

# **EXHIBIT 5**

LG&E  
Debt Analysis

LG&E - Term Auction Rate Bond for 3 Years  
Comparison: Auction Rate vs. Terming out Auction Rate Bond  
Impact on Cash Flow

AUCTION RATE BONDS (Current Situation)

Date	Principal Outstanding	Interest @ Variable	Amortization	Auction Agent Fee	Taxes	Total Cash Outlay	Present Value
01-Jun-16	\$ 135,104,000	\$ 838,888	\$ 47,575	\$ 168,880	\$ (428,007)	\$ 591,880	\$ 578,216
01-Dec-16	\$ 135,104,000	\$ 1,178,758	\$ 47,575	\$ 168,880	\$ (562,335)	\$ 763,301	\$ 778,172
01-Jun-17	\$ 135,104,000	\$ 1,178,758	\$ 47,575	\$ 168,880	\$ (562,335)	\$ 763,301	\$ 778,172
01-Dec-17	\$ 135,104,000	\$ 1,178,758	\$ 47,575	\$ 168,880	\$ (562,335)	\$ 763,301	\$ 778,172
01-Jun-18	\$ 135,104,000	\$ 1,178,758	\$ 47,575	\$ 168,880	\$ (562,335)	\$ 763,301	\$ 778,172
01-Dec-18	\$ 135,104,000	\$ 1,178,758	\$ 47,575	\$ 168,880	\$ (562,335)	\$ 763,301	\$ 778,172
<b>TOTAL</b>		<b>\$8,722,173</b>	<b>\$285,452</b>	<b>\$1,013,230</b>	<b>(\$3,237,881)</b>	<b>\$4,488,374</b>	<b>\$4,434,540</b>

(1) Debt Amortization Expense includes issuing costs of new series and unamortized debt expense through put date.  
(2) Tax calculation based on interest expense and the amortization of new issue debt expense.

Assumptions

LG&E - Term Auction Rate Bond for 3 Years  
Comparison: Auction Rate vs. Terming out Auction Rate Bond

Interest @	0.742%
As of 2/10/2016	0.500%
Projected Fed Increase in June 2016	1.240%
Rate as of 6/1/2016	0.500%
Projected Fed Increase in Dec 2016	1.740%
Rate as of December 2016	1.740%

Unamortized Debt Expense at 12/31/2015	\$83,300,000	\$10.1MM Bond \$41.7MM Bond	Total
Monthly Amortization	565,748	238,683	804,431
Unamortized Debt Expense at 6/1/2015	(1,841)	(3,052)	(4,893)
Unamortized Debt Expense at 6/1/2015	568,816	235,291	804,107

3-Year Put (Price Indication per Bond)

Put Rate as of 2/10/2016	1.180%
AMT Spread	0.150%
Put Rate as of 6/1/2016	1.240%

Principal	Put Date	# of Months	Amort/Month	Amort/6 Months
\$ 135,104,000	6/1/2019	36	18,878	113,268

Unamortized Debt Through Maturity	Maturity Date	# of Months	Amort/Month	Amort/6 Months
\$ 45,618	6/1/2030	170	1,722	18,388
\$ 230,291	8/1/2027	135	1,135	18,633
\$ 608,128	10/1/2032	186	3,106	48,255
<b>Total</b>				<b>\$678,613</b>

Bond Issue Costs	0.325%	
Company Counsel	0.03%	
Underwriters Counsel	0.04%	
Printers	0.03%	
Trustee Counsel	0.00%	
Trustee	0.00%	
FMS Trustee	0.00%	
AMT	0.18%	

MISCELLANEOUS	0
Tax rate	0.02%
Discount rate	0.02%

PROPOSED FINANCING

Comparison: Auction Rate vs. Terming out Auction Rate Bond

Total Cash Outlay	Interest @ 1.560%	Debt Expense Amortization (1)	Issue Expenses	Taxes (2)	Present Value
\$979,613	1,040,301	181,524	\$679,613	(485,089)	679,613
565,214	1,040,301	181,524		(485,089)	565,214
565,214	1,040,301	181,524		(485,089)	565,214
565,214	1,040,301	181,524		(485,089)	565,214
565,214	1,040,301	181,524		(485,089)	565,214
565,214	1,040,301	181,524		(485,089)	565,214
<b>\$4,010,858</b>	<b>\$8,241,805</b>	<b>\$988,142</b>	<b>\$679,613</b>	<b>(\$2,810,618)</b>	<b>\$3,858,128</b>

PRESENT VALUE ANALYSIS

Total Cash Outlay	Interest @ 1.560%	Debt Expense Amortization (1)	Issue Expenses	Taxes (2)	Present Value
\$979,613	1,040,301	181,524	\$679,613	(485,089)	679,613
565,214	1,040,301	181,524		(485,089)	565,214
565,214	1,040,301	181,524		(485,089)	565,214
565,214	1,040,301	181,524		(485,089)	565,214
565,214	1,040,301	181,524		(485,089)	565,214
565,214	1,040,301	181,524		(485,089)	565,214
<b>\$4,010,858</b>	<b>\$8,241,805</b>	<b>\$988,142</b>	<b>\$679,613</b>	<b>(\$2,810,618)</b>	<b>\$3,858,128</b>

