

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

**In the Matter of:**

**AN EXAMINATION OF THE APPLICATION OF THE )  
FUEL ADJUSTMENT CLAUSE OF LOUISVILLE GAS ) CASE NO.  
AND ELECTRIC COMPANY FROM NOVEMBER 1, 2015 ) 2016-00233  
THROUGH APRIL 30, 2016 )**

**RESPONSE OF  
LOUISVILLE GAS AND ELECTRIC COMPANY  
TO  
INFORMATION REQUESTED IN  
APPENDIX OF COMMISSION'S ORDER  
DATED AUGUST 12, 2016**

**FILED: AUGUST 26, 2016**


VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

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

  
\_\_\_\_\_  
Charles R. Schram

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 25<sup>th</sup> day of August 2016.

  
\_\_\_\_\_(SEAL)

Notary Public


My Commission Expires:  
**JUDY SCHOOLER**  
**Notary Public, State at Large, KY**  
**My commission expires July 11, 2018**  
**Notary ID # 512743**



VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Stuart Wilson**, being duly sworn, deposes and says that he is Director — Energy Planning, Analysis and Forecast for LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
\_\_\_\_\_  
**Stuart Wilson**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 25th day of August 2016.

  
\_\_\_\_\_  
(SEAL)

Notary Public

My Commission Expires:

**JUDY SCHOOLER**  
**Notary Public, State at Large, KY**  
**My commission expires July 11, 2018**  
**Notary ID # 512743**

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

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

  
\_\_\_\_\_  
**Mike Dotson**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 25<sup>th</sup> day of August 2016.


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

My Commission Expires:  
**JUDY SCHOOLER**  
**Notary Public, State at Large, KY**  
**My commission expires July 11, 2018**  
**Notary ID # 512743**

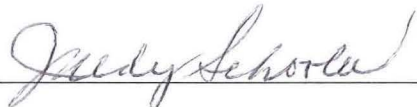
VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

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

  
Derek Rahn

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 25<sup>th</sup> day of August 2016.

  
(SEAL)

Notary Public

My Commission Expires:

JUDY SCHOOLER  
Notary Public, State at Large, KY  
~~My commission expires July 11, 2018~~  
Notary ID # 512743

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 1**

**Witness: Mike Dotson**

Q-1. For the period from November 1, 2015, through April 30, 2016, list each vendor from whom coal was purchased and the quantities and the nature of each purchase (e.g., spot or contract). For the period under review in total, provide the percentage of purchases that were spot versus contract. For contract purchases, state whether the contract has been filed with the Commission. If no, explain why it has not been filed.

A-1. All contracts have been filed with the Commission.

Vendor	Purchase Tonnage	Type
Alliance Coal, LLC - J09002	191,798	Contract
Alliance Coal, LLC - J12007	1,521,348	Contract
Alliance Coal, LLC - J13004B	4,745	Contract
Alliance Coal, LLC - J14011B	88,631	Contract
Alliance Coal, LLC - J16001B	215,451	Contract
Alliance Coal, LLC - J16004	235,937	Spot
Armstrong Coal Company - J07032	209,655	Contract
Armstrong Coal Company - J12004	24,455	Contract
Armstrong Coal Company - J14004	131,577	Contract
Armstrong Coal Company - J14010	17,635	Contract
Armstrong Coal Company - J16003	179,274	Contract
Eagle River Coal LLC - J16005	43,945	Contract
Foresight Coal Sales LLC - J12005	101,769	Contract
Foresight Coal Sales LLC - J16009	74,144	Spot
Kolmar Americas - J16019	11,205	Spot
Peabody COALSALES LLC - J12011	8,174	Contract
Peabody COALTRADE LLC - J15029	16,442	Spot
Peabody COALTRADE LLC - J16016	13,101	Spot
Rhino Energy LLC - J14001	79,306	Contract
The American Coal Company - J16002	136,265	Spot
	<u>3,304,858</u>	
	2,817,764	85% Contract
	487,094	15% Spot
	<u>3,304,858</u>	



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 2**

**Witness: Charles R. Schram**

- Q-2. For the period from November 1, 2015, through April 30, 2016, list each vendor from whom natural gas was purchased for generation and the quantities and the nature of each purchase (e.g., spot or contract). For contract purchases, state whether the contract has been filed with the Commission. If no, explain why it has not been filed.
- A-2. Please see the attachment for the list of vendors, associated quantities, and the nature of the natural gas purchases. During the period under review, natural gas purchases (other than purchases made pursuant to the Special Contract referenced below) were purchased solely on an as-needed, spot market basis. LG&E/KU (jointly) has executed Master Agreements with various natural gas suppliers that provide a contractual framework for potential spot purchase transactions. These Master Agreements include no specific price, volume, delivery period, or location information and therefore do not form a purchase transaction. As such, these Master Agreements have not been filed with the Commission. These Master Agreements enable spot purchases to occur as needed.

Gas purchases from Louisville Gas and Electric Company are primarily for LG&E-owned coal and gas fired generation and are made in accordance with a Special Contract under 807 KAR 5:011 Section 13.<sup>1</sup> Additionally, purchases from Columbia Gas are for KU-owned generation served by the local distribution company.

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<sup>1</sup> The Special Contract for Firm Gas Sales and Firm Transportation Service dated April 9, 2014 and effective September 1, 2014, between Louisville Gas and Electric Company, on behalf of its Gas Distribution Business, and Louisville Gas and Electric Company and Kentucky Utilities Company, on behalf of their Electric Generation Business, was filed with the Kentucky Public Service Commission on June 12, 2014.

LG&E and KU have joint ownership in the following simple-cycle combustion turbines and combined-cycle combustion turbine:

Station	Units	LG&E Ownership	KU Ownership
<b>Simple Cycle Units</b>			
Trimble County	5 and 6	29%	71%
Trimble County	7, 8, 9 and 10	37%	63%
Brown	5	53%	47%
Paddy's Run	13	53%	47%
Brown	6 and 7	38%	62%
<b>Combined Cycle Unit</b>			
Cane Run	7	22%	78%

Fuel expenses for actual commodity used and associated pipeline transport charges, if any, are allocated to the Companies based on their respective unit ownership percentages.

**Natural Gas for Generation Purchases 11/1/2015 - 4/30/2016**

Vendor	Type	MMBTU
ANADARKO-TRA	Spot	16,700
ATMOSENERGY	Spot	20,000
BGENERGYMERCHANTS	Spot	3,461,247
BPENERGYCO	Spot	3,071,098
CARGILLINC	Spot	57,584
CIMAENERGY	Spot	961,123
COLGASKY	GSO Customer*	2,221
COLONIALENER	Spot	148,886
CONOCOPHILLIPS	Spot	96,600
DIRECTENERGYBUSMKT	Spot	161,500
DTEENERGY	Spot	518,602
ECOENERGY	Spot	314,700
EDFTRADINGNA	Spot	426,000
EXELONGEN	Spot	878,400
JARON&CO	Spot	76,439
LACLEDEENERGY	Spot	738,171
LGE-GAS SUPPLY	Special Contract**	170,230
MACQUARIECOOK	Spot	71,300
MERCURIAGAS	Spot	241,900
NEXTERA	Spot	54,500
NJRENERGYSVC	Spot	410,300
RANGERSOURCE	Spot	426,000
SEQUENTENRG	Spot	2,935,192
SHELLENERGYNA	Spot	688,900
SWENERGY	Spot	136,700
TENASKAMKTG	Spot	9,951,200
TVA	Spot	43,900
TWINEAGLERESOURCE	Spot	30,500
UNITEDENERGY	Spot	115,400
VITOLINC	Spot	784,700

Total Voume

**27,009,993 MMBtu**

\*KU is a General Sales Customer of Columbia Gas of Kentucky for the Haefling Plant; no volume purchase commitments.

\*\*LG&E is the local gas distribution company; no volume purchase commitments.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 3**

**Witness: Charles R. Schram / Mike Dotson**

Q-3. State whether LG&E engages in hedging activities for its coal or natural gas purchases used for generation. If yes, describe the hedging activities in detail.

A-3. LG&E does not engage in financial hedging activities for its coal or natural gas purchases.

LG&E does use physical hedging in contracting for coal. LG&E uses the following guidelines in utilization of coal under contract for the minimum projected requirement:

1 year out	95 – 100%
2 years out	80 – 90%
3 years out	40 – 90%
4 years out	30 - 70%
5 years out	10 - 50%
6 years out	0 - 30%

LG&E did not engage in hedging activities for natural gas purchases during the period under review. However, LG&E began to purchase a portion of the natural gas for the Cane Run 7 combined cycle unit on a forward basis beginning in July 2016. LG&E uses the following guidelines for the purchase of natural gas under contract for the minimum projected Cane Run 7 requirement:

1 year out	10 – 50%
2 years out	0 – 30%
3 years out	0 – 10%

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 4**

**Witness: Stuart Wilson / Mike Dotson**

Q-4. For each generating station or unit for which a separate coal pile is maintained, state, for the period from November 1, 2015, through April 30, 2016, the actual amount of coal burned in tons, the actual amount of coal deliveries in tons, the total kWh generated, and the actual capacity factor at which the plant operated.

A-4. The information requested from November 1, 2015 to April 30, 2016 is shown in the table below:

Plant	Coal Burn (Tons)	Coal Receipts (Tons)	Net MWh	Capacity Factor (Net MWh/ (period hrs x MW rating)
Mill Creek	1,707,540	1,832,956	3,861,670	60.3%
Trimble County HS	N/A	1,471,902	N/A	N/A
Trimble County PRB	N/A	315,455	N/A	N/A
Trimble County 1	632,361	N/A	1,349,488	60.5%
Trimble County 2	966,628	N/A	2,233,830	69.9%

Notes: 1 – Trimble County values reflect 100% of the unit. Trimble County 1 is owned by LG&E (75%), IMPA (12.88%), and IMEA (12.12%). Trimble County 2 is owned by KU (60.75%), LG&E (14.25%), IMPA (12.88%), and IMEA (12.12%).  
2 – The North American Electric Reliability Council Generation Availability Data System defines capacity factor as the value equal to the net MWh produced divided by the product of the hours in the period and the unit rating.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 5**

**Witness: Stuart Wilson**

Q-5. List all firm power commitments for LG&E from November 1, 2015, through April 30, 2016, for (a) purchases and (b) sales. This list shall identify the electric utility, the amount of commitment in MW, and the purpose of the commitment (e.g., peaking, emergency).

A-5. a. Firm Purchases

The firm purchases from Ohio Valley Electric Corporation (OVEC) for the review period are shown in the table below. LG&E purchased its participation ratio (5.63%) of the OVEC released capacity for the months in question:

Utility	Companies' LG&E Portion		Purpose
	Amt (MW)	(MW)	
OVEC (Nov 2015)	~ 87	~ 60	Baseload
OVEC (Dec 2015)	~ 132	~ 92	Baseload
OVEC (Jan 2016)	~ 158	~ 109	Baseload
OVEC (Feb 2016)	~ 158	~ 109	Baseload
OVEC (Mar 2016)	~ 107	~ 74	Baseload
OVEC (Apr 2016)	~ 88	~ 61	Baseload

In addition, LG&E has a capacity purchase and tolling agreement with Bluegrass Generation through April 2019 for 165 MW of peaking capacity from a simple cycle combustion turbine.

b. Firm Sales

None.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 6**

**Witness: Derek Rahn**

Q-6. Provide a monthly billing summary of sales to all electric utilities for the period November 1, 2015, through April 30, 2016.

A-6. See attached.



Month Ended: November-30-2015

Louisville Gas and Electric Company

Power Transaction Schedule

Company		Type of Transaction	KWH	Billing Components			Total Charges(\$)
				Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	Economy	24,000	\$	494.23	\$ 362.60	\$ 856.83
CARGILL- ALLIANT, LLC	CARG	Economy	276,000	\$	6,105.46	\$ 4,479.34	\$ 10,584.80
EXELON GENERATION COMPANY, LLC	EXEL	Economy	145,000	\$	2,814.62	\$ 2,064.98	\$ 4,879.60
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Economy	279,000	\$	11,861.79	\$ 17,153.84	\$ 29,015.63
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy	474,000	\$	19,027.64	\$ 29,562.62	\$ 48,590.26
ENERGY IMBALANCE	IMBL	Economy	156,000	\$	2,978.73	\$ 2,185.38	\$ 5,164.11
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO	Economy	219,000	\$	4,570.61	\$ 3,353.29	\$ 7,923.90
PJM INTERCONNECTION ASSOCIATION	PJM	Economy	683,000	\$	18,777.51	\$ 13,776.38	\$ 32,553.89
TENASKA POWER SERVICES CO.	TPS	Economy	55,000	\$	1,368.44	\$ 1,003.96	\$ 2,372.40
TENNESSEE VALLEY AUTHORITY	TVA	Economy	363,000	\$	7,791.84	\$ 5,716.57	\$ 13,508.41
WESTAR ENERGY, INC.	WSTR	Economy	121,000	\$	2,711.29	\$ 1,989.17	\$ 4,700.46
KENTUCKY UTILITIES COMPANY	KU	Economy	93,280,000	\$	2,152,273.76	\$ 1,142.31	\$ 2,153,416.07
<b>Total Sales</b>			<b>96,075,000</b>	<b>\$</b>	<b>-</b>	<b>\$ 82,790.44</b>	<b>\$ 2,313,566.36</b>

Energy Imbalance is used to supply energy for mismatch between scheduled delivery and actual loads that have occurred over an hour.





