KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 24

Responding Witness: Christopher M. Garrett

Q.1-24. For each taxing authority to which aggregate property tax payments exceeding $10,000 were made in 2016, please indicate whether there is a period of temporary abatement of taxes during the construction phase of assets to he placed in service. If so, please describe in detail.

A.1-24. There is no period of temporary abatement of taxes during the construction phase of assets to be placed in service. Items in CWIP have historically been subject to property tax.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 25

Responding Witness: Christopher M. Garrett

Q.1-25. Please provide a schedule showing how property taxes were computed for the base year and include copies of all workpapers used to determine the amount in electronic format with all formulas intact.

A.1-25. See the attachment being provided in Excel format.

The attachment is being provided in a separate file in Excel format.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 26

Responding Witness: Christopher M. Garrett

Q.1-26. Please provide a schedule showing how property taxes were computed for the test year and include copies of all workpapers used to determine the amount in electronic format with all formulas intact.

A.1-26. See the response to Question No. 25.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 27

Responding Witness: Valerie L. Scott

Q.1-27. Please provide a schedule of the amortization expense associated with each regulatory asset for (a) each year 2012 through 2016, (b) the base year and (c) the test year. Provide the balance of each regulatory asset at the beginning and end of each of those years, the amortization period that was used in each of those years, and the FERC accounts utilized to record the amortization expense. In addition, please source the amortization period to the Case No. in which the Commission approved the recovery and the amortization period, if any.

A.1-27. See attached. Also see the response to PSC 1-8.

Account	Description	Account Used for Amortization	Amortization Period	Order No. / Docket No.
182320/182345	WINTER STORM 2009 - ELECTRIC	571/593	Aug-10 to Jul-20	KPSC 2009-00174 KPSC 2009-00548 KPSC 2012-00221 KPSC 2014-00371
182321	MISO EXIT FEE	440-445	Mar-09 to Dec-14	KPSC 2003-00266 KPSC 2008-00251 FERC ER13-2428-000 FERC EL14-5-000 FERC EC06-4-000 FERC EC06-4-001 FERC ER06-20-000 FERC ER06-20-001
182322/182335	RATE CASE EXPENSES - ELECTRIC	928	Jan-13 to Jun-18	KPSC 2009-00548 KPSC 2012-00222 KPSC 2014-00371 307 U.S. at 120-121 294 U.S. at 73
182324/182337	EKPC FERC TRANSMISSION COST - KY PORTION		Mar-09 to Feb-14	FERC ER06-1458
182332/182348	CARBON MANAGEMENT RESEARCH GROUP	930	Aug-10 to Jul-20	KPSC 2008-00308 KPSC 2009-00548 KPSC 2012-00221 KPSC 2014-00371
182333/182349	KY CONSORTIUM FOR CARBON STORAGE	930	Aug-10 to Jul-14	KPSC 2009-00548
182334/182347	WIND STORM 2008	593	Aug-10 to Jul-20	KPSC 2008-00457 KPSC 2009-00548 KPSC 2012-00221 KPSC 2014-00371
182339	MOUNTAIN STORM - ELECTRIC	593	Nov-11 to Dec-17	VSCC PUE 2011-00013 VSCC PUE 2013-00013 VSCC PUE-2015-00063
182364/182371	FORWARD STARTING SWAP LOSSES	427	Ranging maturities from Sep-15 to Oct-45	KPSC 2014 - 00082 KPSC 2014-00371
182359	GENERAL MANAGEMENT AUDIT - ELECTRIC	928	Jan-13 to Dec-15	KPSC 2012-00222
182367	REG ASSET - MUNI MISO EXIT FEE	440-445	Jul-15 to May-17	FERC ER13-2428-000 FERC EL14-5-000 FERC EC06-4-000 FERC EC06-4-001 FERC ER06-20-000 FERC ER06-20-001
182313	PENSION GAIN/LOSS AMORTIZATION-15 YEAR	926	Rolling 15 years	KPSC 2014-00371
182369	GREEN RIVER RETIREMENT	408, 500-514, 925-92(	Jul-15 to Jun-18	KPSC 2014-00371

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Amortization of Regulatory Assets

		2012			
Account	Description	Beginning Balance	Annual Activity	Amortization	Ending Balance
182320/182345	WINTER STORM 2009 - ELECTRIC	49,128,218	-	(5,723,676)	43,404,542
182321	MISO EXIT FEE	3,643,950	-	(1,345,267)	2,298,683
182322/182335	RATE CASE EXPENSES - ELECTRIC	1,140,004	1,654,125	(748,283)	2,045,847
182324/182337	EKPC FERC TRANSMISSION COST - KY PORTION	725,177	-	(334,697)	390,480
182332/182348	CARBON MANAGEMENT RESEARCH GROUP	162,197	102,440	(102,440)	162,197
182333/182349	KY CONSORTIUM FOR CARBON STORAGE	595,433	-	(230,490)	364,943
182334/182347	WIND STORM 2008	1,884,485	-	(219,552)	1,664,933
182339	MOUNTAIN STORM - ELECTRIC	5,840,281	-	(1,208,334)	4,631,947
182364/182371	FORWARD STARTING SWAP LOSSES				
182359	GENERAL MANAGEMENT AUDIT - ELECTRIC	140,906	1,615	-	142,521
182367	REG ASSET - MUNI MISO EXIT FEE	-	-	-	-
182313	PENSION GAIN/LOSS AMORTIZATION-15 YEAR	-	-	-	-
182369	GREEN RIVER RETIREMENT	-	-	-	-

			2013		
Account	Description	Beginning Balance	Annual Activity	Amortization	Ending Balance
182320/182345	WINTER STORM 2009 - ELECTRIC	43,404,542	-	(5,723,676)	37,680,866
182321	MISO EXIT FEE	2,298,683	(382,728)	(127,069)	1,788,886
182322/182335	RATE CASE EXPENSES - ELECTRIC	2,045,847	116	(943,097)	1,102,866
182324/182337	EKPC FERC TRANSMISSION COST - KY PORTION	390,480	-	(334,697)	55,783
182332/182348	CARBON MANAGEMENT RESEARCH GROUP	162,197	122,000	(102,440)	181,757
182333/182349	KY CONSORTIUM FOR CARBON STORAGE	364,943	-	(230,490)	134,453
182334/182347	WIND STORM 2008	1,664,933	-	(219,552)	1,445,382
182339	MOUNTAIN STORM - ELECTRIC	4,631,947	-	(1,208,334)	3,423,613
182364/182371	FORWARD STARTING SWAP LOSSES	-			-
182359	GENERAL MANAGEMENT AUDIT - ELECTRIC	142,521	-	(47,507)	95,014
182367	REG ASSET - MUNI MISO EXIT FEE	-	-	-	-
182313	PENSION GAIN/LOSS AMORTIZATION-15 YEAR	-	-	-	-
182369	GREEN RIVER RETIREMENT	-	-	-	-

			2014		
Account	Description	Beginning Balance	Annual Activity	Amortization	Ending Balance
182320/182345	WINTER STORM 2009 - ELECTRIC	37,680,866	-	(5,723,676)	31,957,190
182321	MISO EXIT FEE	1,788,886	(1,679,029)	(109,857)	-
182322/182335	RATE CASE EXPENSES - ELECTRIC	1,102,866	1,357,905	(551,375)	1,909,396
182324/182337	EKPC FERC TRANSMISSION COST - KY PORTION	55,783	-	(55,783)	-
182332/182348	CARBON MANAGEMENT RESEARCH GROUP	181,757	122,000	(141,560)	162,197
182333/182349	KY CONSORTIUM FOR CARBON STORAGE	134,453	-	(134,453)	-
182334/182347	WIND STORM 2008	1,445,382	-	(219,552)	1,225,830
182339	MOUNTAIN STORM - ELECTRIC	3,423,613	-	(1,208,334)	2,215,279
182364/182371	FORWARD STARTING SWAP LOSSES	-	33,287,299	-	33,287,299
182359	GENERAL MANAGEMENT AUDIT - ELECTRIC	95,014	-	(47,507)	47,507
182367	REG ASSET - MUNI MISO EXIT FEE	-	1,208,048	-	1,208,048
182313	PENSION GAIN/LOSS AMORTIZATION-15 YEAR	-	-	-	-
182369	GREEN RIVER RETIREMENT	-	-	-	-

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Amortization of Regulatory Assets

		2015			
Account	Description	Beginning Balance	Annual Activity	Amortization	Ending Balance
182320/182345	WINTER STORM 2009 - ELECTRIC	31,957,190	-	(5,723,676)	26,233,515
182321	MISO EXIT FEE	-			-
182322/182335	RATE CASE EXPENSES - ELECTRIC	1,909,396	554,664	(870,322)	1,593,738
182324/182337	EKPC FERC TRANSMISSION COST - KY PORTION	-			-
182332/182348	CARBON MANAGEMENT RESEARCH GROUP	162,197	224,440	(224,440)	162,197
182333/182349	KY CONSORTIUM FOR CARBON STORAGE	-			-
182334/182347	WIND STORM 2008	1,225,830	-	(219,552)	1,006,278
182339	MOUNTAIN STORM - ELECTRIC	2,215,279	-	(1,208,334)	1,006,945
182364/182371	FORWARD STARTING SWAP LOSSES	33,287,299	43,065,873	(33,287,299)	43,065,873
182359	GENERAL MANAGEMENT AUDIT - ELECTRIC	47,507	-	(47,507)	-
182367	REG ASSET - MUNI MISO EXIT FEE	1,208,048	77,758	(563,539)	722,267
182313	PENSION GAIN/LOSS AMORTIZATION-15 YEAR	-	4,544,466	-	4,544,466
182369	GREEN RIVER RETIREMENT	-	6,457,622	-	6,457,622

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Amortization of Regulatory Assets

		2016			
Account	Description	Beginning Balance	Annual Activity	Amortization	Ending Balance
182320/182345	WINTER STORM 2009 - ELECTRIC	26,233,515	-	(5,723,676)	20,509,839
182321	MISO EXIT FEE	-			-
182322/182335	RATE CASE EXPENSES - ELECTRIC	1,593,738	4,486,484	(2,812,290)	3,267,932
182324/182337	EKPC FERC TRANSMISSION COST - KY PORTION	-			-
182332/182348	CARBON MANAGEMENT RESEARCH GROUP	162,197	224,440	(224,440)	162,197
182333/182349	KY CONSORTIUM FOR CARBON STORAGE	-			-
182334/182347	WIND STORM 2008	1,006,278	-	(219,552)	786,727
182339	MOUNTAIN STORM - ELECTRIC	1,006,945	-	(534,119)	472,826
182364/182371	FORWARD STARTING SWAP LOSSES	43,065,873		(2,397,988)	40,667,885
182359	GENERAL MANAGEMENT AUDIT - ELECTRIC	-			-
182367	REG ASSET - MUNI MISO EXIT FEE	722,267	240,683	(814,536)	148,414
182313	PENSION GAIN/LOSS AMORTIZATION-15 YEAR	4,544,466	4,624,843	(361,502)	8,807,807
182369	GREEN RIVER RETIREMENT	6,457,622	(2,583,049)		3,874,573

Account	Description	Forecast Base Period (3/16 - 2/17) Beginning Balance	Annual Activity	Ending Balance
182320/182345	WINTER STORM 2009 - ELECTRIC	25,280,000	(5,724,000)	19,556,000
182321	MISO EXIT FEE	-	-	-
182322/182335	RATE CASE EXPENSES - ELECTRIC	1,487,000	877,000	2,364,000
182324/182337	EKPC FERC TRANSMISSION COST - KY PORTION	-	-	-
182332/182348	CARBON MANAGEMENT RESEARCH GROUP	248,000	-	248,000
182333/182349	KY CONSORTIUM FOR CARBON STORAGE	-	-	-
182334/182347	WIND STORM 2008	970,000	(220,000)	750,000
182339	MOUNTAIN STORM - ELECTRIC	866,000	(472,000)	394,000
182364/182371	FORWARD STARTING SWAP LOSSES	42,673,000	(2,392,000)	40,281,000
182359	GENERAL MANAGEMENT AUDIT - ELECTRIC	-	-	-
182367	REG ASSET - MUNI MISO EXIT FEE	642,000	(574,000)	68,000
182313	PENSION GAIN/LOSS AMORTIZATION-15 YEAR	4,544,000	4,006,000	8,550,000
182369	GREEN RIVER RETIREMENT	6,027,000	(2,583,000)	3,444,000

Account	Description	Forecast Test Period (7/17 - 6/18) Beginning Balance	Annual Activity	Ending Balance
182320/182345	WINTER STORM 2009 - ELECTRIC	17,171,000	(5,247,000)	11,924,000
182321	MISO EXIT FEE	-	-	-
182322/182335	RATE CASE EXPENSES - ELECTRIC	2,463,000	(1,194,000)	1,269,000
182324/182337	EKPC FERC TRANSMISSION COST - KY PORTION	-	-	-
182332/182348	CARBON MANAGEMENT RESEARCH GROUP	213,000	-	213,000
182333/182349	KY CONSORTIUM FOR CARBON STORAGE	-	-	-
182334/182347	WIND STORM 2008	677,000	(220,000)	457,000
182339	MOUNTAIN STORM - ELECTRIC	236,000	(236,000)	-
182364/182371	FORWARD STARTING SWAP LOSSES	39,482,000	(2,391,000)	37,091,000
182359	GENERAL MANAGEMENT AUDIT - ELECTRIC	-	-	-
182367	REG ASSET - MUNI MISO EXIT FEE	-	-	-
182313	PENSION GAIN/LOSS AMORTIZATION-15 YEAR	12,929,000	7,532,000	20,461,000
182369	GREEN RIVER RETIREMENT	2,583,000	(1,409,000)	1,174,000

Account	Description	Account Used for Amortization	Amortization Period	Order No. / Docket No.
	AMS REGULATORY ASSET (a)			
182305/182315	ASC 715 - PENSION AND POSTRETIREMENT	926	Ongoing	KPSC 2003-00434 KPSC 2008-00251 KPSC 2009-00548 KPSC 2012-00221 KPSC 2014-00371 FERC AI04-2-000 FERC AI07-1-000
182328-182331	ASC 740 - INCOME TAXES	282/283	Ongoing	KPSC 2005-00181 KPSC 2006-00456 KPSC 2009-00548 KPSC 2012-00221 KPSC 2014-00371
182317-18/182325	ASSET RETIREMENT OBLIGATION	407	Ongoing	KPSC 2003-00427 KPSC 2003-00434 KPSC 2008-00251 KPSC 2009-00548 KPSC 2012-00221 KPSC 2014-00371 FERC FA 12-12-000 FERC ER08-1588-000 VSCC PUE 2011-00013 VSCC PUE 2013-00013 VSCC PUE 2015-00063
182372 - 182380	ARO - GENERATION - COAL COMBUSTION RESIDUALS (b)	407	Jul-16 to Jun-26 Jul-16 to Jun-41	KPSC 2003-00427 KPSC 2003-00434 KPSC 2008-00251 KPSC 2009-00548 KPSC 2012-00221 KPSC 2014-00371 FERC FA 12-12-000 FERC ER08-1588-000 VSCC PUE 2011-00013 VSCC PUE 2013-00013 VSCC PUE 2015-00063 KPSC 2016-00026 FERC ER17-234-000
182311	FERC JURISDICTIONAL PENSION EXPENSES	926	Ongoing	FERC AI04-2-000 FERC AI07-1-000
182356	VA FUEL COMPONENT	440-445	Ongoing	Title 56 of the Code of Virginia, Chapter 10; Section 56-249.6
182363	DSM COST RECOVERY	440-445, 480-482, 48	Ongoing	KRS 278.285
182307	ENVIRONMENTAL COST RECOVERY	440-445	Ongoing	KRS 278.183
182306	FUEL ADJUSTMENT CLAUSE	803	Ongoing	807 KAR 5:056
182366	MUNICIPAL FORMULA RATE TRUE-UP	447	Ongoing	FERC ER-13-2428
182370	OFF-SYSTEM TRACKER	440-445	Ongoing	KPSC 2014-00371
KU Regulatory Assets Total				

a) Business Plan assumed a regulatory asset would be recorded as retirements of meters occurred. Since then the Company determined it should establish a regulatory asset at the end of the
b) ARO CCR detail is not available from the Business Plan in UI Planner - detail is combined in the ARO line item
* These balances are a result of netting the regulatory asset and the regulatory liability in the forecast - the net balance was a regulatory liability

Account	Description	2012 Beginning Balance	Annual Activity	Amortization	Ending Balance
	AMS REGULATORY ASSET (a)				
182305/182315	ASC 715 - PENSION AND POSTRETIREMENT	113,264,146	30,318,408	(7,539,817)	136,042,737
182328-182331	ASC 740 - INCOME TAXES	75,212,355	33,090	(2,415,064)	72,830,381
182317-18/182325	ASSET RETIREMENT OBLIGATION	7,421,292	15,399,231	(11,591,122)	11,229,401
182372 - 182380	ARO - GENERATION - COAL COMBUSTION RESIDUALS (b)	-	-	-	-
182311	FERC JURISDICTIONAL PENSION EXPENSES	5,875,853	793,470	(2,562)	6,666,761
182356	VA FUEL COMPONENT	3,794,000	1,702,000	(1,853,000)	3,643,000
182363	DSM COST RECOVERY	-	1,008,008	(606,096)	401,912
182307	ENVIRONMENTAL COST RECOVERY	-	-	-	-
182306	FUEL ADJUSTMENT CLAUSE	-	-	-	-
182366	MUNICIPAL FORMULA RATE TRUE-UP	-	-	-	-
182370	OFF-SYSTEM TRACKER	-	-	-	-
KU Regulatory Assets Total		268,828,296	51,012,386	(33,920,399)	285,920,284

a) Business Plan assumed a regulatory asset would be recorded as retirements of meters occurred. meter replacement
b) ARO CCR detail is not available from the Business Plan in UI Planner - detail is combined in t
* These balances are a result of netting the regulatory asset and the regulatory liability in the forec

		2013			
Account	Description	Beginning Balance	Annual Activity	Amortization	Ending Balance
	AMS REGULATORY ASSET (a)	-			
182305/182315	ASC 715 - PENSION AND POSTRETIREMENT	136,042,737	12,304,469	(60,493,548)	87,853,658
182328-182331	ASC 740 - INCOME TAXES	72,830,381	249,447	(1,803,509)	71,276,319
182317-18/182325	ASSET RETIREMENT OBLIGATION	11,229,401	12,208,433	(879,757)	22,558,077
182372 - 182380	ARO - GENERATION - COAL COMBUSTION RESIDUALS (b)	-	-	-	-
182311	FERC JURISDICTIONAL PENSION EXPENSES	6,666,761	-	(6,666,761)	-
182356	VA FUEL COMPONENT	3,643,000	64,000	(3,707,000)	-
182363	DSM COST RECOVERY	401,912	6,578,440	(1,633,843)	5,346,509
182307	ENVIRONMENTAL COST RECOVERY	-	6,763,123	(2,127,797)	4,635,326
182306	FUEL ADJUSTMENT CLAUSE	-	-	-	-
182366	MUNICIPAL FORMULA RATE TRUE-UP	-	-	-	-
182370	OFF-SYSTEM TRACKER	-	-	-	-
KU Regulatory Assets Total		285,920,284	37,907,300	(86,249,076)	237,578,508

a) Business Plan assumed a regulatory asset would be recorded as retirements of meters occurred.
b) ARO CCR detail is not available from the Business Plan in UI Planner - detail is combined in t
* These balances are a result of netting the regulatory asset and the regulatory liability in the forec

Account	Description	Beginning Balance	2014 Annual Activity	Amortization	Ending Balance
	AMS REGULATORY ASSET (a)	-			
182305/182315	ASC 715 - PENSION AND POSTRETIREMENT	87,853,658	49,839,661	(4,725,090)	132,968,229
182328-182331	ASC 740 - INCOME TAXES	71,276,319	1,106,327	(1,917,617)	70,465,029
182317-18/182325	ASSET RETIREMENT OBLIGATION	22,558,077	28,905,698	(708,077)	50,755,698
182372 - 182380	ARO - GENERATION - COAL COMBUSTION RESIDUALS (b)	-	-	-	-
182311	FERC JURISDICTIONAL PENSION EXPENSES	-	-	-	-
182356	VA FUEL COMPONENT	-	-	-	-
182363	DSM COST RECOVERY	5,346,509	2,316,317	(7,662,826)	-
182307	ENVIRONMENTAL COST RECOVERY	4,635,326	2,007,000	(5,839,326)	803,000
182306	FUEL ADJUSTMENT CLAUSE	-	12,320,000	(9,856,000)	2,464,000
182366	MUNICIPAL FORMULA RATE TRUE-UP	-	-	-	-
182370	OFF-SYSTEM TRACKER	-	-	-	-
KU Regulatory Assets Total		237,578,508	130,791,225	(38,901,032)	329,468,702

a) Business Plan assumed a regulatory asset would be recorded as retirements of meters occurred.
b) ARO CCR detail is not available from the Business Plan in UI Planner - detail is combined in t
* These balances are a result of netting the regulatory asset and the regulatory liability in the forec

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Amortization of Regulatory Assets

		2015			
Account	Description	Beginning Balance	Annual Activity	Amortization	Ending Balance
	AMS REGULATORY ASSET (a)	-			
182305/182315	ASC 715 - PENSION AND POSTRETIREMENT	132,968,229	12,508,031	(24,770,247)	120,706,013
182328-182331	ASC 740 - INCOME TAXES	70,465,029	1,420,946	(1,924,923)	69,961,052
182317-18/182325	ASSET RETIREMENT OBLIGATION	50,755,698	54,140,172	(19,201,691)	85,694,179
182372 - 182380	ARO - GENERATION - COAL COMBUSTION RESIDUALS (b)	-		-	-
182311	FERC JURISDICTIONAL PENSION EXPENSES	-	-	-	-
182356	VA FUEL COMPONENT	-	-	-	-
182363	DSM COST RECOVERY	-	-	-	-
182307	ENVIRONMENTAL COST RECOVERY	803,000	11,590,000	(1,337,000)	11,056,000
182306	FUEL ADJUSTMENT CLAUSE	2,464,000	-	(2,464,000)	-
182366	MUNICIPAL FORMULA RATE TRUE-UP	-	15,563,209	(8,622,209)	6,941,000
182370	OFF-SYSTEM TRACKER	-	-	-	-
KU Regulatory Assets Total		329,468,702	150,147,181	(100,464,738)	379,151,144

a) Business Plan assumed a regulatory asset would be recorded as retirements of meters occurred.
b) ARO CCR detail is not available from the Business Plan in UI Planner - detail is combined in t
* These balances are a result of netting the regulatory asset and the regulatory liability in the forec

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Amortization of Regulatory Assets

		2016			
Account	Description	Beginning Balance	Annual Activity	Amortization	Ending Balance
	AMS REGULATORY ASSET (a)	-			
182305/182315	ASC 715 - PENSION AND POSTRETIREMENT	120,706,013	7,190,261	(8,243,980)	119,652,294
182328-182331	ASC 740 - INCOME TAXES	69,961,052	2,446,697	(2,491,238)	69,916,511
182317-18/182325	ASSET RETIREMENT OBLIGATION	85,694,179	42,762,892	(118,135,322)	10,321,749
182372 - 182380	ARO - GENERATION - COAL COMBUSTION RESIDUALS (b)	-	131,600,004	(573,002)	131,027,002
182311	FERC JURISDICTIONAL PENSION EXPENSES	-	-	-	-
182356	VA FUEL COMPONENT	-	-	-	-
182363	DSM COST RECOVERY	-	-	-	-
182307	ENVIRONMENTAL COST RECOVERY	11,056,000	2,098,000	(13,154,000)	-
182306	FUEL ADJUSTMENT CLAUSE	-			-
182366	MUNICIPAL FORMULA RATE TRUE-UP	6,941,000	16,548,565	(13,217,897)	10,271,668
182370	OFF-SYSTEM TRACKER	-	-	-	-
KU Regulatory Assets Total		379,151,144	209,639,821	(168,903,541)	419,887,424

a) Business Plan assumed a regulatory asset would be recorded as retirements of meters occurred.
b) ARO CCR detail is not available from the Business Plan in UI Planner - detail is combined in t
* These balances are a result of netting the regulatory asset and the regulatory liability in the forec

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Amortization of Regulatory Assets

Account	Description	Forecast Base Period (3/16 - 2/17) Beginning Balance	Annual Activity	Ending Balance
	AMS REGULATORY ASSET (a)			
182305/182315	ASC 715 - PENSION AND POSTRETIREMENT	120,706,013	43,867,987	164,574,000
182328-182331	ASC 740 - INCOME TAXES	404,000	(404,000)	-
182317-18/182325	ASSET RETIREMENT OBLIGATION	95,950,000	61,579,000	157,529,000
182372 - 182380	ARO - GENERATION - COAL COMBUSTION RESIDUALS (b)			
182311	FERC JURISDICTIONAL PENSION EXPENSES	-	-	-
182356	VA FUEL COMPONENT	-	-	-
182363	DSM COST RECOVERY	-	-	-
182307	ENVIRONMENTAL COST RECOVERY	697,000	(4,494,459)	(3,797,459)
182306	FUEL ADJUSTMENT CLAUSE	-	-	-
182366	MUNICIPAL FORMULA RATE TRUE-UP	8,335,000	345,000	8,680,000
182370	OFF-SYSTEM TRACKER	4,300	(23,793)	(19,493)
KU Regulatory Assets Total		308,833,313	93,787,735	402,621,048

a) Business Plan assumed a regulatory asset would be recorded as retirements of meters occurred.
b) ARO CCR detail is not available from the Business Plan in UI Planner - detail is combined in t
* These balances are a result of netting the regulatory asset and the regulatory liability in the forec

KENTUCKY UTILITIES COMPANY
Case No. 2016-00370
Amortization of Regulatory Assets

Account	Description	Forecast Test Period (7/17 - 6/18) Beginning Balance	Annual Activity	Ending Balance	
	AMS REGULATORY ASSET (a)	-	2,300,000	2,300,000	
182305/182315	ASC 715 - PENSION AND POSTRETIREMENT	157,742,000	(13,393,000)	144,349,000	
182328-182331	ASC 740 - INCOME TAXES	-	1,959,000	1,959,000	
182317-18/182325	ASSET RETIREMENT OBLIGATION	183,423,000	53,312,000	236,735,000	
182372 - 182380	ARO - GENERATION - COAL COMBUSTION RESIDUALS (b)				
182311	FERC JURISDICTIONAL PENSION EXPENSES	-	-	-	
182356	VA FUEL COMPONENT	-	-	-	
182363	DSM COST RECOVERY	-	-	-	
182307	ENVIRONMENTAL COST RECOVERY	(1,368,874)	4,918,265	3,549,391	*
182306	FUEL ADJUSTMENT CLAUSE	-	-	-	
182366	MUNICIPAL FORMULA RATE TRUE-UP	6,137,000	(6,831,000)	(694,000)	*
182370	OFF-SYSTEM TRACKER	(71,000)	6,000	(65,000)	*
KU Regulatory Assets Total		421,616,126	39,106,265	460,722,391	

a) Business Plan assumed a regulatory asset would be recorded as retirements of meters occurred.
b) ARO CCR detail is not available from the Business Plan in UI Planner - detail is combined in t
* These balances are a result of netting the regulatory asset and the regulatory liability in the forec

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 28

Responding Witness: Daniel K. Arbough

Q.1-28. Please provide the Company's 2015, 2016, and 2017 pension and OPEB actuarial reports as well as the actuarial cost projections for the base year and the test year in a comparable format. Please identify all changes in assumptions, including mortality tables used in these actuarial reports compared to the actuarial reports relied on in the prior rate case.

A.1-28. The Company's 2015 and 2016 pension actuarial reports and the actuarial cost projections for 2017 and 2018 which are included in the base year and the test year are provided in Attachment #1. The Company's 2015 and 2016 OPEB actuarial reports and the actuarial cost projections for 2017 and 2018 which are included in the base year and the test year are provided in Attachment #2. The Company anticipates receiving the 2017 pension actuarial report in the second quarter of 2017.

All changes in significant assumptions, including mortality tables, used in these actuarial reports compared to the actuarial reports relied on in the prior rate case are summarized in Attachment #3.

TOWERS WATSON

April 15, 2015

Ms. Kelli Higdon
Senior Accounting Analyst
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

Dear Kelli:

2015 ASC 715 ACCOUNTING RESULTS FOR QUALIFIED PENSION PLANS

LG&E and KU Energy LLC ("LKE" or "the Company") engaged Towers Watson Delaware, Inc. ("Towers Watson") to determine the Net Periodic Pension Cost/Income ("NPPC") for its qualified pension plans, in accordance with FASB Accounting Standards Codification Topic 715 ("ASC 715") for the fiscal year beginning January 1, 2015. The exhibits that follow provide results on a plan by plan basis, with allocations as requested by LKE.

The benefit obligations were measured as of LKE's fiscal year begin date of January 1, 2015, and are based on January 1, 2015 census data collected from the plan administrator for the following valuations:

- LG&E and KU Retirement Plan
- Louisville Gas and Electric Company Bargaining Employees' Retirement Plan

[redacted]

We have reviewed the census information for reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Reconciliation to May 30, 2014 Budget Projections

The preliminary 2015 consolidated U.S. GAAP NPPC for the three pension plans of $44.8 million compares to the projected 2015 consolidated expense of $49.1 million provided in our May 30, 2014 e-mail as follows:

	Consolidated U.S. GAAP NPPC (in $millions)
2015 Projected NPPC provided on May 30, 2014	$49.1
Economic gains due to higher than expected 2014 asset returns and earlier than expected contribution timing during 2015	(6.4)
Reflection of updated data compared to roll-forward	(0.2)
Impact of assumption changes other than discount rate and mortality	(2.0)
Updated discount rate at December 31, 2014	4.7
Updated mortality assumption at December 31, 2014	(4.2)
Reflection of final plan changes, including early retirement factor improvements and Bargaining plan multiplier increase	3.8
2015 Preliminary NPPC	$44.8

TOWERS WATSON

Reconciliation to Actual 2014 Expense

The preliminary 2015 consolidated U.S. GAAP NPPC for the three pension plans of $44.8 million compares to the actual 2014 consolidated NPPC of $17.9 million as follows:

	Consolidated U.S. GAAP NPPC (in $millions)
2014 Actual U.S. GAAP NPPC	$17.9
Economic gains due to higher than expected asset returns	(5.5)
Demographic gains due to updated data	(0.6)
Impact of assumption changes other than discount rate and mortality	(2.0)
Discount rate change	11.3
Mortality assumption change	18.2
Full effect of plan changes, including Early retirement factor improvements and Bargaining plan multiplier increase	5.5
2015 Preliminary U.S. GAAP NPPC	$44.8

Please note the following regarding these results:

1. As of January 1, 2015, LG&E and KU Energy LLC has selected the following economic assumptions:

   Discount rate:

	January 1, 2015
LG&E and KU Retirement Plan	4.27%
Louisville Gas and Electric Company Bargaining Employees' Retirement Plan	4.20%

[redacted]

All discount rates are based on the results of the Towers Watson BOND:Link model. At December 31, 2014, cash flows by plan were used to develop individual plan discount rates. Further information regarding the BOND:Link model parameters chosen by LKE can be found in our e-mail correspondence from January 7, 2015.

Rate of compensation increase:

The January 1, 2015 rate of compensation increase assumption for all LKE plans is a flat 3.50% at all ages. This amount decreased from the flat 4.00% assumption as of January 1, 2014 based on long-term expectations of salary increase rates for the covered plan populations.

Expected return on assets (EROA):

	January 1, 2015
LG&E and KU Retirement Plan	7.00%
Louisville Gas and Electric Company Bargaining Employees' Retirement Plan	7.00%

[redacted]

TOWERS WATSON

[redacted]

2. During 2014, LKE completed a demographic experience study to assess the appropriateness of the plans' current demographic assumptions. Details regarding the results of the study can be found in our 2014 Experience Study and Demographic Assumptions Review presentation provided to PPL and LKE on November 12, 2014. As a result of that study, the following demographic assumptions were refined to better reflect anticipated future demographic experience. All remaining demographic assumptions remain consistent with those selected by LKE at January 1, 2014. Detailed descriptions of all demographic assumptions will be included in the actuarial valuation reports for the fiscal year ending December 31, 2015 (to be published during the coming months).

Retirement rates for active participants:

Age	January 1, 2015	January 1, 2014
55	3%	2%
56	3%	2%
57	4%	2%
58	5%	4%
59	10%	4%
60	20%	10%
61	20%	10%
62	35%	50%
63	25%	15%
64	25%	10%
65 - 67	50%	100%
68+	100%	100%

Retirement age for deferred vested participants:

	January 1, 2015	January 1, 2014
LG&E hired before 2003/2004 ERF improvement	60	65
LG&E hired after 2003/2004 ERF improvement	58	55
KU	58 (65 if <10 years of service)	55 (65 if <10 years of service)

Termination:

For both the union and non-union populations, the termination assumption was updated to the SOA Hourly Union Termination Table.

Form of payment:

75% of future LG&E bargained and non-bargained retirees are now assumed to elect a 50% J&S form of payment and 25% are assumed to elect a single life annuity. No change was made for KU participants.

TOWERS WATSON

Mortality:

For the non-bargained plans, the mortality assumption was updated to reflect the RP-2014 gender specific healthy employee and healthy annuitant mortality tables with white collar adjustment (removing MP-2014 improvement projections from 2006-2014), increased by 2%, and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis.

For bargained plans, the mortality assumption was updated to reflect the RP-2014 gender specific healthy employee and healthy annuitant mortality tables with blue collar adjustment (removing MP-2014 improvement projections from 2006-2014), increased by 7%, and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis.

The disabled mortality assumption was updated to reflect the RP-2014 "Disabled Retirees" table (removing MP-2014 improvement projections from 2006-2014) and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis.

3. All plan provisions are the same as those valued at January 1, 2014, with the following exceptions:

LG&E Bargaining Plan	• Early retirement factors improved by two years for participants who retire after attaining early retirement eligibility • Flat dollar pension multiplier improvement reflected in the 2014 Collective Bargaining Agreement between LG&E and IBEW Local 2100
LG&E and KU Retirement Plan	Early retirement factors improved by two years for participants who retire after attaining early retirement eligibility

Detailed descriptions of the plan provisions will be included in the actuarial valuation reports for the fiscal year ending December 31, 2015 (to be published during the coming months).

The retirement assumption was modified to reflect anticipated experience under the new plan provisions, the impact of which was included in the prior service cost bases established for the above changes in early retirement factors.

4. The following contributions made on January 14, 2015 for the LG&E and KU Retirement Plan and the Louisville Gas and Electric Company Bargaining Employees' Retirement Plan, [redacted] were reflected in the development of the expected return on plan assets:

	Contribution (in $millions)
LG&E and KU Retirement Plan	[redacted]
KU	$14.7
[redacted]	

TOWERS WATSON

Actuarial Certification

In preparing the results presented in this letter (including attached exhibits), we have relied upon information regarding plan provisions, participants, assets and sponsor accounting policies and methods provided by LKE and other persons or organizations designated by LKE. We have relied on all the data and information provided as complete and accurate. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or other information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by LKE, may produce materially different results that could require that a revised report be issued.

The measurement date is January 1, 2015. The benefit obligations were measured as of January 1, 2015 and are based on participant data as of the census date, January 1, 2015.

Information about the fair value of plan assets was furnished to us by BNY Mellon. LKE also provided information about the general ledger account balances for the pension plan costs at December 31, 2014, which reflect the expected funded status of the plans before adjustment to reflect the plans' funded status based on the year-end measurements. Towers Watson used information supplied by LKE regarding amounts recognized in accumulated other comprehensive income as of December 31, 2014. This data was reviewed for reasonableness and consistency, but no audit was performed.

As required by U.S. GAAP, the actuarial assumptions and the accounting policies and methods employed in the development of the pension cost and other financial reporting have been selected by LKE. Towers Watson has concurred with these assumptions and methods. U.S. GAAP requires that each significant assumption "individually represent the best estimate of a particular future event."

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated by Towers Watson, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. The numbers shown in this report are not rounded, but this is for convenience and should not imply precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from the anticipated by the economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period), and changes in plan provisions or applicable law.

The information contained in this report was prepared for the internal use of LKE and its auditors in connection with our actuarial valuations of the qualified pension plans. It is neither intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. LKE may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require

TOWERS WATSON

LKE to provide them this report, in which case LKE will use best efforts to notify Towers Watson in advance of this distribution. Further distribution to, or use by, other parties of all or part of this document is expressly prohibited without Towers Watson's prior written consent. Towers Watson accepts no responsibility for any consequences arising from any other party relying on this report or any advice relating to its contents.