LG&E  
Debt Analysis

LG&E - Reference Auction Rate Bond for 3-YR LJC Backed Bond  
Comparison: Auction Rate vs. 3-YR LJC Backed Bond  
Impact on Cash Flow

Auction Rate Bonds (Current Situation)										Proposed Financing										Present Value Analysis									
Date	Principal Outstanding	Interest @ Variable	Amortization	Auction Agent Fee	Taxes	Total Cash Outlay	Present Value @ 0.250%	Interest @ Variable	Amortization (1) LJC Credit Facility	Remarketing Fee	Issue Expense	Taxes (2)	Total Cash Outlay	Present Value @ 0.250%	SAVINGS from Refundings (\$573,513)	Periodic (Cost) or SAVINGS	Present Value Factor	Present Value SAVINGS (\$573,513)											
01-Jun-16	\$ 135,104,000					\$ 581,869	579,218	182,380	143,840	506,640	67,552	(573,513)	\$573,513	573,513	(\$73,513)	1.0000	1.0000	167,689											
01-Dec-16	\$ 135,104,000	838,996	47,575	168,880	(426,007)	783,301	776,172	351,270	143,840	506,640	67,552	(431,597)	493,149	391,356	188,720	0.9954	0.9954	167,689											
01-Jun-17	\$ 135,104,000	1,176,796	47,575	168,880	(662,335)	783,301	772,633	351,270	143,840	506,640	67,552	(431,597)	493,149	391,356	200,446	0.9909	0.9909	286,802											
01-Dec-17	\$ 135,104,000	1,176,796	47,575	168,880	(662,335)	783,301	769,109	351,270	143,840	506,640	67,552	(431,597)	493,149	391,356	288,436	0.9864	0.9864	286,802											
01-Jun-18	\$ 135,104,000	1,176,796	47,575	168,880	(662,335)	783,301	765,501	351,270	143,840	506,640	67,552	(431,597)	493,149	391,356	381,436	0.9819	0.9819	286,802											
01-Dec-18	\$ 135,104,000	1,176,796	47,575	168,880	(662,335)	783,301	762,109	351,270	143,840	506,640	67,552	(431,597)	493,149	391,356	472,705	0.9774	0.9774	286,802											
01-Jun-19	\$ 135,104,000	1,176,796	47,575	168,880	(662,335)	783,301	758,301	351,270	143,840	506,640	67,552	(431,597)	493,149	391,356	564,004	0.9729	0.9729	286,802											
						\$4,489,374	\$4,489,374	\$1,639,742	\$863,042	\$405,312	\$573,513	\$2,521,420	\$3,435,988	\$3,383,526	\$1,092,266			\$1,095,335											

Comparison: Auction Rate vs. 3-YR LJC Backed Bond

Auction Rate Bonds (Current Situation)

Proposed Financing

Present Value Analysis

(1) Debt Amortization Expense includes leasing costs of new series and unamortized debt expense through LJC Facility termination date.  
(2) Tax calculation based on interest expense and the amortization of new issue debt expense.

Assumptions

LG&E - Reference Auction Rate Bond for 3-YR LJC Backed Bond  
Comparison: Auction Rate vs. 3-YR LJC Backed Bond  
Assumptions

Interest: 0.742%  
As of 2/1/2016  
Projected Fed Increase in June 2016 0.500% (25bps Fed Increase results in 50bps increase in Auction Rate)  
As of 8/1/2016 0.250%  
Projected Fed Increase in Dec 2016 1.242%  
As of 2/1/2017 1.742% (25bps Fed Increase results in 50bps increase in Auction Rate)  
Rate as of December 2016 1.742%

Unamortized Debt Expense at 12/31/2015	\$53.3MM Bond	\$10.1MM Bond	\$41.7MM Bond	Total
Monthly Amortization	565,749	236,693	624,438	1,426,880
Unamortized Debt Expense at 6/1/2015	(3,187)	(1,681)	(3,062)	(7,929)
Unamortized Debt Expense at 6/1/2015	549,616	235,012	621,376	1,389,734

3-Year LJC Backed Bond

Principal	LC Facility Termination	# of Months	Amort/Month	Amort/6 Months
\$ 135,104,000	6/1/2019	36	15,831	95,586
Unamortized Debt Through Maturity				
Amortized Debt @	Maturity Date	# of Months	Amort/Month	Amort/6 Months
\$ 549,616	6/1/2030	170	3,222	19,333
\$ 230,291	9/1/2027	135	1,705	10,228
\$ 635,128	10/1/2022	196	3,106	18,633
				48,255
				Total

SIFMA  
Projected Fed Increase in June 2016 0.500%  
As of June 2016 0.250%  
Projected Fed Increase in Dec 2016 1.242%  
Rate as of December 2016 1.742%

LC Facility 0.750% (Per Bank Proposal)

Bond Issue Costs	0.15%	573,513
Underwriting	0.15%	573,513
Bond Counsel	0.04%	
Company Counsel	0.08%	
Underwriters Coun	0.06%	
Trustee	0.00%	
Philipp	0.00%	
Trustee Counsel	0.00%	
Accountants	0.00%	
Trustee	0.00%	
PMB Trustees	0.00%	
AMT	0.00%	
Issuance costs	0.27%	
Tax rate	0	
Discount rate	0.92%	

MISCELLANEOUS

Tax rate	40.353%
Discount rate	0.92%