Month Ended: December-31-2015

Louisville Gas and Electric Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
ASSOCIATED ELECT COOPERATIVE	AECI Economy	214,000		\$ 4,757.59	\$ 3,106.73	\$ 7,864.32
CARGILL- ALLIANT, LLC	CARG Economy	383,000		\$ 8,462.37	\$ 5,525.96	\$ 13,988.33
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Economy	142,000		\$ 2,570.65	\$ 1,678.65	\$ 4,249.30
INDIANA MUNICIPAL POWER AGENCY	IMPA Economy	166,000		\$ 3,665.27	\$ 2,393.43	\$ 6,058.70
ENERGY IMBALANCE	IMBL Economy	117,000		\$ 2,152.23	\$ 1,405.42	\$ 3,557.65
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO Economy	633,000		\$ 12,666.03	\$ 8,262.50	\$ 20,928.53
PJM INTERCONNECTION ASSOCIATION	PJM Economy	2,477,000		\$ 61,718.55	\$ 40,302.55	\$ 102,021.10
TENASKA POWER SERVICES CO.	TPS Economy	36,000		\$ 891.63	\$ 582.23	\$ 1,473.86
WESTAR ENERGY, INC.	WSTR Economy	285,000		\$ 6,061.39	\$ 3,958.11	\$ 10,019.50
KENTUCKY UTILITIES COMPANY	KU Economy	33,848,000		\$ 796,304.22	\$ 4,096.88	\$ 800,401.10
<b>Total Sales</b>		<b>38,301,000</b>	<b>\$ -</b>	<b>\$ 899,249.93</b>	<b>\$ 71,312.46</b>	<b>\$ 970,562.39</b>



Month Ended: January-31-2016

Louisville Gas and Electric Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
CARGILL- ALLIANT, LLC	CARG Economy	3,536,000		\$ 90,118.55	\$ 53,432.72	\$ 143,551.27
ETC ENDURE	ETC Economy	49,000		\$ 1,472.69	\$ 873.19	\$ 2,345.88
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Economy	163,000		\$ 2,445.29	\$ 1,449.85	\$ 3,895.14
INDIANA MUNICIPAL POWER AGENCY	IMPA Economy	430,000		\$ 8,114.67	\$ 4,811.31	\$ 12,925.98
ENERGY IMBALANCE	IMBL Economy	978,000		\$ 43,660.47	\$ 25,886.98	\$ 69,547.45
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO Economy	3,144,000		\$ 54,739.08	\$ 32,455.67	\$ 87,194.75
PJM INTERCONNECTION ASSOCIATION	PJM Economy	11,814,000		\$ 302,672.54	\$ 179,459.33	\$ 482,131.87
THE ENERGY AUTHORITY	TEA Economy	1,437,000		\$ 35,068.05	\$ 20,792.41	\$ 55,860.46
TENASKA POWER SERVICES CO.	TPS Economy	341,000		\$ 8,959.24	\$ 5,312.07	\$ 14,271.31
TENNESSEE VALLEY AUTHORITY	TVA Economy	2,925,000		\$ 66,074.27	\$ 39,176.48	\$ 105,250.75
WESTAR ENERGY, INC.	WSTR Economy	1,804,000		\$ 44,973.42	\$ 26,665.44	\$ 71,638.86
KENTUCKY UTILITIES COMPANY	KU Economy	187,204,000		\$ 4,439,383.91	\$ 1.24	\$ 4,439,385.15
<b>Total Sales</b>		<b>213,825,000</b>	<b>\$ -</b>	<b>\$ 5,097,682.18</b>	<b>\$ 390,316.69</b>	<b>\$ 5,487,998.87</b>



Month Ended: February-29-2016

Louisville Gas and Electric Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
CARGILL- ALLIANT, LLC	CARG Economy	1,000,000		\$ 23,217.37	\$ 14,164.31	\$ 37,381.68
ETC ENDURE	ETC Economy	49,000		\$ 1,668.73	\$ 1,018.06	\$ 2,686.79
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Economy	333,000		\$ 13,561.09	\$ 8,273.27	\$ 21,834.36
INDIANA MUNICIPAL POWER AGENCY	IMPA Economy	378,000		\$ 6,799.45	\$ 4,148.17	\$ 10,947.62
ENERGY IMBALANCE	IMBL Economy	(15,000)		\$ 501.17	\$ 131.27	\$ 632.44
PJM INTERCONNECTION ASSOCIATION	PJM Economy	2,673,000		\$ 60,312.50	\$ 36,795.07	\$ 97,107.57
TENASKA POWER SERVICES CO.	TPS Economy	37,000		\$ 1,263.38	\$ 770.75	\$ 2,034.13
TENNESSEE VALLEY AUTHORITY	TVA Economy	80,000		\$ 1,832.44	\$ 1,117.92	\$ 2,950.36
WESTAR ENERGY, INC.	WSTR Economy	720,000		\$ 17,305.98	\$ 10,557.92	\$ 27,863.90
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO Economy	-		\$ -	\$ 135.33	\$ 135.33
KENTUCKY UTILITIES COMPANY	KU Economy	156,307,000		\$ 3,731,877.06	\$ 31.47	\$ 3,731,908.53
<b>Total Sales</b>		<b>161,562,000</b>	<b>\$ -</b>	<b>\$ 3,858,339.17</b>	<b>\$ 77,143.54</b>	<b>\$ 3,935,482.71</b>



Month Ended: March-31-2016

Louisville Gas and Electric Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
CARGILL- ALLIANT, LLC	CARG Economy	399,000		\$ 9,111.10	\$ 5,000.79	\$ 14,111.89
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Economy	117,000		\$ 2,576.56	\$ 1,414.19	\$ 3,990.75
INDIANA MUNICIPAL POWER AGENCY	IMPA Economy	339,000		\$ 7,151.92	\$ 3,925.46	\$ 11,077.38
ENERGY IMBALANCE	IMBL Economy	388,000		\$ 8,498.91	\$ 4,664.78	\$ 13,163.69
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO Economy	31,000		\$ 834.06	\$ 457.79	\$ 1,291.85
PJM INTERCONNECTION ASSOCIATION	PJM Economy	441,000		\$ 10,961.89	\$ 6,016.63	\$ 16,978.52
TENNESSEE VALLEY AUTHORITY	TVA Economy	316,000		\$ 6,503.15	\$ 3,569.37	\$ 10,072.52
WESTAR ENERGY, INC.	WSTR Economy	31,000		\$ 642.85	\$ 352.84	\$ 995.69
KENTUCKY UTILITIES COMPANY	KU Economy	126,085,000		\$ 2,961,868.10	\$ 441.19	\$ 2,962,309.29
<b>Total Sales</b>		<b>128,147,000</b>	<b>\$ -</b>	<b>\$ 3,008,148.54</b>	<b>\$ 25,843.04</b>	<b>\$ 3,033,991.58</b>



Month Ended: April-30-2016

Louisville Gas and Electric Company

Power Transaction Schedule

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
<b>Sales</b>						
CARGILL- ALLIANT, LLC	CARG Economy	1,400,000		\$ 35,801.24	\$ 20,216.30	\$ 56,017.54
ETC ENDURE	ETC Economy	70,000		\$ 1,833.30	\$ 1,035.24	\$ 2,868.54
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Economy	147,000		\$ 2,917.22	\$ 1,647.29	\$ 4,564.51
INDIANA MUNICIPAL POWER AGENCY	IMPA Economy	209,000		\$ 6,893.57	\$ 3,892.67	\$ 10,786.24
ENERGY IMBALANCE	IMBL Economy	174,000		\$ 3,584.53	\$ 2,024.11	\$ 5,608.64
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO Economy	1,666,000		\$ 40,997.84	\$ 23,150.79	\$ 64,148.63
PJM INTERCONNECTION ASSOCIATION	PJM Economy	7,756,000		\$ 193,453.81	\$ 109,239.89	\$ 302,693.70
THE ENERGY AUTHORITY	TEA Economy	35,000		\$ 894.13	\$ 504.90	\$ 1,399.03
TENASKA POWER SERVICES CO.	TPS Economy	106,000		\$ 2,879.99	\$ 1,626.28	\$ 4,506.27
WESTAR ENERGY, INC.	WSTR Economy	1,286,000		\$ 32,547.22	\$ 18,378.83	\$ 50,926.05
KENTUCKY UTILITIES COMPANY	KU Economy	137,383,000		\$ 3,214,001.48	\$ 1,261.86	\$ 3,215,263.34
<b>Total Sales</b>		<b>150,232,000</b>	<b>\$ -</b>	<b>\$ 3,535,804.33</b>	<b>\$ 182,978.16</b>	<b>\$ 3,718,782.49</b>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 7**

**Witness: Eileen Saunders**

Q-7. List LG&E's scheduled, actual, and forced outages from November 1, 2015, through April 30, 2016.

A-7. See attached.

Louisville Gas & Electric Company  
November 2015 through April 2016

Unit and Outage Type (F=Forced; S=Scheduled)		Scheduled		Actual*		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
		FROM	TO	FROM	TO	Scheduled	Actual*	
<b>Mill Creek Unit 1 - Coal - 303 MW</b>	S	12/19/2015 12:39	12/23/2015 12:20	12/19/2015 12:39	12/23/2015 12:20	95:41	95:41	Flue gas desulfurization (FGD) maintenance
In-service August 1972	S	2/5/2016 21:42	2/7/2016 15:35	2/5/2016 21:42	2/7/2016 15:35	41:53	41:53	Condenser Tube Leak repair
	S	2/22/2016 9:05	2/23/2016 9:17	2/22/2016 9:05	2/23/2016 9:17	24:12	24:12	Condenser Tube Leak repair
	S	3/19/2016 0:00	3/27/2016 15:00	3/20/2016 21:23	3/29/2016 10:55	207:00	205:32	Boiler inspection and other minor repairs
<b>Mill Creek Unit 2 - Coal - 301 MW</b>	S	12/19/2015 22:51	12/23/2015 16:53	12/19/2015 22:51	12/23/2015 16:53	90:02	90:02	FGD maintenance
In-service July 1974	F			12/23/2015 16:53	12/24/2015 9:46		16:53	Induced (ID) fan control cabinet repair
	S	1/29/2016 10:18	1/31/2016 4:16	1/29/2016 10:18	1/31/2016 4:16	41:58	41:58	Control valve repair
	S	3/19/2016 0:00	3/27/2016 15:00	3/20/2016 20:19	3/29/2016 15:33	207:00	211:14	Boiler burner tip replacement
<b>Mill Creek Unit 3 - Coal - 391 MW</b>	S	10/24/2015 0:00	11/8/2015 15:00	10/23/2015 23:15	11/9/2015 11:17	375:00	396:02	Boiler chemical clean
In-service August 1978	F			11/20/2015 17:33	11/23/2015 6:40		61:07	Boiler economizer tube leak repair
	S	1/13/2016 22:26	1/16/2016 3:32	1/13/2016 22:26	1/16/2016 3:32	53:06	53:06	Boiler waterwall tube leak repair
	S	3/8/2016 11:28	3/10/2016 6:33	3/8/2016 11:28	3/10/2016 6:33	43:05	43:05	Condenser Tube Leak repair
	S	3/10/2016 18:13	3/12/2016 0:02	3/10/2016 18:13	3/12/2016 0:02	29:49	29:49	Boiler tube first reheater tube leak repair
	F			3/15/2016 18:07	3/25/2016 2:11		224:04	Main transformer fire and replacement
	S	4/1/2016 0:06	4/2/2016 15:21	4/1/2016 0:06	4/2/2016 15:21	39:15	39:15	Condenser Tube Leak repair
	S	4/9/2016 0:00	6/12/2016 15:00	4/9/2016 14:58	6/3/2016 20:08	1551:00	1325:10	Major overhaul and Wet FGD tie-in
<b>Mill Creek Unit 4 - Coal - 477 MW</b>	S	11/27/2015 6:48	12/5/2015 22:15	11/27/2015 6:48	12/5/2015 22:15	207:27	207:27	Boiler chemical clean
In-service September 1982	F			4/28/2016 10:34	5/1/2016 23:27		84:53	Boiler first superheater tube leak repair
<b>Trimble County Unit 1 - Coal - 383 MW</b>	S	10/10/2015 0:00	11/22/2015 15:00	10/9/2015 23:48	11/23/2015 0:00	1047:00	1056:12	Major overhaul with Pulse Jet Fabric Filter (PJFF) tie-in
In-service December 1990	S	11/23/2015 0:00	12/11/2015 21:51	11/23/2015 0:00	12/11/2015 21:51	453:51	453:51	PJFF tie-in outage extension
75% ownership share of 511 MW	F			12/13/2015 11:55	12/18/2015 11:55		120:00	Boiler superheat tube leak
	F			12/18/2015 11:55	12/19/2015 3:22		15:27	PJFF commissioning
	F			3/24/2016 8:06	3/24/2016 15:19		7:13	ID fan control cabinet power loss
	F			3/24/2016 15:19	3/27/2016 20:48		77:29	Boiler non-return valve failure and repair

\*Actual outage dates and hours of duration include scheduled and forced outages.

Louisville Gas & Electric Company  
November 2015 through April 2016

Unit and Outage Type (F=Forced; S=Scheduled)	Scheduled		Actual*		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual*		
<b>Trimble County Unit 2 - Coal - 549 MW</b>								
F			11/5/2015 16:17	11/9/2015 10:16		89:59	Boiler waterwall tube leak repair	
In-service January 2011	F		11/16/2015 21:22	11/17/2015 6:42		9:20	Loss of turbine driven boiler feedwater pump	
75% ownership share of 732 MW jointly owned with KU	F		11/30/2015 2:35	12/1/2015 4:12		25:37	Forced draft fan vibration inspection	
	F		12/9/2015 3:38	12/9/2015 20:28		16:50	ID fan vibration instrumentation	
	F		2/6/2016 12:49	2/9/2016 1:21		60:32	Boiler waterwall tube leak repair	
	F		3/16/2016 11:50	3/18/2016 15:27		51:37	Boiler waterwall tube leak repair	
	F		3/18/2016 15:27	3/20/2016 14:17		46:50	Boiler waterwall tube leak repair	
	F		3/22/2016 6:22	3/23/2016 9:00		26:38	Boiler waterwall tube leak repair	
	S	3/26/2016 0:00	4/24/2016 15:00	3/23/2016 9:00	4/28/2016 22:30	711:00	877:30	Minor Boiler Overhaul
	S	4/28/2016 22:30	4/30/2016 1:27	4/28/2016 22:30	4/30/2016 1:27	26:57	26:57	Electro Hydraulic (EH) seal repair
	S	4/30/2016 1:27	4/30/2016 9:59	4/30/2016 1:27	4/30/2016 9:59	8:32	8:32	Loss of flame scanner during startup
	S	4/30/2016 16:06	5/9/2016 6:47	4/30/2016 16:06	5/9/2016 6:47	206:41	206:41	High turbine bearing temperature
<b>Cane Run Unit 7 - Gas CC - 642 MW</b>	S	11/14/2015 0:00	11/22/2015 15:00	11/17/2015 20:28	11/25/2015 14:56	207:00	186:28	Boiler inspection
In-service June 2015	F			1/11/2016 13:46	1/12/2016 6:25		16:39	Heat Recovery Steam Generator (HRSG) economizer relief valve repair
Jointly owned with KU	S	2/19/2016 22:53	2/21/2016 14:30	2/19/2016 22:53	2/21/2016 14:30	39:37	39:37	HRSG economizer vent line leak
<b>E. W. Brown Unit 5 - Gas CT - 112 MW</b>	S	3/4/2016 8:02	3/4/2016 14:02	3/4/2016 8:02	3/4/2016 14:02	6:00	6:00	Annual calibration of gas flow meter
In-service June 2001	S	4/22/2016 5:27	4/22/2016 13:03	4/22/2016 5:27	4/22/2016 13:03	7:36	7:36	Inspect NOx water strainer instrumentation
Jointly owned with KU								
<b>E. W. Brown Unit 6 - Gas CT - 146 MW</b>	S	12/9/2015 7:42	12/9/2015 14:00	12/9/2015 7:42	12/9/2015 14:00	6:18	6:18	Annual calibration of gas flow meter
In-service August 1999	S	3/10/2016 7:21	3/10/2016 21:26	3/10/2016 7:21	3/10/2016 21:26	14:05	14:05	Lube oil system calibration
Jointly owned with KU								
<b>E. W. Brown Unit 7 - Gas CT - 146 MW</b>	F			1/6/2016 9:15	1/12/2016 13:48		148:33	Turbine inspection
In-service August 1999	S	3/30/2016 13:30	3/31/2016 4:00	3/30/2016 13:30	3/31/2016 4:00	14:30	14:30	Lube oil system calibration
Jointly owned with KU	S	4/28/2016 6:56	4/28/2016 13:21	4/28/2016 6:56	4/28/2016 13:21	6:25	6:25	Purge valve leak repair
<b>Cane Run Unit 11 - Gas CT - 14 MW</b>								
In-service June 1968								No outages > or = 6 hours
<b>Paddys Run Unit 11 - Gas CT - 12 MW</b>	F			11/21/2015 12:53	1/1/2016 0:00		971:07	Turning gear motor repair
In-service June 1968	F			1/1/2016 0:00	1/29/2016 10:08		682:08	Turning gear motor repair - continuation
	F			2/9/2016 7:30	2/11/2016 17:00		57:30	Low gas pressure
	F			2/13/2016 1:00	2/15/2016 10:13		57:13	Low gas pressure
	S	2/25/2016 8:00	2/25/2016 20:00	2/25/2016 8:00	2/25/2016 20:00	12:00	12:00	Gas line maintenance

\*Actual outage dates and hours of duration include scheduled and forced outages.



