | 161,459       | (345,157)     | 32,784        | 101,480       | 93,300        | 94,118        | 66,122        | 43,045        | 26,913        | 58,496        | 64,763        | 524,790      |
| 85       | 926      | EMPLOYEE PENSION AND BENEFITS                  | 749,977       | 632,069       | 444,226       | 486,634       | 517,037       | 511,492       | 490,290       | 545,788       | 472,943       | 590,454       | 899,306       | 795,449       | 7,135,665    |
| 86       | 927      | FRANCHISE REQUIREMENTS                         | 50,629        | 48,996        | 50,629        | 48,996        | 50,629        | 50,629        | 48,996        | 24,498        | -             | -             | -             | -             | 374,002      |
| 87       | 928      | REGULATORY COMMISSION EXPENSES                 | 8,740         | 8,740         | 8,740         | 26,119        | 8,758         | 8,720         | (8,639)       | 8,740         | 8,740         | 8,740         | 8,740         | 8,740         | 104,878      |
| 88       | 929      | DUPLICATE CHARGES--CREDIT                      | (96,184)      | (53,376)      | (30,157)      | (292)         | (423)         | (403)         | (578)         | (519)         | (6,553)       | (56,030)      | (115,469)     | (134,572)     | (494,556)    |
| 89       | 930.1    | GENERAL ADVERTISING EXPENSES                   | 33,901        | 66,824        | 30,923        | 51,640        | 23,675        | 12,190        | 52,176        | 8,898         | 16,062        | 18,358        | 3,091         | 32,774        | 350,512      |
| 90       | 930.2    | MISC GENERAL EXPENSES                          | 39,855        | 36,295        | 29,241        | 25,422        | 25,647        | 21,624        | 14,558        | 19,613        | 43,699        | 44,375        | 21,494        | 57,435        | 379,258      |
| 91       | 931      | RENTS  | 972           | 2,783         | 2,563         | 151,659       | 31,520        | 42,871        | 37,013        | 40,881        | 40,810        | 40,605        | 21,177        | 27,216        | 440,070      |
| 92       | 935      | MAINTENANCE OF GENERAL PLANT                   | 45,685        | 33,165        | 40,844        | (35,212)      | 36,038        | 55,599        | 32,382        | 23,079        | 32,923        | 25,956        | 25,467        | 34,812        | 350,738      |
| 93       |          | OPERATING (INCOME) LOSS                        | (7,224,509)   | (2,771,655)   | (1,669,526)   | (1,397,796)   | 304,014       | (586,762)     | 475,099       | (2,537,889)   | (8,730,634)   | (10,092,409)  | (16,328,183)  | (13,930,757)  | (64,491,007) |



**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(d)**  
**Sponsoring Witness: Kent W. Blake**

**Description of Filing Requirement:**

*A summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors.*

**Response:**

See attached.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE D

JURISDICTIONAL ADJUSTMENT OF OPERATING INCOME

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - ELECTRIC OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2016

| <u>SCHEDULE</u> | <u>DESCRIPTION</u>                             |
|-----------------|--|
| D-1             | SUMMARY OF JURISDICTIONAL ADJUSTMENTS          |
| D-2             | JURISDICTIONAL ADJUSTMENTS                     |
| D-2.1           | JURISDICTIONAL PRO FORMA ADJUSTMENTS           |
| WPD-2           | JURISDICTIONAL ADJUSTMENTS WORKPAPER           |
| WPD-2.1a        | JURISDICTIONAL PRO FORMA ADJUSTMENTS WORKPAPER |
| WPD-2.1b        | JURISDICTIONAL PRO FORMA ADJUSTMENTS WORKPAPER |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015 AND FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA: \_\_X\_\_BASE PERIOD \_\_X\_\_FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE D-1  
PAGE 1 OF 9  
WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                      | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)  |
|----------|-----------|------------------------------------|----------------------------|---|----------------------------------|--|--|--|
|          |           |                                    | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)  |
|          |           |                                    | \$                         | \$  | \$                               | \$   | \$   |  |
| 1        |           | <b>OPERATING REVENUES</b>          |                            |   |                                  |  |  |  |
| 2        |           | <b>SALES OF ELECTRICITY:</b>       |                            |   |                                  |  |  |  |
| 3        | 440       | RESIDENTIAL                        | 373,990,232                | 12,341,818                                | 386,332,051                      | -  | 386,332,051                                | Variance reflects forecasted increase in billing determinants from the base period to the forecasted period at current tariff rates.   |
| 4        | 442.2     | COMMERCIAL                         | 315,562,741                | 4,266,623                                 | 319,829,365                      | -  | 319,829,365                                | Variance reflects forecasted increase in billing determinants from the base period to the forecasted period at current tariff rates.   |
| 5        | 442.3     | INDUSTRIAL                         | 172,600,293                | 3,036,889                                 | 175,637,183                      | (127,588)  | 175,509,594                                | Variance reflects forecasted increase in billing determinants from the base period to the forecasted period at current tariff rates.   |
| 6        | 444       | PUBLIC STREET AND HIGHWAY LIGHTING | 2,608,628                  | 658,357                                   | 3,266,986                        | -  | 3,266,986                                  | Variance reflects forecasted increase in billing determinants from the base period to the forecasted period at current tariff rates.   |
| 7        | 445       | OTHER SALES TO PUBLIC AUTHORITIES  | 88,194,394                 | (6,513,086)                               | 81,681,307                       | -  | 81,681,307                                 | Variance reflects forecasted change in billing determinants from the base period to the forecasted period at current tariff rates.   |
| 8        |           | TOTAL SALES TO ULTIMATE CONSUMERS  | 952,956,289                | 13,790,602                                | 966,746,891                      | (127,588)  | 966,619,303                                |  |
| 9        | 447       | SALES FOR RESALE                   | 103,684,124                | (31,889,727)                              | 71,794,397                       | (8,928,986)  | 62,865,410                                 | Variance is based on generation and off-system sales forecast which reflects both sales to third parties as well as intercompany sales to KU. The forecasted period reflects changes in available generation due to addition of Cane Run 7 and retirement of Cane Run units 4, 5, and 6. |
| 10       | 449.1     | PROVISION FOR RATE REFUNDS         | -                          | -   | -                                | -  | -  |  |
| 11       |           | TOTAL SALES OF ELECTRICITY         | 1,056,640,413              | (18,099,125)                              | 1,038,541,288                    | (9,056,575)  | 1,029,484,713                              |  |
| 12       |           | <b>OTHER OPERATING REVENUES:</b>   |                            |   |                                  |  |  |  |
| 13       | 450       | LATE PAYMENT CHARGES               | 2,485,906                  | (11,299)                                  | 2,474,607                        | -  | 2,474,607                                  | Variance reflects trend in this account and impact of colder than normal weather in 2015.  |
| 14       | 451       | ELECTRIC SERVICE REVENUES          | 1,542,350                  | 782,852                                   | 2,325,202                        | -  | 2,325,202                                  | Variance reflects assumption of lower reconnects given severity of early 2015 winter weather.  |
| 15       | 454       | RENT FROM ELECTRIC PROPERTY        | 3,649,401                  | (78,388)                                  | 3,571,013                        | -  | 3,571,013                                  | Variance reflects trend in this account and is based on a historic average.  |
| 16       | 456       | OTHER MISCELLANEOUS REVENUE        | 9,460,331                  | (1,113,717)                               | 8,346,614                        | -  | 8,346,614                                  | Variance is due primarily to the expiration of two transmission contracts.   |
| 17       |           | TOTAL OTHER OPERATING REVENUES     | 17,137,988                 | (420,553)                                 | 16,717,435                       | -  | 16,717,435                                 |  |
| 18       |           | <b>TOTAL OPERATING REVENUES</b>    | 1,073,778,401              | (18,519,678)                              | 1,055,258,723                    | (9,056,575)  | 1,046,202,148                              |  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015 AND FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA: \_\_X\_\_BASE PERIOD \_\_X\_\_FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE D-1  
PAGE 2 OF 9  
WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                               | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)   |
|----------|-----------|---|----------------------------|---|----------------------------------|--|--|---|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)   |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |   |
| 19       |           | <b>OPERATING EXPENSES</b>                   |                            |   |                                  |  |  |   |
| 20       |           | <u>OPERATION AND MAINTENANCE EXPENSES:</u>  |                            |   |                                  |  |  |   |
| 21       |           | <u>STEAM GENERATION:</u>                    |                            |   |                                  |  |  |   |
| 22       | 500       | STEAM OPERATION SUPERVISION AND ENGINEERING | 4,170,703                  | 1,999,146                                 | 6,169,849                        | -  | 6,169,849                                  | Variance reflects changes in headcount, assumed 3% average wage inflation and changes in generation fleet.  |
| 23       | 501       | FUEL  | 358,784,341                | (56,845,460)                              | 301,938,880                      | -  | 301,938,880                                | Variance reflects generation forecast inclusive of the retirements of Cane Run units 4-6.   |
| 24       | 502       | STEAM EXPENSES                              | 34,704,548                 | (12,501,690)                              | 22,202,858                       | -  | 22,202,858                                 | Variance reflects generation forecast inclusive of the retirements of Cane Run units 4-6.   |
| 25       | 504       | STEAM TRANSFERRED-CREDIT                    | (5,774)                    | 5,774                                     | -                                | -  | -  |   |
| 26       | 505       | ELECTRIC EXPENSES                           | 809,275                    | 5,745                                     | 815,020                          | -  | 815,020                                    | Customary changes in the ordinary course of business.   |
| 27       | 506       | MISC STEAM POWER EXPENSES                   | 17,882,225                 | (4,578,270)                               | 13,303,955                       | -  | 13,303,955                                 | Variance reflects generation forecast inclusive of the retirements of Cane Run units 4-6.   |
| 28       | 507       | RENTS                                       | 46,854                     | (46,854)                                  | -                                | -  | -  | Item not budgeted in forecast period due to immateriality.  |
| 29       | 509       | ALLOWANCES                                  | 23,824                     | 40,302                                    | 64,126                           | -  | 64,126                                     | Customary changes in the ordinary course of business.   |
| 30       | 510       | MAINTENANCE SUPERVISION AND ENGINEERING     | 1,849,267                  | (623,954)                                 | 1,225,313                        | -  | 1,225,313                                  | Variance reflects generation forecast inclusive of the retirements of Cane Run units 4-6.   |
| 31       | 511       | MAINTENANCE OF STRUCTURES                   | 2,840,492                  | (41,440)                                  | 2,799,052                        | -  | 2,799,052                                  | Variance reflects generation forecast inclusive of the retirements of Cane Run units 4-6.   |
| 32       | 512       | MAINTENANCE OF BOILER PLANT                 | 40,800,737                 | (9,405,210)                               | 31,395,527                       | -  | 31,395,527                                 | Variance reflects generation forecast inclusive of the retirements of Cane Run units 4-6.   |
| 33       | 513       | MAINTENANCE OF ELECTRIC PLANT               | 9,294,771                  | 245,239                                   | 9,540,010                        | -  | 9,540,010                                  | Variance reflects higher planned outage expense for Mill Creek units 2 and 3 and Trimble County unit 1, offset by the retirements of Cane Run units 4-6.        |
| 34       | 514       | MAINTENANCE OF MISC STEAM PLANT             | 1,703,387                  | 734,805                                   | 2,438,192                        | -  | 2,438,192                                  | Variance reflects higher planned outage expense for Mill Creek units 2 and 3 and Trimble County unit 1, mostly offset by the retirements of Cane Run units 4-6. |
| 35       |           | TOTAL STEAM GENERATION                      | 472,904,648                | (81,011,866)                              | 391,892,782                      | -  | 391,892,782                                |   |
| 36       |           | <u>HYDRAULIC GENERATION:</u>                |                            |   |                                  |  |  |   |
| 37       | 535       | HYDRO OPERATION SUPERVISION AND ENGINEERING | 129,323                    | (11,697)                                  | 117,626                          | -  | 117,626                                    | Customary changes in the ordinary course of business.   |
| 38       | 536       | WATER FOR POWER                             | 39,018                     | 798                                       | 39,816                           | -  | 39,816                                     | Customary changes in the ordinary course of business.   |
| 39       | 537       | HYDRAULIC EXPENSES                          | -                          | -   | -                                | -  | -  |   |

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                    | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)   |
|----------|-----------|--|----------------------------|---|----------------------------------|--|--|---|
|          |           |  | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)   |
|          |           |  | \$                         | \$  | \$                               | \$   | \$   |   |
| 40       | 538       | ELECTRIC EXPENSES                                | 265,270                    | 71,077                                    | 336,347                          | -  | 336,347                                    | Variance reflects more labor in the forecasted period, as seven of the eight units are past their complete renovations by the end of the forecasted period and are running on a more regular basis.               |
| 41       | 539       | MISC HYDRAULIC POWER GENERATION EXPENSES         | 154,704                    | 13,051                                    | 167,755                          | -  | 167,755                                    | Customary changes in the ordinary course of business.   |
| 42       | 540       | RENTS  | 457,558                    | (40,630)                                  | 416,928                          | -  | 416,928                                    | Customary changes in the ordinary course of business.   |
| 43       | 541       | HYDRO MAINTENANCE SUPERVISION AND ENGINEERING    | -                          | -   | -                                | -  | -  |   |
| 44       | 542       | MAINTENANCE OF STRUCTURES                        | 391,300                    | 41,178                                    | 432,478                          | -  | 432,478                                    | Customary changes in the ordinary course of business.   |
| 45       | 543       | MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS    | 87,747                     | 73,810                                    | 161,557                          | -  | 161,557                                    | Variance reflects more routine maintenance in the forecasted period, as seven of the eight units are past their complete renovations by the end of the forecasted period and are running on a more regular basis. |
| 46       | 544       | MAINTENANCE OF ELECTRIC PLANT                    | 344,446                    | 14,619                                    | 359,065                          | -  | 359,065                                    | Variance reflects repairs to turbine generator in forecasted period slightly higher than in the base.   |
| 47       | 545       | MAINTENANCE OF MISC HYDRAULIC PLANT              | 1,857                      | (1,857)                                   | -                                | -  | -  | Item not budgeted in forecast period due to immateriality.  |
| 48       |           | TOTAL HYDRAULIC GENERATION                       | <u>1,871,223</u>           | <u>160,349</u>                            | <u>2,031,572</u>                 | <u>-</u>   | <u>2,031,572</u>                           |   |
| 49       |           | <u>OTHER GENERATION:</u>                         |                            |   |                                  |  |  |   |
| 50       | 546       | OTHER OPERATION SUPERVISION AND ENGINEERING      | 56,861                     | (48,769)                                  | 8,092                            | -  | 8,092                                      | Customary changes in the ordinary course of business.   |
| 51       | 547       | OTHER FUEL                                       | 38,030,657                 | 23,243,671                                | 61,274,328                       | -  | 61,274,328                                 | Variance is based on generation forecast inclusive of the addition of Cane Run unit 7.  |
| 52       | 548       | GENERATION EXPENSES                              | 138,488                    | 48,596                                    | 187,084                          | -  | 187,084                                    | Customary changes in the ordinary course of business.   |
| 53       | 549       | MISC OTHER POWER GENERATION EXPENSES             | 107,465                    | 1,079,785                                 | 1,187,250                        | -  | 1,187,250                                  | Variance is based on generation forecast inclusive of the addition of Cane Run unit 7.  |
| 54       | 550       | RENTS  | 12,598                     | (12,598)                                  | -                                | -  | -  | Item not budgeted in forecast period due to immateriality.  |
| 55       | 551       | MAINTENANCE SUPERVISION AND ENGINEERING          | 19,120                     | (18,708)                                  | 412                              | -  | 412  | Customary changes in the ordinary course of business.   |
| 56       | 552       | MAINTENANCE OF STRUCTURES                        | 71,876                     | 46,017                                    | 117,893                          | -  | 117,893                                    | Variance is based on generation forecast inclusive of the addition of Cane Run unit 7.  |
| 57       | 553       | MAINTENANCE OF GENERATING AND ELECTRIC PLANT     | 1,269,663                  | 53,221                                    | 1,322,884                        | -  | 1,322,884                                  | Maintenance on simple cycle CT's in the base period slightly higher than in the forecasted period.  |
| 58       | 554       | MAINTENANCE OF MISC OTHER POWER GENERATION PLANT | 95,274                     | 2,069,293                                 | 2,164,567                        | -  | 2,164,567                                  | Variance is based on generation forecast inclusive of the addition of Cane Run unit 7.  |
| 59       |           | TOTAL OTHER GENERATION                           | <u>39,802,002</u>          | <u>26,460,509</u>                         | <u>66,262,511</u>                | <u>-</u>   | <u>66,262,511</u>                          |   |
| 60       |           | <u>OTHER POWER SUPPLY:</u>                       |                            |   |                                  |  |  |   |

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                 | BASE PERIOD JURISDICTIONAL<br>(1)<br>\$ | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD<br>(2)<br>\$ | FORECASTED PERIOD JURISDICTIONAL<br>(3)<br>\$ | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)<br>(4)<br>\$ | PRO FORMA FORECASTED PERIOD JURISDICTIONAL<br>(5)<br>\$ | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)<br>(6)   |
|----------|-----------|---|---|--|---|---|---|--|
| 61       | 555       | PURCHASED POWER                               | 45,189,369                              | 22,992,833   | 68,182,202                                    | -   | 68,182,202  | Variance is based on generation forecast inclusive of the addition of Cane Run 7 and the retirement of Cane Run 4-6, along with the Bluegrass capacity purchase and tolling agreement.                           |
| 62       | 556       | SYSTEM CONTROL AND LOAD DISPATCHING           | 1,390,815                               | (27,297)   | 1,363,518                                     | -   | 1,363,518   | Customary changes in the ordinary course of business.  |
| 63       | 557       | OTHER EXPENSES                                | 1,031,987                               | (137,532)  | 894,455                                       | -   | 894,455   | Base period included a reclassification of costs to Account 502 and Account 506.   |
| 64       |           | TOTAL OTHER POWER SUPPLY                      | 47,612,171                              | 22,828,004   | 70,440,175                                    | -   | 70,440,175  |  |
| 65       |           | TOTAL PRODUCTION EXPENSES                     | 562,190,044                             | (31,563,004)   | 530,627,040                                   | -   | 530,627,040   |  |
| 66       |           | <u>TRANSMISSION EXPENSES:</u>                 |   |  |   |   |   |  |
| 67       | 560       | TRANS OPERATION SUPERVISION AND ENGINEERING   | 934,425                                 | (4,636)  | 929,789                                       | -   | 929,789   | Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation. |
| 68       | 561       | LOAD DISPATCHING                              | 2,163,268                               | (155,911)  | 2,007,357                                     | -   | 2,007,357   | Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation. |
| 69       | 562       | STATION EXPENSES                              | 1,824,990                               | (418,396)  | 1,406,594                                     | -   | 1,406,594   | Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation. |
| 70       | 563       | OVERHEAD LINE EXPENSES                        | 266,352                                 | 212,943  | 479,295                                       | -   | 479,295   | Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation. |
| 71       | 564       | UNDERGROUND LINE EXPENSES                     | -                                       | -  | -   | -   | -   |  |
| 72       | 565       | TRANSMISSION OF ELECTRICITY BY OTHERS         | 1,082,743                               | 80,584   | 1,163,327                                     | -   | 1,163,327   | Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation. |
| 73       | 566       | MISC TRANSMISSION EXPENSES                    | 5,590,258                               | 162,602  | 5,752,860                                     | -   | 5,752,860   | Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation. |
| 74       | 567       | RENTS   | 35,952                                  | (31,524)   | 4,428   | -   | 4,428   | Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation. |
| 75       | 568       | TRANS MAINTENANCE SUPERVISION AND ENGINEERING | -                                       | -  | -   | -   | -   |  |

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|----------|-----------|---|----------------------------|---|----------------------------------|--|--|---|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)   |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |   |
| 76       | 569       | MAINTENANCE OF STRUCTURES                   | (88)                       | 88  | -                                | -  | -  | Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.  |
| 77       | 570       | MAINTENANCE OF STATION EQUIPMENT            | 1,849,027                  | (490,273)                                 | 1,358,754                        | -  | 1,358,754                                  | Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.  |
| 78       | 571       | MAINTENANCE OF OVERHEAD LINES               | 1,121,419                  | 1,086,991                                 | 2,208,410                        | -  | 2,208,410                                  | Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.  |
| 79       | 572       | MAINTENANCE OF UNDERGROUND LINES            | -                          | -   | -                                | -  | -  |   |
| 80       | 573       | MAINTENANCE OF MISC TRANSMISSION PLANT      | 141,198                    | (78,265)                                  | 62,933                           | -  | 62,933                                     | Miscellaneous substation maintenance charged here is budgeted to Account 570.   |
| 81       | 575       | MISO DAY 1 AND 2 EXPENSE                    | (287,153)                  | 17,645                                    | (269,508)                        | -  | (269,508)                                  | Reflects MISO regulatory liability amortization.  |
| 82       |           | TOTAL TRANSMISSION EXPENSES                 | 14,722,391                 | 381,848                                   | 15,104,239                       | -  | 15,104,239                                 |   |
| 83       |           | <u>DISTRIBUTION EXPENSES:</u>               |                            |   |                                  |  |  |   |
| 84       | 580       | DISTR OPERATION SUPERVISION AND ENGINEERING | 1,506,402                  | 236,759                                   | 1,743,161                        | -  | 1,743,161                                  | Variance is due to primarily to an increase in substation administrative expenses offset by a decrease in storm expenses which are budgeted based on a 10-year historical average.  |
| 85       | 581       | LOAD DISPATCHING                            | 777,737                    | (206,141)                                 | 571,596                          | -  | 571,596                                    | Customary changes in the ordinary course of business reflective of system needs.  |
| 86       | 582       | STATION EXPENSES                            | 1,361,312                  | (93,570)                                  | 1,267,742                        | -  | 1,267,742                                  | Variance reflects higher painting expense in the base period.   |
| 87       | 583       | OVERHEAD LINE EXPENSES                      | 6,655,470                  | (1,647,347)                               | 5,008,123                        | -  | 5,008,123                                  | Customary changes in the ordinary course of business reflective of system needs and reliability-based maintenance expectations and storm activity. Storm repairs were higher in the base period than in the forecast period.  |
| 88       | 584       | UNDERGROUND LINE EXPENSES                   | 424,305                    | (244,284)                                 | 180,021                          | -  | 180,021                                    | Decrease is due primarily to lower underground repairs in the forecasted period, which is offset in overhead lines Accounts 583 and 593.  |
| 89       | 585       | STREET LIGHTING AND SIGNAL SYSTEM EXPENSES  | -                          | -   | -                                | -  | -  |   |
| 90       | 586       | METER EXPENSES                              | 6,382,454                  | 788,726                                   | 7,171,180                        | -  | 7,171,180                                  | Customary changes in the ordinary course of business reflective of system needs and reliability-based maintenance expectations, as well as headcount and contractor rate increases. In addition, the base period is lower than normal due to extreme cold weather in early 2015 which limited work. |
| 91       | 587       | CUSTOMER INSTALLATIONS EXPENSES             | (158,263)                  | 70,255                                    | (88,008)                         | -  | (88,008)                                   | Customary changes in the ordinary course of business.   |

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|----------|-----------|---|----------------------------|---|----------------------------------|--|--|---|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)   |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |   |
| 92       | 588       | MISC DISTRIBUTION EXPENSES                        | 3,541,074                  | 269,746                                   | 3,810,820                        | -  | 3,810,820                                  | Increase is due to a change in methodology on Facility/Security expenses (clearing) that changed allocation percentage between various FERC accounts.   |
| 93       | 589       | RENTS   | 9,519                      | (9,519)                                   | -                                | -  | -  | - Item not budgeted in forecast period due to immateriality.  |
| 94       | 590       | DISTR MAINTENANCE SUPERVISION AND ENGINEERING     | 122,525                    | (73,338)                                  | 49,187                           | -  | 49,187                                     | Decrease is due primarily to lower storm expenses in the forward test year.   |
| 95       | 591       | MAINTENANCE OF STRUCTURES                         | (162,718)                  | 162,718                                   | -                                | -  | -  | Increase is due to a change in methodology on Facility/Security expenses (clearing) that changed allocation percentage between various accounts.  |
| 96       | 592       | MAINTENANCE OF STATION EQUIPMENT                  | 892,520                    | 127,835                                   | 1,020,355                        | -  | 1,020,355                                  | Customary changes in the ordinary course of business reflective of system needs and reliability-based maintenance expectations.   |
| 97       | 593       | MAINTENANCE OF OVERHEAD LINES                     | 24,414,354                 | (1,270,547)                               | 23,143,807                       | -  | 23,143,807                                 | Decrease is due to lower tree trimming and storm expenses expected in the forward period compared to the base period actuals.   |
| 98       | 594       | MAINTENANCE OF UNDERGROUND LINES                  | 1,569,363                  | 439,447                                   | 2,008,810                        | -  | 2,008,810                                  | Increase in the forecasted period is primarily due to vault maintenance.  |
| 99       | 595       | MAINTENANCE OF LINE TRANSFORMERS                  | 163,246                    | 237,243                                   | 400,489                          | -  | 400,489                                    | Increase is due primarily to budgets for transformer installation labor and maintenance of line transformers in this account, with actual charges in Accounts 583 and 584.                                      |
| 100      | 596       | MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS | 310,133                    | 102,951                                   | 413,084                          | -  | 413,084                                    | Customary changes in the ordinary course of business.   |
| 101      | 597       | MAINTENANCE OF METERS                             | -                          | -   | -                                | -  | -  | -   |
| 102      | 598       | MAINTENANCE OF MISC DISTRIBUTION PLANT            | 1,096,898                  | (349,410)                                 | 747,488                          | -  | 747,488                                    | Decrease is due to a change in methodology on Facility/Security expenses (clearing) that changed the allocation percentage between various accounts and slightly lower storm expenses in the forward test year. |
| 103      |           | TOTAL DISTRIBUTION EXPENSES                       | 48,906,331                 | (1,458,476)                               | 47,447,855                       | -  | 47,447,855                                 |   |
| 104      |           | <u>CUSTOMER ACCOUNTS EXPENSES:</u>                |                            |   |                                  |  |  |   |
| 105      | 901       | CUSTOMER ACCTS SUPERVISION                        | 1,083,773                  | (59,518)                                  | 1,024,255                        | -  | 1,024,255                                  | Customary changes in the ordinary course of business. Also the Residential Call Center were budgeted to Account 903 rather than Account 901.  |
| 106      | 902       | METER READING EXPENSES                            | 2,386,014                  | 37,228                                    | 2,423,242                        | -  | 2,423,242                                  | Customary changes in the ordinary course of business.   |
| 107      | 903       | CUSTOMER RECORDS AND COLLECTION EXPENSES          | 5,555,151                  | 614,767                                   | 6,169,918                        | -  | 6,169,918                                  | Customary changes in the ordinary course of business. Also the Residential Call Centers were budgeted to Account 903 rather than Account 901.   |
| 108      | 904       | UNCOLLECTIBLE ACCOUNTS                            | 3,480,356                  | (287,356)                                 | 3,193,000                        | -  | 3,193,000                                  | Lower bad debt % of revenues assumed in forecasted period than experienced in the base period.  |



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|----------|-----------|---|----------------------------|---|----------------------------------|--|--|--|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)  |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |  |
| 109      | 905       | MISC CUSTOMER ACCOUNTS EXPENSE                      | 433                        | 40,606                                    | 41,039                           | -  | 41,039                                     | Increase is due to a change in methodology on Facility/Security expenses (clearing) that changed the allocation percentage between various accounts.   |
| 110      |           | TOTAL CUSTOMER ACCOUNTS EXPENSES                    | 12,505,727                 | 345,726                                   | 12,851,453                       | -  | 12,851,453                                 |  |
| 111      |           | <u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u> |                            |   |                                  |  |  |  |
| 112      | 907       | CUSTOMER SERVICE AND INFO SUPERVISION               | 205,920                    | 8,509                                     | 214,429                          | -  | 214,429                                    | Customary changes in the ordinary course of business.  |
| 113      | 908       | CUSTOMER ASSISTANCE EXPENSES                        | (54,950)                   | 514,475                                   | 459,525                          | -  | 459,525                                    | Increase is due primarily to higher outside services and labor in Marketing and Performance and higher travel for Economic Development in the forecasted period.   |
| 114      | 909       | INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP      | 384,992                    | (187,600)                                 | 197,392                          | -  | 197,392                                    | The base period includes advertising expenses associated with the Business Offices that are not anticipated in the forecasted period. Corporate Communications advertising expenses in the base period were higher than normal and than expected in the forecasted period. |
| 115      | 910       | MISC CUSTOMER SERVICE AND INFO EXPENSES             | 459,162                    | (220,346)                                 | 238,816                          | -  | 238,816                                    | Decrease is primarily due to lower outside services costs in the forecasted period.  |
| 116      |           | TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES   | 995,124                    | 115,038                                   | 1,110,162                        | -  | 1,110,162                                  |  |
| 117      |           | <u>SALES EXPENSES:</u>                              |                            |   |                                  |  |  |  |
| 118      | 911       | SALES SUPERVISION                                   | -                          | -   | -                                | -  | -  |  |
| 119      | 912       | DEMONSTRATING AND SELLING EXPENSES                  | -                          | -   | -                                | -  | -  |  |
| 120      | 913       | ADVERTISING EXPENSES                                | 141,202                    | 48,798                                    | 190,000                          | (190,000)  | -  | Expenses are removed from net operating income in setting base rates.  |
| 121      | 916       | MISC SALES EXPENSES                                 | -                          | -   | -                                | -  | -  |  |
| 122      |           | TOTAL SALES EXPENSES                                | 141,202                    | 48,798                                    | 190,000                          | (190,000)  | -  |  |
| 123      |           | <u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>         |                            |   |                                  |  |  |  |
| 124      | 920       | ADMINISTRATIVE AND GENERAL SALARIES                 | 24,204,722                 | 2,495,177                                 | 26,699,899                       | -  | 26,699,899                                 | Variance reflects changes in headcount and assumed 3% average wage inflation.  |
| 125      | 921       | OFFICE SUPPLIES AND EXPENSES                        | 5,544,622                  | 754,399                                   | 6,299,021                        | -  | 6,299,021                                  | Variance reflects higher spending planned for general office supplies and expenses for various groups along with reclasses of expenses charged to other accounts.  |
| 126      | 922       | ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT         | (3,798,275)                | (207,192)                                 | (4,005,467)                      | -  | (4,005,467)                                | The account is credited for a portion of expenses in 920 and 921 accounts that are transferred to construction costs. It reflects the cost increases above and the level of construction activity.   |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015 AND FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA: \_\_X\_\_BASE PERIOD \_\_X\_\_FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                             | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)  |
|----------|-----------|---|----------------------------|---|----------------------------------|--|--|--|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)  |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |  |
| 127      | 923       | OUTSIDE SERVICES                          | 15,915,148                 | 346,387                                   | 16,261,535                       | -  | 16,261,535                                 | Variance reflects higher level of contracted support for customer service initiatives and technology software and hardware maintenance.  |
| 128      | 924       | PROPERTY INSURANCE                        | 4,377,660                  | (115,913)                                 | 4,261,747                        | 1,078,924  | 5,340,671                                  | Variance reflects growth in assets, replacement values and rates.  |
| 129      | 925       | INJURIES AND DAMAGES                      | 3,342,580                  | (119,148)                                 | 3,223,432                        | -  | 3,223,432                                  | Customary changes in the ordinary course of business.  |
| 130      | 926       | EMPLOYEE PENSION AND BENEFITS             | 26,985,071                 | 5,186,726                                 | 32,171,797                       | -  | 32,171,797                                 | Variance reflects higher pension expense due primarily to mortality table updates, higher medical costs assuming 6% annual growth and other benefit changes tied to the labor forecast.  |
| 131      | 927       | FRANCHISE REQUIREMENTS                    | 35,962                     | (35,962)                                  | -                                | -  | -  | - Item not budgeted in forecast period due to immateriality.   |
| 132      | 928       | REGULATORY COMMISSION EXPENSES            | 790,403                    | 274,321                                   | 1,064,724                        | -  | 1,064,724                                  | Forecasted period reflects rate case expense amortization and an increase in FERC annual fees.   |
| 133      | 929       | DUPLICATE CHARGES--CREDIT                 | (281,212)                  | 281,212                                   | -                                | -  | -  | - Item not budgeted in forecast period due to immateriality.   |
| 134      | 930.1     | GENERAL ADVERTISING EXPENSES              | 827,529                    | (456,897)                                 | 370,632                          | (370,632)  | -  | Expenses are removed from net operating income in setting base rates.  |
| 135      | 930.2     | MISC GENERAL EXPENSES                     | 2,877,794                  | (127,506)                                 | 2,750,288                        | -  | 2,750,288                                  | Variance reflects a greater level of association dues and R&D expenses in the base period.   |
| 136      | 931       | RENTS                                     | 1,655,500                  | (362,162)                                 | 1,293,338                        | -  | 1,293,338                                  | Variance reflects operating expenses budgeted to Account 921.  |
| 137      | 935       | MAINTENANCE OF GENERAL PLANT              | 800,753                    | 70,205                                    | 870,958                          | -  | 870,958                                    | Variance is driven by planned expenses for general plant maintenance for facilities along with higher O&M support of telecom equipment after previous capital investments are now complete.  |
| 138      |           | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES | <u>83,278,257</u>          | <u>7,983,646</u>                          | <u>91,261,903</u>                | <u>708,292</u>   | <u>91,970,195</u>                          |  |
| 139      |           | TOTAL OPERATION AND MAINTENANCE EXPENSES  | <u>722,739,076</u>         | <u>(24,146,424)</u>                       | <u>698,592,652</u>               | <u>518,292</u>   | <u>699,110,944</u>                         |  |
| 140      | 403-404   | DEPRECIATION AND AMORTIZATION             | 127,173,585                | (9,955,151)                               | 117,218,435                      | 79,118   | 117,297,553                                | Depreciation is based on additions to Plant In Service per the Company's capital plan at currently approved depreciation rates.  |
| 141      | 408       | TAXES OTHER THAN INCOME TAXES             | 25,592,550                 | 4,286,508                                 | 29,879,058                       | -  | 29,879,058                                 | Taxes Other Than Income Taxes includes property taxes, payroll taxes, and regulatory assessment fees. The Property Tax adjustment is based on the most recent property tax assessment and tax rates, multiplied by the forecasted amount of property. The Payroll Tax adjustment is made according to current tax rates and employee wages for the forecast period. Regulatory Assessment Fees are based on recent rates multiplied by forecasted revenues |

LOUISVILLE GAS AND ELECTRIC COMPANY  
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SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015 AND FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA: \_\_X\_\_BASE PERIOD\_\_X\_\_FORECASTED PERIOD  
TYPE OF FILING: \_\_\_\_\_ ORIGINAL \_\_X\_\_ UPDATED \_\_\_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):.