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to pension plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Towers Watson Delaware Inc.

* * * * *

Please do not hesitate to call if you have any questions.

Sincerely,

Jennifer A. Della Pietra, ASA, EA

Senior Consulting Actuary
Direct Dial: 215-246-6861

Royce S. Kosoff, FSA, EA, CFA

Senior Consulting Actuary
Direct Dial: 215-246-6815

William R. Loth, FSA, EA
Consulting Actuary
Direct Dial: 215-246-6647

cc: George Sunder – PPL Corporation
Dan Arbough – LG&E and KU Energy LLC
Jeanne Kugler – LG&E and KU Energy LLC
Karla Durn – PPL Corporation
Kristin May, FSA, EA – Towers Watson

V:\PPL Corporation - 109625\15\RET\Kentucky\Qualified Pension Valuation\03 Deliver\Financial Reporting\FASB ASC 715 Results - LKE Qualified Pension Plans 2015.doc

LG&E and KU Energy LLC ("LKE")
2015 Net Periodic Pension Cost Reflecting 15-year (Gain)/Loss Amortization Method
Qualified Pension Plans

	Reg-15	Reg-15	Reg-15	Reg-15
		Non-Union Retirement Plan		
	LG&E Union	LG&E	KU	ServCo (Regulatory)
Funded Status				
ABO			397,358,763	
PBO			440,143,173	
Fair value of assets			382,578,520	
Funded status			(57,564,653)	
Amounts recognized in accumulated other comprehensive income consist of:				
Net actuarial loss/(gain)			125,857,465	
Prior service cost/(credit)			5,809,201	
Transition obligation/(asset)			-	
Total			131,666,666	
Market related value of assets			365,807,902	
2015 Net Periodic Pension Cost				
Service cost	1,431,466	2,167,471	8,562,474	13,767,439
Interest cost	13,618,634	10,142,890	18,417,671	21,704,049
Expected return on assets	(20,362,203)	(14,423,958)	(25,981,276)	(26,386,798)
Amortization of:				
Transition obligation (asset)	-	-	-	-
Prior service cost (credit)	3,166,370	1,824,525	1,257,147	3,520,645
Actuarial (gain) loss	8,244,110	6,016,150	9,163,918	8,633,975
Net periodic pension cost	6,098,377	5,727,078	11,419,934	21,239,310
Gain/Loss Amortization Detail				
Net actuarial loss/(gain) at 1/1/2015	99,269,492	76,347,804	125,857,465	130,306,103
6 months of amortization using "Double Corridor" method	5,725,546	4,112,022	6,079,440	5,515,507
Net actuarial loss/(gain) at 7/1/2015	93,543,946	72,235,782	119,778,025	124,790,596
6 months of amortization using 15-year "Vintage" method	2,518,564	1,904,128	3,084,478	3,118,468
Key assumptions:				
Discount rate	4.20%	4.27%	4.27%	4.27%
Expected return on plan assets	7.00%	7.00%	7.00%	7.00%
Rate of compensation increase	N/A	3.50%	3.50%	3.50%

The results contained in this document are based on the data provided by LKE's outside administrator as of January 1, 2015. All other assumptions, methods, and plan provisions are the same as those used for the year-end 2014 financial statement fisclosures provided on January 20, 2015, with the exception of the gain/loss amortization method, which is based on the double corridor method for the first half of the year and based on a 15-year amortization of the 7/1/2015 unrecognized loss/(gain) with a single 10% corridor for the second half of the year. Per discussions with LKE, the plans were not remeasured as of 7/1/2015. The descriptions of the assumptions, methods, plan provisions, and limitations as set forth in the year-end 2014 financial statement disclosure letter should be considered part of these results.

LG&E and KU Energy LLC ("LKE")
2015 Net Periodic Pension Cost
Qualified Pension Plans

	Regulatory	Regulatory	[redacted]	Regulatory	[redacted]	[redacted]	Regulatory
		Non-Union Retirement Plan					Non-Union
	LG&E Union	LG&E		KU			ServCo
Funded Status	[redacted]	[redacted]					
ABO				397,358,763			
PBO				440,143,173			
Fair value of assets				382,578,520			
Funded status				(57,564,653)			
Amounts recognized in accumulated other comprehensive income consist of:							
Net actuarial loss/(gain)				125,857,465			
Prior service cost/(credit)				5,809,201			
Transition obligation/(asset)				-			
Total				131,666,666			
Market related value of assets				365,807,902			
2015 Net Periodic Pension Cost							
Service cost	1,431,466	2,167,471		8,562,474			13,767,439
Interest cost	13,618,634	10,142,890		18,417,671			21,704,049
Expected return on assets	(20,362,203)	(14,423,958)		(25,981,276)			(26,386,798)
Amortization of:							
Transition obligation (asset)	-	-		-			-
Prior service cost (credit)	3,166,370	1,824,525		1,257,147			3,520,645
Actuarial (gain) loss	11,451,092	8,224,043		12,158,880			11,031,014
Net periodic pension cost	9,305,359	7,934,971		14,414,896			23,636,349
Key assumptions:							
Discount rate	4.20%	4.27%		4.27%			4.27%
Expected return on plan assets	7.00%	7.00%		7.00%			7.00%
Rate of compensation increase	N/A	3.50%		3.50%			3.50%

The results contained in this document are based on the data provided by LKE's outside administrator as of January 1, 2015. All other assumptions, methods, and plan provisions are the same as those used for the year-end 2014 financial statement fisclosures provided on January 20, 2015, with the exception of the WKE Bargaining Plan terminated vested lump sum interest rate assumption which decreased from 5.00% to 3.25%. The descriptions of the assumptions, methods, plan provisions, and limitations as set forth in the year-end 2014 financial statement disclosure letter should be considered part of these results.

[redacted]

May 2, 2016

Ms. Jeanne Kugler
Manager, Risk Management
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

Dear Jeanne:

2016 ASC 715 ACCOUNTING RESULTS FOR QUALIFIED PENSION PLANS

LG&E and KU Energy LLC ("LKE" or "the Company") engaged Towers Watson Delaware, Inc. ("Willis Towers Watson") to determine the Net Periodic Pension Cost/Income ("NPPC") for its qualified pension plans, in accordance with FASB Accounting Standards Codification Topic 715 ("ASC 715") for the fiscal year beginning January 1, 2016. The exhibits that follow provide results on a plan by plan basis, with allocations as requested by LKE.

The benefit obligations were measured as of LKE's fiscal year begin date of January 1, 2016, and are based on January 1, 2016 census data collected from the plan administrator for the following valuations:

- LG&E and KU Retirement Plan
- Louisville Gas and Electric Company Bargaining Employees' Retirement Plan

We have reviewed the census information for reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Reconciliation to September 2, 2015 Budget Projections (Reflecting 15-year Amortization Method)

The preliminary 2016 NPPC for the two pension plans of $26.3 million based on the Regulatory 15-year amortization method compares to the projected 2016 expense of $26.8 million based on the Regulatory 15-year amortization method provided in our September 2, 2015 e-mail as follows:

	Consolidated NPPC (in $millions)
2016 Projected NPPC provided on September 2, 2015	$26.8
Actual 2015 return (vs. expected return in budget), 7.00% expected return on assets assumption (compared to 6.75% in budget), and actual contribution timing	(5.8)
Reflection of updated data compared to roll-forward	(0.5)
Updated discount rate at December 31, 2015	(0.9)
Reflection of December 31, 2015 lump sum mortality assumption (budget reflected preliminary assumption set prior to November meeting with LKE/PPL)	6.7
2016 Preliminary NPPC	$26.3

* Excludes WKE Non-Union results

Reconciliation to Actual 2015 Expense (Reflecting 15-year Amortization Method)

The preliminary 2016 NPPC for the two pension plans of $26.3 million based on the Regulatory 15-year amortization method compares to the actual 2015 expense of $44.5 million based on the Regulatory 15-year amortization method as follows:

	Consolidated NPPC (in $millions)
2015 Actual NPPC	$44.5
Economic gains due to contributions, offset by lower and deferred asset losses	(3.5)
Reflection of updated data compared to roll-forward	(0.7)
Updated discount rate at December 31, 2015	(4.3)
Impact of lump sum plan change measured at December 31, 2015, offset by expiration of several prior service cost bases	1.1
Reflection of full year of 15-year (gain)/loss amortization (vs. 2015 use of 6 months of "Double Corridor")	(10.8)
2016 Preliminary NPPC	$26.3

* Excludes WKE Non-Union results

Please note the following regarding these results:

1. As of January 1, 2016, LG&E and KU Energy LLC has selected the following economic assumptions:

   Discount rate:

	January 1, 2016
LG&E and KU Retirement Plan	4.58%
Louisville Gas and Electric Company Bargaining Employees' Retirement Plan	4.49%

   All discount rates are based on the results of the Towers Watson BOND:Link model. At December 31, 2015, cash flows by plan were used to develop individual plan discount rates. Further information regarding the BOND:Link model parameters chosen by LKE can be found in our e-mail correspondence from January 8, 2016.

   Rate of compensation increase:

   The January 1, 2016 rate of compensation increase assumption for all LKE plans is a flat 3.50% at all ages.

   Expected return on assets (EROA):

	January 1, 2016
LG&E and KU Retirement Plan	7.00%
Louisville Gas and Electric Company Bargaining Employees' Retirement Plan	7.00%

2. All plan provisions are the same as those valued at January 1, 2015, with the exception of the lump sum option effective January 1, 2016 for the LG&E Bargaining Plan and the LG&E and KU Retirement Plan.

   The percentage of retiring and terminating participants assumed to take a lump sum is 50%.

Lump sum benefits are valued reflecting the discount rate employed for accounting purposes and unisex RP-2014 healthy annuitant mortality table (e.g., 50/50 blend of gender specific tables), without collar adjustment (removing MP-2014 improvement projections from 2006-2014) and applying Scale BB 2-Dimensional mortality improvements form 2006 on a generational basis.

Detailed descriptions of the plan provisions will be included in the actuarial valuation reports for the fiscal year ending December 31, 2016 (to be published during the coming months).

3. The following contributions made on January 15, 2016 for the LG&E and KU Retirement Plan and the Louisville Gas and Electric Company Bargaining Employees' Retirement Plan.

	Contribution (in $millions)
LG&E and KU Retirement Plan	[redacted]
KU	$9.1
[redacted]	[redacted]

Actuarial Certification

In preparing the results presented in this letter (including attached exhibits), we have relied upon information regarding plan provisions, participants, assets and sponsor accounting policies and methods provided by LKE and other persons or organizations designated by LKE. We have relied on all the data and information provided as complete and accurate. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or other information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by LKE, may produce materially different results that could require that a revised report be issued.

The measurement date is January 1, 2016. The benefit obligations were measured as of January 1, 2016 and are based on participant data as of the census date, January 1, 2016.

Information about the fair value of plan assets was furnished to us by BNY Mellon. LKE also provided information about the general ledger account balances for the pension plan costs at December 31, 2015, which reflect the expected funded status of the plans before adjustment to reflect the plans' funded status based on the year-end measurements. Willis Towers Watson used information supplied by LKE regarding amounts recognized in accumulated other comprehensive income as of December 31, 2015. This data was reviewed for reasonableness and consistency, but no audit was performed.

As required by U.S. GAAP, the actuarial assumptions and the accounting policies and methods employed in the development of the pension cost and other financial reporting have been selected by LKE. Willis Towers Watson has concurred with these assumptions and methods. U.S. GAAP requires that each significant assumption "individually represent the best estimate of a particular future event."

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated by Willis Towers Watson, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. The numbers shown in this report are not rounded, but this is for convenience and should not imply precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from the anticipated by the economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period), and changes in plan provisions or applicable law.

The information contained in this report was prepared for the internal use of LKE and its auditors in connection with our actuarial valuations of the qualified pension plans. It is neither intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. LKE may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require LKE to provide them this report, in which case LKE will use best efforts to notify Willis Towers Watson in advance of this distribution. Further distribution to, or use by, other parties of all or part of this document is expressly prohibited without Willis Towers Watson's prior written consent. Willis Towers Watson accepts no responsibility for any consequences arising from any other party relying on this report or any advice relating to its contents.

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to pension plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Towers Watson Delaware Inc.

* * * * *

Please do not hesitate to call if you have any questions.

Sincerely,

Jennifer A. Della Pietra, ASA, EA

Senior Consulting Actuary
Direct Dial: 215-246-6861

Royce S. Kosoff, FSA, EA, CFA

Senior Consulting Actuary
Direct Dial: 215-246-6815

cc: Dan Arbough – LG&E and KU Energy LLC
Jeanne Kugler – LG&E and KU Energy LLC
David Ark - LG&E and KU Energy LLC
George Sunder – PPL Corporation
Julissa Burgos – PPL Corporation
Kristin May, FSA, EA – Willis Towers Watson
Brad Dreisbach, ASA – Willis Towers Watson

LG&E and KU Energy LLC ("LKE")
2016 Net Periodic Pension Cost
Qualified Pension Plans

Willis Towers Watson

	Regulatory	Regulatory	[redacted]	Regulatory	[redacted]	[redacted]	Regulatory
		Non-Union Retirement Plan					Non-Union
	LG&E Union	LG&E		KU			ServCo
Funded Status							
ABO	[redacted]	[redacted]		388,796,682			[redacted]
PBO				425,041,607			
Fair value of assets				376,875,993			
Funded status				(48,165,614)			
Amounts recognized in accumulated other comprehensive income consist of:							
Net actuarial loss/(gain)				118,635,836			
Prior service cost/(credit)				3,916,894			
Transition obligation/(asset)				-			
Total				122,552,730			
Market related value of assets				385,965,731			
2016 Net Periodic Pension Cost							
Service cost	1,165,140	1,839,898		7,390,298			12,213,263
Interest cost	14,152,287	10,705,521		18,825,168			22,600,171
Expected return on assets	(20,800,325)	(14,702,169)		(26,649,007)			(27,615,212)
Amortization of:							
Transition obligation (asset)	-	-		-			-
Prior service cost (credit)	4,471,357	1,697,500		565,441			4,068,717
Actuarial (gain) loss	6,840,372	5,763,202		7,775,196			5,910,275
Net periodic pension cost	5,828,831	5,303,952		7,907,096			17,177,214
Key assumptions:							
Discount rate	4.49%	4.58%		4.58%			4.58%
Expected return on plan assets	7.00%	7.00%		7.00%			7.00%
Rate of compensation increase	N/A	3.50%		3.50%			3.50%

The results contained in this document are based on the data provided by LKE's outside administrator as of January 1, 2016. All other assumptions, methods, and plan provisions are the same as those used for the year-end 2015 financial statement fisclosures provided on January 22, 2016. The descriptions of the assumptions, methods, plan provisions, and limitations as set forth in the year-end 2015 financial statement disclosure letter should be considered part of these results.

[redacted]

LG&E and KU Energy LLC ("LKE")
2016 Net Periodic Pension Cost Reflecting 15-year (Gain)/Loss Amortization Method
Qualified Pension Plans

Willis Towers Watson

	Reg-15	Reg-15	Reg-15	Reg-15	Fin-15
		Non-Union Retirement Plan			
	LG&E Union	LG&E	KU	ServCo (Regulatory)	
Funded Status					
ABO			388,796,682		
PBO			425,041,607		
Fair value of assets			376,875,993		
Funded status			(48,165,614)		
Amounts recognized in accumulated other comprehensive income consist of:					
Net actuarial loss/(gain)			121,630,799		
Prior service cost/(credit)			3,916,894		
Transition obligation/(asset)			-		
Total			125,547,693		
Market related value of assets			385,965,731		
2016 Net Periodic Pension Cost					
Service cost	1,165,140	1,839,898	7,390,298	12,213,263	
Interest cost	14,152,287	10,705,521	18,825,168	22,600,171	
Expected return on assets	(20,800,325)	(14,702,169)	(26,649,007)	(27,615,212)	
Amortization of:					
Transition obligation (asset)	-	-	-	-	
Prior service cost (credit)	4,471,357	1,697,500	565,441	4,068,717	
Actuarial (gain) loss	4,174,202	3,541,006	4,874,758	3,765,140	
Net periodic pension cost	3,162,661	3,081,756	5,006,658	15,032,079	
Key assumptions:					
Discount rate	4.49%	4.58%	4.58%	4.58%	
Expected return on plan assets	7.00%	7.00%	7.00%	7.00%	
Rate of compensation increase	N/A	3.50%	3.50%	3.50%	

The results contained in this document are based on the data provided by LKE's outside administrator as of January 1, 2016. All other assumptions, methods, and plan provisions are the same as those used for the year-end 2015 financial statement fisclosures provided on January 22, 2016. The descriptions of the assumptions, methods, plan provisions, and limitations as set forth in the year-end 2015 financial statement disclosure letter should be considered part of these results.

June 3, 2016

Ms. Jeanne Kugler
Manager, Risk Management
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

Dear Jeanne:

2017-2021 PROJECTIONS OF PENSION [redacted] PLANS

Towers Watson Delaware, Inc. ("Willis Towers Watson") was engaged by LG&E and KU Energy LLC ("LKE" or "the Company") to provide 5-year projections of the Financial Accounting Standards Codification ("ASC") Topic 715 accounting cost for the following pension and [redacted] plans with allocations as requested by LKE:

- LG&E and KU Retirement Plan
- Louisville Gas and Electric Company Bargaining Employees' Retirement Plan

[redacted]

The exhibits for the years 2017-2021 are as follows:

- Estimated ASC 715 accounting cost
- Estimated cash contributions to the pension plan trusts for the LG&E and KU Retirement Plan and the Louisville Gas and Electric Company Bargaining Employees' Retirement Plan

[redacted]

The projections are based on the 2016 actuarial valuation results provided to you on May 2 (qualified pension plans) [redacted] Except where otherwise noted, the assumptions, methods, data, and plan provisions used to develop these projections are the same as those used to develop the 2016 actuarial valuation results.

In addition, Willis Towers Watson was also engaged to provide 5-year projections of the PPA Funding Minimum Required Contribution for both pension plans. The exhibit for 2016-2021 shows the following:

- Estimated Minimum Required Contribution under ERISA/PPA
- Estimated Funding Balance used to supplement the expected cash contributions as determined by the ASC 715 projections under the "double corridor" method
- Estimated Funded Status both before and after adjustment for Funding Balances

The projections are based on the preliminary 2016 funding results to be published during the coming months. Except where otherwise noted, the assumptions, methods, data, and plan provisions used to develop these projections are the same as those used to develop the 2016 actuarial valuation results.

Reconciliation to September 2, 2015 Budget Projections (Reflecting 15-year Amortization Method)

The projected 2017 consolidated NPPC for the two pension plans of $29.2 million compares to the projected 2017 consolidated expense of $27.1 million based on the Regulatory 15-year amortization method provided in our September 2, 2015 e-mail as follows:

	Consolidated NPPC (in $millions)
2017 Projected NPPC provided on September 2, 2016	$27.1
Actual 2015 return (vs. expected return in budget), 7.00% expected return on assets assumption (compared to 6.75% in budget)	(4.9)
Reflection of updated data compared to roll-forward	(0.5)
Updated discount rate	1.3
Change in service cost growth assumption	(0.5)
Reflection of December 31, 2015 lump sum mortality assumption (budget reflected preliminary assumption set prior to November meeting with LKE/PPL)	6.7
2017 Budget Estimate	$29.2

* Excludes WKE Non-Union results

[redacted]

Results of Funding Projections 2016-2021

Current funding policy of contributing an amount equal to U.S. GAAP NPPC, plus use of credit balance, is expected to be sufficient throughout the projection period for both qualified plans.

- Estimated Minimum Required Contributions in all years exceed estimated cash contributions for the LG&E and KU Retirement Plan. For the Bargaining Plan, estimated cash contributions exceed the Minimum Required Contribution for all years.
- For the LG&E and KU Retirement Plan, there is sufficient Funding Balance to apply as needed to satisfy the remaining Minimum Required Contribution, so no additional cash contributions are required for the entire projection period.
- Additional funding strategies, for example, voluntary forfeiture of Funding Balances as of January 1, 2016 to avoid funding shortfall entirely, were outside the scope of these projections. We anticipate discussing this in greater detail in July.

These projections reflect the following key economic assumptions:

Discount rate:

	December 31, 2016 and all subsequent years	December 31, 2015
LG&E and KU Retirement Plan	4.42%	4.58%
Louisville Gas and Electric Company Bargaining Employees' Retirement Plan	4.34%	4.49%

[redacted]

December 31, 2015 discount rates are based on the results of the Willis Towers Watson BOND:Link model as of December 31, 2015. Annuity cash flows by plan are based on the results of the 2015 actuarial valuation results.

December 31, 2016 and all subsequent years discount rates were developed based on April 30, 2016 BOND:Link results plus 25 basis points.

Rate of compensation increase:

The projected rates of compensation increase for all legacy LKE plans are flat at all ages.

	December 31, 2016 and all subsequent years	December 31, 2015
All legacy LKE plans	3.50%	3.50%

Expected return on assets (EROA):

	December 31, 2016 and all subsequent years	December 31, 2015
LG&E and KU Retirement Plan	7.00%	7.00%
Louisville Gas and Electric Company Bargaining Employees' Retirement Plan	7.00%	7.00%

[redacted]

* Historically used as a short-term payment vehicle, not long-term investment trust

Service cost growth:
The service cost for the qualified pension plans is assumed to remain constant for future years. The service cost for the welfare plan is assumed to grow at the same rate as the discount rate.

	All projection years
LG&E and KU Retirement Plan	0.00%
Louisville Gas and Electric Company Bargaining Employees' Retirement Plan	0.00%

[redacted]

Actual return on assets:

	2016 and all subsequent years
LG&E and KU Retirement Plan	7.00%
Louisville Gas and Electric Company Bargaining Employees' Retirement Plan	7.00%

[redacted]

[redacted]

Demographic assumptions:

1. All demographic assumptions are the same as those selected by LKE at December 31, 2015.

   A summary of all other assumptions can be found in the Financial Disclosure letter provided to LKE on January 20, 2016. Detailed descriptions of these assumptions will be included in the actuarial valuation reports for the fiscal year ending December 31, 2016 (to be published during the coming months).

2. All plan provisions are the same as those valued at January 1, 2016 with the exception of the dollar per month multiplier for the Louisville Gas and Electric Company Bargaining Employees' Retirement Plan, which is assumed to increase 3% per year throughout the projection.

   Detailed descriptions of the plan provisions will be included in the actuarial valuation reports for the fiscal year ending December 31, 2016 (to be published during the coming months).

3. For the Louisville Gas and Electric Company Bargaining Employees' Retirement Plan, the increases in benefit multipliers are assumed to be collectively bargained and reflected every three years. The increase in Prior Service Cost for the increase in the benefit multipliers for 2018-2020 is assumed to be reflected at December 31, 2017 and the increase for 2021-2023 is assumed to be reflected at December 31, 2020. For funding purposes, one-year increases are reflected annually.

4. The expected future service to retirement age used in the development of the unrecognized (gain) / loss amortization for the two pension plans is equal to the amount developed in the January 1, 2016 actuarial valuation results and is assumed to decrease 0.5 per year for the pension plans to reflect

the aging of the closed populations. [redacted]

5. For funding purposes, all contributions to the two pension plans are assumed to be made on January 15 of the year shown and are reflected as a receivable contribution for the prior plan year. For accounting purposes, all pension contributions are assumed to be made at the end of the year shown. [redacted]

6. Administrative expenses of the qualified pension plans were assumed to remain level with 2016 during the projection period and are allocated based on actual administrative expenses in 2015. [redacted]

Actuarial certification

In preparing the calculations contained in this letter, Willis Towers Watson has used information and data provided to us by LKE and other persons or organizations designated by LKE. We have relied on all the data and information provided, including plan provisions and asset information, as being complete and accurate. We have reviewed this information for overall reasonableness and consistency but have neither audited nor independently verified this information.

As required by ASC 715, the actuarial assumptions and methods employed in the development of the pension and postretirement plan obligations have been selected by the plan sponsor. Willis Towers Watson has concurred with these assumptions and methods. ASC 715 requires that each significant assumption "individually represent the best estimate of a particular future event."

For funding purposes, the plan sponsor selected, as prescribed by regulation, key assumptions and funding methods (including asset valuation method and choice among prescribed interest rates) employed in the development of the contribution. To the extent not prescribed by ERISA, the Internal Revenue Code and regulatory guidance from the Treasury and the IRS, or selected by the sponsor, the actuarial assumptions and methods employed in the development of the contribution amounts have been selected by Willis Towers Watson, with the concurrence of the plan sponsor. It is beyond the scope of this forecast to analyze the reasonableness and appropriateness of prescribed methods and assumptions, or to analyze other sponsor elections from among the alternatives available for prescribed methods and assumptions.

The results documented in this letter are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. Certain plan provisions may be approximated or determined to be immaterial and therefore not valued. Assumptions may be made about participant data or other factors. We have made reasonable efforts to ensure that items that are material in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

Actual future experience will differ from the assumptions used in our calculations. As these differences arise, contributions or the cost for accounting purposes will be adjusted in future valuations to take changes into account. If these adjustments become material, they may result in future adjustments to the valuation model.

The results shown in this letter have been developed based on actuarial assumptions that, to the extent evaluated or selected by Willis Towers Watson, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

The numbers in this letter are not rounded, but this is for convenience only and should not imply precision, which is not a characteristic of actuarial calculations.

The calculations provided in this letter have been prepared solely for the benefit of LKE for budgeting purposes. This letter should not be used for other purposes, and we accept no responsibility for any such use. It should not be relied upon by, or shared with, any third parties without Willis Towers Watson's prior written consent.

This letter is provided subject to the terms set out herein and in our engagement letter dated March 28, 2013 and any accompanying or referenced terms and conditions.

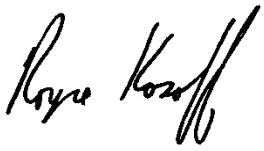
This letter provides actuarial calculations. It does not constitute legal, accounting, tax or investment advice. We encourage you to consult with qualified advisors with respect to those matters.

The undersigned consulting actuaries are members of the Society of Actuaries and other professional actuarial organizations and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to retirement plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Willis Towers Watson.

* * * * *

Please do not hesitate to call if you have any questions.

Sincerely,



Royce S. Kosoff, FSA, EA, CFA
Senior Consulting Actuary
Direct Dial: 215-246-6815

Jennifer A. Della Pietra, ASA, EA
Senior Consulting Actuary
Direct Dial: 215-246-6861

cc: David Crosby – LG&E and KU Energy LLC
Dan Arbough – LG&E and KU Energy LLC
George Sunder – PPL Corporation
Julissa Burgos – PPL Corporation
Brad Dreisbach – Willis Towers Watson

LG&E & KU Energy LLC
Estimated ASC 715 Net Periodic Pension Cost ("NPPC") For Qualified Pension Plans
2017 Fiscal Year

	Regulatory	Regulatory	[redacted]	Regulatory	[redacted]	Regulatory
	LG&E and KU Retirement Plan					
	LG&E Non-union	KU		LG&E Union		Servco
Service cost	2,213,200	8,586,896		1,401,836		14,293,601
Interest cost	9,703,879	17,329,469		12,506,524		21,550,246
Expected return on assets	(14,526,869)	(26,374,148)		(20,417,041)		(27,362,375)
Amortizations:						
Transition	-	-		-		-
Prior service cost	1,564,417	565,441		4,471,357		3,960,771
(Gain)/loss	10,418,050	14,641,410		12,149,737		13,651,338
ASC 715 NPBC	9,372,677	14,749,068		10,112,413		26,093,581

LG&E & KU Energy LLC
Estimated ASC 715 Net Periodic Pension Cost ("NPPC") For Qualified Pension Plans
2018 Fiscal Year

	Regulatory	Regulatory	[redacted]	Regulatory	[redacted]	Regulatory
	LG&E and KU Retirement Plan					
	LG&E Non-union	KU		LG&E Union		Servco
Service cost	2,213,200	8,586,896		1,401,836		14,293,601
Interest cost	9,524,874	17,212,770		12,500,873		21,740,794
Expected return on assets	(14,937,988)	(27,052,175)		(20,635,008)		(28,163,857)
Amortizations:						
Transition	-	-		-		-
Prior service cost	1,334,204	565,441		6,050,811		3,459,919
(Gain)/loss	8,961,742	12,555,860		10,162,085		12,945,610
ASC 715 NPBC	7,096,032	11,868,792		9,480,597		24,276,067

Notes

1. These accounting projections are based on the January 1, 2016 valuation results provided on May 2, 2016. The description of the data, assumptions, methods, plan provisions, and limitations as set forth in the accounting valuation results cover letter should be considered part of these results. Please see the attached letter for a description of all other assumptions and methods used in this analysis.
2. Discount rate is assumed to be 3.78% for the Non-Union plan and 3.69% for the Union plan, which reflects an 80 basis points decrease from the Decemeber 31, 2015 discount rate for both plans for measurement date December 31, 2016 and beyond. The decrease in discount rate reflects the market conditions from December 31, 2015 to June 30, 2016.
3. The fair value of assets is assumed to earn 7.00% in all years.
4. Service cost is assumed to remain constant (0.00% growth).
5. Expected future service is assumed to decrease 0.5 per year for both qualified plans.

[redacted]

LG&E & KU Energy LLC
Estimated ASC 715 Net Periodic Pension Cost ("NPPC") For Qualified Pension Plans
2019 Fiscal Year

	Regulatory	Regulatory	[redacted]	Regulatory	[redacted]	Regulatory
	LG&E and KU Retirement Plan					
	LG&E Non-union	KU		LG&E Union		Servco
Service cost	2,213,200	8,586,896		1,401,836		14,293,601
Interest cost	9,322,048	17,092,082		12,067,498		21,905,121
Expected return on assets	(15,196,238)	(27,593,143)		(20,832,663)		(28,910,890)
Amortizations:						
Transition	-	-		-		-
Prior service cost	409,879	565,441		5,887,146		1,678,075
(Gain)/loss	7,716,345	11,906,658		9,530,971		12,224,992
ASC 715 NPBC	4,465,234	10,557,934		8,054,788		21,190,899

[redacted]

Notes

1. These accounting projections are based on the January 1, 2016 valuation results provided on May 2, 2016. The description of the data, assumptions, methods, plan provisions, and limitations as set forth in the accounting valuation results cover letter should be considered part of these results. Please see the attached letter for a description of all other assumptions and methods used in this analysis.
2. Discount rate is assumed to be 3.78% for the Non-Union plan and 3.69% for the Union plan, which reflects an 80 basis points decrease from the Decemeber 31, 2015 discount rate for both plans for measurement date December 31, 2016 and beyond. The decrease in discount rate reflects the market conditions from December 31, 2015 to June 30, 2016.
3. The fair value of assets is assumed to earn 7.00% in all years.
4. Service cost is assumed to remain constant (0.00% growth).
5. Expected future service is assumed to decrease 0.5 per year for both qualified plans.

[redacted]

[redacted]

Notes

1. These accounting projections are based on the January 1, 2016 valuation results provided on May 2, 2016. The description of the data, assumptions, methods, plan provisions, and limitations as set forth in the accounting valuation results cover letter should be considered part of these results. Please see the attached letter for a description of all other assumptions and methods used in this analysis.
2. Discount rate is assumed to be 3.78% for the Non-Union plan and 3.69% for the Union plan, which reflects an 80 basis points decrease from the Decemeber 31, 2015 discount rate for both plans for measurement date December 31, 2016 and beyond. The decrease in discount rate reflects the market conditions from December 31, 2015 to June 30, 2016.
3. The fair value of assets is assumed to earn 7.00% in all years.
4. Service cost is assumed to remain constant (0.00% growth).
5. Expected future service is assumed to decrease 0.5 per year for both qualified plans.

LG&E & KU Energy LLC
Estimated Cash Contributions for Plan Years 2016-2021 ($ millions)

	LG&E and KU Retirement Plan		
	[redacted]	**KU**	[redacted]
1/15/2016 actual		9,100,000	
1/15/2017		14,749,068	
1/15/2018		11,868,792	
1/15/2019		10,557,934	
[redacted]			

[redacted]

LG&E & KU Energy LLC
Estimated Net Periodic Pension Cost ("NPPC") Reflecting 15-year (Gain)/Loss Amortization Method For Qualified Pension Plans
2017 Fiscal Year

	Reg-15	Reg-15	Reg-15	[redacted]	Reg-15
	LG&E and KU Retirement Plan				
	LG&E Non-union	KU	Servco (Regulatory)		LG&E Union
Service cost	2,213,200	8,586,896	14,293,601		1,401,836
Interest cost	9,703,879	17,329,469	21,550,246		12,506,524
Expected return on assets	(14,526,869)	(26,374,148)	(27,362,375)		(20,417,041)
Amortizations:					
Transition	-	-	-		-
Prior service cost	1,564,417	565,441	3,960,771		4,471,357
(Gain)/loss	5,244,493	8,039,632	8,153,955		6,347,677
ASC 715 NPBC	4,199,120	8,147,290	20,596,198		4,310,353

LG&E & KU Energy LLC
Estimated Net Periodic Pension Cost ("NPPC") Reflecting 15-year (Gain)/Loss Amortization Method For Qualified Pension Plans
2018 Fiscal Year

	Reg-15	Reg-15	Reg-15	[redacted]	Reg-15
	LG&E and KU Retirement Plan				
	LG&E Non-union	KU	Servco (Regulatory)		LG&E Union
Service cost	2,213,200	8,586,896	14,293,601		1,401,836
Interest cost	9,524,874	17,212,770	21,740,794		12,500,873
Expected return on assets	(14,937,988)	(27,052,175)	(28,163,857)	)	(20,635,008)
Amortizations:					
Transition	-	-	-		-
Prior service cost	1,334,204	565,441	3,459,919		6,050,811
(Gain)/loss	5,365,802	8,221,855	8,250,371		6,468,967
ASC 715 NPBC	3,500,092	7,534,787	19,580,828		5,787,479

Notes

1. These accounting projections are based on the 15-year amortization method valuation results provided on May 2, 2016. The description of the data, assumptions, methods, plan provisions, and limitations as set forth in the accounting valuation results cover letter should be considered part of these results. Please see the attached letter for a description of all other assumptions and methods used in this analysis.
2. Discount rate is assumed to be 3.78% for the Non-Union plan and 3.69% for the Union plan, which reflects an 80 basis points decrease from the Decemeber 31, 2015 discount rate for both plans for measurement date December 31, 2016 and beyond. The decrease in discount rate reflects the market conditions from December 31, 2015 to June 30, 2016.
3. The fair value of assets is assumed to earn 7.00% in all years.
4. Service cost is assumed to remain constant (0.00% growth).
5. Expected future service is assumed to decrease 0.5 per year for both qualified plans.
6. Projections reflect the 15-year amortization method as outlined in the April 20, 2015 rate settlement agreement and as confirmed on June 17, 2015 by LKE.

[redacted]

LG&E & KU Energy LLC
Estimated Net Periodic Pension Cost ("NPPC") Reflecting 15-year (Gain)/Loss Amortization Method For Qualified Pension Plans
2019 Fiscal Year

	Reg-15	Reg-15	Reg-15	[redacted]	Reg-15
	LG&E and KU Retirement Plan				
	LG&E Non-union	KU	Servco (Regulatory)		LG&E Union
Service cost	2,213,200	8,586,896	14,293,601		1,401,836
Interest cost	9,322,048	17,092,082	21,905,121		12,067,498
Expected return on assets	(15,196,238)	(27,593,143)	(28,910,890)		(20,832,663)
Amortizations:					
Transition	-	-	-		-
Prior service cost	409,879	565,441	1,678,075		5,887,146
(Gain)/loss	5,483,406	8,390,503	8,339,715		6,656,330
ASC 715 NPBC	2,232,295	7,041,779	17,305,622		5,180,147

[redacted]

Notes

1. These accounting projections are based on the 15-year amortization method valuation results provided on May 2, 2016. The description of the data, assumptions, methods, plan provisions, and limitations as set forth in the accounting valuation results cover letter should be considered part of these results. Please see the attached letter for a description of all other assumptions and methods used in this analysis.
2. Discount rate is assumed to be 3.78% for the Non-Union plan and 3.69% for the Union plan, which reflects an 80 basis points decrease from the Decemeber 31, 2015 discount rate for both plans for measurement date December 31, 2016 and beyond. The decrease in discount rate reflects the market conditions from December 31, 2015 to June 30, 2016.
3. The fair value of assets is assumed to earn 7.00% in all years.
4. Service cost is assumed to remain constant (0.00% growth).
5. Expected future service is assumed to decrease 0.5 per year for both qualified plans.
6. Projections reflect the 15-year amortization method as outlined in the April 20, 2015 rate settlement agreement and as confirmed on June 17, 2015 by LKE.