Louisville Gas & Electric Company  
November 2015 through April 2016

Unit and Outage Type (F=Forced; S=Scheduled)	Scheduled		Actual*		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	FROM	TO	FROM	TO	Scheduled	Actual	
<b>Paddys Run Unit 12 - Gas CT - 23 MW</b>							
F			1/11/2016 0:00	1/11/2016 13:20		13:20	Low gas pressure
In-service July 1968							
F			1/13/2016 0:00	1/13/2016 11:52		11:52	Low gas pressure
F			1/18/2016 0:00	1/20/2016 10:00		58:00	Low gas pressure
F			1/24/2016 0:00	1/24/2016 17:00		17:00	Low gas pressure
F			2/9/2016 7:30	2/11/2016 17:00		57:30	Low gas pressure
F			2/13/2016 1:00	2/15/2016 10:13		57:13	Low gas pressure
S	2/25/2016 8:00	2/25/2016 20:00	2/25/2016 8:00	2/25/2016 20:00	12:00	12:00	Gas line maintenance
<b>Paddys Run Unit 13 - Gas CT - 147 MW</b>							
F			11/11/2015 7:26	11/17/2015 15:50		152:24	Gas line repair
In-service June 2001							
F			11/17/2015 16:30	11/19/2015 12:16		43:46	Gas compressor vibration inspection
Jointly owned with KU							
F			11/19/2015 13:06	11/20/2015 11:03		21:57	Gas compressor repair test
F			11/23/2015 3:03	11/25/2015 14:40		59:37	Gas compressor vibration trip
F			1/11/2016 0:00	1/11/2016 13:20		13:20	Low gas pressure
F			1/13/2016 0:00	1/13/2016 11:52		11:52	Low gas pressure
F			1/18/2016 0:00	1/20/2016 10:00		58:00	Low gas pressure
F			1/24/2016 0:00	1/24/2016 17:00		17:00	Low gas pressure
F			2/9/2016 7:30	2/11/2016 17:00		57:30	Low gas pressure
F			2/13/2016 1:00	2/15/2016 10:13		57:13	Low gas pressure
S	2/25/2016 8:00	2/25/2016 20:00	2/25/2016 8:00	2/25/2016 20:00	12:00	12:00	Gas line maintenance
S	3/5/2016 0:00	3/13/2016 15:00	2/27/2016 7:00	3/6/2016 12:00	207:00	197:00	Combustion chamber inspection
F			3/9/2016 6:55	4/21/2016 12:55		1038:00	Hydraulic pressure switch repair
<b>Trimble County Unit 5 - Gas CT - 157 MW</b>							
F			11/8/2015 19:14	11/10/2015 15:10		43:56	Breaker air compressor replacement
In-service May 2002							
S	12/12/2015 0:14	12/19/2015 16:28	12/12/2015 0:14	12/19/2015 16:28	184:14	184:14	Motor operated disconnect replacement
Jointly owned with KU							
F			2/16/2016 11:34	2/17/2016 15:29		27:55	Starting System - Moisture in DC link reactor
F			2/17/2016 17:30	2/18/2016 1:39		8:09	Generator Neutral Grounding Equipment - switch repair
<b>Trimble County Unit 6 - Gas CT - 157 MW</b>							
S	12/14/2015 0:48	12/19/2015 18:15	12/14/2015 0:48	12/19/2015 18:15	137:27	137:27	Motor operated disconnect replacement
In-service May 2002							
F			1/5/2016 5:44	1/5/2016 19:44		14:00	Starting System - LCI cooling water conductivity out of range
Jointly owned with KU							
F			1/10/2016 18:16	1/11/2016 5:56		11:40	Generator Neutral Grounding Equipment - switch repair
S	2/4/2016 0:00	2/4/2016 16:15	2/4/2016 0:00	2/4/2016 16:15	16:15	16:15	Gas valve hydraulic line repair
S	2/15/2016 8:17	2/15/2016 20:14	2/15/2016 8:17	2/15/2016 20:14	11:57	11:57	Gas heater controller repair
F			2/16/2016 11:34	2/17/2016 15:29		27:55	Starting System - Shared LCI with Unit 5 (see TC5 Event on 2/16)
F			2/17/2016 17:30	2/18/2016 1:38		8:08	Generator neutral grounding equipment
S	3/23/2016 7:40	3/23/2016 13:48	3/23/2016 7:40	3/23/2016 13:48	6:08	6:08	Exhaust compartment inspection
S	4/22/2016 20:30	5/29/2016 14:56	4/22/2016 20:30	5/29/2016 14:56	882:26	882:26	Hot gas path inspection
<b>Trimble County Unit 7 - Gas CT - 157 MW</b>							
S	12/14/2015 0:01	12/19/2015 17:25	12/14/2015 0:01	12/19/2015 17:25	137:24	137:24	Motor operated disconnect replacement
In-service June 2004							
S	3/12/2016 8:00	3/16/2016 18:31	3/12/2016 8:00	3/16/2016 18:31	106:31	106:31	Generator Protection Upgrade
Jointly owned with KU							

\*Actual outage dates and hours of duration include scheduled and forced outages.

Louisville Gas & Electric Company  
November 2015 through April 2016

Unit and Outage Type (F=Forced; S=Scheduled)		Scheduled		Actual*		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
		FROM	TO	FROM	TO	Scheduled	Actual*	
<b>Trimble County Unit 8 - Gas CT - 157 MW</b>	S	3/12/2016 8:00	3/16/2016 20:43	3/12/2016 8:00	3/16/2016 20:43	108:43	108:43	Generator Protection Upgrade
In-service June 2004								
Jointly owned with KU								
<b>Trimble County Unit 9 - Gas CT - 157 MW</b>	S	2/5/2016 12:27	2/7/2016 11:29	2/5/2016 12:27	2/7/2016 11:29	47:02	47:02	Flux probe installation
In-service July 2004	S	3/21/2016 2:27	5/4/2016 0:00	3/21/2016 2:27	5/4/2016 0:00	1053:33	1053:33	Generator Rotor Rewind and Stator Re-Wedge
Jointly owned with KU								
<b>Trimble County Unit 10 - Gas CT - 157 MW</b>	F			3/16/2016 22:40	3/17/2016 4:47		6:07	Exciter control cabinet Inspection
In-service July 2004								
Jointly owned with KU								
<b>Zorn Unit 1 - Gas CT - 14 MW</b>	F			11/23/2015 5:16	1/1/2016 0:00		930:44	Battery Charger repairs
In-service May 1969	F			1/1/2016 0:00	1/6/2016 13:20		133:20	Battery Charger repairs - continuation
	F			2/25/2016 10:00	4/27/2016 12:21		1490:21	Lube oil pump motor repair

\*Actual outage dates and hours of duration include scheduled and forced outages.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 8**

**Witness: Mike Dotson**

- Q-8. List all existing fuel contracts categorized as long-term (i.e., one year or more in length). Provide the following information for each contract:
- a. Supplier's name and address;
  - b. Name and location of production facility;
  - c. Date when contract was executed;
  - d. Duration of contract;
  - e. Date(s) of each contract revision, modification, or amendment;
  - f. Annual tonnage requirements;
  - g. Actual annual tonnage received since the contract's inception;
  - h. Percentage of annual requirements received during the contract's term;
  - i. Base price in dollars per ton;
  - j. Total amount of price escalations to date in dollars per ton; and
  - k. Current price paid for coal under the contract in dollars per ton (i + j)
- A-8. See attached.

A. NAME/ADDRESS: Alliance Coal, LLC / J09002  
1717 South Boulder Av., Suite 400  
Tulsa, Oklahoma 74119-4886

B. PRODUCTION FACILITY:  
OPERATOR River View Coal, LLC  
MINE River View Mine  
LOCATION Union County, Kentucky

C. CONTRACT EXECUTED DATE: November 10, 2008

D. CONTRACT DURATION: November 3, 2008 – December 31, 2015

E. CONTRACT AMENDMENTS: Amendment No. 1 dated May 1, 2010. Added barge fleeting demurrage charge to Section 5.2 Barge Delivery. Added Barge Shifting Fee to Base Price Section 8.1.

F. ANNUAL TONNAGE REQUIREMENTS:

2010	969,072 tons	
	(includes FM of 30,928 tons)	
2011	2,000,000 tons	
2012	2,000,000 tons	
2013	2,000,000 tons	
2014	2,000,000 tons	
2015	2,000,000 tons	

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&amp;E</u>	<u>KU</u>
2010	525,414 tons	443,658 tons
2011	1,177,540 tons	771,648 tons
2012	1,806,495 tons	204,987 tons
2013	1,612,443 tons	408,370 tons
2014	1,192,318 tons	769,694 tons
2015	1,285,475 tons	719,295 tons
2016	31,550 tons	28,878 tons
	(carryover tonnage)	

H. PERCENT OF ANNUAL REQUIREMENTS:

2010	100%
2011	97%
2012	101%
2013	101%
2014	98%
2015	100%

H. PERCENT OF ANNUAL REQUIREMENTS

2016	(carryover tonnage)
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I. BASE PRICE (FOB Barge): \$41.00 per ton

J. ESCALATIONS TO DATE: \$15.89 per ton

K. CURRENT CONTRACT PRICE: \$56.89 per ton

A. NAME/ADDRESS: Alliance Coal, LLC / J12007  
 1717 South Boulder Av., Suite 400  
 Tulsa, Oklahoma 74119-4886

B. PRODUCTION FACILITY:  
 OPERATOR Hopkins County Coal, Warrior Coal and Webster  
 County Coal  
 MINE Seller's Mines  
 LOCATION Western Kentucky

C. CONTRACT EXECUTED DATE: December 9, 2011

D. CONTRACT DURATION: January 1, 2012 – December 31, 2016

E. CONTRACT AMENDMENTS: Amendment No. 1, effective January 1, 2013.  
 Determine Base price for 2013 and 2014.  
 Amendment No. 2, effective January 1, 2014.  
 Determine Base price for 2014 and 2015.  
 Amendment No. 3, effective January 1, 2015.  
 Determine Base price for 2015 and 2016.  
 Amendment No. 4, effective January 1, 2016.  
 Determine Base price for 2016.

F. ANNUAL TONNAGE REQUIREMENTS:

2012	3,000,000 tons
2013	3,000,000 tons
2014	3,000,000 tons
2015	3,000,000 tons
2016	3,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&amp;E</u>	<u>KU</u>
2012	2,877,460 tons	14,326 tons
2013	3,065,353 tons	0 tons
2014	2,942,649 tons	60,536 tons
2015	3,027,379 tons	0 tons
2016	950,192 tons	0 tons
	(through 4/30/16)	

H. PERCENT OF ANNUAL REQUIREMENTS:

2012	96%
2013	102%
2014	100%
2015	101%
2016	32% (through 4/30/16)

I. BASE PRICE (FOB Railcar/Barge): 2012 - \$47.00 per ton FOB Railcar  
2013 - \$48.00 per ton FOB Railcar  
2014 - \$47.38 per ton FOB Railcar/Barge  
2015 - \$47.13 per ton FOB Railcar/Warrior  
2015 - \$46.88 per ton FOB Railcar/Dotiki  
2016 - \$45.75 per ton FOB Railcar/Warrior  
2016 - \$45.00 per ton FOB Dotiki

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$45.75 per ton FOB Railcar/Warrior  
\$45.00 per ton FOB Railcar/Dotiki

A. NAME/ADDRESS: Alliance Coal, LLC / J13004B  
1717 South Boulder Av., Suite 400  
Tulsa, Oklahoma 74119-4886

B. PRODUCTION FACILITY:  
OPERATOR River View Coal, LLC  
MINE River View Mine  
LOCATION Union County, Kentucky

C. CONTRACT EXECUTED DATE: December 29, 2014

D. CONTRACT DURATION: January 1, 2015 – December 31, 2015

E. CONTRACT AMENDMENTS: Contract J13004 Assignment from Patriot Coal  
Sales to Alliance Coal, LLC

F. ANNUAL TONNAGE REQUIREMENTS: 2015 315,209 tons

G. ACTUAL TONNAGE RECEIVED: 2015 LG&E 257,101 tons KU 58,588 tons

H. PERCENT OF ANNUAL REQUIREMENTS: 2015 100%

I. BASE PRICE (FOB Railcar/Barge): 2015 - \$49.75 per ton FOB Barge

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$49.75 per ton



A. NAME/ADDRESS: Alliance Coal, LLC / J14011B  
1717 South Boulder Av., Suite 400  
Tulsa, Oklahoma 74119-4886

B. PRODUCTION FACILITY:  
OPERATOR River View Coal, LLC  
MINE River View Mine  
LOCATION Union County, Kentucky

C. CONTRACT EXECUTED DATE: December 29, 2014

D. CONTRACT DURATION: January 1, 2015 – December 31, 2015

E. CONTRACT AMENDMENTS: Contract J14011 Assignment from Patriot Coal  
Sales to Alliance Coal, LLC

F. ANNUAL TONNAGE REQUIREMENTS: 2015 598,099 tons

G. ACTUAL TONNAGE RECEIVED: 2015 LG&E 275,753 tons KU 322,930 tons

H. PERCENT OF ANNUAL REQUIREMENTS: 2015 100%

I. BASE PRICE (FOB Railcar/Barge): 2015 - \$43.75 per ton FOB Barge

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$43.75 per ton

A. NAME/ADDRESS: Alliance Coal, LLC / J16001B  
1717 South Boulder Av., Suite 400  
Tulsa, Oklahoma 74119-4886

B. PRODUCTION FACILITY:  
OPERATOR River View Coal, LLC  
MINE River View Mine  
LOCATION Union County, Kentucky

C. CONTRACT EXECUTED DATE: December 29, 2014

D. CONTRACT DURATION: January 1, 2016 – December 31, 2017

E. CONTRACT AMENDMENTS: Amendment No. 1, effective October 10, 2014.  
Extend term to December 31, 2017. Increase Base  
Quantity tonnage. Update Annual Base Price for  
2016 and 2017.  
Contract J16001 Assignment from Patriot Coal  
Sales to Alliance Coal, LLC.