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                 | BASE PERIOD JURISDICTIONAL<br>(1)<br>\$ | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD<br>(2)<br>\$ | FORECASTED PERIOD JURISDICTIONAL<br>(3)<br>\$ | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)<br>(4)<br>\$ | PRO FORMA FORECASTED PERIOD JURISDICTIONAL<br>(5)<br>\$ | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)<br>(6)           |
|----------|-----------|---|---|--|---|---|---|--|
| 142      | 409-411   | FEDERAL INCOME TAXES                          | 49,500,414                              | 853,828  | 50,354,242                                    | 1,848,407   | 52,202,649  | Variance reflects changes in pre-tax income and production tax credit. See Schedule E. |
| 143      | 409-411   | STATE INCOME TAXES                            | 8,582,324                               | 50,719   | 8,633,042                                     | 342,390   | 8,975,432   | Variance reflects changes in pre-tax income and production tax credit. See Schedule E. |
| 144      | 411.4     | INVESTMENT TAX CREDIT                         | (1,619,701)                             | 404,839  | (1,214,862)                                   | -   | (1,214,862)   | Adjustment to reflect amortization of investment tax credits.                          |
| 145      | 411.8     | LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES | 0                                       | (0)  | -   | -   | -   |  |
| 146      |           | <b>TOTAL OPERATING EXPENSES</b>               | <u>931,968,249</u>                      | <u>(28,505,682)</u>                                    | <u>903,462,567</u>                            | <u>2,788,208</u>  | <u>906,250,775</u>                                      |  |
| 147      |           | <b>NET OPERATING INCOME</b>                   | <u>141,810,152</u>                      | <u>9,986,004</u>                                       | <u>151,796,156</u>                            | <u>(11,844,783)</u>   | <u>139,951,373</u>                                      |  |

**Note 1 - See Schedule D-2.1 and testimony for a descriptions of the adjustments.**

**Note 2 - In general, these adjustments represent variances between the Base Period and the end of the Forecasted Period.**

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JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
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DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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WITNESS: R. M. CONROY

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                     | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|---|----------------------|----------------------|----------------------|-------------------|----------------|----------------------------|
|          |           |   | REMOVE DSM MECHANISM | REMOVE ECR MECHANISM | REMOVE FAC MECHANISM |                   |                |                            |
|          |           |   | \$                   | \$                   | \$                   | \$                |                | \$                         |
| 1        |           | <b><u>OPERATING REVENUES</u></b>                  |                      |                      |                      |                   |                |                            |
| 2        |           | <b><u>SALES OF ELECTRICITY:</u></b>               |                      |                      |                      |                   |                |                            |
| 3        | 440       | RESIDENTIAL                                       | (18,975,083)         | (23,164,101)         | (3,664,274)          | (45,803,459)      | 100.000%       | (45,803,459)               |
| 4        | 442.2     | COMMERCIAL  | (5,474,777)          | (20,534,554)         | (3,234,107)          | (29,243,438)      | 100.000%       | (29,243,438)               |
| 5        | 442.3     | INDUSTRIAL  | 10,876               | (9,549,908)          | (2,424,938)          | (11,963,971)      | 100.000%       | (11,963,971)               |
| 6        | 444       | PUBLIC STREET AND HIGHWAY LIGHTING                | (213)                | (170,575)            | (14,434)             | (185,223)         | 100.000%       | (185,223)                  |
| 7        | 445       | OTHER SALES TO PUBLIC AUTHORITIES                 | (761,675)            | (5,306,878)          | (1,032,884)          | (7,101,436)       | 100.000%       | (7,101,436)                |
| 8        |           | TOTAL SALES TO ULTIMATE CONSUMERS                 | (25,200,873)         | (58,726,016)         | (10,370,637)         | (94,297,526)      |                | (94,297,526)               |
| 9        | 447       | SALES FOR RESALE                                  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 10       | 449.1     | PROVISION FOR RATE REFUNDS                        | -                    | -                    | -                    | -                 | 0.000%         | -                          |
| 11       |           | TOTAL SALES OF ELECTRICITY                        | (25,200,873)         | (58,726,016)         | (10,370,637)         | (94,297,526)      |                | (94,297,526)               |
| 12       |           | <b><u>OTHER OPERATING REVENUES:</u></b>           |                      |                      |                      |                   |                |                            |
| 13       | 450       | LATE PAYMENT CHARGES                              | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 14       | 451       | ELECTRIC SERVICE REVENUES                         | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 15       | 454       | RENT FROM ELECTRIC PROPERTY                       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 16       | 456       | OTHER MISCELLANEOUS REVENUE                       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 17       |           | TOTAL OTHER OPERATING REVENUES                    | -                    | -                    | -                    | -                 |                | -                          |
| 18       |           | <b>TOTAL OPERATING REVENUES</b>                   | (25,200,873)         | (58,726,016)         | (10,370,637)         | (94,297,526)      |                | (94,297,526)               |
| 19       |           | <b><u>OPERATING EXPENSES</u></b>                  |                      |                      |                      |                   |                |                            |
| 20       |           | <b><u>OPERATION AND MAINTENANCE EXPENSES:</u></b> |                      |                      |                      |                   |                |                            |
| 21       |           | <b><u>STEAM GENERATION:</u></b>                   |                      |                      |                      |                   |                |                            |
| 22       | 500       | STEAM OPERATION SUPERVISION AND ENGINEERING       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 23       | 501       | FUEL  | -                    | 295,559              | (9,967,653)          | (9,672,093)       | 100.000%       | (9,672,093)                |
| 24       | 502       | STEAM EXPENSES                                    | -                    | (98,043)             | -                    | (98,043)          | 100.000%       | (98,043)                   |
| 25       | 504       | STEAM TRANSFERRED-CREDIT                          | -                    | -                    | -                    | -                 | 100.000%       | -                          |

LOUISVILLE GAS AND ELECTRIC COMPANY  
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FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                 | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|---|----------------------|----------------------|----------------------|-------------------|----------------|----------------------------|
|          |           |   | REMOVE DSM MECHANISM | REMOVE ECR MECHANISM | REMOVE FAC MECHANISM |                   |                |                            |
|          |           |   | \$                   | \$                   | \$                   | \$                |                | \$                         |
| 26       | 505       | ELECTRIC EXPENSES                             | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 27       | 506       | MISC STEAM POWER EXPENSES                     | -                    | (1,813,909)          | -                    | (1,813,909)       | 100.000%       | (1,813,909)                |
| 28       | 507       | RENTS   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 29       | 509       | ALLOWANCES                                    | -                    | (268,105)            | -                    | (268,105)         | 100.000%       | (268,105)                  |
| 30       | 510       | MAINTENANCE SUPERVISION AND ENGINEERING       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 31       | 511       | MAINTENANCE OF STRUCTURES                     | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 32       | 512       | MAINTENANCE OF BOILER PLANT                   | -                    | (101,618)            | -                    | (101,618)         | 100.000%       | (101,618)                  |
| 33       | 513       | MAINTENANCE OF ELECTRIC PLANT                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 34       | 514       | MAINTENANCE OF MISC STEAM PLANT               | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 35       |           | TOTAL STEAM GENERATION                        | -                    | (1,986,117)          | (9,967,653)          | (11,953,770)      |                | (11,953,770)               |
| 36       |           | <u>HYDRAULIC GENERATION:</u>                  |                      |                      |                      |                   |                |                            |
| 37       | 535       | HYDRO OPERATION SUPERVISION AND ENGINEERING   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 38       | 536       | WATER FOR POWER                               | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 39       | 537       | HYDRAULIC EXPENSES                            | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 40       | 538       | ELECTRIC EXPENSES                             | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 41       | 539       | MISC HYDRAULIC POWER GENERATION EXPENSES      | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 42       | 540       | RENTS   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 43       | 541       | HYDRO MAINTENANCE SUPERVISION AND ENGINEERING | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 44       | 542       | MAINTENANCE OF STRUCTURES                     | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 45       | 543       | MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 46       | 544       | MAINTENANCE OF ELECTRIC PLANT                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 47       | 545       | MAINTENANCE OF MISC HYDRAULIC PLANT           | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 48       |           | TOTAL HYDRAULIC GENERATION                    | -                    | -                    | -                    | -                 |                | -                          |
| 49       |           | <u>OTHER GENERATION:</u>                      |                      |                      |                      |                   |                |                            |
| 50       | 546       | OTHER OPERATION SUPERVISION AND ENGINEERING   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 51       | 547       | OTHER FUEL                                    | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 52       | 548       | GENERATION EXPENSES                           | -                    | -                    | -                    | -                 | 100.000%       | -                          |

LOUISVILLE GAS AND ELECTRIC COMPANY  
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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                    | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|--|----------------------|----------------------|----------------------|-------------------|----------------|----------------------------|
|          |           |  | REMOVE DSM MECHANISM | REMOVE ECR MECHANISM | REMOVE FAC MECHANISM |                   |                |                            |
|          |           |  | \$                   | \$                   | \$                   | \$                |                | \$                         |
| 53       | 549       | MISC OTHER POWER GENERATION EXPENSES             | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 54       | 550       | RENTS  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 55       | 551       | MAINTENANCE SUPERVISION AND ENGINEERING          | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 56       | 552       | MAINTENANCE OF STRUCTURES                        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 57       | 553       | MAINTENANCE OF GENERATING AND ELECTRIC PLANT     | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 58       | 554       | MAINTENANCE OF MISC OTHER POWER GENERATION PLANT | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 59       |           | TOTAL OTHER GENERATION                           | -                    | -                    | -                    | -                 |                | -                          |
| 60       |           | <u>OTHER POWER SUPPLY:</u>                       |                      |                      |                      |                   |                |                            |
| 61       | 555       | PURCHASED POWER                                  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 62       | 556       | SYSTEM CONTROL AND LOAD DISPATCHING              | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 63       | 557       | OTHER EXPENSES                                   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 64       |           | TOTAL OTHER POWER SUPPLY                         | -                    | -                    | -                    | -                 |                | -                          |
| 65       |           | TOTAL PRODUCTION EXPENSES                        | -                    | (1,986,117)          | (9,967,653)          | (11,953,770)      |                | (11,953,770)               |
| 66       |           | <u>TRANSMISSION EXPENSES:</u>                    |                      |                      |                      |                   |                |                            |
| 67       | 560       | TRANS OPERATION SUPERVISION AND ENGINEERING      | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 68       | 561       | LOAD DISPATCHING                                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 69       | 562       | STATION EXPENSES                                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 70       | 563       | OVERHEAD LINE EXPENSES                           | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 71       | 564       | UNDERGROUND LINE EXPENSES                        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 72       | 565       | TRANSMISSION OF ELECTRICITY BY OTHERS            | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 73       | 566       | MISC TRANSMISSION EXPENSES                       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 74       | 567       | RENTS  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 75       | 568       | TRANS MAINTENANCE SUPERVISION AND ENGINEERING    | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 76       | 569       | MAINTENANCE OF STRUCTURES                        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 77       | 570       | MAINTENANCE OF STATION EQUIPMENT                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 78       | 571       | MAINTENANCE OF OVERHEAD LINES                    | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 79       | 572       | MAINTENANCE OF UNDERGROUND LINES                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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WITNESS: R. M. CONROY

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                     | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|---|----------------------|----------------------|----------------------|-------------------|----------------|----------------------------|
|          |           |   | REMOVE DSM MECHANISM | REMOVE ECR MECHANISM | REMOVE FAC MECHANISM |                   |                |                            |
|          |           |   | \$                   | \$                   | \$                   | \$                |                | \$                         |
| 80       | 573       | MAINTENANCE OF MISC TRANSMISSION PLANT            | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 81       | 575       | MISO DAY 1 AND 2 EXPENSE                          | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 82       |           | TOTAL TRANSMISSION EXPENSES                       | -                    | -                    | -                    | -                 |                | -                          |
| 83       |           | <u>DISTRIBUTION EXPENSES:</u>                     |                      |                      |                      |                   |                |                            |
| 84       | 580       | DISTR OPERATION SUPERVISION AND ENGINEERING       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 85       | 581       | LOAD DISPATCHING                                  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 86       | 582       | STATION EXPENSES                                  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 87       | 583       | OVERHEAD LINE EXPENSES                            | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 88       | 584       | UNDERGROUND LINE EXPENSES                         | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 89       | 585       | STREET LIGHTING AND SIGNAL SYSTEM EXPENSES        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 90       | 586       | METER EXPENSES                                    | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 91       | 587       | CUSTOMER INSTALLATIONS EXPENSES                   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 92       | 588       | MISC DISTRIBUTION EXPENSES                        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 93       | 589       | RENTS   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 94       | 590       | DISTR MAINTENANCE SUPERVISION AND ENGINEERING     | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 95       | 591       | MAINTENANCE OF STRUCTURES                         | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 96       | 592       | MAINTENANCE OF STATION EQUIPMENT                  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 97       | 593       | MAINTENANCE OF OVERHEAD LINES                     | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 98       | 594       | MAINTENANCE OF UNDERGROUND LINES                  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 99       | 595       | MAINTENANCE OF LINE TRANSFORMERS                  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 100      | 596       | MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 101      | 597       | MAINTENANCE OF METERS                             | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 102      | 598       | MAINTENANCE OF MISC DISTRIBUTION PLANT            | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 103      |           | TOTAL DISTRIBUTION EXPENSES                       | -                    | -                    | -                    | -                 |                | -                          |
| 104      |           | <u>CUSTOMER ACCOUNTS EXPENSES:</u>                |                      |                      |                      |                   |                |                            |
| 105      | 901       | CUSTOMER ACCTS SUPERVISION                        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 106      | 902       | METER READING EXPENSES                            | -                    | -                    | -                    | -                 | 100.000%       | -                          |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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WITNESS: R. M. CONROY

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                       | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|---|----------------------|----------------------|----------------------|-------------------|----------------|----------------------------|
|          |           |   | REMOVE DSM MECHANISM | REMOVE ECR MECHANISM | REMOVE FAC MECHANISM |                   |                |                            |
|          |           |   | \$                   | \$                   | \$                   | \$                |                | \$                         |
| 107      | 903       | CUSTOMER RECORDS AND COLLECTION EXPENSES            | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 108      | 904       | UNCOLLECTIBLE ACCOUNTS                              | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 109      | 905       | MISC CUSTOMER ACCOUNTS EXPENSE                      | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 110      |           | TOTAL CUSTOMER ACCOUNTS EXPENSES                    | -                    | -                    | -                    | -                 |                | -                          |
| 111      |           | <u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u> |                      |                      |                      |                   |                |                            |
| 112      | 907       | CUSTOMER SERVICE AND INFO SUPERVISION               | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 113      | 908       | CUSTOMER ASSISTANCE EXPENSES                        | (13,930,985)         | -                    | -                    | (13,930,985)      | 100.000%       | (13,930,985)               |
| 114      | 909       | INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP      | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 115      | 910       | MISC CUSTOMER SERVICE AND INFO EXPENSES             | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 116      |           | TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES   | (13,930,985)         | -                    | -                    | (13,930,985)      |                | (13,930,985)               |
| 117      |           | <u>SALES EXPENSES:</u>                              |                      |                      |                      |                   |                |                            |
| 118      | 911       | SALES SUPERVISION                                   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 119      | 912       | DEMONSTRATING AND SELLING EXPENSES                  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 120      | 913       | ADVERTISING EXPENSES                                | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 121      | 916       | MISC SALES EXPENSES                                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 122      |           | TOTAL SALES EXPENSES                                | -                    | -                    | -                    | -                 |                | -                          |
| 123      |           | <u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>         |                      |                      |                      |                   |                |                            |
| 124      | 920       | ADMINISTRATIVE AND GENERAL SALARIES                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 125      | 921       | OFFICE SUPPLIES AND EXPENSES                        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 126      | 922       | ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT         | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 127      | 923       | OUTSIDE SERVICES                                    | -                    | (36,681)             | -                    | (36,681)          | 100.000%       | (36,681)                   |
| 128      | 924       | PROPERTY INSURANCE                                  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 129      | 925       | INJURIES AND DAMAGES                                | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 130      | 926       | EMPLOYEE PENSION AND BENEFITS                       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 131      | 927       | FRANCHISE REQUIREMENTS                              | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 132      | 928       | REGULATORY COMMISSION EXPENSES                      | -                    | -                    | -                    | -                 | 100.000%       | -                          |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

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WITNESS: R. M. CONROY

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                 | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS   | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|---|----------------------|----------------------|----------------------|---------------------|----------------|----------------------------|
|          |           |   | REMOVE DSM MECHANISM | REMOVE ECR MECHANISM | REMOVE FAC MECHANISM |                     |                |                            |
|          |           |   | \$                   | \$                   | \$                   | \$                  |                | \$                         |
| 133      | 929       | DUPLICATE CHARGES--CREDIT                     | -                    | -                    | -                    | -                   | 100.000%       | -                          |
| 134      | 930.1     | GENERAL ADVERTISING EXPENSES                  | -                    | -                    | -                    | -                   | 100.000%       | -                          |
| 135      | 930.2     | MISC GENERAL EXPENSES                         | -                    | -                    | -                    | -                   | 100.000%       | -                          |
| 136      | 931       | RENTS   | -                    | -                    | -                    | -                   | 100.000%       | -                          |
| 137      | 935       | MAINTENANCE OF GENERAL PLANT                  | -                    | -                    | -                    | -                   | 100.000%       | -                          |
| 138      |           | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES     | -                    | (36,681)             | -                    | (36,681)            |                | (36,681)                   |
| 139      |           | TOTAL OPERATION AND MAINTENANCE EXPENSES      | (13,930,985)         | (2,022,798)          | (9,967,653)          | (25,921,436)        |                | (25,921,436)               |
| 140      | 403-404   | DEPRECIATION AND AMORTIZATION                 | (354,308)            | (1,637,708)          | -                    | (1,992,016)         | 100.000%       | (1,992,016)                |
| 141      | 408       | TAXES OTHER THAN INCOME TAXES                 | -                    | (604,854)            | -                    | (604,854)           | 100.000%       | (604,854)                  |
| 142      | 409-411   | FEDERAL INCOME TAXES                          | (3,415,490)          | (17,040,899)         | (126,094)            | (20,582,484)        | 100.000%       | (20,582,484)               |
| 143      | 409-411   | STATE INCOME TAXES                            | (632,670)            | (3,156,577)          | (23,357)             | (3,812,604)         | 100.000%       | (3,812,604)                |
| 144      | 411.4     | INVESTMENT TAX CREDIT                         | -                    | -                    | -                    | -                   | 100.000%       | -                          |
| 145      | 411.8     | LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES | -                    | 427                  | -                    | 427                 | 100.000%       | 427                        |
| 146      |           | <b>TOTAL OPERATING EXPENSES</b>               | <u>(18,333,453)</u>  | <u>(24,462,409)</u>  | <u>(10,117,104)</u>  | <u>(52,912,966)</u> |                | <u>(52,912,966)</u>        |
| 147      |           | <b>NET OPERATING INCOME</b>                   | <u>(6,867,420)</u>   | <u>(34,263,606)</u>  | <u>(253,533)</u>     | <u>(41,384,560)</u> |                | <u>(41,384,560)</u>        |

SCHEDULE D

JURISDICTIONAL ADJUSTMENT OF OPERATING INCOME

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - GAS OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2016

| <u>SCHEDULE</u> | <u>DESCRIPTION</u>                             |
|-----------------|--|
| D-1             | SUMMARY OF JURISDICTIONAL ADJUSTMENTS          |
| D-2             | JURISDICTIONAL ADJUSTMENTS                     |
| D-2.1           | JURISDICTIONAL PRO FORMA ADJUSTMENTS           |
| WPD-2           | JURISDICTIONAL ADJUSTMENTS WORKPAPER           |
| WPD-2.1a        | JURISDICTIONAL PRO FORMA ADJUSTMENTS WORKPAPER |
| WPD-2.1b        | JURISDICTIONAL PRO FORMA ADJUSTMENTS WORKPAPER |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  X BASE PERIOD  X FORECASTED PERIOD  
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WORKPAPER REFERENCE NO(S):

SCHEDULE D-1  
PAGE 1 OF 7  
WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                     | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)  |
|----------|-----------|-----------------------------------|----------------------------|---|----------------------------------|--|--|--|
|          |           |                                   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)  |
|          |           |                                   | \$                         | \$  | \$                               | \$   | \$   |  |
| 1        |           | <b>OPERATING REVENUES</b>         |                            |   |                                  |  |  |  |
| 2        |           | <u>SALES OF GAS:</u>              |                            |   |                                  |  |  |  |
| 3        | 480       | RESIDENTIAL                       | 102,245,512                | (1,719,188)                               | 100,526,323                      | -  | 100,526,323                                | Variance reflects forecasted changes in billing determinants from the base period to the forecasted period at current tariff rates. Base period also includes sales volumes above historical average levels due to colder than normal weather. |
| 4        | 481.1     | COMMERCIAL                        | 31,237,128                 | (1,249,830)                               | 29,987,297                       | (58,925)   | 29,928,372                                 | Variance reflects forecasted changes in billing determinants from the base period to the forecasted period at current tariff rates. Base period also includes sales volumes above historical average levels due to colder than normal weather. |
| 5        | 481.2     | INDUSTRIAL                        | 3,596,249                  | (569,469)                                 | 3,026,780                        | (59,763)   | 2,967,017                                  | Variance reflects forecasted changes in billing determinants from the base period to the forecasted period at current tariff rates. Base period also includes sales volumes above historical average levels due to colder than normal weather. |
| 6        | 482       | OTHER SALES TO PUBLIC AUTHORITIES | 3,897,865                  | (271,875)                                 | 3,625,990                        | -  | 3,625,990                                  | Variance reflects forecasted changes in billing determinants from the base period to the forecasted period at current tariff rates. Base period also includes sales volumes above historical average levels due to colder than normal weather. |
| 7        |           | TOTAL SALES TO ULTIMATE CONSUMERS | 140,976,753                | (3,810,363)                               | 137,166,391                      | (118,688)  | 137,047,702                                |  |
| 8        | 483-484   | SALES FOR RESALE                  | 3,233,560                  | 2,089,129                                 | 5,322,689                        | (1,704,585)  | 3,618,104                                  | Variance is based on gas off-system sales forecast at current tariff rates.  |
| 9        | 496       | PROVISION FOR RATE REFUNDS        | -                          | -   | -                                | -  | -  |  |
| 10       |           | TOTAL SALES OF GAS                | 144,210,313                | (1,721,234)                               | 142,489,079                      | (1,823,274)  | 140,665,806                                |  |
| 11       |           | <u>OTHER OPERATING REVENUES:</u>  |                            |   |                                  |  |  |  |
| 12       | 487       | FORFEITED DISCOUNTS               | 1,217,849                  | 16,919                                    | 1,234,768                        | -  | 1,234,768                                  | Variance is based on projected revenue increase.   |
| 13       | 488       | MISCELLANEOUS SERVICE REVENUE     | 78,972                     | 12,141                                    | 91,113                           | -  | 91,113                                     | Variance reflects assumption of lower level of reconnects given severity of early 2015 winter weather.   |
| 14       | 489       | TRANSPORTATION OF GAS OF OTHERS   | 7,442,379                  | (1,727,307)                               | 5,715,072                        | (8,915)  | 5,706,156                                  | Variance reflects above normal heating load in the base period due to colder than normal weather.  |
| 15       | 493       | RENT FROM GAS PROPERTY            | 377,598                    | 12,211                                    | 389,809                          | -  | 389,809                                    | Variance reflects trend in this account and is based on a historic average.  |
| 16       | 495       | OTHER GAS REVENUE                 | 626                        | 2,306                                     | 2,932                            | -  | 2,932                                      | Customary changes in the ordinary course of business.  |
| 17       |           | TOTAL OTHER OPERATING REVENUES    | 9,117,424                  | (1,683,730)                               | 7,433,694                        | (8,915)  | 7,424,779                                  |  |
| 18       |           | <b>TOTAL OPERATING REVENUES</b>   | 153,327,737                | (3,404,964)                               | 149,922,773                      | (1,832,189)  | 148,090,584                                |  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  X BASE PERIOD  X FORECASTED PERIOD  
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WORKPAPER REFERENCE NO(S):

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WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                   | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)  |
|----------|-----------|---|----------------------------|---|----------------------------------|--|--|--|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)  |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |  |
| 19       |           | <b>OPERATING EXPENSES</b>                       |                            |   |                                  |  |  |  |
| 20       |           | <u>OPERATION AND MAINTENANCE EXPENSES:</u>      |                            |   |                                  |  |  |  |
| 21       |           | <u>OTHER GAS SUPPLY EXPENSES:</u>               |                            |   |                                  |  |  |  |
| 22       | 801-803   | NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES | -                          | -   | -                                | -  | -  |  |
| 23       | 804       | NATURAL GAS CITY GATE PURCHASES                 | -                          | -   | -                                | -  | -  |  |
| 24       | 805       | OTHER GAS PURCHASES                             | -                          | -   | -                                | -  | -  |  |
| 25       | 806       | EXCHANGE GAS                                    | -                          | -   | -                                | -  | -  |  |
| 26       | 807       | PURCHASED GAS EXPENSE                           | 704,062                    | 173,858                                   | 877,920                          | -  | 877,920                                    | Variance reflects headcount changes and assumed 3% wage inflation.   |
| 27       | 808       | GAS WITHDRAWN FROM STORAGE                      | (0)                        | (0)                                       | (0)                              | -  | (0)  |  |
| 28       | 810       | GAS USED FOR COMPRESSOR STATION FUEL            | (617,001)                  | (289,999)                                 | (907,000)                        | -  | (907,000)                                  | Variance is due to increased compressor fuel usage as well as a higher assumed gas price in the forecasted period.   |
| 29       | 812       | GAS USED FOR OTHER UTILITY OPERATIONS           | -                          | -   | -                                | -  | -  |  |
| 30       | 813       | OTHER GAS SUPPLY EXPENSES                       | -                          | -   | -                                | -  | -  |  |
| 31       |           | TOTAL OTHER GAS SUPPLY EXPENSES                 | 87,061                     | (116,141)                                 | (29,080)                         | -  | (29,080)                                   |  |
| 32       |           | <u>UNDERGROUND STORAGE EXPENSES:</u>            |                            |   |                                  |  |  |  |
| 33       | 814       | OPERATION SUPERVISION AND ENGINEERING           | 556,408                    | (24,142)                                  | 532,266                          | -  | 532,266                                    | Customary changes in the ordinary course of business.  |
| 34       | 816       | WELLS EXPENSE                                   | 317,714                    | 103,286                                   | 421,000                          | -  | 421,000                                    | Variance reflects lower than normal costs for Doe Run Storage Well area in the base period. Forecasted period is based on normal levels.   |
| 35       | 817       | LINES EXPENSE                                   | 713,355                    | (27,368)                                  | 685,987                          | -  | 685,987                                    | Customary changes in the ordinary course of business.  |
| 36       | 818       | COMPRESSOR STATION EXPENSES                     | 2,221,512                  | (350,023)                                 | 1,871,489                        | -  | 1,871,489                                  | The base period reflects higher than normal costs for one time replacement of tools due to parts building fire at Muldraugh station and expenses associated with extreme cold weather. |
| 37       | 819       | COMPRESSOR STATION FUEL AND POWER               | 618,426                    | (37,926)                                  | 580,500                          | -  | 580,500                                    | Customary changes in the ordinary course of business.  |
| 38       | 821       | PURIFICATION EXPENSES                           | 1,373,191                  | 21,455                                    | 1,394,646                        | -  | 1,394,646                                  | Customary changes in the ordinary course of business.  |
| 39       | 823       | GAS LOSSES                                      | -                          | -   | -                                | -  | -  |  |
| 40       | 824       | OTHER EXPENSES                                  | 12,128                     | (12,128)                                  | -                                | -  | -  | - Item not budgeted in forecast period due to immateriality.   |
| 41       | 825       | STORAGE WELL ROYALTIES                          | 98,455                     | 104,545                                   | 203,000                          | -  | 203,000                                    | Actuals based on existing lease agreements. Budget assumed renegotiation of Fort Knox lease at a higher rate.  |
| 42       | 826       | RENTS-STORAGE FIELDS                            | (168)                      | 168                                       | -                                | -  | -  | - Item not budgeted in forecast period due to immateriality.   |
| 43       | 830       | MAINTENANCE SUPERVISION AND ENGINEERING         | 432,393                    | 19,607                                    | 452,000                          | -  | 452,000                                    | Customary changes in the ordinary course of business.  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
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WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                               | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)   |
|----------|-----------|---|----------------------------|---|----------------------------------|--|--|---|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)   |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |   |
| 44       | 832       | MAINTENANCE OF RESERVOIRS AND WELLS         | 678,483                    | 143,017                                   | 821,500                          | -  | 821,500                                    | Variance reflects lower maintenance costs required on wells in base period. Forecasted period is based on normal expenses.            |
| 45       | 833       | MAINTENANCE OF LINES                        | 138,965                    | 28,035                                    | 167,000                          | -  | 167,000                                    | Customary changes in the ordinary course of business.   |
| 46       | 834       | MAINTENANCE OF COMPRESSOR STATION EQUIPMENT | 733,976                    | 413,999                                   | 1,147,975                        | -  | 1,147,975                                  | Variance reflects more maintenance in the forecasted period.  |
| 47       | 835       | MAINTENANCE OF REGULATING STATION EQUIPMENT | 25,752                     | 40,727                                    | 66,479                           | -  | 66,479                                     | Variance reflects more maintenance in the forecasted period.  |
| 48       | 836       | MAINTENANCE OF PURIFICATION EQUIPMENT       | 850,732                    | 80,268                                    | 931,000                          | -  | 931,000                                    | Variance reflects more maintenance in the forecasted period.  |
| 49       | 837       | MAINTENANCE OF OTHER EQUIPMENT              | 96,911                     | 72,360                                    | 169,271                          | -  | 169,271                                    | Variance reflects more maintenance in the forecasted period.  |
| 50       |           | TOTAL UNDERGROUND STORAGE EXPENSES          | 8,868,233                  | 575,880                                   | 9,444,113                        | -  | 9,444,113                                  |   |
| 51       |           | <u>TRANSMISSION EXPENSES:</u>               |                            |   |                                  |  |  |   |
| 52       | 850       | OPERATION SUPERVISION AND ENGINEERING       | 369,386                    | 158,707                                   | 528,093                          | -  | 528,093                                    | Variance reflects incremental expenses for the safety organization in the forecasted period, with an offset in Account 880.           |
| 53       | 851       | SYSTEM CONTROL AND LOAD DISPATCHING         | 364,481                    | 144,219                                   | 508,700                          | -  | 508,700                                    | Variance reflects more control room management support in the forecasted period.  |
| 54       | 852       | COMMUNICATION SYSTEM EXPENSES               | 1,000                      | (1,000)                                   | -                                | -  | -  |   |
| 55       | 856       | MAIN EXPENSES                               | 417,406                    | 71,594                                    | 489,000                          | -  | 489,000                                    | Variance reflects fewer 811 digging calls in the base period.   |
| 56       | 859       | OTHER EXPENSES                              | -                          | -   | -                                | -  | -  |   |
| 57       | 860       | RENTS-GAS TRANSMISSION                      | 7,079                      | (7,079)                                   | -                                | -  | -  | Item not budgeted in forecast period due to immateriality.  |
| 58       | 863       | MAINTENANCE OF MAINS                        | 992,949                    | 270,551                                   | 1,263,500                        | -  | 1,263,500                                  | Variance reflects more nline inspection costs in the forecasted period.   |
| 59       |           | TOTAL TRANSMISSION EXPENSES                 | 2,152,301                  | 636,992                                   | 2,789,293                        | -  | 2,789,293                                  |   |
| 60       |           | <u>DISTRIBUTION EXPENSES:</u>               |                            |   |                                  |  |  |   |
| 61       | 870       | OPERATION SUPERVISION AND ENGINEERING       | -                          | -   | -                                | -  | -  |   |
| 62       | 871       | DISTRIBUTION LOAD DISPATCHING               | 532,167                    | 7,557                                     | 539,724                          | -  | 539,724                                    | Customary changes in the ordinary course of business  |
| 63       | 874       | MAINS AND SERVICES EXPENSES                 | 2,587,644                  | 469,710                                   | 3,057,354                        | -  | 3,057,354                                  | Variance reflects lower costs in base year for work on priority valves and stop box inspections. Forecasted period is based on normal |
| 64       | 875       | MEASURING AND REGULATING STATION EXP - GEN. | 1,034,326                  | (127,248)                                 | 907,078                          | -  | 907,078                                    | Customary changes in the ordinary course of business, partially offset in account 876.  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:   X BASE PERIOD   X FORECASTED PERIOD  
TYPE OF FILING:    ORIGINAL   X UPDATED    REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE D-1  
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WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                       | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)  |
|----------|-----------|---|----------------------------|---|----------------------------------|--|--|--|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)  |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |  |
| 65       | 876       | MEASURING AND REGULATING STATION EXP - IND.         | 354,381                    | 180,105                                   | 534,486                          | -  | 534,486                                    | Variance reflects headcount changes and assumed 3% wage inflation, partly offset in account 875.   |
| 66       | 877       | MEASURING AND REGULATING STATION EXP - CG           | 185,999                    | 356,464                                   | 542,463                          | -  | 542,463                                    | Variance reflects higher labor costs, higher fuel gas and more pipe support inspections in the forecasted period.  |
| 67       | 878       | METER AND HOUSE REGULATOR EXPENSE                   | 2,038,900                  | (840,729)                                 | 1,198,171                        | -  | 1,198,171                                  | Variance is due to higher than normal costs in base year for gas line break in Goshen, KY in September 2014. Forecasted period is based on normal expenses.  |
| 68       | 879       | CUSTOMER INSTALLATIONS EXPENSE                      | 340,715                    | (221,715)                                 | 119,000                          | -  | 119,000                                    | Variance reflects an adjustment for Gas Line Tracker (GLT) expenses for the forecasted period and reconnects that are budgeted in Account 887.   |
| 69       | 880       | OTHER EXPENSES                                      | 2,014,670                  | 129,402                                   | 2,144,072                        | -  | 2,144,072                                  | Variance is due to lower Facility/Security operating expenses (clearing) in the base period, which are offset by higher Facility/Security maintenance expenses (clearing) in FERC account 892.   |
| 70       | 881       | RENTS-GAS DISTRIBUTION                              | 10,794                     | (10,794)                                  | -                                | -  | -  | Item not budgeted in forecast period due to immateriality.   |
| 71       | 885       | MAINTENANCE SUPERVISION AND ENGINEERING             | -                          | -   | -                                | -  | -  |  |
| 72       | 886       | MAINTENANCE OF STRUCTURES AND IMPROVEMENTS          | (96,938)                   | 161,020                                   | 64,082                           | -  | 64,082                                     | Variance is due to a change in methodology on Facility/Security expenses (clearing) that changed allocation percentage between various accounts.   |
| 73       | 887       | MAINTENANCE OF MAINS                                | 11,042,500                 | (83,682)                                  | 10,958,818                       | -  | 10,958,818                                 | Customary changes in the ordinary course of business   |
| 74       | 889       | MTCE OF MEASURING AND REGULATING STATION EXP - GEN. | 146,617                    | 143,172                                   | 289,789                          | -  | 289,789                                    | Variance reflects a headcount increase of one in 2015 and increased soil to air interface work and station painting in the forecasted period.  |
| 75       | 890       | MTCE MEASURING AND REGULATING STATION EXP - IND.    | 350,513                    | (144,759)                                 | 205,754                          | -  | 205,754                                    | Variance reflects expense reallocations.   |
| 76       | 891       | MTCE MEASURING AND REGULATING STATION EXP - CG      | 510,878                    | (144,215)                                 | 366,663                          | -  | 366,663                                    | Variance reflects repairs for leaks on meter loops being charged to this account in the base period but the budget is in Account 892.  |
| 77       | 892       | MAINTENANCE OF SERVICES                             | 1,544,131                  | 148,572                                   | 1,692,703                        | -  | 1,692,703                                  | The base period includes a reduction to expense for Gas Line Tracker (GLT), which is not included in the forecasted period. Higher Facility/Security maintenance expenses (clearing) in the base period are offset by lower Facility/Security operating expenses (clearing) in FERC account 880. |
| 78       | 893       | MAINTENANCE OF METERS AND HOUSE REGULATORS          | -                          | -   | -                                | -  | -  |  |
| 74       | 894       | MAINTENANCE OF OTHER EQUIPMENT                      | 136,196                    | (28,300)                                  | 107,896                          | -  | 107,896                                    | Variance reflects higher maintenance costs incurred in the base period than what is expected in the future period.   |
| 75       |           | TOTAL DISTRIBUTION EXPENSES                         | 22,733,494                 | (5,441)                                   | 22,728,053                       | -  | 22,728,053                                 |  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
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DATA:    X    BASE PERIOD    X    FORECASTED PERIOD  
TYPE OF FILING:    ORIGINAL    X    UPDATED    REVISIONS  
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WITNESS: K. W. BLAKE

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                       | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)  |
|----------|-----------|---|----------------------------|---|----------------------------------|--|--|--|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)  |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |  |
| 76       |           | <u>CUSTOMER ACCOUNTS EXPENSES:</u>                  |                            |   |                                  |  |  |  |
| 77       | 901       | CUSTOMER ACCTS SUPERVISION                          | 886,721                    | (48,695)                                  | 838,026                          | -  | 838,026                                    | Variance is due primarily to the budget for Residential Service Center being in Account 903, offset by an increase of two headcount for systems support and quality assurance.   |
| 78       | 902       | METER READING EXPENSES                              | 1,952,194                  | 30,458                                    | 1,982,652                        | -  | 1,982,652                                  | Customary changes in the ordinary course of business.  |
| 79       | 903       | CUSTOMER RECORDS AND COLLECTION EXPENSES            | 4,545,124                  | 502,991                                   | 5,048,115                        | -  | 5,048,115                                  | Variance reflects the Residential Call Center budgeted to Account 903, but actuals in the base period were in Account 901.   |
| 80       | 904       | UNCOLLECTIBLE ACCOUNTS                              | 485,183                    | (176,183)                                 | 309,000                          | -  | 309,000                                    | Lower bad debt % of revenues assumed in forecasted period than in base period.   |
| 81       | 905       | MISC CUSTOMER ACCOUNTS EXPENSE                      | 6,888                      | 26,689                                    | 33,577                           | -  | 33,577                                     | Variance is due primarily to a change in methodology on Facility/Security expenses (clearing) that changed allocation percentage between various accounts.   |
| 82       |           | TOTAL CUSTOMER ACCOUNTS EXPENSES                    | <u>7,876,110</u>           | <u>335,260</u>                            | <u>8,211,371</u>                 | <u>-</u>   | <u>8,211,371</u>                           |  |
| 83       |           | <u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u> |                            |   |                                  |  |  |  |
| 84       | 907       | CUSTOMER SERVICE AND INFO SUPERVISION               | 65,557                     | 2,157                                     | 67,714                           | -  | 67,714                                     | Customary changes in the ordinary course of business   |
| 85       | 908       | CUSTOMER ASSISTANCE EXPENSES                        | 394,942                    | (249,826)                                 | 145,116                          | -  | 145,116                                    | Variance is due primarily to higher outside services and labor in Marketing and Performance and higher travel for Economic Development in the forecasted period.   |
| 86       | 909       | INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP      | 114,532                    | (52,198)                                  | 62,334                           | -  | 62,334                                     | The base period includes advertising expenses associated with the Business Offices that are not anticipated in the forecasted period. Corporate Communications advertising expenses in the base period were higher than normal and than expected in the forecasted period. |
| 87       | 910       | MISC CUSTOMER SERVICE AND INFO EXPENSES             | 146,201                    | (70,785)                                  | 75,416                           | -  | 75,416                                     | Variance is primarily due to lower outside services costs in the forecasted period.  |
| 88       |           | TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES   | <u>721,232</u>             | <u>(370,652)</u>                          | <u>350,580</u>                   | <u>-</u>   | <u>350,580</u>                             |  |
| 89       |           | <u>SALES EXPENSES:</u>                              |                            |   |                                  |  |  |  |
| 90       | 911       | SALES SUPERVISION                                   | -                          | -   | -                                | -  | -  |  |
| 91       | 912       | DEMONSTRATING AND SELLING EXPENSES                  | -                          | -   | -                                | -  | -  |  |
| 92       | 913       | ADVERTISING EXPENSES                                | 46,235                     | 13,765                                    | 60,000                           | (60,000)   | -  | Expenses are removed from net operating income in setting base rates.  |
| 93       | 916       | MISC SALES EXPENSES                                 | -                          | -   | -                                | -  | -  |  |
| 94       |           | TOTAL SALES EXPENSES                                | <u>46,235</u>              | <u>13,765</u>                             | <u>60,000</u>                    | <u>(60,000)</u>  | <u>-</u>                                   |  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
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DATA:    X    BASE PERIOD    X    FORECASTED PERIOD  
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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                               | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)  |
|----------|-----------|---|----------------------------|---|----------------------------------|--|--|--|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)  |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |  |
| 95       |           | <u>ADMINISTRATIVE AND GENERAL EXPENSES:</u> |                            |   |                                  |  |  |  |
| 96       | 920       | ADMINISTRATIVE AND GENERAL SALARIES         | 6,386,070                  | 647,819                                   | 7,033,889                        | -  | 7,033,889                                  | Variance reflects changes in headcount and assumed 3% average wage inflation.  |
| 97       | 921       | OFFICE SUPPLIES AND EXPENSES                | 1,468,083                  | 196,643                                   | 1,664,726                        | -  | 1,664,726                                  | Variance reflects higher spending planned for general office supplies and expenses for various groups along with reclasses of expenses charged to other accounts.                                  |
| 98       | 922       | ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT | (734,686)                  | (88,204)                                  | (822,890)                        | -  | (822,890)                                  | The account is credited for a portion of expenses in 920 and 921 accounts that are transferred to construction costs. It reflects the cost increases above and the level of construction activity. |
| 99       | 923       | OUTSIDE SERVICES                            | 3,289,565                  | 1,033,121                                 | 4,322,686                        | -  | 4,322,686                                  | Variance reflects higher level of contracted support for customer service initiatives and technology software and hardware maintenance.  |
| 100      | 924       | PROPERTY INSURANCE                          | 14,306                     | 1,118,564                                 | 1,132,870                        | (1,078,924)  | 53,946                                     | Customary changes in the ordinary course of business. Variance includes system budget allocation entry between electric and gas accounts that has been corrected by the adjustment in column 4.    |
| 101      | 925       | INJURIES AND DAMAGES                        | 524,790                    | 335,058                                   | 859,848                          | -  | 859,848                                    | Customary changes in the ordinary course of business.  |
| 102      | 926       | EMPLOYEE PENSION AND BENEFITS               | 7,135,665                  | 3,690,204                                 | 10,825,869                       | -  | 10,825,869                                 | Variance reflects higher pension expense due primarily to mortality table updates, higher medical costs assuming 6% annual growth and other benefit changes tied to the labor forecast.            |
| 103      | 927       | FRANCHISE REQUIREMENTS                      | 374,002                    | (374,002)                                 | -                                | -  | -  | Variance reflects removing gas franchise fees from base rates since they will be a separate line item on the bill at the rate approved by the Louisville Metro Council.                            |
| 104      | 928       | REGULATORY COMMISSION EXPENSES              | 104,878                    | 91,718                                    | 196,596                          | -  | 196,596                                    | Forecasted period reflects rate case expense amortization and an increase in FERC annual fees.   |
| 105      | 929       | DUPLICATE CHARGES--CREDIT                   | (494,556)                  | (102,444)                                 | (597,000)                        | -  | (597,000)                                  | Customary changes in the ordinary course of business.  |
| 106      | 930.1     | GENERAL ADVERTISING EXPENSES                | 350,512                    | (287,007)                                 | 63,505                           | (63,505)   | -  | Expenses are removed from net operating income in setting base rates.  |
| 107      | 930.2     | MISC GENERAL EXPENSES                       | 379,258                    | 91,986                                    | 471,244                          | -  | 471,244                                    | Customary changes in the ordinary course of business.  |
| 108      | 931       | RENTS                                       | 440,070                    | (96,271)                                  | 343,799                          | -  | 343,799                                    | Customary changes in the ordinary course of business.  |
| 109      | 935       | MAINTENANCE OF GENERAL PLANT                | 350,738                    | 16,556                                    | 367,294                          | -  | 367,294                                    | Variance is driven by planned expenses for general plant maintenance for facilities along with higher O&M support of telecom equipment after previous capital investments are now complete.        |
| 110      |           | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES   | 19,588,695                 | 6,273,742                                 | 25,862,437                       | (1,142,429)  | 24,720,008                                 |  |



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DATA:  X BASE PERIOD  X FORECASTED PERIOD  
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WORKPAPER REFERENCE NO(S):

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| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                 | BASE PERIOD JURISDICTIONAL | JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD | FORECASTED PERIOD JURISDICTIONAL | JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) | PRO FORMA FORECASTED PERIOD JURISDICTIONAL | DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)  |
|----------|-----------|---|----------------------------|---|----------------------------------|--|--|--|
|          |           |   | (1)                        | (2)                                       | (3)                              | (4)  | (5)  | (6)  |
|          |           |   | \$                         | \$  | \$                               | \$   | \$   |  |
| 111      |           | TOTAL OPERATION AND MAINTENANCE EXPENSES      | 62,073,361                 | 7,343,407                                 | 69,416,767                       | (1,202,429)  | 68,214,338                                 |  |
| 112      | 403-404   | DEPRECIATION AND AMORTIZATION                 | 27,390,901                 | 2,005,722                                 | 29,396,624                       | -  | 29,396,624                                 | Depreciation is based on additions to Plant In Service per the Company's capital plan at currently approved depreciation rates.  |
| 113      | 408.1     | TAXES OTHER THAN INCOME TAXES                 | 7,910,263                  | 263,816                                   | 8,174,079                        | -  | 8,174,079                                  | Taxes Other Than Income Taxes includes property taxes, payroll taxes, and regulatory assessment fees. The Property Tax adjustment is based on the most recent property tax assessment and tax rates, multiplied by the forecasted amount of property. The Payroll Tax adjustment is made according to current tax rates and employee wages for the forecast period. Regulatory Assessment Fees are based on recent rates multiplied by forecasted revenues |
| 114      | 409-411   | FEDERAL INCOME TAXES                          | 18,931,753                 | (8,917,298)                               | 10,014,455                       | 820,376  | 10,834,831                                 | Variance reflects changes in pre-tax income and production tax credit. See Schedule E.   |
| 115      | 409-411   | STATE INCOME TAXES                            | 2,694,150                  | (942,802)                                 | 1,751,348                        | 151,963  | 1,903,311                                  | Variance reflects changes in pre-tax income and production tax credit. See Schedule E.   |
| 116      | 411.4     | INVESTMENT TAX CREDIT                         | (94,053)                   | 24,983                                    | (69,070)                         | -  | (69,070)                                   | Adjustment to reflect amortization of investment tax credits.  |
| 117      | 411.8     | LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES | -                          | -   | -                                | -  | -  |  |
| 118      |           | <b>TOTAL OPERATING EXPENSES</b>               | <b>118,906,375</b>         | <b>(222,172)</b>                          | <b>118,684,203</b>               | <b>(230,090)</b>   | <b>118,454,113</b>                         |  |
| 119      |           | <b>NET OPERATING INCOME</b>                   | <b>34,421,362</b>          | <b>(3,182,791)</b>                        | <b>31,238,570</b>                | <b>(1,602,099)</b>   | <b>29,636,472</b>                          |  |