[redacted]

[redacted]

Notes

1. These accounting projections are based on the 15-year amortization method valuation results provided on May 2, 2016. The description of the data, assumptions, methods, plan provisions, and limitations as set forth in the accounting valuation results cover letter should be considered part of these results. Please see the attached letter for a description of all other assumptions and methods used in this analysis.
2. Discount rate is assumed to be 3.78% for the Non-Union plan and 3.69% for the Union plan, which reflects an 80 basis points decrease from the Decemeber 31, 2015 discount rate for both plans for measurement date December 31, 2016 and beyond. The decrease in discount rate reflects the market conditions from December 31, 2015 to June 30, 2016.
3. The fair value of assets is assumed to earn 7.00% in all years.
4. Service cost is assumed to remain constant (0.00% growth).
5. Expected future service is assumed to decrease 0.5 per year for both qualified plans.
6. Projections reflect the 15-year amortization method as outlined in the April 20, 2015 rate settlement agreement and as confirmed on June 17, 2015 by LKE.

June 3, 2016

Ms. Jeanne Kugler
Manager, Risk Management
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

Dear Jeanne:

2017-2021 PROJECTIONS OF [redacted] POSTRETIREMENT WELFARE PLANS

Towers Watson Delaware, Inc. ("Willis Towers Watson") was engaged by LG&E and KU Energy LLC ("LKE" or "the Company") to provide 5-year projections of the Financial Accounting Standards Codification ("ASC") Topic 715 accounting cost for the following pension and postretirement welfare plans with allocations as requested by LKE:

- [redacted]
- [redacted]
- LG&E and KU Postretirement Benefit Plan

The exhibits for the years 2017-2021 are as follows:

- Estimated ASC 715 accounting cost

[redacted]

- Expected cash flows for the LG&E and KU Postretirement Benefit Plan
- Expected employer contributions to the 401(h) account of the LG&E and KU Postretirement Benefit Plan

The projections are based on the 2016 actuarial valuation results provided to you on [redacted] May 6 (LG&E and KU Postretirement Benefit Plan). Except where otherwise noted, the assumptions, methods, data, and plan provisions used to develop these projections are the same as those used to develop the 2016 actuarial valuation results.

[redacted]

[redacted] Except where otherwise noted, the assumptions, methods, data, and plan provisions used to develop these projections are the same as those used to develop the 2016 actuarial valuation results.

Reconciliation to <u>September 2, 2015 Budget Projections</u> [redacted]

[redacted]

The projected 2017 consolidated U.S. GAAP NPBC for the postretirement benefit plan is $7.5 million compared to the projected 2017 consolidated NPBC of $8.5 million provided in our June 15, 2015 e-mail. The decrease of $1.0 million is primarily due to demographic gains resulting from the reflection of valuation data as of 1/1/2016 and updated per capita claim cost assumptions, including aging table, for the 2016 valuation.

[redacted]

These projections reflect the following key economic assumptions:

Discount rate:

	December 31, 2016 and all subsequent years	December 31, 2015
[redacted]		
LG&E and KU Postretirement Benefit Plan	4.31%	4.49%

December 31, 2015 discount rates are based on the results of the Willis Towers Watson BOND:Link model as of December 31, 2015. Annuity cash flows by plan are based on the results of the 2015 actuarial valuation results.

December 31, 2016 and all subsequent years discount rates were developed based on April 30, 2016 BOND:Link results plus 25 basis points.

[redacted]

Expected return on assets (EROA):

	December 31, 2016 and all subsequent years	December 31, 2015
[redacted]		
LG&E Energy LLC Postretirement Benefit Plan		
- Union VEBA*	0.00%	0.00%
- Nonunion VEBA*	0.00%	0.00%
- 401(h) sub-account	7.00%	7.00%

* Historically used as a short-term payment vehicle, not long-term investment trust

Service cost growth:
The service cost for the qualified pension plans is assumed to remain constant for future years. The service cost for the welfare plan is assumed to grow at the same rate as the discount rate.

	All projection years
[redacted]	
LG&E and KU Postretirement Benefit Plan	4.31%

Actual return on assets:

	2016 and all subsequent years
[redacted]	
LG&E Energy LLC Postretirement Benefit Plan	
- Union VEBA*	0.00%
- Nonunion VEBA*	0.00%
- 401(h) sub-account	7.00%

Health care cost trend:

	December 31, 2016 and all subsequent years	December 31, 2015
2016	N/A	6.8%
2017	7.0%	6.4%
2018	6.8%	6.0%
2019	6.6%	5.5%
2020	6.2%	5.0%
2021	5.8%	5.0%
2022	5.4%	5.0%
2023+	5.0%	5.0%

Demographic assumptions:

1. All demographic assumptions are the same as those selected by LKE at December 31, 2015.

   A summary of all other assumptions can be found in the Financial Disclosure letter provided to LKE on January 20, 2016. Detailed descriptions of these assumptions will be included in the actuarial valuation reports for the fiscal year ending December 31, 2016 (to be published during the coming months).

2. All plan provisions are the same as those valued at January 1, 2016 [redacted]

   Detailed descriptions of the plan provisions will be included in the actuarial valuation reports for the fiscal year ending December 31, 2016 (to be published during the coming months).

[redacted]

[redacted] The LG&E and KU Postretirement Benefit Plan is not closed, so there is no assumed decrease in the amortization period.

5. [redacted] All contributions to the LG&E and KU Postretirement Benefit Plan are assumed to be made at the middle of the year (6/30). The projections reflect no prefunding for the Non-union and Union VEBAS.

6. [redacted] Postretirement Benefit Plan administrative expenses were kept consistent with 2015 actual expenses during the projection period.

Actuarial certification

In preparing the calculations contained in this letter, Willis Towers Watson has used information and data provided to us by LKE and other persons or organizations designated by LKE. We have relied on all the data and information provided, including plan provisions and asset information, as being complete and accurate. We have reviewed this information for overall reasonableness and consistency but have neither audited nor independently verified this information.

As required by ASC 715, the actuarial assumptions and methods employed in the development of the pension and postretirement plan obligations have been selected by the plan sponsor. Willis Towers Watson has concurred with these assumptions and methods. ASC 715 requires that each significant assumption "individually represent the best estimate of a particular future event."

For funding purposes, the plan sponsor selected, as prescribed by regulation, key assumptions and funding methods (including asset valuation method and choice among prescribed interest rates) employed in the development of the contribution. To the extent not prescribed by ERISA, the Internal Revenue Code and regulatory guidance from the Treasury and the IRS, or selected by the sponsor, the actuarial assumptions and methods employed in the development of the contribution amounts have been selected by Willis Towers Watson, with the concurrence of the plan sponsor. It is beyond the scope of this forecast to analyze the reasonableness and appropriateness of prescribed methods and assumptions, or to analyze other sponsor elections from among the alternatives available for prescribed methods and assumptions.

The results documented in this letter are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. Certain plan provisions may be approximated or determined to be immaterial and therefore not valued. Assumptions may be made about participant data or other factors. We have made reasonable efforts to ensure that items that are material in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

Actual future experience will differ from the assumptions used in our calculations. As these differences arise, contributions or the cost for accounting purposes will be adjusted in future valuations to take changes into account. If these adjustments become material, they may result in future adjustments to the valuation model.

The results shown in this letter have been developed based on actuarial assumptions that, to the extent evaluated or selected by Willis Towers Watson, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

The numbers in this letter are not rounded, but this is for convenience only and should not imply precision, which is not a characteristic of actuarial calculations.

The calculations provided in this letter have been prepared solely for the benefit of LKE for budgeting purposes. This letter should not be used for other purposes, and we accept no responsibility for any such use. It should not be relied upon by, or shared with, any third parties without Willis Towers Watson's prior written consent.

This letter is provided subject to the terms set out herein and in our engagement letter dated March 28, 2013 and any accompanying or referenced terms and conditions.

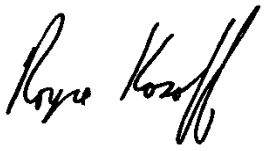
This letter provides actuarial calculations. It does not constitute legal, accounting, tax or investment advice. We encourage you to consult with qualified advisors with respect to those matters.

The undersigned consulting actuaries are members of the Society of Actuaries and other professional actuarial organizations and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to retirement plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Willis Towers Watson.

* * * * *

Please do not hesitate to call if you have any questions.

Sincerely,



Royce S. Kosoff, FSA, EA, CFA
Senior Consulting Actuary
Direct Dial: 215-246-6815

Jennifer A. Della Pietra, ASA, EA
Senior Consulting Actuary
Direct Dial: 215-246-6861

cc: David Crosby – LG&E and KU Energy LLC
Dan Arbough – LG&E and KU Energy LLC
George Sunder – PPL Corporation
Julissa Burgos – PPL Corporation
Brad Dreisbach – Willis Towers Watson

[redacted]

LG&E & KU Energy LLC
2017 Estimated ASC 715 Net Periodic Benefit Cost ("NPBC") For Postretirement Benefit Plan

	Regulatory	Regulatory	[redacted]	Regulatory	[redacted]	Regulatory
	LG&E	KU		LG&E Union		ServCo
Service cost	601,912	1,866,345		485,592		2,490,905
Interest cost	1,348,668	2,967,983		1,943,933		1,986,954
Expected return on assets	(745,535)	(2,722,739)		-		(3,251,278)
Amortizations:						
Transition	-	-		-		-
Prior service cost	78,595	139,169		496,348		131,664
(Gain)/loss	-	-		(58,961)		-
ASC 715 NPBC	1,283,640	2,250,758		2,866,912		1,358,245

LG&E & KU Energy LLC
2018 Estimated ASC 715 Net Periodic Benefit Cost ("NPBC") For Postretirement Benefit Plan

	Regulatory	Regulatory	[redacted]	Regulatory	[redacted]	Regulatory
	LG&E	KU		LG&E Union		ServCo
Service cost	624,123	1,935,213		503,510		2,582,819
Interest cost	1,328,698	2,952,353		1,894,707		2,063,761
Expected return on assets	(720,796)	(2,790,592)		-		(3,604,571)
Amortizations:						
Transition	-	-		-		-
Prior service cost	78,595	139,169		496,348		131,663
(Gain)/loss	-	-		(63,928)		-
ASC 715 NPBC	1,310,620	2,236,143		2,830,637		1,173,672

Notes

1. These accounting projections are based on the January 1, 2016 valuation results provided on May 6, 2016. The description of the data, assumptions, methods, plan provisions, and limitations as set forth in the accounting valuation results cover letter should be considered part of these results. Please see the attached letter for a description of all other assumptions and methods used in this analysis, including a discount rate of 3.69% and revised per capital claim cost trend assumption.
2. Non-union and Union VEBA amounts are assumed to remain level over the projection period (i.e., contributions equal disbursements and a 0.00% actual return on assets). 401(h) amounts are assumed to earn 7.00% in 2016 and subsequent years. Contributions to the 401(h) account are assumed to be equal to the maximum deductible amount, starting in 2016 and are expected to be contributed at June 30th of the following fiscal year. Benefit payments are assumed to be paid from the 401(h) account beginning in 2017, to the extent allowable.
3. We have assumed service cost growth equal to the discount rate (3.69% per year).

[redacted]

LG&E & KU Energy LLC
2019 Estimated ASC 715 Net Periodic Benefit Cost ("NPBC") For Postretirement Benefit Plan

	Regulatory	Regulatory	[redacted]	Regulatory	[redacted]	Regulatory
	LG&E	KU		LG&E Union		ServCo
Service cost	647,153	2,006,622		522,090		2,678,125
Interest cost	1,307,008	2,932,657		1,839,559		2,132,768
Expected return on assets	(691,726)	(2,849,285)		-		(3,955,552)
Amortizations:						
Transition	-	-		-		-
Prior service cost	78,595	139,169		496,348		131,663
(Gain)/loss	-	-		(69,710)		-
ASC 715 NPBC	1,341,030	2,229,163		2,788,287		987,004

[redacted]

[redacted]

Notes
1. These accounting projections are based on the January 1, 2016 valuation results provided on May 6, 2016. The description of the data, assumptions, methods, plan provisions, and limitations as set forth in the accounting valuation results cover letter should be considered part of these results. Please see the attached letter for a description of all other assumptions and methods used in this analysis, including a discount rate of 3.69% and revised per capita claim trend assumption.
2. Non-union and Union VEBA amounts are assumed to remain level over the projection period (i.e., contributions equal disbursements and a 0.00% actual return on assets). 401(h) amounts are assumed to earn 7.00% in 2016 and subsequent years. Contributions to the 401(h) account are assumed to be equal to the maximum deductible amount, starting in 2016 and are expected to be contributed at June 30th of the following fiscal year. Benefit payments are assumed to be paid from the 401(h) account beginning in 2017, to the extent allowable.
3. We have assumed service cost growth equal to the discount rate (3.69% per year).

[redacted]

[redacted]

PLAN PROVISION CHANGES FOR POSTRETIREMENT BENEFIT PLAN
USED IN 2017-2021 PROJECTIONS

Effective Date for Projection Purposes	Non-Union and LG&E Union Plans
January 1, 2017	
January 1, 2018	
January 1, 2019	

[redacted]

[redacted]

May 2, 2016

Ms. Jeanne Kugler
Manager, Risk Management
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

Dear Jeanne:

2016 ASC 715 ACCOUNTING RESULTS FOR THE POSTRETIREMENT BENEFIT PLAN

LG&E and KU Energy LLC ("LKE" or "the Company") engaged Towers Watson Delaware, Inc. ("Willis Towers Watson") to determine the Net Periodic Benefit Cost/Income ("NPBC") for the LG&E and KU Energy Postretirement Benefit Plan, in accordance with FASB Accounting Standards Codification Topic 715 ("ASC 715") for the fiscal year beginning January 1, 2016. The exhibits that follow provide results for the plan, with allocations as requested by LKE.

Reconciliation to June 26, 2015 Budget Projections

The preliminary 2016 consolidated US GAAP NPBC for the postretirement benefit plan of $9.4 million compares to the projected 2016 consolidated NPBC of $10.3 million provided in our June 26, 2015 e-mail as follows:

	Consolidated US GAAP NPBC (in $millions)
2016 Projected NPBC provided on June 26, 2015	$10.3
Actual 2015 return (vs. expected return in budget), offset by 7.00% EROA compared to 6.75% in budget	0.2
Demographic gains due to updated data compared to roll forward	(0.5)
Updated discount rate at December 31, 2015	0.0
Reflection of updated per capita claims data, including aging table	(0.6)
2016 Preliminary NPBC	$9.4

Reconciliation to Actual 2015 NPBC

The preliminary 2016 consolidated US GAAP NPBC for the postretirement benefit plan of $9.4 million compares to the actual 2015 consolidated NPBC of $11.1 million as follows:

	Consolidated US GAAP NPBC (in $millions)
2015 Actual NPBC	$11.1
Economic gains due to asset increases during 2015	(0.4)
Demographic gains due to updated data	(0.3)
Updated discount rate at December 31, 2015	0.0
Reflection of updated per capita claims data, including aging table	(0.6)
Expiration of Prior Service Cost Bases for LG&E Union	(0.4)
2016 Preliminary NPBC	$9.4

Retiree Drug Subsidy under the Medicare Modernization Act

2016 Net Periodic Benefit Cost ($)	**With Subsidy**	**Effect of Subsidy**	**Without Subsidy**
Service cost	4,514,462	-	4,514,462
Interest cost	9,133,059	152,202	9,285,261
Expected return on assets	(6,270,337)	-	(6,270,337)
Amortization of:			
Transition obligation (asset)	-	-	-
Prior service cost (credit)	2,527,171	-	2,527,171
Actuarial (gain) loss	(524,205)	-	(524,205)
Net periodic benefit cost	$ 9,380,150	$ 152,202	$ 9,532,352

The present value of the Medicare Retiree Drug Subsidy for the pre-2000 Kentucky Utilities retirees, measured as of January 1, 2016, using the assumptions outlined in this letter is $3,540,766.

Please note the following regarding these results:

1. As of January 1, 2016, LG&E and KU Energy LLC has selected the following economic assumptions:

   Discount rate:

   The discount rate of 4.49% is based on the results of the Towers Watson BOND:Link model. At December 31, 2015, cash flows by plan were used to develop individual discount rates. Further information regarding the BOND:Link model parameters chosen by LKE can be found in our e-mail correspondence from January 8, 2016.

   Rate of compensation increase:

   The January 1, 2016 rate of compensation increase assumption for the plan is a flat 3.50% at all ages.

Expected return on assets (EROA):

The January 1, 2016 EROA assumption for the plan is 7.00% for the 401(h) sub-account and 0.00% for the Union and Non-union VEBAs, which have historically been used as short-term payment vehicles.

Health care cost trend:

	December 31, 2015
2016	6.8%
2017	6.4%
2018	6.0%
2019	5.5%
2020+	5.0%

Per capita claims cost:

The per capita claims costs and employee contribution amounts for 2016 were provided by Mercer. We have reviewed the claims information for reasonableness and consistency, but have neither audited nor independently verified this information.

In addition, the aging table was updated and provided by Mercer as follows:

Age	January 1, 2016	January 1, 2015
20 – 24	2.35%	3.5%
25 – 29	5.89%	3.5%
30 – 34	2.53%	3.5%
35 – 39	1.92%	3.5%
40 – 44	2.73%	3.5%
45 – 49	4.23%	3.5%
50 – 54	4.38%	3.5%
55 – 59	4.11%	3.5%
60 – 64	4.57%	3.5%
65 – 69	2.41%	2.5%
70 – 74	1.94%	2.0%
75 – 79	1.33%	1.5%
80 – 84	0.78%	1.5%
85 – 90	0.19%	1.5%
90 – 94	-1.12%	1.5%
95+	0.00%	1.5%

2. All plan provisions are the same as those valued at January 1, 2015. Detailed descriptions of the plan provisions will be included in the actuarial valuation reports for the fiscal year ending December 31, 2015 (to be published during the coming months).

3. The expected contributions to the 401(h) sub-account are assumed to be contributed on June 30th, 2016 and, therefore, six months of expected return on assets is reflected. The expected contributions to the Union and Non-union VEBAs are assumed to be made monthly equal to the amounts paid out of the VEBA account each month.

$ millions	401(h) Sub-account Contributions
LG&E Non-union	$ 0.937
ServCo	$ 3.887
KU	$ 3.091
Total	$ 7.915

4. Under PPACA, the Transitional Reinsurance Fee ("TRF") is scheduled to be collected from both self-insured employer medical plans and fully insured medical plans beginning in 2014 and continuing through 2016 as a means to help stabilize premiums for coverage in the individual market (inside and outside the exchanges). Consistent with the prior year, the TRF will be accounted for outside of the plan, and therefore, the 2016 postretirement benefit obligations have not been adjusted to reflect the expected cost of the TRF.

Actuarial Certification

In preparing the results presented in this letter (including the attached exhibit), we have relied upon information regarding plan provisions, participants, assets and sponsor accounting policies and methods provided by LKE and other persons or organizations designated by LKE. We have relied on all the data and information provided as complete and accurate. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or other information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by LKE, may produce materially different results that could require that a revised report be issued.

The measurement date is January 1, 2016. The benefit obligations were measured as of January 1, 2016 and are based on participant data as of the census date, January 1, 2016.

Information about the fair value of plan assets was furnished to us by BNY Mellon. LKE also provided information about the general ledger account balances for the postretirement benefit plan cost at December 31, 2015, which reflect the expected funded status of the plans before adjustment to reflect the plans' funded status based on the year-end measurements, and differences between the expected Medicare Part D subsidies and amounts received during the year. Willis Towers Watson used information supplied by LKE regarding postretirement benefit asset, postretirement liability and amounts recognized in accumulated other comprehensive income as of December 31, 2015. This data was reviewed for reasonableness and consistency, but no audit was performed.

Accumulated other comprehensive (income)/loss amounts shown in this letter are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation with LKE's tax advisors and auditors.

As required by U.S. GAAP, the actuarial assumptions and the accounting policies and methods employed in the development of the postretirement benefit cost and financial reporting have been selected by LKE. Willis Towers Watson has concurred with these assumptions and methods. ASC 715-30-35 requires that each significant assumption "individually represent the best estimate of a particular future event."

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated by Willis Towers Watson, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. The numbers shown in this report are not rounded, but this is for convenience and should not imply precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period), and changes in plan provisions or applicable law.

The information contained in this report was prepared for the internal use of LKE and its auditors in connection with our actuarial valuation of the postretirement benefit plan. It is neither intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. LKE may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require LKE to provide them this report, in which case LKE will use best efforts to notify Willis Towers Watson in advance of this distribution. Further distribution to, or use by, other parties of all or part of this document is expressly prohibited without Willis Towers Watson's prior written consent. Willis Towers Watson accepts no responsibility for any consequences arising from any other party relying on this report or any advice relating to its contents.

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to other postretirement benefit plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Towers Watson Delaware Inc.

* * * * *

Please do not hesitate to call if you have any questions.

Sincerely,

Jennifer A. Della Pietra, ASA, EA
Senior Consulting Actuary
Direct Dial: 215-246-6861

Royce S. Kosoff, FSA, EA, CFA
Senior Consulting Actuary
Direct Dial: 215-246-6815

cc: Dan Arbough – LG&E and KU Energy LLC
Jeanne Kugler – LG&E and KU Energy LLC
Kayla Coleman – LG&E and KU Energy LLC
George Sunder – PPL Corporation
Julissa Burgos – PPL Corporation
Kristin May, FSA, EA – Willis Towers Watson
Brad Dreisbach, ASA – Willis Towers Watson

[redacted]

LG&E and KU Energy LLC ("LKE")
2016 Net Periodic Benefit Cost - Revised May 6, 2016
Post Retirement Welfare Plans

	Regulatory	[redacted]	Regulatory	[redacted]	Regulatory	[redacted]	Regulatory	Regulatory	[redacted]
	1		4		6		8	1 + 6	
	LG&E Non-union		KU	W	LG&E Union		ServCo	LG&E Total	
Funded Status									
APBO	[redacted]		75,653,533		[redacted]		[redacted]	[redacted]	
Fair Value of Assets			36,451,022						
Funded Status			(39,202,511)						
Amounts recognized in accumulated other comprehensive income consist of:									
Net actuarial loss/(gain)			(28,643,420)						
Prior service cost/(credit)			2,130,447						
Transition obligation/(asset)			-						
Total			(26,512,973)						
2016 Net Periodic Benefit Cost									
Service cost	490,625		1,548,797		395,857		2,079,183	886,482	
Interest cost	1,518,353		3,287,017		2,187,830		2,086,335	3,706,183	
Expected return on assets	(705,154)		(2,532,954)		-		(2,830,234)	(705,154)	
Amortization of:								-	
Transition obligation (asset)	-		-		-		-	-	
Prior service cost (credit)	362,456		725,258		785,717		644,568	1,148,173	
Actuarial (gain) loss	-		-		(515,034)		-	(515,034)	
Net periodic benefit cost	1,666,280		3,028,118		2,854,370		1,979,852	4,520,650	
Key assumptions:									
Discount Rate	4.49%		4.49%		4.49%		4.49%	4.49%	
Expected return on 401(h) assets	7.00%		7.00%		7.00%		7.00%	7.00%	
Rate of compensation increase	3.50%		3.50%		3.50%		3.50%	3.50%	
Mortality	RP-2014 with collar adjustment (white collar for Non-union increased by 2%, blue collar for Union increased by 7%), removing MP-2014 improvement projections from 2006 to 2014 and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis								
Health care cost trend rate									
Initial rate	6.80%	[redacted]	6.80%	[redacted]	6.80%	[redacted]	6.80%	6.80%	[redacted]
Ultimate rate	5.00%		5.00%		5.00%		5.00%	5.00%	
Years to ultimate	4		4		4		4	4	

The results contained in this document are based on the individual participant data provided by Mercer and LKE as of January 1, 2016. 2016 per capita claim cost assumptions were provided by Mercer Health and Welfare actuaries. All other assumptions, methods, and plan provisions are the same as those used for the year-end 2015 financial statement disclosures provided on January 19, 2016. The descriptions of the assumptions, methods, plan provisions, and limitations as set forth in the year-end 2015 financial statement disclosure letter should be considered part of these results.

[redacted]

TOWERS WATSON

May 15, 2015

Ms. Kelli Higdon
Senior Accounting Analyst
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

Dear Kelli:

2015 ASC 715 ACCOUNTING RESULTS FOR THE POSTRETIREMENT BENEFIT PLAN

LG&E and KU Energy LLC ("LKE" or "the Company") engaged Towers Watson Delaware, Inc. ("Towers Watson") to determine the Net Periodic Benefit Cost/Income ("NPBC") for the LG&E and KU Energy Postretirement Benefit Plan, in accordance with FASB Accounting Standards Codification Topic 715 ("ASC 715") for the fiscal year beginning January 1, 2015. The exhibits that follow provide results for the plan, with allocations as requested by LKE.

Reconciliation to May 30, 2014 Budget Projections

The preliminary 2015 consolidated US GAAP NPBC for the postretirement benefit plan of $11.1 million compares to the projected 2015 consolidated NPBC of $11.6 million provided in our May 30, 2014 e-mail as follows:

	Consolidated US GAAP NPBC (in $millions)
2015 Projected NPBC provided on May 30, 2014	$11.6
Economic gains due to higher than expected asset returns	(1.0)
Demographic gains due to updated data compared to roll forward	(0.6)
Impact of assumption changes other than discount rate and mortality	0.8
Updated discount rate at December 31, 2014	0.1
Updated mortality assumption at December 31, 2014	0.0
Reflection of updated per capita claims data	(0.5)
Effect of plan changes, including RMA contributions and RMC credits	0.9
Impact of 401(h) contribution at 6/30/15	(0.2)
2015 Preliminary NPBC	$11.1

TOWERS WATSON

Reconciliation to Actual 2014 NPBC

The preliminary 2015 consolidated U.S. GAAP NPBC for the postretirement benefit plan of $11.1 million compares to the actual 2014 consolidated NPBC of $10.4 million as follows:

	Consolidated U.S. GAAP NPBC (in $millions)
2014 Actual U.S. GAAP NPBC	$10.4
Economic gains due to higher than expected asset returns	(0.9)
Demographic gains due to updated data	(1.0)
Impact of assumption changes other than discount rate and mortality	0.8
Discount rate change	0.6
Mortality assumption change	1.0
Reflection of updated per capita claims data	(0.5)
Effect of plan changes, including RMA contributions and RMC credits	0.9
Impact of 401(h) contribution at 6/30/15	(0.2)
2015 Preliminary U.S. GAAP NPBC	$11.1

Retiree Drug Subsidy under the Medicare Modernization Act

2015 Net Periodic Benefit Cost ($)	**With Subsidy**	**Effect of Subsidy**	**Without Subsidy**
Service cost	5,389,842	-	5,389,842
Interest cost	8,856,776	168,995	9,025,771
Expected return on assets	(5,898,175)	-	(5,898,175)
Amortization of:			
Transition obligation (asset)	-	-	-
Prior service cost (credit)	2,926,824	-	2,926,824
Actuarial (gain) loss	(167,540)	-	(167,540)
Net periodic benefit cost	$ 11,107,727	$ 168,995	$ 11,276,722

The present value of the Medicare Retiree Drug Subsidy for the pre-2000 Kentucky Utilities retirees, measured as of January 1, 2015, using the assumptions outlined in this letter is $4,332,653.

Please note the following regarding these results:

1. As of January 1, 2014, LG&E and KU Energy LLC has selected the following economic assumptions:

   Discount rate:

   The discount rate of 4.06% is based on the results of the Towers Watson BOND:Link model. At December 31, 2014, cash flows by plan were used to develop individual discount rates. Further information regarding the BOND:Link model parameters chosen by LKE can be found in our e-mail correspondence from January 7, 2015.

Rate of compensation increase:

The January 1, 2015 rate of compensation increase assumption for the plan is a flat 3.50% at all ages. This amount decreased from the flat 4.00% assumption as of January 1, 2014 based on long-term expectations of salary increase rates for the covered plan populations.

Expected return on assets (EROA):

The January 1, 2015 EROA assumption for the plan is 7.00% for the 401(h) sub-account and 0.00% for the Union and Non-union VEBAs, which have historically been used as short-term payment vehicles.

Health care cost trend:

	December 31, 2014
2015	7.2%
2016	6.8%
2017	6.4%
2018	6.0%
2019	5.5%
2020+	5.0%

Per capita claims cost:

The per capita claims costs and employee contribution amounts for 2015 were provided by Mercer. We have reviewed the claims information for reasonableness and consistency, but have neither audited nor independently verified this information.

2. During 2014, LKE completed a demographic experience study to assess the appropriateness of the plans' current demographic assumptions. Details regarding the results of the study can be found in our 2014 Experience Study and Demographic Assumptions Review presentation provided to PPL and LKE on November 12, 2014. As a result of that study, the following demographic assumptions were refined to better reflect anticipated future demographic experience. All remaining demographic assumptions remain consistent with those selected by LKE at January 1, 2014. Detailed descriptions of all demographic assumptions will be included in the actuarial valuation reports for the fiscal year ending December 31, 2015 (to be published during the coming months).

Retirement rates for active participants:

Age	January 1, 2015	January 1, 2014
55	3%	2%
56	3%	2%
57	4%	2%
58	5%	4%
59	10%	4%
60	20%	10%
61	20%	10%
62	35%	50%
63	25%	15%
64	25%	10%
65 - 67	50%	100%
68+	100%	100%

Termination:

For both the union and non-union populations, the termination assumption was updated to the SOA Hourly Union Termination Table.

Mortality:

For the non-bargained plans, the mortality assumption was updated to reflect the RP-2014 gender specific healthy employee and healthy annuitant mortality tables with white collar adjustment (removing MP-2014 improvement projections from 2006-2014), increased by 2%, and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis.

For bargained plans, the mortality assumption was updated to reflect the RP-2014 gender specific healthy employee and healthy annuitant mortality tables with blue collar adjustment (removing MP-2014 improvement projections from 2006-2014), increased by 7%, and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis.

The disabled mortality assumption was updated to reflect the RP-2014 "Disabled Retirees" table (removing MP-2014 improvement projections from 2006-2014) and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis.

3. All plan provisions are the same as those valued at January 1, 2014, with the following exceptions:

Retiree Medical Account (RMA)	• RMA contribution increased from $2,000 to $2,500 per year • Maximum RMA account balance limit for retirees increased from $30,000 to $37,500 • Corresponding increase for dependents (50% of RMA)
Retiree Medical Credit (RMC)	• For ages 55-62, RMC retiree credit increased from $200/mo to $210/mo • For ages 62-65, RMC retiree credit increased from $465/mo to $500/mo • For ages 65 and older, RMC retiree credit increased from $200/mo to $210/mo

Detailed descriptions of the plan provisions will be included in the actuarial valuation reports for the fiscal year ending December 31, 2015 (to be published during the coming months).

4. The expected contributions to the 401(h) sub-account are assumed to be contributed on June 30th, 2015 and, therefore, six months of expected return on assets is reflected. The expected contributions to the Union and Non-union VEBAs are assumed to be made monthly equal to the amounts paid out of the VEBA account each month.

$ millions	401(h) Sub-account Contributions
LG&E Non-union	$ 0.81
ServCo	$ 3.35
KU	$ 2.66
Total	$ 6.82

5. Under PPACA, the Transitional Reinsurance Fee ("TRF") is scheduled to be collected from both self-insured employer medical plans and fully insured medical plans beginning in 2014 and continuing through 2016 as a means to help stabilize premiums for coverage in the individual market (inside and outside the exchanges). Consistent with the prior year, the TRF will be accounted for outside of the plan, and therefore, the 2015 postretirement benefit obligations have not been adjusted to reflect the expected cost of the TRF.

Actuarial Certification

In preparing the results presented in this letter (including the attached exhibit), we have relied upon information regarding plan provisions, participants, assets and sponsor accounting policies and methods provided by LKE and other persons or organizations designated by LKE. We have relied on all the data and information provided as complete and accurate. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or other information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by LKE, may produce materially different results that could require that a revised report be issued.

The measurement date is January 1, 2015. The benefit obligations were measured as of January 1, 2015 and are based on participant data as of the census date, January 1, 2015.

Information about the fair value of plan assets was furnished to us by BNY Mellon. LKE also provided information about the general ledger account balances for the postretirement benefit plan cost at December 31, 2014, which reflect the expected funded status of the plans before adjustment to reflect the plans' funded status based on the year-end measurements, and differences between the expected Medicare Part D subsidies and amounts received during the year. Towers Watson used information supplied by LKE regarding postretirement benefit asset, postretirement liability and amounts recognized in accumulated other comprehensive income as of December 31, 2014. This data was reviewed for reasonableness and consistency, but no audit was performed.

Accumulated other comprehensive (income)/loss amounts shown in this letter are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation with LKE's tax advisors and auditors.

As required by U.S. GAAP, the actuarial assumptions and the accounting policies and methods employed in the development of the postretirement benefit cost and financial reporting have been selected by LKE. Towers Watson has concurred with these assumptions and methods. ASC 715-30-35 requires that each significant assumption "individually represent the best estimate of a particular future event."

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated by Towers Watson, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. The

numbers shown in this report are not rounded, but this is for convenience and should not imply precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period), and changes in plan provisions or applicable law.

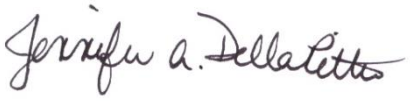
The information contained in this report was prepared for the internal use of LKE and its auditors in connection with our actuarial valuation of the postretirement benefit plan. It is neither intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. LKE may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require LKE to provide them this report, in which case LKE will use best efforts to notify Towers Watson in advance of this distribution. Further distribution to, or use by, other parties of all or part of this document is expressly prohibited without Towers Watson's prior written consent. Towers Watson accepts no responsibility for any consequences arising from any other party relying on this report or any advice relating to its contents.

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to other postretirement benefit plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Towers Watson Delaware Inc.

* * * * *

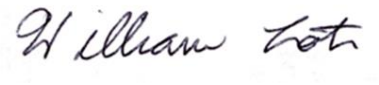
Please do not hesitate to call if you have any questions.

Sincerely,



Jennifer A. Della Pietra, ASA, EA
Senior Consulting Actuary
Direct Dial: 215-246-6861

Royce S. Kosoff, FSA, EA, CFA
Senior Consulting Actuary
Direct Dial: 215-246-6815



William R. Loth, FSA, EA
Consulting Actuary
Direct Dial: 215-246-6647

cc: George Sunder – PPL Corporation
Dan Arbough – LG&E and KU Energy LLC
Jeanne Kugler– LG&E and KU Energy LLC
Julissa Burgos – PPL Corporation
Kristin May, FSA, EA – Towers Watson
Brad Dreisbach, ASA – Towers Watson

[redacted]

LG&E and KU Energy LLC ("LKE")
2015 Net Periodic Benefit Cost - Revised to include additional retirees in the WKE Non-union results
Post Retirement Welfare Plans

	Regulatory	[redacted]	Regulatory	[redacted]	Regulatory	[redacted]	Regulatory	Regulatory	[redacted]
	1						8	1 + 6	
	LG&E Non-union		**KU**		**LG&E Union**		**ServCo**	**LG&E Total**	
Funded Status	[redacted]								
APBO			81,516,692		55,638,162		49,280,060	92,595,149	
Fair Value of Assets			34,161,489		954,431		35,246,504	10,258,571	
Funded Status			(47,355,203)		(54,683,731)		(14,033,556)	(82,336,578)	
Amounts recognized in accumulated other comprehensive income consist of:									
Net actuarial loss/(gain)			(23,898,173)		(7,493,176)		9,505,844	6,371,462	
Prior service cost/(credit)			2,855,708		4,755,391		2,618,541	6,273,874	
Transition obligation/(asset)			-		-		-	-	
Total			(21,042,465)		(2,737,785)		12,124,385	12,645,336	
2015 Net Periodic Benefit Cost									
Service cost	577,928		1,905,965		509,460		2,396,489	1,087,388	
Interest cost	1,448,386		3,211,705		2,186,041		1,968,430	3,634,427	
Expected return on assets	(679,797)		(2,429,180)		-		(2,585,157)	(679,797)	
Amortization of:								-	
Transition obligation (asset)	-		-		-		-	-	
Prior service cost (credit)	362,458		725,261		1,185,365		644,568	1,547,823	
Actuarial (gain) loss	-		-		(156,948)		-	(156,948)	
Net periodic benefit cost	1,708,975		3,413,751		3,723,918		2,424,330	5,432,893	
Key assumptions:									
Discount Rate	4.06%		4.06%		4.06%		4.06%	4.06%	
Expected return on 401(h) assets	7.00%		7.00%		7.00%		7.00%	7.00%	
Rate of compensation increase	3.50%		3.50%		3.50%		3.50%	3.50%	
Mortality	RP-2014 with collar adjustment (white collar for Non-union increased by 2%, blue collar for Union increased by 7%), removing MP-2014 improvement projections from 2006 to 2014 and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis								
Health care cost trend rate									
Initial rate	7.20%	[redacted]	7.20%	[redacted]	7.20%	[redacted]	7.20%	7.20%	[redacted]
Ultimate rate	5.00%		5.00%		5.00%		5.00%	5.00%	
Years to ultimate	5		5		5		5	5	

The results contained in this document are based on the individual participant data provided by Mercer and LKE as of January 1, 2015. 2015 per capita claim cost assumptions were provided by Mercer Health and Welfare actuaries. All other assumptions, methods, and plan provisions are the same as those used for the year-end 2014 financial statement disclosures provided on January 20, 2015. The descriptions of the assumptions, methods, plan provisions, and limitations as set forth in the year-end 2014 financial statement disclosure letter should be considered part of these results.