F. ANNUAL TONNAGE REQUIREMENTS: 2016 960,000 tons  
2017 480,000 tons

G. ACTUAL TONNAGE RECEIVED: 2016 LG&E KU  
143,714 tons 136,555 tons  
(through 4/30/16)

H. PERCENT OF ANNUAL REQUIREMENTS: 2016 29% (through 4/30/16)

I. BASE PRICE (FOB Barge): 2016 - \$46.69 per ton  
2017 - \$48.25 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$46.69 per ton

A. NAME/ADDRESS: Armstrong Coal Sales, LLC / J07032  
407 Brown Road  
Madisonville, Kentucky 42431

B. PRODUCTION FACILITY:  
OPERATOR Armstrong Coal Company, Inc.  
MINES Various  
LOCATION Muhlenberg County and Ohio County,  
Kentucky

C. CONTRACT EXECUTED DATE: December 20, 2007

D. CONTRACT DURATION: January 1, 2008 - December 31, 2019

E. CONTRACT AMENDMENTS: Amendment No. 1, effective July 1, 2008  
amending base quantity and modifying  
diesel fuel adjustment to include explosives.  
Amendment No. 2, effective December 22, 2009  
amending term, base quantity, price and  
environmental force majeure.  
Amendment No. 3, effective October 29, 2013  
amending term, base quantity, price and payment.  
Assignment and Assumption Agreement dated  
August 6, 2015 assigning Agreement from  
Armstrong Coal Company, Inc. to Armstrong Coal  
Sales, LLC.

F. ANNUAL TONNAGE REQUIREMENTS:

2008	600,000 tons
2009	2,200,000 tons
2010	1,800,000 tons
2011 through 2013	- 2,100,000 tons per year
2014 through 2016	- 1,000,000 tons per year
2017 through 2019	- 700,000 tons per year

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&amp;E</u>	<u>KU</u>
2008	511,414 tons	82,623 tons
2009	1,530,482 tons	632,077 tons
2010	1,180,206 tons	657,930 tons
2011	993,296 tons	877,219 tons
2012	904,254 tons	1,211,495 tons
2013	838,589 tons	1,431,403 tons
2014	346,954 tons	634,044 tons

	<u>LG&amp;E</u>	<u>KU</u>
2015	312,387 tons	627,074 tons
2016	133,847 tons (through 4/30/16)	252,255 tons

H. PERCENT OF ANNUAL  
REQUIREMENTS:

2008	99%
2009	98%
2010	102%
2011	89%
2012	101%
2013	108%
2014	98%
2015	94%
2016	39% (through 4/30/16)

I. BASE PRICE (FOB Barge)

2008	Quality 1 - \$27.31 per ton Quality 2 - \$28.30 per ton
2009	Quality 1 - \$27.60 per ton Quality 2 - \$28.76 per ton
2010	Quality 1 - \$28.18 per ton Quality 2 - N/A
2011	Quality 1 - \$28.19 per ton Quality 2 - \$29.61 per ton
2012	Quality 1 - \$28.35 per ton Quality 2 - \$29.77 per ton
2013	Quality 1 - \$28.35 per ton Quality 2 - \$29.77 per ton
2014-2017	Quality 1 - \$28.50 per ton Quality 2 - \$29.92 per ton
2018	Quality 1 - \$29.00 per ton Quality 2 - \$30.42 per ton
2019	Quality 1 - \$30.25 per ton Quality 2 - \$31.67 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: Quality 1 - \$28.50 per ton

A. NAME/ADDRESS: Armstrong Coal Company, Inc. / J12004  
407 Brown Road  
Madisonville, Kentucky 42431

B. PRODUCTION FACILITY:  
OPERATOR Armstrong Coal Company, Inc.  
MINES Various  
LOCATION Muhlenberg County and Ohio County,  
Kentucky

C. CONTRACT EXECUTED DATE: September 19, 2011

D. CONTRACT DURATION: January 1, 2012 - December 31, 2015

E. CONTRACT AMENDMENTS: Amendment No. 1, effective January 1, 2012  
amending base quantity.  
Amendment No. 2, effective January 1, 2012  
amending base quantity.

F. ANNUAL TONNAGE REQUIREMENTS:

2012	355,873 tons
2013	500,000 tons
2014	1,000,000 tons
2015	1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&amp;E</u>	<u>KU</u>
2012	351,344 tons	-
2013	530,577 tons	-
2014	488,729 tons	477,639 tons
2015	501,847 tons	502,893 tons
2016	0 tons	3,214 tons (carryover tonnage)

H. PERCENT OF ANNUAL REQUIREMENTS:

2012	99%
2013	106%
2014	97%
2015	100%
2016	(carryover tonnage)

I. BASE PRICE (FOB Railcar/Barge)	2012	\$45.00 per ton
	2013	\$46.00 per ton
	2014	\$48.00 per ton
	2015	\$49.00 per ton

J. ESCALATIONS TO DATE:                   -\$2.55 per ton

K. CURRENT CONTRACT PRICE:           \$46.45 per ton

A. NAME/ADDRESS: Armstrong Coal Sales, LLC / J14004  
407 Brown Road  
Madisonville, Kentucky 42431

B. PRODUCTION FACILITY:  
OPERATOR Armstrong Coal Company, Inc.  
MINES Various  
LOCATION Muhlenberg County and Ohio County,  
Kentucky

C. CONTRACT EXECUTED DATE: December 12, 2012

D. CONTRACT DURATION: January 1, 2013 - December 31, 2017

E. CONTRACT AMENDMENTS: Amendment No. 1, effective October 29, 2013  
amending base quantity and price.  
Assignment and Assumption Agreement dated  
August 6, 2015 assigning Agreement from  
Armstrong Coal Company, Inc. to Armstrong Coal  
Sales, LLC.

F. ANNUAL TONNAGE REQUIREMENTS:

2014	1,300,000 tons
2015	1,350,000 tons
2016	500,000 tons
2017	500,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&amp;E</u>	<u>KU</u>
2014	647,205 tons	579,440 tons
2015	323,703 tons	861,959 tons
2016	58,387 tons (through 4/30/16)	191,418 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2014	94%
2015	88%
2016	50% (through 4/30/16)

I. BASE PRICE (FOB Railcar/Barge)

	<u>Railcar</u>	<u>Barge</u>
2014	\$44.60 per ton	\$45.60 per ton
2015	\$46.01 per ton	\$47.01 per ton
2016	\$46.75 per ton	\$47.75 per ton
2017	\$47.90 per ton	\$48.90 per ton

J. ESCALATIONS TO DATE:

	<u>Railcar/Barge</u>
	-\$6.63 per ton



K. CURRENT CONTRACT PRICE:

Railcar  
\$40.12 per ton

Barge  
\$41.12 per ton

A. NAME/ADDRESS: Armstrong Coal Sales, LLC / J14010  
407 Brown Road  
Madisonville, Kentucky 42431

B. PRODUCTION FACILITY:  
OPERATOR Armstrong Coal Company, Inc.  
MINES Various  
LOCATION Muhlenberg County and Ohio County,  
Kentucky

C. CONTRACT EXECUTED DATE: December 12, 2012

D. CONTRACT DURATION: January 1, 2014 - December 31, 2019

E. CONTRACT AMENDMENTS: Assignment and Assumption Agreement dated August 6, 2015 assigning Agreement from Armstrong Coal Company, Inc. to Armstrong Coal Sales, LLC.

F. ANNUAL TONNAGE REQUIREMENTS:

2014	100,000 tons
2015	100,000 tons
2016	100,000 tons
2017	100,000 tons
2018	100,000 tons
2019	100,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&amp;E</u>	<u>KU</u>
2014	38,628 tons	59,303 tons
2015	28,826 tons	75,097 tons
2016	9,605 tons (through 4/30/16)	22,650 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2014	98%
2015	104%
2016	32% (through 4/30/16)

I. BASE PRICE (FOB Barge/Railcar)

2014	\$40.00 per ton
2015	\$41.00 per ton
2016	\$42.00 per ton
2017	\$43.00 per ton
2018	\$44.00 per ton
2019	\$45.00 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$42.00 per ton

A. NAME/ADDRESS:	Armstrong Coal Sales, LLC / J16003 407 Brown Road Madisonville, Kentucky 42431	
B. PRODUCTION FACILITY:		
OPERATOR	Armstrong Coal Company, Inc.	
MINES	Various	
LOCATION	Muhlenberg County and Ohio County, Kentucky	
C. CONTRACT EXECUTED DATE:	September 8, 2014	
D. CONTRACT DURATION:	January 1, 2016 - December 31, 2017	
E. CONTRACT AMENDMENTS:	Assignment and Assumption Agreement dated August 6, 2015 assigning Agreement from Armstrong Coal Company, Inc. to Armstrong Coal Sales, LLC.	
F. ANNUAL TONNAGE REQUIREMENTS:	2016	1,000,000 tons
	2017	1,000,000 tons
G. ACTUAL TONNAGE: RECEIVED:		
		<u>LG&amp;E</u> <u>KU</u>
	2016	190,550 tons                      117,098 tons
		(through 4/30/16)
H. PERCENT OF ANNUAL REQUIREMENTS:	2016	31% (through 4/30/16)
I. BASE PRICE (FOB Barge/Railcar)	2016	\$42.80 per ton
	2017	\$44.00 per ton
J. ESCALATIONS TO DATE:	-\$6.70 per ton	
K. CURRENT CONTRACT PRICE:	\$36.10 per ton	

A. NAME/ADDRESS: Armstrong Coal Sales, LLC / J16017  
407 Brown Road  
Madisonville, Kentucky 42431

B. PRODUCTION FACILITY:  
OPERATOR Armstrong Coal Company, Inc.  
MINES Various  
LOCATION Muhlenberg County and Ohio County,  
Kentucky

C. CONTRACT EXECUTED DATE: September 16, 2015

D. CONTRACT DURATION: September 1, 2015 - December 31, 2018

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2016	400,000 tons
2017	720,000 tons
2018	1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&amp;E</u>	<u>KU</u>
2016	0 tons (through 4/30/16)	116,850 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2016	29% (through 4/30/16)
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I. BASE PRICE (FOB Railcar/Barge)

	<u>Railcar</u>	<u>Barge</u>
2016	\$38.25 per ton	\$39.25 per ton
2017	\$39.25 per ton	\$40.25 per ton
2018	\$40.25 per ton	\$41.25 per ton

J. ESCALATIONS TO DATE: Railcar/Barge  
-\$4.38 per ton

K. CURRENT CONTRACT PRICE: Railcar Barge  
\$33.87 per ton \$34.87 per ton

A. NAME/ADDRESS:	Eagle River Coal, LLC / J16005 29 West Raymond St. Harrisburg, Illinois 62946		
B. PRODUCTION FACILITY:			
OPERATOR	Eagle River Coal, LLC		
MINES	Eagle River Surface Mine No.1		
LOCATION	Saline County, Illinois		
C. CONTRACT EXECUTED DATE:	November 11, 2014		
D. CONTRACT DURATION:	January 1, 2016 - December 31, 2018		
E. CONTRACT AMENDMENTS:	None		
F. ANNUAL TONNAGE	2016	300,000 tons	
REQUIREMENTS:	2017	420,000 tons	
	2018	420,000 tons	
G. ACTUAL TONNAGE:		<u>LG&amp;E</u>	<u>KU</u>
RECEIVED:	2016	43,945 tons (through 4/30/16)	42,553 tons
H. PERCENT OF ANNUAL	2016	29% (through 4/30/16)	
REQUIREMENTS:			
I. BASE PRICE (FOB Barge)	2016	\$48.20 per ton	
	2017	\$49.30 per ton	
	2018	\$52.30 per ton	
J. ESCALATIONS TO DATE:		-\$4.78 per ton	
K. CURRENT CONTRACT PRICE:		\$43.42 per ton	

A. NAME/ADDRESS: Foresight Coal Sales, LLC / J12005  
211 North Broadway, Suite 2600  
St. Louis, Missouri 63102

B. PRODUCTION FACILITY:  
OPERATOR: Macoupin Energy, LLC  
Sugar Camp Energy, LLC  
MINES: Shay Mine No. 1  
Deer Run Mine  
Sugarcamp Mine  
LOCATION: Macoupin, Montgomery and Franklin Counties,  
Illinois

C. CONTRACT EXECUTED DATE: March 14, 2012

D. CONTRACT DURATION: April 1, 2012 - December 31, 2017

E. CONTRACT AMENDMENTS: Amendment No. 1, effective September 10, 2013  
amending, term, quantity and price.

F. ANNUAL TONNAGE REQUIREMENTS

2012	500,000 tons
2013	1,000,000 tons
2014	1,000,000 tons
2015	1,000,000 tons
2016	Reopener
2017	Reopener

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>
2012	501,975 tons	462,614 tons
2013	446,791 tons	389,734 tons
2014	439,606 tons	567,280 tons
2015	452,008 tons	531,744 tons
2016	17,381 tons	27,702 tons (carryover tonnage)