**Note 1 - See Schedule D-2.1 and testimony for a descriptions of the adjustments.**

**Note 2 - In general, these adjustments represent variances between the Base Period and the end of the Forecasted Period.**

LOUISVILLE GAS AND ELECTRIC COMPANY  
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TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
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WITNESS: R. M. CONROY

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                     | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|---|----------------------|----------------------|----------------------|-------------------|----------------|----------------------------|
|          |           |   | REMOVE DSM MECHANISM | REMOVE GLT MECHANISM | REMOVE GSC MECHANISM |                   |                |                            |
|          |           |   | \$                   | \$                   | \$                   | \$                |                | \$                         |
| 1        |           | <b><u>OPERATING REVENUES</u></b>                  |                      |                      |                      |                   |                |                            |
| 2        |           | <b><u>SALES OF GAS:</u></b>                       |                      |                      |                      |                   |                |                            |
| 3        | 480       | RESIDENTIAL                                       | (2,662,993)          | (8,964,333)          | (119,693,582)        | (131,320,908)     | 100.000%       | (131,320,908)              |
| 4        | 481.1     | COMMERCIAL  | (80,131)             | (3,284,862)          | (54,760,043)         | (58,125,035)      | 100.000%       | (58,125,035)               |
| 5        | 481.2     | INDUSTRIAL  | -                    | (314,654)            | (8,539,065)          | (8,853,719)       | 100.000%       | (8,853,719)                |
| 6        | 482       | OTHER SALES TO PUBLIC AUTHORITIES                 | (11,851)             | (177,608)            | (8,617,592)          | (8,807,051)       | 100.000%       | (8,807,051)                |
| 7        |           | TOTAL SALES TO ULTIMATE CONSUMERS                 | (2,754,975)          | (12,741,457)         | (191,610,282)        | (207,106,714)     | 100.000%       | (207,106,714)              |
| 8        | 483-484   | SALES FOR RESALE                                  | -                    | (1,096)              | (2,952,311)          | (2,953,406)       | 100.000%       | (2,953,406)                |
| 9        | 496       | PROVISION FOR RATE REFUNDS                        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 10       |           | TOTAL SALES OF GAS                                | (2,754,975)          | (12,742,553)         | (194,562,593)        | (210,060,120)     |                | (210,060,120)              |
| 11       |           | <b><u>OTHER OPERATING REVENUES:</u></b>           |                      |                      |                      |                   |                |                            |
| 12       | 487       | FORFEITED DISCOUNTS                               | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 13       | 488       | MISCELLANEOUS SERVICE REVENUE                     | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 14       | 489       | TRANSPORTATION OF GAS OF OTHERS                   | (7,345)              | -                    | (706,309)            | (713,654)         | 100.000%       | (713,654)                  |
| 15       | 493       | RENT FROM GAS PROPERTY                            | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 16       | 495       | OTHER GAS REVENUE                                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 17       |           | TOTAL OTHER OPERATING REVENUES                    | (7,345)              | -                    | (706,309)            | (713,654)         |                | (713,654)                  |
| 18       |           | <b>TOTAL OPERATING REVENUES</b>                   | (2,762,320)          | (12,742,553)         | (195,268,902)        | (210,773,774)     |                | (210,773,774)              |
| 19       |           | <b><u>OPERATING EXPENSES</u></b>                  |                      |                      |                      |                   |                |                            |
| 20       |           | <b><u>OPERATION AND MAINTENANCE EXPENSES:</u></b> |                      |                      |                      |                   |                |                            |
| 21       |           | <b><u>OTHER GAS SUPPLY EXPENSES:</u></b>          |                      |                      |                      |                   |                |                            |
| 22       | 801-803   | NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES   | -                    | -                    | (198,705,827)        | (198,705,827)     | 100.000%       | (198,705,827)              |
| 23       | 804       | NATURAL GAS CITY GATE PURCHASES                   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 24       | 805       | OTHER GAS PURCHASES                               | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 25       | 806       | EXCHANGE GAS                                      | -                    | -                    | 3,218,716            | 3,218,716         | 100.000%       | 3,218,716                  |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):: SCHEDULE WPD-2

SCHEDULE D-2  
PAGE 2 OF 10  
WITNESS: R. M. CONROY

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                               | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|---|----------------------|----------------------|----------------------|-------------------|----------------|----------------------------|
|          |           |   | REMOVE DSM MECHANISM | REMOVE GLT MECHANISM | REMOVE GSC MECHANISM |                   |                |                            |
|          |           |   | \$                   | \$                   | \$                   | \$                |                | \$                         |
| 26       | 807       | PURCHASED GAS EXPENSE                       | -                    | -                    | (5,541)              | (5,541)           | 100.000%       | (5,541)                    |
| 27       | 808       | GAS WITHDRAWN FROM STORAGE                  | -                    | -                    | 2,082,795            | 2,082,795         | 100.000%       | 2,082,795                  |
| 28       | 810       | GAS USED FOR COMPRESSOR STATION FUEL        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 29       | 812       | GAS USED FOR OTHER UTILITY OPERATIONS       | -                    | -                    | 188,701              | 188,701           | 100.000%       | 188,701                    |
| 30       | 813       | OTHER GAS SUPPLY EXPENSES                   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 31       |           | TOTAL OTHER GAS SUPPLY EXPENSES             | -                    | -                    | (193,221,156)        | (193,221,156)     |                | (193,221,156)              |
| 32       |           | <u>UNDERGROUND STORAGE EXPENSES:</u>        |                      |                      |                      |                   |                |                            |
| 33       | 814       | OPERATION SUPERVISION AND ENGINEERING       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 34       | 816       | WELLS EXPENSE                               | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 35       | 817       | LINES EXPENSE                               | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 36       | 818       | COMPRESSOR STATION EXPENSES                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 37       | 819       | COMPRESSOR STATION FUEL AND POWER           | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 38       | 821       | PURIFICATION EXPENSES                       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 39       | 823       | GAS LOSSES                                  | -                    | -                    | (1,942,726)          | (1,942,726)       | 100.000%       | (1,942,726)                |
| 40       | 824       | OTHER EXPENSES                              | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 41       | 825       | STORAGE WELL ROYALTIES                      | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 42       | 826       | RENTS-STORAGE FIELDS                        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 43       | 830       | MAINTENANCE SUPERVISION AND ENGINEERING     | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 44       | 832       | MAINTENANCE OF RESERVOIRS AND WELLS         | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 45       | 833       | MAINTENANCE OF LINES                        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 46       | 834       | MAINTENANCE OF COMPRESSOR STATION EQUIPMENT | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 47       | 835       | MAINTENANCE OF REGULATING STATION EQUIPMENT | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 48       | 836       | MAINTENANCE OF PURIFICATION EQUIPMENT       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 49       | 837       | MAINTENANCE OF OTHER EQUIPMENT              | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 50       |           | TOTAL UNDERGROUND STORAGE EXPENSES          | -                    | -                    | (1,942,726)          | (1,942,726)       |                | (1,942,726)                |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2  
PAGE 3 OF 10  
WITNESS: R. M. CONROY

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                       | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|---|----------------------|----------------------|----------------------|-------------------|----------------|----------------------------|
|          |           |   | REMOVE DSM MECHANISM | REMOVE GLT MECHANISM | REMOVE GSC MECHANISM |                   |                |                            |
|          |           |   | \$                   | \$                   | \$                   | \$                |                | \$                         |
| 51       |           | <u>TRANSMISSION EXPENSES:</u>                       |                      |                      |                      |                   |                |                            |
| 52       | 850       | OPERATION SUPERVISION AND ENGINEERING               | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 53       | 851       | SYSTEM CONTROL AND LOAD DISPATCHING                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 54       | 852       | COMMUNICATION SYSTEM EXPENSES                       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 55       | 856       | MAIN EXPENSES                                       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 56       | 859       | OTHER EXPENSES                                      | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 57       | 860       | RENTS-GAS TRANSMISSION                              | -                    | -                    | -                    | -                 |                | -                          |
| 58       | 863       | MAINTENANCE OF MAINS                                | -                    | -                    | -                    | -                 |                | -                          |
| 59       |           | TOTAL TRANSMISSION EXPENSES                         | -                    | -                    | -                    | -                 |                | -                          |
| 60       |           | <u>DISTRIBUTION EXPENSES:</u>                       |                      |                      |                      |                   |                |                            |
| 61       | 870       | OPERATION SUPERVISION AND ENGINEERING               | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 62       | 871       | DISTRIBUTION LOAD DISPATCHING                       | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 63       | 874       | MAINS AND SERVICES EXPENSES                         | -                    | 5,917                | -                    | 5,917             | 100.000%       | 5,917                      |
| 64       | 875       | MEASURING AND REGULATING STATION EXP - GEN.         | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 65       | 876       | MEASURING AND REGULATING STATION EXP - IND.         | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 66       | 877       | MEASURING AND REGULATING STATION EXP - CG           | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 67       | 878       | METER AND HOUSE REGULATOR EXPENSE                   | -                    | 9,639                | -                    | 9,639             | 100.000%       | 9,639                      |
| 68       | 879       | CUSTOMER INSTALLATIONS EXPENSE                      | -                    | 125,828              | -                    | 125,828           | 100.000%       | 125,828                    |
| 69       | 880       | OTHER EXPENSES                                      | -                    | (239,824)            | -                    | (239,824)         | 100.000%       | (239,824)                  |
| 70       | 881       | RENTS-GAS DISTRIBUTION                              | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 71       | 885       | MAINTENANCE SUPERVISION AND ENGINEERING             | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 72       | 886       | MAINTENANCE OF STRUCTURES AND IMPROVEMENTS          | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 73       | 887       | MAINTENANCE OF MAINS                                | -                    | (2,391)              | -                    | (2,391)           | 100.000%       | (2,391)                    |
| 74       | 889       | MTCE OF MEASURING AND REGULATING STATION EXP - GEN. | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 75       | 890       | MTCE MEASURING AND REGULATING STATION EXP - IND.    | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 76       | 891       | MTCE MEASURING AND REGULATING STATION EXP - CG      | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 77       | 892       | MAINTENANCE OF SERVICES                             | -                    | (1,169,664)          | -                    | (1,169,664)       | 100.000%       | (1,169,664)                |
| 78       | 893       | MAINTENANCE OF METERS AND HOUSE REGULATORS          | -                    | -                    | -                    | -                 | 100.000%       | -                          |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2  
PAGE 4 OF 10  
WITNESS: R. M. CONROY

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                       | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|---|----------------------|----------------------|----------------------|-------------------|----------------|----------------------------|
|          |           |   | REMOVE DSM MECHANISM | REMOVE GLT MECHANISM | REMOVE GSC MECHANISM |                   |                |                            |
|          |           |   | \$                   | \$                   | \$                   | \$                |                | \$                         |
| 74       | 894       | MAINTENANCE OF OTHER EQUIPMENT                      | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 75       |           | TOTAL DISTRIBUTION EXPENSES                         | -                    | (1,270,494)          | -                    | (1,270,494)       |                | (1,270,494)                |
| 76       |           | <u>CUSTOMER ACCOUNTS EXPENSES:</u>                  |                      |                      |                      |                   |                |                            |
| 77       | 901       | CUSTOMER ACCTS SUPERVISION                          | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 78       | 902       | METER READING EXPENSES                              | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 79       | 903       | CUSTOMER RECORDS AND COLLECTION EXPENSES            | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 80       | 904       | UNCOLLECTIBLE ACCOUNTS                              | -                    | -                    | (423,714)            | (423,714)         | 100.000%       | (423,714)                  |
| 81       | 905       | MISC CUSTOMER ACCOUNTS EXPENSE                      | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 82       |           | TOTAL CUSTOMER ACCOUNTS EXPENSES                    | -                    | -                    | (423,714)            | (423,714)         |                | (423,714)                  |
| 83       |           | <u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u> |                      |                      |                      |                   |                |                            |
| 84       | 907       | CUSTOMER SERVICE AND INFO SUPERVISION               | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 85       | 908       | CUSTOMER ASSISTANCE EXPENSES                        | (2,432,864)          | -                    | -                    | (2,432,864)       | 100.000%       | (2,432,864)                |
| 86       | 909       | INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP      | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 87       | 910       | MISC CUSTOMER SERVICE AND INFO EXPENSES             | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 88       |           | TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES   | (2,432,864)          | -                    | -                    | (2,432,864)       |                | (2,432,864)                |
| 89       |           | <u>SALES EXPENSES:</u>                              |                      |                      |                      |                   |                |                            |
| 90       | 911       | SALES SUPERVISION                                   | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 91       | 912       | DEMONSTRATING AND SELLING EXPENSES                  | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 92       | 913       | ADVERTISING EXPENSES                                | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 93       | 916       | MISC SALES EXPENSES                                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 94       |           | TOTAL SALES EXPENSES                                | -                    | -                    | -                    | -                 |                | -                          |
| 95       |           | <u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>         |                      |                      |                      |                   |                |                            |
| 96       | 920       | ADMINISTRATIVE AND GENERAL SALARIES                 | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 97       | 921       | OFFICE SUPPLIES AND EXPENSES                        | -                    | -                    | -                    | -                 | 100.000%       | -                          |
| 98       | 922       | ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT         | -                    | -                    | -                    | -                 | 100.000%       | -                          |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT  
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
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SCHEDULE D-2  
PAGE 5 OF 10  
WITNESS: R. M. CONROY

| LINE NO. | ACCT. NO. | ACCOUNT TITLE                                 | ADJ 1                | ADJ 2                | ADJ 3                | TOTAL ADJUSTMENTS    | JURIS. PERCENT | JURISDICTIONAL ADJUSTMENTS |
|----------|-----------|---|----------------------|----------------------|----------------------|----------------------|----------------|----------------------------|
|          |           |   | REMOVE DSM MECHANISM | REMOVE GLT MECHANISM | REMOVE GSC MECHANISM |                      |                |                            |
|          |           |   | \$                   | \$                   | \$                   | \$                   |                | \$                         |
| 99       | 923       | OUTSIDE SERVICES                              | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 100      | 924       | PROPERTY INSURANCE                            | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 101      | 925       | INJURIES AND DAMAGES                          | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 102      | 926       | EMPLOYEE PENSION AND BENEFITS                 | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 103      | 927       | FRANCHISE REQUIREMENTS                        | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 104      | 928       | REGULATORY COMMISSION EXPENSES                | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 105      | 929       | DUPLICATE CHARGES--CREDIT                     | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 106      | 930.1     | GENERAL ADVERTISING EXPENSES                  | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 107      | 930.2     | MISC GENERAL EXPENSES                         | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 108      | 931       | RENTS   | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 109      | 935       | MAINTENANCE OF GENERAL PLANT                  | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 110      |           | TOTAL ADMINISTRATIVE AND GENERAL EXPENSES     | -                    | -                    | -                    | -                    |                | -                          |
| 111      |           | TOTAL OPERATION AND MAINTENANCE EXPENSES      | <u>(2,432,864)</u>   | <u>(1,270,494)</u>   | <u>(195,587,596)</u> | <u>(199,290,954)</u> |                | <u>(199,290,954)</u>       |
| 112      | 403-404   | DEPRECIATION AND AMORTIZATION                 | (2,244)              | (2,705,492)          | -                    | (2,707,737)          | 100.000%       | (2,707,737)                |
| 113      | 408.1     | TAXES OTHER THAN INCOME TAXES                 | -                    | (237,288)            | -                    | (237,288)            | 100.000%       | (237,288)                  |
| 114      | 409-411   | FEDERAL INCOME TAXES                          | (102,385)            | (2,668,815)          | 99,719               | (2,671,480)          | 100.000%       | (2,671,480)                |
| 115      | 409-411   | STATE INCOME TAXES                            | (18,965)             | (494,359)            | 18,472               | (494,853)            | 100.000%       | (494,853)                  |
| 116      | 411.4     | INVESTMENT TAX CREDIT                         | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 117      | 411.8     | LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES | -                    | -                    | -                    | -                    | 100.000%       | -                          |
| 118      |           | <b>TOTAL OPERATING EXPENSES</b>               | <u>(2,556,458)</u>   | <u>(7,376,449)</u>   | <u>(195,469,405)</u> | <u>(205,402,312)</u> |                | <u>(205,402,312)</u>       |
| 119      |           | <b>NET OPERATING INCOME</b>                   | <u>(205,861)</u>     | <u>(5,366,104)</u>   | <u>200,503</u>       | <u>(5,371,462)</u>   |                | <u>(5,371,462)</u>         |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(e)**  
**Sponsoring Witness: Kent W. Blake**

**Description of Filing Requirement:**

*A jurisdictional federal and state income tax summary for both the base period and the forecasted period with all supporting schedules of the various components of jurisdictional income taxes.*

**Response:**

See attached.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE E

JURISDICTIONAL FEDERAL AND STATE INCOME TAX SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - ELECTRIC OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2016

SCHEDULE

DESCRIPTION

|     |  |
|-----|--|
| E-1 | ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES       |
| E-2 | DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
COMPUTATION OF FEDERAL AND STATE INCOME TAX - ELECTRIC  
FOR THE BASE PERIOD TME FEBRUARY 28, 2015 AND FORECAST PERIOD TME JUNE 30, 2016

DATA:   X   BASE PERIOD   X   FORECASTED PERIOD  
TYPE OF FILING:        ORIGINAL   X   UPDATED        REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1  
PAGE 1 OF 3

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION                                  | AT CURRENT RATES |               |                   |                       | AT PROPOSED RATES           |             |                   |
|----------|--|------------------|---------------|-------------------|-----------------------|-----------------------------|-------------|-------------------|
|          |  | BASE PERIOD      | ADJUSTMENTS   | FORECASTED PERIOD | PRO FORMA ADJUSTMENTS | PRO FORMA FORECASTED PERIOD | ADJUSTMENTS | FORECASTED PERIOD |
|          |  | (1)<br>\$        | (2)<br>\$     | (3)<br>\$         | (4)<br>\$             | (5)<br>\$                   | (6)<br>\$   | (7)<br>\$         |
| 1        | Operating Income Before Income Taxes         | 198,273,194      | 11,295,384    | 209,568,578       | (9,653,985)           | 199,914,593                 | 27,832,697  | 227,747,290       |
| 2        | Interest Charges                             | 40,146,468       | 14,201,166    | 54,347,634        | (15,561,318)          | 38,786,316                  |             | 38,786,316        |
| 3        | Book Net Income before Income Tax & Credits  | 158,126,726      | (2,905,782)   | 155,220,944       | 5,907,333             | 161,128,277                 | 27,832,697  | 188,960,974       |
| 4        | Permanent Differences:                       |                  |               |                   |                       |                             |             |                   |
| 5        | Section 199 Manufacturing Deduction          | 3,159,947        | (4,864,181)   | (1,704,233)       | (283,779)             | (1,988,012)                 | (1,023,454) | (3,011,466)       |
| 6        | Other Permanent Differences                  | 216,741          | (103,341)     | 113,400           |                       | 113,400                     |             | 113,400           |
| 7        | Total Permanent Differences                  | 3,376,688        | (4,967,522)   | (1,590,833)       | (283,779)             | (1,874,612)                 | (1,023,454) | (2,898,066)       |
| 8        | Temporary Differences:                       |                  |               |                   |                       |                             |             |                   |
| 9        | Bonus Depreciation                           | (291,970,304)    | 291,970,304   | 0                 | 0                     | 0                           | 0           | 0                 |
| 10       | Excess of Tax over Book Depreciation         | (19,827,428)     | (78,946,223)  | (98,773,651)      | 0                     | (98,773,651)                | 0           | (98,773,651)      |
| 11       | Other Temporary Differences                  | 5,940,114        | (30,161,722)  | (24,221,609)      | 0                     | (24,221,609)                | 0           | (24,221,609)      |
| 12       | Total Temporary Differences                  | (305,857,618)    | 182,862,358   | (122,995,259)     | 0                     | (122,995,259)               | 0           | (122,995,259)     |
| 13       | Subtotal                                     | (144,354,203)    | 174,989,055   | 30,634,851        | 5,623,554             | 36,258,406                  | 26,809,243  | 63,067,649        |
| 14       | Total State Tax Expense                      | (4,785,182)      | 5,160,482     | 375,300           | (342,390)             | 32,909                      | (1,626,482) | (1,593,573)       |
| 15       | Federal Taxable Income                       | (149,139,386)    | 180,149,537   | 31,010,151        | 5,281,164             | 36,291,315                  | 25,182,760  | 61,474,075        |
| 16       | Federal Income Tax Rate                      | 35.00%           | 35.00%        | 35.00%            | 35.00%                | 35.00%                      | 35.00%      | 35.00%            |
| 17       | Current Federal Tax Before Adjustments       | (52,198,785)     | 63,052,338    | 10,853,553        | 1,848,407             | 12,701,960                  | 8,813,966   | 21,515,926        |
| 18       | Federal tax adjustments:                     |                  |               |                   |                       |                             |             |                   |
| 19       | Other Current Adjustments                    | 201,865          | (201,865)     | 0                 | 0                     | 0                           | 0           | 0                 |
| 20       | Prior Period Adjustments                     | 12,297,933       | (12,297,933)  | 0                 | 0                     | 0                           | 0           | 0                 |
| 21       | Total Federal Current Tax Expense            | (39,698,987)     | 50,552,540    | 10,853,553        | 1,848,407             | 12,701,960                  | 8,813,966   | 21,515,926        |
| 22       | State Current Tax Expense:                   |                  |               |                   |                       |                             |             |                   |
| 23       | Federal Taxable Income                       | (144,354,203)    | 174,989,055   | 30,634,851        | 5,623,554             | 36,258,406                  | 26,809,243  | 63,067,649        |
| 24       | State tax adjustments:                       |                  |               |                   |                       |                             |             |                   |
| 25       | Addback Section 199 Manufacturing Deduction  | (3,159,947)      | 4,864,181     | 1,704,233         | 283,779               | 1,988,012                   | 1,023,454   | 3,011,466         |
| 26       | State Section 199 Manufacturing Deduction    | (3,671,128)      | 3,820,568     | 149,440           | (200,826)             | (51,386)                    | (724,656)   | (776,042)         |
| 27       | Addback Bonus Depreciation                   | 291,970,304      | (291,970,304) | 0                 | 0                     | 0                           | 0           | 0                 |
| 28       | Addback Federal Tax Depreciation             | 146,619,969      | 76,456,612    | 223,076,581       | 0                     | 223,076,581                 | 0           | 223,076,581       |
| 29       | Addback State Tax Current                    | (934,437)        | 934,437       | 0                 | 0                     | 0                           | 0           | 0                 |
| 30       | State Tax Depreciation                       | (199,660,064)    | (55,826,705)  | (255,486,769)     | 0                     | (255,486,769)               | 0           | (255,486,769)     |
| 31       | State Taxable Income                         | 86,810,493       | (86,732,156)  | 78,337            | 5,706,507             | 5,784,844                   | 27,108,041  | 32,892,885        |
| 32       | State Income Tax Rate                        | 6.00%            | 6.00%         | 6.00%             | 6.00%                 | 6.00%                       | 6.00%       | 6.00%             |
| 33       | State Current Tax Expense Before Adjustments | 5,208,630        | (5,203,929)   | 4,700             | 342,390               | 347,091                     | 1,626,482   | 1,973,573         |
| 34       | State Tax Credits and Adjustments:           |                  |               |                   |                       |                             |             |                   |
| 35       | Kentucky Coal Credit                         | (259,823)        | (120,177)     | (380,000)         | 0                     | (380,000)                   | 0           | (380,000)         |
| 36       | Other Current Adjustments                    | 0                | 0             | 0                 | 0                     | 0                           | 0           | 0                 |
| 37       | Prior Period Adjustments                     | (163,624)        | 163,624       | 0                 | 0                     | 0                           | 0           | 0                 |
| 38       | Total State Current Tax Expense              | 4,785,182        | (5,160,482)   | (375,300)         | 342,390               | (32,909)                    | 1,626,482   | 1,593,573         |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
COMPUTATION OF FEDERAL AND STATE INCOME TAX - ELECTRIC  
FOR THE BASE PERIOD TME FEBRUARY 28, 2015 AND FORECAST PERIOD TME JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1  
PAGE 2 OF 3

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION   | AT CURRENT RATES |               |                   |                       |                             | AT PROPOSED RATES |                   |            |
|----------|---|------------------|---------------|-------------------|-----------------------|-----------------------------|-------------------|-------------------|------------|
|          |   | BASE PERIOD      | ADJUSTMENTS   | FORECASTED PERIOD | PRO FORMA ADJUSTMENTS | PRO FORMA FORECASTED PERIOD | ADJUSTMENTS       | FORECASTED PERIOD |            |
|          |   | (1)<br>\$        | (2)<br>\$     | (3)<br>\$         | (4)<br>\$             | (5)<br>\$                   | (6)<br>\$         | (7)<br>\$         |            |
| 39       | INVESTMENT TAX CREDITS & INCOME TAXES DEFERRED IN PRIOR YEARS |                  |               |                   |                       |                             |                   |                   |            |
| 40       | INVESTMENT TAX CREDIT:  |                  |               |                   |                       |                             |                   |                   |            |
| 41       | Amortization of ITC   | (1,619,701)      |               | (1,214,862)       |                       | (1,214,862)                 |                   | (1,214,862)       |            |
| 42       | TOTAL INVESTMENT TAX CREDIT                                   | (1,619,701)      |               | (1,214,862)       |                       | (1,214,862)                 |                   | (1,214,862)       |            |
| 43       | INCOME TAX DEFERRED - FEDERAL:                                |                  |               |                   |                       |                             |                   |                   |            |
| 44       | Bad Debts   | 29,485           | (29,485)      | 0                 |                       | 0                           |                   | 0                 |            |
| 45       | Bonus Depreciation  | 102,189,606      | (102,189,606) | 0                 |                       | 0                           |                   | 0                 |            |
| 46       | Customer Advances for Construction                            | 50,577           | (50,577)      | 0                 |                       | 0                           |                   | 0                 |            |
| 47       | Contribution In Aid of Const. & Capitalized Interest          | (10,030,359)     | 5,763,985     | (4,266,374)       |                       | (4,266,374)                 |                   | (4,266,374)       |            |
| 48       | Cost of Removal   | 7,687,534        | 5,295,105     | 12,982,639        |                       | 12,982,639                  |                   | 12,982,639        |            |
| 49       | Contingency Reserves  | (76,110)         | 76,110        | 0                 |                       | 0                           |                   | 0                 |            |
| 50       | Deferred Rent Payable   | (43,683)         | 43,683        | 0                 |                       | 0                           |                   | 0                 |            |
| 51       | Demand Side Management  | (271,509)        | 79,579        | (191,930)         |                       | (191,930)                   |                   | (191,930)         |            |
| 52       | Environmental Cost Recovery                                   | 918,992          | 771,314       | 1,690,306         |                       | 1,690,306                   |                   | 1,690,306         |            |
| 53       | Emission Allowances   | (11,653)         | 11,653        | 0                 |                       | 0                           |                   | 0                 |            |
| 54       | EKPC FERC Transmission costs Balance                          | (9,298)          | 9,298         | 0                 |                       | 0                           |                   | 0                 |            |
| 55       | KCCS Funding Balance  | (42,128)         | 42,128        | 0                 |                       | 0                           |                   | 0                 |            |
| 56       | CMRG Funding Balance  | 26,748           | (26,748)      | 0                 |                       | 0                           |                   | 0                 |            |
| 57       | Fuel Adjustment Clause KY                                     | 382,956          | (506,640)     | (123,684)         |                       | (123,684)                   |                   | (123,684)         |            |
| 58       | Gas Franchise Fees  | 0                | 0             | 0                 |                       | 0                           |                   | 0                 |            |
| 59       | Gas Line Tracker  | 0                | 0             | 0                 |                       | 0                           |                   | 0                 |            |
| 60       | Interest Rate Swap  | 439,761          | (60,208)      | 379,553           |                       | 379,553                     |                   | 379,553           |            |
| 61       | Performance Incentives  | (63,317)         | 63,317        | 0                 |                       | 0                           |                   | 0                 |            |
| 62       | Pensions  | 2,544,807        | (3,631,532)   | (1,086,725)       |                       | (1,086,725)                 |                   | (1,086,725)       |            |
| 63       | Post Employment Benefits                                      | 80,442           | (80,442)      | 0                 |                       | 0                           |                   | 0                 |            |
| 64       | Post Retirement Benefits                                      | 70,509           | 1,369,877     | 1,440,386         |                       | 1,440,386                   |                   | 1,440,386         |            |
| 65       | Prepaid Insurance   | 437              | (437)         | 0                 |                       | 0                           |                   | 0                 |            |
| 66       | Purchased Gas Adjustment                                      | 0                | 0             | 0                 |                       | 0                           |                   | 0                 |            |
| 67       | Loss on Reacquired Debt – Amortization                        | (165,643)        | (140,049)     | (305,692)         |                       | (305,692)                   |                   | (305,692)         |            |
| 68       | Management Audit Fees   | (11,718)         | 11,718        | 0                 |                       | 0                           |                   | 0                 |            |
| 69       | MISO Exit Fees  | 82,450           | 8,261         | 90,711            |                       | 90,711                      |                   | 90,711            |            |
| 70       | Non-Qualified Thrift  | 0                | 0             | 0                 |                       | 0                           |                   | 0                 |            |
| 71       | Regulatory Expenses   | 168,322          | 37,117        | 205,439           |                       | 205,439                     |                   | 205,439           |            |
| 72       | State Tax Current   | (327,053)        | 327,053       | 0                 |                       | 0                           |                   | 0                 |            |
| 73       | Storm Damages   | (3,197,918)      | 456,810       | (2,741,109)       |                       | (2,741,109)                 |                   | (2,741,109)       |            |
| 74       | Swap Termination  | (149,180)        | 44,571        | (104,610)         |                       | (104,610)                   |                   | (104,610)         |            |
| 75       | Tenant Incentive Amortization                                 | 26,811           | (26,811)      | 0                 |                       | 0                           |                   | 0                 |            |
| 76       | Tax Depreciation in excess of Book Depreciation               | 5,409,382        | 26,406,535    | 31,815,917        |                       | 31,815,917                  |                   | 31,815,917        |            |
| 77       | Unclaimed Checks  | (620)            | 620           | 0                 |                       | 0                           |                   | 0                 |            |
| 78       | Vacation Pay  | (98,364)         | 98,364        | 0                 |                       | 0                           |                   | 0                 |            |
| 79       | Workers Compensation  | 14,803           | (14,803)      | 0                 |                       | 0                           |                   | 0                 |            |
| 80       | ADJUSTMENTS:  |                  |               |                   |                       |                             |                   |                   |            |
| 81       | Prior Period Adjustments                                      | (15,962,760)     | 15,962,760    | 0                 |                       | 0                           |                   | 0                 |            |
| 82       | Federal Excess Deferrals                                      | (322,584)        | (98,615)      | (421,198)         |                       | (421,198)                   |                   | (421,198)         |            |
| 83       | Permanent Loss on Tax Depreciation                            | 159,905          | (22,844)      | 137,061           |                       | 137,061                     |                   | 137,061           |            |
| 84       | Other   | (300,227)        | 300,227       | 0                 |                       | 0                           |                   | 0                 |            |
| 85       | TOTAL INCOME TAX DEFERRED - FEDERAL                           | SUM LN 44-79     | 89,199,402    | (49,698,713)      | 39,500,690            |                             | 39,500,690        |                   | 39,500,690 |
| 86       | TOTAL FEDERAL INCOME TAXES                                    | LN 21+85         | 49,500,415    | 853,828           | 50,354,243            | 1,848,407                   | 52,202,650        | 8,813,966         | 61,016,616 |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
COMPUTATION OF FEDERAL AND STATE INCOME TAX - ELECTRIC  
FOR THE BASE PERIOD TME FEBRUARY 28, 2015 AND FORECAST PERIOD TME JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1  
PAGE 3 OF 3

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION  | AT CURRENT RATES |             |                   |                       | AT PROPOSED RATES           |             |                   |            |
|----------|--|------------------|-------------|-------------------|-----------------------|-----------------------------|-------------|-------------------|------------|
|          |  | BASE PERIOD      | ADJUSTMENTS | FORECASTED PERIOD | PRO FORMA ADJUSTMENTS | PRO FORMA FORECASTED PERIOD | ADJUSTMENTS | FORECASTED PERIOD |            |
|          |  | (1)<br>\$        | (2)<br>\$   | (3)<br>\$         | (4)<br>\$             | (5)<br>\$                   | (6)<br>\$   | (7)<br>\$         |            |
| 87       | INCOME TAX DEFERRED - STATE:                         |                  |             |                   |                       |                             |             |                   |            |
| 88       | Bad Debts  | 5,377            | (5,377)     | 0                 |                       | 0                           | 0           |                   |            |
| 89       | Customer Advances for Construction                   | 9,224            | (9,224)     | 0                 |                       | 0                           | 0           |                   |            |
| 90       | Contribution In Aid of Const. & Capitalized Interest | (1,829,245)      | 1,051,183   | (778,062)         |                       | (778,062)                   | (778,062)   |                   |            |
| 91       | Cost of Removal                                      | 1,401,982        | 965,673     | 2,367,654         |                       | 2,367,654                   | 2,367,654   |                   |            |
| 92       | Contingency Reserves                                 | (13,880)         | 13,880      | 0                 |                       | 0                           | 0           |                   |            |
| 93       | Deferred Rent Payable                                | (7,966)          | 7,966       | 0                 |                       | 0                           | 0           |                   |            |
| 94       | Demand Side Management                               | (49,515)         | 14,513      | (35,002)          |                       | (35,002)                    | (35,002)    |                   |            |
| 95       | Environmental Cost Recovery                          | 167,597          | 140,665     | 308,262           |                       | 308,262                     | 308,262     |                   |            |
| 96       | Emission Allowances                                  | (2,125)          | 2,125       | 0                 |                       | 0                           | 0           |                   |            |
| 97       | EKPC FERC Transmission costs Balance                 | (1,696)          | 1,696       | 0                 |                       | 0                           | 0           |                   |            |
| 98       | KCCS Funding Balance                                 | (7,683)          | 7,683       | 0                 |                       | 0                           | 0           |                   |            |
| 99       | CMRG Funding Balance                                 | 4,878            | (4,878)     | 0                 |                       | 0                           | 0           |                   |            |
| 100      | Fuel Adjustment Clause KY                            | 69,840           | (92,396)    | (22,556)          |                       | (22,556)                    | (22,556)    |                   |            |
| 101      | Gas Franchise Fees                                   | 0                | 0           | 0                 |                       | 0                           | 0           |                   |            |
| 102      | Gas Line Tracker                                     | 0                | 0           | 0                 |                       | 0                           | 0           |                   |            |
| 103      | Interest Rate Swap                                   | 80,200           | (10,980)    | 69,219            |                       | 69,219                      | 69,219      |                   |            |
| 104      | Performance Incentives                               | (11,547)         | 11,547      | 0                 |                       | 0                           | 0           |                   |            |
| 105      | Pensions   | 464,099          | (662,286)   | (198,187)         |                       | (198,187)                   | (198,187)   |                   |            |
| 106      | Post Employment Benefits                             | 14,670           | (14,670)    | 0                 |                       | 0                           | 0           |                   |            |
| 107      | Post Retirement Benefits                             | 12,859           | 249,826     | 262,684           |                       | 262,684                     | 262,684     |                   |            |
| 108      | Prepaid Insurance                                    | 80               | (80)        | 0                 |                       | 0                           | 0           |                   |            |
| 109      | Purchased Gas Adjustment                             | 0                | 0           | 0                 |                       | 0                           | 0           |                   |            |
| 110      | Loss on Reacquired Debt – Amortization               | (30,209)         | (25,541)    | (55,749)          |                       | (55,749)                    | (55,749)    |                   |            |
| 111      | Management Audit Fees                                | (2,137)          | 2,137       | 0                 |                       | 0                           | 0           |                   |            |
| 112      | MISO Exit Fees                                       | 15,036           | 1,507       | 16,543            |                       | 16,543                      | 16,543      |                   |            |
| 113      | Non-Qualified Thrift                                 | 0                | 0           | 0                 |                       | 0                           | 0           |                   |            |
| 114      | Regulatory Expenses                                  | 30,697           | 6,769       | 37,466            |                       | 37,466                      | 37,466      |                   |            |
| 115      | Storm Damages  | (583,207)        | 83,309      | (499,898)         |                       | (499,898)                   | (499,898)   |                   |            |
| 116      | Swap Termination                                     | (27,206)         | 8,128       | (19,078)          |                       | (19,078)                    | (19,078)    |                   |            |
| 117      | Tenant Incentive Amortization                        | 4,890            | (4,890)     | 0                 |                       | 0                           | 0           |                   |            |
| 118      | Tax Depreciation in excess of Book Depreciation      | 4,372,051        | 3,498,979   | 7,871,030         |                       | 7,871,030                   | 7,871,030   |                   |            |
| 119      | Unclaimed Checks                                     | (113)            | 113         | 0                 |                       | 0                           | 0           |                   |            |
| 120      | Vacation Pay   | (17,939)         | 17,939      | 0                 |                       | 0                           | 0           |                   |            |
| 121      | Workers Compensation                                 | 2,700            | (2,700)     | 0                 |                       | 0                           | 0           |                   |            |
| 122      | ADJUSTMENTS:   |                  |             |                   |                       |                             |             |                   |            |
| 123      | Prior Period Adjustments                             | 111,020          | (111,020)   | 0                 |                       | 0                           | 0           |                   |            |
| 124      | Excess Deferrals                                     | (414,750)        | 73,769      | (340,981)         |                       | (340,981)                   | (340,981)   |                   |            |
| 125      | Permanent Loss on Tax Depreciation                   | 29,162           | (4,166)     | 24,996            |                       | 24,996                      | 24,996      |                   |            |
| 126      | TOTAL INCOME TAX DEFERRED - STATE                    | SUM LN 88-121    | 3,797,142   | 5,211,200         | 9,008,342             | 9,008,342                   | 9,008,342   |                   |            |
| 127      | TOTAL STATE INCOME TAXES                             | LN 38+126        | 8,582,325   | 50,717            | 8,633,042             | 342,390                     | 8,975,432   | 1,626,482         | 10,601,915 |
| 128      | TOTAL INCOME TAXES                                   | LN 86+127        | 58,082,740  | 904,545           | 58,987,285            | 2,190,798                   | 61,178,083  | 10,440,449        | 71,618,531 |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - ELECTRIC OPERATIONS  
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES  
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE E-2  
PAGE 1 OF 1  
WITNESS: K. W. BLAKE

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| LINE NO. | DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT | UNADJUSTED TOTAL UTILITY | JURIS. PERCENT | UNADJUSTED JURISDICTIONAL AMOUNT | JURISDICTIONAL CODE / EXPLANATION |
|----------|--|--------------------------|----------------|----------------------------------|-----------------------------------|
|----------|--|--------------------------|----------------|----------------------------------|-----------------------------------|

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ALL DATA 100% JURISDICTIONAL

SCHEDULE E

JURISDICTIONAL FEDERAL AND STATE INCOME TAX SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372 - GAS OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2016

SCHEDULE

DESCRIPTION

|     |  |
|-----|--|
| E-1 | ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES       |
| E-2 | DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
COMPUTATION OF FEDERAL AND STATE INCOME TAX - GAS  
FOR THE BASE PERIOD TME FEBRUARY 28, 2015 AND FORECAST PERIOD TME JUNE 30, 2016

DATA:   X   BASE PERIOD   X   FORECASTED PERIOD  
TYPE OF FILING:        ORIGINAL   X   UPDATED        REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1  
PAGE 1 OF 3