[redacted]

Assumptions	Test Year	
	7/1/2015-6/30/2016	7/1/2017-6/30/2018
Mortality Assumption		
LG&E and KU Retirement Plan & LG&E Energy LLC Postretirement Benefit Plan	Fully generational RP-2014 mortality table with MP-2014 projection scale with white collar adjustment.	RP-2014 gender specific healthy employee and healthy annuitant mortality tables with white collar adjustment (removing MP-2014 improvement projections from 2006-2014), increased by 2%, and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis.
Louisville Gas and Electric Company Bargaining Employees' Retirement Plan	Fully generational RP-2014 mortality table with MP-2014 projection scale with no collar adjustment.	RP-2014 gender specific healthy employee and healthy annuitant mortality tables with blue collar adjustment (removing MP-2014 improvement projections from 2006-2014), increased by 7%, and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis.
Discount Rate		
LG&E and KU Retirement Plan	4.70%	4.42%
Louisville Gas and Electric Company Bargaining Employees' Retirement Plan	4.63%	4.34%
LG&E Energy LLC Postretirement Benefit Plan	4.41%	4.31%
Rate of Compensation Increase	4.00%	3.50%
Expected Return on Assets	7.00%	7.00%
Health Care Cost Trend		
2015	7.20%	N/A
2016	6.80%	N/A
2017	6.40%	7.00%
2018	6.00%	6.80%
Lump Sum Option	No Lump Sum Option was available.	The percentage of retiring and terminating participants assumed to take a lump sum is 50%. Lump sum benefits are valued reflecting the discount rate employed for accounting purposes and unisex RP-2014 healthy annuitant mortality table (e.g., 50/50 blend of gender specific tables), without collar adjustment (removing MP-2014 improvement projections from 2006-2014) and applying Scale BB 2-Dimensional mortality improvements form 2006 on a generational basis.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 29

Responding Witness: Daniel K. Arbough

Q.1-29. Please provide the Company's 2017, 2018, and 2019 pension actuarial cost projections.

A.1-29. See attachment #1 to the response to Question No. 28.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 30

Responding Witness: Lonnie E. Bellar

Q.1-30. Refer to page 16, lines 11-14, of Mr. Garrett's Direct Testimony wherein he describes an annual increase of $5.0 million in transmission maintenance of overhead lines resulting primarily from a move to a five-year cycled approach from a just-in time approach.

a. Please provide copies of all studies and/or analyses relied upon to justify the change in methodology and the amount of the annual increase.

b. Please quantify the expected annual benefits resulting in reduced outage maintenance expense as the result of moving to the cycle approach. If none, then please explain why.

c. Please confirm that the change to a five-year cycle approach from a just-in time approach should be expense neutral or result in a savings due to more efficient trimming aside from any savings in outage maintenance expense. If this cannot be confirmed, then please provide a detailed explanation why this is not correct.

A.1-30.

a. See attached.

b. Conversion to a cycle based approach and implementation of a hazard tree identification and removal program as part of transmission vegetation management is expected to primarily provide reliability benefits to customers. The full benefit of these programs will not be realized until after conversion to the five-year maintenance cycle and completion of the first cycle of the hazard tree program. The Company expects some reduction in outage maintenance expense, but has not quantified the reduction.

c. The referenced increases include the cost to convert to a five year maintenance cycle and implementation of a new hazard tree identification and removal program which are expected to reduce tree related customer

outages but may not be expense neutral. The Company did not specifically perform detailed analysis to determine O&M costs beyond the conversion timeframe.

ENVIRONMENTAL CONSULTANTS, INC.

Louisville Gas & Electric and Kentucky Utilities
Transmission Program Review

Prepared for
Louisville Gas & Electric
Kentucky Utilities
Lexington, KY

February 20, 2015

Prepared by
ECI
520 Business Park Circle
Stoughton, WI 53589

Table of Contents

Executive Summary

At the request of Louisville Gas & Electric (LG&E) and Kentucky Utilities (KU), ECI has completed the survey of transmission rights-of-way and a review of the vegetation management program. The primary goal of the evaluation was to assess the vegetation workload on the LG&E and KU overhead transmission and develop a budget to support the vegetation management program. A secondary goal was to conduct a high-level assessment of the vegetation management program and identify general opportunities to enhance program management, reliability and cost effectiveness.

The workload survey was performed while accompanying LG&E and KU during fourth quarter aerial inspection. ECI's program assessment consisted of a review of available program documentation provided by LG&E and KU and interviews with key personnel involved with the program. The survey and program review was a cooperative effort between LG&E, KU and ECI.

On the basis of ECI's review, program strengths and opportunities for improvement were identified. Recommendations, based on the results of the review, ECI's experience, and industry best practices, have been developed to provide LG&E and KU with a general plan for program improvement.

Key Metrics

Vegetation conditions were sampled on approximately 18 percent of the total transmission line miles while the ECI survey team accompanied LG&E and KU during regularly scheduled aerial inspections. ECI survey teams inventoried approximately 1,076 transmission miles. The field data collected was used to estimate the total transmission system vegetation workload, maintenance budget and resource requirements. Table 1 presents a system summary of these results.

Table 1. Tree and Brush Workload Summary on the LG&E and KU Transmission System.

Voltage (kV)	System Miles	Yard Trees	Edge Pruning – Mechanical (ft.)	Edge Pruning – Manual (ft.)	Re-Clear (ft.)	Manageable Brush Acres	[1]Total System Cost (Millions)
69	2,570	10,400	6,602,600	1,826,300	26,900	16,900	$23.16
138	1,264	4,000	4,154,200	254,500	5,000	8,700	$10.62
161	667	400	2,636,700	887,400	10,500	6,800	$9.35
345	1,090	1,400	2,945,400	395,700	---------	7,100	$8.30
500	237	---------	224,600	1,019,600	5,400	3,000	$4.91
System:	**5,827**	**16,200**	**16,563,500**	**4,383,500**	**47,800**	**42,500**	**$56.32**

[1] Reflects the cost to maintain the entire system. The exact cycle length to distribute the cost will need to be determined by LG&E and KU.

General Assessment

STRENGTHS

Key strengths of the current LG&E and KU vegetation maintenance program include the following:

- LG&E and KU management is supportive of program improvements.
- The program is focused on reliability and regulatory compliance.
- A centralized management structure is in place.
- Right-of-way (ROW) conditions are inspected on a quarterly basis.
- 'Action Threshold Clearance' has been established to ensure minimum acceptable clearances are not encroached upon, providing increased margin of safety regarding reliability.
- Tree-caused outages are formally investigated and document, with trained personnel.
- Aerial herbicide applications are effectively used to control brush in rural ROW areas.

Recommendation

ECI recommends the following program specific items based on the field data collection and observations of current vegetation practices on the LG&E and KU transmission system:

1. Transition maintenance program to cyclical maintenance.
2. Continue to remove incompatible trees within the ROW and particularly under the conductors (within the wire zone corridor).
3. Determine and document the ROW width for all LG&E and KU transmission circuits.
4. Develop a hazard tree[2] ground patrol to address potential risk from trees that may not be visible through normal routine aerial inspections.
5. Establish a list or database of hazard tree locations and develop a priority program to determine which trees should be removed first. This database may include ash trees that could be affected by the emerald ash borer (EAB).
6. Continue to enforce vegetation maintenance clearance specifications for transmission voltages and the policies and standards specific to LG&E and KU needs and conditions. Current specifications appear adequate to maintain vegetation on the transmission system.
7. Ensure that vegetation maintenance crews exhibit reasonable production levels by implementing a work reporting / measurement system and utilize the records to evaluate crews and compare contractor performance.
8. Implement Integrated Vegetation Management (IVM[3]) as the guiding maintenance principle on the LG&E and KU transmission system.

[2] Danger trees are trees tall enough to breach action threshold if they fell toward lines regardless of condition.

9. Re-establish the transmission corridor ROW edges wherever practical to bring the corridors back to specification by voltage.
10. Continue to maximize herbicide use where practical to minimize future vegetation management costs and better manage for compatible plant communities.
11. Once established maintain consistent transmission vegetation maintenance program funding to maximize overall program effectiveness and ensure compliance with NERC Standards FAC-003.
12. Consider increasing vegetation management oversight to address the addition of approximately 46 crews to meet workload requirement for a 5-year cycle (Appendix D).

[3] IVM = A system of managing plant communities in which compatible and incompatible vegetation is identified, action thresholds are considered, control methods are evaluated, and selected control(s) are implemented to achieve a specific objective. Choice of control methods is based on effectiveness, environmental impact, site characteristics, safety, security and economics. *ANSI A300 (part 7)-2012 IVM*.

Introduction

At the request of LG&E and KU, ECI has documented the quantity and characteristics of the existing tree and brush workload that currently exists on the transmission system. In preparation for the survey:

- LG&E and KU supplied GPS transmission structure locations, flight schedule and helicopter for the vegetation survey, which included the states of Indiana, Kentucky, and Virginia.
- ECI provided the methodology, field personnel, and expertise necessary to conduct the study.

The fieldwork consisted of a sample survey of vegetation conditions that resulted in 18 percent (1,076 miles) of the transmission line miles throughout the service areas of two Pennsylvania Power and Light Corporation operating companies (OPCOs). These OPCOs are LG&E and KU. LG&E and KU supply power to 98 counties with combined total of approximately 1.3 million customers. The aerial survey occurred between October 20 and November 21, 2014. All data was collected on a span-by-span basis. Aerial data collection included: brush maintenance recommendations (mow, hand cut, foliar spray), edge tree maintenance workload, accessibility, and notations on danger[4] and hazard[5][6] trees adjacent to the ROW corridor (dead, dying, severe lean toward line, etc.). This report includes the following areas of evaluation:

1. Evaluation of field conditions designed to quantify the extent of maintenance required and recommended maintenance practices.
2. Evaluation of vegetation management practices and effectiveness compared to industry best practice methods.

Through phone interview and via email questionnaires, the current operation procedures and vegetation management practices were discussed with LG&E and KU staff.

[4] Danger tree: any tree that could contact the conductor if it fell or fall within the action threshold.
[5] Hazard tree: a danger tree predisposed to failure due to disease, structure, dead or in decline, lean or soil conditions.
[6] The six hazard trees observed during the aerial workload survey were reported to the LG&E and KU ROW Coordinate present during the flight.

Current Operating Practices

This section presents general findings of ECI's interview with LG&E and KU staff and the program information (i.e., historical budget, reliability, staffing level, etc.). On the basis of ECI's review, program strengths and opportunities for improvement were identified. Recommendations, based on the results of the review, ECI's experience, and industry best practices, have been developed to provide LG&E and KU with a general plan for program improvement.

Program Management and Supervision

LG&E and KU has a centralized staff that manages vegetation on the system. Supervision over the vegetation management group has recently changed to the Transmission Line Construction department. The overall transmission vegetation management program goals are based on safety, reliability, cost effectiveness, fire safety and utilizing industry best management practices. LG&E and KU does have a comprehensive vegetation management plan and clearance specifications; however, does not manage a specific cycle. Currently, there are three ROW Coordinators who are each assigned to a specific region (East, Central and West) to manage.

Vegetation maintenance needs are determined by LG&E and KU ROW Coordinators based upon quarterly inspections performed. The patrol of transmission lines is predominately performed by helicopter. The ROW Coordinators and other experienced staff have received training on recognizing vegetation maintenance priorities or conditions that require immediate attention.

Contract Crews

ROW Coordinators oversee vegetation maintenance performed by three vendors under a T&M contract. Asplundh Tree Expert, Co. and Phillips Tree Experts, Inc. are tree contractors used for vegetation maintenance from the ground. LG&E and KU are contracted with Summit Helicopters, Inc. to perform herbicide aerial spray treatments. Haverfield Aviation, Inc. was contracted to provide a helicopter for quarterly aerial inspection of the transmission lines.

Asplundh Tree Expert, Co. and Phillips Tree Experts, Inc. have signed a 5-year contract with LG&E and KU. The maintenance from the ground is equally split between the two contractors. Phillips Tree Experts, Inc. works in the eastern half of the transmission system where the terrain is stepper because of the rolling foothills and mountain ridges common to the Appalachian Mountain Range.

Customer Interface

LG&E and KU provide notification to land owners regarding maintenance activities based upon the location of the transmission line within the state. Customers abutting rural sections of transmission line typically do not receive notification in the eastern half of Kentucky. Landowners of agricultural land and horse farms and those located in urban area generally receive notifications. Special notification and access permission to ROW is provided

when working on USDA Forest Service lands, military bases (Fort Knox) and other government owned land.

During a recent peer review project, LG&E and KU explained that land owner issues, skips, special areas were not tracked in any database. However, LG&E and KU informed ECI during an interview on August 20, 2014 that a spreadsheet to capture this information was being developed. Tracking customer issues or special previsions can help with reliability improvements, work planning, cycle selection, and tracking resolution status of refusals.

Regulatory Agencies

LG&E and KU follow the Kentucky Public Service Commission regulation pertaining to tree energized electrical equipment limits of approach. If these limits are breached by tree(s), lines are de-energized to perform vegetation maintenance. LG&E and KU have guidelines to determine immediate maintenance requirements (emergency or high priority due to vegetation proximity) vs. scheduled maintenance. LG&E and KU are subject to North American Electric Reliability Corporation (NERC) reliability standards and must practice due diligence in complying with NERC FAC-003 standards. LG&E and KU transmission system are specifically regulated by SERC Reliability Corporation, a regional entity of NERC. LG&E and KU have 1,327 miles of NERC lines (345 and 500kV system) and 4,500 miles of non-NERC lines (69, 138 and 161 kV system). LIDAR is performed on 50 percent of the NERC lines each year. Even though NERC FAC 003-3[7] standards require only one inspection per calendar year of vegetation conditions, LG&E and KU performs two vegetation only patrols during May and July. In addition, while LG&E and KU perform aerial patrols each quarter for critical visual inspection, the ROW Coordinator will document any vegetation that may have been missed during the vegetation only patrols in May and July.

Tree-Related Interruptions

LG&E and KU reliability staff perform an in-depth post-outage investigation of vegetation-caused outages. Outages listed as "vegetation" are separated by a secondary cause code (i.e., grow-in, fall-in from off-ROW, and fall-in from inside-ROW). The specific reason for a tree-caused outage is limited to three codes, but could be expanded to include additional cause codes for further reliability improvement. The additional secondary cause codes (i.e., hazard tree, mode of tree failure, etc.) would assist in further diagnosis of tree-caused outages.

A major concern for LG&E and KU are: hazard and danger trees – risk of fall-in from on and off ROW trees (117 fall-ins on 69, 138 and 161kV lines between 2008 and 2014). The all tree-caused interruptions are on non-NERC

[7] Each applicable Transmission Owner and applicable Generator Owner shall perform a Vegetation Inspection of 100% of its applicable transmission lines (measured in units of choice – circuit, pole line, line miles of kilometers, etc.) at least once per calendar year and with no more than 18 calendar months between inspections on the same ROW. FAC 003-3 R6. 2013

transmission lines due to on and off-ROW trees falling into the ROW. LG&E and KU have very few "grow-in" outages on the 69kV and higher voltage lines. No "grows-in" have been recorded on 345 and 500kV lines between 2008 and 2014. Before 2012 the secondary cause code was limited to fall-in within in the ROW. The interruption may have resulted from a tree outside of the ROW but cause was classified as fall-in from inside the ROW. The secondary cause codes were expanded in 2012 to allow for the distinction between fall-ins for inside or outside of the ROW and grow-ins. Figure 1 shows the number of tree-caused outages between 2012 and 2014 for each of the secondary cause codes. Tree fall-ins, outside of the ROW, account for 85 percent of the tree-caused outages between 2012 and 2014.

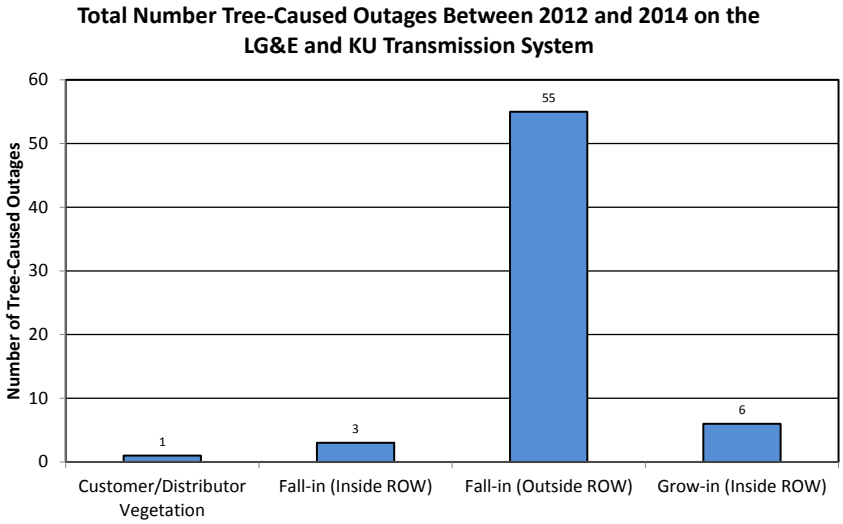


Figure 1. Total number tree-caused outages by secondary caused.

Hazard trees are removed as they are found. However, since LG&E and KU have had 117 fall-ins over the course of 7 years there appears to be hazard trees that are possibly being missed during aerial inspections. A ground patrol may be warranted to identify hazard trees that are hidden under the canopy of larger mature trees.

Recordkeeping and Crew Productivity

A comprehensive recordkeeping and reporting system is an essential component of an effective line clearance program. A record keeping system should be capable of providing management with the following information:

- Justification of management decisions.
- Projections of annual budget requirements.
- Determination of the most cost effective crew type for various locations and work types.
- Prioritizing work by analysis of tree-caused outages and the inclusion of other metrics important to the utility.
- Detailed monitoring of crew productivity.

- Establishment of guidelines for tree removal and replacement (if implemented).
- Establishing a tracking process for customer refusals and hazard trees.

A comprehensive line clearance record keeping system depends on recording four components of all field activities: work location (i.e. circuit number), description of work completed (number of trims, removals, etc.), time required to complete the activity and any required materials (man and equipment hours). Time report verification, evaluation of crew productivity and accumulation of cost and production data all depend on these elements of activity reporting.

Recording crew time by specific work units and work related activities will provide the means to (1) examine detailed costs, (2) evaluate productivity, and (3) initiate appropriate changes to maximize the efficiency of the program. All record keeping needs to be adjusted to conform to the type of contract in place and the desired system metrics LG&E and KU desires.

Time Utilization

Time utilization measures can be used to evaluate crew time and production figures: time utilization, performance, and effectiveness.

Time utilization calculations allow a utility to determine what each crew does with the time it controls on a daily basis. For example, if time utilization is low, it indicates that the crew has excessive nonproductive time.

Performance

Performance is a measure that compares the actual time required to prune or remove a tree to the expected or standard time. Standards are developed from actual local data and are periodically evaluated for accuracy. The performance rating provides a good means for evaluating the production rates of each crew relative to an established set of standards. If performance is too high, it may suggest that a crew is inaccurately reporting work, obtaining inadequate clearance, or trimming brush (rather than removing brush). If performance is too low, it may suggest that the need for increased supervision and/or training.

Effectiveness

Effectiveness is calculated as a product of time utilization and performance (time utilization X performance/100). It provides a relative measure of what the return on expenditures is for each contract crew. Effectiveness ratings can be used to compare individual crews.

LG&E and KU has an electronic record keeping system to track circuit history, crew number, man hours, start and stop pole locations, labor cost, material cost, equipment cost, aerial spray acres and aerial spray cost. Even though their record keeping system tracks this information, the detail is limited and prevents any crew production analysis. The start/stop pole information does not include a linear distance and type of work performed (i.e., number of trims, linear distance mechanically pruned, removal, brush acres mowed, etc.). While LG&E and KU record the crew number for all work performed, the number of men or type of equipped used by the crew is not included. Once the electronic record keeping system is expanded to include this additional information, LG&E and KU can establish production metrics to track the efficiency of the vegetation maintenance program (i.e., cost per acre, cost per mile, etc.).

LG&E and KU does not currently possess the metrics necessary to effectively and efficiently manage the program. Data is collected from contractor invoices regarding total cost and man-hours only and are not tracked by individual work unit even though this type of information is available. The data contractor invoice does include information regarding number of units maintained or miles covered. Work is categorized on the LG&E and KU-required timesheet by the following classifications:

- Man-hours for each employee and equipment
  - Daily Hours (RT, OT, and DT)
  - Holiday
  - Vacation
  - Other
- Type of Work
- Type of Billing (T&M, Cost Plus, Unit, and Contract)
- Type of Crew (Tree or Other)
- Project number or account number (i.e. distribution, new construction)
- Herbicide Concentrate
  - Amount by unit (lbs or gallons)
- Tree Units and Man-hours by Unit
- Brush Units and Man-hours by Unit

Unit data (i.e. number of trees by maintenance type) is recorded on the timesheet but not captured as part of the current process for the electronic record keeping system. Additional details about contractor production would allow movement toward a performance-based component within a T&M contract, or become a basis for a unit cost removal component of firm priced

contracts (Appendix A). At a minimum, more detailed production data would provide an accurate assessment of production cost for various work-types for both internal and external comparisons.

Both record keeping software and record keeping services are available to provide streamlined invoice verification, cost tracking by asset and work type, metrics for process improvement and documentation of work accomplishment.

Vegetation Work Practices

LG&E and KU are doing an admirable job in managing transmission vegetation with a limited budget. The size of the annual budget has necessitated a "just-in-time" approach to vegetation maintenance. The current maintenance practice of "just in time" or "hot spot" mowing, herbicide treatment, edge pruning on non-NERC lines has resulted in a system that is a patch work of various vegetation conditions on the ROW's. Vegetation conditions on any given line range from clear (just maintained) to very tall brush or edge trees on low voltage lines requiring immediate attention. This can result in excessive "jumping" from location to location by the contractor, thus incurring additional travel time. The limited detail in the records regarding maintenance cost preclude developing a line maintenance history, determining the efficiency of the vendor and over-all lack of data to forecast future work effort and cost.

Through ECI's aerial patrols, the vegetation workload was quantified, and utilizing LG&E and KU historical maintenance cost and available supplemental industry cost data, a maintenance budget has been established. Because maintenance has been on a "hot spot" basis, conversion to a more efficient and cost effective cyclic maintenance schedule will require several years to implement. During this implementation phase, "hot spot" maintenance will be required to maintain system reliability until cycles can be established. In addition, the early years of the conversion to cyclic maintenance may require a higher budget. Converting to a cyclic maintenance schedule will reduce unit production cost (lower density and shorter height brush), provide for reduced planning effort each year through reducing the number aerial inspections and provide for a sound basis to consider other contracting strategies.

Vegetation Maintenance Expenditures

The vegetation maintenance budget is presented to LG&E and KU senior management on an annual basis for approval. Budgets have been based on historical levels, not specifically to address cyclic maintenance requirements. The annual budget has remained fairly flat over the past 6 years (Table 2).

Table 2. LG&E and KU Historical Transmission Vegetation Maintenance Expenditures.

Year	ROW Actuals	CPI[8] – 2014[9]
2009	$4,425,830.31	$4,883,788.64
2010	$4,616,948.52	$5,012,464.34
2011	$5,313,879.93	$5,592,568.11
2012	$4,912,862.53	$5,065,687.36
2013	$5,570,389.98	$5,660,752.17
2014	$6,151,060.19[10]	$6,151,060.19

Production and Cost

LG&E and KU provided ECI with the electronic record keeping system for records from 2010 through 2014. From these records, ECI calculated aerial spray cost per acre. In addition, LG&E and KU provided ECI with weekly rates by crew type for calculating the estimated number crews need to manage the transmission system. LG&E and KU may choose to re-calculate the budget by changing some of the brush acres classified as low and high-volume foliar treatments to aerial spray treatments.

Vegetation Assessment

Vegetation conditions were sampled on 18 percent of the total transmission line miles to estimate the existing vegetation workload for each of the five voltages. ECI survey teams inventoried approximately 1,076 transmission miles. Field data gathered by the survey teams focused on tree and brush quantities, conditions, and maintenance requirements. The results of the study are included in the following sections.

Specific Survey Criterion

ECI's survey teams utilized the *Louisville Gas & Electric and Kentucky Utilities Services Company Transmission Vegetation Management Program (Revision 2013)* as the basis for determining current and future vegetation work load. The survey teams collected data on the vegetation conditions on the LG&E and KU transmission system using the form found in Appendix B.

[8] CPI – Consumer Price Index.
[9] The actual vegetation expenses for each year were adjusted using the correct CPI and the base year of 2014. The adjustment was down to allow for a better comparison between years.
[10] Actual vegetation expense through the end of November.

Vegetation Workload Survey Data

This section presents general findings of ECI's workload assessment. Total workload projections are based on the total line miles as provided by LG&E and KU.

Total Workload

Table 3 represents the estimated total vegetation workload summary for the LG&E and KU transmission system by voltage class based on the sample survey.

Table 3. Tree and Brush Workload by Voltage Category (Transmission).

Voltage	*System Miles*	*System Acres*	*Yard Trees*	*Edge Pruning - Mechanical (ft.)*	*Edge Pruning - Manual (ft.)*	*Re-clear (ft.)*	*Manageable Brush Acres*
69	2,570	46,723	10,400	6,602,600	1,826,300	26,900	16,900
138	1,264	22,973	4,000	4,154,200	254,500	5,000	8,700
161	667	12,119	400	2,636,700	887,400	10,500	6,800
345	1,090	19,822	1,400	2,945,400	395,700		7,100
500	237	4,313		224,600	1,019,600	5,400	3,000
TOTAL	**5,827**	**105,949**	**16,200**	**16,563,500**	**4,383,500**	**47,800**	**42,500**

Total projected workload was projected for the LG&E and KU system based upon the conditions noted on the sampled miles. Table 2 indicates that approximately 16,563,500 linear feet (actual footage to be pruned not line footage) of ROW edge can be pruned using mechanical equipment (i.e. Jarraff or Skytrim crews), 4,383,500 feet consist of manual workload and 47,800 feet of ROW edge needs to be re-cleared to the establish ROW width. The estimated linear footage of ROW needing to be re-cleared was minimal because the ECI survey team counted work that had encroached from the established ROW width and not the actual easement width. LG&E and KU could not provide ECI the actual ROW easement or edge-to-edge width for each circuit. The small amount of estimated re-clear footage for 500kV lines resulted from the need to achieve additional clearance when a span of line extended from one ridge top to another.

More than 59 percent of the ROW edge workload was found on 138, 161, 345 and 500 kV lines which is expected considering these four voltages comprise approximately 55 percent of the total transmission line miles. Figure 2 shows the distribution of edge tree maintenance workload across the varying voltage classifications. Alternatively, Figure 3 presents the linear distance of edge tree maintenance on a per mile basis, which shows 161kV lines as having the highest concentration, followed by 500kV and 138kV lines.

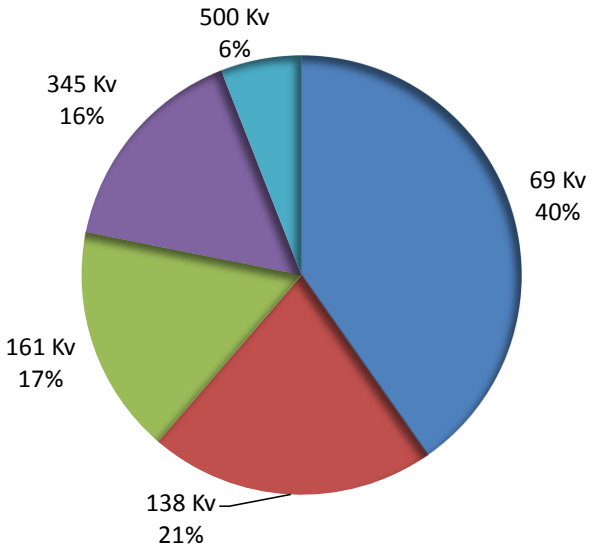


Figure 2. Percentage of Edge Tree Maintenance Workload by Voltage Classification.

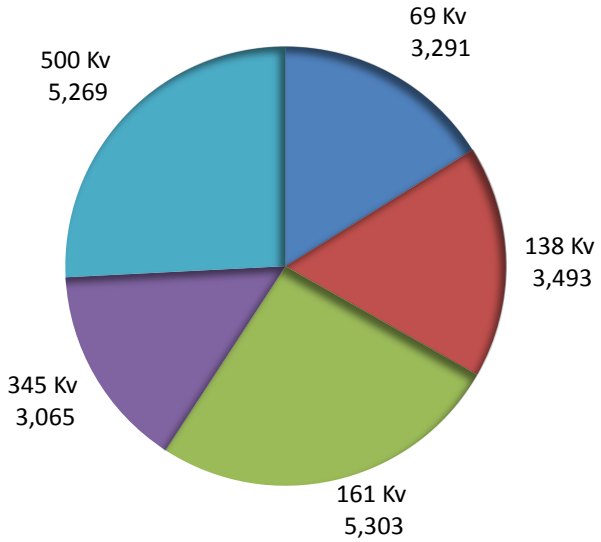


Figure 3. Linear Distance of Edge Tree Maintenance per Mile by Voltage Classification[11].

Yard trees account for approximately 16,200 total trees or 2.7 trees per mile at the system level. ECI estimates there are approximately 105,950 acres that comprise the entire LG&E and KU transmission system. Of those total acres, approximately 40 percent (or 42,500 acres) contain manageable brush acreage. Brush will be defined in greater detail later in the Brush Workload Characteristics section.

Average Density and Statistical Error

Tree and brush density was quantified in terms of trees per mile, linear distance per mile and acres per mile. Table 4 shows the average trees per mile (Yard Trees), linear distance per mile of ROW edge trimming (Mechanical, Manual and Re-clear), and brush acres per mile by voltage class on the LG&E and KU transmission system. These are trees and acres of brush requiring maintenance according to *Louisville Gas & Electric and Kentucky Utilities Services Company Transmission Vegetation Management Program (Revision 2013).* The tree counts and brush acres per mile values as expressed in Table 4 were used to estimate the total quantities at the system level (as shown in Table 3).

[11] Each side of the ROW was counted separately and then combined to provide actual footage to be pruned. Therefore, the liner footage per mile of workload can result in a number larger than a mile.

Table 4. Average per mile tree and brush densities per mile on the LG&E and KU transmission system.

Voltage	Total System Miles	Number of Yard Trees	Linear Distance for Mechanical Trimming (ft.)	Linear Distance for Manual Trimming (ft.)	Linear Distance for Re-clear of ROW (ft.)	Manageable Brush Acres
69	2,570	4.0	2569.4	710.7	10.5	6.6
138	1,264	3.2	3287.8	201.4	4.0	6.9
161	667	0.6	3955.6	1331.3	15.7	10.1
345	1,090	1.3	2701.7	363.0	0.0	6.5
500	237	0.0	946.9	4298.6	23.0	12.5
SYSTEM AVERAGE	**5,827**	**2.7**	**2918.8**	**692.8**	**7.8**	**7.3**

The statistical sampling error was calculated for the transmission survey samples by voltage class. Statistical sampling error calculation was based upon the mean linear distance of tree workload and brush acreage per span at the 90 percent level of confidence. Sampling error for linear distance of tree workload per span for each voltage category were: 69kV = ± 3 percent; 138kV = ± 4 percent; 161kV = ± 4 percent; 345kV = ± 5 percent; and 500kV = ± 11 percent. Sampling error for brush acres per span for each voltage category were: 69kV = ± 3 percent; 138kV = ± 4 percent; 161kV = ± 4 percent; 345kV = ± 4 percent; and 500kV = ± 7 percent.

Brush Workload Characteristics

Brush workload was collected and characterized by maintenance practice. Table 5 shows the total estimated brush acres on the LG&E and KU system by maintenance practice.

Table 5. Brush Workload by Voltage Category and Maintenance Practice.

Voltage	Total System Miles	Total System Acres	Mow Acres	Hand Cut and Treat Acres	Low-Volume Foliar Acres	High-Volume Foliar Acres	Manageable Brush Acres
69	2,570	46,723	1,100	1,500	13,500	800	16,900
138	1,264	22,973	1,100	800	6,300	500	8,700
161	667	12,119	500	500	5,500	300	6,800
345	1,090	19,822	500	500	5,300	800	7,100
500	237	4,314	100	100	900	1,900	3,000
TOTAL	**5,827**	**105,950**	**3,300**	**3,400**	**31,500**	**4,300**	**42,500**

Of the 105,950 total system acres identified on the LG&E and KU transmission system, approximately 40 percent (or 42,500 acres) currently

contain brush species (Figure 4). When estimating brush acres, locations that had the potential to support brush were included in the in low-volume foliar management practice. The remaining 60 percent (or 63,450 acres) (Figure 5) are currently void of brush due to land use (e.g., agricultural land, maintained lawns, waterways, etc.).

Approximately 74 percent of the total manageable transmission brush acres were classified suitable for the maintenance practice of low-volume foliar treatment (i.e., backpack application of herbicide). For a location to be classified as low-volume foliar the stem heights were shorter than seven feet and stem density was approximately 1,500 or less per acre. Therefore, a large majority of the LG&E and KU transmission system is potentially manageable through low-volume herbicide maintenance work.

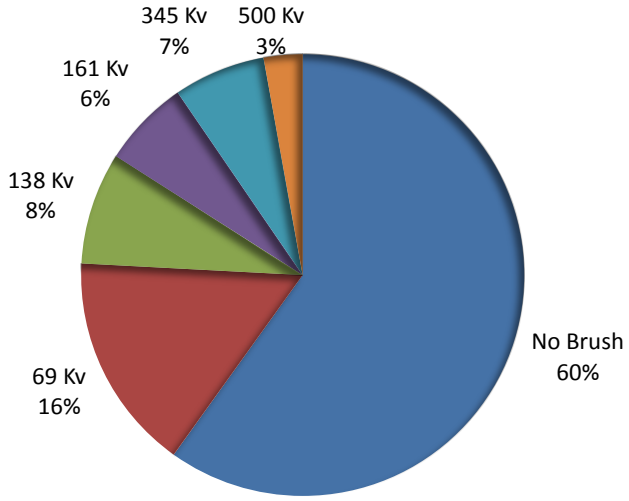


Figure 4. Percentage of Brush Acreage by Voltage Classification.