H. PERCENT OF ANNUAL REQUIREMENTS:

2012	100%
2013	96%
2014	101%
2015	98%
2016	(carryover tonnage)

I. BASE PRICE: (FOB Barge)	2012	\$46.00 per ton
	2013	\$48.50 per ton
	2014	\$39.75 per ton
	2015	\$43.50 per ton
	2016	Reopener
	2017	Reopener

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$43.50 per ton



A. NAME/ADDRESS: Foresight Coal Sales, LLC / J16018  
46226 National Road  
St. Clairsville, Ohio 43950

B. PRODUCTION FACILITY:  
OPERATOR: Macoupin Energy, LLC  
Sugar Camp Energy, LLC  
Hillsboro Energy, LLC  
Williamson Energy, LLC  
MINES: Shay Mine No. 1  
Deer Run Mine  
MC#1  
Mach #1  
LOCATION: Macoupin, Montgomery, Williamson and Franklin  
Counties, Illinois

C. CONTRACT EXECUTED DATE: December 19, 2015

D. CONTRACT DURATION: December 1, 2015 - December 31, 2019

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS

Year	Volume Range
2016	0 – 500,000 tons
2017	1,000,000 – 1,500,000 tons
2018	1,000,000 – 1,500,000 tons
2019	0 – 1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>
2016	0 tons	0 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2016	NA
------	----

I. BASE PRICE: (FOB Barge)

<u>Volume Range (Cumulative)</u>	<u>Base Price</u>
0 – 1,000,000 tons	\$38.95 per ton
1,000,001 – 2,000,000 tons	\$40.45 per ton
2,000,001 – 3,000,000 tons	\$42.35 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$38.95 per ton

A. NAME/ADDRESS: Peabody COALSALES, LLC / J12011  
701 Market Street  
St. Louis, Missouri 63101

B. PRODUCTION FACILITY:  
OPERATOR Peabody Midwest Mining, LLC  
Peabody Wild Boar Mining, LLC  
MINE Somerville Mine Complex  
Wild Boar  
LOCATION Warrick & Gibson Counties, Indiana

C. CONTRACT EXECUTED DATE: December 29, 2011

D. CONTRACT DURATION: January 1, 2012 – December 31, 2015

E. CONTRACT AMENDMENTS: Amendment No. 1 effective July 1, 2014  
Extend term to December 31, 2015 and add 1.0M tons to 2015

F. ANNUAL TONNAGE REQUIREMENTS:

2012	1,500,000 tons
2013	1,500,000 tons
2014	1,500,000 tons
2015	1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>
2012	995,669 tons	510,080 tons
2013	1,031,172 tons	448,290 tons
2014	1,088,584 tons	453,789 tons
2015	932,143 tons	66,287 tons
2016	0 tons	12,778 tons
	(carryover tonnage)	

H. PERCENT OF ANNUAL REQUIREMENTS:

2012	100%
2013	99%
2014	103%
2015	100%
2016	(carryover tonnage)

I. BASE PRICE: (FOB Barge/Railcar)

2012	\$49.90 per ton – FOB Barge Evansville \$49.11 per ton – FOB Barge Warrick Co. \$44.50 per ton – FOB Railcar
2013	\$52.15 per ton – FOB Barge Evansville \$51.36 per ton – FOB Barge Warrick Co. \$46.75 per ton – FOB Railcar

2014 \$54.15 per ton – FOB Barge Evansville  
\$53.36 per ton – FOB Barge Warrick Co.  
\$48.75 per ton – FOB Railcar

2015 \$44.50 per ton – FOB Barge Evansville  
\$44.50 per ton – FOB Barge Warrick Co.  
\$41.50 per ton – FOB Railcar

**J. ESCALATIONS TO DATE:**

-\$5.10 per ton – FOB Barge Evansville  
-\$4.30 per ton – FOB Warrick Co.  
-\$4.30 per ton – FOB Railcar

**K. CURRENT CONTRACT PRICE:**

\$39.40 per ton – FOB Barge Evansville  
\$40.20 per ton – FOB Barge Warrick Co.  
\$37.20 per ton – FOB Railcar

- A. NAME/ADDRESS: Peabody COALSALES, LLC / J16007  
701 Market Street  
St. Louis, Missouri 63101
- B. PRODUCTION FACILITY:  
OPERATOR Peabody Midwest Mining, LLC  
Peabody Wild Boar Mining, LLC  
MINE Somerville Mine Complex  
Wild Boar  
LOCATION Warrick & Gibson Counties, Indiana
- C. CONTRACT EXECUTED DATE: April 6, 2015
- D. CONTRACT DURATION: April 1, 2015 – December 31, 2018
- E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2015  
Extend term to December 31, 2018 and add 250K tons to 2016, 750K tons to 2017 and 750K tons to 2018. Added new pricing for 2016 through 2018.
- F. ANNUAL TONNAGE REQUIREMENTS:
- |      |              |
|------|--------------|
| 2016 | 750,000 tons |
| 2017 | 750,000 tons |
| 2018 | 750,000 tons |
- G. ACTUAL TONNAGE RECEIVED:
- |      | <u>KU</u>                           | <u>LGE</u> |
|------|-------------------------------------|------------|
| 2016 | 227,137 tons<br>(through 4/30/2016) | 0 tons     |
- H. PERCENT OF ANNUAL REQUIREMENTS:
- |      |                         |
|------|-------------------------|
| 2016 | 30% (through 4/30/2016) |
|------|-------------------------|
- I. BASE PRICE: (FOB Barge/Railcar)
- |      |  |
|------|--|
| 2016 | 1 <sup>st</sup> 500,000 tons<br>\$45.75 per ton – FOB Barge Evansville<br>\$45.75 per ton – FOB Barge Warrick Co.<br>\$42.75 per ton – FOB Railcar |
| 2016 | Last 250,000 tons<br>\$40.75 per ton – FOB Barge Evansville<br>\$40.75 per ton – FOB Barge Warrick Co.<br>\$37.75 per ton – FOB Railcar            |

2017 \$41.75 per ton – FOB Barge Evansville  
\$41.75 per ton – FOB Barge Warrick Co.  
\$38.75 per ton – FOB Railcar

2018 \$42.75 per ton – FOB Barge Evansville  
\$42.75 per ton – FOB Barge Warrick Co.  
\$39.75 per ton – FOB Railcar

J. ESCALATIONS TO DATE:

2016 1<sup>st</sup> 500,000 tons  
-\$8.42 per ton – FOB Barge Evansville  
-\$7.49 per ton – FOB Warrick Co.  
-\$7.49 per ton – FOB Railcar

2016 Last 250,000 tons  
-\$4.25 per ton – FOB Barge Evansville  
-\$3.85 per ton – FOB Warrick Co.  
-\$3.85 per ton – FOB Railcar

K. CURRENT CONTRACT PRICE:

2016 1<sup>st</sup> 500,000 tons  
\$37.33 per ton – FOB Barge Evansville  
\$38.26 per ton – FOB Barge Warrick Co.  
\$35.26 per ton – FOB Railcar

2016 Last 250,000 tons  
\$36.50 per ton – FOB Barge Evansville  
\$36.90 per ton – FOB Barge Warrick Co.  
\$33.90 per ton – FOB Railcar

A. NAME/ADDRESS:	Rhino Energy LLC and Pennyrile Energy LLC / J14001 424 Lewis Hargett Circle, Suite 250 Lexington, Kentucky 40503	
B. PRODUCTION FACILITY:		
OPERATOR	Pennyrile Energy LLC	
MINE	Riveredge Mine	
LOCATION	McLean County, Kentucky	
C. CONTRACT EXECUTED DATE:	December 11, 2012	
D. CONTRACT DURATION:	December 10, 2014 - December 31, 2020	
E. CONTRACT AMENDMENTS:	None	
F. ANNUAL TONNAGE REQUIREMENTS:	2014 150,000 tons 2015 800,000 tons 2016 800,000 tons 2017 800,000 tons 2018 – 2020 re-opener	
G. ACTUAL TONNAGE RECEIVED:	<u>LG&amp;E</u>	<u>KU</u>
	2014 43,582 tons	70,647 tons
	2015 121,084 tons	580,770 tons
	2016 29,555 tons	245,420 tons
	(through 4/30/16)	
H. PERCENT OF ANNUAL REQUIREMENTS:	2014 76% 2015 88% 2016 34% (through 4/30/16)	
I. BASE PRICE (FOB Barge):	2014 \$45.25 per ton 2015 \$46.50 per ton 2016 \$48.25 per ton 2017 \$50.00 per ton 2018 – 2020 re-opener	
J. ESCALATIONS TO DATE:	None	
K. CURRENT CONTRACT PRICE:	\$48.25 per ton	

- A. NAME/ADDRESS: The American Coal Company / J16006  
46226 National Road  
St. Clairsville, Ohio 43950
- B. PRODUCTION FACILITY:  
OPERATOR: The American Coal Company  
MINES: New Era Mine  
New Future Mine  
LOCATION: Saline County, Illinois
- C. CONTRACT EXECUTED DATE: December 19, 2015
- D. CONTRACT DURATION: December 1, 2014 - December 31, 2019
- E. CONTRACT AMENDMENTS: Amendment No.1 effective January 1, 2016, change FOB Barge Loading Point to Sitran Dock MP 817.5 Ohio River.
- F. ANNUAL TONNAGE REQUIREMENTS
- | Year | Volume Range               |
|------|----------------------------|
| 2016 | 0 – 500,000 tons           |
| 2017 | 1,000,000 – 1,500,000 tons |
| 2018 | 1,000,000 – 1,500,000 tons |
| 2019 | 0 – 1,000,000 tons         |
- G. ACTUAL TONNAGE RECEIVED:
- |      | <u>KU</u>           | <u>LGE</u> |
|------|---------------------|------------|
| 2016 | 0 tons              | 0 tons     |
|      | (through 4/30/2016) |            |
- H. PERCENT OF ANNUAL REQUIREMENTS:
- |      |    |
|------|----|
| 2016 | NA |
|------|----|
- I. BASE PRICE: (FOB Barge)
- | <u>Volume Range (Cumulative)</u> | <u>Base Price</u> |
|----------------------------------|-------------------|
| 0 – 500,000 tons                 | \$48.50 per ton   |
| 500,001 – 1,000,000 tons         | \$49.00 per ton   |
| 1,000,001 – 1,500,000 tons       | \$49.75 per ton   |
| 1,500,001 – 2,000,000 tons       | \$50.50 per ton   |
| 2,000,001 – 2,500,000 tons       | \$51.50 per ton   |
| 2,500,001 – 3,000,000 tons       | \$52.00 per ton   |
- J. ESCALATIONS TO DATE: None
- K. CURRENT CONTRACT PRICE: \$48.50 per ton

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 9**

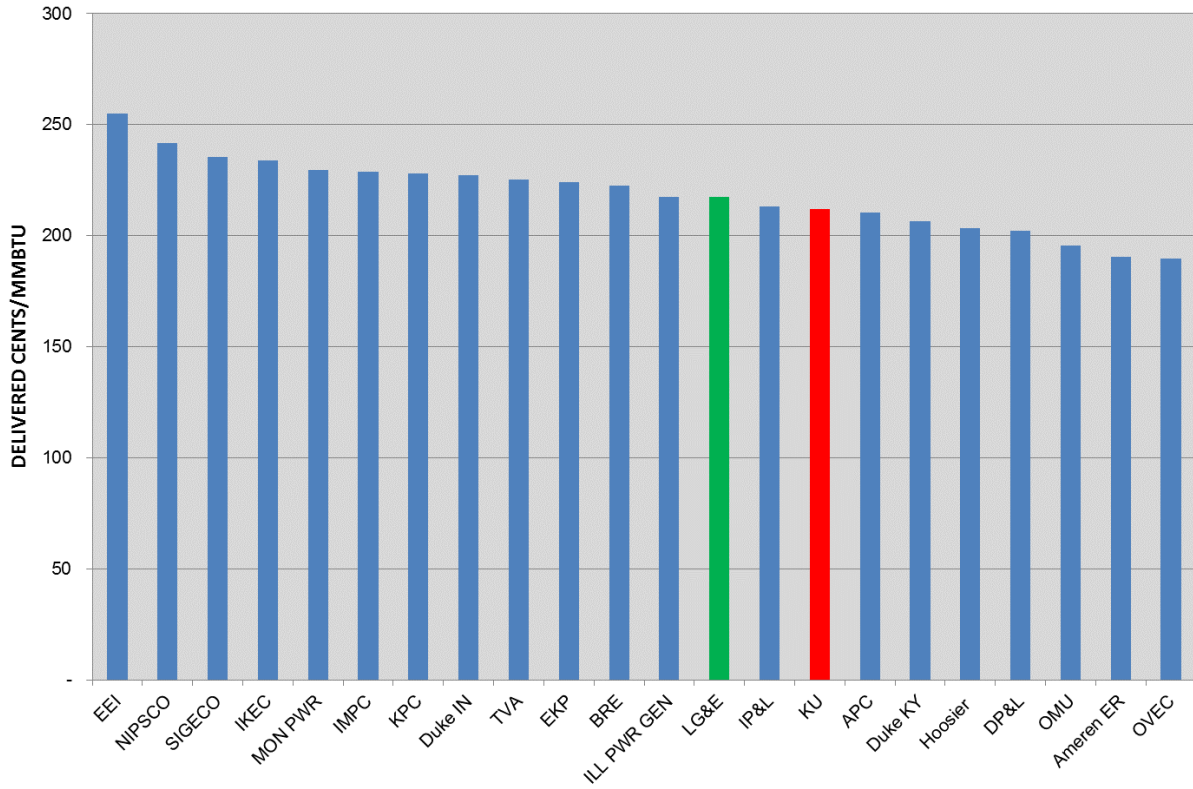
**Witness: Mike Dotson**

- Q-9. a. State whether LG&E regularly compares the price of its coal purchases to those paid by other electric utilities.
- b. If yes, state:
- (1) How LG&E's prices compare with those of other utilities. If the comparison includes months outside of the review period, a comparison limited to the review period should be provided separately. Provide a copy of the source documents and calculations used to support the amounts used in the comparison and include all prices used in the comparison in cents per MMbtu.
  - (2) The utilities that are included in this comparison and their locations.
- A-9. a. Yes
- b. LG&E compares pricing of its coal purchases with neighboring utilities from data that is compiled by the ABB Inc. Ventyx Velocity database from the EIA-923 Power Plant Operations Report. The utilities included in the comparison are shown on the list found on page 1 and the chart found on page 2 of the Attachment to this response for the period of November 1, 2015 through April 30, 2016.