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION                                  | AT CURRENT RATES |              |                   |                       | AT PROPOSED RATES           |             |                   |
|----------|--|------------------|--------------|-------------------|-----------------------|-----------------------------|-------------|-------------------|
|          |  | BASE PERIOD      | ADJUSTMENTS  | FORECASTED PERIOD | PRO FORMA ADJUSTMENTS | PRO FORMA FORECASTED PERIOD | ADJUSTMENTS | FORECASTED PERIOD |
|          |  | (1)<br>\$        | (2)<br>\$    | (3)<br>\$         | (4)<br>\$             | (5)<br>\$                   | (6)<br>\$   | (7)<br>\$         |
| 1        | Operating Income Before Income Taxes         | 55,953,225       | (13,017,923) | 42,935,302        | (629,760)             | 42,305,542                  | 14,223,752  | 56,529,294        |
| 2        | Interest Charges                             | 9,307,411        | 3,440,800    | 12,748,211        | (3,251,603)           | 9,496,608                   |             | 9,496,608         |
| 3        | Book Net Income before Income Tax & Credits  | 46,645,814       | (16,458,723) | 30,187,091        | 2,621,843             | 32,808,934                  | 14,223,752  | 47,032,686        |
| 4        | Permanent Differences:                       |                  |              |                   |                       |                             |             |                   |
| 5        | Section 199 Manufacturing Deduction          | 410,142          | 120,839      | 530,981           | (125,949)             | 405,032                     | (523,031)   | (117,999)         |
| 6        | Other Permanent Differences                  | 50,840           | (24,240)     | 26,600            |                       | 26,600                      |             | 26,600            |
| 7        | Total Permanent Differences                  | 460,982          | 96,598       | 557,581           | (125,949)             | 431,632                     | (523,031)   | (91,399)          |
| 8        | Temporary Differences:                       |                  |              |                   |                       |                             |             |                   |
| 9        | Bonus Depreciation                           | (66,374,398)     | 66,374,398   | 0                 | 0                     | 0                           | 0           | 0                 |
| 10       | Excess of Tax over Book Depreciation         | (11,725,327)     | (6,552,210)  | (18,277,537)      | 0                     | (18,277,537)                | 0           | (18,277,537)      |
| 11       | Other Temporary Differences                  | 9,364,324        | (11,946,565) | (2,582,241)       | 0                     | (2,582,241)                 | 0           | (2,582,241)       |
| 12       | Total Temporary Differences                  | (68,735,401)     | 47,875,623   | (20,859,779)      | 0                     | (20,859,779)                | 0           | (20,859,779)      |
| 13       | Subtotal                                     | (21,628,605)     | 31,513,498   | 9,884,893         | 2,495,894             | 12,380,787                  | 13,700,721  | 26,081,508        |
| 14       | Total State Tax Expense                      | (345,754)        | 249,997      | (95,758)          | (151,963)             | (247,720)                   | (831,205)   | (1,078,926)       |
| 15       | Federal Taxable Income                       | (21,974,359)     | 31,763,495   | 9,789,135         | 2,343,931             | 12,133,067                  | 12,869,516  | 25,002,583        |
| 16       | Federal Income Tax Rate                      | 35.00%           | 35.00%       | 35.00%            | 35.00%                | 35.00%                      | 35.00%      | 35.00%            |
| 17       | Current Federal Tax-B (Gas)efore Adjustments | (7,691,026)      | 11,117,223   | 3,426,197         | 820,376               | 4,246,573                   | 4,504,331   | 8,750,904         |
| 18       | Federal tax adjustments:                     |                  |              |                   |                       |                             |             |                   |
| 19       | Other Current Adjustments                    | 60               | (60)         | 0                 | 0                     | 0                           | 0           | 0                 |
| 20       | Prior Period Adjustments                     | (13,258,125)     | 13,258,125   | 0                 | 0                     | 0                           | 0           | 0                 |
| 21       | Total Federal Current Tax Expense            | (20,949,091)     | 24,375,289   | 3,426,197         | 820,376               | 4,246,573                   | 4,504,331   | 8,750,904         |
| 22       | State Current Tax Expense:                   |                  |              |                   |                       |                             |             |                   |
| 23       | Federal Taxable Income                       | (21,628,605)     | 31,513,498   | 9,884,893         | 2,495,894             | 12,380,787                  | 13,700,721  | 26,081,508        |
| 24       | State tax adjustments:                       |                  |              |                   |                       |                             |             |                   |
| 25       | Addback Section 199 Manufacturing Deduction  | (410,142)        | (120,839)    | (530,981)         | 125,949               | (405,032)                   | 523,031     | 117,999           |
| 26       | State Section 199 Manufacturing Deduction    | 290,251          | 85,516       | 375,767           | (89,132)              | 286,634                     | (370,332)   | (83,697)          |
| 27       | Addback Bonus Depreciation                   | 66,374,398       | (66,374,398) | 0                 | 0                     | 0                           | 0           | 0                 |
| 28       | Addback Federal Tax Depreciation             | 38,761,248       | 10,180,797   | 48,942,045        | 0                     | 48,942,045                  | 0           | 48,942,045        |
| 29       | Addback State Tax Current                    | (233,609)        | 233,609      | 0                 | 0                     | 0                           | 0           | 0                 |
| 30       | State Tax Depreciation                       | (52,493,183)     | (4,582,578)  | (57,075,761)      | 0                     | (57,075,761)                | 0           | (57,075,761)      |
| 31       | State Taxable Income                         | 30,660,358       | (29,064,396) | 1,595,963         | 2,532,711             | 4,128,673                   | 13,853,420  | 17,982,094        |
| 32       | State Income Tax Rate                        | 6.00%            | 6.00%        | 6.00%             | 6.00%                 | 6.00%                       | 6.00%       | 6.00%             |
| 33       | State Current Tax Expense Before Adjustments | 1,839,621        | (1,743,864)  | 95,758            | 151,963               | 247,720                     | 831,205     | 1,078,926         |
| 34       | State Tax Credits and Adjustments:           |                  |              |                   |                       |                             |             |                   |
| 35       | Kentucky Coal Credit                         | 0                | 0            | 0                 | 0                     | 0                           | 0           | 0                 |
| 36       | Other Current Adjustments                    | 0                | 0            | 0                 | 0                     | 0                           | 0           | 0                 |
| 37       | Prior Period Adjustments                     | (1,493,867)      | 1,493,867    | 0                 | 0                     | 0                           | 0           | 0                 |
| 38       | Total State Current Tax Expense              | 345,754          | (249,997)    | 95,758            | 151,963               | 247,720                     | 831,205     | 1,078,926         |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
COMPUTATION OF FEDERAL AND STATE INCOME TAX - GAS  
FOR THE BASE PERIOD TME FEBRUARY 28, 2015 AND FORECAST PERIOD TME JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1  
PAGE 2 OF 3

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION   | AT CURRENT RATES |              |                   |                       |                             | AT PROPOSED RATES |                   |            |
|----------|---|------------------|--------------|-------------------|-----------------------|-----------------------------|-------------------|-------------------|------------|
|          |   | BASE PERIOD      | ADJUSTMENTS  | FORECASTED PERIOD | PRO FORMA ADJUSTMENTS | PRO FORMA FORECASTED PERIOD | ADJUSTMENTS       | FORECASTED PERIOD |            |
|          |   | (1)              | (2)          | (3)               | (4)                   | (5)                         | (6)               | (7)               |            |
|          |   | \$               | \$           | \$                | \$                    | \$                          | \$                |                   |            |
| 39       | INVESTMENT TAX CREDITS & INCOME TAXES DEFERRED IN PRIOR YEARS |                  |              |                   |                       |                             |                   |                   |            |
| 40       | INVESTMENT TAX CREDIT:  |                  |              |                   |                       |                             |                   |                   |            |
| 41       | Amortization of ITC   | (94,053)         |              | (69,070)          |                       | (69,070)                    |                   | (69,070)          |            |
| 42       | TOTAL INVESTMENT TAX CREDIT                                   | (94,053)         |              | (69,070)          |                       | (69,070)                    |                   | (69,070)          |            |
| 43       | INCOME TAX DEFERRED - FEDERAL:                                |                  |              |                   |                       |                             |                   |                   |            |
| 44       | Bad Debts   | 7,838            | (7,838)      | 0                 |                       | 0                           |                   | 0                 |            |
| 45       | Bonus Depreciation  | 23,231,039       | (23,231,039) | 0                 |                       | 0                           |                   | 0                 |            |
| 46       | Customer Advances for Construction                            | (382,864)        |              | 0                 |                       | 0                           |                   | 0                 |            |
| 47       | Contribution In Aid of Const. & Capitalized Interest          | (786,328)        | (262,359)    | (1,048,686)       |                       | (1,048,686)                 |                   | (1,048,686)       |            |
| 48       | Cost of Removal   | 1,291,095        | 1,923,369    | 3,214,464         |                       | 3,214,464                   |                   | 3,214,464         |            |
| 49       | Contingency Reserves  | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 50       | Deferred Rent Payable   | (11,612)         | 11,612       | 0                 |                       | 0                           |                   | 0                 |            |
| 51       | Demand Side Management  | (2,196,759)      | 2,196,759    | 0                 |                       | 0                           |                   | 0                 |            |
| 52       | Environmental Cost Recovery                                   | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 53       | Emission Allowances   | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 54       | EKPC FERC Transmission costs Balance                          | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 55       | KCCS Funding Balance  | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 56       | CMRG Funding Balance  | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 57       | Fuel Adjustment Clause KY                                     | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 58       | Gas Franchise Fees  | 41,351           | (41,351)     | 0                 |                       | 0                           |                   | 0                 |            |
| 59       | Gas Line Tracker  | 1,430,331        | (825,503)    | 604,828           |                       | 604,828                     |                   | 604,828           |            |
| 60       | Interest Rate Swap  | 109,940          | (25,549)     | 84,391            |                       | 84,391                      |                   | 84,391            |            |
| 61       | Performance Incentives  | (15,829)         | 15,829       | 0                 |                       | 0                           |                   | 0                 |            |
| 62       | Pensions  | 760,137          | (1,001,765)  | (241,627)         |                       | (241,627)                   |                   | (241,627)         |            |
| 63       | Post Employment Benefits                                      | 24,028           | (24,028)     | 0                 |                       | 0                           |                   | 0                 |            |
| 64       | Post Retirement Benefits                                      | 21,061           | 299,201      | 320,262           |                       | 320,262                     |                   | 320,262           |            |
| 65       | Prepaid Insurance   | 102              | (102)        | 0                 |                       | 0                           |                   | 0                 |            |
| 66       | Purchased Gas Adjustment                                      | (3,267,665)      | 1,196,388    | (2,071,277)       |                       | (2,071,277)                 |                   | (2,071,277)       |            |
| 67       | Loss on Reacquired Debt – Amortization                        | (31,786)         | (36,183)     | (67,969)          |                       | (67,969)                    |                   | (67,969)          |            |
| 68       | Management Audit Fees   | (3,816)          | 3,816        | 0                 |                       | 0                           |                   | 0                 |            |
| 69       | MISO Exit Fees  | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 70       | Non-Qualified Thrift  | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 71       | Regulatory Expenses   | 34,250           | 49,662       | 83,912            |                       | 83,912                      |                   | 83,912            |            |
| 72       | State Tax Current   | (81,763)         | 81,763       | 0                 |                       | 0                           |                   | 0                 |            |
| 73       | Storm Damages   | (6,436)          | 956          | (5,481)           |                       | (5,481)                     |                   | (5,481)           |            |
| 74       | Swap Termination  | 0                | (23,259)     | (23,259)          |                       | (23,259)                    |                   | (23,259)          |            |
| 75       | Tenant Incentive Amortization                                 | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 76       | Tax Depreciation in excess of Book Depreciation               | 3,569,262        | 2,273,240    | 5,842,502         |                       | 5,842,502                   |                   | 5,842,502         |            |
| 77       | Unclaimed Checks  | (155)            | 155          | 0                 |                       | 0                           |                   | 0                 |            |
| 78       | Vacation Pay  | (24,591)         | 24,591       | 0                 |                       | 0                           |                   | 0                 |            |
| 79       | Workers Compensation  | 3,701            | (3,701)      | 0                 |                       | 0                           |                   | 0                 |            |
| 80       | ADJUSTMENTS:  |                  |              |                   |                       |                             |                   |                   |            |
| 81       | Prior Period Adjustments                                      | 16,252,061       | (16,252,061) | 0                 |                       | 0                           |                   | 0                 |            |
| 82       | Federal Excess Deferrals                                      | (85,750)         | (18,053)     | (103,802)         |                       | (103,802)                   |                   | (103,802)         |            |
| 83       | Permanent Loss on Tax Depreciation                            | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 84       | Other   | 0                | 0            | 0                 |                       | 0                           |                   | 0                 |            |
| 85       | TOTAL INCOME TAX DEFERRED - FEDERAL                           | SUM LN 44-84     | 39,880,844   | (33,292,587)      | 6,588,257             |                             | 6,588,257         |                   | 6,588,257  |
| 86       | TOTAL FEDERAL INCOME TAXES                                    | LN 21+85         | 18,931,753   | (8,917,299)       | 10,014,454            | 820,376                     | 10,834,830        | 4,504,331         | 15,339,161 |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
COMPUTATION OF FEDERAL AND STATE INCOME TAX - GAS  
FOR THE BASE PERIOD TME FEBRUARY 28, 2015 AND FORECAST PERIOD TME JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1  
PAGE 3 OF 3

WITNESS: K. W. BLAKE

| LINE NO. | DESCRIPTION  | AT CURRENT RATES |             |                   |                       |                             | AT PROPOSED RATES |                   |
|----------|--|------------------|-------------|-------------------|-----------------------|-----------------------------|-------------------|-------------------|
|          |  | BASE PERIOD      | ADJUSTMENTS | FORECASTED PERIOD | PRO FORMA ADJUSTMENTS | PRO FORMA FORECASTED PERIOD | ADJUSTMENTS       | FORECASTED PERIOD |
|          |  | (1)<br>\$        | (2)<br>\$   | (3)<br>\$         | (4)<br>\$             | (5)<br>\$                   | (6)<br>\$         | (7)<br>\$         |
| 87       | INCOME TAX DEFERRED - STATE:                         |                  |             |                   |                       |                             |                   |                   |
| 88       | Bad Debts  | 1,429            | (1,429)     | 0                 |                       | 0                           |                   | 0                 |
| 89       |  | (69,823)         | 69,823      | 0                 |                       | 0                           |                   | 0                 |
| 90       | Contribution In Aid of Const. & Capitalized Interest | (143,403)        | (47,847)    | (191,250)         |                       | (191,250)                   |                   | (191,250)         |
| 91       | Cost of Removal                                      | 235,458          | 350,766     | 586,224           |                       | 586,224                     |                   | 586,224           |
| 92       |  | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 93       |  | (2,118)          | 2,118       | 0                 |                       | 0                           |                   | 0                 |
| 94       | Demand Side Management                               | (400,625)        | 400,625     | 0                 |                       | 0                           |                   | 0                 |
| 95       | Environmental Cost Recovery                          | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 96       |  | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 97       | EKPC FERC Transmission costs Balance                 | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 98       | KCCS Funding Balance                                 | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 99       | CMRG Funding Balance                                 | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 100      | Fuel Adjustment Clause KY                            | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 101      |  | 7,541            | (7,541)     | 0                 |                       | 0                           |                   | 0                 |
| 102      | Gas Line Tracker                                     | 260,851          | (150,548)   | 110,303           |                       | 110,303                     |                   | 110,303           |
| 103      | Interest Rate Swap                                   | 20,050           | (4,659)     | 15,391            |                       | 15,391                      |                   | 15,391            |
| 104      |  | (2,887)          | 2,887       | 0                 |                       | 0                           |                   | 0                 |
| 105      | Pensions   | 138,627          | (182,693)   | (44,066)          |                       | (44,066)                    |                   | (44,066)          |
| 106      |  | 4,382            | (4,382)     | 0                 |                       | 0                           |                   | 0                 |
| 107      | Post Retirement Benefits                             | 3,841            | 54,565      | 58,406            |                       | 58,406                      |                   | 58,406            |
| 108      |  | 19               | (19)        | 0                 |                       | 0                           |                   | 0                 |
| 109      | Purchased Gas Adjustment                             | (595,927)        | 218,186     | (377,740)         |                       | (377,740)                   |                   | (377,740)         |
| 110      | Loss on Reacquired Debt – Amortization               | (5,797)          | (6,599)     | (12,396)          |                       | (12,396)                    |                   | (12,396)          |
| 111      |  | (696)            | 696         | 0                 |                       | 0                           |                   | 0                 |
| 112      | MISO Exit Fees                                       | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 113      |  | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 114      | Regulatory Expenses                                  | 6,246            | 9,057       | 15,303            |                       | 15,303                      |                   | 15,303            |
| 115      | Storm Damages  | (1,174)          | 174         | (1,000)           |                       | (1,000)                     |                   | (1,000)           |
| 116      | Swap Termination                                     | 0                | (4,242)     | (4,242)           |                       | (4,242)                     |                   | (4,242)           |
| 117      |  | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 118      | Tax Depreciation in excess of Book Depreciation      | 1,527,436        | 57,239      | 1,584,675         |                       | 1,584,675                   |                   | 1,584,675         |
| 119      |  | (28)             | 28          | 0                 |                       | 0                           |                   | 0                 |
| 120      |  | (4,485)          | 4,485       | 0                 |                       | 0                           |                   | 0                 |
| 121      |  | 675              | (675)       | 0                 |                       | 0                           |                   | 0                 |
| 122      | ADJUSTMENTS:   |                  |             |                   |                       |                             |                   |                   |
| 123      | Prior Period Adjustments                             | 1,479,052        | (1,479,052) | 0                 |                       | 0                           |                   | 0                 |
| 124      | Excess Deferrals                                     | (110,250)        | 26,231      | (84,019)          |                       | (84,019)                    |                   | (84,019)          |
| 125      | Permanent Loss on Tax Depreciation                   | 0                | 0           | 0                 |                       | 0                           |                   | 0                 |
| 126      | TOTAL INCOME TAX DEFERRED - STATE                    | 2,348,395        | (692,805)   | 1,655,591         |                       | 1,655,591                   |                   | 1,655,591         |
| 127      | TOTAL STATE INCOME TAXES                             | 2,694,150        | (942,801)   | 1,751,348         | 151,963               | 1,903,311                   | 831,205           | 2,734,516         |
| 128      | TOTAL INCOME TAXES                                   | 21,625,903       | (9,860,100) | 11,765,803        | 972,339               | 12,738,142                  | 5,335,536         | 18,073,677        |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372 - GAS OPERATIONS  
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES  
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015  
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2016

DATA:  BASE PERIOD  FORECASTED PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE E-2  
PAGE 1 OF 1  
WITNESS: K. W. BLAKE

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| LINE NO. | DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT | UNADJUSTED TOTAL UTILITY | JURIS. PERCENT | UNADJUSTED JURISDICTIONAL AMOUNT | JURISDICTIONAL CODE / EXPLANATION |
|----------|--|--------------------------|----------------|----------------------------------|-----------------------------------|
|----------|--|--------------------------|----------------|----------------------------------|-----------------------------------|

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ALL DATA 100% JURISDICTIONAL

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(f)**  
**Sponsoring Witnesses: Kent W. Blake**

**Description of Filing Requirement:**

*Summary schedules for both the base period and the forecasted period (the utility may also provide a summary segregating those items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures at country clubs; charitable contributions; marketing, sales, and advertising expenditures; professional service expenses; civic and political activity expenses; expenditures for employee parties and outings; employee gift expenses; and rate case expenses.*

**Response:**

See attached.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals.

Louisville Gas & Electric

Case No. 2014-00372

Filing requirement Section 16 (8)(f)

Base Period: Twelve Months Ended February 28, 2015

Forecasted Test Period: Twelve Months Ended June 30, 2016

FR\_16(8)(f) Schedule F

| Schedule | Pages | Description  |
|----------|-------|--|
| F-1      |       | Organization Membership Dues                       |
| F-2      |       | Charitable Contributions                           |
| F-3      |       | Employee Recognition                               |
| F-4      |       | Customer Service, Informational and Sales Expenses |
| F-5      |       | Advertising  |
| F-6      |       | Professional Services                              |
| F-7      |       | Projected Rate Case Expenses                       |
| F-8      |       | Civic, Political and Related Activities            |

Louisville Gas & Electric  
Case No. 2014-00372  
Organization Membership Dues  
Base Period: Twelve Months Ended February 28, 2015  
Forecasted Test Period: Twelve Months Ended June 30, 2016

LGE FR\_16(8)(f)

Schedule F-1

| Account No.                            | Organization/Membership                               | Subscriptions | Dues         | Total<br>Utility | Jurisdiction % | Total<br>Jurisdiction |
|--|---|---------------|--------------|------------------|----------------|-----------------------|
| <b>BASE PERIOD - Recoverable</b>       |   |               |              |                  |                |                       |
| 921/930                                | Electric Power Research Institute (EPRI)              | -             | 1,273,866.96 | 1,273,866.96     | 100%           | 1,273,866.96          |
| 921/930                                | American Gas Association                              | -             | 326,264.26   | 326,264.26       | 100%           | 326,264.26            |
| 921/930                                | Edison Electric Institute (EEI)                       | -             | 318,560.61   | 318,560.61       | 100%           | 318,560.61            |
| 921/930                                | Platts  | 128,296.29    | -            | 128,296.29       | 100%           | 128,296.29            |
| 921/930                                | Thomson Reuters                                       | 46,831.13     | -            | 46,831.13        | 100%           | 46,831.13             |
| 921/930                                | Midwest Ozone Group                                   | -             | 41,125.00    | 41,125.00        | 100%           | 41,125.00             |
| 921/930                                | American Coalition for Clean Coal Electricity (ACCCE) | -             | 37,396.80    | 37,396.80        | 100%           | 37,396.80             |
| 921/930                                | Carbon Sequestration Council                          | -             | 36,360.00    | 36,360.00        | 100%           | 36,360.00             |
| 921/930                                | E Source Companies LLC                                | 35,321.00     | -            | 35,321.00        | 100%           | 35,321.00             |
| 921/930                                | PIRA Energy Group                                     | 35,108.90     | -            | 35,108.90        | 100%           | 35,108.90             |
| 921/930                                | Corporate Executive Board (CEB)                       | 32,842.10     | -            | 32,842.10        | 100%           | 32,842.10             |
| 921/930                                | NSR Legal Resources Group                             | -             | 24,500.00    | 24,500.00        | 100%           | 24,500.00             |
| 921/930                                | IHS Global  | 20,508.64     | -            | 20,508.64        | 100%           | 20,508.64             |
| 921/930                                | Coalition for Innovative Climate Solutions            | -             | 18,750.00    | 18,750.00        | 100%           | 18,750.00             |
| 921/930                                | Southern Gas Association                              | -             | 17,400.00    | 17,400.00        | 100%           | 17,400.00             |
| 921/930                                | North American Transmission Forum                     | -             | 16,471.64    | 16,471.64        | 100%           | 16,471.64             |
| 921/930                                | Kentucky Gas Association                              | -             | 14,600.00    | 14,600.00        | 100%           | 14,600.00             |
| 921/930                                | Zapproved Inc.  | 14,270.96     | -            | 14,270.96        | 100%           | 14,270.96             |
| 921/930                                | Wood Mackenzie Coal Mkt Forecast                      | 13,230.00     | -            | 13,230.00        | 100%           | 13,230.00             |
| 921/930                                | BNA   | 10,721.15     | -            | 10,721.15        | 100%           | 10,721.15             |
| 921/930                                | Vendors < \$10,000                                    | 81,106.89     | 135,698.50   | 216,805.39       | 100%           | 216,805.39            |
| Total Base Period - Recoverable        |   | 418,237.06    | 2,260,993.77 | 2,679,230.83     | 100%           | 2,679,230.83          |
| <b>BASE PERIOD - Not Recoverable</b>   |   |               |              |                  |                |                       |
| 426                                    | Edison Electric Institute                             | -             | 50,080.30    | 50,080.30        | 100%           | 50,080.30             |
| 426                                    | Coal Utilization Research Council                     | -             | 7,350.00     | 7,350.00         | 100%           | 7,350.00              |
| 426                                    | American Gas Association                              | -             | 5,765.54     | 5,765.54         | 100%           | 5,765.54              |
| 426                                    | Waterways Council Inc.                                | -             | 4,518.54     | 4,518.54         | 100%           | 4,518.54              |
| 426                                    | American Coalition for Clean Coal Electricity (ACCCE) | -             | 4,155.20     | 4,155.20         | 100%           | 4,155.20              |
| 426                                    | Various Vendors < \$2,000                             | 726.01        | 5,458.80     | 6,184.81         | 100%           | 6,184.81              |
| Total Base Period - Non-Recoverable    |   | 726.01        | 77,328.38    | 78,054.39        | 100%           | 78,054.39             |
| <b>FORECASTED PERIOD - Recoverable</b> |   |               |              |                  |                |                       |
| 921/930                                | EPRI Dues   | -             | 1,204,320.66 | 1,204,320.66     | 100%           | 1,204,320.66          |
| 921/930                                | EEI Dues  | -             | 241,380.84   | 241,380.84       | 100%           | 241,380.84            |
| 921/930                                | American Gas Association                              | -             | 194,000.00   | 194,000.00       | 100%           | 194,000.00            |
| 921/930                                | Utility Air Regulatory Group (UARG)                   | -             | 93,534.00    | 93,534.00        | 100%           | 93,534.00             |
| 921/930                                | Open Access Technology International                  | -             | 60,187.73    | 60,187.73        | 100%           | 60,187.73             |
| 921/930                                | Other Transmission Dues                               | -             | 43,287.72    | 43,287.72        | 100%           | 43,287.72             |
| 921/930                                | Thompson West   | 40,128.00     | -            | 40,128.00        | 100%           | 40,128.00             |
| 921/930                                | Utility Water Act Group (UWAG)                        | -             | 22,491.00    | 22,491.00        | 100%           | 22,491.00             |
| 921/930                                | Wood Mackenzie Coal Mkt Forecast                      | 21,485.79     | -            | 21,485.79        | 100%           | 21,485.79             |
| 921/930                                | Utility Solid Waste Activities Group (USWAG)          | -             | 19,635.00    | 19,635.00        | 100%           | 19,635.00             |
| 921/930                                | North American Transmission Forum                     | -             | 17,652.56    | 17,652.56        | 100%           | 17,652.56             |
| 921/930                                | eTariff Subscription/Hosting                          | 12,713.91     | -            | 12,713.91        | 100%           | 12,713.91             |
| 921/930                                | Vendors < \$10,000                                    | 20,006.80     | -            | 20,006.80        | 100%           | 20,006.80             |
| 506, 588, 921                          | Other non-specific LGE Subscriptions                  | 186,419.03    | -            | 186,419.03       | 100%           | 186,419.03            |
| Various                                | Other non-specific LGE Dues                           | -             | 305,995.04   | 305,995.04       | 100%           | 305,995.04            |
| Total LGE Dues & Subscriptions         |   | 280,753.53    | 2,202,484.54 | 2,483,238.07     | 100%           | 2,483,238.07          |

Note> Portion of Forecasted test period Recoverable Dues & Subscriptions are not completed in specific vendor detail and are shown as "Other non-specific LGE Subscriptions" and "Other non-specific LGE Dues".

**FORECASTED PERIOD - Non-Recoverable**

|     |                                      |          |           |           |      |           |
|-----|--------------------------------------|----------|-----------|-----------|------|-----------|
| 426 | Non-Recoverable Dues & Subscriptions | 1,022.00 | 64,390.00 | 65,412.00 | 100% | 65,412.00 |
|-----|--------------------------------------|----------|-----------|-----------|------|-----------|

Note> Forecasted test year period Non-Recoverable Dues & Subscriptions are not completed in specific vendor detail and are shown as "Non-Recoverable Dues & Subscriptions".

Louisville Gas & Electric  
Case No. 2014-00372  
Charitable Contributions  
Base Period: Twelve Months Ended February 28, 2015  
Forecasted Test Period: Twelve Months Ended June 30, 2016

| LGE FR_16(8)(f)                      |  |                  |                | Schedule F-2          |
|--------------------------------------|--|------------------|----------------|-----------------------|
| Account No.                          | Charitable Organization                          | Total<br>Utility | Jurisdiction % | Total<br>Jurisdiction |
| <b>BASE PERIOD - Not Recoverable</b> |  |                  |                |                       |
| 426.1                                | ASSOC OF COMMUNITY MINISTRIES                    | 412,500          | 100%           | 412,500               |
| 426.1                                | HOME ENERGY ASSISTANCE                           | 180,000          | 100%           | 180,000               |
| 426.1                                | COMMUNITY WINTERHELP INC                         | 148,799          | 100%           | 148,799               |
| 426.1                                | THE LIBRARY FOUNDATION                           | 142,905          | 100%           | 142,905               |
| 426.1                                | CARROLLTON COLLEGE EDUCATION FOUNDATION INC      | 100,000          | 100%           | 100,000               |
| 426.1                                | LOUISVILLE ORCHESTRA INC                         | 100,000          | 100%           | 100,000               |
| 426.1                                | PROJECT WARM                                     | 100,000          | 100%           | 100,000               |
| 426.1                                | SIMMONS COLLEGE OF KENTUCKY                      | 100,000          | 100%           | 100,000               |
| 426.1                                | THE LOUISVILLE ZOO                               | 77,781           | 100%           | 77,781                |
| 426.1                                | LOUISVILLE METRO GOVERNMENT                      | 75,500           | 100%           | 75,500                |
| 426.1                                | SUN VALLEY PARK                                  | 73,240           | 100%           | 73,240                |
| 426.1                                | WOMEN 4 WOMEN INC                                | 68,000           | 100%           | 68,000                |
| 426.1                                | LOUISVILLE URBAN LEAGUE                          | 62,920           | 100%           | 62,920                |
| 426.1                                | HABITAT FOR HUMANITY OF METRO LOU                | 51,123           | 100%           | 51,123                |
| 426.1                                | FRIENDS OF THE VILLE                             | 50,000           | 100%           | 50,000                |
| 426.1                                | HABITAT FOR HUMANITY                             | 39,000           | 100%           | 39,000                |
| 426.1                                | LINCOLN FOUNDATION                               | 36,500           | 100%           | 36,500                |
| 426.1                                | DOWNTOWN DEVELOPMENT CORPORATION                 | 30,500           | 100%           | 30,500                |
| 426.1                                | KENTUCKY LIFT INC                                | 30,000           | 100%           | 30,000                |
| 426.1                                | MUHAMMAD ALI CENTER                              | 26,500           | 100%           | 26,500                |
| 426.1                                | CASA   | 25,440           | 100%           | 25,440                |
| 426.1                                | SOUTHWEST COMMUNITY MINISTRIES INC               | 25,400           | 100%           | 25,400                |
| 426.1                                | NATIONAL CORPORATE THEATER FUND                  | 25,000           | 100%           | 25,000                |
| 426.1                                | WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS | 25,000           | 100%           | 25,000                |
| 426.1                                | LEADERSHIP LOUISVILLE FOUNDATION                 | 24,000           | 100%           | 24,000                |
| 426.1                                | JUNIOR ACHIEVEMENT                               | 20,463           | 100%           | 20,463                |
| 426.1                                | COMMUNITY FOUNDATION OF LOUISVILLE INC           | 20,100           | 100%           | 20,100                |
| 426.1                                | AMERICAN HEART ASSOCIATION                       | 20,000           | 100%           | 20,000                |
| 426.1                                | BUILDING INDUSTRY ASSO. OF GREATER LOUISVILLE    | 20,000           | 100%           | 20,000                |
| 426.1                                | MARYHURST  | 20,000           | 100%           | 20,000                |
| 426.1                                | WOUNDED WARRIOR PROJECT INC                      | 17,985           | 100%           | 17,985                |
| 426.1                                | ENERGY CONSERVATION ASSOCIATION                  | 15,000           | 100%           | 15,000                |
| 426.1                                | LOUISVILLE JEFFERSON COUNTY METRO GOVT           | 15,000           | 100%           | 15,000                |
| 426.1                                | METRO UNITED WAY                                 | 15,000           | 100%           | 15,000                |
| 426.1                                | RIVERSIDE FARNSLEY MOREMAN                       | 14,684           | 100%           | 14,684                |
| 426.1                                | JEFFERSON COUNTY PUBLIC                          | 13,930           | 100%           | 13,930                |
| 426.1                                | WHOS WHO LOUISVILLE LLC                          | 12,500           | 100%           | 12,500                |
| 426.1                                | LOUISVILLE BALLET                                | 12,000           | 100%           | 12,000                |
| 426.1                                | BELLARMINE UNIVERSITY                            | 11,500           | 100%           | 11,500                |
| 426.1                                | LINCOLN HERITAGE COUNCIL                         | 11,100           | 100%           | 11,100                |
| 426.1                                | NATIONAL FFA FOUNDATION INC                      | 11,000           | 100%           | 11,000                |
| 426.1                                | NELSON COUNTY ECONOMIC DEVELOPMENT AGENCY        | 11,000           | 100%           | 11,000                |
| 426.1                                | YOUTH BUILD LOUISVILLE                           | 10,500           | 100%           | 10,500                |
| 426.1                                | GILDAS CLUB LOUISVILLE                           | 10,100           | 100%           | 10,100                |
| 426.1                                | AMERICAN GAS ASSOCIATION                         | 10,000           | 100%           | 10,000                |
| 426.1                                | DARRELL GRIFFITH FOUNDATION, THE                 | 10,000           | 100%           | 10,000                |
| 426.1                                | FUND FOR THE ARTS                                | 10,000           | 100%           | 10,000                |
| 426.1                                | VARIOUS VENDORS < \$10,000                       | 607,937          | 100%           | 607,937               |
| <b>Total Base Period</b>             |  | 2,949,907        |                | 2,949,907             |

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Schedule F-2

| Account No.                                | Charitable Organization                                 | Total<br>Utility | Jurisdiction % | Schedule F-2<br>Total<br>Jurisdiction |
|--|---|------------------|----------------|---------------------------------------|
| <b>FORECASTED PERIOD - Not Recoverable</b> |   |                  |                |                                       |
| 426.1                                      | ASSOC OF COMMUNITY MINISTRIES                           | 412,500          | 100%           | 412,500                               |
| 426.1                                      | HOME ENERGY ASSISTANCE                                  | 180,000          | 100%           | 180,000                               |
| 426.1                                      | COMMUNITY WINTERHELP INC                                | 128,000          | 100%           | 128,000                               |
| 426.1                                      | KENTUCKY KINGDOM  | 112,000          | 100%           | 112,000                               |
| 426.1                                      | PROJECT WARM  | 105,000          | 100%           | 105,000                               |
| 426.1                                      | LOUISVILLE ZOO  | 60,000           | 100%           | 60,000                                |
| 426.1                                      | VARIOUS FORECASTED TEST PERIOD CHARITABLE CONTRIBUTIONS | 1,143,028        | 100%           | 1,143,028                             |
| <b>Total Forecasted Period</b>             |   | 1,143,028        |                | 1,143,028                             |

Louisville Gas & Electric  
Case No. 2014-00372  
Employee Recognition  
Base Period: Twelve Months Ended February 28, 2015  
Forecasted Test Period: Twelve Months Ended June 30, 2016

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Schedule F-3

| Account No.                              | Description                                 | Total<br>Utility | Jurisdiction % | Total<br>Jurisdiction |
|--|---|------------------|----------------|-----------------------|
| <b>BASE PERIOD - Recoverable</b>         |   |                  |                |                       |
| Various                                  | Safety Recognition                          | 57,740           | 100%           | 57,740                |
|  | <b>Total Safety Recognition</b>             | <b>57,740</b>    |                | <b>57,740</b>         |
| <b>BASE PERIOD - Not Recoverable</b>     |   |                  |                |                       |
| Various                                  | All Other Employee Recognition              | 421,164          | 100%           | 421,164               |
|  | <b>Total All Other Employee Recognition</b> | <b>421,164</b>   |                | <b>421,164</b>        |
|  | <b>Total Base Period</b>                    | <b>478,904</b>   | <b>100%</b>    | <b>478,904</b>        |
| <b>FORECAST PERIOD - Recoverable</b>     |   |                  |                |                       |
| Various                                  | Safety Recognition                          | 53,694           | 100%           | 53,694                |
|  | <b>Total Safety Recognition</b>             | <b>53,694</b>    |                | <b>53,694</b>         |
| <b>FORECAST PERIOD - Not Recoverable</b> |   |                  |                |                       |
| 426.5                                    | All Other Employee Recognition              | 136,040          | 100%           | 136,040               |
|  | <b>Total All Other Employee Recognition</b> | <b>136,040</b>   |                | <b>136,040</b>        |
|  | <b>Total Forecast Period</b>                | <b>189,734</b>   | <b>100%</b>    | <b>189,734</b>        |

Louisville Gas & Electric  
 Case No. 2014-00372  
 Customer Service, Informational and Sales Expenses  
 Base Period: Twelve Months Ended February 28, 2015  
 Forecasted Test Period: Twelve Months Ended June 30, 2016

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Schedule F-4

| Account No.                                 | Description of Expenses                        | BASE PERIOD      |                |                       | FORECASTED PERIOD |                |                       |
|---|--|------------------|----------------|-----------------------|-------------------|----------------|-----------------------|
|   |  | Total<br>Utility | Jurisdiction % | Total<br>Jurisdiction | Total<br>Utility  | Jurisdiction % | Total<br>Jurisdiction |
| <b>Customer Service &amp; Informational</b> |  |                  |                |                       |                   |                |                       |
| 907   | Supervision                                    | 271,476          | 100%           | 271,476               | 282,145           | 100%           | 282,145               |
| 908   | Customer Assistance                            | 339,991          | 100%           | 339,991               | 604,641           | 100%           | 604,641               |
| 910   | Miscellaneous Customer Service & Informational | 605,363          | 100%           | 605,363               | 314,232           | 100%           | 314,232               |
| <b>Totals</b>                               |  | <b>1,216,830</b> |                | <b>1,216,830</b>      | <b>1,201,018</b>  |                | <b>1,201,018</b>      |

NOTE> Account 908, Customer Assistance, excludes amounts from Demand Side Management Programs (DSM), which are not recovered through base rates.

| <b>Sales Expense</b> |                             |                  |                |                       |                  |                |                       |
|----------------------|-----------------------------|------------------|----------------|-----------------------|------------------|----------------|-----------------------|
| Account No.          | Description of Expenses     | Total<br>Utility | Jurisdiction % | Total<br>Jurisdiction | Total<br>Utility | Jurisdiction % | Total<br>Jurisdiction |
| 911                  | Supervision                 | -                |                | -                     | -                |                | -                     |
| 912                  | Demonstration & Selling     | -                |                | -                     | -                |                | -                     |
| 916                  | Miscellaneous Sales Expense | -                |                | -                     | -                |                | -                     |
| <b>Totals</b>        |                             | <b>-</b>         |                | <b>-</b>              | <b>-</b>         |                | <b>-</b>              |



Louisville Gas & Electric  
Case No. 2014-00372  
Advertising  
Base Period: Twelve Months Ended February 28, 2015  
Forecasted Test Period: Twelve Months Ended June 30, 2016

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Schedule F-5

| Account No.                       | Description of Expenses             | BASE PERIOD      |                |                       | FORECASTED PERIOD |                |                       |
|-----------------------------------|-------------------------------------|------------------|----------------|-----------------------|-------------------|----------------|-----------------------|
|                                   |                                     | Total<br>Utility | Jurisdiction % | Total<br>Jurisdiction | Total<br>Utility  | Jurisdiction % | Total<br>Jurisdiction |
| <b>Recoverable Expenses</b>       |                                     |                  |                |                       |                   |                |                       |
| 909                               | Informational or Safety Advertising | 499,522          | 100%           | 499,522               | 259,726           | 100%           | 259,726               |
|                                   | <b>Totals</b>                       | <b>499,522</b>   |                | <b>499,522</b>        | <b>259,726</b>    |                | <b>259,726</b>        |
| <b>Non - Recoverable Expenses</b> |                                     |                  |                |                       |                   |                |                       |
| 913                               | Sales or Promotional Advertising    | 187,437          | 100%           | 187,437               | 250,000           | 100%           | 250,000               |
| 930.1                             | Institutional or Other Advertising  | 1,178,044        | 100%           | 1,178,044             | 434,135           | 100%           | 434,135               |
|                                   | <b>Totals</b>                       | <b>1,365,481</b> |                | <b>1,365,481</b>      | <b>684,135</b>    |                | <b>684,135</b>        |

Note> Account 913 and 930.1 are Non-Recoverable expenses for base rate recovery and have been part of proforma adjustments in historical test year rate cases.