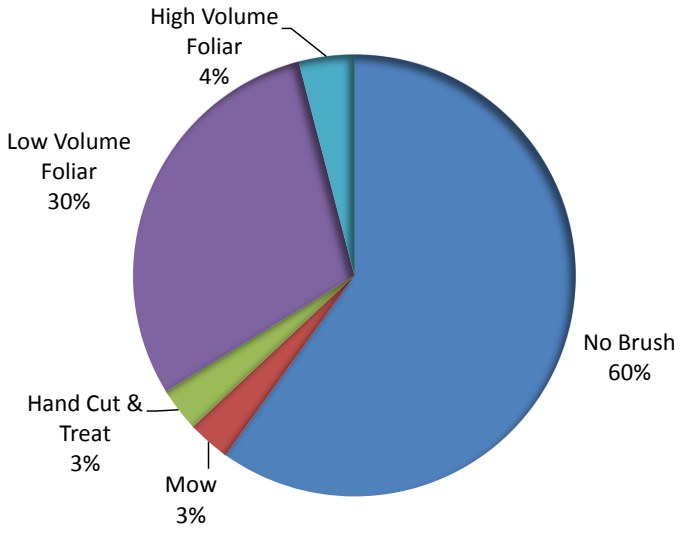


Figure 5. Percentage of Brush Acreage by Maintenance Practice.

Since the manageable brush acres on LG&E and KU transmission system was comprised of approximately 84 percent brush acres in the low and high-volume foliar treatment category, aerial treatments can be performed in an extremely cost effective manner using herbicides (where practical).

ROW Edge Clearing Characteristics

ECI documented specific transmission spans that fell short of the established ROW width. Table 2 presents the estimated linear feet of edge clearing required to reclaim existing overgrown rights-of-way to the established ROW edge. The tree and immature tree categories were deemed important in understanding the nature of the widening or re-clearing requirements, particularly since each may yield different clearing costs. Immature trees that could be cleared with a bush hog or hydro-axe were classified as mow acres. When clearing large trees required equipment such as a bull dozer or feller buncher then the work was classified as re-clear footage. Figure 6 shows examples of the specialized equipment commonly used for ROW clearing.

Bush Hog

Hydro-Axe

Bulldozer

Feller-Buncher

Figure 6. Specialized Equipment Commonly Used in Transmission ROW Clearing and Widening.

The 47,800 feet of ROW edge identified as requiring re-clearing back to the established ROW edge, comprised of less than one percent of the total linear distance requiring some form of tree maintenance.

Maintenance Characteristics

As part of the field data collection, the ECI surveyors classified the workload within each span into eight maintenance categories. Accessibility was also recorded for each span for the purpose to estimate potential workload that would be ideal for aerial saw trimming. ECI estimated that for 17 percent of the workload, aerial saw trimming may be a suitable means to maintain the edge of the ROW. The categories used for classifying the workload are:

- MST – Mechanical side Trim (sky trim, Jarraff, etc)
- MT – manual trim
- RC – re-clear
- YT – yard tree
- MBH – mow: brush hog or hydro Ax (kershaw or similar)
- HC – hand cutting
- LVF – low-volume foliar herbicide treatment
- HVF – high-volume foliar herbicide treatment

Dependent upon the location a span may have work that was separated into different categories. For example, due to terrain a span may have a mixture of mechanical and manual side trimming work. It should also be noted that the total brush acres to be maintained over a five-year cycle would be higher than total brush acres observed on the system because some brush acres mechanically cut or hand cut should have a subsequent follow-up herbicide application scheduled in a future year (currently two years).

Recommendations were assigned based on current field conditions with emphasis on minimizing maintenance costs. In most cases, herbicide was recommended in lieu of mowing unless specific site conditions warranted otherwise. However, specific herbicide restrictions may negate some herbicide recommendations. The data provided here has not been adjusted to balance the annual spend.

Note that these recommendations serve only as an estimate of the workload by maintenance practice. Prior to beginning any work or budgeting for specific vegetation needs, it is recommended that the specific transmission lines to be worked be individually prescribed. This data serves only to characterize the existing workload.

Budget and Man-Hour Estimates

Total vegetation management estimated costs and man-hours for the LG&E and KU transmission system are presented in Table 6. The detail in Table 7 presents the system total cost to maintain the tree and brush workload by management category and voltage on the LG&E and KU transmission system. Unit costs and weekly crew rates were used to calculate loaded labor and equipment rates (Table 8). The unit cost values were derived by ECI utilizing available industry data.

Table 6. Total Transmission Budget and Man-Hour Estimate By Voltage**.**

Voltage	Estimated Total Cost	Estimated Total Man Hours
69	$23,158,000	716,800
138	$10,616,000	316,000
161	$9,345,000	289,500
345	$8,295,000	269,700
500	$4,908,000	231,400
Grand Total	$56,322,000	1,823,200

Table 7. Total Budget by Management Category and Voltage for the LG&E and KU Transmission System.

Voltage	Yard Trees	Mechanical	Manual	Re-Clear	Mow	Hand Cut	Low-Volume Foliar	High-Volume Foliar
69	$780,000	$7,923,000	$5,844,000	$148,000	$556,000	$2,850,000	$4,725,000	$332,000
138	$300,000	$4,985,000	$814,000	$28,000	$556,000	$1,520,000	$2,205,000	$208,000
161	$30,000	$3,164,000	$2,840,000	$58,000	$253,000	$950,000	$1,925,000	$125,000
345	$105,000	$3,534,000	$1,266,000		$253,000	$950,000	$1,855,000	$332,000
500		$270,000	$3,263,000	$30,000	$51,000	$190,000	$315,000	$789,000
Total	**$1,215,000**	**$19,876,000**	**$14,027,000**	**$263,000**	**$1,667,000**	**$6,460,000**	**$11,025,000**	**$1,785,000**

Table 8. Unit Cost and LLER

Management Category	Unit Cost	Unit	LLER
Yard Tree	$75.00	per tree	$31.48
Mechanical	$1.20	per foot	$41.05
Manual	$3.20	per foot	$29.47
Re-Clear	$5.50	per foot	$82.58
Mow	$505.00	per acre	$57.22
Hand Cut and Treat	$1,900.00	per acre	$32.22
Low-Volume Foliar	$350.00	per acre	$29.49
High-Volume Foliar	$415.00	per acre	$50.61
Aerial Spray	$297.00	per acre	

Total budget to maintain the LG&E and KU transmission system for a targeted five-year cycle is estimated to be approximately $56.32 million (or

approximately $11.26M annually) and requires approximately 1.82 million man-hours (or 364,640 man-hours annually). The average system cost per transmission mile based on the estimated budget is $9,665 per mile or roughly $532 per system acre. Approximately 20 percent of the total budget dollars are allocated to low-volume herbicide work (LVF). Yard trees account for another two percent and incompatible ROW trees less than one percent. The three maintenance types (mechanical side trim, manual trim, and re-clear) for which industry unit cost values were used, account for approximately 61 percent of the total budget.

Crew Resource Allocations

Based on the existing vegetation workload and the production values provided by LG&E and KU, crew resource needs were estimated. Table 9 presents a summary of the estimated annual crew resource requirements based on a five-year cycle.

It should be noted that crew estimates are approximate and are based on the average crew sizes as indicated. Available annual work hours were estimated to be 1,800 hours.

Table 9. Annual Crew Resource Allocation Estimate by Crew Type (# of crews).

Voltage	3-Man Yard Tree Crew	3-Man Mechanical Trimmer	3-Man Climbing Crew	3-Man Excavator Re-Clear Crew	3-Man Mowing Crew	3-Man Hand Cut Brush Crew	3-Man Low-Volume Foliar Crew	2-Man High-Volume Foliar Crew
69	0.92	7.15	7.35	0.07	0.36	3.28	5.93	2.25
138	0.35	4.50	1.02	0.01	0.36	1.75	2.77	1.41
161	0.04	2.85	3.57	0.03	0.16	1.09	2.33	2.25
345	0.12	3.19	1.59	0.00	0.16	1.09	2.33	2.25
500	0.00	0.24	4.10	0.01	0.03	0.22	0.40	5.34
Total	**1.43**	**17.93**	**17.63**	**0.12**	**1.08**	**7.43**	**13.85**	**12.09**

Crew estimates are based on the work type and recommended maintenance practice as determined by the ECI field surveyor. Changes to the maintenance practice will affect crew make-ups and allocations.

Herbicide crews account for approximately 25.9 crews annually or 36 percent of the total crews and will utilize approximately 34 percent of the annual budget. The two and three-man herbicide crews will provide the required support to complete the low and high-volume herbicide workload. Three-man mechanical and climbing crews are the largest resource requirement at approximately 35.7 crews annually or 50 percent of the total crews and will

utilize approximately 60 percent of the annual spend. The three-man mechanical and climbing crews will be responsible for all side trimming, incompatible ROW tree removals, and priority trees.

Recommendations

Utilizing the information gathered in the ground survey, ECI developed the estimated total transmission workload, budget, and man-hour requirements for the LG&E and KU transmission system.

Budget and workload assumptions:

- Recommended maintenance practices for the identified work units assume the utilization of Integrated Vegetation Management (IVM) principals and the maximization of herbicide use wherever possible to minimize future vegetation management expenditures. The use of herbicides will decrease future work (fewer stems per acre) thus requiring far less effort when IVM is fully implemented on the LG&E and KU system. With the implementation of IVM and continued herbicide use there should be minimal mowing required in future cycles.
- Brush acres maintained through mechanical brush clearing methods (i.e. mowers) were not incorporated into acre counts for high or low-volume herbicide treatment.
- Per request from LG&E and KU, the ROW width used for calculating the amount of brush acres was 150 feet for all transmission voltages. Actual ROW width varies between and within each voltage category and it is recommend that prior to assigning work brush acres would be re-calculated to represent actual ROW width for those schedule circuits.

Best management practices and IVM are the focus of the ECI recommendations presented in this section. Refer to Appendix C for additional details on recommended industry best management practices.

Recommendations

ECI recommends the following program specific items based on the field data collection and observations of current vegetation practices on the LG&E and KU transmission system:

1. Transition maintenance program to cyclical maintenance.
2. Continue to remove incompatible trees within the ROW and particularly under the conductors (within the wire zone corridor).
3. Determine and document the ROW width for all LG&E and KU transmission circuits.
4. Develop a hazard tree[12] ground patrol to address potential risk from trees that may not be visible through normal routine aerial inspections.
5. Establish a list or database of hazard tree locations and develop a priority program to determine which trees should be removed first.

[12] Danger trees are trees tall enough to breach action threshold if they fell toward lines regardless of condition.

This database may include ash trees that could be affected by the emerald ash borer (EAB).

6. Continue to enforce vegetation maintenance clearance specifications for transmission voltages and the policies and standards specific to LG&E and KU needs and conditions. Current specifications appear adequate to maintain vegetation on the transmission system.
7. Ensure that vegetation maintenance crews exhibit reasonable production levels by implementing a work reporting / measurement system and utilize the records to evaluate crews and compare contractor performance.
8. Implement Integrated Vegetation Management (IVM[13]) as the guiding maintenance principle on the LG&E and KU transmission system.
9. Re-establish the transmission corridor ROW edges wherever practical to bring the corridors back to specification by voltage.
10. Continue to maximize herbicide use where practical to minimize future vegetation management costs and better manage for compatible plant communities.
11. Once established maintain consistent transmission vegetation maintenance program funding to maximize overall program effectiveness and ensure compliance with NERC Standards FAC-003.
12. Consider increasing vegetation management oversight to address the addition of approximately 46 crews to meet workload requirement for a 5-year cycle (Appendix D).

[13] IVM = A system of managing plant communities in which compatible and incompatible vegetation is identified, action thresholds are considered, control methods are evaluated, and selected control(s) are implemented to achieve a specific objective. Choice of control methods is based on effectiveness, environmental impact, site characteristics, safety, security and economics. *ANSI A300 (part 7)-2012 IVM*.

Appendix A:
Contracting Strategies

Introduction to Contracting Strategies

Three different approaches are commonly used by electric utilities to contract line clearance work. These include "time and material/equipment" (T&M), "unit price" and "firm price" or "lump sum" pricing strategies. Each has advantages and disadvantages that are important to understand, and there are multiple variations possible within each pricing family. Each carries a different risk profile for the contractor and the utility. Unit price and firm price contacts are inherently performance-based contracts. However, T&M with incentive pricing can also be a performance-based contracting strategy.

Performance-based contract strategies generally offer the lowest production risk for the utility by placing the burden to monitor crew productivity on the tree contractor and "incentivizing" the contractor to control costs. This applies to firm price, lump sum, unit price, and T&M with incentive type contracts. However, it should be understood that in order for these contract strategies to be effective, the utility and contractor should have a thorough understanding of the work scope, historical man-hours and costs for the work units to be maintained within the contract period. While it is possible to utilize these specific contract types for all work (i.e. ticket type work as well as preventative maintenance work), they are the most effective in situations where the scope of work is better defined such as on preventative maintenance. Ticket work such as Customer Trim Requests and Restoration are often too variable and can lead to higher "unit" prices due to the "contingency" contractors may build into their bid to account for this uncertainty.

Where historical data is not available, some utilities are successful in developing performance-based contracts by clearly defining the project scope prior to bidding through the development of detailed work plans. Pre-planning to define clearances, clearance exceptions, and removals has proven to be a very effective strategy in receiving least cost competitive bids. Contractors provide pricing on the defined work scope that the utility has pre-designated, thus eliminating guess work on the part of the contractor and eliminating the "contingency" cost that contractors build into bids. However, this does require additional effort on the part of the utility to employ knowledgeable personnel to perform the pre-work planning as well as post work acceptance. This strategy generally works well when the utility is developing firm price contracts in the form of a guaranteed cost per mile or a guaranteed cost per circuit.

Utilizing a T&M with incentives, such as Target Pricing, is a viable alternative for preventative maintenance work, but does require an extensive knowledge of historical man-hours in order to develop "should take times" in order to set contractor valid targets or thresholds for each work unit. In this contract type, the utility agrees to pay the contractor for their total actual man-hours incurred to complete the work unit. The contractor in turn, agrees to meet the established target and "share" with the utility any cost savings

achieved by completing the work unit with less man-hours than allotted. Some contracts also include a shared "penalty" where the contractor agrees to also share the cost of any work units exceeding the threshold man-hours thus, this provides the contractor with an incentive to find cost savings while minimizing their perceived risk in relation to their skepticism to utility provided targets.

Another variation to this contract type includes a T&M not to exceed. In this contract type, the contractor and utility agree that any cost savings will be shared; however, the contractor bears the entire burden for any cost over-runs above the man-hour threshold set by the utility. The advantage to this contract strategy is that the utility can have 100 percent confidence in their maximum expenditure which they can then use to better plan and budget. The disadvantage is that the contractor may include higher pricing due to the "contingency" variable and therefore, it may not offer the same cost savings as could be expected through the shared incentive/penalty contract.

Utilizing multiple contract strategies for vegetation management is generally the most cost effective. Performance based contracts are preferred for preventative maintenance type work but should be utilized in combination with other contract strategies to ensure overall program cost effectiveness. Firm price or unit price contracts are most effective for brush maintenance or herbicide treatment programs where the contractor can easily inspect and quantify the work volume. Competitive bidding of these work types ensures the contractor will provide the lowest unit price based on their estimated cost to complete the defined work scope and their known material costs (i.e. herbicide costs). T&M contracts (without incentives) offer the greatest level of flexibility to the utility in terms of being able to easily add or remove work scope and therefore are recommended for ticket type work. For the contractor, T&M minimizes their risk where work scope is variable or undefined as in Customer Trim Requests and Restoration type work. This allows the contractor to provide better pricing but shifts the burden to the utility to ensure that crews remain productive. Even so, T&M is generally considered the preferred method for these work types. A combination of all the contract strategies tailored toward specific work types, will offer the greatest potential for cost savings to the utility while minimizing the resources required to monitor contractor performance.

Well-documented inspection of completed work and establishment of clear standards are critical to achieving value from firm price or unit price contracts. Where clearance requirements may be variable due to customer concerns or in situations where work scope is not clearly defined (as with ticket work), T&M normally can provide a better value.

In recent years, the impacts of fuel price fluctuations have become a major concern for contractors as well for the utilities they work for. Concerns arise when contract rates are set at a time when fuel prices are at the extremes and then change dramatically over the life of the contract. This either leaves the

contractor with a windfall profit if fuel prices decrease (and the utility with higher costs) or can result in significant loss of profits for the contractor if fuel prices increase. Shorter contract periods (i.e. one-year) can minimize potential risk, but can be costly in terms of the cost to develop new contracts every year, and in terms of higher rates from contractors due to increased risk from shorter contract periods. Many utilities have elected to incorporate fuel escalators into their contracts to offset this concern.

The following are brief descriptions of the common contracting strategies:

Time and Materials (T&M)

T&M is normally the least risky for the contractor since most of the production-related risk is born by the utility. T&M contracts with performance measures and incentives tend to move some of the production risk back to the contractor. T&M often results in the highest work quality. Poor performance may subject a contractor to contract termination or result in assignment of "penalty points" as part of future bid evaluations. For work that is highly variable in nature, difficult to quantify in advance and where quality and customer relations are significant concerns, T&M may be the most desirable method.

Unit Price

Unit price work shifts production risk to the contractor but requires preplanning by the utility to designate which units the contractor should complete. Units are normally a tree trimmed, a square area of brush removed, footage cleared, or a tree removed by diameter classes. There is a natural incentive for the contractor to provide only the level of quality enforced by the utility. Consequently, quality control inspection by the utility is an important administrative requirement for this pricing strategy as well as work completion inspection. Administration of unit price contracts can become burdensome for utilities with high tree densities.

Firm Price

Firm price work also shifts production to the contractor but also shifts work unit selection to the contractor. The natural incentive in this pricing strategy is for the contractor to select the minimum acceptable units and provide the minimum acceptable quality. Post-work inspection by the utility is critical to assuring that all work was completed in compliance with the established specification. Tree removal is often an issue in a firm price contract since costs for tree removal can be highly variable. Consequently, trees to be removed are sometimes identified in advance as part of the bid package preparation. Alternatively, unit prices by size class for tree removal can be established or tree removal can be completed on a T&M basis for trees specifically authorized by the utility. Firm price is best suited to situations where the work can be clearly defined and understood by the bidders. It should also be limited to locations where there will be good competition by a number of bidders. Awarding of concurrent firm price contracts to multiple

contractors is desirable. Small firm price contracts bid to companies that do not have a local presence frequently results in higher pricing to cover the cost of per diems or personnel relocations necessary to establish a labor force.

Turnkey and Incentive Based Contracts

Turnkey pricing shifts the maximum risk from the utility to the turnkey service provider. This pricing strategy normally is accomplished by establishing incentives tied to accomplishment of specific objectives such as cost control, tree-related reliability targets, and customer relations. Because most of the program management responsibility is that of the contractor, it is critical that the utility closely monitor the performance objects through periodic review of key performance indicators. A variation of turnkey pricing is a management services contract with a third party management firm that administers contracts on behalf of the utility. The contracts for craft labor and equipment may continue to be with the utility or through the management company. The management services company may utilize any or all of the other pricing methods. This pricing strategy should be utilized if the utility has limited management resources or desires to totally overhaul existing systems, methods and practices.

Target Pricing Strategy

Target Pricing involves an efficient and effective use of combined customer notification and tree selection work planning that becomes a basis for establishment of Target Price for individual circuits or circuit segments. Documented workload in terms of tree pruning, tree removal and brush control units, multiplied by realistic costs per unit worked (based on work history by district) allows creation of the target price that contractors can be incented to meet or beat.

Using this system the line clearance contractor is paid on the basis of T&M rates as work progresses. Reconciliation of actual production cost compared to the Target Pricing occurs quarterly.

This strategy requires designation of specific work units and agreement from the line clearance contractors to work the units designated by the Work Planner. Work Plan packets are prepared and distributed to crews from a Work Planning database and populated through Work Planning data acquisition software. Line clearance crew time and production must be monitored and recorded in a production database.

A simplified example of a Target Pricing work sheet is illustrated in Table 10. Table 11 is an example of a simplified quarterly reconciliation table.

Table 10. Target Pricing Circuit Summary.

Unit Description	Plan Quantity Circuit xyz	Standard $/Unit	Quantity x Unit Price
Bucket Trim 4"- 8"	300	$20	$6,000
Trim 8" - 12"	47	$30	$1,410
Removal 12.1" to 24“	3	$170	$510
Manual Trim 4"- 8"	655	$25	$16,375
Trim 12" - 24"	9	$140	$1,260
Brush removal	57	$240	$13,680
Total Standard Cost for Circuit xyz			$39,235

Table 11. Target Pricing Quarterly Reconciliation.

Unit Description	Quantity x Unit Price
Standard Cost	$96,268
Actual Cost	$83,040
Amount Actual Lower than Standard	$13,228
Percent Actual Below Standard Cost	13.7%
5 to 25% Qualified Bonus Tier Percentage	25%
Incentive Amount	$3,307

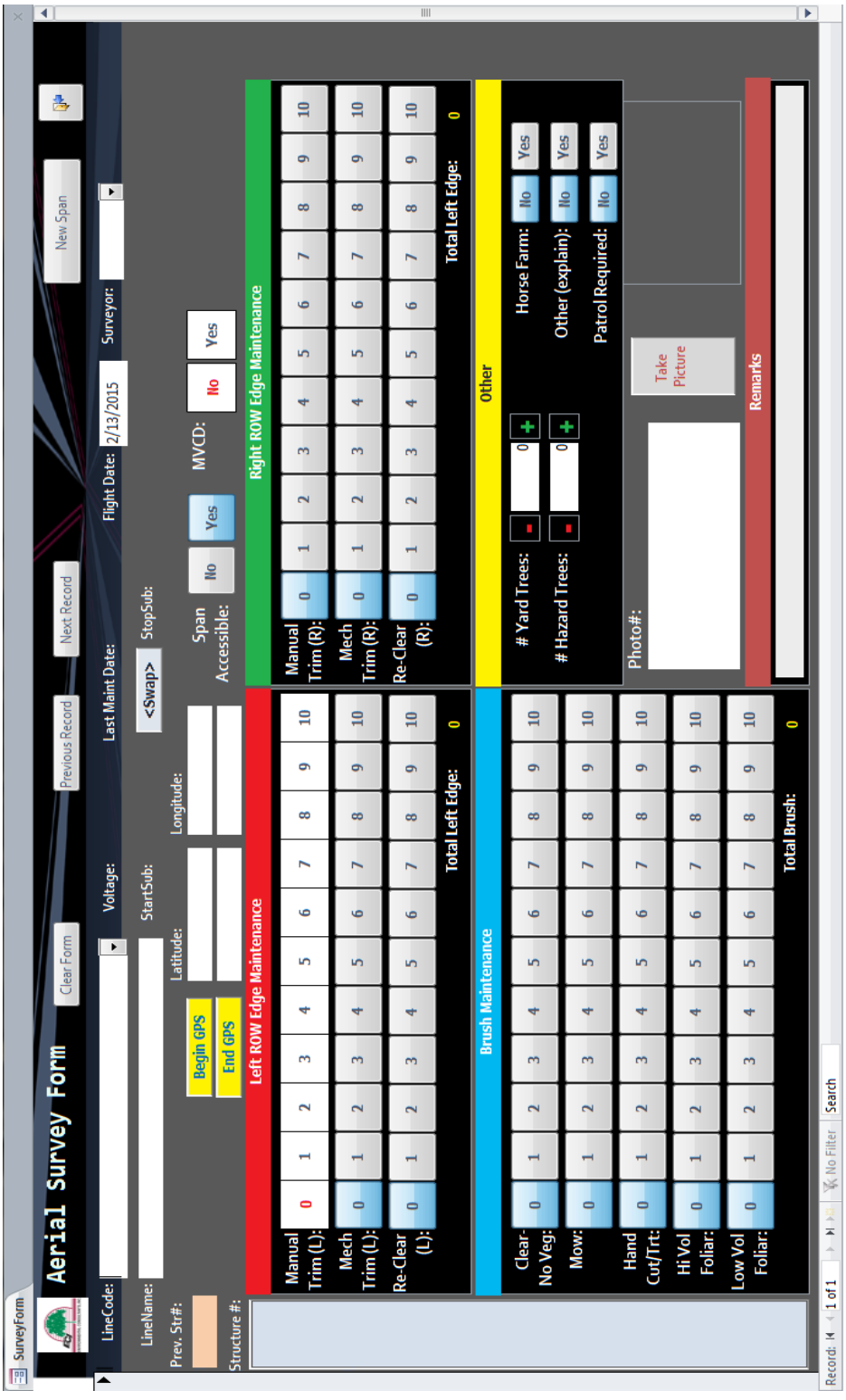
There are several requirements that must be in place for a Target Pricing strategy to be effective. They include:

1. Effective processes for work planning
2. A field data collection and work documentation system
3. Realistic production data by district or by characteristics such as maintained/unmaintained, accessible/inaccessible, overhang, etc.
4. Contracts with line clearance contractors that complement the Target Pricing strategy

Benefits of this strategy have included lower costs than firm priced or T&M bidding strategies. Because tree selection is closely aligned with utility goals, adequate reliability can be efficiently achieved.

Appendix B:
Transmission System
Vegetation Survey Form

TRANSMISSION RIGHT-OF-WAY VEGETATION SURVEY
LG&E and KU



Appendix C:
Recommended Industry Best Management Practice Strategies

Recommended Industry Best Practices Strategies

Transmission owners need to develop practices that fulfill the requirements of the vegetation standard in a cost effective manner. These practices or strategies must be documented and consistently implemented. Over time, certain practices have been shown to be successful in preventing outages due to vegetation. Many of these practices were incorporated into the NERC Standard FAC-003 since the group that developed and approved the standard included experienced transmission vegetation managers. The American National Standards Institute (ANSI) has established standards for vegetation maintenance on transmission ROW[14]. In addition, the International Society of Arboriculture (ISA) has issued a companion publication to ANSI A300 Part 7, Best Management Practices, Integrated Vegetation Management.[15]

Work Management

ECI proposes the following best practice work management recommendations as part of any successful transmission vegetation management program. The utilization of some or all of these work management tools and methods may already be in use at LG&E and KU and therefore, these recommendations in no way imply the current lack of appropriate procedures. The original scope of this workload study did not include a review of the transmission program procedures or strategies. The recommendations presented here should be considered for implementation by LG&E and KU if not already integrated into the existing management program.

- **Develop and keep current a vegetation management plan.** Even though the current NERC standard FAC-003 does not explicitly require a vegetation management plan (TVMP), a TVMP is an extremely valuable tool to plan and implement both short-term and long-term vegetation management goals. A TVMP is the "road map" for vegetation management and provided direction and overview of system goals. It details how the work will be determined, planned and executed and provides a framework on how vegetation management will be implemented to ensure the reliability of the system. Annual plans are a subset of multi-year long-range plans. A plan will aid in developing budgets and tracking the work performed on individual lines.
- **Develop and keep a current work schedule.** The TVMP will detail system and procedures for documenting and tracking the planned work. Plans are in need of constant update as work progresses. Updating will track work in progress and allow notice for any necessary adjustments.
- **Implement a system of inspecting planned work.** Documenting the inspection of completed work is also necessary to properly approve payment and ensure work reported as complete by the contractor meets

[14] ANSI. 2006. The American National Standard for Tree Care Operations - *Tree, Shrub, and Other Woody Plant Maintenance- Standard practices (Integrated Vegetation Management a. Electric Utility Rights-of-way).* A 300 Part 7. American National Standards Institute, NY.

[15] Miller, R.H. 2007. Best Management Practices- Integrated Vegetation Management. International Society of Arboriculture, Champaign, Il.

LG&E's and KU's expectations. Spot checks of completed work are commonly used with inspections of additional completed work when deficiencies are found. It is important to identify work that does not meet the standard early so that corrections can be made before more deficient work is completed. This will save time for both the utility and the contractor performing the work. Formal documentation of the work inspection is recommended.

- **Provide for consistent budgeting.** A consistent plan needs consistent funding. Budget reductions mid-year can cause workforce disruptions that increase future costs. Any changes to the established annual plan require documentation.
- **Establish and enforce work specifications.** The personnel performing the work must know exactly what is expected of them. The work inspector must know the specifications to properly enforce them. If future contract strategies are being considered, a clear, concise specification is required to communicate LG&E and KU vegetation maintenance goals to perspective contractors. The clearer the contract specification, the better the pricing from a perspective new contractor.
- **Develop action thresholds.** Develop a "clearance at time of maintenance" (clearance 1) distance and establish a minimum clearance threshold (clearance 2) that vegetation should never exceed. This threshold clearance will provide an additional margin of error to allow for vegetation growth, line sag and variations in maintenance cycles. Best practice utilities have developed an action threshold clearance value between Clearance 1 and Clearance 2 in order have a intermediate point to take appropriate action to avoid violating the vegetation standard. Another type of action threshold relates to the maximum height that brush[16] is allowed to attain to provide efficient and cost effective foliar application of herbicides. Since herbicide application is frequently less costly than mechanical clearing, it is important that brush is not allowed to grow taller than the maximum height 8-12 feet for effective herbicide use.
- **Develop a mitigation plan for exceptions/non-standard maintenance.** Keeping a record of locations where exceptions to standard practices exist is important to prevent outages or violations of LG&E's and KU's minimum acceptable clearance (between vegetation and conductors). An example would be where pruning is the only vegetation maintenance option allowed by the easement. The record should be specific as to the nature of the situation and regular inspection should be scheduled. Use of an automatic reminder system is recommended. Renegotiating or acquiring easements to eliminate clearance restrictions, payment for tree removal or replacing tall

[16] Brush is normally defined as immature (less than 10.2 cm or 4 inches in diameter), tall-growing tree species that would grow tall enough to interfere with conductors

growing trees with compatible vegetation should be considered to eliminate the situation.

- **Develop standardized processes.** A uniform vegetation management plan for the entire LG&E and KU system that coincides with LG&E's and KU's current specification is key.
- **Implement an Integrated Vegetation Management program (IVM).** IVM is the art of controlling plant populations based on scientific principles from such fields as ecology, zoology and biology. Vegetation is managed to produce desired conditions (plant community density, structure and composition) and associated values consistent with stakeholder objectives on a sustainable basis. Stakeholders include both easement or fee holders, and all stakeholders and interested parties who may be influenced by IVM activities.
- **Manage the ROW by zones.** Managing the ROW in the zone immediately beneath the conductors differently from the rest of the ROW, known as the wire zone-border zone concept, is a successful approach to prevent outages in a cost effective manner (Figure 7), where sufficient ROW width is present. Different management techniques can be applied to these two zones and result in the many economic, operational and environmental benefits associated with the use of IVM techniques.

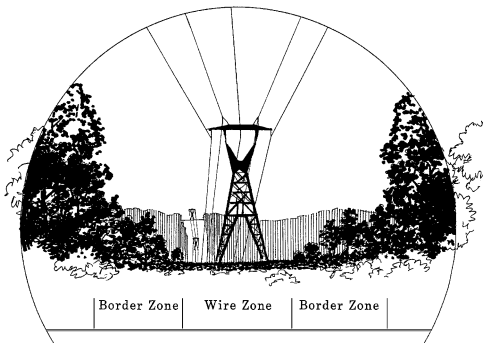


Figure 7. Wire Zone / Border Zone Vegetation Management.

- **Maintain the ROW edge**. Side pruning consists of pruning trees on the edge of the ROW. This work can be accomplished through the use of truck-mounted aerial lift equipment (bucket trucks), by manual climbing, or through the use of mechanical pruning equipment, such as a Jarraff, Aerial Saw, or similar tools.
- **Coordinate transmission work with related distribution work**. Occasionally distribution lines are found on the same ROW and even the same structures as a transmission line. Managing the vegetation simultaneously on both facilities can be cost effective. Problems can arise when different departments within the same company manage facilities with varying cycles, maintenance methods and budgets. The

transmission maintenance organization should take the lead in coordinating and ensuring that the work is completed because a transmission outage has greater consequences than a distribution outage.

Integrated Vegetation Management

In Integrated Vegetation Management (IVM), the selection of control options is based on effectiveness, site characteristics, environmental impacts, safety, and economics. Good vegetation management is based on an understanding of plants and their environment. A holistic approach considers the inter-relationship of plants, site, and species composition and growth rates.

IVM is recognized as an industry best practice, and it is therefore recommended that LG&E and KU adopt this strategy for the maintenance of undesirable brush on its transmission system. In general, this would be a combination of brushing, mechanical clearing (hydro-axe), and the use of herbicides to manage trees and bush on the LG&E and KU system.

Cutting deciduous brush without applying a follow-up herbicide application to the stump surface will permit the vegetation to re-sprout, thus requiring future maintenance. Trimming brush and/or allowing it to mature results in its becoming a more expensive and often permanent part of the workload. Trimming brush and the failure to use herbicides on cut stumps are not cost effective long term brush management techniques.

ECI recommends that LG&E and KU continue to remove trees with the ROW and ROW edge and treat the deciduous cut-stumps of trees and brush with appropriate herbicides whenever possible. LG&E and KU should continue to enforce the existing specifications for removal and stump treatment. This will prevent future expansion of the system vegetation workload and future line clearance cost increases.

On most of the LG&E and KU transmission system, there appears to be an opportunity to treat standing brush less than 8 - 12 feet tall with either foliar or basal herbicide applications, avoiding hand cutting. Taller standing dead brush can become a source of complaints, and taller brush can be difficult to control with foliar applications without risking exposure to off-target plants. This use of a basal bark-applied herbicide would be a particularly valuable tool in the removal of tall-growing tree species growing in sensitive areas or where there is concern for off-target damage.

Use of herbicides is essential if LG&E and KU is to maximize the benefits of mechanical clearing and brushing. Herbicide use is an important component of an IVM strategy. LG&E and KU should continue to enforce the specifications that require use of herbicides to treat stumps. The effectiveness of selective herbicide applications has been well documented through long-term studies on utility rights-of-way in the central and northeastern United States. Results from treatment simulation models developed through these studies project that sites dominated by deciduous species would nearly double in stem density by the end of two cycles if simply cut without a follow-up herbicide application (Figure 8). These same sites would be expected to

exhibit about a 50 percent reduction in stem density over the same time period if treated with a selective herbicide application.

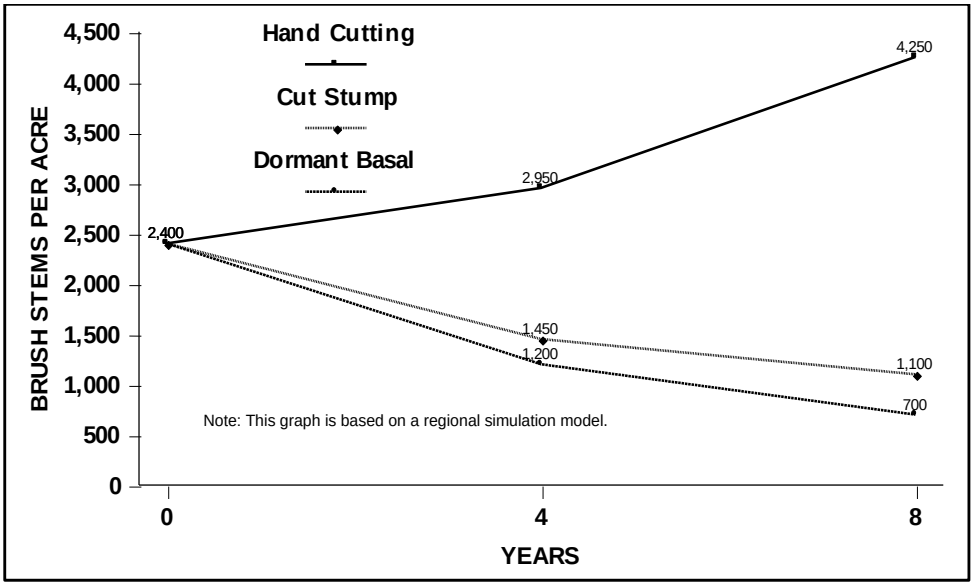


Figure 8. Effectiveness of Herbicides for Control of Brush Over Time. Results of long term study of brush management on utility rights-of-way in the northeast United States.

Currently, herbicides are effectively used in the control of ROW vegetation. This is an integral part of any IVM program. An important consideration is that a herbicide program must be environmentally safe and professionally supervised to maintain public acceptance. Line clearance crews performing herbicide applications should receive proper training in species identification and herbicide application methods that are approved and deemed acceptable by the public and land owners.

It is recommended that LG&E and KU continue to pursue the selective use of herbicides (e.g., foliar and basal) for the management of communities of deciduous brush species as a part of IVM program. Utilizing contractors trained and experienced in the use of herbicides will ensure the continued success of the LG&E and KU vegetation management program.

Herbicide Safety and Risk Assessments

Today's herbicides control tree/brush re-sprouting by blocking chemicals needed by plants to convert water, sunlight and nutrients into food for growth. Since these same chemicals are not present in animals and humans, the herbicides are very low in toxicity to people or animals. Without any food, the treated weed trees on the right-of-way wither and decompose. Treated stumps dry out and don't re-sprout.