<b>Utilities in Comparison List</b>		
<b>UTILITY</b>	<b>ABBREVIATED</b>	<b>PLANT LOCATIONS</b>
AmerenEnergy Generating Co	Ameren ER	Illinois
Big Rivers Electric Corp	BRE	Kentucky
Appalachian Power Co	APC	Virginia, West Virginia
Dayton Power & Light Co (The)	DP&L	Ohio
Duke Energy Indiana	Duke IN	Indiana
Duke Energy Kentucky	Duke KY	Ohio
East Kentucky Power Coop	EKP	Kentucky
Electric Energy Inc	EEL	Illinois
Hoosier Energy Rural Electric Coop Inc	Hoosier	Indiana
Illinois Power Generating Co	ILL PWR GEN	Illinois
Indiana Kentucky Electric Corp	IKEC	Indiana
Indiana Michigan Power Co	IMPC	Indiana
Indianapolis Power & Light	IP&L	Indiana
Kentucky Power Co	KPC	Kentucky
Kentucky Utilities Co	KU	Kentucky
Louisville Gas & Electric Co	LG&E	Kentucky
Monongahela Power Co	MON PWR	West Virginia
Northern Indiana Public Service Co	NIPSCO	Indiana
Ohio Valley Electric Corp	OVEC	Ohio
Owensboro Municipal Utilities	OMU	Kentucky
Southern Indiana Gas & Electric Co	SIGECO	Indiana
Tennessee Valley Authority	TVA	Alabama, Kentucky, Tennessee

### Utility Price Comparison Nov 15 - Apr 16



## DELIVERED PRICE COMPARISON (NOVEMBER 2015 - APRIL 2016)

Plant Operator Name	Reported Source Name	Quantity (000s tons)	Btu/lb	lbsSO <sub>2</sub> /mmBtu	Delivered Fuel Price Cents/mmBtu
AmerenEnergy Resources Generating Co	PEABODY COAL SALES	602	8800	0.44	195.14
AmerenEnergy Resources Generating Co	ARCH	784	8820	0.52	186.92
		<b>1,386</b>	<b>8811</b>	<b>0.49</b>	<b>190.49</b>
Appalachian Power Co	SOUTHERN COAL SALES CORP	144	12148	1.35	230.40
Appalachian Power Co	PEABODY COAL TRADE	72	12264	1.38	229.12
Appalachian Power Co	MERCURIA ENERGY TRADING INC	46	12222	1.21	200.79
Appalachian Power Co	MAPLE COAL CO	39	12280	1.43	275.30
Appalachian Power Co	ERP COMPLIANT FUELS LLC	79	11983	1.26	233.11
Appalachian Power Co	EDF TRADING	27	12023	1.54	284.16
Appalachian Power Co	CONSOLIDATION COAL CO	811	12841	5.60	227.76
Appalachian Power Co	CONSOL	164	13005	3.94	161.97
Appalachian Power Co	BLACKHAWK MINING LLC	253	12265	1.40	229.95
Appalachian Power Co	AMERICAN ENERGY	2,219	12485	6.68	190.55
Appalachian Power Co	ALPHA COAL	962	12231	1.80	234.25
		<b>4,817</b>	<b>12472</b>	<b>4.70</b>	<b>210.26</b>
Big Rivers Electric Corp	RHINO ENERGY	175	11755	4.36	208.21
Big Rivers Electric Corp	PEABODY COAL SALES	110	11048	5.44	193.45
Big Rivers Electric Corp	KENAMERICA RESOURCES	211	11796	4.81	214.68
Big Rivers Electric Corp	FORESIGHT COAL SALES	132	10991	5.63	177.89
Big Rivers Electric Corp	COECLERICI COAL NETWORK	47	11165	5.48	201.88
Big Rivers Electric Corp	ARMSTRONG COAL	131	11586	4.97	225.99
Big Rivers Electric Corp	ALLIANCE COAL	579	11971	5.41	244.43
		<b>1,385</b>	<b>11686</b>	<b>5.17</b>	<b>222.34</b>
Dayton Power & Light Co (The)	WILLIAMSON ENERGY	695	11703	4.65	220.92
Dayton Power & Light Co (The)	WHITE OAK RESOURCES LLC	268	11737	4.29	197.57
Dayton Power & Light Co (The)	VITOL	71	11620	4.79	202.72
Dayton Power & Light Co (The)	TRAFIGURA	171	11752	3.56	181.49
Dayton Power & Light Co (The)	PEABODY COAL TRADE	26	11554	1.49	174.37
Dayton Power & Light Co (The)	PEABODY COAL SALES	3	11945	1.34	173.50
Dayton Power & Light Co (The)	MERCURIA	27	11726	4.55	176.28
Dayton Power & Light Co (The)	KOLMAR AMERICAS INC	69	12009	1.83	192.47
Dayton Power & Light Co (The)	FORESIGHT COAL SALES	346	11698	4.94	208.34
Dayton Power & Light Co (The)	CONSOL	50	12963	4.07	177.30
Dayton Power & Light Co (The)	COLONA	10	12945	3.68	177.40
Dayton Power & Light Co (The)	AMERICAN COAL	722	11797	4.22	195.34
Dayton Power & Light Co (The)	ALPHA COAL	247	12720	3.88	197.76
Dayton Power & Light Co (The)	ALLIANCE COAL	158	11913	4.94	201.39
		<b>2,863</b>	<b>11862</b>	<b>4.32</b>	<b>202.27</b>
Duke Energy Indiana	SUNRISE COAL SALES	94	11428	5.94	260.87
Duke Energy Indiana	SOLAR SOURCES	522	11204	4.40	198.99
Duke Energy Indiana	PEABODY COAL TRADE	13	11639	1.39	181.60
Duke Energy Indiana	PEABODY COAL SALES	2,730	11080	4.90	203.01
Duke Energy Indiana	PATRIOT COAL SALES	44	12192	1.19	219.94
Duke Energy Indiana	MODELED - SOLAR SOURCES	470	11189	4.38	199.78
Duke Energy Indiana	FOSSIL COALLLC	23	11262	1.54	189.17
Duke Energy Indiana	DUKE ENERGY	30	11522	5.19	312.20
Duke Energy Indiana	BLACK BEAUTY	1,202	11486	6.10	218.89
Duke Energy Indiana	ALPHA COAL	16	12594	1.06	244.70
Duke Energy Indiana	ALLIANCE COAL	726	11523	2.53	360.44
		<b>5,870</b>	<b>11260</b>	<b>4.73</b>	<b>227.31</b>
Duke Energy Kentucky	TRAFIGURA	48	11499	5.19	217.15
Duke Energy Kentucky	RIVER VIEW COAL	322	12056	4.90	221.51
Duke Energy Kentucky	PEABODY COAL TRADE	21	11911	2.31	178.99
Duke Energy Kentucky	NOBLE AMERICAS GAS & POWER	73	12045	1.55	185.74
Duke Energy Kentucky	FORESIGHT COAL SALES	10	11198	5.37	201.90
Duke Energy Kentucky	CONSOL	87	12958	3.89	185.06
Duke Energy Kentucky	ARMSTRONG COAL	97	11601	4.72	211.60
Duke Energy Kentucky	ALPHA COAL	118	13010	4.33	195.15
Duke Energy Kentucky	ALLIANCE COAL	3	12562	4.82	181.30
		<b>779</b>	<b>12198</b>	<b>4.32</b>	<b>206.65</b>

## DELIVERED PRICE COMPARISON (NOVEMBER 2015 - APRIL 2016)

Plant Operator Name	Reported Source Name	Quantity (000s tons)	Btu/lb	lbsSO2/mmBtu	Delivered Fuel Price Cents/mmBtu
East Kentucky Power Coop	WHITE OAK RESOURCES LLC	117	11594	4.43	252.77
East Kentucky Power Coop	WHITE COUNTY COAL	165	11496	5.13	266.41
East Kentucky Power Coop	RIVER VIEW COAL	148	11578	5.05	239.41
East Kentucky Power Coop	RIVER TRADING	32	10702	2.31	174.56
East Kentucky Power Coop	PEABODY COAL SALES	185	11028	5.55	239.64
East Kentucky Power Coop	OXFORD MINING CO	471	11200	6.44	199.15
East Kentucky Power Coop	JAMIESON CONSTRUCTION CO	1	13560	3.16	270.80
East Kentucky Power Coop	FORESIGHT COAL SALES	290	11699	4.59	229.00
East Kentucky Power Coop	BOWIE REFINED COAL	28	11659	3.23	225.33
East Kentucky Power Coop	BOWIE	47	11909	2.58	225.65
East Kentucky Power Coop	BLACKHAWK MINING LLC	33	12476	3.06	248.29
East Kentucky Power Coop	B & W RESOURCES	89	11936	2.44	287.47
East Kentucky Power Coop	B & N COAL	234	10846	8.47	176.99
East Kentucky Power Coop	ALLIANCE COAL	112	12548	4.52	223.11
		<b>1,951</b>	<b>11442</b>	<b>5.43</b>	<b>224.23</b>
Electric Energy Inc	NORTH ANTELOPE	80	8734	0.45	241.04
Electric Energy Inc	BLACK THUNDER ARCH	79	8643	0.53	226.35
Electric Energy Inc	BELLAYRE	47	8793	0.56	216.55
Electric Energy Inc	ANTELOPE	843	8674	0.53	261.10
		<b>1,049</b>	<b>8681</b>	<b>0.52</b>	<b>254.91</b>
Hoosier Energy Rural Electric Coop Inc	SUNRISE COAL SALES	519	11522	5.50	213.27
Hoosier Energy Rural Electric Coop Inc	PEABODY COAL SALES	1,033	11086	5.51	197.99
		<b>1,552</b>	<b>11231</b>	<b>5.51</b>	<b>203.23</b>
Illinois Power Generating Co	PEABODY COAL SALES	1,244	8794	0.51	206.52
Illinois Power Generating Co	CLOUD PEAK	690	8800	0.52	223.02
Illinois Power Generating Co	BLACK THUNDER WEST	34	8800	0.72	231.85
Illinois Power Generating Co	BLACK THUNDER ARCH	565	8800	0.52	233.59
Illinois Power Generating Co	BELLAYRE	167	8789	0.64	204.38
Illinois Power Generating Co	ANTELOPE	313	8800	0.57	226.00
		<b>3,012</b>	<b>8797</b>	<b>0.53</b>	<b>217.57</b>
Indiana Kentucky Electric Corp	WESTERN KENTUCKY MINERALS	30	11042	5.29	222.24
Indiana Kentucky Electric Corp	RESOURCE FUELS	523	11486	5.15	256.69
Indiana Kentucky Electric Corp	NOBLE AMERICAS GAS & POWER	35	11486	5.18	210.50
Indiana Kentucky Electric Corp	KNIGHTHAWK	492	11183	5.12	224.37
Indiana Kentucky Electric Corp	FORESIGHT COAL SALES	149	11265	5.26	190.81
		<b>1,228</b>	<b>11327</b>	<b>5.16</b>	<b>233.81</b>
Indiana Michigan Power Co	RWE TRADING AMERICAS INC	33	12060	1.59	242.64
Indiana Michigan Power Co	PEABODY COAL SALES	2,647	8778	0.46	222.28
Indiana Michigan Power Co	NOBLE ENERGY MARKETING	62	12011	1.56	227.29
Indiana Michigan Power Co	CLOUD PEAK	66	8880	0.50	205.82
Indiana Michigan Power Co	ARCH	539	8992	0.53	221.80
Indiana Michigan Power Co	ALPHA COAL	328	12046	1.28	279.25
		<b>3,676</b>	<b>9187</b>	<b>0.57</b>	<b>228.94</b>
Indianapolis Power & Light	TRIAD	428	11507	5.87	203.56
Indianapolis Power & Light	SUNRISE COAL SALES	704	11615	5.16	224.61
Indianapolis Power & Light	COALSALES LLC	547	11410	5.92	206.15
Indianapolis Power & Light	COAL SALES	222	11402	5.96	203.77
Indianapolis Power & Light	ALLIANCE COAL	68	11495	2.72	236.12
Indianapolis Power & Light	ALLIANCE	6	11465	2.37	246.00
		<b>1,976</b>	<b>11506</b>	<b>5.52</b>	<b>213.13</b>
Kentucky Power Co	NOBLE ENERGY MARKETING	73	11998	1.59	224.86
Kentucky Power Co	KOLMAR AMERICAS INC	28	11944	1.60	210.16
Kentucky Power Co	KOCH	26	11883	1.54	264.68
Kentucky Power Co	CONSOLIDATION COAL CO	726	12540	6.80	216.43
Kentucky Power Co	BEECH FORK PROCESSING	3	12324	1.77	138.20
Kentucky Power Co	ALPHA COAL	670	12060	1.31	241.08
		<b>1,525</b>	<b>12281</b>	<b>3.94</b>	<b>227.97</b>