Louisville Gas & Electric  
Case No. 2014-00372  
Professional Services  
Base Period: Twelve Months Ended February 28, 2015  
Forecasted Test Period: Twelve Months Ended June 30, 2016

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Schedule F-6

| Professional Services<br>Description of Expenses | BASE PERIOD       |                |                       | FORECASTED PERIOD |                |                       |
|--|-------------------|----------------|-----------------------|-------------------|----------------|-----------------------|
|  | Total<br>Utility  | Jurisdiction % | Total<br>Jurisdiction | Total<br>Utility  | Jurisdiction % | Total<br>Jurisdiction |
| COMPUTER HARDWARE AND SOFTWARE                   | 8,191,482         | 100%           | 8,191,482             | 9,679,372         | 100%           | 9,679,372             |
| CONTRACTED LABOR AND MATERIALS                   | 4,681,400         | 100%           | 4,681,400             | 5,146,414         | 100%           | 5,146,414             |
| LEGAL FEES                                       | 4,171,932         | 100%           | 4,171,932             | 3,632,806         | 100%           | 3,632,806             |
| CONSULTING FEES                                  | 1,192,111         | 100%           | 1,192,111             | 1,214,903         | 100%           | 1,214,903             |
| OTHER  | 1,004,469         | 100%           | 1,004,469             | 910,723           | 100%           | 910,723               |
| <b>Totals</b>                                    | <b>19,241,394</b> |                | <b>19,241,394</b>     | <b>20,584,218</b> |                | <b>20,584,218</b>     |

Louisville Gas & Electric  
Case No. 2014-00372  
Projected Rate Case Expenses  
Base Period: Twelve Months Ended February 28, 2015  
Forecasted Test Period: Twelve Months Ended June 30, 2016

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Schedule F-7

| Account No.                              | Description of Expense | Total<br>Utility | Jurisdiction<br>% | Total<br>Jurisdiction |
|--|------------------------|------------------|-------------------|-----------------------|
| <b>Total Company</b>                     |                        |                  |                   |                       |
| 928                                      | Legal                  | 435,000          | 100%              | 435,000               |
| 928                                      | Consultants            | 135,000          | 100%              | 135,000               |
| 928                                      | Newspaper Advertising  | 870,000          | 100%              | 870,000               |
| <b>Total Company Rate Case Expenses</b>  |                        | <b>1,440,000</b> |                   | <b>1,440,000</b>      |
| <b>Electric</b>                          |                        |                  |                   |                       |
| 928                                      | Legal                  | 325,000          | 100%              | 325,000               |
| 928                                      | Consultants            | 95,000           | 100%              | 95,000                |
| 928                                      | Newspaper Advertising  | 660,000          | 100%              | 660,000               |
| <b>Total Electric Rate Case Expenses</b> |                        | <b>1,080,000</b> |                   | <b>1,080,000</b>      |
| <b>Gas</b>                               |                        |                  |                   |                       |
| 928                                      | Legal                  | 110,000          | 100%              | 110,000               |
| 928                                      | Consultants            | 40,000           | 100%              | 40,000                |
| 928                                      | Newspaper Advertising  | 210,000          | 100%              | 210,000               |
| <b>Total Gas Rate Case Expenses</b>      |                        | <b>360,000</b>   |                   | <b>360,000</b>        |

Louisville Gas & Electric  
 Case No. 2014-00372  
 Civic, Political and Related Activities  
 Base Period: Twelve Months Ended February 28, 2015  
 Forecasted Test Period: Twelve Months Ended June 30, 2016

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Schedule F-8

| Account No.                       | Item            | BASE PERIOD      |                   |                       | FORECASTED PERIOD |                   |                       |
|-----------------------------------|-----------------|------------------|-------------------|-----------------------|-------------------|-------------------|-----------------------|
|                                   |                 | Total<br>Utility | Jurisdiction<br>% | Total<br>Jurisdiction | Total<br>Utility  | Jurisdiction<br>% | Total<br>Jurisdiction |
| <b>Non - Recoverable Expenses</b> |                 |                  |                   |                       |                   |                   |                       |
| 426.4                             | Civic/Political | 740,652          | 100%              | 740,652               | 594,738           | 100%              | 594,738               |
|                                   | <b>Totals</b>   | <u>740,652</u>   |                   | <u>740,652</u>        | <u>594,738</u>    |                   | <u>594,738</u>        |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(g)**  
**Sponsoring Witness: Kent W. Blake**

**Description of Filing Requirement:**

*Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title.*

**Response:**

See attached for non-confidential information responsive to this request. All confidential information responsive to this request is being provided under seal pursuant to a Petition for Confidential Protection. Note that the attached payroll analysis includes an allocation of LG&E and KU Services (LKS) labor dollars and employees.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals for non-confidential information responsive to this request. All confidential information responsive to this request is being provided under seal pursuant to the Petition for Confidential Protection submitted on November 26, 2014. Note that the attached payroll analysis includes an allocation of LG&E and KU Services (LKS) labor dollars and employees.

| Payroll Costs         | Total Company<br>Unadjusted | Jurisdictional | Base Period<br>Jurisdictional<br>Unadjusted | Adjustments         | Forecasted Period<br>Jurisdictional<br>ADJUSTED |
|-----------------------|-----------------------------|----------------|---|---------------------|---|
| 1                     |                             |                |   |                     |   |
| 2                     |                             |                |   |                     |   |
| 3 Wages and Salaries: |                             |                |   |                     |   |
| 4 Labor               | \$ 134,982,264              | 100.00%        | \$ 134,982,264                              | \$ (857,551)        | \$ 134,124,713                                  |
| 5 Off-Duty Costs      | 20,954,267                  | 100.00%        | 20,954,267                                  | (109,294)           | 20,844,973                                      |
| 6 Employee Benefits   | 61,691,558                  | 100.00%        | 61,691,558                                  | 5,463,625           | 67,155,183                                      |
| 7 Payroll Taxes       | 12,607,095                  | 100.00%        | 12,607,095                                  | 769,914             | 13,377,009                                      |
| 8 Total Payroll Costs | <u>\$ 230,235,184</u>       |                | <u>\$ 230,235,184</u>                       | <u>\$ 5,266,694</u> | <u>\$ 235,501,878</u>                           |

Note: Employee benefits includes pension, retiree medical and post employment benefits and other benefits.

| Line No. | Description                       | Base Period | % Change | Forecasted Period |
|----------|-----------------------------------|-------------|----------|-------------------|
| 1        |                                   |             |          |                   |
| 2        | <b><u>Man Hours</u></b>           |             |          |                   |
| 3        | Salary/Straight Time Hours        | 2,923,028   | 8.84%    | 3,181,396         |
| 4        | Over Time Hours                   | 300,520     | -33.54%  | 199,722           |
| 5        | Total Man Hours                   | 3,223,548   | 4.89%    | 3,381,118         |
| 6        |                                   |             |          |                   |
| 7        | Ratio of OT Hours to ST Hours     | 10.28%      |          | 6.28%             |
| 8        |                                   |             |          |                   |
| 9        | <b><u>Labor Dollars</u></b>       |             |          |                   |
| 10       | Salary/Straight Time Hours        | 117,216,951 | 5.50%    | 123,665,744       |
| 11       | Over Time Dollars                 | 17,765,314  | -41.13%  | 10,458,969        |
| 12       | Total Labor Dollars               | 134,982,264 | -0.64%   | 134,124,713       |
| 13       |                                   |             |          |                   |
| 14       | Ratio of OT Dollars to ST Dollars | 15.16%      |          | 8.46%             |
| 15       |                                   |             |          |                   |
| 16       | O&M Labor Dollars                 | 91,092,349  | 3.06%    | 93,877,915        |
| 17       |                                   |             |          |                   |
| 18       | Ratio of O&M Labor Dollars        |             |          |                   |
| 19       | to Total Labor Dollars            | 67.48%      |          | 69.99%            |
| 20       |                                   |             |          |                   |
| 21       | O&M Allocation % - Electric       | 79.00%      |          | 74.92%            |
| 22       | O&M Labor Dollars - Electric      | 71,962,955  | -2.26%   | 70,333,334        |
| 23       |                                   |             |          |                   |
| 24       | O&M Allocation % - Gas            | 21.00%      |          | 25.08%            |
| 25       | O&M Labor Dollars - Gas           | 19,129,393  | 23.08%   | 23,544,581        |
| 26       |                                   |             |          |                   |
| 27       | <b><u>Off-Duty Dollars</u></b>    |             |          |                   |
| 28       | Total Off-Duty Dollars            | 20,954,267  | -0.52%   | 20,844,973        |
| 29       | Off-Duty Dollars Expensed         | 14,248,838  | 16.02%   | 16,531,990        |
| 30       |                                   |             |          |                   |
| 31       | Ratio of Off-Duty Exp             |             |          |                   |
| 32       | to Total Off-Duty                 | 68.00%      |          | 79.31%            |
| 33       |                                   |             |          |                   |
| 34       | <b><u>Employee Benefits</u></b>   |             |          |                   |
| 35       | Total Employee Benefits           | 61,691,558  | 8.86%    | 67,155,183        |
| 36       | Employee Benefits Expensed        | 44,517,919  | 15.28%   | 51,321,948        |
| 37       |                                   |             |          |                   |
| 38       | Ratio of Employee Benefits Exp    |             |          |                   |
| 39       | to Total Employee Benefits        | 72.16%      |          | 76.42%            |
| 40       |                                   |             |          |                   |
| 41       | <b><u>Payroll Taxes</u></b>       |             |          |                   |
| 42       | Total Payroll Taxes               | 12,607,095  | 6.11%    | 13,377,009        |
| 43       | Payroll Taxes Expensed            | 8,588,419   | 23.97%   | 10,647,289        |
| 44       |                                   |             |          |                   |
| 45       | Ratio of Payroll Taxes Exp        |             |          |                   |
| 46       | to Total Payroll Taxes            | 68.12%      |          | 79.59%            |
| 47       |                                   |             |          |                   |
| 48       | <b><u>Employee Levels</u></b>     |             |          |                   |
| 49       | Average Employee Levels           | 1,735       | 2.65%    | 1,781             |
| 50       | Year-End Employee Levels          | 1,745       | 2.35%    | 1,786             |

## Louisville Gas and Electric Company

Case No. 2014-00372

Witness: K. Blake

## Officer Compensation

Base Period Updated to Actual: Twelve Months Ended February 28, 2015 (3/1/2014 through 2/28/2015)

| Name                    | Job Title   | Salary (1) | Other Compensation (2) |
|-------------------------|---|------------|------------------------|
| Arbough, Daniel K       | Treasurer   |            |                        |
| Beer, Michael S         | VP Federal Regulation and Policy                  |            |                        |
| Bellar, Lonnie E        | VP Gas Distribution                               |            |                        |
| Blake, Kent W           | Chief Financial Officer                           |            |                        |
| Bowling, Donald Ralph   | VP Power Production                               |            |                        |
| Douglas, Laura Green    | VP Corporate Responsibility and Community Affairs |            |                        |
| Jessee, Thomas A        | VP Transmission                                   |            |                        |
| Malloy, John P          | VP Customer Services                              |            |                        |
| O'Brien, Dorothy E      | VP Deputy General Counsel and Environmental       |            |                        |
| Pottinger, Paula H      | SVP Human Resources                               |            |                        |
| Reynolds, Gerald Arthur | General Counsel/Compliance/Corporate Secretary    |            |                        |
| Rives, Stephen B        | Chief Administrative Officer                      |            |                        |
| Scott, Valerie Leah     | Controller  |            |                        |
| Siemens, George Robert  | VP External Affairs                               |            |                        |
| Sinclair, David S       | VP Energy Supply and Analysis                     |            |                        |
| Slavinsky, Eric         | Chief Information Officer                         |            |                        |
| Staffieri, Victor Alex  | Chairman CEO and President                        | \$811,220  | \$2,160,331            |
| Staton, Edwin R         | VP State Regulation and Rates                     |            |                        |
| Thomas, Paul Gregory    | VP Electric Distribution                          |            |                        |
| Thompson, Paul W        | Chief Operating Officer                           |            |                        |
| Voyles, John N          | VP Transmission and Generation Services           |            |                        |
| Whelan, Mary C          | VP Communications                                 |            |                        |
| Average of all Officers |   | \$299,366  | \$318,019              |

(1) The Company's 2015 annual salary budget was 3%.

(2) Other compensation includes actual cash based short-term incentives and stock based long-term incentives at target.

None of the incentive pay is included in the cost of service.



**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(h)**  
**Sponsoring Witness: Kent W. Blake**

**Description of Filing Requirement:**

*A computation of the gross revenue conversion factor for the forecasted period.*

**Response:**

See attached.

**Base Period Update Response:**

No update is required for this section.

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(i)**  
**Sponsoring Witnesses: Kent W. Blake**

**Description of Filing Requirement:**

*Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for the five (5) most recent calendar years from the application filing date, the base period, the forecasted period, and two (2) calendar years beyond the forecast period.*

**Response:**

See attached. Note that the attached does not reflect any increase in rates sought in this case.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals.

**Louisville Gas & Electric Company**  
**Case No. 2014-00372**  
**Comparative Income Statement**  
**Base Period: Twelve Months Ended February 28, 2015**  
**Forecasted Test Period: Twelve Months Ended June 30, 2016**

LGE FR\_16(8)(i)

| Total Company                             | Most Recent Five Fiscal Years |                       |                       |                       |                       | Base Period           | Test Year             | Forecasted            |                       |
|---|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 2009                          | 2010                  | 2011                  | 2012                  | 2013                  | 2/28/2015             | 6/30/2016             | 2016                  | 2017                  |
| <b>INCOME STATEMENT</b>                   |                               |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Operating Revenues</b>                 |                               |                       |                       |                       |                       |                       |                       |                       |                       |
| Electric Operating Revenues               | \$ 919,364,692                | \$ 1,015,611,567      | \$ 1,059,750,303      | \$ 1,069,346,402      | \$ 1,096,596,442      | \$ 1,168,075,927      | \$ 1,193,551,594      | \$ 1,208,270,441      | \$ 1,254,292,152      |
| Gas Operating Revenues                    | 361,627,856                   | 302,947,356           | 304,574,422           | 254,278,399           | 324,221,274           | 364,101,507           | 342,873,578           | 352,507,550           | 371,736,719           |
| <b>Total Operating Revenues</b>           | <b>1,280,992,548</b>          | <b>1,318,558,923</b>  | <b>1,364,324,725</b>  | <b>1,323,624,802</b>  | <b>1,420,817,715</b>  | <b>1,532,177,434</b>  | <b>1,536,425,171</b>  | <b>1,560,777,992</b>  | <b>1,626,028,872</b>  |
| <b>Operating Expenses</b>                 |                               |                       |                       |                       |                       |                       |                       |                       |                       |
| Fuel for Electric Generation              | 328,232,997                   | 368,556,326           | 360,968,393           | 385,916,157           | 379,035,049           | 406,487,090           | 360,596,257           | 360,572,184           | 380,611,433           |
| Power Purchased                           | 58,430,270                    | 54,379,719            | 74,894,547            | 52,477,768            | 48,124,184            | 45,189,370            | 68,182,202            | 65,252,110            | 69,046,744            |
| Gas Supply Expenses                       | 249,805,269                   | 169,517,478           | 161,865,706           | 115,461,798           | 159,274,580           | 193,925,218           | 167,629,363           | 169,281,115           | 174,921,640           |
| Other Operation Expenses                  | 219,071,987                   | 226,299,135           | 235,647,275           | 230,522,003           | 245,282,973           | 254,126,097           | 265,213,041           | 272,910,077           | 289,860,981           |
| Maintenance                               | 96,204,959                    | 111,701,105           | 116,359,069           | 118,770,589           | 113,413,021           | 110,297,025           | 110,075,024           | 111,778,467           | 118,640,242           |
| Depreciation & Amortization Expense       | 136,466,990                   | 137,951,366           | 147,046,078           | 152,140,316           | 147,663,032           | 159,264,243           | 167,488,297           | 175,584,089           | 187,996,613           |
| Federal & State Income Taxes              | 29,166,099                    | 34,921,775            | 20,228,383            | 1,991,653             | 69,186,223            | (27,955,721)          | 52,346,288            | 34,571,410            | 38,220,141            |
| Deferred Federal & State Income Taxes     | 9,776,428                     | 30,037,029            | 54,235,400            | 70,969,611            | 25,067,465            | 135,225,783           | 56,764,049            | 75,423,397            | 67,111,081            |
| Property and Other Taxes                  | 23,544,541                    | 22,571,624            | 28,121,584            | 31,025,991            | 32,517,048            | 34,344,957            | 40,948,753            | 43,094,687            | 45,675,626            |
| Investment Tax Credit                     | 3,649,346                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Amortization of Investment Tax Credit     | (3,044,107)                   | (2,501,774)           | (2,805,732)           | (2,847,617)           | (2,100,342)           | (1,713,754)           | (1,283,934)           | (1,229,230)           | (1,107,034)           |
| Loss(Gain) from Disposition of Allowances | (66,274)                      | (34,460)              | (2,578)               | (694)                 | (282)                 | (427)                 | -                     | -                     | -                     |
| <b>Total Operating Expenses</b>           | <b>1,151,238,504</b>          | <b>1,153,399,323</b>  | <b>1,196,558,124</b>  | <b>1,156,427,575</b>  | <b>1,217,462,951</b>  | <b>1,309,189,880</b>  | <b>1,287,959,340</b>  | <b>1,307,238,305</b>  | <b>1,370,977,467</b>  |
| <b>Net Operating Income</b>               | <b>129,754,044</b>            | <b>165,159,600</b>    | <b>167,766,601</b>    | <b>167,197,226</b>    | <b>203,354,764</b>    | <b>222,987,554</b>    | <b>248,465,832</b>    | <b>253,539,686</b>    | <b>255,051,405</b>    |
| Other Income less deductions              | 13,106,401                    | 10,717,472            | 1,079,398             | (2,051,782)           | (2,656,846)           | (2,432,361)           | (1,524,045)           | (1,605,283)           | (1,614,460)           |
| <b>Income before Interest Charges</b>     | <b>142,860,445</b>            | <b>175,877,072</b>    | <b>168,845,999</b>    | <b>165,145,444</b>    | <b>200,697,919</b>    | <b>220,555,193</b>    | <b>246,941,787</b>    | <b>251,934,403</b>    | <b>253,436,945</b>    |
| Interest Charges                          | 47,743,250                    | 48,162,687            | 44,659,694            | 42,222,666            | 41,997,315            | 49,458,331            | 67,479,003            | 72,931,435            | 81,725,495            |
| <b>Net Income</b>                         | <b>\$ 95,117,195</b>          | <b>\$ 127,714,386</b> | <b>\$ 124,186,305</b> | <b>\$ 122,922,778</b> | <b>\$ 158,700,603</b> | <b>\$ 171,096,862</b> | <b>\$ 179,462,784</b> | <b>\$ 179,002,968</b> | <b>\$ 171,711,450</b> |

Louisville Gas & Electric Company  
Case No. 2014-00372  
Comparative Income Statement  
Base Period: Twelve Months Ended February 28, 2015  
Forecasted Test Period: Twelve Months Ended June 30, 2016

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| Electric Only                             | <u>Most Recent Five Fiscal Years</u> |                       |                       |                       |                       | Base<br>Period        | Test<br>Year          | Forecasted            |                       |
|---|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 2009                                 | 2010                  | 2011                  | 2012                  | 2013                  | 2/28/2015             | 6/30/2016             | 2016                  | 2017                  |
| <b>INCOME STATEMENT</b>                   |                                      |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Operating Revenues</b>                 |                                      |                       |                       |                       |                       |                       |                       |                       |                       |
| Electric Operating Revenues               | \$ 919,364,692                       | \$ 1,015,611,567      | \$ 1,059,750,303      | \$ 1,069,346,402      | \$ 1,096,596,442      | \$ 1,168,075,927      | \$ 1,193,551,594      | \$ 1,208,270,441      | \$ 1,254,292,152      |
| <b>Total Operating Revenues</b>           | <b>919,364,692</b>                   | <b>1,015,611,567</b>  | <b>1,059,750,303</b>  | <b>1,069,346,402</b>  | <b>1,096,596,442</b>  | <b>1,168,075,927</b>  | <b>1,193,551,594</b>  | <b>1,208,270,441</b>  | <b>1,254,292,152</b>  |
| <b>Operating Expenses</b>                 |                                      |                       |                       |                       |                       |                       |                       |                       |                       |
| Fuel for Electric Generation              | 328,232,997                          | 368,556,326           | 360,968,393           | 385,916,157           | 379,035,049           | 406,487,090           | 360,596,257           | 360,572,184           | 380,611,433           |
| Power Purchased                           | 58,430,270                           | 54,379,719            | 74,894,547            | 52,477,768            | 48,124,184            | 45,189,370            | 68,182,202            | 65,252,110            | 69,046,744            |
| Other Operation Expenses                  | 171,917,469                          | 182,493,504           | 191,550,323           | 187,293,192           | 198,769,150           | 205,793,860           | 208,763,800           | 211,376,429           | 216,678,837           |
| Maintenance                               | 79,813,890                           | 94,158,027            | 96,235,088            | 97,601,940            | 95,645,484            | 91,190,184            | 89,018,332            | 91,273,572            | 97,831,541            |
| Depreciation & Amortization Expense       | 116,390,168                          | 116,613,181           | 124,634,432           | 128,381,713           | 121,609,186           | 129,165,603           | 133,336,688           | 139,997,818           | 149,563,675           |
| Federal & State Income Taxes              | 17,441,435                           | 28,105,569            | 37,411,239            | 8,463,356             | 54,304,064            | (10,518,718)          | 44,815,682            | 30,294,064            | 33,670,916            |
| Deferred Federal & State Income Taxes     | 16,418,734                           | 23,164,076            | 12,115,729            | 51,212,094            | 17,163,020            | 92,996,544            | 48,520,201            | 63,726,609            | 57,015,729            |
| Property and Other Taxes                  | 17,898,172                           | 17,193,678            | 21,610,184            | 23,824,390            | 25,031,903            | 26,197,405            | 31,185,102            | 32,845,534            | 34,838,137            |
| Investment Tax Credit                     | 3,649,346                            | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Amortization of Investment Tax Credit     | (2,891,307)                          | (2,357,054)           | (2,670,412)           | (2,721,997)           | (1,987,122)           | (1,619,701)           | (1,214,862)           | (1,168,810)           | (1,060,510)           |
| Loss(Gain) from Disposition of Allowances | (66,274)                             | (34,460)              | (2,578)               | (694)                 | (282)                 | (427)                 | -                     | -                     | -                     |
| <b>Total Operating Expenses</b>           | <b>807,234,899</b>                   | <b>882,272,566</b>    | <b>916,746,946</b>    | <b>932,447,919</b>    | <b>937,694,636</b>    | <b>984,881,210</b>    | <b>983,203,402</b>    | <b>994,169,511</b>    | <b>1,038,196,501</b>  |
| <b>Net Operating Income</b>               | <b>112,129,793</b>                   | <b>133,339,001</b>    | <b>143,003,357</b>    | <b>136,898,483</b>    | <b>158,901,806</b>    | <b>183,194,717</b>    | <b>210,348,192</b>    | <b>214,100,931</b>    | <b>216,095,651</b>    |
| Other Income less deductions              | 10,725,045                           | 8,575,506             | 1,197,573             | (1,539,334)           | (2,102,802)           | (1,793,741)           | (1,202,228)           | (1,267,020)           | (1,272,911)           |
| <b>Income before Interest Charges</b>     | <b>122,854,838</b>                   | <b>141,914,506</b>    | <b>144,200,931</b>    | <b>135,359,150</b>    | <b>156,799,003</b>    | <b>181,400,976</b>    | <b>209,145,964</b>    | <b>212,833,911</b>    | <b>214,822,740</b>    |
| Interest Charges                          | 38,056,200                           | 38,289,141            | 35,225,878            | 33,357,269            | 33,183,860            | 40,159,812            | 54,657,993            | 59,074,462            | 66,197,651            |
| <b>Net Income</b>                         | <b>\$ 84,798,638</b>                 | <b>\$ 103,625,365</b> | <b>\$ 108,975,052</b> | <b>\$ 102,001,881</b> | <b>\$ 123,615,143</b> | <b>\$ 141,241,164</b> | <b>\$ 154,487,972</b> | <b>\$ 153,759,449</b> | <b>\$ 148,625,089</b> |

Louisville Gas & Electric Company  
Case No. 2014-00372  
Comparative Income Statement  
Base Period: Twelve Months Ended February 28, 2015  
Forecasted Test Period: Twelve Months Ended June 30, 2016

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| Gas Only                              | Most Recent Five Fiscal Years |                      |                      |                      |                      | Base                 | Test                 | Forecasted           |                      |
|---------------------------------------|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                       | 2009                          | 2010                 | 2011                 | 2012                 | 2013                 | Period               | Year                 | 2016                 | 2017                 |
| <b>INCOME STATEMENT</b>               |                               |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Operating Revenues</b>             |                               |                      |                      |                      |                      |                      |                      |                      |                      |
| Gas Operating Revenues                | \$ 361,627,856                | \$ 302,947,356       | \$ 304,574,422       | \$ 254,278,399       | \$ 324,221,274       | \$ 364,101,507       | \$ 342,873,578       | \$ 352,507,550       | \$ 371,736,719       |
| <b>Total Operating Revenues</b>       | <b>361,627,856</b>            | <b>302,947,356</b>   | <b>304,574,422</b>   | <b>254,278,399</b>   | <b>324,221,274</b>   | <b>364,101,507</b>   | <b>342,873,578</b>   | <b>352,507,550</b>   | <b>371,736,719</b>   |
| <b>Operating Expenses</b>             |                               |                      |                      |                      |                      |                      |                      |                      |                      |
| Gas Supply Expenses                   | 249,805,269                   | 169,517,478          | 161,865,706          | 115,461,798          | 159,274,580          | 193,925,218          | 167,629,363          | 169,281,115          | 174,921,640          |
| Other Operation Expenses              | 47,154,518                    | 43,805,630           | 44,096,952           | 43,228,811           | 46,513,823           | 48,332,237           | 56,449,241           | 61,533,648           | 73,182,144           |
| Maintenance                           | 16,391,069                    | 17,543,078           | 20,123,981           | 21,168,649           | 17,767,537           | 19,106,841           | 21,056,692           | 20,504,894           | 20,808,701           |
| Depreciation & Amortization Expense   | 20,076,822                    | 21,338,185           | 22,411,645           | 23,758,603           | 26,053,846           | 30,098,640           | 34,151,610           | 35,586,271           | 38,432,938           |
| Federal & State Income Taxes          | 11,724,664                    | 6,816,205            | (17,182,856)         | (6,471,702)          | 14,882,159           | (17,437,003)         | 7,530,606            | 4,277,346            | 4,549,225            |
| Deferred Federal & State Income Taxes | (6,642,305)                   | 6,872,953            | 42,119,671           | 19,757,517           | 7,904,444            | 42,229,239           | 8,243,848            | 11,696,788           | 10,095,352           |
| Property and Other Taxes              | 5,646,369                     | 5,377,946            | 6,511,399            | 7,201,601            | 7,485,145            | 8,147,552            | 9,763,651            | 10,249,153           | 10,837,489           |
| Amortization of Investment Tax Credit | (152,800)                     | (144,720)            | (135,320)            | (125,620)            | (113,220)            | (94,053)             | (69,072)             | (60,420)             | (46,524)             |
| <b>Total Operating Expenses</b>       | <b>344,003,605</b>            | <b>271,126,756</b>   | <b>279,811,178</b>   | <b>223,979,656</b>   | <b>279,768,315</b>   | <b>324,308,670</b>   | <b>304,755,938</b>   | <b>313,068,795</b>   | <b>332,780,966</b>   |
| <b>Net Operating Income</b>           | <b>17,624,251</b>             | <b>31,820,599</b>    | <b>24,763,244</b>    | <b>30,298,743</b>    | <b>44,452,959</b>    | <b>39,792,837</b>    | <b>38,117,640</b>    | <b>39,438,755</b>    | <b>38,955,754</b>    |
| Other Income less deductions          | 2,381,356                     | 2,141,966            | (118,175)            | (512,449)            | (554,044)            | (638,620)            | (321,817)            | (338,264)            | (341,548)            |
| <b>Income before Interest Charges</b> | <b>20,005,607</b>             | <b>33,962,566</b>    | <b>24,645,069</b>    | <b>29,786,294</b>    | <b>43,898,915</b>    | <b>39,154,217</b>    | <b>37,795,823</b>    | <b>39,100,492</b>    | <b>38,614,205</b>    |
| Interest Charges                      | 9,687,050                     | 9,873,546            | 9,433,815            | 8,865,397            | 8,813,455            | 9,298,519            | 12,821,011           | 13,856,973           | 15,527,844           |
| <b>Net Income</b>                     | <b>\$ 10,318,557</b>          | <b>\$ 24,089,020</b> | <b>\$ 15,211,253</b> | <b>\$ 20,920,897</b> | <b>\$ 35,085,460</b> | <b>\$ 29,855,698</b> | <b>\$ 24,974,812</b> | <b>\$ 25,243,519</b> | <b>\$ 23,086,361</b> |

**Louisville Gas & Electric Company**  
**Case No. 2014-00372**  
**Revenue Statistics**  
**Base Period: Twelve Months Ended February 28, 2015**  
**Forecasted Test Period: Twelve Months Ended June 30, 2016**

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| Revenue Statistics<br>Ultimate Consumer - Electric Only | <u>Most Recent Five Fiscal Years</u> |                       |                       |                       |                         | Base<br>Period          | Test<br>Year            | Forecasted              |                         |
|---|--------------------------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|   | 2009                                 | 2010                  | 2011                  | 2012                  | 2013                    | 2/28/2015               | 6/30/2016               | 2016                    | 2017                    |
| <b>Revenue by Customer class:</b>                       |                                      |                       |                       |                       |                         |                         |                         |                         |                         |
| Residential   | \$ 310,340,508                       | \$ 366,497,652        | \$ 366,263,255        | \$ 383,159,861        | \$ 405,961,655          | \$ 419,793,691          | \$ 436,902,486          | \$ 442,953,081          | \$ 461,561,161          |
| Commercial  | 252,440,568                          | 280,877,226           | 300,002,319           | 316,533,477           | 329,906,063             | 344,806,179             | 365,224,287             | 368,534,693             | 382,139,359             |
| Industrial  | 124,099,537                          | 140,028,633           | 145,251,812           | 164,431,527           | 174,274,392             | 184,564,263             | 207,415,999             | 212,073,792             | 223,514,092             |
| Public Street and Highway Lighting                      | 6,806,105                            | 7,041,069             | 7,235,355             | 2,817,941             | 2,884,918               | 2,793,851               | 3,450,718               | 3,470,907               | 3,535,692               |
| Other Sales to Public Authorities                       | 71,502,523                           | 80,391,397            | 84,489,065            | 90,196,246            | 88,714,502              | 95,295,829              | 93,593,108              | 94,600,709              | 97,993,711              |
| <b>Total</b>  | <b>\$ 765,189,241</b>                | <b>\$ 874,835,977</b> | <b>\$ 903,241,807</b> | <b>\$ 957,139,052</b> | <b>\$ 1,001,741,530</b> | <b>\$ 1,047,253,813</b> | <b>\$ 1,106,586,599</b> | <b>\$ 1,121,633,182</b> | <b>\$ 1,168,744,015</b> |
| <b>Number of Customers by class:</b>                    |                                      |                       |                       |                       |                         |                         |                         |                         |                         |
| Residential   | 349,207                              | 348,466               | 345,933               | 347,367               | 349,625                 | 353,006                 | 361,415                 | 362,633                 | 365,058                 |
| Commercial  | 42,191                               | 42,198                | 41,130                | 42,008                | 42,103                  | 42,674                  | 44,832                  | 44,939                  | 45,145                  |
| Industrial  | 434                                  | 427                   | 397                   | 419                   | 443                     | 444                     | 406                     | 407                     | 407                     |
| Public Street and Highway Lighting                      | 15                                   | 91                    | 597                   | 642                   | 654                     | 663                     | 1,062                   | 1,062                   | 1,062                   |
| Other Sales to Public Authorities                       | 4,040                                | 4,072                 | 3,851                 | 4,115                 | 4,121                   | 4,111                   | 2,775                   | 2,782                   | 2,795                   |
| <b>Total</b>  | <b>395,887</b>                       | <b>395,254</b>        | <b>391,908</b>        | <b>394,551</b>        | <b>396,946</b>          | <b>400,898</b>          | <b>410,490</b>          | <b>411,822</b>          | <b>414,467</b>          |
| <b>Average Revenue per class:</b>                       |                                      |                       |                       |                       |                         |                         |                         |                         |                         |
| Residential   | \$ 888.70                            | \$ 1,051.75           | \$ 1,058.77           | \$ 1,103.04           | \$ 1,161.13             | \$ 1,189.20             | \$ 1,208.87             | \$ 1,221.49             | \$ 1,264.35             |
| Commercial  | 5,983.28                             | 6,656.17              | 7,294.00              | 7,535.08              | 7,835.69                | 8,080.01                | 8,146.44                | 8,200.83                | 8,464.69                |
| Industrial  | 285,943.63                           | 327,935.91            | 365,873.58            | 392,438.01            | 393,395.92              | 415,685.28              | 510,965.47              | 520,948.01              | 549,377.66              |
| Public Street and Highway Lighting                      | 453,740.32                           | 77,374.39             | 12,119.52             | 4,389.32              | 4,411.19                | 4,213.95                | 3,250.51                | 3,269.52                | 3,330.54                |
| Other Sales to Public Authorities                       | 17,698.64                            | 19,742.48             | 21,939.51             | 21,918.89             | 21,527.42               | 23,180.69               | 33,729.41               | 34,005.04               | 35,055.15               |

Note> Revenue decrease in Public Street and Highway Lighting from 2011 to 2012 due to change of customer classification of certain customers in 2012.

Note2> Change in Number of Public Street and Highway Lighting Customers from 2010 to 2011 was due to a change in the methodology used to count lighting customers

**Louisville Gas & Electric Company**  
**Case No. 2014-00372**  
**Revenue Statistics**  
**Base Period: Twelve Months Ended February 28, 2015**  
**Forecasted Test Period: Twelve Months Ended June 30, 2016**

LGE FR\_16(8)(i)

| Revenue Statistics<br>Ultimate Consumer - Gas Only | <u>Most Recent Five Fiscal Years</u> |                       |                       |                       |                       | Base<br>Period        | Test<br>Year          | Forecasted            |                       |
|--|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 2009                                 | 2010                  | 2011                  | 2012                  | 2013                  | 2/28/2015             | 6/30/2016             | 2016                  | 2017                  |
| <b>Revenue by Customer class:</b>                  |                                      |                       |                       |                       |                       |                       |                       |                       |                       |
| Residential  | \$ 230,026,219                       | \$ 193,160,455        | \$ 194,841,842        | \$ 164,616,903        | \$ 208,708,912        | \$ 233,566,420        | \$ 220,393,502        | \$ 226,388,291        | \$ 238,459,727        |
| Commercial   | 89,482,886                           | 72,232,060            | 71,061,038            | 59,005,706            | 75,448,710            | 89,362,162            | 83,031,421            | 85,620,741            | 90,722,738            |
| Industrial   | 8,806,821                            | 8,200,637             | 7,457,093             | 5,997,342             | 11,841,637            | 12,449,969            | 11,144,810            | 11,697,041            | 12,933,851            |
| Other Sales to Public Authorities                  | 15,518,553                           | 11,807,098            | 12,019,052            | 9,044,392             | 11,746,409            | 12,704,916            | 12,302,547            | 12,669,930            | 13,423,595            |
| <b>Total</b>                                       | <b>\$ 343,834,479</b>                | <b>\$ 285,400,250</b> | <b>\$ 285,379,024</b> | <b>\$ 238,664,342</b> | <b>\$ 307,745,667</b> | <b>\$ 348,083,467</b> | <b>\$ 326,872,280</b> | <b>\$ 336,376,003</b> | <b>\$ 355,539,912</b> |
| <b>Number of Customers by class:</b>               |                                      |                       |                       |                       |                       |                       |                       |                       |                       |
| Residential  | 294,629                              | 293,982               | 291,353               | 292,837               | 294,209               | 295,590               | 294,616               | 294,886               | 295,424               |
| Commercial   | 24,762                               | 24,769                | 24,281                | 24,851                | 24,799                | 25,105                | 22,727                | 22,748                | 22,789                |
| Industrial   | 297                                  | 295                   | 280                   | 303                   | 332                   | 337                   | 248                   | 250                   | 252                   |
| Other Sales to Public Authorities                  | 1,099                                | 1,133                 | 1,098                 | 1,136                 | 1,137                 | 1,124                 | 980                   | 981                   | 982                   |
| <b>Total</b>                                       | <b>320,787</b>                       | <b>320,179</b>        | <b>317,012</b>        | <b>319,127</b>        | <b>320,477</b>        | <b>322,156</b>        | <b>318,571</b>        | <b>318,865</b>        | <b>319,448</b>        |
| <b>Average Revenue per class:</b>                  |                                      |                       |                       |                       |                       |                       |                       |                       |                       |
| Residential  | \$ 780.73                            | \$ 657.05             | \$ 668.75             | \$ 562.15             | \$ 709.39             | \$ 790.17             | \$ 748.07             | \$ 767.71             | \$ 807.18             |
| Commercial   | 3,613.72                             | 2,916.23              | 2,926.61              | 2,374.38              | 3,042.41              | 3,559.54              | 3,653.38              | 3,763.91              | 3,980.93              |
| Industrial   | 29,652.60                            | 27,798.77             | 26,632.47             | 19,793.21             | 35,667.58             | 36,943.53             | 44,884.08             | 46,741.24             | 51,383.39             |
| Other Sales to Public Authorities                  | 14,120.61                            | 10,421.09             | 10,946.31             | 7,961.61              | 10,331.05             | 11,303.31             | 12,556.81             | 12,919.53             | 13,662.75             |

**Louisville Gas & Electric Company**  
**Case No. 2014-00372**  
**Sales Statistics**  
**Base Period: Twelve Months Ended February 28, 2015**  
**Forecasted Test Period: Twelve Months Ended June 30, 2016**

LGE FR\_16(8)(i)

| Sales Statistics<br>Ultimate Consumer - Electric Only | Most Recent Five Fiscal Years |                       |                       |                       |                       | Base<br>Period        | Test<br>Year          | Forecasted            |                       |
|---|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 2009                          | 2010                  | 2011                  | 2012                  | 2013                  | 2/28/2015             | 6/30/2016             | 2016                  | 2017                  |
| <b>Sales (Kwh) by Customer class:</b>                 |                               |                       |                       |                       |                       |                       |                       |                       |                       |
| Residential   | 4,095,806,460                 | 4,591,882,579         | 4,260,121,989         | 4,259,210,831         | 4,164,048,797         | 4,129,284,777         | 4,271,912,468         | 4,295,125,665         | 4,353,404,815         |
| Commercial  | 3,616,946,775                 | 3,793,242,609         | 3,708,744,195         | 3,733,683,883         | 3,685,168,515         | 3,700,039,007         | 3,815,302,919         | 3,816,362,362         | 3,840,264,117         |
| Industrial  | 2,412,418,682                 | 2,602,851,775         | 2,430,194,056         | 2,666,220,110         | 2,699,966,052         | 2,798,409,767         | 2,854,327,252         | 2,886,755,140         | 2,923,736,735         |
| Public Street and Highway Lighting                    | 59,012,932                    | 54,324,659            | 51,351,317            | 21,157,475            | 18,440,935            | 17,408,621            | 21,779,745            | 21,796,981            | 21,797,098            |
| Other Sales to Public Authorities                     | 1,220,972,154                 | 1,295,935,082         | 1,190,642,794         | 1,157,457,123         | 1,131,350,511         | 1,150,657,716         | 1,068,367,712         | 1,069,886,535         | 1,072,154,785         |
| <b>Total</b>  | <b>11,405,157,003</b>         | <b>12,338,236,704</b> | <b>11,641,054,351</b> | <b>11,837,729,422</b> | <b>11,698,974,810</b> | <b>11,795,799,888</b> | <b>12,031,690,096</b> | <b>12,089,926,682</b> | <b>12,211,357,550</b> |
| <b>Number of Customers by class:</b>                  |                               |                       |                       |                       |                       |                       |                       |                       |                       |
| Residential   | 349,207                       | 348,466               | 345,933               | 347,367               | 349,625               | 353,006               | 361,415               | 362,633               | 365,058               |
| Commercial  | 42,191                        | 42,198                | 41,130                | 42,008                | 42,103                | 42,674                | 44,832                | 44,939                | 45,145                |
| Industrial  | 434                           | 427                   | 397                   | 419                   | 443                   | 444                   | 406                   | 407                   | 407                   |
| Public Street and Highway Lighting                    | 15                            | 91                    | 597                   | 642                   | 654                   | 663                   | 1,062                 | 1,062                 | 1,062                 |
| Other Sales to Public Authorities                     | 4,040                         | 4,072                 | 3,851                 | 4,115                 | 4,121                 | 4,111                 | 2,775                 | 2,782                 | 2,795                 |
| <b>Total</b>  | <b>395,887</b>                | <b>395,254</b>        | <b>391,908</b>        | <b>394,551</b>        | <b>396,946</b>        | <b>400,898</b>        | <b>410,490</b>        | <b>411,822</b>        | <b>414,467</b>        |
| <b>Average Volume (Kwh) per class:</b>                |                               |                       |                       |                       |                       |                       |                       |                       |                       |
| Residential   | 11,728.88                     | 13,177.42             | 12,314.88             | 12,261.41             | 11,910.04             | 11,697.49             | 11,819.96             | 11,844.29             | 11,925.25             |
| Commercial  | 85,727.92                     | 89,891.53             | 90,171.27             | 88,880.31             | 87,527.46             | 86,704.76             | 85,101.50             | 84,923.76             | 85,064.88             |
| Industrial  | 5,558,568.39                  | 6,095,671.60          | 6,121,395.61          | 6,363,293.82          | 6,094,731.49          | 6,302,724.70          | 7,031,582.34          | 7,091,160.73          | 7,186,283.59          |
| Public Street and Highway Lighting                    | 3,934,195.47                  | 596,974.27            | 86,015.61             | 32,955.57             | 28,197.15             | 26,257.35             | 20,516.11             | 20,532.32             | 20,532.37             |
| Other Sales to Public Authorities                     | 302,220.83                    | 318,255.18            | 309,177.56            | 281,277.55            | 274,533.00            | 279,897.28            | 385,022.09            | 384,579.90            | 383,540.36            |

Note> Sales decrease in Public Street and Highway Lighting from 2011 to 2012 due to change of customer classification of certain customers in 2012.