Safety for humans and the environment includes not causing adverse effects that are unacceptable. In this context, risk assessment is the process by which the likelihood of unacceptable adverse effects from the use of various methods of vegetation management can be determined.

An extensive report prepared by ECI provided the technical basis for and a summary of the risk to human health, wildlife and the environment from the use of 10 herbicides by a utility owner in the US. These herbicide uses included broadcast foliar, selective foliar, basal bark and cut stump applications. This assessment concluded that the margins of safety for herbicide use by the utility that commissioned the assessment were "adequate to assure protection of human health of workers and the general public."

ECI also completed an environmental impact statement resulting in the authorization of herbicides to control right-of-way vegetation in the LG&E and KU National Forest in Pennsylvania (US). Subsequent evaluation of herbicide use in the National Forest confirmed safe and effective use of foliar herbicides to control brush on utility right-of-way.

The human health risk assessment methodology used in these reports was the one generally recognized by the scientific community as necessary to characterize the potential adverse human health effects of chemicals in the environment. It is the same process used in judging the human health risk from cosmetics, food additives, pharmaceuticals, various household chemicals, and many other materials.

Herbicide Acceptance by Wildlife Groups in the United States

In the US, stump control herbicides are used not only by electric utilities, but also by numerous private and governmental wildlife habitat improvement organizations. Examples include:

- The Nature Conservancy on projects designed to limit the spread of invasive and non-native trees and shrubs. This would be similar to the efforts in the UK to eradicate the invasive plants Japanese Knotweed and Himalayan Balsam.
- Under the banner of a former organization called Project Habitat®, groups such as the National Wild Turkey Federation, Buckmasters, Butterfly Lovers International and Quail Unlimited have joined together to encourage utilities to implement an "Integrated Vegetation Management" (IVM) approach to maintaining utility easements that appropriately utilizes herbicides as a component in the control of right-of-way vegetation. They have recognized that environmental benefits of herbicides, when properly used, outweigh any adverse risk and are far more desirable than the alternatives to herbicide use, such as frequent mowing or hand cutting of undesirable trees.

Significant research has been undertaken over the past 30 years in the United States to document the impact of right-of-way herbicide use on the

environment, wildlife and management costs. Much of this research has been conducted by ECI and its university research associates. Stems per acre decrease over time through the use of herbicides, as does associated maintenance costs.

Brush control through the use of herbicides is an extremely cost effective maintenance tool. Figure 9 illustrates the successful use of herbicides and provides cost effective, environmentally acceptable and long-term brush control.

Figure 9. Example of good brush control through the use of herbicides.

Appendix D:
Recommended Staffing to Contract Tree Crew Ratio

Need for Additional LG&E and KU Vegetation Maintenance Staffing

The vegetation maintenance program at LG&E and KU is sufficiently staffed to effect the administration of the current line clearance contracts and contractor staffing at the time of this review. The three ROW Coordinators manage 25 contract tree crews. As LG&E and KU adopts ECI's budget and staffing recommendations additional contract crews will be added to the system manage the increase workload. Additional staff (in house or contracted) will be required to effectively manage the increased work force.

Figure 10 shows data from two benchmarking studies that evaluated the average number of line clearance crews supervised by utility arborists. In the Pennsylvania Electric Association (PEA) and Edison Electric Institute (EEI) studies, the average ratio of line clearance crews to each utility arborist was respectively 8 and 11 (Figure 10). However, in both studies 75 percent of the reporting utilities average 10 crews or less per supervising arborist. Figure 10 also shows that in a recent benchmarking study of over 20 utilities, the two overall best-in-class utilities have a ratio of approximately one utility arborist (including the system arborist) for every 6 line clearance crews. Figure 10 also compares the current crews supervised by the system forester to the anticipated ratio should seven-year cycle be adopted.

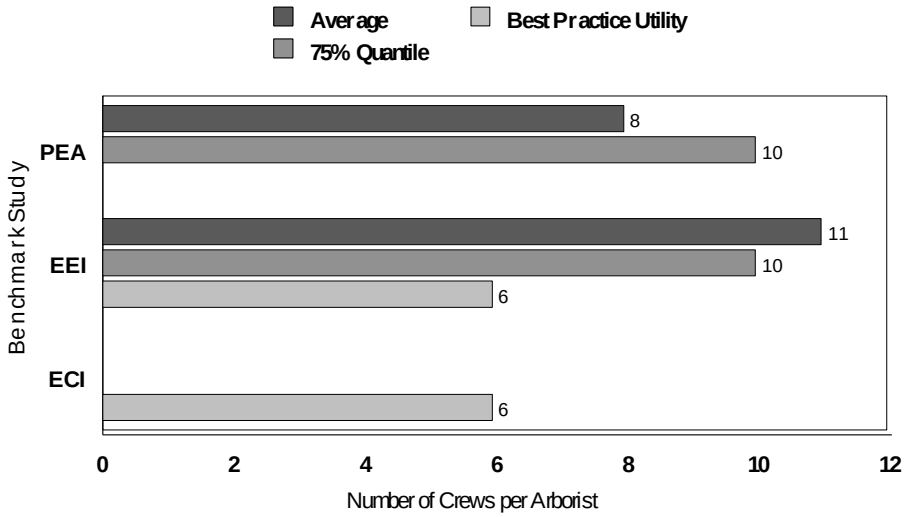


Figure 10. Comparative Data on the Average Number of Line Clearance Crews Overseen by Utility Foresters[17].

Based on the anticipated increase in contractor tree crew staffing on the transmission system it is recommended that LG&E and KU establish an additional three Utility Forester positions (in-house or contract) to assist the ROW Coordinators in the day to day management of the program. If fully implemented, the LG&E and KU Transmission VM contractor tree crew work

[17] PEA = Data from a 7 utility survey conducted by the Pennsylvania Electric Association.
EEI = Data from the Edison Electric Institute benchmark study of 29 utilities.
ECI = Data from a 1998 benchmarking study of 22 North American utilities.

force will be approximately 72 crews for the first cycle. This will provide a ratio of approximately 12 crews per LG&E and KU vegetation management staffing. In order for the program recommendations to be implemented properly it has to be implemented correctly in the field. These three additional individuals will be primarily responsible for planning work and auditing the tree crews. They should also be capable of assisting the ROW Coordinators with any work that is appropriate for them to do. For example inspecting customer requests, work associated with new construction, supervising tree crews, and handling of customer complaints or refusals. After the completion of the first cycle, the number of tree crews is may decline, then staffing can be reduced to meet the need. The use of contract foresters would be an option for staffing these positions as they are more easily flexed.

The individuals should primarily be responsible for field implementation of the line clearance program and the evaluation of the line clearance crews and contractors within their area of responsibility. The Utility Foresters should report directly to the ROW Coordinators. This will provide a measure of control over individual interpretation of company guidelines and will ensure consistent implementation of appropriate work practices and operating procedures across the system. These positions will assist in ensuring contractor compliance to ANSI A-300 standards and that crews are properly instructed on the correct and safe use of herbicides. The position will audit contractor work to ensure that clearance requirements are met.

The Utility Foresters will assist in managing programs that provide ongoing information on field conditions, including tree crew production records (trees pruned removals, herbicide use, and brush treatment), electric service interruption data and conduct post-outage investigations.

The Utility Foresters should be trained in all aspects of utility vegetation management, including proper pruning techniques and herbicide use. The Utility Foresters should have a minimum of 2 years of experience in utility vegetation management, ISA certification and, preferably, a Bachelor's Degree in Forestry or a related field. This will help to ensure consistent implementation of program policies and will enable the ROW Coordinators to effectively evaluate the work being completed by the line clearance crews.

Appendix E: LG&E and KU Transmission System Benchmark Comparison

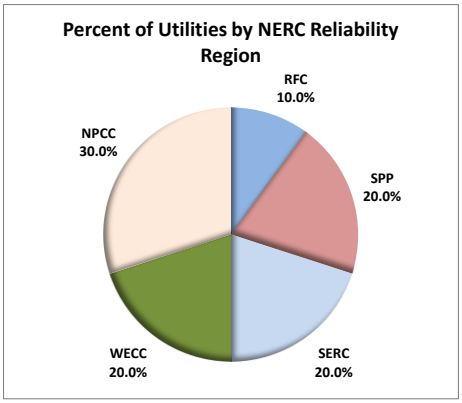


Figure 11

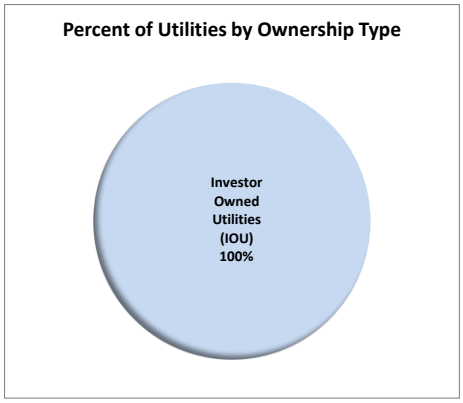


Figure 14

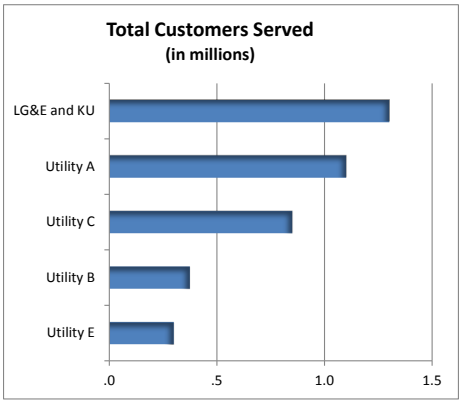


Figure 12

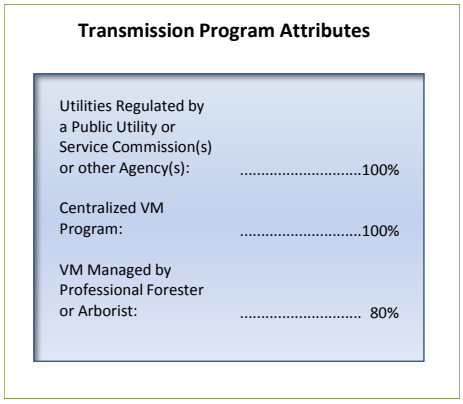


Figure 15

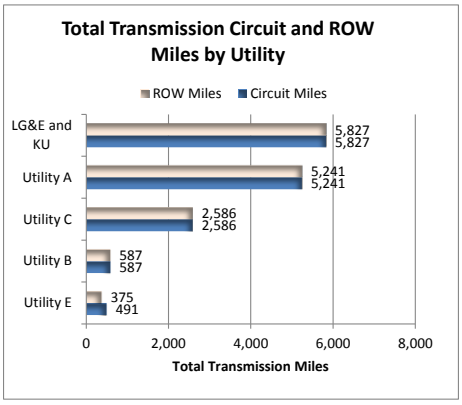


Figure 13

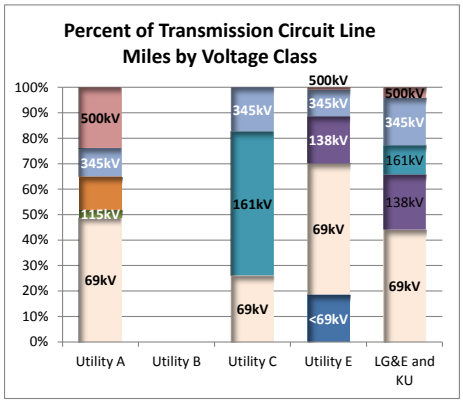


Figure 16

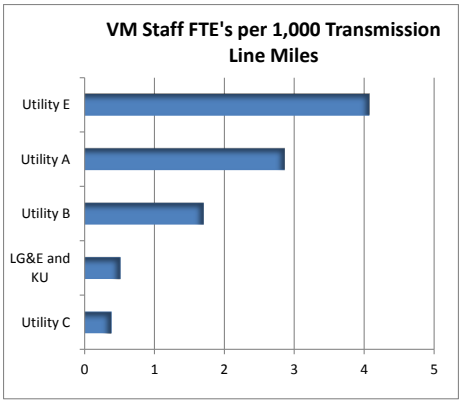


Figure 17

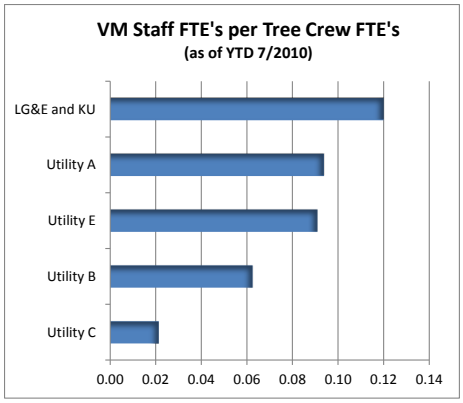


Figure 20

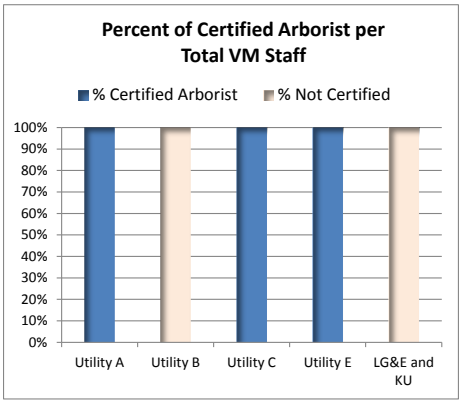


Figure 18

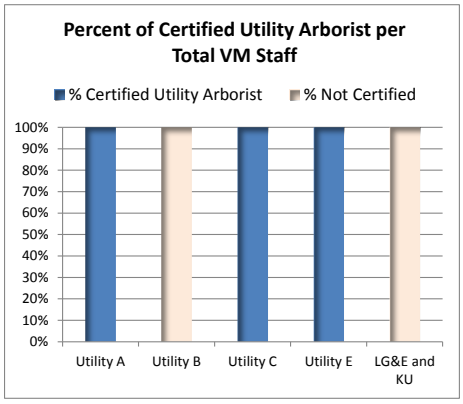


Figure 21

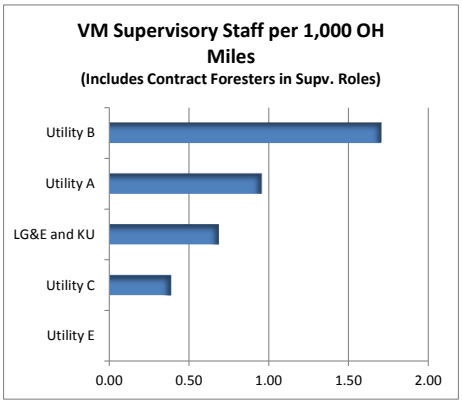


Figure 19

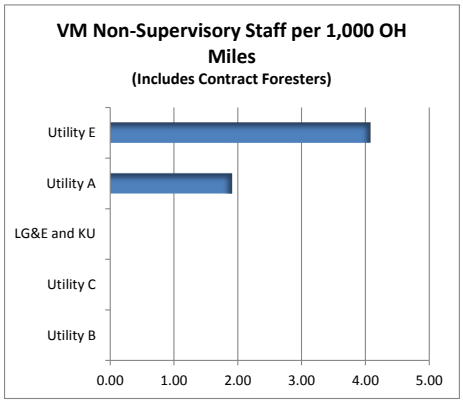


Figure 22

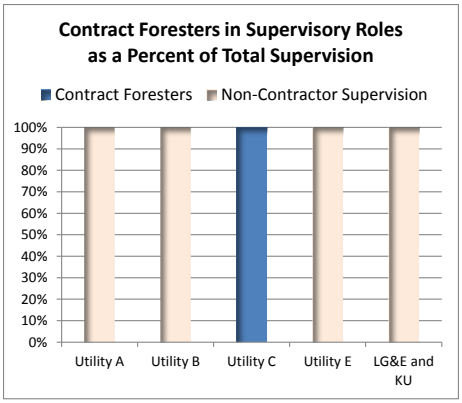


Figure 23

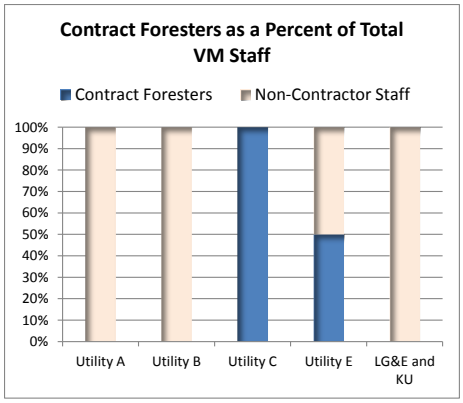


Figure 25

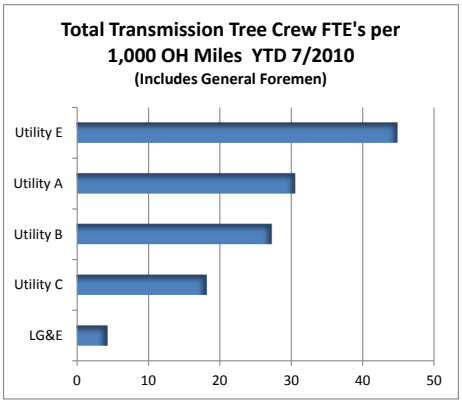


Figure 24

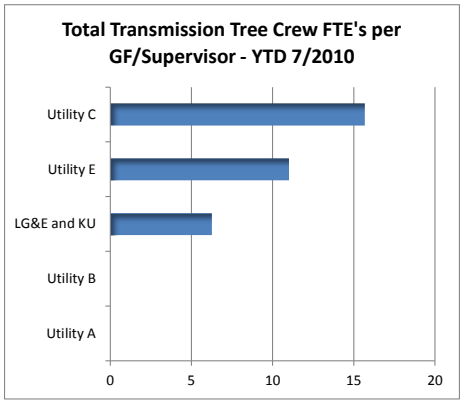


Figure 26

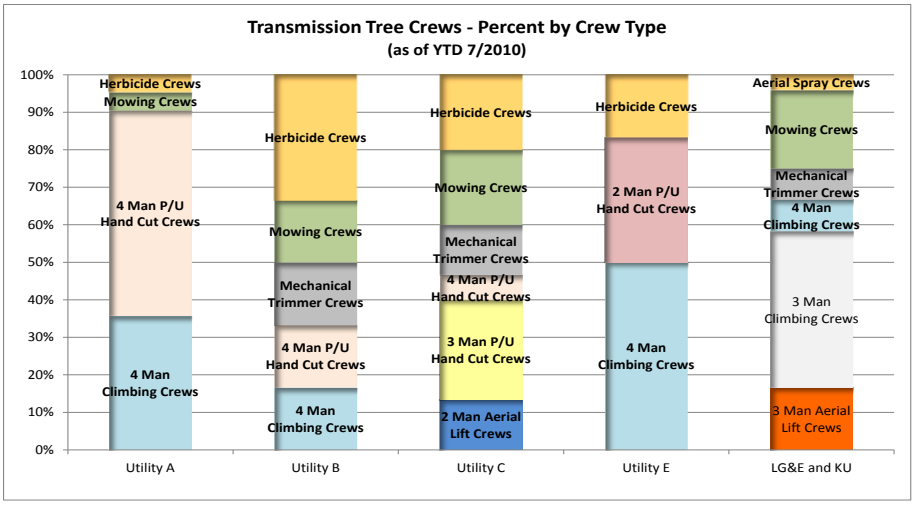


Figure 27

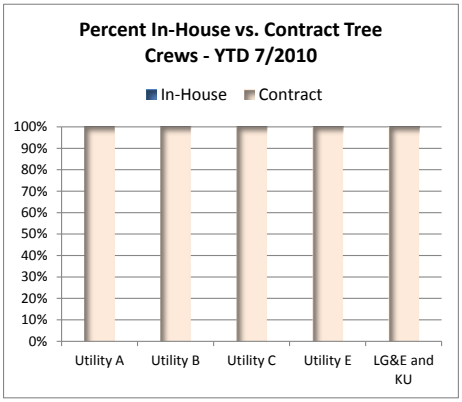


Figure 28

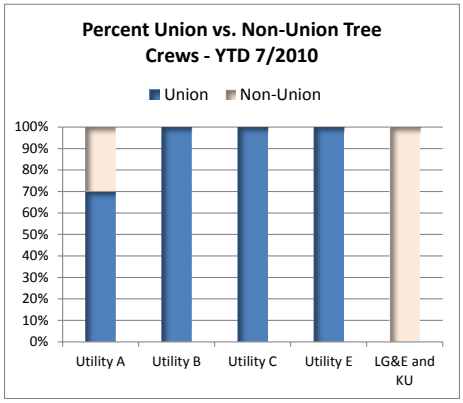


Figure 30

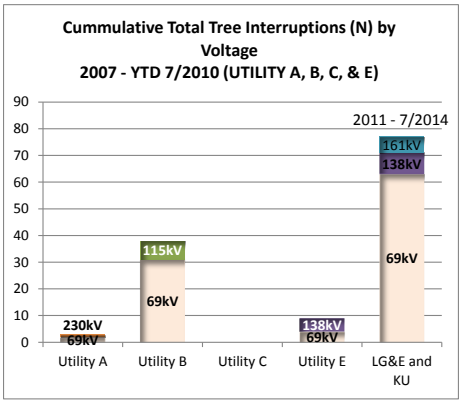


Figure 29

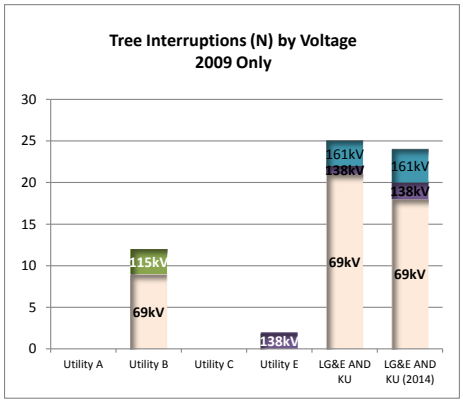


Figure 31

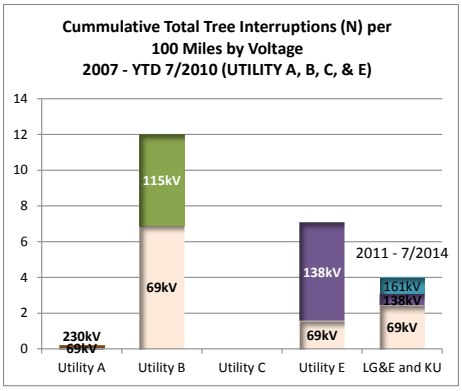


Figure 32

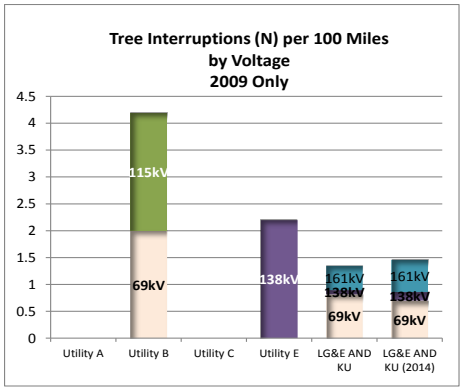


Figure 35

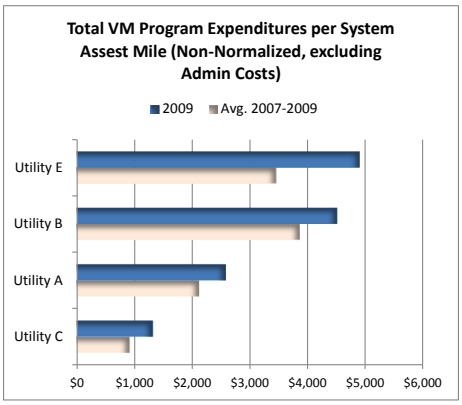


Figure 33

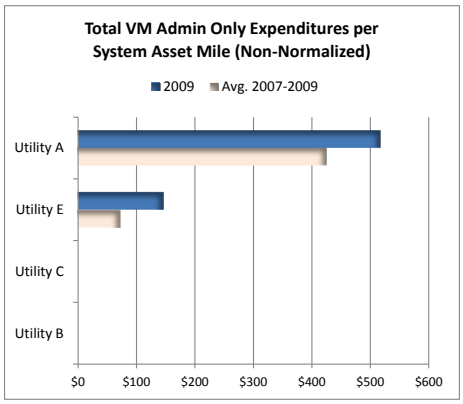


Figure 36

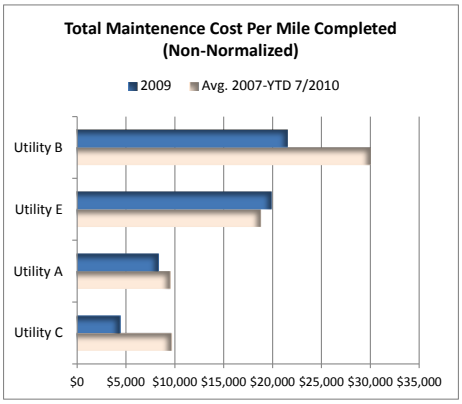


Figure 34

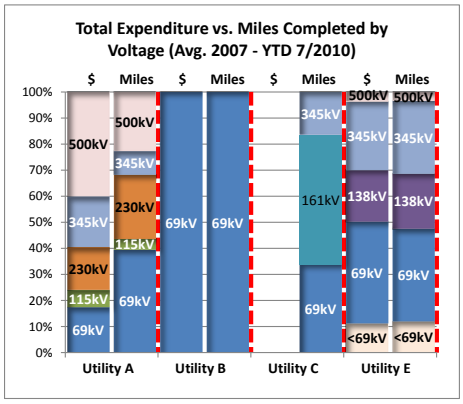


Figure 37

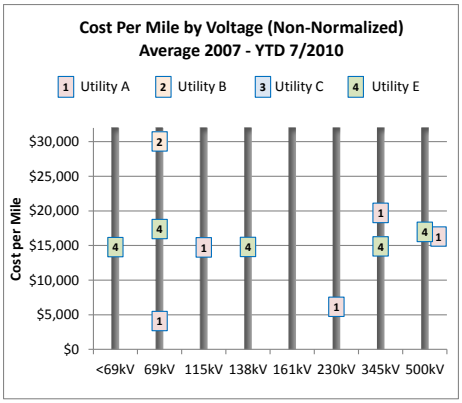


Figure 38

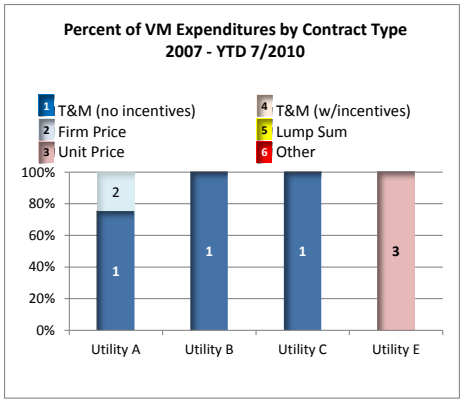


Figure 41

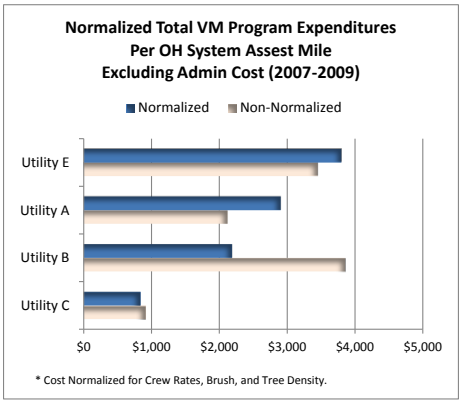


Figure 39

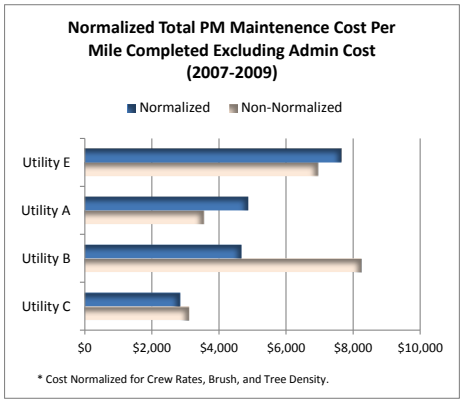


Figure 42

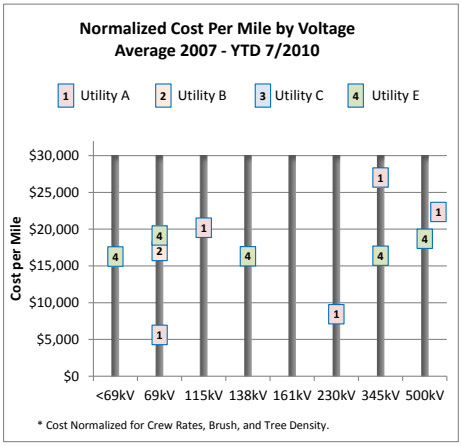


Figure 40

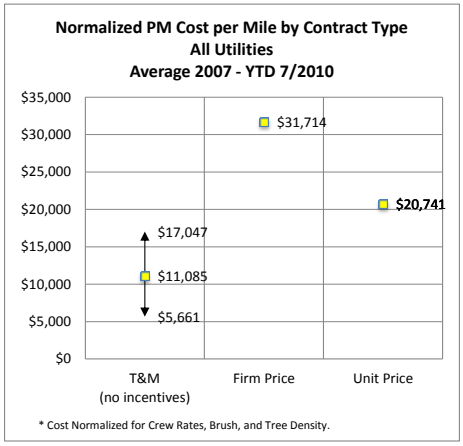


Figure 43

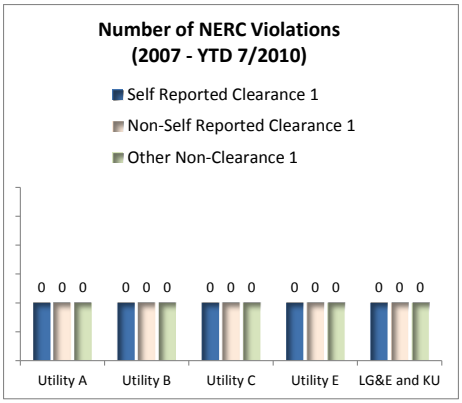


Figure 44

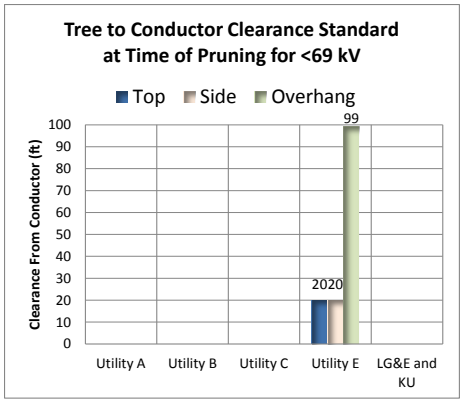


Figure 47

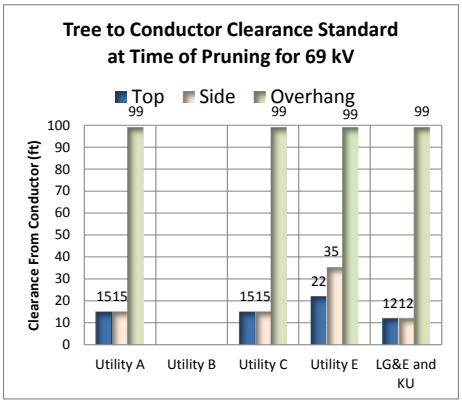


Figure 45

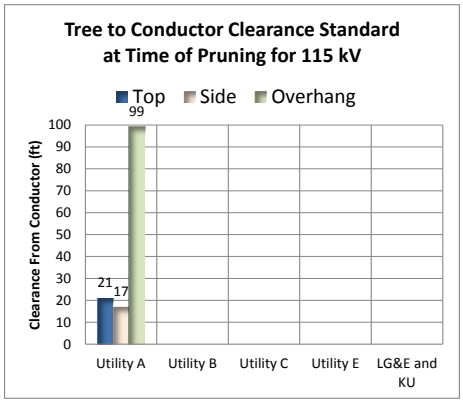


Figure 48

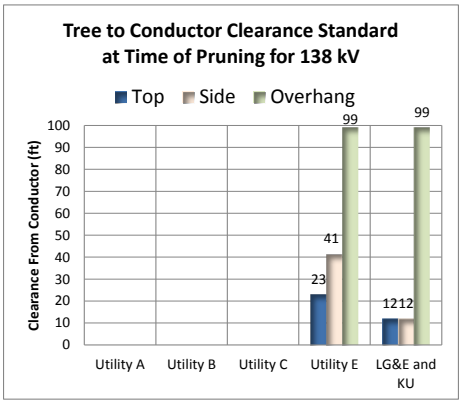


Figure 46

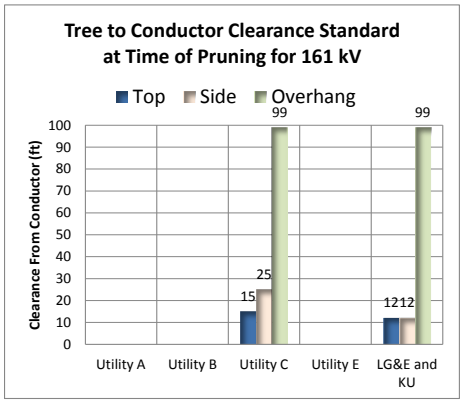


Figure 49

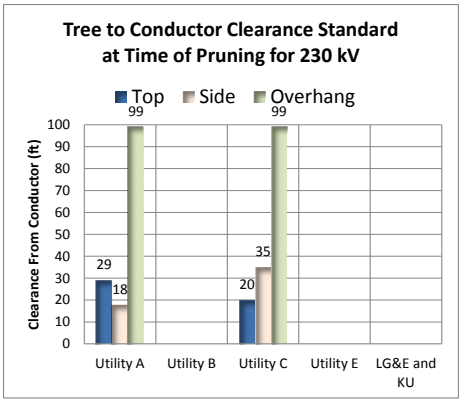


Figure 50

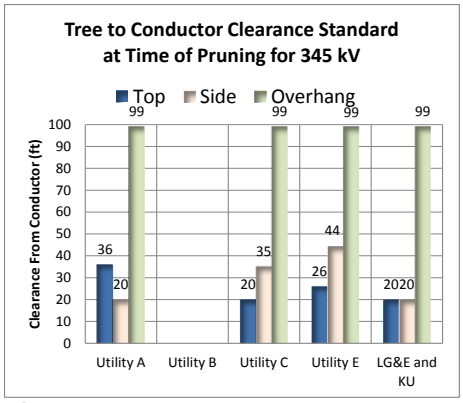


Figure 53

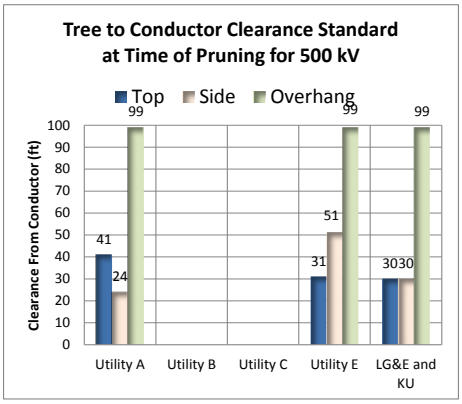


Figure 51

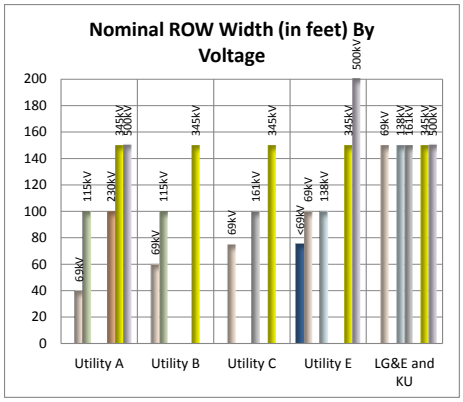


Figure 54

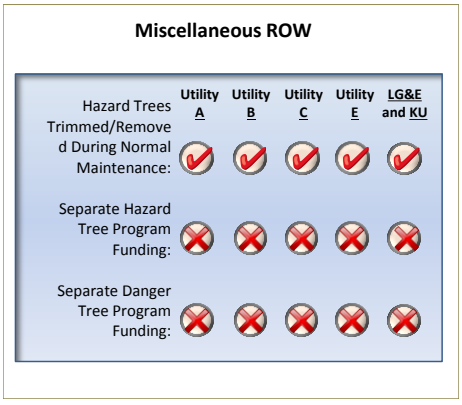


Figure 52

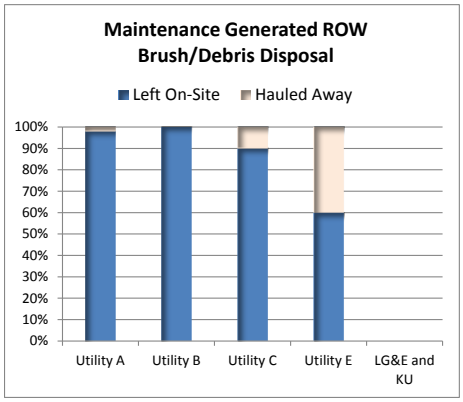


Figure 55

Tree Inventory System Capabilities	Utility A	Utility B	Utility C	Utility E
Work Prescription and Estimating (Work Planning)	X			
Map, Manifest and Work Package Generation	X			
GIS Tree Location Information	X			
Electronic Facility Asset Maps with Tree Inventory Overlay	X			
Cost Generation and Budgeting				
QA/QC Audit and Inspection Tracking	X			
Payment Processing				
Electronic Billing and Payment Processing				
Productivity Tracking and Analysis				
Work Status and Completion Tracking (Work Management)	X			
Reliability Tracking and Follow-Up Investigations	X			
Emergency Work and Restoration Management Coordination				