## DELIVERED PRICE COMPARISON (NOVEMBER 2015 - APRIL 2016)

Plant Operator Name	Reported Source Name	Quantity (000s tons)	Btu/lb	lbsSO2/mmBtu	Delivered Fuel Price Cents/mmBtu
Kentucky Utilities Co	TRIAD	209	11542	6.22	261.37
Kentucky Utilities Co	RIVER TRADING	13	10630	1.82	201.14
Kentucky Utilities Co	RHINO ENERGY	325	11295	4.50	226.12
Kentucky Utilities Co	PEABODY COAL TRADE	10	9860	2.43	150.69
Kentucky Utilities Co	KOLMAR AMERICAS INC	19	10404	1.95	171.72
Kentucky Utilities Co	FORESIGHT COAL SALES	312	11765	4.43	202.05
Kentucky Utilities Co	EAGLE RIVER COAL	43	12603	5.83	197.03
Kentucky Utilities Co	COALSALES LLC	366	11027	5.55	197.50
Kentucky Utilities Co	COAL TRADE	2	10235	1.50	145.90
Kentucky Utilities Co	BOWIE	39	12326	3.84	255.00
Kentucky Utilities Co	ARMSTRONG COAL	1,166	11220	5.68	193.27
Kentucky Utilities Co	ARCH COAL SALES	6	9655	1.78	210.50
Kentucky Utilities Co	ARCH	8	9402	1.69	208.75
Kentucky Utilities Co	AMERICAN COAL	167	11792	4.19	222.15
Kentucky Utilities Co	ALLIANCE COAL	369	11597	3.93	246.63
		<b>3,051</b>	<b>11373</b>	<b>5.06</b>	<b>211.84</b>
Louisville Gas & Electric Co	RHINO ENERGY	79	11269	4.63	221.02
Louisville Gas & Electric Co	PEABODY COAL TRADE	26	9957	1.90	147.73
Louisville Gas & Electric Co	KOLMAR AMERICAS INC	11	10340	2.05	173.15
Louisville Gas & Electric Co	FORESIGHT COAL SALES	176	11684	4.50	203.40
Louisville Gas & Electric Co	EAGLE RIVER COAL	44	12521	5.68	196.87
Louisville Gas & Electric Co	COALSALES LLC	8	11103	5.62	195.45
Louisville Gas & Electric Co	COAL TRADE	3	10913	2.31	146.80
Louisville Gas & Electric Co	ARMSTRONG COAL	563	11195	5.65	184.34
Louisville Gas & Electric Co	ARCH	315	8952	0.62	223.22
Louisville Gas & Electric Co	AMERICAN COAL	136	11823	4.20	219.71
Louisville Gas & Electric Co	ALLIANCE COAL	2,258	11871	5.51	226.66
		<b>3,620</b>	<b>11474</b>	<b>4.95</b>	<b>217.29</b>
Monongahela Power Co	TUNNEL RIDGE LLC	301	12587	4.59	347.81
Monongahela Power Co	MEPCO OPERATIONS	519	12068	3.73	218.16
Monongahela Power Co	FIRSTENERGY	312	12833	5.57	171.05
Monongahela Power Co	CONSOL	2,830	12557	5.59	235.69
Monongahela Power Co	AMERICAN ENERGY	1,142	12507	7.26	203.99
Monongahela Power Co	ALLIANCE COAL	72	12834	3.83	220.83
		<b>5,176</b>	<b>12519</b>	<b>5.69</b>	<b>229.37</b>
Northern Indiana Public Service Co	SUNRISE COAL SALES	160	11357	5.86	231.65
Northern Indiana Public Service Co	PEABODY COAL SALES	315	8855	0.44	237.43
Northern Indiana Public Service Co	OAKTOWN FUELS MINELLC	106	11329	5.70	234.99
Northern Indiana Public Service Co	FORESIGHT COAL SALES	75	10897	6.32	185.32
Northern Indiana Public Service Co	CONSOL	74	12989	3.88	300.21
Northern Indiana Public Service Co	COALSALES LLC	592	10977	5.01	255.68
Northern Indiana Public Service Co	ARCH	513	8944	0.64	227.71
		<b>1,834</b>	<b>10176</b>	<b>3.13</b>	<b>241.63</b>
Ohio Valley Electric Corp	AMERICAN ENERGY	961	12522	7.21	189.65
		<b>961</b>	<b>12522</b>	<b>7.21</b>	<b>189.65</b>

## DELIVERED PRICE COMPARISON (NOVEMBER 2015 - APRIL 2016)

Plant Operator Name	Reported Source Name	Quantity (000s tons)	Btu/lb	lbsSO2/mmBtu	Delivered Fuel Price Cents/mmBtu
Owensboro Municipal Utilities	YAGER MATERIALS	2	11029	4.19	124.00
Owensboro Municipal Utilities	WEST KY MINERALS	130	10891	5.57	196.54
Owensboro Municipal Utilities	SAMPSON COAL	0	9325	10.24	124.00
Owensboro Municipal Utilities	ROCKPORT RIVER TERMINAL	1	11419	3.53	124.00
Owensboro Municipal Utilities	PEABODY COAL SALES	101	11055	6.44	196.13
Owensboro Municipal Utilities	LR CHAPMAN	0	10396	6.98	124.00
Owensboro Municipal Utilities	KENAMERICA RESOURCES	11	11798	4.87	195.50
Owensboro Municipal Utilities	ARMSTRONG COAL	147	11589	5.20	195.39
Owensboro Municipal Utilities	ARMSTRONG	21	11863	4.74	199.00
		<b>412</b>	<b>11256</b>	<b>5.58</b>	<b>195.63</b>
Southern Indiana Gas & Electric Co	SUNRISE COAL SALES	725	11418	5.87	236.03
Southern Indiana Gas & Electric Co	ALLIANCE COAL	18	11584	4.78	216.10
		<b>743</b>	<b>11422</b>	<b>5.84</b>	<b>235.54</b>
Tennessee Valley Authority	PEABODY COAL SALES	1,804	10492	2.59	217.08
Tennessee Valley Authority	NOBLE ENERGY MARKETING	27	12120	1.62	227.87
Tennessee Valley Authority	KOPPER GLO	24	12687	2.05	235.65
Tennessee Valley Authority	KENAMERICA RESOURCES	685	11710	5.26	202.30
Tennessee Valley Authority	FORESIGHT COAL SALES	283	11620	4.62	207.80
Tennessee Valley Authority	EMERALD	17	12426	1.83	246.24
Tennessee Valley Authority	CLOUD PEAK	239	8854	0.75	230.25
Tennessee Valley Authority	BLUE DIAMOND MINING LLC	35	13128	1.45	221.27
Tennessee Valley Authority	BLACKHAWK MINING LLC	118	12570	1.28	266.05
Tennessee Valley Authority	ARMSTRONG COAL	769	11695	4.73	230.87
Tennessee Valley Authority	ARCH COAL SALES	1,416	8978	0.56	196.42
Tennessee Valley Authority	ARCH	2,119	8910	0.66	196.83
Tennessee Valley Authority	ALPHA COAL	11	12261	1.16	226.47
Tennessee Valley Authority	ALLIANCE COAL	1,402	11846	4.31	267.26
Tennessee Valley Authority	ALLIANCE COAL	878	12446	4.97	267.04
		<b>9,827</b>	<b>10522</b>	<b>2.68</b>	<b>225.09</b>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 10**

**Witness: Mike Dotson**

Q-10. State the percentage of LG&E's coal, as of the date of this Order, that is delivered by:

- a. Rail;
- b. Truck; or
- c. Barge.

- A-10. a. Rail – 50%
- b. Truck – 0%
  - c. Barge – 50%

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 11**

**Witness: Mike Dotson**

- Q-11. a. State LG&E's coal inventory level in tons and in number of days' supply as of April 30, 2016. Provide this information by generating station and in the aggregate.
- b. Describe the criteria used to determine number of days' supply.
- c. Compare LG&E's coal inventory as of April 30, 2016 to its inventory target for that date for each plant and for total inventory.
- d. If actual coal inventory exceeds inventory target by 10 days' supply, state the reasons for excessive inventory.
- e. (1) State whether LG&E expects any significant changes in its current coal inventory target within the next 12 months.
- (2) If yes, state the expected change and the reasons for this change.

A-11. a. As of April 30, 2016:

Mill Creek	919,062 Tons; 63 Days	Target 20-43 Days
Trimble County*	349,724 Tons; 65 Days	Target 21-44 Days
Total	1,268,786 Tons; 60 Days	Target 19-41 Days

\* Trimble County coal inventory includes both high sulfur coal, which is used in Units 1 and 2, and PRB coal, which is used only in Unit 2.

- b. The method of calculating days in inventory is based on each plant's coal burn capability (coal tons in inventory divided by 90% of each generating unit's heat input description from its air permit to operate).

Upper and lower tons/day targeted inventory days were established for each plant taking into consideration each plant's operating parameters. Each plants "least cost" inventory range is established annually during the planning process based on historical



coal burn/receipt variances, procurement reaction time for long-term fuel supply agreements, current coal and electricity prices offset by carrying and outage costs.

- c. See (a) above.
- d. A combination of low load and low gas prices caused system coal consumption to be lower than budget during the review period. Increased gas generation, primarily due to CR7, displaced coal-fired generation during the review period.
- e. (1) LG&E does not expect significant changes in its current coal inventory target levels; however, during the Companies' planning cycle minor adjustments may be made to the inventory targets if warranted.  
  
(2) Not applicable.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 12**

**Witness: Mike Dotson**

Q-12. a. State whether LG&E has audited any of its coal contracts during the period from November 1, 2015, through April 30, 2016.

b. If yes, for each audited contract:

(1) Identify the contract;

(2) Identify the auditor;

(3) State the results of the audit; and

(4) Describe the actions that LG&E took as a result of the audit.

A-12. a. No. LG&E has not conducted any financial audits of coal companies. LG&E's current coal contracts either contain a fixed price or a portion of the base contract price is adjusted using government published indices to reflect the changes in the cost. These agreements thus do not require audits. Either LG&E's Manager Fuels Technical Services or LG&E's Mining Engineer conducts scheduled on-site reviews and inspections of the mining operations, scales and sampling systems of each vendor up to twice a year, and likewise may conduct unscheduled visits. Additionally, LG&E employees may visit a vendor as needed to address problems and issues at any time.

As noted in previous filings, governmental impositions may be imposed on the mining industry. As claims for governmental impositions are received, LG&E reviews and may use consultants to review the claims.

Alliance Coal, LLC in accordance with the provisions of Section 8.3 New Impositions of Agreement J12007, requested a price increase for calendar year 2014. The Parties agreed to a settlement. A copy of the Settlement Agreement effective March 14, 2016

is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

b. Not applicable.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 13**

**Witness: Derek Rahn**

- Q-13. a. State whether LG&E has received any customer complaints regarding its FAC during the period from November 1, 2015, through April 30, 2016.
- b. If yes, for each complaint, state:
- (1) The nature of the complaint; and
  - (2) LG&E's response.
- A-13. a. No.
- b. Not applicable.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 14**

**Witness: Mike Dotson**

- Q-14. a. State whether LG&E is currently involved in any litigation with its current or former coal suppliers.
- b. If yes, for each litigation:
- (1) Identify the coal supplier;
  - (2) Identify the coal contract involved;
  - (3) State the potential liability or recovery to LG&E;
  - (4) List the issues presented; and
  - (5) Provide a copy of the complaint or other legal pleading that initiated the litigation and any answers or counterclaims. If a copy has previously been filed with the Commission, provide the date on which it was filed and the case in which it was filed.
- c. State the current status of all litigation with coal suppliers.
- A-14. a. LG&E is not involved in any litigation with its coal suppliers.
- b. Not applicable.
- c. Not applicable.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 15**

**Witness: Mike Dotson / Charles R. Schram**

- Q-15. a. During the period from November 1, 2015, through April 30, 2016, have there been any changes to LG&E's written policies and procedures regarding its fuel procurement?
- b. If yes:
- (1) Describe the changes;
  - (2) Provide the written policies and procedures as changed;
  - (3) State the date(s) the changes were made; and
  - (4) Explain why the changes were made.
- c. If no, provide the date LG&E's current fuel procurement policies and procedures were last changed, when they were last provided to the Commission, and identify the proceeding in which they were provided.
- A-15. a. No changes were made during the period referenced above to the Corporate Fuels and By-Products Procurement Procedures or to the Power Supply Commodity Policy – Natural Gas Fuel for Generation.
- b. Not applicable.
- c. The Corporate Fuels and By-Products Procurement Procedures were last changed effective August 1, 2015 and were provided to the Commission in response to Question No. 15 in Case No. 2016-00004. The Power Supply Commodity Policy – Natural Gas Fuel for Generation was executed effective February 1, 2016, and was provided to the Commission in response to Question No. 15 in Case No. 2016-00004.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 16**

**Witness: Mike Dotson / Charles R. Schram**

- Q-16. a. State whether LG&E is aware of any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the period from November 1, 2015, through April 30, 2016.
- b. If yes, for each violation:
- (1) Describe the violation;
  - (2) Describe the action(s) that LG&E took upon discovering the violation; and
  - (3) Identify the person(s) who committed the violation.
- A-16. a. No.
- b. Not applicable.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 17**

**Witness: Mike Dotson / Charles R. Schram**

Q-17. Identify and explain the reasons for all changes in the organizational structure and personnel of the departments or divisions that are responsible for LG&E's fuel procurement activities that occurred during the period from November 1, 2015, through April 30, 2016.

A-17. Changes that occurred in the Corporate Fuels and By-Products Department:

Bill Gilbert, Sr. Fuels and Transportation Administrator retired December 31, 2015; Tedra Thomas joined the department on October 21, 2015 as Fuels Administrator II.

See attached Department Organization Chart as of May 2016.

Changes that occurred in the Power Supply Department:

Aaron Tolliver joined the department as Associate Trader on February 18, 2016.

Wayne Jackson, Sr. Trader, retired February 29, 2016.

Alexander Greenwell joined the department as Associate Trader on March 14, 2016.

Ray Snyder, Sr. Trader, retired March 31, 2016.

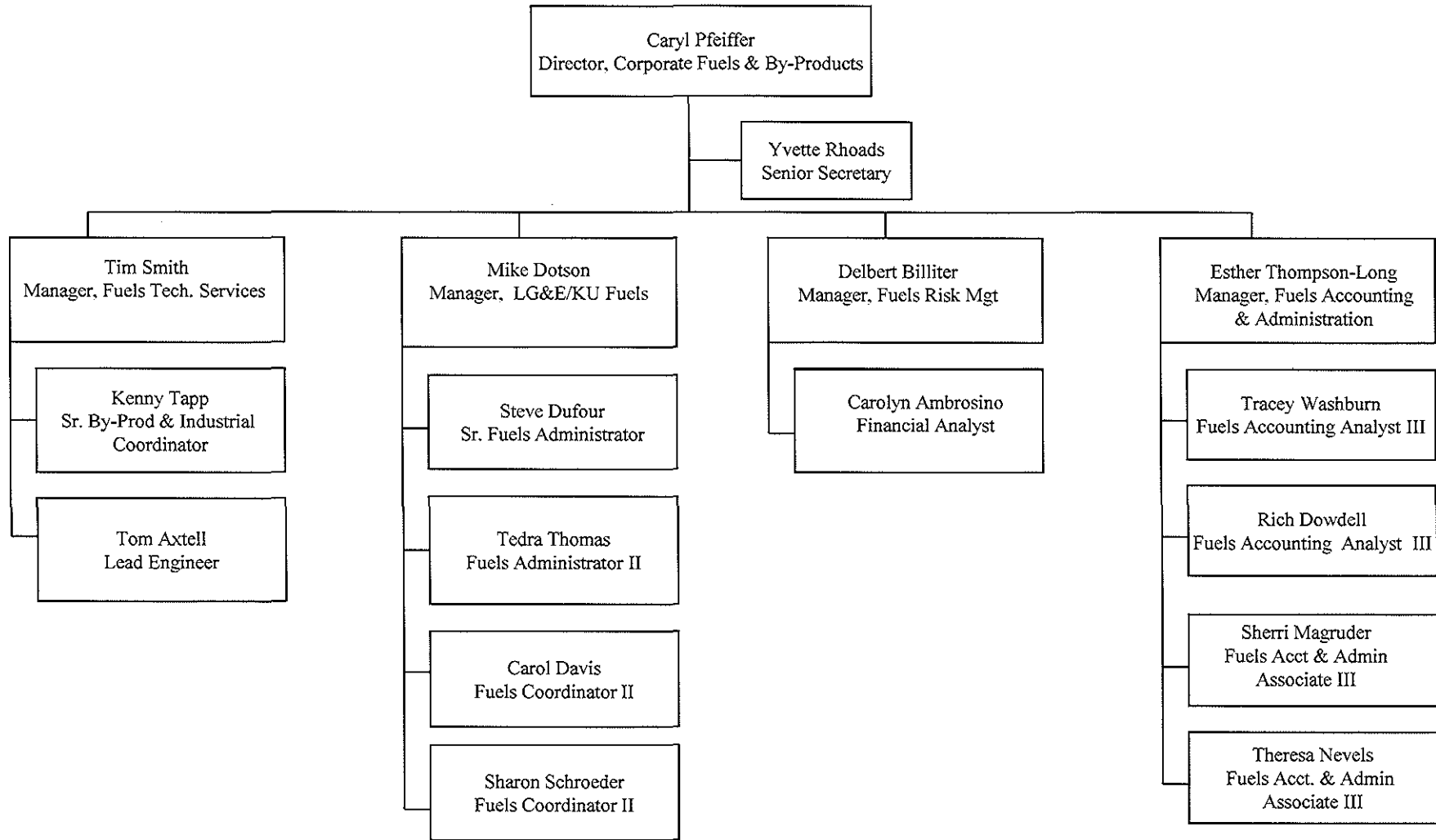
Charles Schram replaced Bob Brunner as Director Power Supply upon Brunner's retirement on April 30, 2016.