**Louisville Gas & Electric Company**  
**Case No. 2014-00372**  
**Sales Statistics**  
**Base Period: Twelve Months Ended February 28, 2015**  
**Forecasted Test Period: Twelve Months Ended June 30, 2016**

LGE FR\_16(8)(i)

| Sales Statistics<br>Ultimate Consumer - Gas Only | Most Recent Five Fiscal Years |                   |                   |                   |                   | Base<br>Period    | Test<br>Year      | Forecasted        |                   |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|  | 2009                          | 2010              | 2011              | 2012              | 2013              | 2/28/2015         | 6/30/2016         | 2016              | 2017              |
| <b>Sales (Mcf) by Customer class:</b>            |                               |                   |                   |                   |                   |                   |                   |                   |                   |
| Residential                                      | 19,742,168                    | 21,007,413        | 19,058,196        | 16,697,707        | 21,101,535        | 22,068,290        | 19,985,071        | 19,907,756        | 19,720,604        |
| Commercial                                       | 8,600,208                     | 9,114,340         | 8,362,025         | 7,533,452         | 9,202,365         | 10,025,472        | 9,023,977         | 9,017,619         | 8,963,538         |
| Industrial                                       | 1,000,095                     | 1,108,078         | 991,489           | 984,689           | 1,680,362         | 1,516,668         | 1,521,588         | 1,567,727         | 1,644,255         |
| Other Sales to Public Authorities                | 1,567,835                     | 1,587,062         | 1,545,906         | 1,251,393         | 1,616,656         | 1,581,954         | 2,078,628         | 2,090,023         | 2,083,508         |
| <b>Total</b>                                     | <b>30,910,306</b>             | <b>32,816,893</b> | <b>29,957,616</b> | <b>26,467,241</b> | <b>33,600,918</b> | <b>35,192,384</b> | <b>32,609,264</b> | <b>32,583,126</b> | <b>32,411,906</b> |
| <b>Number of Customers by class:</b>             |                               |                   |                   |                   |                   |                   |                   |                   |                   |
| Residential                                      | 294,629                       | 293,982           | 291,353           | 292,837           | 294,209           | 295,590           | 294,616           | 294,886           | 295,424           |
| Commercial                                       | 24,762                        | 24,769            | 24,281            | 24,851            | 24,799            | 25,105            | 22,727            | 22,748            | 22,789            |
| Industrial                                       | 297                           | 295               | 280               | 303               | 332               | 337               | 248               | 250               | 252               |
| Other Sales to Public Authorities                | 1,099                         | 1,133             | 1,098             | 1,136             | 1,137             | 1,124             | 980               | 981               | 982               |
| <b>Total</b>                                     | <b>320,787</b>                | <b>320,179</b>    | <b>317,012</b>    | <b>319,127</b>    | <b>320,477</b>    | <b>322,156</b>    | <b>318,571</b>    | <b>318,865</b>    | <b>319,448</b>    |
| <b>Average Volume (Mcf) per class:</b>           |                               |                   |                   |                   |                   |                   |                   |                   |                   |
| Residential                                      | 67.01                         | 71.46             | 65.41             | 57.02             | 71.72             | 74.66             | 67.83             | 67.51             | 66.75             |
| Commercial                                       | 347.31                        | 367.97            | 344.39            | 303.14            | 371.08            | 399.34            | 397.06            | 396.42            | 393.32            |
| Industrial                                       | 3,367.32                      | 3,756.20          | 3,541.03          | 3,249.80          | 5,061.33          | 4,500.50          | 6,127.97          | 6,264.62          | 6,532.27          |
| Other Sales to Public Authorities                | 1,426.60                      | 1,400.76          | 1,407.93          | 1,101.58          | 1,421.86          | 1,407.43          | 2,121.59          | 2,131.20          | 2,120.63          |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(j)**  
**Sponsoring Witness: Kent W. Blake**

**Description of Filing Requirement:**

*A cost of capital summary for both the base period and forecasted period with supporting schedules providing details on each component of the capital structure.*

**Response:**

See attached.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE J

COST OF CAPITAL

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2016

SCHEDULE

DESCRIPTION

|             |   |
|-------------|---|
| J-1         | COST OF CAPITAL SUMMARY                         |
| J-1.1/J-1.2 | AVERAGE FORECASTED PERIOD CAPITAL STRUCTURE     |
| J-2         | EMBEDDED COST OF SHORT-TERM DEBT                |
| J-3         | EMBEDDED COST OF LONG-TERM DEBT                 |
| B-1.1       | JURISDICTIONAL RATE BASE FOR CAPITAL ALLOCATION |

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372

COST OF CAPITAL SUMMARY

AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: AS OF END OF BASE PERIOD

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

WORKPAPER REFERENCE NO(S).:

SCHEDULE J-1

PAGE 2 OF 4

WITNESS: K. W. BLAKE

| LINE NO.  | CLASS OF CAPITAL | WORKPAPER REFERENCE | AMOUNT                      | JURISDICTIONAL RATE BASE PERCENTAGE | JURISDICTIONAL CAPITAL      | ADJUSTMENT AMOUNT           | JURISDICTIONAL ADJUSTED CAPITAL | PERCENT OF TOTAL      | COST RATE     | WEIGHTED COST       |
|-----------|------------------|---------------------|-----------------------------|-------------------------------------|-----------------------------|-----------------------------|---------------------------------|-----------------------|---------------|---------------------|
|           | (A)              | (B)                 | (C)                         | (D)                                 | (E=CxD)                     | (F)                         | (G=E+F)                         | (H)                   | (I)           | (J=HxI)             |
|           |                  |                     | \$                          | %                                   | \$                          | \$                          | \$                              | %                     | %             | %                   |
| ELECTRIC: |                  |                     |                             |                                     |                             |                             |                                 |                       |               |                     |
| 1         | SHORT-TERM DEBT  | J-2                 | 294,981,079                 | 82.52%                              | 243,418,387                 | (61,184,757)                | 182,233,629                     | 8.62%                 | 0.45%         | 0.04%               |
| 2         | LONG-TERM DEBT   | J-3                 | 1,324,269,738               | 82.52%                              | 1,092,787,388               | (274,679,049)               | 818,108,339                     | 38.68%                | 3.75%         | 1.45%               |
| 3         | COMMON EQUITY    |                     | <u>1,804,586,553</u>        | 82.52%                              | <u>1,489,144,824</u>        | <u>(374,306,007)</u>        | <u>1,114,838,817</u>            | <u>52.71%</u>         | <u>10.50%</u> | <u>5.53%</u>        |
| 4         | TOTAL CAPITAL    |                     | <u><u>3,423,837,371</u></u> |                                     | <u><u>2,825,350,599</u></u> | <u><u>(710,169,813)</u></u> | <u><u>2,115,180,786</u></u>     | <u><u>100.00%</u></u> |               | <u><u>7.02%</u></u> |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372  
EMBEDDED COST OF SHORT-TERM DEBT  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE J-2

PAGE 1 OF 3

WITNESS: K. W. BLAKE

| LINE NO. | ISSUE                            | AMOUNT OUTSTANDING | INTEREST RATE | INTEREST REQUIREMENT |
|----------|----------------------------------|--------------------|---------------|----------------------|
|          | (A)                              | (B)                | (C)           | (D=BxC)              |
|          |                                  | \$                 | %             | \$                   |
| 1        | Commercial Paper                 | 294,981,079        | 0.448%        | 1,321,615            |
| 2        |                                  |                    |               | -                    |
| 3        |                                  |                    |               | -                    |
| 4        | Total                            | 294,981,079        | 0             | 1,321,615            |
| 5        | Weighted Cost of Short-Term Debt | 0.448%             |               |                      |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372  
EMBEDDED COST OF LONG-TERM DEBT  
AS OF FEBRUARY 28, 2015

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE J-3  
PAGE 1 OF 3  
WITNESS: K. W. BLAKE

| LINE NO. | DEBT ISSUE TYPE   | COUPON RATE<br>(A)<br>% | DATE ISSUED<br>(DAY/MO/YR)<br>(B) | MATURITY DATE<br>(DAY/MO/YR)<br>(C) | PRINCIPAL AMOUNT<br>(D)<br>\$ | UNAMORT. (DISCOUNT) OR PREMIUM<br>(E)<br>\$ | UNAMORT. DEBT EXPENSE<br>(F)<br>\$ | UNAMORT. LOSS ON REACQUIRED DEBT<br>(G)<br>\$ | CARRYING VALUE<br>(H=D+E-F-G)<br>\$ | INTEREST<br>(I=AxD)<br>\$ | ANNUAL COST                               |                                  |                                 | LETTER OF CREDIT AND OTHER FEES<br>(M)<br>\$ | TOTAL<br>(N=H+J+K+L+M)<br>\$ |
|----------|---|-------------------------|-----------------------------------|-------------------------------------|-------------------------------|---|------------------------------------|---|-------------------------------------|---------------------------|---|----------------------------------|---------------------------------|--|------------------------------|
|          |   |                         |                                   |                                     |                               |   |                                    |   |                                     |                           | AMORT. (DISCOUNT) OR PREMIUM<br>(J)<br>\$ | AMORT. DEBT EXPENSE<br>(K)<br>\$ | ON REACQUIRED DEBT<br>(L)<br>\$ |  |                              |
| 1        | LG&E_PCB Due June 1, 2033   | 1.60%                   | Apr. 26, 2007                     | June 1, 2033                        | 35,200,000                    | -   | 123,222                            | 599,323                                       | 34,477,454                          | 563,200                   | -   | 49,683                           | 25,333                          | -  | 638,216                      |
| 2        | LG&E_PCB 4.60% due June 1, 2033   | 4.60%                   | Apr. 26, 2007                     | June 1, 2033                        | 60,000,000                    | -   | 867,633                            | 868,981                                       | 58,263,386                          | 2,760,000                 | -   | 43,727                           | 6,087                           | -  | 2,809,814                    |
| 3        | LG&E_PCB Variable due Aug 1, 2030                                       | 0.16%                   | Aug. 9, 2000                      | Aug 1, 2030                         | 83,335,000                    | -   | 597,465                            | 2,215,571                                     | 80,521,964                          | 133,336                   | -   | 34,772                           | 132,229                         | 254,997                                      | 555,334                      |
| 4        | LG&E_PCB Variable due Sep 1, 2027                                       | 0.12%                   | Sep. 11, 2001                     | Sep 1, 2027                         | 10,104,000                    | -   | 255,347                            | -   | 9,848,653                           | 12,125                    | -   | 18,246                           | -                               | 30,403                                       | 60,774                       |
| 5        | LG&E_PCB Variable due Sep 1, 2026                                       | 0.20%                   | Mar. 6, 2002                      | Sep 1, 2026                         | 22,500,000                    | -   | 114,223                            | 890,612                                       | 21,495,165                          | 45,000                    | -   | 9,038                            | 71,251                          | 22,500                                       | 147,789                      |
| 6        | LG&E_PCB Variable Series CC due Sep 1, 2026                             | 1.05%                   | Mar. 6, 2002                      | Sep 1, 2026                         | 27,500,000                    | -   | 160,178                            | 876,348                                       | 26,463,474                          | 288,750                   | -   | 49,061                           | 70,107                          | -  | 407,918                      |
| 7        | LG&E_PCB Variable Series DD due Nov 1, 2027                             | 1.35%                   | Mar. 22, 2002                     | Nov 1, 2027                         | 35,000,000                    | -   | 186,143                            | 760,769                                       | 34,053,088                          | 472,500                   | -   | 46,820                           | 55,260                          | -  | 574,580                      |
| 8        | LG&E_PCB Variable Series EE due Nov 1, 2027                             | 1.35%                   | Mar. 22, 2002                     | Nov 1, 2027                         | 35,000,000                    | -   | 186,296                            | 758,467                                       | 34,055,238                          | 472,500                   | -   | 46,776                           | 55,092                          | -  | 574,368                      |
| 9        | LG&E_PCB Variable due Oct 1, 2032                                       | 0.20%                   | Oct. 23, 2002                     | Oct 1, 2032                         | 41,865,000                    | -   | 655,060                            | 981,615                                       | 40,028,325                          | 83,330                    | -   | 33,587                           | 51,359                          | 146,578                                      | 314,854                      |
| 10       | LG&E_PCB due Oct 1, 2033  | 1.65%                   | Nov. 20, 2003                     | Oct 1, 2033                         | 128,000,000                   | -   | 319,400                            | 5,804,814                                     | 121,875,786                         | 2,112,000                 | -   | 139,258                          | 288,658                         | -  | 2,539,916                    |
| 11       | LG&E_PCB Due May 1, 2027  | 0.78%                   | May 19, 2000                      | May 1, 2027                         | 25,000,000                    | -   | 94,576                             | 1,503,213                                     | 23,402,211                          | 196,106                   | -   | 49,146                           | 97,500                          | -  | 342,752                      |
| 12       | LG&E_PCB due Feb 1, 2035  | 2.20%                   | Apr. 13, 2005                     | Feb 1, 2035                         | 40,000,000                    | -   | 315,649                            | 1,685,406                                     | 37,998,945                          | 880,000                   | -   | 61,252                           | 77,843                          | -  | 1,019,095                    |
| 13       | LG&E_PCB due June 1, 2033   | 1.15%                   | Apr. 26, 2007                     | June 1, 2033                        | 31,000,000                    | -   | 145,503                            | 645,470                                       | 30,209,027                          | 356,500                   | -   | 58,149                           | 28,359                          | -  | 443,008                      |
| 14       | LG&E_FMB due Nov. 15, 2015  | 1.625%                  | Nov. 16, 2010                     | Nov. 15, 2015                       | 250,000,000                   | (125,405)                                   | 368,082                            | -   | 249,506,513                         | 4,062,500                 | 162,477                                   | 479,803                          | -                               | -  | 4,704,780                    |
| 15       | LG&E_FMB due Nov. 15, 2040  | 5.125%                  | Nov. 16, 2010                     | Nov. 15, 2040                       | 285,000,000                   | (2,657,477)                                 | 3,065,364                          | -   | 279,277,159                         | 14,606,250                | 95,087                                    | 109,678                          | -                               | -  | 14,811,015                   |
| 16       | LG&E_FMB due Nov 1, 2043  | 4.65%                   | Nov. 14, 2013                     | Nov. 15, 2043                       | 250,000,000                   | (1,722,614)                                 | 2,624,455                          | -   | 245,652,931                         | 11,625,000                | 55,193                                    | 83,934                           | -                               | -  | 11,764,127                   |
| 17       | LG&E_2015 Projected Issuance due 2045                                   | 0.00%                   | -                                 | -                                   | -                             | -   | -                                  | -   | -                                   | -                         | -   | -                                | -                               | -  | -                            |
| 18       | LG&E_2015 Projected Issuance due 2025                                   | 0.00%                   | -                                 | -                                   | -                             | -   | -                                  | -   | -                                   | -                         | -   | -                                | -                               | -  | -                            |
| 19       | UNAM EXP-S-3 SHELF REGISTRATION 3/15                                    | -                       | -                                 | -                                   | -                             | -   | 159                                | -   | (159)                               | -                         | -   | 2,095                            | -                               | -  | 2,095                        |
| 20       | Revolving Credit Facility   | -                       | -                                 | -                                   | -                             | -   | 2,607,451                          | 251,971                                       | (2,859,421)                         | -                         | -   | 541,586                          | 52,585                          | 625,000                                      | 1,219,171                    |
| 21       | JP Morgan Chase Bank 5.495% - Trimble Co. 2000 Series A                 | -                       | -                                 | Nov. 1, 2020                        | -                             | -   | -                                  | -   | -                                   | 4,563,915                 | -   | -                                | -                               | -  | 4,563,915                    |
| 22       | Morgan Stanley Capital Services 3.657% - Louisville Metro 2003 Series A | -                       | -                                 | Oct. 1, 2033                        | -                             | -   | -                                  | -   | -                                   | 1,135,531                 | -   | -                                | -                               | -  | 1,135,531                    |
| 23       | Morgan Stanley Capital Services 3.645% - Louisville Metro 2003 Series A | -                       | -                                 | Oct. 1, 2033                        | -                             | -   | -                                  | -   | -                                   | 1,131,691                 | -   | -                                | -                               | -  | 1,131,691                    |
| 24       | Bank of America - Louisville Metro 2003 Series A                        | -                       | -                                 | Oct. 1, 2033                        | -                             | -   | -                                  | -   | -                                   | 1,147,691                 | -   | -                                | -                               | -  | 1,147,691                    |
| 25       | Regulatory Liability - Swap Hedging FMB                                 | -                       | -                                 | -                                   | -                             | -   | -                                  | -   | -                                   | (1,319,793)               | -   | -                                | -                               | -  | (1,319,793)                  |
| 26       | Called Bonds  | -                       | -                                 | -                                   | -                             | -   | -                                  | -   | -                                   | -                         | -   | -                                | 62,991                          | -  | 62,991                       |
| TOTALS   |   |                         |                                   |                                     | 1,359,304,000                 | (4,505,496)                                 | 12,686,206                         | 17,842,559                                    | 1,324,269,738                       | 45,328,132                | 312,756                                   | 1,856,612                        | 1,074,654                       | 1,079,478                                    | 49,651,633                   |

EMBEDDED COST OF LONG-TERM DEBT (N / H)

3.75%

SCHEDULE J

COST OF CAPITAL

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2016

SCHEDULE

DESCRIPTION

|             |   |
|-------------|---|
| J-1         | COST OF CAPITAL SUMMARY                         |
| J-1.1/J-1.2 | AVERAGE FORECASTED PERIOD CAPITAL STRUCTURE     |
| J-2         | EMBEDDED COST OF SHORT-TERM DEBT                |
| J-3         | EMBEDDED COST OF LONG-TERM DEBT                 |
| B-1.1       | JURISDICTIONAL RATE BASE FOR CAPITAL ALLOCATION |

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372

COST OF CAPITAL SUMMARY

AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: AS OF END OF BASE PERIOD

TYPE OF FILING:  ORIGINAL  UPDATED  REVISED

WORKPAPER REFERENCE NO(S).:

SCHEDULE J-1

PAGE 4 OF 4

WITNESS: K. W. BLAKE

| LINE NO. | CLASS OF CAPITAL | WORKPAPER REFERENCE | AMOUNT                      | JURISDICTIONAL RATE BASE PERCENTAGE | JURISDICTIONAL CAPITAL    | ADJUSTMENT AMOUNT          | JURISDICTIONAL ADJUSTED CAPITAL | PERCENT OF TOTAL      | COST RATE     | WEIGHTED COST       |
|----------|------------------|---------------------|-----------------------------|-------------------------------------|---------------------------|----------------------------|---------------------------------|-----------------------|---------------|---------------------|
|          | (A)              | (B)                 | (C)                         | (D)                                 | (E=CxD)                   | (F)                        | (G=E+F)                         | (H)                   | (I)           | (J=HxI)             |
|          |                  |                     | \$                          | %                                   | \$                        | \$                         | \$                              |                       | %             | %                   |
| GAS:     |                  |                     |                             |                                     |                           |                            |                                 |                       |               |                     |
| 1        | SHORT-TERM DEBT  | J-2                 | 294,981,079                 | 17.48%                              | 51,562,693                | (8,323,235)                | 43,239,458                      | 8.62%                 | 0.45%         | 0.04%               |
| 2        | LONG-TERM DEBT   | J-3                 | 1,324,269,738               | 17.48%                              | 231,482,350               | (37,365,815)               | 194,116,536                     | 38.68%                | 3.75%         | 1.45%               |
| 3        | COMMON EQUITY    |                     | <u>1,804,586,553</u>        | 17.48%                              | <u>315,441,730</u>        | <u>(50,918,514)</u>        | <u>264,523,216</u>              | <u>52.71%</u>         | <u>10.50%</u> | <u>5.53%</u>        |
| 4        | TOTAL CAPITAL    |                     | <u><u>3,423,837,371</u></u> |                                     | <u><u>598,486,772</u></u> | <u><u>(96,607,563)</u></u> | <u><u>501,879,209</u></u>       | <u><u>100.00%</u></u> |               | <u><u>7.02%</u></u> |



LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372  
EMBEDDED COST OF SHORT-TERM DEBT  
AS OF FEBRUARY 28, 2015

DATA:  BASE PERIOD  FORECASTED PERIOD  
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE J-2  
PAGE 1 OF 3  
WITNESS: K. W. BLAKE

| LINE NO. | ISSUE                            | AMOUNT OUTSTANDING | INTEREST RATE | INTEREST REQUIREMENT |
|----------|----------------------------------|--------------------|---------------|----------------------|
|          | (A)                              | (B)<br>\$          | (C)<br>%      | (D=BxC)<br>\$        |
| 1        | Commercial Paper                 | 294,981,079        | 0.448%        | 1,321,615            |
| 2        |                                  |                    |               | -                    |
| 3        |                                  |                    |               | -                    |
| 4        | Total                            | 294,981,079        | 0             | 1,321,615            |
| 5        | Weighted Cost of Short-Term Debt | 0.448%             |               |                      |

LOUISVILLE GAS AND ELECTRIC COMPANY  
CASE NO. 2014-00372  
EMBEDDED COST OF LONG-TERM DEBT  
AS OF FEBRUARY 28, 2015

DATA: \_X\_ BASE PERIOD \_\_\_ FORECASTED PERIOD  
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_\_\_ REVISED  
WORKPAPER REFERENCE NO(S):

SCHEDULE J-3  
PAGE 1 OF 3  
WITNESS: K. W. BLAKE

| LINE NO. | DEBT ISSUE TYPE   | COUPON RATE<br>(A)<br>% | DATE ISSUED<br>(DAY/MO/YR)<br>(B) | MATURITY DATE<br>(DAY/MO/YR)<br>(C) | PRINCIPAL AMOUNT<br>(D)<br>\$           | UNAMORT. (DISCOUNT) OR PREMIUM<br>(E)<br>\$ | UNAMORT. DEBT EXPENSE<br>(F)<br>\$ | UNAMORT. LOSS ON REACQUIRED DEBT<br>(G)<br>\$ | CARRYING VALUE<br>(H=D+E-F-G)<br>\$ | INTEREST<br>(I=AxD)<br>\$ | ANNUAL COST                               |                                  |                                 | LETTER OF CREDIT AND OTHER FEES<br>(M)<br>\$ | TOTAL<br>(N=H+J+K+L+M)<br>\$ |
|----------|---|-------------------------|-----------------------------------|-------------------------------------|---|---|------------------------------------|---|-------------------------------------|---------------------------|---|----------------------------------|---------------------------------|--|------------------------------|
|          |   |                         |                                   |                                     |   |   |                                    |   |                                     |                           | AMORT. (DISCOUNT) OR PREMIUM<br>(J)<br>\$ | AMORT. DEBT EXPENSE<br>(K)<br>\$ | ON REACQUIRED DEBT<br>(L)<br>\$ |  |                              |
| 1        | LG&E_PCB Due June 1, 2033   | 1.60%                   | Apr. 26, 2007                     | June 1, 2033                        | 35,200,000                              | -   | 123,222                            | 599,323                                       | 34,477,454                          | 563,200                   | -   | 49,683                           | 25,333                          | -  | 638,216                      |
| 2        | LG&E_PCB 4.60% due June 1, 2033   | 4.60%                   | Apr. 26, 2007                     | June 1, 2033                        | 60,000,000                              | -   | 867,633                            | 868,981                                       | 58,263,386                          | 2,760,000                 | -   | 43,727                           | 6,087                           | -  | 2,809,814                    |
| 3        | LG&E_PCB Variable due Aug 1, 2030                                       | 0.16%                   | Aug. 9, 2000                      | Aug 1, 2030                         | 83,335,000                              | -   | 597,465                            | 2,215,571                                     | 80,521,964                          | 133,336                   | -   | 34,772                           | 132,229                         | 254,997                                      | 555,334                      |
| 4        | LG&E_PCB Variable due Sep 1, 2027                                       | 0.12%                   | Sep. 11, 2001                     | Sep 1, 2027                         | 10,104,000                              | -   | 255,347                            | -   | 9,848,653                           | 12,125                    | -   | 18,246                           | -                               | 30,403                                       | 60,774                       |
| 5        | LG&E_PCB Variable due Sep 1, 2026                                       | 0.20%                   | Mar. 6, 2002                      | Sep 1, 2026                         | 22,500,000                              | -   | 114,223                            | 890,612                                       | 21,495,165                          | 45,000                    | -   | 9,038                            | 71,251                          | 22,500                                       | 147,789                      |
| 6        | LG&E_PCB Variable Series CC due Sep 1, 2026                             | 1.05%                   | Mar. 6, 2002                      | Sep 1, 2026                         | 27,500,000                              | -   | 160,178                            | 876,348                                       | 26,463,474                          | 288,750                   | -   | 49,061                           | 70,107                          | -  | 407,918                      |
| 7        | LG&E_PCB Variable Series DD due Nov 1, 2027                             | 1.35%                   | Mar. 22, 2002                     | Nov 1, 2027                         | 35,000,000                              | -   | 186,143                            | 760,769                                       | 34,053,088                          | 472,500                   | -   | 46,820                           | 55,260                          | -  | 574,580                      |
| 8        | LG&E_PCB Variable Series EE due Nov 1, 2027                             | 1.35%                   | Mar. 22, 2002                     | Nov 1, 2027                         | 35,000,000                              | -   | 186,296                            | 758,467                                       | 34,055,238                          | 472,500                   | -   | 46,776                           | 55,092                          | -  | 574,368                      |
| 9        | LG&E_PCB Variable due Oct 1, 2032                                       | 0.20%                   | Oct. 23, 2002                     | Oct 1, 2032                         | 41,865,000                              | -   | 655,060                            | 981,615                                       | 40,028,325                          | 83,330                    | -   | 33,587                           | 51,359                          | 146,578                                      | 314,854                      |
| 10       | LG&E_PCB due Oct 1, 2033  | 1.65%                   | Nov. 20, 2003                     | Oct 1, 2033                         | 128,000,000                             | -   | 319,400                            | 5,804,814                                     | 121,875,786                         | 2,112,000                 | -   | 139,258                          | 288,658                         | -  | 2,539,916                    |
| 11       | LG&E_PCB Due May 1, 2027  | 0.78%                   | May 19, 2000                      | May 1, 2027                         | 25,000,000                              | -   | 94,576                             | 1,503,213                                     | 23,402,211                          | 196,106                   | -   | 49,146                           | 97,500                          | -  | 342,752                      |
| 12       | LG&E_PCB due Feb 1, 2035  | 2.20%                   | Apr. 13, 2005                     | Feb 1, 2035                         | 40,000,000                              | -   | 315,649                            | 1,685,406                                     | 37,998,945                          | 880,000                   | -   | 61,252                           | 77,843                          | -  | 1,019,095                    |
| 13       | LG&E_PCB due June 1, 2033   | 1.15%                   | Apr. 26, 2007                     | June 1, 2033                        | 31,000,000                              | -   | 145,503                            | 645,470                                       | 30,209,027                          | 356,500                   | -   | 58,149                           | 28,359                          | -  | 443,008                      |
| 14       | LG&E_FMB due Nov. 15, 2015  | 1.625%                  | Nov. 16, 2010                     | Nov. 15, 2015                       | 250,000,000                             | (125,405)                                   | 368,082                            | -   | 249,506,513                         | 4,062,500                 | 162,477                                   | 479,803                          | -                               | -  | 4,704,780                    |
| 15       | LG&E_FMB due Nov. 15, 2040  | 5.125%                  | Nov. 16, 2010                     | Nov. 15, 2040                       | 285,000,000                             | (2,657,477)                                 | 3,065,364                          | -   | 279,277,159                         | 14,606,250                | 95,087                                    | 109,678                          | -                               | -  | 14,811,015                   |
| 16       | LG&E_FMB due Nov 1, 2043  | 4.65%                   | Nov. 14, 2013                     | Nov. 15, 2043                       | 250,000,000                             | (1,722,614)                                 | 2,624,455                          | -   | 245,652,931                         | 11,625,000                | 55,193                                    | 83,934                           | -                               | -  | 11,764,127                   |
| 17       | LG&E_2015 Projected Issuance due 2045                                   | 0.00%                   | -                                 | -                                   | -                                       | -   | -                                  | -   | -                                   | -                         | -   | -                                | -                               | -  | -                            |
| 18       | LG&E_2015 Projected Issuance due 2025                                   | 0.00%                   | -                                 | -                                   | -                                       | -   | -                                  | -   | -                                   | -                         | -   | -                                | -                               | -  | -                            |
| 19       | UNAM EXP-S-3 SHELF REGISTRATION 3/15                                    | -                       | -                                 | -                                   | -                                       | -   | 159                                | -   | (159)                               | -                         | -   | 2,095                            | -                               | -  | 2,095                        |
| 20       | Revolving Credit Facility   | -                       | -                                 | -                                   | -                                       | -   | 2,607,451                          | 251,971                                       | (2,859,421)                         | -                         | -   | 541,586                          | 52,585                          | 625,000                                      | 1,219,171                    |
| 21       | JP Morgan Chase Bank 5.495% - Trimble Co. 2000 Series A                 | -                       | -                                 | Nov. 1, 2020                        | -                                       | -   | -                                  | -   | -                                   | 4,563,915                 | -   | -                                | -                               | -  | 4,563,915                    |
| 22       | Morgan Stanley Capital Services 3.657% - Louisville Metro 2003 Series A | -                       | -                                 | Oct. 1, 2033                        | -                                       | -   | -                                  | -   | -                                   | 1,135,531                 | -   | -                                | -                               | -  | 1,135,531                    |
| 23       | Morgan Stanley Capital Services 3.645% - Louisville Metro 2003 Series A | -                       | -                                 | Oct. 1, 2033                        | -                                       | -   | -                                  | -   | -                                   | 1,131,691                 | -   | -                                | -                               | -  | 1,131,691                    |
| 24       | Bank of America - Louisville Metro 2003 Series A                        | -                       | -                                 | Oct. 1, 2033                        | -                                       | -   | -                                  | -   | -                                   | 1,147,691                 | -   | -                                | -                               | -  | 1,147,691                    |
| 25       | Regulatory Liability - Swap Hedging FMB                                 | -                       | -                                 | -                                   | -                                       | -   | -                                  | -   | -                                   | (1,319,793)               | -   | -                                | -                               | -  | (1,319,793)                  |
| 26       | Called Bonds  | -                       | -                                 | -                                   | -                                       | -   | -                                  | -   | -                                   | -                         | -   | -                                | 62,991                          | -  | 62,991                       |
| TOTALS   |   |                         |                                   |                                     | 1,359,304,000                           | (4,505,496)                                 | 12,686,206                         | 17,842,559                                    | 1,324,269,738                       | 45,328,132                | 312,756                                   | 1,856,612                        | 1,074,654                       | 1,079,478                                    | 49,651,633                   |
|          |   |                         |                                   |                                     | EMBEDDED COST OF LONG-TERM DEBT (N / H) |   |                                    |   |                                     |                           |   |                                  |                                 |  | 3.75%                        |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(k)**  
**Sponsoring Witnesses: Kent W. Blake**

**Description of Filing Requirement:**

*Comparative financial data and earnings measures for the ten (10) most recent calendar years, the base period, and the forecast period.*

**Response:**

See attached. Note that the attached does not reflect any increase in rates sought in this case.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals.



**Louisville Gas and Electric Company**  
Case No. 2014-00372  
Base Period: Twelve Months Ending February 28, 2015  
Forecasted Test Period: Twelve Months Ending June 30, 2016

| Line No. | Description                                 | Forecasted Period<br>(a) | Base Period | 2013       | 2012       | 2011       | 2010       | 2009       | 2008       | 2007       | 2006       | 2005       | 2004       |
|----------|---|--------------------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 56       | <b>Cost of Capital:</b>                     |                          |             |            |            |            |            |            |            |            |            |            |            |
| 57       | Embedded Cost of Debt (Short and Long Term) | 4.27%                    | 3.09%       | 3.56%      | 3.43%      | 3.81%      | 3.97%      | 4.40%      | 4.34%      | 4.93%      | 4.40%      | 4.14%      | 3.69%      |
| 58       | Embedded Cost of Preferred Stock            | N/A                      | N/A         | N/A        | N/A        | N/A        | N/A        | N/A        | N/A        | N/A        | 5%         | 5%         | 3%         |
| 59       | <b>Fixed Charge Coverages:</b>              |                          |             |            |            |            |            |            |            |            |            |            |            |
| 60       | Ratio of Earnings to Fixed Charges          | 4.3                      | 5.6         | 8.1        | 5.4        | 5.2        | 4.7        | 3.7        | 3.8        | 4.4        | 4.8        | 6.1        | 5.4        |
| 61       | <b>Stock and Bond Ratings:</b>              |                          |             |            |            |            |            |            |            |            |            |            |            |
| 62       | Moody's Senior Secured                      | A1                       | A1          | A1         | A2         | A2         | A2         | N/A        | N/A        | N/A        | A1         | A1         | A1         |
| 63       | S&P Senior Secured                          | A-                       | A-          | A-         | A-         | A-         | A          | N/A        | N/A        | N/A        | A-         | A-         | A-         |
| 64       | Fitch Senior Secured                        | A+                       | N/A         | A+         | A+         | A+         | A+         | N/A        | N/A        | N/A        | N/A        | N/A        | N/A        |
| 65       | Moody's Commercial Paper                    | P-2                      | P-2         | P-2        | P-2        | P-2        | P-2        | P-1        | P-1        | P-1        | P-1        | P-1        | P-1        |
| 66       | S&P Commercial Paper                        | A-2                      | A-2         | A-2        | A-2        | A-2        | A-2        | A-2        | A-2        | A-2        | A-2        | A-2        | A-2        |
| 67       | Fitch Commercial Paper                      | F2                       | N/A         | F2         | F2         | F2         | F2         | N/A        | N/A        | N/A        | N/A        | N/A        | N/A        |
| 68       | Moody's Preferred Stock                     | N/A                      | N/A         | N/A        | N/A        | N/A        | N/A        | N/A        | N/A        | N/A        | Baa1       | Baa1       | Baa1       |
| 69       | S&P Preferred Stock                         | N/A                      | N/A         | N/A        | N/A        | N/A        | N/A        | N/A        | N/A        | N/A        | BBB-       | BBB-       | BBB-       |
| 70       | <b>Common Stock Related Data:</b>           |                          |             |            |            |            |            |            |            |            |            |            |            |
| 71       | Dividend Payout Ratio (Declared Basis)      | 0.65                     | 0.65        | 0.62       | 0.61       | 0.67       | 0.43       | 0.84       | 0.44       | 0.54       | 0.84       | 0.31       | 0.61       |
| 72       | <b>Rate of Return Measures:</b>             |                          |             |            |            |            |            |            |            |            |            |            |            |
| 73       | Return on Common Equity (13 Month Average)  | 9.14%                    | 10.20%      | 10.61%     | 8.78%      | 9.12%      | 9.94%      | 7.78%      | 7.68%      | 10.63%     | 10.46%     | 11.81%     | 9.19%      |
| 74       | <b>Other Financial and Operating Data:</b>  |                          |             |            |            |            |            |            |            |            |            |            |            |
| 75       | <b>Sales by Customer Class (MWH)</b>        |                          |             |            |            |            |            |            |            |            |            |            |            |
| 76       | Residential                                 | 4,271,912                | 4,129,285   | 4,164,049  | 4,259,211  | 4,260,122  | 4,591,883  | 4,095,806  | 4,206,411  | 4,486,182  | 4,017,524  | 4,265,080  | 3,923,944  |
| 77       | Commercial                                  | 3,815,303                | 3,700,039   | 3,685,169  | 3,733,684  | 3,708,744  | 3,793,243  | 3,616,947  | 3,723,171  | 3,837,552  | 3,614,061  | 3,682,164  | 3,533,528  |
| 78       | Industrial                                  | 2,854,327                | 2,798,410   | 2,699,965  | 2,666,220  | 2,430,194  | 2,602,851  | 2,412,419  | 2,850,830  | 2,991,980  | 3,067,655  | 3,076,791  | 3,018,651  |
| 79       | Public Street and Highway Lighting          | 21,780                   | 17,409      | 18,441     | 21,157     | 15,351     | 54,325     | 59,013     | 61,975     | 60,425     | 60,716     | 63,785     | 68,573     |
| 80       | Other Sales to Public Authorities           | 1,068,368                | 1,150,658   | 1,131,351  | 1,157,457  | 1,190,643  | 1,295,935  | 1,220,972  | 1,240,682  | 1,281,695  | 1,204,687  | 1,204,138  | 1,178,960  |
| 81       | Total                                       | 12,031,690               | 11,795,800  | 11,698,975 | 11,837,729 | 11,641,054 | 12,338,237 | 11,405,157 | 12,083,069 | 12,657,834 | 11,964,643 | 12,291,958 | 11,723,656 |
| 82       | <b>Sales by Customer Class (MCF)</b>        |                          |             |            |            |            |            |            |            |            |            |            |            |
| 83       | Residential                                 | 19,985,071               | 22,068,290  | 21,101,535 | 16,697,707 | 19,058,196 | 21,007,413 | 19,742,168 | 21,337,871 | 19,811,486 | 17,816,080 | 20,801,288 | 21,401,110 |
| 84       | Commercial                                  | 9,023,977                | 10,025,472  | 9,202,365  | 7,533,452  | 8,362,025  | 9,114,340  | 8,600,208  | 9,435,219  | 8,705,820  | 8,129,557  | 9,130,932  | 9,144,135  |
| 85       | Industrial                                  | 1,521,588                | 1,516,668   | 1,680,362  | 984,689    | 991,489    | 1,108,078  | 1,000,095  | 1,479,252  | 1,476,164  | 1,491,361  | 1,710,968  | 1,736,142  |
| 86       | Other Sales to Public Authorities           | 2,078,628                | 1,581,954   | 1,616,656  | 1,251,393  | 1,545,906  | 1,587,062  | 1,567,835  | 1,677,020  | 1,552,723  | 1,798,897  | 1,573,607  | 1,646,144  |
| 87       | Total                                       | 32,609,264               | 35,192,384  | 33,600,918 | 26,467,241 | 29,957,616 | 32,816,893 | 30,910,306 | 33,929,362 | 31,546,193 | 29,235,895 | 33,216,795 | 33,927,531 |
| 88       | <b>Composite Depreciation Rate</b>          |                          |             |            |            |            |            |            |            |            |            |            |            |
| 89       | Common                                      | 7.86%                    | 7.86%       | 7.86%      | 8.43%      | 8.43%      | 8.43%      | 8.43%      | 8.92%      | 8.92%      | 8.92%      | 8.92%      | 8.92%      |
| 90       | Electric                                    | 2.81%                    | 2.81%       | 2.81%      | 3.04%      | 3.04%      | 3.04%      | 3.04%      | 3.05%      | 3.05%      | 3.05%      | 3.05%      | 3.05%      |
| 91       | Gas   | 2.61%                    | 2.61%       | 2.61%      | 2.42%      | 2.42%      | 2.42%      | 2.42%      | 3.18%      | 3.18%      | 3.18%      | 3.18%      | 3.18%      |

(a) Data for forecast excludes the effect of any additional revenues approved by the commission in this proceeding.