Figure 56

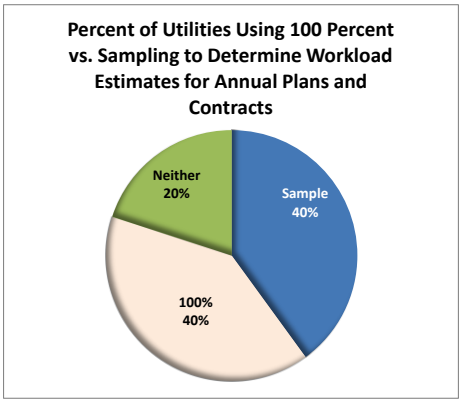


Figure 57

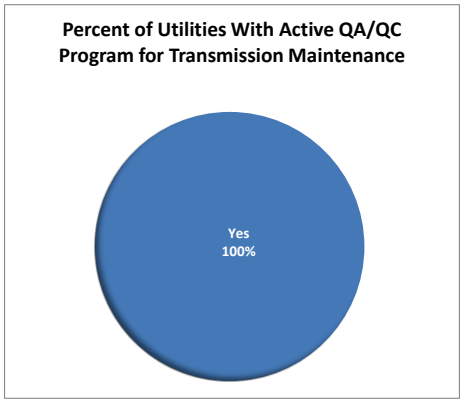


Figure 59

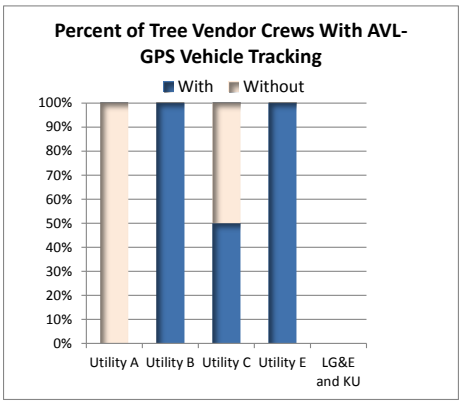


Figure 58

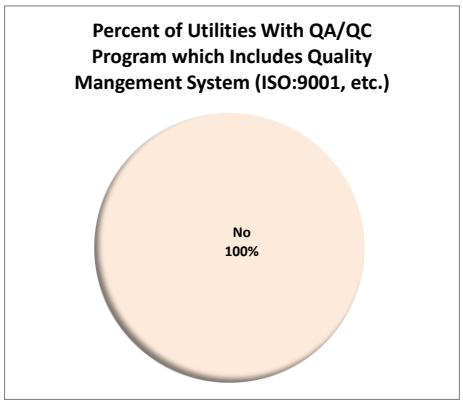


Figure 60

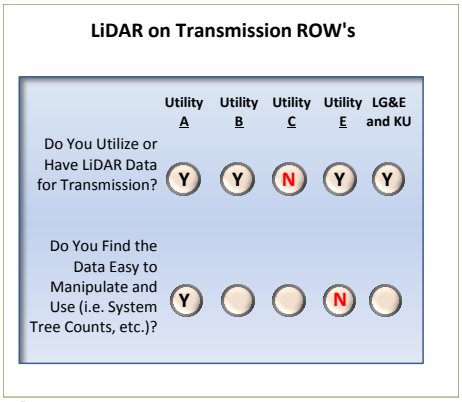


Figure 61

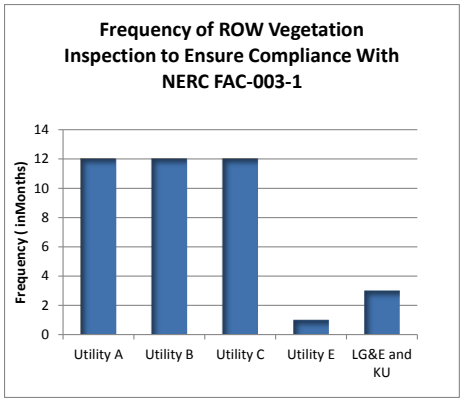


Figure 63

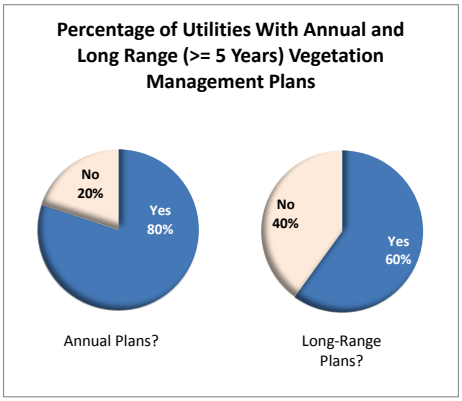


Figure 62

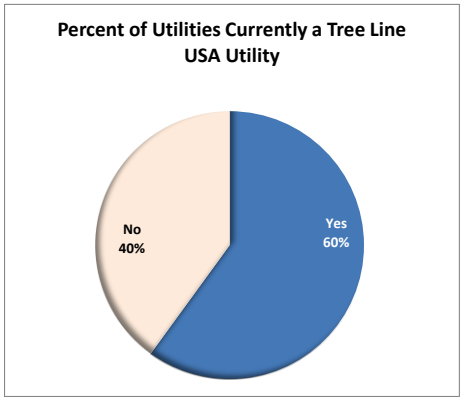


Figure 64

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 31

Responding Witness: John P Malloy

Q.1-31. Refer to page 15 of Mr. Malloy's Direct Testimony wherein he describes the SAP upgrade in process for the Customer Care System. Please provide a copy of the Company's business case and all cost/benefit analyses performed in conjunction with the decision to implement the upgrade.

A.1-31. See the attached Investment Proposal, which contains the cost-benefit analyses performed in conjunction with the decision to implement the upgrade.

Investment Proposal for Investment Committee Meeting on: October 28, 2015

Project Name: SAP Upgrade

Total Expenditures: $27.1 million (Including $2.6 million of Contingency)

Project Number(s): 204SER16

Business Unit/Line of Business: Customer Service and IT

Prepared/Presented By: Steve Woodworth, Alpha Troutman

Executive Summary

This Investment Committee proposal is to request approval of the SAP Upgrade project. The SAP Customer Care System ("CCS") is the customer information system platform providing meter to cash and customer service functions for LKS. The recommended alternative, "Upgrade with HANA", consists of three primary deliverables utilizing a System Integrator (SI):

- Reimplementation of Customer Relationship Management (CRM), upgrading to version 7.3 (the front end where customer interaction occurs),
- Technical upgrade of Enterprise Core Component (ECC) to version 6.7 (the foundational application that supports customer billing, meter reading and accounting activities), and
- Implementation of SAP Suite (CRM and ECC) on HANA database platform.

The purpose of this initiative is to utilize the existing investment in the SAP customer platform to take advantage of new developments in more recent versions and place LKS on the standard, full service level agreement for the system. Also, by implementing this recommendation, LKS can take advantage of the SAP strategic roadmap for future innovations such as Advanced Metering Systems ("AMS") and Meter Data Management System ("MDMS").

The "Do Nothing" alternative was deemed unacceptable due to system support limitations, increased potential for security vulnerabilities, significant complexity and costs to meet evolving industry and customer experience requirements and additional IT maintenance to address integrating an aging application with more current systems and databases. The "Upgrade without HANA" alternative was not selected as it would leave LKS in a less than optimal position regarding future functionality and ongoing support.

The "Upgrade with HANA" recommended alternative is estimated at $27.1 million across 2016 and 2017 with a 12% contingency of $2.6 million. Contingency is based on all expenditures, except hardware and licensing, and is included to cover potential cost fluctuations, changes in estimates / durations of in-scope items and minor scope changes. A total of $26.7 million is included in the proposed 2016 Business Plan. A total of $23.0 million is included in the approved 2015BP. Approval of this recommendation will require $350K incremental funding over the proposed 2016 BP which will be addressed and allocated by the Corporate RAC.

This project is in compliance with the LKS IT Governance Principles to maintain fully supported information technologies and does not require separate filing with KPSC for approval.

Background

The SAP Customer Care System (CRM and ECC applications) was implemented in April 2009 with an initial capital investment of approximately $84 million. In addition, approximately $2.5-3.5 million in capital enhancements have been implemented annually since 2010. Since implementation, the Company has taken advantage of a common SAP platform allowing LKS to provide customers increased options through new rate structures, self-service offerings, and analytical capabilities to harmonize processes that benefit the customer experience. The goal is to upgrade to the most current stable CRM / ECC versions in order to continue maximizing the investment value through customer-focused functionality and extending the useful life of this asset. Below is a sampling of North American utilities utilizing SAP products.

Version	Utility Name
CRM 5.2	LKS
CRM 7.X (0,1,2,3)	American Water, PEPCO, Southern California Edison, SEMPRA, Reliant, CenterPoint Energy, National Grid, Puget Sound Energy, Allegheny, First Energy, Atmos Energy, Blue Bonnet, CPS Energy, Hawaiian Electric, Huntsville Utilities, Hydro One, Idaho Power, LES, Peoples Natural Gas, SASK Power, Source Gas, Snohomish, London Hydro, Mobile Gas, and Terasen Gas
SAP Suite on HANA (by May 2017)	American Water, CenterPoint Energy, GRU, National Grid, Puget Sound Energy, Snohomish, Source Gas, TECO, Detroit Edison, and Washington Gas

CRM and ECC are SAP packaged applications that require external support from SAP for maintenance and system upgrades. Missing or deferring these upgrades increases the risk of system failure, extends restoration and recovery windows, creates compatibility issues with interfacing systems and limits the opportunity to take advantage of improved performance and new customer-focused functionality.

- **Maintenance Support**

Since 2011, CRM 5.2 has been on Client Specific Maintenance, which is the only standard support option available for this version. *It should be noted that LKS is the only SAP customer in North America still utilizing CRM 5.2.* It is a limited option in that Client Specific Maintenance provides no Service Level Agreement ("SLA") and, if there is not a known fix readily available to SAP, there is no guarantee of issue resolution. If a system failure occurs and cannot be resolved by LKS resources, LKS is completely dependent on the availability of qualified SAP resources on a time and materials basis.

If the CRM system became unavailable, Customer Representatives could not process customer requests such as moves, payment arrangements, and general inquiries about account(s). The customer interaction would be manually documented at that time and subsequently processed through the backend system. While payments could still be accepted, all disconnect for non-payment orders would be suspended since installment plans could not be established. Back office operations' time increases as processing steps and research are more difficult without

CRM available. Additionally, if the CRM outage occurred for an extended period of time, a degradation in bill accuracy and performance metrics would occur.

- **Compatibility Issues**

Running outdated versions of critical applications creates compatibility issues with interfacing applications (e.g., Genesys, GeoStan), internet browsers, databases and operating systems. Outdated versions also increase the potential for security vulnerabilities; thus, exposing LKS to new threats. Staying on aging applications creates additional IT maintenance activities to "back engineer" older versions to newer technologies increasing the risk of failures.

- **Improved Performance**

The replication of data between the ECC and CRM databases is a significant operational and technical challenge LKS has faced since implementation. The data inconsistencies that are created between these systems impacts LKS's ability to interact effectively with customers. This replication issue has been significantly reduced in the proposed versions of ECC and CRM. This will enable LKS to take full advantage of new customer offerings, such as Customer Notifications, using the best available customer data.

Suite on HANA provides inherent performance improvements that enhance system response time for the CRM application during customer interactions. This database platform also provides improved speed and accuracy of customer search capabilities, access to real-time data and predictive analytics.

- **New Functionality**

Moving to the proposed application versions will provide the standard full service product support for core functionality from SAP; thereby, managing the long-term total cost of ownership and avoiding costly custom developments for new processes and functionality requirements.

The proposed application versions will provide access to a technological platform for achieving LKS's strategic objectives to enhance the customer experience utilizing the following capabilities:

- Use of predictive analytics to effectively route customer communications to appropriate internal skill sets, providing the opportunity to increase first contact resolution.
- Real-time analytics to provide management access to more timely data for insight to operational effectiveness
- Standard AMS to avoid costly custom developments to replicate functionality
- Potentially eliminate the need for a separate Meter Data Management System which is SAP's direction for Suite on HANA.

- **Alternatives Considered (1 –Recommendation, 2 –Do nothing, 3 –Delay, 4 –Next Best Alt)**

  - **NOTE: In order to more realistically reflect the future impacts of the three alternatives considered, the NPVRR calculations below reflect the impacts of separate Automated Metering Systems and Meter Data Management implementations planned for 2019-2021. While separate initiatives, the decisions made on this upgrade directly impact the delivery and timing of these future projects.**

1. *Recommendation: Upgrade with HANA NPVRR: ($000s) $51,157*
   The "Recommendation" includes CRM 7.3 and ECC 6.7 on HANA as described in the Background section.

2. *Do Nothing:*
   The "Do Nothing" alternative is unacceptable due to Client Specific Maintenance limitations, increased potential for security vulnerabilities, significant complexity and higher costs to meet evolving industry and customer experience requirements and additional IT maintenance to address integrating an aging application with more current systems and databases.

3. *Delay: NPVRR: ($000s) $61,925*
   The "Delay" alternative considers an implementation date of 2019, reflecting a delayed start of two years. This option exhibits the impacts of purchasing incremental support from SAP and regular capital enhancements that would be required prior to the project start date. This option is not recommended as it increases cost and does not address Client Specific Maintenance limitations as discussed above.

4. *Next Best Alternative(s): Upgrade w/o HANA NPVRR: ($000s) $52,273*
   The "Upgrade without HANA" alternative was evaluated during the RFP process and became a key discussion point regarding the strategic direction of SAP products. SAP, system integrators, and Gartner Inc. emphasized this is SAP's direction and all future functionality will be built on this platform. Today, 350+ companies have implemented Suite on HANA across all industry groups with another 750+ implementations currently in progress. Although this option decreases the investment by $3.7 million compared to the recommendation, it will leave LKS in a less than optimal position regarding future functionality and ongoing support.

Project Description

- **Project Scope and Timeline**
  This project will upgrade ECC version 6.2 to version 6.7, re-implement CRM by upgrading from version 5.2 to 7.3, and implement the SAP Suite on HANA database platform. This project will establish a foundational platform for leveraging SAP industry developments in the future and provide Enterprise Level SAP support for the solution. Key milestone dates are shown below:

Milestone Event	Date
RFP Initiated for System Integrator	Jan 2015
Select System Integrator	Aug 2015
Project Approved by IC	Oct 2015
System Integrator Contract Awarded	Q4 2015
Project kickoff	Q1 2016
Implement into Production	Q2 2017
Post Go-Live Production Support Complete	Q3 2017

The current project estimate is 15 months. The go-live date of Q2 2017 is in compliance with PPL corporate policy "Managing Changes that Impact SOX Compliance" which discourages

systems' installations or upgrades during the fourth quarter of a year or during the last month of a quarter.

- **Project Cost**
  The total cost of this project is $27.1 million. A contingency of 12% ($2.6 million) on all expenditure items (except hardware and licensing) is included for potential cost fluctuations, changes in estimates/durations of in-scope items and minor scope changes. Travel and expenses have been calculated and included in the project cost. The system integrator bid is time & materials.

Expenditure Item	$000
LKS Labor	8,219
Contract Labor:	
• System Integrators, Third Party Vendors (includes expenses)	12,129
Software - SAP Licensing	725
Hardware	2,000
Other (travel, technical training, office expenses, misc.)	1,450
Sub-Total	24,523
Contingency (12% of all costs except licensing and hardware)	2,574
Total	27,097

Economic Analysis and Risks

- **Bid Summary**

  See System Integrator for SAP Upgrade Contract Proposal for details on bid summary.

- **Budget Comparison and Financial Summary**

Financial Detail by Year - Capital ($000s)	2016	2017	2018	Post 2018	Total
1. Capital Investment Proposed	17,807	9,290	-		27,097
2. Cost of Removal Proposed					-
3. Total Capital and Removal Proposed (1+2)	17,807	9,290	-	-	27,097
4. Capital Investment 2015 BP	17,200	5,800	-		23,000
5. Cost of Removal 2015 BP					-
6. Total Capital and Removal 2015 BP (4+5)	17,200	5,800	-	-	23,000
7. Capital Investment variance to BP (4-1)	(607)	(3,490)	-	-	(4,097)
8. Cost of Removal variance to BP (5-2)	-	-	-	-	-
9. Total Capital and Removal variance to BP (6-3)	(607)	(3,490)	-	-	(4,097)

Financial Detail by Year - O&M ($000s)	2016	2017	2018	Post 2018	Total
1. Project O&M Proposed	1,020	2,317	250	509	4,096
2. Project O&M 2015 BP	776	2,070	-	-	2,846
3. Total Project O&M variance to BP (2-1)	(244)	(247)	(250)	(509)	(1,250)

Financial Summary ($000s):

Discount Rate:	6.5%
Capital Breakdown:	
Labor:	$ 8,219
Contract Labor:	$12,129
Materials:	$ 4,175
Local Engineering:	$ 0
Burdens:	$ 0
Contingency:	$ 2,574
Reimbursements:	($ 0)
Net Capital Expenditure:	$27,097

Financial Analysis - Project Summary ($000)	2016	2017	2018	2019	2020	Life of Project
Project Net Income	$ (997)	$ (1,142)	$ (313)	$ 984	$ 515	$ 5,162
Project ROE	-21.10%	-10.00%	-2.50%	9.50%	5.70%	5.10%

By including SAP Suite on HANA in the scope of this project, internal capital related to future AMS and MDM projects is expected to decrease slightly over the 5 year planning cycle, and O&M IT costs are projected to increase due to license fees associated with SAP HANA software and hardware requirements. The existing level of capex is in the $2.5 - $3.5 million range. Staying on CRM 5.2 will require ongoing support and development on an aging infrastructure that is moving away from the current core SAP functionality. Upgrading to CRM 7.3 will immediately increase core capabilities and establish the platform for future functionalities which

will be supported by the IT department through break/fix, enhancements and system maintenance and will include a roadmap for support pack and version improvements.

- **Assumptions**
  - Project approach is to perform a technical upgrade to ECC (6.2 to 6.7), reimplement CRM (5.2 to 7.3), and replace Oracle databases with HANA for both CRM and ECC. If CRM 7.4 or ECC 6.8 become available during Q1 2016, LKS and SI will evaluate the changes and make a determination on inclusion within the overall project scope.
  - Conversion of SAP BusinessWarehouse reporting to BI is not considered in scope and is being handled as part of the overall BI conversion effort.
  - Project hardware is to be purchased in Q1 2016.
  - Customer Services O&M was increased by $2.8 million in 2016 and 2017 to ensure sustained business / customer metric performance. This incremental budget is allocated in the proposed 2016 BP.
  - Customer Services resources (12 FTEs) will be added for 28 months and 14 FTEs will backfill positions assigned to the project.
  - Routine annual capex for CCS in 2016-17 is $2.5 – $3.5 million and will be avoided during the pending upgrade.
  - 2016 IT O&M increased $150k for Annual Maintenance on SAP Suite on HANA Licenses, which is being offset by $61k in reductions on other line items in the SAP annual license fee, for a net incremental cost of $89k.
  - The economic useful life will continue on a 10-year depreciation schedule.

- **Environmental**
  There are no environmental considerations for this project and Environmental Affairs is not required to sign-off on the project.

- **Risks**
  - **Proceed with upgrade to ECC 6.7 and Reimplementation of CRM to 7.3:**
    - Metrics – Actual impacts to long-term transaction processing times are unknown based on the current data available.
    - Change Management (Training) – Customer Services employees will be required to complete classroom, virtual, and eLearning training modules diverting those resources from day-to-day customer service tasks.
    - Change Management (Learning Curve) – New processes will result in a short-term dip in performance levels for all Customer Services areas and negatively impact operational metrics.

  - **Do Nothing or Delay upgrade to CRM 7.3**
    - Continued Deviation from Standard Functionality – Some industry specific functionality delivered in CRM 7.3 (e.g., AMS) would require costly and high-risk customizations in CRM 5.2.
    - Data Replication – Data replication issues will continue to impact data integrity.
    - System downtime – As CRM 5.2 continues to age and levels of support decrease, the potential for CRM to experience an extended downtime increases.
    - Future program requirements – As customer expectations and regulatory mandates increase, the need for advanced functionality increases significantly; “core code” modifications will likely be needed to meet emerging business needs, which significantly increases the risk of system failure.

- Compatibility with future operating systems and technology – Continuously "back engineering" older versions of IT applications increases support costs and risk of an extended outage.
- Emerging Vendor Technologies – Products of certified SAP partners and other vendors are limiting compatibility only to newer versions of SAP.

Conclusions and Recommendation

To continue as a leader in customer service and operational excellence, it is recommended LKS maximize the existing investment in the SAP customer platform and take advantage of new functionality and ongoing Enterprise level support by approving the SAP Upgrade to ECC 6.7, CRM 7.3 and Suite on HANA database platform. Investment Committee approval of this recommendation is requested for $27.1 million.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 32

Responding Witness: John P. Malloy

Q.1-32. Please provide the increase or savings that the Company expects to achieve in IT O&M expense and customer care expense as the result of the upgrade. Provide the expenses before and after the upgrade for the test year. Provide all assumptions, data, and calculations, including all electronic spreadsheets with formulas intact.

A.1-32. As a result of the upgrade, the annual IT O&M expense related to the SAP customer care system is expected to increase by $123,429. See attachment 1 being provided in Excel format. This is related to license fees and associated hardware maintenance fees needed for the new HANA database which is part of the upgrade. HANA is SAP's proprietary database platform; migrating to HANA is strategically important for continued use of SAP long-term. The upgrade will be implemented before the test year begins. The total SAP license fees in the test year are $718,139. See attachment 2 being provided in Excel format.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 33

Responding Witness: John P. Malloy

Q.1-33. Please provide the expected useful life of the CCS and the SAP upgrade, if different than for the CCS.

A.1-33. See the response to Question No. 8

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 34

Responding Witness: Lonnie E. Bellar

Q.1-34. Refer to page 16, lines 6-8, of Mr. Garrett's Direct Testimony wherein he describes an annual increase of $9.1 million in steam and other generation maintenance expense due primarily to an increase in generation plant maintenance and outage expenses. Please provide a schedule showing the total company 2012, 2013, 2014, 2015, 2016, base year and test year maintenance expenses recorded or budgeted if not yet incurred for generation plant maintenance and outage expenses by plant/unit and by FERC O&M expense account.

A.1-34. See attached. The $9.1 million annual increase in steam and other generation maintenance expense represents a jurisdictional amount. The amounts provided in the attachment represent total company.

Plant/Unit	FERC Account	2012	2013	2014	2015	2016	Base Year	Test Year
BROWN SOLAR FACILITY	554	-	-	-	-	4,865	3,494	127,542
CANE RUN CC GT 2016	551	-	-	-	43,578	345,641	288,113	159,857
	552	-	-	-	136,712	754,722	533,085	1,885,025
	553	-	-	-	380,776	1,408,004	219,174	1,345,304
	554	-	-	-	1,913,826	3,137,308	1,762,692	5,435,161
CLOSED 03/14 - HAEFLING UNIT 3	553	25,686	157,899	-	-	-	-	-
E W BROWN COMMON - STEAM	510	-	-	-	-	-	1,163,312	2,397,132
	511	-	-	-	-	-	1,125,796	2,470,433
	512	-	-	-	-	-	492,830	1,809,106
	513	-	-	-	-	-	741,955	520,206
	514	-	-	-	-	-	789,368	1,732,230
E W BROWN COMBUSTION TURBINE UNIT 10	551	1,417	1,449	23,641	6,500	8,374	4,143	-
	552	9,063	10,616	13,281	273,424	50,107	21,536	-
	553	113,510	16,331	65,905	455,941	143,821	83,710	-
	554	17,504	13,395	13,581	90,634	66,105	16,947	-
E W BROWN COMBUSTION TURBINE UNIT 11	551	2,998	1,346	3,027	7,085	8,374	4,143	-
	552	13,433	11,304	14,011	42,180	52,923	25,083	-
	553	75,580	110,047	100,578	89,822	111,135	59,234	343,000
	554	13,191	8,164	23,651	63,403	56,981	17,263	-
E W BROWN COMBUSTION TURBINE UNIT 5	551	1,588	517	1,253	3,294	3,633	(2,584)	(10,359)
	552	6,804	2,684	5,372	18,444	23,567	12,162	-
	553	35,652	17,581	13,475	49,020	41,171	16,289	(90,338)
	554	6,359	12,011	5,105	48,021	15,600	5,125	(4,358)
E W BROWN COMBUSTION TURBINE UNIT 6	551	20,202	17,030	11,928	7,322	7,189	698	(281)
	552	67,813	79,928	50,405	38,913	39,258	16,934	(2,440)
	553	301,021	191,170	481,344	380,733	330,525	163,815	398,397
	554	101,714	48,410	51,393	30,023	30,224	16,557	(9,366)
E W BROWN COMBUSTION TURBINE UNIT 7	551	16,065	13,602	16,094	7,307	7,189	746	-
	552	52,874	55,790	65,198	37,120	37,629	15,373	-
	553	276,342	18,572	323,753	19,253	122,265	57,362	51,450
	554	64,740	40,993	67,016	25,438	35,832	12,733	-
E W BROWN COMBUSTION TURBINE UNIT 8	551	2,202	2,498	2,371	6,255	8,374	4,143	-
	552	18,255	18,396	20,987	38,110	53,590	23,149	-
	553	70,600	184,240	82,504	200,591	194,960	89,030	-
	554	24,581	19,819	36,937	76,088	74,820	52,556	65,000
E W BROWN COMBUSTION TURBINE UNIT 9	551	3,481	7,619	1,923	6,995	8,374	4,143	-
	552	16,801	30,807	21,680	43,919	51,444	22,538	-
	553	116,008	415,634	49,624	88,066	141,500	58,434	-
	554	26,594	25,819	51,417	93,438	56,456	31,416	-
E W BROWN CT UNIT 9 GAS PIPELINE	553	14,932	34,305	10,649	44,062	36,803	-	21,864
	554	4,184	6,812	6,946	7,700	168,806	1,359	-
E W BROWN STEAM UNITS 1,2,3 SCRUBBER	512	-	-	-	-	-	339,915	1,280,472
E W BROWN UNIT 1	510	351,768	339,719	280,116	542,654	332,271	209,853	250,000
	511	263,259	227,746	210,163	295,901	324,617	185,815	-
	512	1,685,242	1,574,560	1,610,125	1,741,512	1,372,772	1,225,235	1,156,505
	513	1,382,130	375,011	261,961	3,712,752	1,173,825	1,076,522	168,234
	514	77,948	108,152	100,381	134,075	138,615	64,281	-
E W BROWN UNIT 2	510	623,997	554,370	627,477	239,942	523,102	334,981	852,000

Plant/Unit	FERC Account	2012	2013	2014	2015	2016	Base Year	Test Year
	511	310,489	303,883	326,660	369,204	455,793	262,383	-
	512	1,881,618	2,393,352	2,664,565	1,587,048	1,905,522	1,600,363	2,366,592
	513	280,679	693,095	1,376,987	348,091	389,568	205,171	3,262,098
	514	126,885	117,967	160,614	211,948	221,807	102,864	-
E W BROWN UNIT 3	510	1,651,589	1,289,646	1,139,136	1,108,695	1,609,166	891,830	-
	511	829,734	879,823	898,812	988,514	1,236,969	712,691	-
	512	4,273,168	4,182,701	4,704,165	4,384,963	4,609,085	3,790,216	2,619,484
	513	6,775,537	479,613	967,743	1,313,395	1,163,380	452,154	145,116
	514	337,882	370,058	482,099	536,203	554,421	252,532	-
E W BROWN UNITS 1 & 3	512	-	-	-	-	-	46,854	95,898
E W BROWN UNITS 2 & 3	511	-	-	-	-	-	-	137,000
E W BROWN-EQUIP ALL COMBUSTION TURBINE UNITS	551	-	-	-	-	-	163,101	145,054
	552	-	-	-	-	-	92,500	17,838
	553	-	-	-	-	-	-	2,011,690
	554	-	-	-	-	-	-	68,479
E W BROWN-EQUIP COM. COMBUSTION TURBINE UNITS 4, 5, 6 & 7	554	-	-	-	-	-	-	78,030
GHENT COMMON	510	-	-	-	-	-	2,159,527	4,499,567
	511	-	-	-	-	-	2,180,590	4,165,379
	512	-	-	(36,264)	(424,312)	(8,303)	8,093,173	12,850,783
	513	-	-	-	-	-	1,346,828	1,940,906
	514	-	-	-	-	-	187,630	395,956
GHENT UNIT 1	510	750,075	707,873	737,577	1,816,872	1,390,949	728,093	325,000
	511	920,444	1,096,269	1,351,598	2,026,923	1,908,967	990,620	-
	512	7,110,125	7,103,933	7,704,475	9,688,549	5,899,276	4,359,262	4,658,258
	513	2,113,181	1,213,815	1,195,620	5,948,854	1,349,924	1,090,555	200,529
	514	138,314	179,873	177,625	219,261	312,321	166,547	-
GHENT UNIT 1 SCRUBBER	511	5,542	-	-	-	-	-	-
	512	11,513	(34,720)	(12,197)	(887)	-	391,660	782,069
GHENT UNIT 2	510	1,070,632	743,513	765,551	1,364,031	1,474,039	783,564	-
	511	765,397	706,473	918,239	1,032,052	1,336,303	652,569	-
	512	9,309,511	4,633,101	5,766,081	7,405,197	5,169,601	3,715,872	4,628,061
	513	4,869,232	462,504	1,134,899	1,686,645	1,382,762	476,952	1,204,421
	514	141,223	171,417	175,723	206,118	313,575	172,176	-
GHENT UNIT 3	510	808,512	782,618	1,171,013	1,094,533	1,506,860	788,767	-
	511	598,517	748,872	936,692	896,879	1,389,777	717,227	-
	512	4,528,826	4,133,932	7,522,680	6,678,421	6,600,034	4,422,546	2,957,744
	513	2,098,549	608,423	914,487	1,830,977	1,336,574	850,623	374,901
	514	161,041	183,919	190,286	237,302	330,889	184,898	-
GHENT UNIT 4	510	1,451,238	1,314,416	1,809,543	1,305,775	1,448,907	758,431	425,000
	511	575,356	734,565	858,057	870,149	1,350,812	753,551	-
	512	4,394,155	5,980,506	8,720,215	4,168,713	6,120,035	4,447,990	1,078,043
	513	815,297	1,029,481	4,479,842	644,426	1,256,467	927,164	148,887
	514	159,198	182,474	219,612	226,015	321,943	178,256	-
GHENT UNITS 1 & 2	513	-	-	-	-	-	14,901	104,237
GHENT UNITS 3 & 4	513	-	-	-	-	-	17,774	96,390
GREEN RIVER COMMON	510	-	-	-	-	-	42,791	139,697
	511	-	-	-	-	-	40,500	82,248
	512	-	-	-	-	-	181,723	176,000

Plant/Unit	FERC Account	2012	2013	2014	2015	2016	Base Year	Test Year
	514	-	-	-	-	-	520	9,355
GREEN RIVER UNIT 3	510	530,314	558,787	404,410	321,103	28,276	28,276	27,972
	511	336,132	334,240	328,217	184,337	36,673	36,673	19,914
	512	1,354,937	728,733	1,575,703	927,426	56,102	56,102	30,600
	513	580,546	287,222	357,235	257,075	13,923	13,923	7,596
	514	75,765	113,475	65,517	241,618	222,898	222,898	121,584
GREEN RIVER UNIT 4	510	656,320	761,456	606,615	564,833	174,909	118,773	12,552
	511	401,286	485,484	584,383	338,171	169,464	107,581	29,244
	512	1,384,972	2,328,610	2,502,697	1,519,863	205,277	144,187	14,040
	513	393,599	423,585	424,811	162,254	4,721	4,721	2,580
	514	131,783	189,959	102,789	384,892	338,728	336,672	179,628
HAEFLING UNIT 1	553	55,749	54,186	40,102	52,079	79,324	47,318	18,041
HAEFLING UNIT 2	553	24,970	12,077	1,371	6,336	10,333	8,012	18,041
HAEFLING UNITS 1, 2, & 3	553	-	-	-	-	-	-	48,240
KU GENERATION - COMMON	510	-	-	-	-	-	596,898	1,039,575
	511	-	-	-	-	-	33,615	199,204
	513	-	-	-	-	-	1,736	-
	514	-	-	-	-	-	560	3,396
PADDYS RUN GT 13	551	-	-	-	7,935	15,162	7,330	-
	552	5,982	3,269	2,873	3,236	8,756	14,817	22,546
	553	177,010	190,332	234,161	261,392	310,259	183,257	128,765
	554	10,722	6,164	18,710	46,947	135,102	53,393	119,456
TRIMBLE COUNTY #10 COMBUSTION TURBINE	553	42,157	179,801	50,592	25,876	53,698	22,695	-
TRIMBLE COUNTY #5 COMBUSTION TURBINE	553	211,781	146,021	394,050	320,659	362,432	212,716	477,537
TRIMBLE COUNTY #6 COMBUSTION TURBINE	553	156,969	93,141	195,118	271,456	267,922	180,355	-
TRIMBLE COUNTY #7 COMBUSTION TURBINE	553	53,200	47,292	64,677	269,898	123,437	73,964	829,001
TRIMBLE COUNTY #8 COMBUSTION TURBINE	553	69,351	125,355	97,796	93,474	65,936	36,530	-
TRIMBLE COUNTY #9 COMBUSTION TURBINE	553	99,663	34,966	75,691	66,055	95,315	94,515	-
TRIMBLE COUNTY 2 - GENERATION	510	625,501	471,432	820,421	589,847	1,169,392	1,383,151	2,083,779
	511	1,202,324	773,262	851,463	964,271	936,025	799,012	-
	512	5,669,171	6,806,872	9,401,888	6,993,714	7,890,857	7,302,515	10,685,117
	513	1,362,466	993,207	1,329,046	903,136	2,159,444	2,113,355	1,453,562
	514	472,151	425,130	516,160	811,114	561,400	486,084	421,383
TRIMBLE COUNTY 2 CLEARING ACCTNG	510	(156,376)	(117,858)	(205,106)	(147,462)	(292,348)	(235,789)	(265,772)
	511	(300,581)	(193,316)	(212,866)	(241,068)	(234,007)	(180,938)	(255,172)
	512	(1,292,078)	(1,776,312)	(2,335,327)	(1,750,032)	(1,972,701)	(1,452,796)	(1,496,229)
	513	(340,617)	(248,302)	(332,262)	(225,784)	(539,861)	(501,477)	(226,705)
	514	(118,038)	(106,283)	(129,040)	(202,779)	(140,350)	(89,483)	(105,350)
TYRONE COMMON	510	-	-	-	-	-	11,444	11,461
	514	-	-	-	-	-	447	2,714
TYRONE UNIT 1	511	-	-	-	828	140	83	-
TYRONE UNIT 3	510	20,574	9,077	12,820	4,730	8,090	8,090	-
	511	120,045	-	-	14,460	2,709	-	-
	512	18,093	(1,007)	2,681	-	1,342	1,342	-
	513	-	-	-	51	-	-	-
	514	256	(1,551)	-	2,317	7,428	784	-

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 35

Responding Witness: Valerie L. Scott

Q.1-35. Please provide a schedule showing the total company 2012, 2013, 2014, 2015, 2016, base year and test year outside services expenses recorded, or expected to be recorded, in FERC accounts 923.