See attached Department Organization Chart as of April 2016.



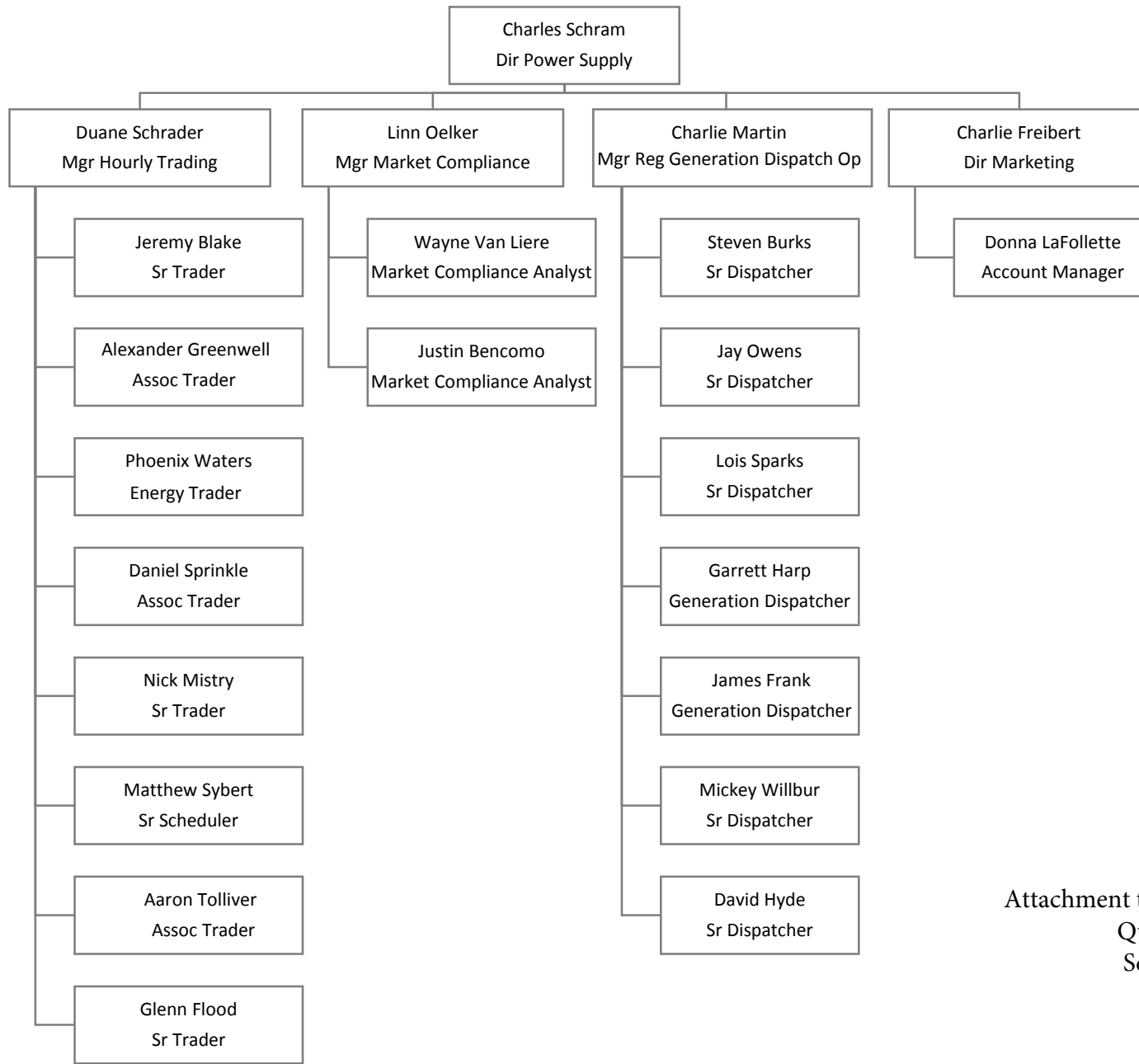
# Corporate Fuels and By-Products

## May, 2016



# Power Supply

## April, 2016



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 18**

**Witness: Eileen Saunders**

- Q-18. a. Identify all changes that LG&E has made during the period under review to its maintenance and operation practices that also affect fuel usage at LG&E's generation facilities.
- b. Describe the impact of these changes on LG&E's fuel usage.
- A-18. a. None.
- b. Not applicable.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 19**

**Witness: Mike Dotson**

Q-19. List each written coal supply solicitation issued during the period from November 1, 2015, through April 30, 2016.

- a. For each solicitation, provide the date of the solicitation, the type of solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranked the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection. For each lowest-cost bid not selected, explain why the bid was not selected.

A-19. SOLICITATION 1

The final selection of the vendors who responded to the solicitation dated September 22, 2015 was completed for Middlings Spot Order for 2016 and was filed in Case No. 2016-00003. The responses for 2016 and beyond were not completed at the time the data responses were filed for high sulfur coal. The requested information for the selected vendors is provided below for the high sulfur purchases for 2017 -2019.

- a. Date: September 22, 2015  
Contract/Spot: Term or Spot  
Quantities: No minimum or maximum specified  
Quality: Suitable for KU's Ghent Station and LG&E's Trimble County and Mill Creek Stations  
Period: 2016 – Spot;  
2017 and beyond - Term  
Generating Units: KU's Ghent Station and LG&E's Trimble County and Mill Creek Stations

- b. Number of vendors receiving bids: 121  
Number of vendors responded: 15 companies / 20 offers  
Selected vendor(s): The vendor(s) selected were based upon the lowest evaluated delivered cost.

High Sulfur Term

Alliance Coal Sales – J17002

Alpha Coal Sales – J17001

The bid analysis information is confidential and proprietary information and is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

**SOLICITATION 2**

- a. Date: March 2, 2016  
Contract/Spot: Contract or Spot  
Quantities: No minimum or maximum specified  
Quality: Suitable for KU's Ghent Station and LG&E's Trimble County and Mill Creek Stations  
Period: April through December 2016 – Spot  
2017 and beyond - Contract  
Generating Units: KU's Ghent Station and LG&E's Trimble County and Mill Creek Stations
- b. Number of vendors receiving bids: 122  
Number of vendors responded: 22 companies / 46 offers  
Selected vendor(s): The vendor(s) selected were based upon the lowest evaluated delivered cost.

Coal Middlings - Spot

Arch Coal Sales Company – J17003

The final selection of the vendor(s) for high sulfur coal for the period of 2017 -2022 from the bids are in negotiations and are still in progress. The name of the selected vendors and supporting bid tabulation will be provided to the Commission after the negotiations are completed and the agreements signed.

The bid analysis information is confidential and proprietary information and is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 20**

**Witness: Mike Dotson**

- Q-20. List each oral coal-supply solicitation issued during the period from November 1, 2015, through April 30, 2016.
- a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
  - b. For each solicitation, identify all vendors solicited and the vendor selected. Provide the tabulation sheet or other document that ranks the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection. For each lowest-cost bid not selected, explain why the bid was not selected.
- A-20. LG&E did not issue any oral solicitation.
- a. Not applicable
  - b. Not applicable.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 21**

**Witness: Derek Rahn**

- Q-21. a. List all intersystem sales during the period under review in which LG&E used a third party's transmission system.
- b. For each sale listed above:
- (1) Describe the effect on the FAC calculation of line losses related to intersystem sales when using a third party's transmission system; and
  - (2) State the line-loss factor used for each transaction and describe how that line loss factor was determined.
- A-21. a. There were no inter-system sales from November 1, 2015 through April 30, 2016, which required a third party's transmission system.
- b. Line losses related to inter-system sales are calculated using a loss factor of 0.5% whether the inter-system sale requires a third party transmission system or not. LG&E continues to use a line loss factor of 0.5% to determine the cost of fuel associated with line losses incurred to make an inter-system sale and recovered from such sale consistent with the Commission's June 7, 2013, Amended Order in Case No. 2012-00553.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 22**

**Witness: Derek Rahn**

- Q-22. a. Describe the effect on the FAC calculation of line losses related to intersystem sales when not using a third party's transmission system.
- b. Describe each change that LG&E made to its methodology for calculating intersystem sales line losses during the period under review.
- A-22. a. Line losses related to inter-system sales are calculated using a loss factor of 0.5% whether the inter-system sale requires a third party transmission system or not.
- b. There have been no changes regarding the calculation of losses associated with inter-system sales. LG&E continues to use a line loss factor of 0.5% to determine the cost of fuel associated with line losses incurred to make an inter-system sale and recovered from such sale consistent with the Commission's June 7, 2013, Amended Order in Case No. 2012-00553.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 23**

**Witness: Mike Dotson**

Q-23. State whether, during the period under review, LG&E has solicited bids for coal with the restriction that it was not mined through strip mining or mountaintop removal. If yes, explain the reasons for the restriction on the solicitation, the quantity in tons and price per ton of the coal purchased as a result of this solicitation, and the difference between the price of this coal and the price it could have obtained for the coal if the solicitation had not been restricted.

A-23. LG&E has not solicited bids with this restriction.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 24**

**Witness: Eileen Saunders**

- Q-24. Provide a detailed discussion of any specific generation efficiency improvements LG&E has undertaken during the period under review.
- A-24. LG&E strives to maintain unit efficiency through routine cyclic planned outage maintenance. This maintenance work continues to focus on reestablishing expected turbine efficiency degraded since the previous outage. Additionally, LG&E maintains unit efficiency through continuous monitoring of all plant systems during operation. LG&E contracts Black and Veatch to provide this monitoring on larger units to identify trends which indicate a potential efficiency loss of any system component. Black and Veatch sends notification to the generating stations which track the potential issue through resolution. In evaluating potential major component projects or replacements that may impact efficiency, LG&E must balance any potential efficiency benefit associated with the project against both costs and potential implications under the Clean Air Act. LG&E has not realized any efficiency improvements through major component projects during this period.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 25**

**Witness: Charles R. Schram / Mike Dotson**

- Q-25. State whether all long-term fuel contracts related to commodity and/or transportation have been filed with the Commission. If any contracts have not been filed, explain why they have not been filed and provide a copy.
- A-25. All long-term coal and coal transportation contracts, as well as all long-term gas transportation contracts, have been filed with the Commission.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 26**

**Witness: Charles R. Schram**

Q-26. Refer to 807 KAR 5:056, Sections 1 (3)(a), 1 (3)(b), and 1 (4), relating to forced outages. State whether LG&E interprets these sections of the regulation to mean that, during a forced outage (as defined by the regulation), the amount recoverable through the FAC is the lesser of the assigned cost of power (the cost of fuel that would have been used in plants suffering a forced outage) and the substitute cost of power. If yes, explain in detail how LG&E calculates the assigned cost of fuel during a forced outage. If no, explain in detail how LG&E interprets the regulation related to forced outages and how it calculates the assigned cost of fuel during a forced outage.

A-26. LG&E calculates the amount recovered through FAC based on the cost of fuel that would have been used at the unit(s) during the outage period, but the recoverable amount each month is capped at the cost of substitute power in the event that the total cost of substitute power is less than the total cost of fuel that would have been used at the unit(s) on forced outage.

The assigned fuel cost for the unit on forced outage is calculated as the unit's fuel cost per MWh multiplied by the unit's lost MWh during the outage. The lost MWh equals the MWh the unit would have produced at that unit's typical production rate during the outage period. The MWh lost during the outage is calculated by obtaining the average MW/hr of generation over the prior seven days of typical operation for the unit multiplied by the number of outage hours.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Information Requested in Appendix of  
Commission's Order Dated August 12, 2016**

**Case No. 2016-00233**

**Question No. 27**

**Witness: Charles R. Schram**

- Q-27. State whether LG&E had any firm natural gas transportation service to any of its generating units during the period under review.
- a. If yes, state which, if any, of the following fees and/or adjustments are included for recovery through the FAC: Reservations fees; Transportation Cost Rate Adjustment; Electric Power Costs Adjustment; Operational Transaction Rate Adjustment; and, Capital Cost Recovery Mechanism.
  - b. If any of the fees listed in subpart a. are included for recovery through the FAC, provide the following:
    - (1) Whether the amount of the fees/adjustments differ if the generating unit supplied with firm natural gas transportation service operates or does not operate during the month.
    - (2) Whether these fees/adjustments are allocated to both native load and off-system sales.
- A-27. Yes. LG&E had firm natural gas transportation for Cane Run 7 and the Trimble County CTs. These units are jointly owned with KU.
- a. The firm gas transportation costs (reservation fees) are recovered through the FAC.
  - b. (1) Natural gas transportation costs are recorded to inventory and are charged to expense based on each unit's generation and/or ownership percentage.
    - (2) Firm gas transportation services support reliability for native load customers. The transportation costs are allocated to native load sales based on the ownership percentage of the applicable unit(s). The fees are not translated to a cost per MWh of energy.