(60) Per SEC Filings

(71) In November and December 2010, dividend payments changed due to the acquisition of Louisville Gas and Electric Company by PPL Corporation.

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(1)**  
**Sponsoring Witness: Robert M. Conroy**

**Description of Filing Requirement:**

*A narrative description and explanation of all proposed tariff changes.*

**Response:**

Please refer to testimony of Robert M. Conroy and also refer to the Proposed Tariff Sheets under KAR 5:001 Section 16(1)(b)(3)[Tab No. 4] and the Side By Side Comparisons under KAR 5:001 Section 16(1)(b)(4)[Tab No. 5].

**Base Period Update Response:**

No update is required for this section.

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(m)**  
**Sponsoring Witness: Dr. Martin Blake**

**Description of Filing Requirement:**

*A revenue summary for both the base period and forecasted period with supporting schedules, which provide detailed billing analyses for all customer classes.*

**Response:**

See attached.

**Base Period Update Response:**

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE M

REVENUE SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2014-00372

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2015

| <u>SCHEDULE</u>   | <u>DESCRIPTION</u>  |
|-------------------|---|
|                   | ELECTRIC OPERATIONS   |
| M-1.1-E           | ELECTRIC REVENUE SUMMARY AT PRESENT RATES                       |
| M-1.2-E           | AVERAGE ELECTRIC BILL CALCULATIONS AT PRESENT RATES             |
| M-1.3-E, PGS 1-2  | TOTAL ELECTRIC REVENUE AND BILLING ADJUSTMENTS AT PRESENT RATES |
| M-1.3-E, PGS 3-19 | BILLING DETERMINANTS AT PRESENT RATES BY ELECTRIC RATE SCHEDULE |

|                  |  |
|------------------|--|
|                  | GAS OPERATIONS   |
| M-1.1-G          | BASE PERIOD GAS REVENUES AT CURRENT RATES                  |
| M-1.2-G          | AVERAGE GAS BILL CALCULATIONS AT CURRENT RATES             |
| M-1.3-G, PG 1    | SUMMARY OF GAS REVENUE AT CURRENT RATES                    |
| M-1.3-G, PGS 2-8 | BILLING DETERMINANTS AT PRESENT RATES BY GAS RATE SCHEDULE |

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2016

| <u>SCHEDULE</u>   | <u>DESCRIPTION</u>  |
|-------------------|---|
|                   | ELECTRIC OPERATIONS   |
| M-2.1-E           | ELECTRIC REVENUE SUMMARY AT PRESENT AND PROPOSED RATES                              |
| M-2.2-E           | AVERAGE ELECTRIC BILL CALCULATIONS AT PRESENT AND PROPOSED RATES                    |
| M-2.3-E, PGS 1-2  | TOTAL ELECTRIC REVENUE AND BILLING ADJUSTMENTS AT PRESENT RATES WITH TOTAL INCREASE |
| M-2.3-E, PGS 3-25 | BILLING DETERMINANTS AT PRESENT AND PROPOSED RATES BY ELECTRIC RATE SCHEDULE        |
|                   | GAS OPERATIONS  |
| M-2.1-G           | FORECAST PERIOD GAS REVENUES AT CURRENT AND PROPOSED RATES                          |
| M-2.2-G           | AVERAGE GAS BILL COMPARISON AT CURRENT AND PROPOSED RATES BY RATE CLASS             |
| M-2.3-G, PG 1     | SUMMARY OF PROPOSED GAS REVENUE INCREASE  |
| M-2.3-G, PGS 2-8  | CALCULATION OF PROPOSED GAS RATE INCREASE   |



**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues at Present Rates**  
**for the Twelve Months Ending February 28, 2015**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):

Schedule M-1.1-E  
Page 1 of 1  
Witness: M.J. Blake

| Rate Class                                    | Total Revenue at Present Rates |
|---|--------------------------------|
| Residential Service                           | \$ 417,382,773                 |
| Low Emission Vehicle Service (proposed RTODE) | \$ 35,434                      |
| General Service                               | \$ 146,886,214                 |
| Primary Service-Secondary                     | \$ 175,252,436                 |
| Primary Service-Primary                       | \$ 12,952,396                  |
| Time-of-Day Secondary Service                 | \$ 74,050,763                  |
| Time-of-Day Primary Service -- Commercial     | \$ 28,195,480                  |
| Time-of-Day Primary Service -- Industrial     | \$ 105,918,452                 |
| Retail Transmission Service                   | \$ 47,202,882                  |
| Special Contracts                             | \$ 14,392,765                  |
| Curtable Service Riders                       | \$ (3,743,751)                 |
| Lighting Energy Service                       | \$ 213,525                     |
| Traffic Energy Service                        | \$ 286,194                     |
| Outdoor Lighting                              | \$ <u>19,001,025</u>           |
| Total Sales to Ultimate Consumers             | \$ 1,038,026,588               |
| Other Operating Revenues:                     |                                |
| Late Payment Charge                           | \$ 2,485,906                   |
| Electric Service Revenues                     | \$ 1,542,350                   |
| Rent from Electric Property                   | \$ 3,649,401                   |
| Other Miscellaneous Revenues                  | \$ <u>9,460,331</u>            |
| <b>TOTAL OPERATING REVENUES</b>               | <b>\$ 1,055,164,576</b>        |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues At Present Rates**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):

Schedule M-1.2-E  
Page 1 of 1  
Witness: M.J. Blake

**BASE PERIOD ACTUAL**

| Rate Class                                    | Customers | kWh Billed    | Average<br>Consumption in kWh | Annual Revenues<br>at Present Rates | Average Bill at<br>Present Rates |
|---|-----------|---------------|-------------------------------|-------------------------------------|----------------------------------|
| Residential Service                           | 4,246,052 | 4,101,731,439 | 966                           | \$ 417,382,773                      | \$ 98.30                         |
| Low Emission Vehicle Service (proposed RTODE) | 247       | 366,586       | 1,484                         | \$ 35,434                           | \$ 143.46                        |
| General Service                               | 340,578   | 398,996,273   | 1,172                         | \$ 146,886,214                      | \$ 431.29                        |
| Primary Service-Secondary                     | 34,156    | 1,993,089,269 | 58,353                        | \$ 175,252,436                      | \$ 5,130.94                      |
| Primary Service-Primary                       | 954       | 167,882,655   | 175,978                       | \$ 12,952,396                       | \$ 13,576.94                     |
| Time-of-Day Secondary Service                 | 3,697     | 949,506,149   | 256,832                       | \$ 74,050,763                       | \$ 20,029.96                     |
| Time of Day Primary Service -- Commercial     | 433       | 383,283,900   | 885,182                       | \$ 28,195,480                       | \$ 65,116.58                     |
| Time-of-Day Primary Service -- Industrial     | 793       | 1,614,858,200 | 2,036,391                     | \$ 105,918,452                      | \$ 133,566.77                    |
| Retail Transmission Service                   | 142       | 806,924,317   | 5,682,566                     | \$ 47,202,882                       | \$ 332,414.66                    |
| Special Contracts                             | 33        | 228,741,000   | 6,931,545                     | \$ 14,392,765                       | \$ 436,144.39                    |
| Curtable Service Riders                       | 24        | -             | -                             | \$ (3,743,751)                      | \$ (155,989.63)                  |
| Lighting Energy Service                       | 2,016     | 3,145,907     | 1,560                         | \$ 213,525                          | \$ 105.92                        |
| Traffic Energy Service                        | 12,325    | 3,044,885     | 247                           | \$ 286,194                          | \$ 23.22                         |
| Outdoor Lighting                              | 1,036,572 | 99,062,316    | 96                            | \$ 19,001,025                       | \$ 18.33                         |

# Louisville Gas and Electric Company

## Case No. 2014-00372

### Base Period Revenues at Present Rates for the Twelve Months Ended February 28, 2015

#### Electric Operations

DATA:  BASE PERIOD  FORECAST PERIOD  
 TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
 WORK PAPER REFERENCE NO(S):  
 20 Year Normalized with Adjustments

Schedule M-1.3-E  
 Page 1 of 19  
 Witness: M.J. Blake

|  | (1)               | (2)           | (3)           | (4)           | (5)            | (5)                              | (6)                                  |                              |
|--|-------------------|---------------|---------------|---------------|----------------|----------------------------------|--------------------------------------|------------------------------|
|  | Revenue As Billed | FAC Billings  | DSM Billings  | ECR Billings  | CSR Billings   | Actual Net Revenue at Base Rates | Calculated Net Revenue at Base Rates | Calculated Divided by Actual |
| Residential Rate                             |                   |               |               |               |                |                                  |                                      |                              |
| Residential Service                          | \$ 417,382,773    | \$ 3,737,457  | \$ 22,095,606 | \$ 14,949,672 | \$ -           | \$ 376,600,038                   | \$ 376,600,038                       | 1                            |
| Residential Service -- Electric Vehicle Only | 35,434            | 307           | 1,979         | 1,314         | -              | 31,834                           | 31,834                               | 1                            |
| Total Residential Service                    | \$ 417,418,207    | \$ 3,737,764  | \$ 22,097,585 | \$ 14,950,986 | \$ -           | \$ 376,631,872                   | \$ 376,631,872                       | 1                            |
| General Service                              | \$ 146,886,214    | \$ 1,232,477  | \$ 3,990,785  | \$ 6,015,215  | \$ -           | \$ 135,647,737                   | \$ 135,647,737                       | 1                            |
| Power Service Secondary                      | \$ 175,252,436    | \$ 1,836,755  | \$ 2,345,859  | \$ 6,461,552  | \$ -           | \$ 164,608,270                   | \$ 164,608,270                       | 1                            |
| Power Service Primary                        | \$ 12,952,396     | \$ 154,433    | \$ 201,222    | \$ 444,987    | \$ -           | \$ 12,151,754                    | \$ 12,151,754                        | 1                            |
| Time of Day Secondary                        | \$ 74,050,763     | \$ 849,325    | \$ 536,984    | \$ 2,621,477  | \$ -           | \$ 70,042,977                    | \$ 70,042,977                        | 1                            |
| Time of Day Primary -- Commercial            | \$ 28,195,480     | \$ 352,241    | \$ 289,012    | \$ 939,312    | \$ -           | \$ 26,614,915                    | \$ 26,614,915                        | 1                            |
| Time of Day Primary -- Industrial            | \$ 105,918,452    | \$ 1,454,943  | \$ -          | \$ 3,277,688  | \$ -           | \$ 101,185,821                   | \$ 101,185,821                       | 1                            |
| Retail Transmisison Service                  | \$ 47,202,882     | \$ 707,621    | \$ -          | \$ 1,313,860  | \$ -           | \$ 45,181,401                    | \$ 45,181,401                        | 1                            |
| Fluctuating Load Service                     | \$ -              | \$ -          | \$ -          | \$ -          | \$ -           | \$ -                             | \$ -                                 | 0                            |
| Total Curtailable Service Rider              | \$ (3,743,751)    | \$ -          | \$ -          | \$ -          | \$ (3,743,751) | \$ -                             | \$ -                                 | 0                            |
| Total Special Contracts                      | \$ 14,392,765     | \$ 206,712    | \$ -          | \$ 412,082    | \$ -           | \$ 13,773,972                    | \$ 13,773,972                        | 1                            |
| Lighting Energy                              | \$ 213,525        | \$ 2,463      | \$ -          | \$ 7,807      | \$ -           | \$ 203,257                       | \$ 203,257                           | 1                            |
| Traffic Energy                               | \$ 286,194        | \$ 2,712      | \$ -          | \$ 10,200     | \$ -           | \$ 273,282                       | \$ 273,282                           | 1                            |
| Lighting Service (LS and RLS)                | \$ 19,001,025     | \$ 78,723     | \$ -          | \$ 667,812    | \$ -           | \$ 18,254,490                    | \$ 18,254,490                        | 1                            |
| Total  | \$ 1,038,026,588  | \$ 10,616,169 | \$ 29,461,447 | \$ 37,122,978 | \$ (3,743,751) | \$ 964,569,748                   | \$ 964,569,748                       | 1                            |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues by Rate Schedule at Present Rates**  
**for the Twelve Months Ending February 28, 2015**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-E  
Page 2 of 19  
WITNESS: M. BLAKE

|  | Customers        | Demand | kWh's                | Unit<br>Charges | Calculated<br>Revenue |
|--|------------------|--------|----------------------|-----------------|-----------------------|
| <b>RESIDENTIAL Service, including Volunteer Fire Departments</b>               |                  |        |                      |                 |                       |
| Rate RS, Rate VFD, Rate RS with net metering, Rate RS with Water Heating Rider |                  |        |                      |                 |                       |
| <b>Customers</b>   | 4,246,052        |        |                      | \$ 10.75        | \$ 45,645,059         |
| Partial month and prorated billings  |                  |        |                      |                 | \$ (306,905)          |
| <b>kWh</b>   |                  |        | 4,101,731,439        | \$ 0.08076      | \$ 331,255,831        |
| Minimum and Partial Month Billings   |                  |        |                      |                 | \$ 6,053              |
| <b>TOTAL</b>   | <u>4,246,052</u> |        | <u>4,101,731,439</u> |                 | <u>\$ 376,600,038</u> |
| Residential Service Low Emission Vehicle Service                               |                  |        |                      |                 |                       |
| <b>Customers</b>   | 247              |        |                      | \$ 10.75        | \$ 2,655              |
| Partial month and prorated billings  |                  |        |                      |                 | \$ (36)               |
| <b>kWh, Period 1</b>   |                  |        | 202,117              | \$ 0.05820      | \$ 11,764             |
| <b>kWh, Period 2</b>   |                  |        | 96,368               | \$ 0.07899      | \$ 7,612              |
| <b>kWh, Period 3</b>   |                  |        | 68,101               | \$ 0.14451      | \$ 9,841              |
| Minimum and Partial Month Billings   |                  |        |                      |                 | \$ (2)                |
| <b>TOTAL</b>   | <u>247</u>       |        | <u>366,586</u>       |                 | <u>\$ 31,834</u>      |
| <b>TOTAL RESIDENTIAL</b>   | <u>4,246,299</u> |        | <u>4,102,098,025</u> |                 | <u>\$ 376,631,872</u> |
|  |                  |        |                      |                 | 1.000000000           |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b>                            |                  |        |                      |                 | <u>\$ 376,631,872</u> |
| <b>REVENUE ADJUSTMENTS:</b>  |                  |        |                      |                 |                       |
| <b>Fuel Adjustment Clause Billings</b>   |                  |        |                      |                 | \$ 3,737,764          |
| <b>Demand Side Management Billings</b>   |                  |        |                      |                 | \$ 22,097,585         |
| <b>Environmental Cost Recovery Surcharge Billings</b>                          |                  |        |                      |                 | \$ 14,950,986         |
| <b>Total Revenue Adjustments</b>   |                  |        |                      |                 | <u>\$ 40,786,335</u>  |
| <b>Total Test Year Adjusted Revenues</b>                                       |                  |        |                      |                 | <u>\$ 417,418,207</u> |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues by Rate Schedule at Present Rates**  
**for the Twelve Months Ending February 28, 2015**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-E  
Page 3 of 19  
WITNESS: M. BLAKE

|   | Customers      | kWh's                | Unit<br>Charges | Calculated<br>Revenue        |
|---|----------------|----------------------|-----------------|------------------------------|
| <b>GENERAL SERVICE RATE GS</b>                      |                |                      |                 |                              |
| Single Phase  |                |                      |                 |                              |
| <b>Customers</b>                                    | 340,578        |                      | \$ 20.00        | \$ 6,811,560                 |
| Minimum and Partial Month Billings                  |                |                      |                 | \$ (28,224)                  |
| <b>kWh</b>  |                | 398,996,273          | \$ 0.09134      | \$ 36,444,320                |
| Minimum and Partial Month Billings                  |                |                      |                 | \$ 5,033                     |
| Three Phase   |                |                      |                 |                              |
| <b>Customers</b>                                    | 185,882        |                      | \$ 35.00        | \$ 6,505,870                 |
| Minimum and Partial Month Billings                  |                |                      |                 | \$ (54,276)                  |
| <b>kWh</b>  |                | 941,016,423          | \$ 0.09134      | \$ 85,952,440                |
| Minimum and Partial Month Billings                  |                |                      |                 | \$ 11,014                    |
| <b>TOTAL</b>  | <u>526,460</u> | <u>1,340,012,696</u> |                 | <u>\$ 135,647,737</u>        |
|   |                |                      |                 | 1.000000000                  |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b> |                |                      |                 | <u><u>\$ 135,647,737</u></u> |
| <b>REVENUE ADJUSTMENTS:</b>                         |                |                      |                 |                              |
| Fuel Adjustment Clause Billings                     |                |                      |                 | \$ 1,232,477                 |
| Demand Side Management Billings                     |                |                      |                 | \$ 3,990,785                 |
| Environmental Cost Recovery Surcharge Billings      |                |                      |                 | \$ 6,015,215                 |
| Total Revenue Adjustments                           |                |                      |                 | <u><u>\$ 11,238,477</u></u>  |
| <b>Total Test Year Adjusted Revenues</b>            |                |                      |                 | <u><u>\$ 146,886,214</u></u> |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues by Rate Schedule at Present Rates**  
**for the Twelve Months Ending February 28, 2015**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-E  
Page 4 of 19  
WITNESS: M. BLAKE

|   | Customers     | Demand           | kWh's                | Unit<br>Charges | Calculated<br>Revenue |
|---|---------------|------------------|----------------------|-----------------|-----------------------|
| <b>POWER SERVICE RATE PS -- SECONDARY DELIVERY</b>    |               |                  |                      |                 |                       |
| <b>Customers</b>                                      | 34,156        |                  |                      | \$ 90.00        | \$ 3,074,040          |
| Minimum and Partial Month Billings                    |               |                  |                      |                 | \$ (20,764)           |
| <b>kWh</b>  |               |                  | 1,993,089,269        | \$ 0.04060      | \$ 80,919,425         |
| Minimum and Partial Month Billings                    |               |                  |                      |                 | \$ 5,593              |
| <b>Demand Billings, in kW</b>                         |               |                  |                      |                 |                       |
| Summer Metered Demand                                 |               | 2,307,415        |                      | \$ 16.40        | \$ 37,841,606         |
| Summer Billed Minimum Demand                          |               | 54,859           |                      | \$ 16.40        | \$ 899,679            |
| Winter Metered Demand                                 |               | 2,853,904        |                      | \$ 14.01        | \$ 39,983,197         |
| Winter Billed Minimum Demand                          |               | 89,439           |                      | \$ 14.01        | \$ 1,253,039          |
| Partial month and prorated                            |               |                  |                      |                 | \$ (303,457)          |
| Power Factor Revenue Adjustment                       |               |                  |                      |                 | \$ 955,912            |
| <b>TOTAL</b>  | <u>34,156</u> | <u>5,305,617</u> | <u>1,993,089,269</u> |                 | <u>\$ 164,608,270</u> |
|   |               |                  |                      |                 | 1.00000000            |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b>   |               |                  |                      |                 | <u>\$ 164,608,270</u> |
| <b>PRO FORMA REVENUE ADJUSTMENTS:</b>                 |               |                  |                      |                 |                       |
| <b>Fuel Adjustment Clause Billings</b>                |               |                  |                      |                 | \$ 1,836,755          |
| <b>Demand Side Management Billings</b>                |               |                  |                      |                 | \$ 2,345,859          |
| <b>Environmental Cost Recovery Surcharge Billings</b> |               |                  |                      |                 | \$ 6,461,552          |
| <b>Total Revenue Adjustments</b>                      |               |                  |                      |                 | <u>\$ 10,644,166</u>  |
| <b>Total Test Year Adjusted Revenues</b>              |               |                  |                      |                 | <u>\$ 175,252,436</u> |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues by Rate Schedule at Present Rates**  
**for the Twelve Months Ending February 28, 2015**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-E  
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WITNESS: M. BLAKE

|   | Customers  | Demand         | kWh's              | Unit<br>Charges | Calculated<br>Revenue |
|---|------------|----------------|--------------------|-----------------|-----------------------|
| <b>POWER SERVICE RATE PS -- PRIMARY DELIVERY</b>      |            |                |                    |                 |                       |
| <b>Customers</b>                                      | 954        |                |                    | \$ 170.00       | \$ 162,180            |
| Minimum and Partial Month Billings                    |            |                |                    |                 | \$ (3,377)            |
| <b>kWh</b>  |            |                | 167,882,655        | \$ 0.03926      | \$ 6,591,074          |
| Minimum and Partial Month Billings                    |            |                |                    |                 | \$ (20,988)           |
| <b>Demand Billings, in kW</b>                         |            |                |                    |                 |                       |
| Summer Metered Demand                                 |            | 180,908        |                    | \$ 13.95        | \$ 2,523,665          |
| Summer Billed Minimum Demand                          |            | 9,709          |                    | \$ 13.95        | \$ 135,435            |
| Winter Metered Demand                                 |            | 213,247        |                    | \$ 11.66        | \$ 2,486,462          |
| Winter Billed Minimum Demand                          |            | 11,468         |                    | \$ 11.66        | \$ 133,713            |
| Partial month and prorated                            |            |                |                    |                 | \$ (12,808)           |
| Power Factor Revenue Adjustment                       |            |                |                    |                 | \$ 156,399            |
| <b>TOTAL</b>  | <u>954</u> | <u>415,331</u> | <u>167,882,655</u> |                 | <u>\$ 12,151,754</u>  |
|   |            |                |                    |                 | 1.00000000            |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b>   |            |                |                    |                 | <u>\$ 12,151,754</u>  |
| <b>PRO FORMA REVENUE ADJUSTMENTS:</b>                 |            |                |                    |                 |                       |
| <b>Fuel Adjustment Clause Billings</b>                |            |                |                    |                 | \$ 154,433            |
| <b>Demand Side Management Billings</b>                |            |                |                    |                 | \$ 201,222            |
| <b>Environmental Cost Recovery Surcharge Billings</b> |            |                |                    |                 | \$ 444,987            |
| <b>Total Revenue Adjustments</b>                      |            |                |                    |                 | <u>\$ 800,642</u>     |
| <b>Total Test Year Adjusted Revenues</b>              |            |                |                    |                 | <u>\$ 12,952,396</u>  |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues by Rate Schedule at Present Rates**  
**for the Twelve Months Ending February 28, 2015**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
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SCHEDULE M-1.3-E  
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WITNESS: M. BLAKE

|   | Customers    | Demand           | kWh's              | Unit Charges | Calculated Revenue   |
|---|--------------|------------------|--------------------|--------------|----------------------|
| <u>Current Rates</u>                                    |              |                  |                    |              |                      |
| <b>TIME OF DAY SECONDARY SERVICE</b>                    |              |                  |                    |              |                      |
| <b>Customers</b>  | 3,697        |                  |                    | \$ 200.00    | \$ 739,400           |
| Minimum and Partial Month Billings                      |              |                  |                    |              | \$ (9,401)           |
| <b>kWh</b>  |              |                  | 949,506,149        | \$ 0.03990   | \$ 37,885,296        |
| Minimum and Partial Month Billings                      |              |                  |                    |              | \$ 0                 |
| <b>Demand Billings in kW</b>                            |              |                  |                    |              |                      |
| Base Period Metered Demand                              |              | 2,070,638        |                    | \$ 4.00      | \$ 8,282,553         |
| Base Period Billed Minimum Demand                       |              | 150,400          |                    | \$ 4.00      | \$ 601,601           |
| Intermediate Period Metered Demand                      |              | 2,046,644        |                    | \$ 4.51      | \$ 9,230,364         |
| Intermediate Period Billed Minimum Demand               |              | 13,664           |                    | \$ 4.51      | \$ 61,625            |
| Peak Period Metered Demand                              |              | 2,001,787        |                    | \$ 6.11      | \$ 12,230,916        |
| Peak Period Billed Minimum Demand                       |              | 16,076           |                    | \$ 6.11      | \$ 98,225            |
| Partial month and prorated                              |              |                  |                    |              | \$ 73,796            |
| Power Factor Revenue Adjustment                         |              |                  |                    |              | \$ 827,543           |
| Redundant Capacity Rider (not included in Total Demand) |              | 18,000           |                    | \$ 1.17      | \$ 21,060            |
| <b>TOTAL</b>  | <u>3,697</u> | <u>6,317,209</u> | <u>949,506,149</u> |              | <u>\$ 70,042,977</u> |
|   |              |                  |                    |              | 1.0000000000         |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b>     |              |                  |                    |              | <u>\$ 70,042,977</u> |
| <b>PRO FORMA REVENUE ADJUSTMENTS:</b>                   |              |                  |                    |              |                      |
| Fuel Adjustment Clause Billings                         |              |                  |                    |              | \$ 849,325           |
| Demand Side Management Billings                         |              |                  |                    |              | \$ 536,984           |
| Environmental Cost Recovery Surcharge Billings          |              |                  |                    |              | \$ 2,621,477         |
| Total Revenue Adjustments                               |              |                  |                    |              | <u>\$ 4,007,786</u>  |
| <b>Total Test Year Adjusted Revenues</b>                |              |                  |                    |              | <u>\$ 74,050,763</u> |



**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues by Rate Schedule at Present Rates**  
**for the Twelve Months Ending February 28, 2015**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
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WITNESS: M. BLAKE

|   | Customers  | Demand           | kWh's              | Unit Charges | Current Rates<br>Calculated Revenue |
|---|------------|------------------|--------------------|--------------|-------------------------------------|
| <b>TIME OF DAY SERVICE -- COMMERCIAL PRIMARY</b>    |            |                  |                    |              |                                     |
| <b>Customers</b>                                    | 433        |                  |                    | \$ 300.00    | \$ 129,900                          |
| Minimum and Partial Month Billings                  |            |                  |                    |              | \$ (1,160)                          |
| <b>kWh</b>  |            |                  | 383,283,900        | \$ 0.03810   | \$ 14,603,116                       |
| Minimum and Partial Month Billings                  |            |                  |                    |              | \$ -                                |
| <b>Demand Billings in kVA</b>                       |            |                  |                    |              |                                     |
| Base Period Metered Demand                          |            | 845,663          |                    | \$ 3.98      | \$ 3,365,738                        |
| Base Period Billed Minimum Demand                   |            | 67,903           |                    | \$ 3.98      | \$ 270,253                          |
| Intermediate Period Metered Demand                  |            | 828,663          |                    | \$ 4.13      | \$ 3,422,379                        |
| Intermediate Period Billed Minimum Demand           |            | 9,790            |                    | \$ 4.13      | \$ 40,434                           |
| Peak Period Metered Demand                          |            | 810,037          |                    | \$ 5.83      | \$ 4,722,517                        |
| Peak Period Billed Minimum Demand                   |            | 11,746           |                    | \$ 5.83      | \$ 68,480                           |
| Partial month and prorated                          |            |                  |                    |              | \$ (6,742)                          |
| <b>TOTAL</b>  | <u>433</u> | <u>2,573,802</u> | <u>383,283,900</u> |              | <u>\$ 26,614,915</u>                |
|   |            |                  |                    |              | 1.0000000000                        |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b> |            |                  |                    |              | <u>\$ 26,614,915</u>                |
| <b>REVENUE ADJUSTMENTS:</b>                         |            |                  |                    |              |                                     |
| Fuel Adjustment Clause Billings                     |            |                  |                    |              | \$ 352,241                          |
| Demand Side Management Billings                     |            |                  |                    |              | \$ 289,012                          |
| Environmental Cost Recovery Surcharge Billings      |            |                  |                    |              | \$ 939,312                          |
| Total Pro Forma Revenue Adjustments                 |            |                  |                    |              | <u>\$ 1,580,564</u>                 |
| <b>Total Test Year Adjusted Revenues</b>            |            |                  |                    |              | <u>\$ 28,195,480</u>                |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues by Rate Schedule at Present Rates**  
**for the Twelve Months Ending February 28, 2015**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-E  
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WITNESS: M. BLAKE

|   |              |            |                   | <u>Current Rates</u> |                       |
|---|--------------|------------|-------------------|----------------------|-----------------------|
|   |              |            |                   | Unit<br>Charges      | Calculated<br>Revenue |
|   |              | Customers  | Demand            | kWh's                |                       |
| <b>TIME OF DAY SERVICE -- INDUSTRIAL PRIMARY</b>      |              |            |                   |                      |                       |
| <b>Customers</b>                                      |              | 793        |                   |                      |                       |
| Minimum and Partial Month Billings                    |              |            |                   | \$ 300.00            | \$ 237,900            |
|   |              |            |                   |                      | \$ (1,340)            |
| <b>kWh</b>  |              |            | 1,614,858,200     | \$ 0.03538           | \$ 57,133,682         |
| Minimum and Partial Month Billings                    |              |            |                   |                      | \$ 0                  |
| <b>Demand Billings in kVA</b>                         |              |            |                   |                      |                       |
| Base Period Metered Demand                            |              |            | 3,707,663         | \$ 3.63              | \$ 13,458,818         |
| Base Period Billed Minimum Demand                     |              |            | 44,090            | \$ 3.63              | \$ 160,045            |
| Intermediate Period Metered Demand                    |              |            | 3,609,783         | \$ 3.79              | \$ 13,681,079         |
| Intermediate Period Billed Minimum Demand             |              |            | 8,303             | \$ 3.79              | \$ 31,469             |
| Peak Period Metered Demand                            |              |            | 3,547,636         | \$ 4.63              | \$ 16,425,556         |
| Peak Period Billed Minimum Demand                     |              |            | 12,853            | \$ 4.63              | \$ 59,511             |
| Partial month and prorated                            |              |            |                   |                      | \$ (899)              |
|   | <b>TOTAL</b> | <u>793</u> | <u>10,930,329</u> | <u>1,614,858,200</u> | <u>\$ 101,185,821</u> |
|   |              |            |                   |                      | 1.0000000000          |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b>   |              |            |                   |                      | <u>\$ 101,185,821</u> |
| <b>REVENUE ADJUSTMENTS:</b>                           |              |            |                   |                      |                       |
| <b>Fuel Adjustment Clause Billings</b>                |              |            |                   |                      | \$ 1,454,943          |
| <b>Demand Side Management Billings</b>                |              |            |                   |                      | \$ -                  |
| <b>Environmental Cost Recovery Surcharge Billings</b> |              |            |                   |                      | \$ 3,277,688          |
| <b>Total Pro Forma Revenue Adjustments</b>            |              |            |                   |                      | <u>\$ 4,732,631</u>   |
| <b>Total Test Year Adjusted Revenues</b>              |              |            |                   |                      | <u>\$ 105,918,452</u> |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues by Rate Schedule at Present Rates**  
**for the Twelve Months Ending February 28, 2015**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):  
20 Year Normalized with Adjustments

SCHEDULE M-1.3-E  
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WITNESS: M. BLAKE

|   | Customers  | Demand           | kWh's              | Unit Charges | Current Rates | Calculated Revenue   |
|---|------------|------------------|--------------------|--------------|---------------|----------------------|
| <b>RETAIL TRANSMISSION SERVICE</b>                  |            |                  |                    |              |               |                      |
| <b>Customers</b>                                    | 142        |                  |                    | \$ 750.00    | \$            | 106,500              |
| Minimum and Partial Month Billings                  |            |                  |                    |              | \$            | -                    |
| <b>kWh</b>  |            |                  | 806,924,317        | \$ 0.03610   | \$            | 29,129,967           |
| Minimum and Partial Month Billings                  |            |                  |                    |              | \$            | -                    |
| <b>Demand Billings in kVA</b>                       |            |                  |                    |              |               |                      |
| Base Period Metered Demand                          |            | 1,645,356        |                    | \$ 2.75      | \$            | 4,524,730            |
| Base Period Billed Minimum Demand                   |            | 21,678           |                    | \$ 2.75      | \$            | 59,615               |
| Intermediate Period Metered Demand                  |            | 1,616,205        |                    | \$ 3.00      | \$            | 4,848,615            |
| Intermediate Period Billed Minimum Demand           |            | 3,483            |                    | \$ 3.00      | \$            | 10,451               |
| Peak Period Metered Demand                          |            | 1,428,409        |                    | \$ 4.55      | \$            | 6,499,262            |
| Peak Period Billed Minimum Demand                   |            | 497              |                    | \$ 4.55      | \$            | 2,260                |
| Partial month and prorated                          |            |                  |                    |              | \$            | 1                    |
| <b>TOTAL</b>  | <u>142</u> | <u>4,715,629</u> | <u>806,924,317</u> |              | \$            | <u>45,181,401</u>    |
|   |            |                  |                    |              |               | 1.0000000000         |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b> |            |                  |                    |              |               | <u>\$ 45,181,401</u> |
| <b>PRO FORMA REVENUE ADJUSTMENTS:</b>               |            |                  |                    |              |               |                      |
| Fuel Adjustment Clause Billings                     |            |                  |                    |              | \$            | 707,621              |
| Demand Side Management Billings                     |            |                  |                    |              | \$            | -                    |
| Environmental Cost Recovery Surcharge Billings      |            |                  |                    |              | \$            | 1,313,860            |
| <b>Total Pro Forma Revenue Adjustments</b>          |            |                  |                    |              | \$            | <u>2,021,481</u>     |
| <b>Total Test Year Adjusted Revenues</b>            |            |                  |                    |              |               | <u>\$ 47,202,882</u> |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues by Rate Schedule at Present Rates**  
**for the Twelve Months Ending February 28, 2015**  
**Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
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WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-E  
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WITNESS: M. BLAKE

|   | Customers | Demand         | kWh's              | Unit Charges | Current Rates<br>Calculated Revenue |
|---|-----------|----------------|--------------------|--------------|-------------------------------------|
| <b>SPECIAL CONTRACT #1</b>                            |           |                |                    |              |                                     |
| <b>Customers</b>                                      | 11        |                |                    | \$ -         | \$ -                                |
| Minimum and Partial Month Billings                    |           |                |                    |              | \$ -                                |
| <b>kWh</b>  |           |                | 176,475,000        | \$ 0.03740   | \$ 6,600,165                        |
| Minimum and Partial Month Billings                    |           |                |                    |              | \$ -                                |
| <b>Demand Billings, in kW</b>                         |           |                |                    |              |                                     |
| Summer Metered Demand                                 |           | 129,360        |                    | \$ 15.04     | \$ 1,945,574                        |
| Summer Billed Minimum Demand                          |           | -              |                    | \$ 15.04     | \$ -                                |
| Winter Metered Demand                                 |           | 196,008        |                    | \$ 12.72     | \$ 2,493,222                        |
| Winter Billed Minimum Demand                          |           | -              |                    | \$ 12.72     | \$ -                                |
| Partial month and prorated                            |           |                |                    |              | \$ -                                |
| Power Factor Revenue Adjustment                       |           |                |                    |              | \$ (290,849)                        |
| <b>TOTAL</b>  | <u>11</u> | <u>325,368</u> | <u>176,475,000</u> |              | <u>\$ 10,748,112</u>                |
|   |           |                |                    |              | 1.00000000                          |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b>   |           |                |                    |              | <u>\$ 10,748,112</u>                |
| <b>PRO FORMA REVENUE ADJUSTMENTS:</b>                 |           |                |                    |              |                                     |
| <b>Fuel Adjustment Clause Billings</b>                |           |                |                    |              | \$ 161,115                          |
| <b>Demand Side Management Billings</b>                |           |                |                    |              | \$ -                                |
| <b>Environmental Cost Recovery Surcharge Billings</b> |           |                |                    |              | \$ 323,033                          |
| <b>Total Revenue Adjustments</b>                      |           |                |                    |              | <u>\$ 484,147</u>                   |
| <b>Total Test Year Adjusted Revenues</b>              |           |                |                    |              | <u>\$ 11,232,259</u>                |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
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**Electric Operations**

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SCHEDULE M-1.3-E  
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WITNESS: M. BLAKE

|   | Customers | Demand         | kWh's             | Unit Charges | Current Rates<br>Calculated Revenue |
|---|-----------|----------------|-------------------|--------------|-------------------------------------|
| <b>SPECIAL CONTRACT #2</b>                            |           |                |                   |              |                                     |
| <b>Customers</b>                                      | 22        |                |                   | \$ -         | \$ -                                |
| Minimum and Partial Month Billings                    |           |                |                   |              | \$ -                                |
| <b>kWh</b>  |           |                | 52,266,000        | \$ 0.03702   | \$ 1,934,886                        |
| Minimum and Partial Month Billings                    |           |                |                   |              | \$ (0)                              |
| <b>Demand Billings, in kW</b>                         |           |                |                   |              |                                     |
| Summer Metered Demand                                 |           | 45,082         |                   | \$ 10.35     | \$ 466,595                          |
| Summer Billed Minimum Demand                          |           | 2,990          |                   | \$ 10.35     | \$ 30,951                           |
| Winter Metered Demand                                 |           | 52,680         |                   | \$ 10.35     | \$ 545,238                          |
| Winter Billed Minimum Demand                          |           | 4,656          |                   | \$ 10.35     | \$ 48,190                           |
| Partial month and prorated                            |           |                |                   |              | \$ -                                |
| Power Factor Revenue Adjustment                       |           |                |                   |              | \$ -                                |
| <b>TOTAL</b>  | <u>22</u> | <u>105,408</u> | <u>52,266,000</u> |              | <u>\$ 3,025,860</u>                 |
|   |           |                |                   |              | 1.00000000                          |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b>   |           |                |                   |              | <u>\$ 3,025,860</u>                 |
| <b>PRO FORMA REVENUE ADJUSTMENTS:</b>                 |           |                |                   |              |                                     |
| <b>Fuel Adjustment Clause Billings</b>                |           |                |                   |              | \$ 45,598                           |
| <b>Demand Side Management Billings</b>                |           |                |                   |              | \$ -                                |
| <b>Environmental Cost Recovery Surcharge Billings</b> |           |                |                   |              | \$ 89,049                           |
| <b>Total Revenue Adjustments</b>                      |           |                |                   |              | <u>\$ 134,646</u>                   |
| <b>Total Test Year Adjusted Revenues</b>              |           |                |                   |              | <u>\$ 3,160,506</u>                 |

**Louisville Gas and Electric Company**  
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**Electric Operations**

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SCHEDULE M-1.3-E  
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|  |   | Customers    | kWh's            | Unit<br>Charges | <u>Current Rates</u><br>Calculated<br>Revenue |
|--|---|--------------|------------------|-----------------|---|
| <b>LIGHTING ENERGY SERVICE RATE LE</b>         |   |              |                  |                 |   |
| <b>Customers</b>                               |   | 2,016        |                  | \$ -            | \$ -  |
| Minimum and Partial Month Billings             |   |              |                  |                 | \$ -  |
| <b>kWh</b>                                     |   |              | 3,145,907        | \$ 0.06461      | \$ 203,257                                    |
| Minimum and Partial Month Billings             |   |              |                  |                 | \$ (0)  |
|  | <b>TOTAL</b>  | <u>2,016</u> | <u>3,145,907</u> |                 | <u>\$ 203,257</u>                             |
|  |   |              |                  |                 | 1.000000000                                   |
|  | <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b> |              |                  |                 | <u>\$ 203,257</u>                             |
| <b>REVENUE ADJUSTMENTS:</b>                    |   |              |                  |                 |   |
| Fuel Adjustment Clause Billings                |   |              |                  |                 | \$ 2,462                                      |
| Demand Side Management Billings                |   |              |                  |                 | \$ -  |
| Environmental Cost Recovery Surcharge Billings |   |              |                  |                 | \$ 7,807                                      |
| Total Revenue Adjustments                      |   |              |                  |                 | <u>\$ 10,268</u>                              |
|  | <b>Total Test Year Adjusted Revenues</b>            |              |                  |                 | <u>\$ 213,525</u>                             |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues by Rate Schedule at Present Rates**  
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**Electric Operations**

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SCHEDULE M-1.3-E  
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|   | Customers     | Demand | kWh's            | Unit Charges | Current Rates | Calculated Revenue |
|---|---------------|--------|------------------|--------------|---------------|--------------------|
| <b>TRAFFIC ENERGY SERVICE RATE TE</b>                 |               |        |                  |              |               |                    |
| <b>Customers</b>                                      | 12,325        |        |                  | \$ 3.25      | \$            | 40,056             |
| Minimum and Partial Month Billings                    |               |        |                  |              | \$            | 94                 |
| <b>kWh</b>  |               |        | 3,044,885        | \$ 0.07658   | \$            | 233,178            |
| Minimum and Partial Month Billings                    |               |        |                  |              | \$            | (46)               |
| <b>TOTAL</b>  | <u>12,325</u> |        | <u>3,044,885</u> |              | \$            | <u>273,282</u>     |
|   |               |        | 3,044,275        |              |               | 1.000000000        |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b>   |               |        |                  |              |               | <u>\$ 273,282</u>  |
| <b>REVENUE ADJUSTMENTS:</b>                           |               |        |                  |              |               |                    |
| <b>Fuel Adjustment Clause Billings</b>                |               |        |                  |              | \$            | 2,712              |
| <b>Demand Side Management Billings</b>                |               |        |                  |              | \$            | -                  |
| <b>Environmental Cost Recovery Surcharge Billings</b> |               |        |                  |              | \$            | 10,200             |
| <b>Total Revenue Adjustments</b>                      |               |        |                  |              | \$            | <u>12,912</u>      |
| <b>Total Test Year Adjusted Revenues</b>              |               |        |                  |              |               | <u>\$ 286,194</u>  |

**Louisville Gas and Electric Company**

**Case No. 2014-00372**

**Base Period Revenues by Rate Schedule at Present Rates for the Twelve Months Ended February 28, 2015  
Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
 TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
 WORK PAPER REFERENCE NO(S):

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|                            |          | Number of<br>Installed Lights | Current<br>Rates | Base Period<br>Revenue |
|----------------------------|----------|-------------------------------|------------------|------------------------|
| <b>LIGHTING SERVICE LS</b> |          |                               |                  |                        |
| <b>Sheet No. 35</b>        |          |                               |                  |                        |
| Overhead Service           |          |                               |                  |                        |
| High Pressure Sodium       |          |                               |                  |                        |
| Cobra Head, 16000 Lumens   | LGUM_452 | 76,287                        | \$ 12.82         | \$ 977,999             |
| Cobra Head, 28500 Lumens   | LGUM_453 | 107,016                       | \$ 15.08         | \$ 1,613,801           |
| Cobra Head, 50000 Lumens   | LGUM_454 | 65,073                        | \$ 17.38         | \$ 1,130,969           |
| Directional, 16000 Lumens  |          |                               |                  |                        |
| Directional, 16000 Lumens  | LGUM_455 | 4,949                         | \$ 13.77         | \$ 68,148              |
| Directional, 50000 Lumens  | LGUM_456 | 157,140                       | \$ 18.21         | \$ 2,861,519           |
| Open Bottom, 9500 Lumens   |          |                               |                  |                        |
| Open Bottom, 9500 Lumens   | LGUM_457 | 40,794                        | \$ 10.86         | \$ 443,023             |
| Metal Halide               |          |                               |                  |                        |
| Directional, 12000 Lumens  | LGUM_470 | 304                           | \$ 12.79         | \$ 3,888               |
| Directional, 32000 Lumens  | LGUM_473 | 5,423                         | \$ 18.68         | \$ 101,302             |
| Directional, 107800 Lumens | LGUM_476 | 5,089                         | \$ 39.60         | \$ 201,524             |



**Louisville Gas and Electric Company**

**Case No. 2014-00372**

**Base Period Revenues by Rate Schedule at Present Rates for the Twelve Months Ended February 28, 2015  
Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
 TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
 WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-E  
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 WITNESS: M. BLAKE

|   |            | Number of<br>Installed Lights | Current<br>Rates | Base Period<br>Revenue |
|---|------------|-------------------------------|------------------|------------------------|
| <b>LIGHTING SERVICE LS</b>                                      |            |                               |                  |                        |
| <b>Sheet No. 35.1</b>   |            |                               |                  |                        |
| Underground Service   |            |                               |                  |                        |
| High Pressure Sodium  |            |                               |                  |                        |
| Colonial, 4-Sided, 5800 Lumens                                  | LGUM_412   | 2,650                         | \$ 19.79         | \$ 52,444              |
| Colonial, 4-Sided, 9500 Lumens                                  | LGUM_413   | 26,123                        | \$ 20.49         | \$ 535,260             |
| Acorn, 5800 Lumens  | LGUM_415   | 456                           | \$ 20.18         | \$ 9,202               |
| Acorn, 9500 Lumens  | LGUM_416   | 22,918                        | \$ 22.56         | \$ 517,030             |
| London, 5800 Lumens   | LGUM_427   | 636                           | \$ 35.20         | \$ 22,387              |
| London, 9500 Lumens   | LGUM_429   | 2,427                         | \$ 36.07         | \$ 87,542              |
| Victorian, 5800 Lumens  | LGUM_431   | 540                           | \$ 32.93         | \$ 17,782              |
| Victorian, 9500 Lumens  | LGUM_433   | 2,346                         | \$ 34.99         | \$ 82,087              |
| Victorian/London Bases  | LE_956Base | 3,543                         | \$ 3.56          | \$ 12,613              |
| Cobra Head, 16000 Lumens  | LGUM_423   | 254                           | \$ 26.35         | \$ 6,693               |
| Cobra Head, 28500 Lumens  | LGUM_424   | 5,269                         | \$ 28.45         | \$ 149,903             |
| Cobra Head, 50000 Lumens  | LGUM_425   | 407                           | \$ 34.03         | \$ 13,850              |
| Contemporary, 16000 Lumens, Fixture Only                        | LGUM_439   | -                             | \$ 16.46         | \$ -                   |
| Contemporary, 28500 Lumens, Fixture Only                        | LGUM_440   | 24                            | \$ 18.28         | \$ 439                 |
| Contemporary, 50000 Lumens, Fixture Only                        | LGUM_441   | 735                           | \$ 22.32         | \$ 16,405              |
| Contemporary, 16000 Lumens, Fixture with Decorative Smooth Pole | LGUM_420   | 658                           | \$ 29.89         | \$ 19,668              |
| Contemporary, 28500 Lumens, Fixture with Decorative Smooth Pole | LGUM_421   | 2,189                         | \$ 32.86         | \$ 71,931              |
| Contemporary, 50000 Lumens, Fixture with Decorative Smooth Pole | LGUM_422   | 5,769                         | \$ 38.39         | \$ 221,472             |

**Louisville Gas and Electric Company**

**Case No. 2014-00372**

**Base Period Revenues by Rate Schedule at Present Rates for the Twelve Months Ended February 28, 2015  
Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
 TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
 WORK PAPER REFERENCE NO(S):

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|  |            | Number of<br>Installed Lights | Current<br>Rates | Base Period<br>Revenue |
|--|------------|-------------------------------|------------------|------------------------|
| <b>LIGHTING SERVICE LS</b>                                       |            |                               |                  |                        |
| <b>Lighting Service -- Sheet No 35.2</b>                         |            |                               |                  |                        |
| Underground, continued   |            |                               |                  |                        |
| High Pressure Sodium   |            |                               |                  |                        |
| Dark Sky, 4000 Lumens, Fixture with Decorative Smooth Pole       | LGUM_400   | 511                           | \$ 23.89         | \$ 12,208              |
| Dark Sky, 9500 Lumens, Fixture with Decorative Smooth Pole       | LGUM_401   | 48                            | \$ 24.90         | \$ 1,195               |
| Metal Halide   |            |                               |                  |                        |
| Contemporary, 12000 Lumens, Fixture Only                         | LGUM_479   | -                             | \$ 14.06         | \$ -                   |
| Contemporary, 12000 Lumens, Fixture with Decorative Smooth Pole  | LGUM_480   | 228                           | \$ 23.83         | \$ 5,433               |
| Contemporary, 32000 Lumens, Fixture Only                         | LGUM_481   | 48                            | \$ 20.46         | \$ 982                 |
| Contemporary, 32000 Lumens, Fixture with Decorative Smooth Pole  | LGUM_482   | 554                           | \$ 30.21         | \$ 16,736              |
| Contemporary, 107800 Lumens, Fixture Only                        | LGUM_483   | 24                            | \$ 42.56         | \$ 1,021               |
| Contemporary, 107800 Lumens, Fixture with Decorative Smooth Pole | LGUM_484   | 156                           | \$ 52.31         | \$ 8,160               |
| Existing Poles/Bases Billed Under Corresponding RLS Rates:       |            |                               |                  |                        |
| Wood Pole installed before 7/1/2004 (RLS Sheet No. 36.1)         | LE_900Pole | 62,038                        | \$ 2.06          | \$ 127,798             |
| Wood Pole installed before 3/1/2010 (RLS Sheet No. 36.1)         | LE_958Pole | 4,949                         | \$ 11.31         | \$ 55,973              |
| 10' Smooth Pole (RLS Sheet No. 36.1)                             | LE_901Pole | -                             | \$ 10.81         | \$ -                   |
| 10' Fluted Pole (RLS Sheet No. 36.1)                             | LE_902Pole | 36                            | \$ 12.90         | \$ 464                 |
| Old Town Bases (RLS Sheet No. 36.1)                              | LE_950Base | 153                           | \$ 3.47          | \$ 531                 |
| Chesapeake Bases (RLS Sheet No. 36.1)                            | LE_951Base | 806                           | \$ 3.73          | \$ 3,006               |
| Partial month billings and billing corrections                   |            |                               |                  | \$ (8,120)             |
| <b>Total Lighting Service</b>                                    |            | <u>540,588</u>                |                  | <u>\$ 9,464,268</u>    |
|  |            |                               |                  | 1.000000000            |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b>              |            |                               |                  | <u>\$ 9,464,268</u>    |
| <b>PRO FORMA REVENUE ADJUSTMENTS:</b>                            |            |                               |                  |                        |
| Fuel Adjustment Clause Billings                                  |            |                               | \$               | 46,565                 |
| Environmental Cost Recovery Surcharge Billings                   |            |                               | \$               | 346,535                |
| <b>Total Pro Forma Revenue Adjustments</b>                       |            |                               | <u>\$</u>        | <u>393,100</u>         |
| <b>Total Test Year Adjusted Revenues</b>                         |            |                               | <u>\$</u>        | <u>9,857,368</u>       |

**Louisville Gas and Electric Company**

**Case No. 2014-00372**

**Base Period Revenues by Rate Schedule at Present Rates for the Twelve Months Ended February 28, 2015  
Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
 TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
 WORK PAPER REFERENCE NO(S):

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|  |          | Number of<br>Installed Lights | Current<br>Rates | Base Period<br>Revenue |
|--|----------|-------------------------------|------------------|------------------------|
| <b>RESTRICTED LIGHTING SERVICE</b>                     |          |                               |                  |                        |
| <b>Sheet No. 36</b>                                    |          |                               |                  |                        |
| Overhead Service                                       |          |                               |                  |                        |
| Mercury Vapor  |          |                               |                  |                        |
| Cobra/Open Bottom, 8000 Lumens                         | LGUM_252 | 46,411                        | \$ 9.57          | \$ 444,153             |
| Cobra Head, 8000 Lumens                                | LGUM_458 | 59                            | \$ 11.13         | \$ 657                 |
| Cobra Head, 13000 Lumens                               | LGUM_203 | 43,076                        | \$ 10.96         | \$ 472,113             |
| Cobra Head, 25000 Lumens                               | LGUM_204 | 42,447                        | \$ 13.51         | \$ 573,459             |
| Cobra Head, 60000 Lumens                               | LGUM_209 | 523                           | \$ 27.69         | \$ 14,482              |
| Directional, 25000 Lumens                              | LGUM_207 | 9,032                         | \$ 15.54         | \$ 140,357             |
| Directional, 60000 Lumens                              | LGUM_210 | 4,143                         | \$ 28.89         | \$ 119,691             |
| Open Bottom, 4000 Lumens                               | LGUM_201 | 923                           | \$ 8.14          | \$ 7,513               |
| Metal Halide   |          |                               |                  |                        |
| Directional, 12000 Lumens, Fixture and Wood Pole       | LGUM_471 | 24                            | \$ 15.07         | \$ 362                 |
| Directional, 32000 Lumens, Fixture and Wood Pole       | LGUM_474 | 651                           | \$ 20.97         | \$ 13,651              |
| Directional, 32000 Lumens, Fixture and Ornamental Pole | LGUM_475 | 24                            | \$ 28.42         | \$ 682                 |
| Directional, 107800 Lumens, Fixture and Wood Pole      | LGUM_477 | 730                           | \$ 42.78         | \$ 31,229              |

**Louisville Gas and Electric Company**

**Case No. 2014-00372**

**Base Period Revenues by Rate Schedule at Present Rates for the Twelve Months Ended February 28, 2015  
Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
 TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
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|   |            | Number of<br>Installed Lights | Current<br>Rates | Base Period<br>Revenue |
|---|------------|-------------------------------|------------------|------------------------|
| <b>RESTRICTED LIGHTING SERVICE</b>                              |            |                               |                  |                        |
| <b>Sheet No. 36.1</b>   |            |                               |                  |                        |
| Overhead Service continued                                      |            |                               |                  |                        |
| Wood Pole Installed before 3/1/2010                             | LE_958Pole | 442                           | \$ 11.31         | \$ 4,999               |
| Wood Pole Installed before 7/1/2004                             | LE_900Pole | 19,356                        | \$ 2.06          | \$ 39,873              |
| Underground Service   |            |                               |                  |                        |
| High Pressure Sodium  |            |                               |                  |                        |
| Cobra/Contemporary, 16000 Lumens                                | LGUM_275   | 6,202                         | \$ 24.89         | \$ 154,368             |
| Cobra/Contemporary, 28500 Lumens                                | LGUM_266   | 23,773                        | \$ 27.34         | \$ 649,954             |
| Cobra/Contemporary, 50000 Lumens                                | LGUM_267   | 27,184                        | \$ 31.40         | \$ 853,578             |
| Coach/Acorn, 5800 Lumens  |            |                               |                  |                        |
| Coach/Acorn, 9500 Lumens  | LGUM_276   | 16,139                        | \$ 14.17         | \$ 228,690             |
| Coach/Acorn, 5800 Lumens  | LGUM_274   | 205,115                       | \$ 17.19         | \$ 3,525,927           |
| Coach/Acorn, 5800 Lumens  | LGUM_277   | 27,478                        | \$ 22.15         | \$ 608,638             |
| Contemporary, 120000 Lumens, Fixture Only                       |            |                               |                  |                        |
| Contemporary, 120000 Lumens, Fixture and Decorative Smooth Pole | LGUM_279   | 130                           | \$ 41.43         | \$ 5,386               |
|   | LGUM_278   | 202                           | \$ 72.55         | \$ 14,655              |
| Acorn, Bronze, 9500 Lumens                                      |            |                               |                  |                        |
| Acorn, Bronze, 16000 Lumens                                     | LGUM_417   | 472                           | \$ 23.68         | \$ 11,177              |
|   | LGUM_419   | 1,383                         | \$ 24.77         | \$ 34,257              |
| Victorian, 5800 Lumens  |            |                               |                  |                        |
| Victorian, 9500 Lumens  | LGUM_280   | 552                           | \$ 19.38         | \$ 10,698              |
|   | LGUM_281   | 2,910                         | \$ 20.35         | \$ 59,219              |
| London, 5800 Lumens   |            |                               |                  |                        |
| London, 9500 Lumens   | LGUM_282   | 1,272                         | \$ 19.53         | \$ 24,842              |
|   | LGUM_283   | 984                           | \$ 20.82         | \$ 20,487              |

**Louisville Gas and Electric Company**

**Case No. 2014-00372**

**Base Period Revenues by Rate Schedule at Present Rates for the Twelve Months Ended February 28, 2015  
Electric Operations**

DATA:  BASE PERIOD  FORECAST PERIOD  
 TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
 WORK PAPER REFERENCE NO(S):

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|   |            | Number of<br>Installed Lights | Current<br>Rates | Base Period<br>Revenue |
|---|------------|-------------------------------|------------------|------------------------|
| <b>RESTRICTED LIGHTING SERVICE</b>                  |            |                               |                  |                        |
| <b>Sheet No. 36.2</b>                               |            |                               |                  |                        |
| Underground Service, continued                      |            |                               |                  |                        |
| High Pressure Sodium                                |            |                               |                  |                        |
| London, 5800 Lumens                                 | LGUM_426   | 487                           | \$ 33.22         | \$ 16,178              |
| London, 9500 Lumens                                 | LGUM_428   | 2,671                         | \$ 34.09         | \$ 91,054              |
| Victorian, 5800 Lumens                              | LGUM_430   | 156                           | \$ 32.26         | \$ 5,033               |
| Victorian, 9500 Lumens                              | LGUM_432   | 120                           | \$ 34.33         | \$ 4,120               |
| Victorian/London Bases                              |            |                               |                  |                        |
| Old Town  | LE_950Base | 911                           | \$ 3.47          | \$ 3,161               |
| Chesapeake  | LE_951Base | 2,485                         | \$ 3.73          | \$ 9,269               |
| Victorian/London Bases (LS Sheet No. 35.1)          | LE_956Base | 2,905                         | \$ 3.56          | \$ 10,342              |
| Poles   |            |                               |                  |                        |
| 10" Smooth Pole                                     | LE_901Pole | 1,866                         | \$ 10.81         | \$ 20,171              |
| 10" Fluted Pole                                     | LE_902Pole | 3,288                         | \$ 12.90         | \$ 42,415              |
| Mercury Vapor                                       |            |                               |                  |                        |
| Cobra Head, 8000 Lumens                             | LGUM_318   | 614                           | \$ 17.42         | \$ 10,696              |
| Cobra Head, 13000 Lumens                            | LGUM_314   | 5,906                         | \$ 19.20         | \$ 113,395             |
| Cobra Head, 25000 Lumens                            | LGUM_315   | 5,624                         | \$ 22.95         | \$ 129,071             |
| Cobra Head, 25000 Lumens (State of KY Pole)         | LGUM_347   | -                             | \$ 22.94         | \$ -                   |
| Coach, 4000 Lumens                                  | LGUM_206   | 1,095                         | \$ 12.45         | \$ 13,633              |
| Coach, 8000 Lumens                                  | LGUM_208   | 16,799                        | \$ 14.24         | \$ 239,218             |
| Incandescent  |            |                               |                  |                        |
| Continental Jr., 1500 Lumens                        | LGUM_349   | 204                           | \$ 9.02          | \$ 1,840               |
| Continental Jr., 6000 Lumens                        | LGUM_348   | 469                           | \$ 13.12         | \$ 6,153               |
| Partial month billings and billing corrections      |            |                               |                  | \$ 9,376               |
| <b>Total Restricted Lighting Service</b>            |            |                               |                  | <b>\$ 8,790,222</b>    |
|   |            | 495,984                       |                  | 1.000000000            |
| <b>TOTAL AFTER APPLICATION OF CORRECTION FACTOR</b> |            |                               |                  | <b>\$ 8,790,222</b>    |
| <b>PRO FORMA REVENUE ADJUSTMENTS:</b>               |            |                               |                  |                        |
| Fuel Adjustment Clause Billings                     |            |                               |                  | \$ 32,158              |
| Environmental Cost Recovery Surcharge Billings      |            |                               |                  | \$ 321,277             |
| <b>Total Pro Forma Revenue Adjustments</b>          |            |                               |                  | <b>\$ 353,435</b>      |
| <b>Total Test Year Adjusted Revenues</b>            |            |                               |                  | <b>\$ 9,143,657</b>    |
| <b>Total LS and RLS Adjusted Revenues</b>           |            |                               |                  | <b>\$ 19,001,025</b>   |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Base Period Revenues at Current Rates**  
**for the Twelve Months Ended February 28, 2015**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):

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| Rate Class                                    | Total Revenue at Present Rates |                    |
|---|--------------------------------|--------------------|
| Residential Gas Service (RGS)                 | \$                             | 228,589,210        |
| Commercial Gas Service (CGS)                  | \$                             | 97,748,496         |
| Industrial Gas Service (IGS)                  | \$                             | 11,128,636         |
| As Available Gas Service (AAGS)               | \$                             | 2,357,181          |
| Firm Transportation (FT)                      | \$                             | 6,693,532          |
| Special Contract Intra-Company Sales          | \$                             | 6,134,173          |
| Special Contract Intra-Company Transportation | \$                             | 1,353,869          |
| Special Contract                              | \$                             | 175,098            |
| Distributed Generation Gas Service (DGGS)     | \$                             | -                  |
| <b>TOTAL</b>                                  | <b>\$</b>                      | <b>354,180,195</b> |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Average Bill by Rate Class**  
**Current Rate**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):

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|   | Customer Months | Billed Mcf | Average Consumption Mcf | Annual Revenue at Current Rates | Average Current Bill |
|---|-----------------|------------|-------------------------|---------------------------------|----------------------|
| Residential Gas Service (RGS)                 | 3,500,810       | 21,555,953 | 6.16                    | \$ 228,589,210                  | \$ 65.30             |
| Commercial Gas Service (CGS)                  | 305,989         | 11,137,938 | 36.40                   | \$ 97,748,496                   | \$ 319.45            |
| Industrial Gas Service (IGS)                  | 2,925           | 1,499,959  | 512.81                  | \$ 11,128,636                   | \$ 3,804.66          |
| As Available Gas Service (AAGS)               | 88              | 0          | 0.00                    | \$ 2,357,181                    | \$ 26,786.14         |
| Firm Transportation (FT)                      | 849             | 11,458,353 | 13,491.00               | \$ 6,693,532                    | \$ 7,880.93          |
| Special Contract Intra-Company Sales          | 18              | 506,941    | 28,163.38               | \$ 6,134,173                    | \$ 340,787.37        |
| Special Contract Intra-Company Transportation | 12              | 1,142,542  | 95,211.87               | \$ 1,353,869                    | \$ 112,822.45        |
| Special Contract                              | 12              | 589,567    | 49,130.62               | \$ 175,098                      | \$ 14,591.53         |
| Distributed Generation Gas Service (DGGS)     | 0               | 0          | 0                       | \$ -                            | \$ -                 |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Summary of Gas Revenue**  
**Base Period Sales for the Twelve Months Ended February 28, 2015**

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):  
30 Year Normalized with Adjustments

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| Rate Class  | Base Rate<br>Revenue  | GLT<br>Revenue      | GSC<br>Revenue        | DSM<br>Revenue      | Total<br>Current<br>Revenue |
|---|-----------------------|---------------------|-----------------------|---------------------|-----------------------------|
| Residential Gas Service - Rate RGS                      | \$ 104,178,489        | \$ 5,337,289        | \$ 118,691,213        | \$ 3,891,182        | \$ 232,098,173              |
| Commercial Gas Service - Rate CGS                       | 35,266,408            | 2,042,617           | 61,616,364            | 104,388             | 99,029,776                  |
| Industrial Gas Service - Rate IGS                       | 3,234,031             | 178,424             | 7,742,189             | -                   | 11,154,644                  |
| As-Available Gas Service - Rate AAGS                    | 237,567               | 31,046              | 2,099,248             | 693                 | 2,368,555                   |
| Total Firm Transportation Service (Non-Standby) Rate FT | 5,688,145             | -                   | 864,479               | 5,923               | 6,558,546                   |
| Total Rate PS-FT  | 63,067                | -                   | -                     | -                   | 63,067                      |
| Special Contract - Intra-Company Sales                  | 3,223,620             | 1095.63             | 2,909,515             | 0                   | 6,134,231                   |
| Special Contract - Intra-Company Transportation         | 1,386,367             | 0                   | -                     | 0                   | 1,386,367                   |
| Special Contract  | 142,897               | 0                   | 55,233                | -                   | 198,129                     |
| Subtotal Sales to Ultimate Consumers and Inter-Company  | <u>\$ 153,420,591</u> | <u>\$ 7,590,471</u> | <u>\$ 193,978,241</u> | <u>\$ 4,002,186</u> | <u>\$ 358,991,488</u>       |
| LPC   | \$ 1,234,768          |                     |                       |                     | 1,234,768                   |
| Miscellaneous Revenue                                   | 456,571               |                     |                       |                     | 456,571                     |
| Total Sales to Ultimate Consumers and Inter-Company     | <u>\$ 155,111,930</u> | <u>\$ 7,590,471</u> | <u>\$ 193,978,241</u> | <u>\$ 4,002,186</u> | <u>\$ 360,682,828</u>       |



Louisville Gas and Electric Company  
Case No. 2014-00372  
Calculation of Base Period Gas Revenues  
Base Period Sales for teh Twelve Months Ended February 28, 2015

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):  
30 Year Normalized with Adjustments

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| Rate Class  | Customers | MCF               | Present Rates | Calculated Revenue @ Present Rates |
|---|-----------|-------------------|---------------|------------------------------------|
| <b><u>RATE RGS:</u></b>   |           |                   |               |                                    |
| <b>Residential Gas Service Rate RGS</b>                         |           |                   |               |                                    |
| Basic Service Charge for the 12-Month Period                    | 3,500,810 |                   | \$ 13.50      | \$ 47,260,935                      |
| Distribution Cost Component (MCF)                               |           | 21,555,953        | \$ 2.64190    | \$ 56,948,672                      |
| Billing Adjustments   |           |                   | \$            | (31,118)                           |
| <b>Subtotal</b>   |           | <b>21,555,953</b> | <b>\$</b>     | <b>104,178,489</b>                 |
| Correction Factor   |           |                   | 1.000000      |                                    |
| <b>Subtotal Rate RGS after application of Correction Factor</b> |           |                   | <b>\$</b>     | <b>104,178,489</b>                 |
| Gas Line Tracker  |           |                   | \$            | 5,337,289                          |
| Gas Supply Clause   |           |                   | \$            | 118,691,240                        |
| Demand-Side Management  |           |                   | \$            | 3,891,182                          |
| Weather Normalization Adjustment                                |           |                   | \$            | (3,508,990)                        |
| <b>Total Residential Gas Service Rate RGS</b>                   |           |                   | <b>\$</b>     | <b>228,589,210</b>                 |

Louisville Gas and Electric Company  
Case No. 2014-00372  
Calculation of Base Period Gas Revenues  
Base Period Sales for the Twelve Months Ended February 28, 2015

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):  
30 Year Normalized with Adjustments

SCHEDULE M-1.3-G  
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| Rate Class   | Customers | MCF                         | Off-Peak<br>MCF  | Present<br>Rates | Calculated<br>Revenue<br>@ Present<br>Rates |
|--|-----------|-----------------------------|------------------|------------------|---|
| <b><u>RATE CGS:</u></b>  |           |                             |                  |                  |   |
| <b>Firm Commercial Gas Service Rate CGS</b>                                |           |                             |                  |                  |   |
| Customers for the 12-Month Period  |           |                             |                  |                  |   |
| Basic Service Charge (meters < 5000 cfh)                                   | 293,820   |                             |                  | \$ 35.00         | \$ 10,283,700                               |
| Basic Service Charge (meters 5000 cfh or >)                                | 12,169    |                             |                  | \$ 175.00        | \$ 2,129,575                                |
| Distribution Cost Component  |           |                             |                  |                  |   |
| On Peak Mcf  |           | 10,091,234                  |                  | \$ 2.09990       | \$ 21,190,582                               |
| Off Peak Mcf   |           |                             | 1,046,704        | \$ 1.59990       | \$ 1,674,621                                |
| Billing Adjustments  |           |                             |                  |                  | \$ (12,071)                                 |
| <b>Gas Transportation Service/Firm Balancing Service Rider to Rate CGS</b> |           |                             |                  |                  |   |
| Administrative Charges   | 0         |                             |                  | \$ 400.00        | \$ -  |
| Pool Manager Charges   | 0         |                             |                  | \$ 75.00         | \$ -  |
| Distribution Cost Component  |           |                             |                  |                  |   |
| On Peak Mcf  |           | 0                           |                  | \$ 2.09990       | \$ -  |
| Off Peak Mcf   |           |                             | 0                | \$ 1.59990       | \$ -  |
| <b>Subtotal</b>  |           | <b>10,091,234</b>           | <b>1,046,704</b> |                  | <b>\$ 35,266,408</b>                        |
| Correction Factor  |           |                             |                  | 1.000000         |   |
| <b>Subtotal Rate CGS after application of Correction Factor</b>            |           |                             |                  |                  | <b>\$ 35,266,408</b>                        |
| Gas Line Tracker   |           |                             |                  |                  | \$ 2,042,617                                |
| Gas Supply Clause  |           |                             |                  |                  | \$ 61,616,336                               |
| Demand-Side Management   |           |                             |                  |                  | \$ 104,388                                  |
| Weather Normalization Adjustment   |           |                             |                  |                  | \$ (1,281,253)                              |
| <b>Total Commercial Gas Service Rate CGS</b>                               |           | <b>Total<br/>11,137,938</b> |                  |                  | <b>\$ 97,748,496</b>                        |

Louisville Gas and Electric Company  
Case No. 2014-00372  
Calculation of Base Period Gas Revenues  
Base Period Sales for teh Twelve Months Ended February 28, 2015

DATA:  BASE PERIOD  FORECAST PERIOD  
TYPE OF FILING:  ORIGINAL  UPDATED  REVISED  
WORK PAPER REFERENCE NO(S):  
30 Year Normalized with Adjustments

SCHEDULE M-1.3-G  
Page 4 of 8  
WITNESS: M. J. BLAKE

| Rate Class   | Customers | MCF                | Off-Peak<br>MCF | Present<br>Rates | Calculated<br>Revenue<br>@ Present<br>Rates |
|--|-----------|--------------------|-----------------|------------------|---|
| <b><u>RATE IGS:</u></b>  |           |                    |                 |                  |   |
| <b>Firm Industrial Gas Service Rate IGS</b>                                |           |                    |                 |                  |   |
| Customers for the 12-Month Period  |           |                    |                 |                  |   |
| Basic Service Charge (meters < 5000 cfh)                                   | 1,638     |                    |                 | \$ 35.00         | \$ 57,330                                   |
| Basic Service Charge (meters 5000 cfh or >)                                | 1,287     |                    |                 | \$ 175.00        | \$ 225,225                                  |
| Distribution Cost Component  |           |                    |                 |                  |   |
| On Peak Mcf  |           | 843,160            |                 | \$ 2.14520       | \$ 1,808,746                                |
| Off Peak Mcf   |           |                    | 494,761         | \$ 1.64520       | \$ 813,980                                  |
| Billing Adjustments  |           |                    |                 |                  | \$ (768)                                    |
| Gas Line Tracker   |           |                    |                 |                  | 176,817                                     |
| Gas Supply Clause  |           |                    |                 |                  | 7,565,949                                   |
| <b>Gas Transportation Service/Firm Balancing Service Rider to Rate IGS</b> |           |                    |                 |                  |   |
| Administrative Charges   | 31        |                    |                 | \$ 400.00        | \$ 12,400                                   |
| Pool Manager Charges   | 31        |                    |                 | \$ 75.00         | \$ 2,325                                    |
| Distribution Cost Component  |           |                    |                 |                  |   |
| On Peak Mcf  |           | 19,908             |                 | \$ 2.14520       | \$ 42,706                                   |
| Off Peak Mcf   |           |                    | 142,131         | \$ 1.64520       | \$ 233,834                                  |
| Billing Adjustments  |           |                    |                 |                  | \$ 38,112                                   |
| <b>Subtotal</b>  |           | <b>863,067</b>     | <b>636,892</b>  |                  | <b>\$ 10,976,655</b>                        |
| Correction Factor  |           |                    |                 | 1.000000         |   |
| <b>Subtotal Rate IGS after application of Correction Factor</b>            |           |                    |                 |                  | <b>\$ 10,976,656</b>                        |
| Gas Line Tracker   |           |                    |                 |                  | \$ 1,607                                    |
| Gas Supply Clause  |           |                    |                 |                  | \$ 150,373                                  |
| <b>Total Industrial Gas Service Rate IGS</b>                               |           | Total<br>1,499,959 |                 |                  | <u>\$ 11,128,636</u>                        |

Louisville Gas and Electric Company  
Case No. 2014-00372  
Calculation of Base Period Gas Revenues  
Base Period Sales for the Twelve Months Ended February 28, 2015

DATA:  BASE PERIOD  FORECAST PERIOD  
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WORK PAPER REFERENCE NO(S):  
30 Year Normalized with Adjustments

SCHEDULE M-1.3-G  
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WITNESS: M. J. BLAKE

| Rate Class   | Customers | MCF            | Off-Peak<br>MCF | Present<br>Rates | Calculated<br>Revenue<br>@ Present<br>Rates |
|--|-----------|----------------|-----------------|------------------|---|
| <b><u>RATE AAGS:</u></b>   |           |                |                 |                  |   |
| <b>As Available Gas Service Rate AAGS</b>                                  |           |                |                 |                  |   |
| Basic Service Charge for the 12-Month Period                               | 88        |                |                 | \$ 275.00        | \$ 24,200                                   |
| Distribution Cost Component  |           | 344,396        |                 | \$ 0.60860       | \$ 209,599                                  |
| Billing Adjustments  |           |                |                 |                  | \$ (33)                                     |
| <b>Subtotal</b>  |           | <b>344,396</b> |                 |                  | <b>\$ 233,766</b>                           |
| Correction Factor  |           |                |                 | 1.000000         |   |
| <b>Subtotal Rate AAGS after application of Correction Factor</b>           |           |                |                 |                  | <b>\$ 233,766</b>                           |
| Gas Line Tracker   |           |                |                 | \$               | 28,995                                      |
| Gas Supply Clause  |           |                |                 | \$               | 2,025,002                                   |
| Demand-Side Management   |           |                |                 | \$               | 693   |
| <b>Gas Transportation Service/Firm Balancing Service Rider to Rate IGS</b> |           |                |                 |                  |   |
| Administrative Charges   | 11        |                |                 | \$ 400.00        | \$ 4,400                                    |
| Pool Manager Charges   | 11        |                |                 | \$ 75.00         | \$ 825                                      |
|  |           | 32,798         |                 | \$ 0.60860       | \$ 19,961                                   |
| Pipeline Supply Demand Charge  |           |                |                 | \$               | 25,494                                      |
| Gas True-Up  |           |                |                 | \$               | 18,044                                      |
| <b>Total As Available Gas Service Rate AAGS</b>                            |           |                |                 |                  | <b><u>\$ 2,357,181</u></b>                  |

Louisville Gas and Electric Company  
Case No. 2014-00372  
Calculation of Base Period Gas Revenues  
Base Period Sales for the Twelve Months Ended February 28, 2015

DATA:  BASE PERIOD  FORECAST PERIOD  
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WORK PAPER REFERENCE NO(S):  
30 Year Normalized with Adjustments

SCHEDULE M-1.3-G  
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WITNESS: M. J. BLAKE

| Rate Class   | Customers | MCF        | Present Rates | Calculated Revenue @ Present Rates |
|--|-----------|------------|---------------|------------------------------------|
| <b><u>RATE FT:</u></b>   |           |            |               |                                    |
| <b>Firm Transportation Service (Transportation Only) Rate FT</b> |           |            |               |                                    |
| Administrative Charges   | 849       |            | \$ 400.00     | \$ 339,733                         |
| Distribution Cost Component                                      |           | 11,221,321 | \$ 0.43000    | \$ 4,825,168                       |
| Sales  |           | 8,019      | \$ 0.43000    | \$ 3,448                           |
| Utilization Charge for Daily Imbalances:                         |           |            |               |                                    |
| Daily Storage Charge   |           | 12,493,915 | \$ 0.01833    | 229,013                            |
| Billing Adjustments  |           |            |               | \$ 180,759                         |
| <b>Subtotal</b>  |           |            | <b>\$</b>     | <b>5,578,122</b>                   |
| Correction Factor  |           |            | 1.000000      |                                    |
| <b>Subtotal Rate FT after application of Correction Factor</b>   |           |            | <b>\$</b>     | <b>5,578,122</b>                   |
| Gas Supply Clause  |           |            |               | \$ 1,048,446                       |
| Demand-Side Management   |           |            |               | \$ 5,915                           |
| <b>Total Firm Transportation (Non-Standby) Rate FT</b>           |           |            |               | <b>\$ 6,632,482</b>                |
| <b><u>RATE PS-FT:</u></b>  |           |            |               |                                    |
| <b>Pooling Service Rate PS - FT</b>                              |           |            |               |                                    |
| Administrative Charges   | 814       |            | \$ 75.00      | \$ 61,050                          |
| <b>Total Rate PS-FT</b>  |           |            |               | <b>\$ 61,050</b>                   |
| <b>Total Firm Transportation (Non-Standby) Rate FT</b>           |           |            | <b>\$</b>     | <b>6,693,532</b>                   |

Louisville Gas and Electric Company  
Case No. 2014-00372  
Calculation of Base Period Gas Revenues  
Base Period Sales for the Twelve Months Ended February 28, 2015

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30 Year Normalized with Adjustments

SCHEDULE M-1.3-G  
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WITNESS: M. J. BLAKE

| Rate Class   | Customers | MCF             | Present Rates | Calculated Revenue @ Present Rates |
|--|-----------|-----------------|---------------|------------------------------------|
| <b><u>INTRA-COMPANY SPECIAL CONTRACTS</u></b>                    |           |                 |               |                                    |
| <b>Intra-Company Special Contract - Sales Service</b>            |           |                 |               |                                    |
| Customers for the 12-Month Period                                | 18        |                 | \$ 175.00     | \$ 3,150                           |
| Distribution Cost Component                                      |           | 506,941 Mcf     | \$ 0.32100    | \$ 162,728                         |
| Demand Charge  |           | \$ 260,640 Mcfd | \$ 1.0860     | \$ 3,057,742                       |
| <b>Subtotal</b>  |           |                 | <b>\$</b>     | <b>3,223,620</b>                   |
| Gas Line Tracker   |           |                 | \$            | 1,096                              |
| Gas Supply Clause  |           |                 | \$            | 2,909,457                          |
| <b>Total Intra-Company Special Contract - Sales Service</b>      |           |                 | <b>\$</b>     | <b>6,134,173</b>                   |
| <br>   |           |                 |               |                                    |
| <b>Intra-Company Special Contract - Rate FT Customer</b>         |           |                 |               |                                    |
| Monthly Transport Customer Charge                                | 12        |                 | \$ 781.00     | \$ 9,372                           |
| Distribution Cost Component                                      |           | 1,142,542 Mcf   | \$ 0.04870    | \$ 55,642                          |
| Demand Charge  |           | 518,400 Mcfd    | \$ 2.43       | \$ 1,259,712                       |
| Utilization Charge for Daily Imbalances:<br>Daily Storage Charge |           | 86,711          | \$ 0.18330    | \$ 15,894                          |
| <b>Subtotal</b>  |           |                 | <b>\$</b>     | <b>1,340,620</b>                   |
| UCDI Charge - Daily Demand (current)                             |           | 87,456          | \$ 0.15150    | \$ 13,250                          |
| <b>Total Intra-Company Special Contract - Rate FT Customer</b>   |           |                 | <b>\$</b>     | <b>1,353,869</b>                   |

Louisville Gas and Electric Company  
Case No. 2014-00372  
Calculation of Base Period Gas Revenues  
Base Period Sales for teh Twelve Months Ended February 28, 2015

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30 Year Normalized with Adjustments

SCHEDULE M-1.3-G  
Page 8 of 8  
WITNESS: M. J. BLAKE

| Rate Class   | Customers | MCF         | Present Rates | Calculated Revenue @ Present Rates |
|--|-----------|-------------|---------------|------------------------------------|
| <b><u>SPECIAL CONTRACTS - TRANSPORTATION SERVICE</u></b> |           |             |               |                                    |
| <b>Special Contract</b>                                  |           |             |               |                                    |
| Customer Charges   | 12        |             | \$ 275.00     | \$ 3,300                           |
| Administrative Charges                                   | 12        |             | \$ 275.00     | \$ 3,300                           |
| Distribution Charge                                      |           | 589,567 Mcf | \$ 0.10490    | \$ 61,846                          |
| Demand Charge  |           | 26,528 Mcfd | \$ 2.75       | \$ 72,951                          |
| Utilization Charge for Daily Imbalances:                 |           |             |               |                                    |
| Daily Storage Charge                                     |           | 95,500      | \$ 0.18330    | \$ 17,505                          |
| Gas Supply Clause  |           |             | \$            | 16,197                             |
| Demand-Side Management                                   |           |             | \$            | -                                  |
| <b>Total Special Contracts</b>                           |           |             | <b>\$</b>     | <b>\$ 175,098</b>                  |

**Louisville Gas and Electric Company**  
**Case No. 2014-00372**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 6/30/16; Base Period 12ME 2/28/15)**

**Filing Requirement**  
**807 KAR 5:001 Section 16(8)(n)**  
**Sponsoring Witness: Robert M. Conroy**

**Description of Filing Requirement:**

*A typical bill comparison under present and proposed rates for all customer classes.*

**Response:**

See attached.

**Base Period Update Response:**

No update is required for this section.