A.1-35. The table below contains the total actual, base year and test year balances for FERC Account No. 923, Outside Services.

2012	$ 7,429,128
2013	$15,940,151
2014	$17,999,000
2015	$19,603,597
2016	$17,959,527
Base Year	$19,339,606
Test Year	$21,171,836

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 36

Responding Witness: Daniel K. Arbough

Q.1-36. Refer to the variance explanation for FERC account 923 provided on Schedule D-1 to explain the increase in test year costs of $1.684 million over the level of base year costs. That explanation reads, "Variance reflects higher level of contracted support for customer service initiatives and legal counsel." Please provide copies of all analyses or other support documentation that shows more details about the higher levels of costs that are expected.

A.1-36. See the response to KSBA 1-33. See the response to AG-1 90 for further support of the legal fees.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 37

Responding Witness: Christopher M. Garrett

Q.1-37. Please describe how the Company removed the effects of purchase accounting from the capitalization, all rate base components, and all related expenses, such as depreciation expense and property tax expense, reflected in the filing. Provide a schedule in electronic spreadsheet format with all formulas intact showing all adjustments and providing an explanation of each such adjustment.

A.1-37. The Company maintains a separate general ledger and a separate budget entity to record the impact of all purchase accounting adjustments and to ensure that the activity can be tracked for reporting and budgeting purposes. When calculating capitalization, all rate base components and all related expenses, the Company used only the general ledger and budget entity excluding purchase accounting. As a result, there was no adjustment needed to remove purchase accounting included in the capitalization, rate base components, or all related expenses.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 38

Responding Witness: Valerie L. Scott

Q.1-38. Please provide a schedule showing all direct assignments and allocations of costs from LKS to the Company by FERC O&M, A&G, and each other account for 2012, 2013, 2014, 2015, 2016, the base year, and the test year. Provide an explanation for each increase from year to year of at least $1 million or 5%, whichever is less.

A.1-38. See attached.

Changes from year to year are explained for increases greater than $1 million.

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2012 Direct Assignments	2012 Indirect Allocations of Costs	2012 Total
107	Construction Work In Progress	33,485,259	-	33,485,259
108	Accumulated Provision For Depreciation Of Utility Plant	344,579	-	344,579
131	Cash	(3,171,487)	-	(3,171,487)
143	Other Accounts Receivable	37,987	-	37,987
146	Accounts Receivable From Associated Companies	(231,408)	-	(231,408)
151	Fuel Stock	445,743,867	-	445,743,867
154	Plant Materials And Operating Supplies	-	-	-
163	Stores Expense Undistributed	444,277	-	444,277
165	Prepayments	11,670,162	-	11,670,162
182.3	Other Regulatory Assets	1,758,179	-	1,758,179
183	Preliminary Survey And Investigation Charges	481,347	-	481,347
184	Clearing Accounts	22,400,836	-	22,400,836
186	Miscellaneous Deferred Debits	86,037	-	86,037
188	Research, Development And Demonstration Expenses	-	-	-

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2012 Direct Assignments	2012 Indirect Allocations of Costs	2012 Total
228.3	Accumulated Provision For Pensions And Benefits	6,568,813	-	6,568,813
232	Accounts Payable	508,187	-	508,187
236	Taxes Accrued	(660,772)	-	(660,772)
241	Tax Collections Payable	-	-	-
242	Miscellaneous Current And Accrued Liabilities	384,013	-	384,013
253	Other Deferred Credits	1,503,219	-	1,503,219
408.1	Taxes Other Than Income Taxes, Utility Operating Income	3,954,298	-	3,954,298
408.2	Taxes Other Than Income Taxes, Other Income And Deductions	-	-	-
416	Cost And Expenses Of Merchandising, Jobbing And Contract Work	-	-	-
418	Nonoperating Rental Income	0	-	0
419	Interest And Dividend Income	-	-	-
421	Miscellaneous Nonoperating Income	-	-	-
426.1	Donations	736,242	33,210	769,452
426.3	Penalties	378	-	378
426.4	Expenditures For Certain Civic, Political And Related Activities	548	919,388	919,936
426.5	Other Deductions	497,077	191,141	688,219
431	Other Interest Expense	-	-	-
454	Rent From Electric Property	0	-	0
456	Other Electric Revenues	18,184	-	18,184
500	Operation Supervision And Engineering	158,551	3,161,831	3,320,382
501	Fuel	561,914	782,803	1,344,717
502	Steam Expenses	191,964	23,231	215,195
505	Electric Expenses	-	-	-
506	Miscellaneous Steam Power Expenses	161,699	-	161,699
510	Maintenance Supervision And Engineering	1,446,874	-	1,446,874
511	Maintenance Of Structures	17,542	-	17,542
512	Maintenance Of Boiler Plant	24,791	-	24,791
513	Maintenance Of Electric Plant	128,943	57,763	186,706
514	Maintenance Of Miscellaneous Steam Plant	14,653	-	14,653
539	Miscellaneous Hydraulic Power Generation Expenses	1,556	-	1,556
546	Operation Supervision And Engineering	2,041	-	2,041
549	Miscellaneous Other Power Generation Expenses	1,022	-	1,022

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2012 Direct Assignments	2012 Indirect Allocations of Costs	2012 Total
553	Maintenance Of Generating And Electric Equipment	-	-	-
554	Maintenance Of Miscellaneous Other Power Generation Plant	-	-	-
556	System Control And Load Dispatching	72,726	1,707,991	1,780,717
557	Other Expenses	-	-	-
560	Operation Supervision And Engineering	36,963	1,414,817	1,451,780
561.1	Load Dispatch-Reliability	(101)	2,302,086	2,301,985
561.2	Load Dispatch-Monitor And Operate Transmission System	-	-	-
561.3	Load Dispatch-Transmission Service And Scheduling	-	-	-
561.5	Reliability, Planning And Standards Development	-	812,992	812,992
561.6	Transmission Service Studies	3,733	-	3,733
562	Station Expenses	15,846	-	15,846
563	Overhead Line Expenses	95,228	-	95,228
565	Transmission Of Electricity By Others	-	-	-
566	Miscellaneous Transmission Expenses	3,637,902	1,238,555	4,876,457
567	Rents	-	-	-
570	Maintenance Of Station Equipment	319,473	-	319,473
571	Maintenance Of Overhead Lines	147,880	-	147,880
573	Maintenance Of Miscellaneous Transmission Plant	97,483	-	97,483
580	Operation Supervision And Engineering	1,047,769	177,816	1,225,585
581	Load Dispatching	-	922,050	922,050
582	Station Expenses	989	-	989
583	Overhead Line Expenses	38,504	-	38,504
584	Underground Line Expenses	2,328	-	2,328
586	Meter Expenses	562,611	40,398	603,009
587	Customer Installations Expenses	-	-	-
588	Miscellaneous Distribution Expenses	832,419	203,700	1,036,119
590	Maintenance Supervision And Engineering	7,085	-	7,085
592	Maintenance Of Station Equipment	2,277	-	2,277
593	Maintenance Of Overhead Lines	201,396	-	201,396
594	Maintenance Of Underground Lines	-	-	-
595	Maintenance Of Line Transformers	334	-	334

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2012 Direct Assignments	2012 Indirect Allocations of Costs	2012 Total
597	Maintenance Of Meters	-	-	-
598	Maintenance Of Miscellaneous Distribution Plant	9,981	-	9,981
901	Supervision	1,648,294	350,681	1,998,975
902	Meter Reading Expenses	161,397	279	161,676
903	Customer Records And Collection Expenses	4,812,161	5,546,771	10,358,932
904	Uncollectible Accounts	-	-	-
905	Miscellaneous Customer Accounts Expenses	617,444	-	617,444
907	Supervision	34,898	189,949	224,847
908	Customer Assistance Expenses	10,268,286	568,631	10,836,917
909	Informational And Instructional Advertising Expenses	306,108	-	306,108
910	Miscellaneous Customer Service And Informational Expenses	148,871	377,470	526,341
912	Demonstrating And Selling Expenses	-	-	-
913	Advertising Expenses	1,823	-	1,823
920	Administrative And General Salaries	2,214,306	20,587,959	22,802,265
921	Office Supplies And Expenses	2,548,993	4,936,262	7,485,256

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2012 Direct Assignments	2012 Indirect Allocations of Costs	2012 Total
923	Outside Services Employed	3,840,398	2,918,880	6,759,278
924	Property Insurance	122,553	-	122,553
925	Injuries And Damages	1,622,581	3,462	1,626,043
926	Employee Pensions And Benefits	15,646,649	160,191	15,806,840
928	Regulatory Commission Expenses	37,218	-	37,218
930.1	General Advertising Expenses	695,142	44,160	739,303
930.2	Miscellaneous General Expenses	190,688	960,453	1,151,141
931	Rents	144,576	238,650	383,226
935	Maintenance Of General Plant	1,150,669	12,030,447	13,181,117
Grand Total		582,617,252	62,904,018	645,521,270

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2013 Direct Assignments	2013 Indirect Allocations of Costs	2013 Total	Variance 2013 to 2012 Variance Amount	Variance 2013 to 2012 Explanation
107	Construction Work In Progress	37,807,651	-	37,807,651	4,322,392	Increases due primarily to software upgrades/replacements/licenses, telecommunication/IT infrastructure improvements, and construction projects at Cane Run 7 and Ghent Ash Pond.
108	Accumulated Provision For Depreciation Of Utility Plant	562,661	-	562,661	218,081	
131	Cash	(678,603)	-	(678,603)	2,492,884	Decrease in payments received by LKS for KU, primarily a reimbursement from insurance in 2012.
143	Other Accounts Receivable	-	-	-	(37,987)	
146	Accounts Receivable From Associated Companies	-	-	-	231,408	
151	Fuel Stock	473,517,370	-	473,517,370	27,773,503	Higher purchases due to higher consumption at Ghent and Brown.
154	Plant Materials And Operating Supplies	-	-	-	-	
163	Stores Expense Undistributed	406,840	-	406,840	(37,436)	
165	Prepayments	9,378,739	-	9,378,739	(2,291,424)	
182.3	Other Regulatory Assets	122,116	-	122,116	(1,636,064)	
183	Preliminary Survey And Investigation Charges	230,890	-	230,890	(250,457)	
184	Clearing Accounts	23,596,281	-	23,596,281	1,195,444	Variance due to the function of the clearing account. This increase is offset in other accounts.
186	Miscellaneous Deferred Debits	424,706	-	424,706	338,669	
188	Research, Development And Demonstration Expenses	-	-	-	-	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2013 Direct Assignments	2013 Indirect Allocations of Costs	2013 Total	Variance 2013 to 2012 Variance Amount	Variance 2013 to 2012 Explanation
228.3	Accumulated Provision For Pensions And Benefits	3,908,748	-	3,908,748	(2,660,065)	
232	Accounts Payable	233,665	-	233,665	(274,522)	
236	Taxes Accrued	(701,613)	-	(701,613)	(40,841)	
241	Tax Collections Payable	-	-	-	-	
242	Miscellaneous Current And Accrued Liabilities	486,505	-	486,505	102,492	
253	Other Deferred Credits	1,216,719	-	1,216,719	(286,500)	
408.1	Taxes Other Than Income Taxes, Utility Operating Income	4,279,493	-	4,279,493	325,196	
408.2	Taxes Other Than Income Taxes, Other Income And Deductions	-	-	-	-	
416	Cost And Expenses Of Merchandising, Jobbing And Contract Work	-	-	-	-	
418	Nonoperating Rental Income	-	-	-	(0)	
419	Interest And Dividend Income	(2)	-	(2)	(2)	
421	Miscellaneous Nonoperating Income	-	-	-	-	
426.1	Donations	748,129	111,645	859,774	90,322	
426.3	Penalties	171,584	-	171,584	171,206	
426.4	Expenditures For Certain Civic, Political And Related Activities	919	1,147,711	1,148,629	228,694	
426.5	Other Deductions	630,330	267,359	897,689	209,471	
431	Other Interest Expense	-	-	-	-	
454	Rent From Electric Property	-	-	-	(0)	
456	Other Electric Revenues	12,164	-	12,164	(6,020)	
500	Operation Supervision And Engineering	196,513	4,084,556	4,281,069	960,688	
501	Fuel	552,351	843,013	1,395,365	50,647	
502	Steam Expenses	152,391	18,690	171,081	(44,114)	
505	Electric Expenses	1,100	-	1,100	1,100	
506	Miscellaneous Steam Power Expenses	184,173	-	184,173	22,474	
510	Maintenance Supervision And Engineering	508,136	205,628	713,765	(733,109)	
511	Maintenance Of Structures	7,866	-	7,866	(9,676)	
512	Maintenance Of Boiler Plant	5,603	-	5,603	(19,188)	
513	Maintenance Of Electric Plant	37,042	65,215	102,257	(84,449)	
514	Maintenance Of Miscellaneous Steam Plant	10,118	-	10,118	(4,534)	
539	Miscellaneous Hydraulic Power Generation Expenses	-	-	-	(1,556)	
546	Operation Supervision And Engineering	-	-	-	(2,041)	
549	Miscellaneous Other Power Generation Expenses	2,439	-	2,439	1,417	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2013 Direct Assignments	2013 Indirect Allocations of Costs	2013 Total	Variance 2013 to 2012 Variance Amount	Variance 2013 to 2012 Explanation
553	Maintenance Of Generating And Electric Equipment	3,622	-	3,622	3,622	
554	Maintenance Of Miscellaneous Other Power Generation Plant	-	-	-	-	
556	System Control And Load Dispatching	90,356	1,554,617	1,644,973	(135,744)	
557	Other Expenses	-	-	-	-	
560	Operation Supervision And Engineering	58,366	1,606,539	1,664,905	213,125	
561.1	Load Dispatch-Reliability	-	2,686,631	2,686,631	384,646	
561.2	Load Dispatch-Monitor And Operate Transmission System	-	-	-	-	
561.3	Load Dispatch-Transmission Service And Scheduling	-	-	-	-	
561.5	Reliability, Planning And Standards Development	-	990,247	990,247	177,256	
561.6	Transmission Service Studies	11,658	-	11,658	7,925	
562	Station Expenses	5,599	-	5,599	(10,247)	
563	Overhead Line Expenses	87,297	-	87,297	(7,931)	
565	Transmission Of Electricity By Others	-	-	-	-	
566	Miscellaneous Transmission Expenses	1,816,804	614,251	2,431,056	(2,445,401)	
567	Rents	-	-	-	-	
570	Maintenance Of Station Equipment	409,543	33,717	443,260	123,787	
571	Maintenance Of Overhead Lines	107,089	-	107,089	(40,791)	
573	Maintenance Of Miscellaneous Transmission Plant	54,212	10,487	64,699	(32,784)	
580	Operation Supervision And Engineering	749,340	448,162	1,197,502	(28,083)	
581	Load Dispatching	-	993,632	993,632	71,583	
582	Station Expenses	15,843	-	15,843	14,854	
583	Overhead Line Expenses	375,437	-	375,437	336,933	
584	Underground Line Expenses	428	-	428	(1,901)	
586	Meter Expenses	589,359	15,491	604,850	1,841	
587	Customer Installations Expenses	-	-	-	-	
588	Miscellaneous Distribution Expenses	710,883	438,382	1,149,265	113,147	
590	Maintenance Supervision And Engineering	4,713	1,828	6,541	(544)	
592	Maintenance Of Station Equipment	3,768	-	3,768	1,491	
593	Maintenance Of Overhead Lines	119,696	-	119,696	(81,699)	
594	Maintenance Of Underground Lines	4,919	-	4,919	4,919	
595	Maintenance Of Line Transformers	-	-	-	(334)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2013 Direct Assignments	2013 Indirect Allocations of Costs	2013 Total	Variance 2013 to 2012 Variance Amount	Variance 2013 to 2012 Explanation
597	Maintenance Of Meters	-	-	-	-	
598	Maintenance Of Miscellaneous Distribution Plant	5,852	-	5,852	(4,129)	
901	Supervision	2,086,470	429,450	2,515,920	516,945	
902	Meter Reading Expenses	116,343	54,427	170,770	9,094	
903	Customer Records And Collection Expenses	4,973,868	5,730,975	10,704,843	345,911	
904	Uncollectible Accounts	-	-	-	-	
905	Miscellaneous Customer Accounts Expenses	465,261	-	465,261	(152,184)	
907	Supervision	22,176	261,967	284,143	59,296	
908	Customer Assistance Expenses	12,392,671	569,127	12,961,799	2,124,881	Primarily due to purchase of CFL light bulbs for the residential DSM program in 2013.
909	Informational And Instructional Advertising Expenses	404,974	-	404,974	98,866	
910	Miscellaneous Customer Service And Informational Expenses	156,086	212,025	368,112	(158,230)	
912	Demonstrating And Selling Expenses	41,970	-	41,970	41,970	
913	Advertising Expenses	-	-	-	(1,823)	
920	Administrative And General Salaries	1,824,050	26,274,333	28,098,383	5,296,117	Primarily due to a change in account number charged by information technology employees (offset in Account 935 below); and annual wage increases.
921	Office Supplies And Expenses	1,898,392	4,782,580	6,680,972	(804,283)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2013 Direct Assignments	2013 Indirect Allocations of Costs	2013 Total	Variance 2013 to 2012 Variance Amount	Variance 2013 to 2012 Explanation
923	Outside Services Employed	3,206,847	11,896,488	15,103,335	8,344,057	Primarily due to a change in account number charged by information technology employees (offset in Account 935 below).
924	Property Insurance	218,386	22,063	240,449	117,896	
925	Injuries And Damages	219,461	35,928	255,389	(1,370,655)	
926	Employee Pensions And Benefits	17,940,979	184,625	18,125,605	2,318,765	Increased pension and medical insurance costs.
928	Regulatory Commission Expenses	610,943	-	610,943	573,725	
930.1	General Advertising Expenses	455,657	75,352	531,009	(208,293)	
930.2	Miscellaneous General Expenses	344,027	1,351,758	1,695,786	544,645	
931	Rents	62,808	162,636	225,444	(157,782)	
935	Maintenance Of General Plant	1,065,255	4,341,909	5,407,165	(7,773,952)	
Grand Total		611,744,434	72,523,446	684,267,880	38,746,610	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2014 Direct Assignments	2014 Indirect Allocations of Costs	2014 Total	Variance 2014 to 2013 Variance Amount	Variance 2014 to 2013 Explanation
107	Construction Work In Progress	14,059,941	19,642,882	33,702,823	(4,104,828)	
108	Accumulated Provision For Depreciation Of Utility Plant	285,761	35,220	320,980	(241,680)	
131	Cash	(780,343)	-	(780,343)	(101,740)	
143	Other Accounts Receivable	2,596	(405)	2,192	2,192	
146	Accounts Receivable From Associated Companies	335	-	335	335	
151	Fuel Stock	486,355,554	-	486,355,554	12,838,184	Higher coal volumes purchased at slightly higher prices.
154	Plant Materials And Operating Supplies	-	-	-	-	
163	Stores Expense Undistributed	31,925	251,520	283,444	(123,396)	
165	Prepayments	11,355,360	1,628,975	12,984,335	3,605,596	Difference caused by timing issue of premium being paid in Jan-14 instead of Dec-13.
182.3	Other Regulatory Assets	579,141	-	579,141	457,025	
183	Preliminary Survey And Investigation Charges	118,047	148	118,196	(112,694)	
184	Clearing Accounts	20,266,792	4,118,628	24,385,421	789,140	
186	Miscellaneous Deferred Debits	300,539	5	300,544	(124,162)	
188	Research, Development And Demonstration Expenses	-	-	-	-	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2014 Direct Assignments	2014 Indirect Allocations of Costs	2014 Total	Variance 2014 to 2013 Variance Amount	Variance 2014 to 2013 Explanation
228.3	Accumulated Provision For Pensions And Benefits	2,711,061	-	2,711,061	(1,197,686)	
232	Accounts Payable	(606,191)	-	(606,191)	(839,856)	
236	Taxes Accrued	(720,345)	-	(720,345)	(18,732)	
241	Tax Collections Payable	(4)	-	(4)	(4)	
242	Miscellaneous Current And Accrued Liabilities	623,710	-	623,710	137,205	
253	Other Deferred Credits	(13,786)	2,203,219	2,189,433	972,714	
408.1	Taxes Other Than Income Taxes, Utility Operating Income	4,501,581	-	4,501,581	222,087	
408.2	Taxes Other Than Income Taxes, Other Income And Deductions	719	-	719	719	
416	Cost And Expenses Of Merchandising, Jobbing And Contract Work	-	-	-	-	
418	Nonoperating Rental Income	-	-	-	-	
419	Interest And Dividend Income	-	-	-	2	
421	Miscellaneous Nonoperating Income	-	-	-	-	
426.1	Donations	1,059,860	49,436	1,109,296	249,522	
426.3	Penalties	121,019	15,352	136,371	(35,213)	
426.4	Expenditures For Certain Civic, Political And Related Activities	284,601	772,096	1,056,697	(91,932)	
426.5	Other Deductions	572,232	382,276	954,508	56,819	
431	Other Interest Expense	-	-	-	-	
454	Rent From Electric Property	-	-	-	-	
456	Other Electric Revenues	12,911	-	12,911	747	
500	Operation Supervision And Engineering	690,409	4,640,892	5,331,301	1,050,232	Higher labor costs
501	Fuel	142,309	1,296,642	1,438,951	43,586	
502	Steam Expenses	249,217	19,091	268,308	97,226	
505	Electric Expenses	60,775	-	60,775	59,675	
506	Miscellaneous Steam Power Expenses	294,925	11,149	306,074	121,901	
510	Maintenance Supervision And Engineering	697,990	279,983	977,973	264,209	
511	Maintenance Of Structures	12,587	-	12,587	4,722	
512	Maintenance Of Boiler Plant	45,789	-	45,789	40,186	
513	Maintenance Of Electric Plant	169,980	19,812	189,792	87,535	
514	Maintenance Of Miscellaneous Steam Plant	12,584	21	12,605	2,487	
539	Miscellaneous Hydraulic Power Generation Expenses	-	-	-	-	
546	Operation Supervision And Engineering	-	-	-	-	
549	Miscellaneous Other Power Generation Expenses	3,383	-	3,383	944	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2014 Direct Assignments	2014 Indirect Allocations of Costs	2014 Total	Variance 2014 to 2013 Variance Amount	Variance 2014 to 2013 Explanation
553	Maintenance Of Generating And Electric Equipment	-	-	-	(3,622)	
554	Maintenance Of Miscellaneous Other Power Generation Plant	-	-	-	-	
556	System Control And Load Dispatching	94,465	1,569,242	1,663,707	18,734	
557	Other Expenses	-	-	-	-	
560	Operation Supervision And Engineering	176,030	1,496,513	1,672,543	7,638	
561.1	Load Dispatch-Reliability	508,201	1,470,303	1,978,505	(708,126)	
561.2	Load Dispatch-Monitor And Operate Transmission System	144,864	111,867	256,730	256,730	
561.3	Load Dispatch-Transmission Service And Scheduling	45,249	103,990	149,238	149,238	
561.5	Reliability, Planning And Standards Development	91,142	790,506	881,648	(108,599)	
561.6	Transmission Service Studies	16,671	358	17,029	5,370	
562	Station Expenses	26,125	1,632	27,757	22,158	
563	Overhead Line Expenses	66,798	6,206	73,004	(14,292)	
565	Transmission Of Electricity By Others	-	-	-	-	
566	Miscellaneous Transmission Expenses	60,457	2,290,866	2,351,323	(79,732)	
567	Rents	-	-	-	-	
570	Maintenance Of Station Equipment	513,098	222,649	735,747	292,487	
571	Maintenance Of Overhead Lines	91,819	12,817	104,637	(2,452)	
573	Maintenance Of Miscellaneous Transmission Plant	17,738	181,869	199,606	134,907	
580	Operation Supervision And Engineering	211,978	921,248	1,133,226	(64,276)	
581	Load Dispatching	280,586	542,106	822,692	(170,940)	
582	Station Expenses	34,311	1,442	35,753	19,909	
583	Overhead Line Expenses	2,757,934	7,671	2,765,605	2,390,168	Variance due primarily to storm expenses.
584	Underground Line Expenses	-	-	-	(428)	
586	Meter Expenses	152,484	367,321	519,805	(85,045)	
587	Customer Installations Expenses	-	-	-	-	
588	Miscellaneous Distribution Expenses	452,225	1,242,512	1,694,737	545,471	
590	Maintenance Supervision And Engineering	8,088	9,045	17,133	10,592	
592	Maintenance Of Station Equipment	12,234	209	12,443	8,675	
593	Maintenance Of Overhead Lines	143,769	135,287	279,057	159,360	
594	Maintenance Of Underground Lines	5,891	1	5,892	973	
595	Maintenance Of Line Transformers	-	-	-	-	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2014 Direct Assignments	2014 Indirect Allocations of Costs	2014 Total	Variance 2014 to 2013 Variance Amount	Variance 2014 to 2013 Explanation
597	Maintenance Of Meters	-	-	-	-	
598	Maintenance Of Miscellaneous Distribution Plant	61,957	723	62,680	56,828	
901	Supervision	369,297	2,431,823	2,801,120	285,199	
902	Meter Reading Expenses	25,847	121,809	147,655	(23,115)	
903	Customer Records And Collection Expenses	4,704,443	7,125,541	11,829,985	1,125,142	Wage increases and higher head count.
904	Uncollectible Accounts	-	-	-	-	
905	Miscellaneous Customer Accounts Expenses	135,125	38,643	173,767	(291,493)	
907	Supervision	1,395	385,282	386,677	102,535	
908	Customer Assistance Expenses	11,922,850	248,556	12,171,407	(790,392)	
909	Informational And Instructional Advertising Expenses	351,370	49,339	400,710	(4,264)	
910	Miscellaneous Customer Service And Informational Expenses	644,120	344	644,464	276,352	
912	Demonstrating And Selling Expenses	-	-	-	(41,970)	
913	Advertising Expenses	89,677	4,631	94,307	94,307	
920	Administrative And General Salaries	1,763,056	32,152,605	33,915,661	5,817,278	Primarily due to a change in account number charged by information technology employees (offset account 935 below); and annual wage increases.
921	Office Supplies And Expenses	1,107,512	6,483,180	7,590,692	909,720	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2014 Direct Assignments	2014 Indirect Allocations of Costs	2014 Total	Variance 2014 to 2013 Variance Amount	Variance 2014 to 2013 Explanation
923	Outside Services Employed	4,878,936	12,705,186	17,584,122	2,480,788	Variance is primarily due to a change in the manner of charging expenses related to jointly used facilities' operations and maintenance. In 2014, these expenses were captured on LKS and then allocated to the utilities. Prior to 2013, these costs did not run through LKS.
924	Property Insurance	56,425	228,035	284,460	44,011	
925	Injuries And Damages	1,722	143,919	145,641	(109,748)	
926	Employee Pensions And Benefits	15,054,691	216,247	15,270,938	(2,854,667)	
928	Regulatory Commission Expenses	990,977	-	990,977	380,033	
930.1	General Advertising Expenses	923,663	1,599	925,262	394,252	
930.2	Miscellaneous General Expenses	(870,742)	2,735,822	1,865,079	169,294	
931	Rents	59,569	1,309,523	1,369,092	1,143,648	Change in methodology for handling facilities allocations. Prior to 2014, rent for the LG&E Center was charged to LG&E from the holding company. In 2014, the rent was charged from LKS.
935	Maintenance Of General Plant	1,668,032	610,312	2,278,344	(3,128,821)	
Grand Total		593,355,039	113,845,723	707,200,762	22,932,882	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2015 Direct Assignments	2015 Indirect Allocations of Costs	2015 Total	Variance 2015 to 2014 Variance Amount	Variance 2015 to 2014 Explanation
107	Construction Work In Progress	20,776,390	20,513,513	41,289,903	7,587,080	Increases due primarily to IT projects (network/software upgrades, data warehouse improvements), purchase of capital spare generator step-up transformers and demand conservation program equipment.
108	Accumulated Provision For Depreciation Of Utility Plant	546,311	56,523	602,834	281,854	
131	Cash	(328,328)	-	(328,328)	452,015	
143	Other Accounts Receivable	5,788	213	6,001	3,810	
146	Accounts Receivable From Associated Companies	-	-	-	(335)	
151	Fuel Stock	408,975,931	-	408,975,931	(77,379,623)	
154	Plant Materials And Operating Supplies	(43,165)	-	(43,165)	(43,165)	
163	Stores Expense Undistributed	83,629	696,892	780,522	497,077	
165	Prepayments	3,236,969	8,234,020	11,470,989	(1,513,346)	
182.3	Other Regulatory Assets	1,985,207	-	1,985,207	1,406,066	Primarily due to the establishment of regulatory asset for 15-year amortization of pensions as a result of Case No. 2014-00371.
183	Preliminary Survey And Investigation Charges	196,334	187	196,521	78,325	
184	Clearing Accounts	14,658,400	11,379,313	26,037,713	1,652,292	Variance due to the function of the clearing account. This increase is offset in other accounts.
186	Miscellaneous Deferred Debits	242,647	100	242,746	(57,797)	
188	Research, Development And Demonstration Expenses	-	46,995	46,995	46,995	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2015 Direct Assignments	2015 Indirect Allocations of Costs	2015 Total	Variance 2015 to 2014 Variance Amount	Variance 2015 to 2014 Explanation
228.3	Accumulated Provision For Pensions And Benefits	3,755,072	-	3,755,072	1,044,011	Primarily due to increased accrual for post-retirement benefits including medical.
232	Accounts Payable	(42,442)	-	(42,442)	563,749	
236	Taxes Accrued	(903,198)	-	(903,198)	(182,852)	
241	Tax Collections Payable	-	-	-	4	
242	Miscellaneous Current And Accrued Liabilities	788,050	-	788,050	164,340	
253	Other Deferred Credits	-	1,348,812	1,348,812	(840,621)	
408.1	Taxes Other Than Income Taxes, Utility Operating Income	4,418,288	480,584	4,898,872	397,292	
408.2	Taxes Other Than Income Taxes, Other Income And Deductions	314	-	314	(405)	
416	Cost And Expenses Of Merchandising, Jobbing And Contract Work	-	-	-	-	
418	Nonoperating Rental Income	-	-	-	-	
419	Interest And Dividend Income	-	-	-	-	
421	Miscellaneous Nonoperating Income	-	-	-	-	
426.1	Donations	935,175	170,072	1,105,246	(4,050)	
426.3	Penalties	(182)	8,863	8,680	(127,691)	
426.4	Expenditures For Certain Civic, Political And Related Activities	7,359	873,191	880,551	(176,147)	
426.5	Other Deductions	606,891	587,066	1,193,957	239,449	
431	Other Interest Expense	-	-	-	-	
454	Rent From Electric Property	-	-	-	-	
456	Other Electric Revenues	128	-	128	(12,783)	
500	Operation Supervision And Engineering	342,794	5,624,555	5,967,350	636,049	
501	Fuel	425,863	1,018,744	1,444,608	5,657	
502	Steam Expenses	148,801	26,852	175,652	(92,655)	
505	Electric Expenses	-	-	-	(60,775)	
506	Miscellaneous Steam Power Expenses	516,738	710,647	1,227,385	921,311	
510	Maintenance Supervision And Engineering	(168,774)	441,625	272,851	(705,122)	
511	Maintenance Of Structures	11,310	1	11,310	(1,277)	
512	Maintenance Of Boiler Plant	77,614	4	77,619	31,830	
513	Maintenance Of Electric Plant	221,691	112,000	333,691	143,899	
514	Maintenance Of Miscellaneous Steam Plant	18,189	-	18,189	5,584	
539	Miscellaneous Hydraulic Power Generation Expenses	-	-	-	-	
546	Operation Supervision And Engineering	-	-	-	-	
549	Miscellaneous Other Power Generation Expenses	2,901	-	2,901	(482)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2015 Direct Assignments	2015 Indirect Allocations of Costs	2015 Total	Variance 2015 to 2014 Variance Amount	Explanation
553	Maintenance Of Generating And Electric Equipment	553	-	553	553	
554	Maintenance Of Miscellaneous Other Power Generation Plant	-	-	-	-	
556	System Control And Load Dispatching	94,628	1,839,111	1,933,739	270,033	
557	Other Expenses	-	-	-	-	
560	Operation Supervision And Engineering	(22,955)	1,736,554	1,713,599	41,056	
561.1	Load Dispatch-Reliability	-	524,078	524,078	(1,454,427)	
561.2	Load Dispatch-Monitor And Operate Transmission System	-	1,980,952	1,980,952	1,724,222	Amounts previously charged to account 561.1 are now charged to account 561.2. When FERC accounts 561.1 and 561.2 are analyzed together the change is below the threshold for review.
561.3	Load Dispatch-Transmission Service And Scheduling	-	708,930	708,930	559,692	
561.5	Reliability, Planning And Standards Development	(2,594)	886,969	884,376	2,727	
561.6	Transmission Service Studies	9,286	10,150	19,435	2,406	
562	Station Expenses	81,994	5,097	87,091	59,334	
563	Overhead Line Expenses	67,161	5,205	72,366	(638)	
565	Transmission Of Electricity By Others	-	-	-	-	
566	Miscellaneous Transmission Expenses	10,854	2,549,184	2,560,037	208,714	
567	Rents	-	-	-	-	
570	Maintenance Of Station Equipment	351,121	302,650	653,770	(81,977)	
571	Maintenance Of Overhead Lines	109,708	11,166	120,874	16,237	
573	Maintenance Of Miscellaneous Transmission Plant	80,041	328,679	408,720	209,113	
580	Operation Supervision And Engineering	218,164	944,865	1,163,029	29,804	
581	Load Dispatching	156,854	350,563	507,417	(315,276)	
582	Station Expenses	37,659	1,523	39,182	3,429	
583	Overhead Line Expenses	1,111,080	204	1,111,283	(1,654,322)	
584	Underground Line Expenses	-	-	-	-	
586	Meter Expenses	135,282	418,230	553,513	33,707	
587	Customer Installations Expenses	-	-	-	-	
588	Miscellaneous Distribution Expenses	304,870	1,493,239	1,798,109	103,372	
590	Maintenance Supervision And Engineering	1,362	12,272	13,634	(3,499)	
592	Maintenance Of Station Equipment	10,706	468	11,175	(1,268)	
593	Maintenance Of Overhead Lines	26,552	134,295	160,847	(118,210)	
594	Maintenance Of Underground Lines	637	-	637	(5,255)	
595	Maintenance Of Line Transformers	-	-	-	-	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2015 Direct Assignments	2015 Indirect Allocations of Costs	2015 Total	Variance 2015 to 2014 Variance Amount	Variance 2015 to 2014 Explanation
597	Maintenance Of Meters	-	-	-	-	
598	Maintenance Of Miscellaneous Distribution Plant	3,618	801	4,419	(58,261)	
901	Supervision	356,605	2,889,621	3,246,225	445,106	
902	Meter Reading Expenses	9,621	162,132	171,752	24,097	
903	Customer Records And Collection Expenses	3,966,134	7,957,814	11,923,948	93,963	
904	Uncollectible Accounts	-	-	-	-	
905	Miscellaneous Customer Accounts Expenses	-	3,138	3,138	(170,629)	
907	Supervision	140	352,428	352,568	(34,109)	
908	Customer Assistance Expenses	12,269,517	504,062	12,773,580	602,173	
909	Informational And Instructional Advertising Expenses	653,193	80,657	733,850	333,141	
910	Miscellaneous Customer Service And Informational Expenses	202,165	440,129	642,294	(2,170)	
912	Demonstrating And Selling Expenses	-	-	-	-	
913	Advertising Expenses	303,249	2,801	306,050	211,743	
920	Administrative And General Salaries	1,910,697	34,443,092	36,353,789	2,438,128	Primarily due to annual wage increases, increased IT and Customer Services headcount, and charges previously made to other accounts (offset above).
921	Office Supplies And Expenses	380,475	6,398,972	6,779,447	(811,245)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2015 Direct Assignments	2015 Indirect Allocations of Costs	2015 Total	Variance 2015 to 2014 Variance Amount	Variance 2015 to 2014 Explanation
923	Outside Services Employed	2,437,454	16,875,778	19,313,232	1,729,109	Primarily due to increases for software services and upgrades.
924	Property Insurance	-	284,125	284,125	(335)	
925	Injuries And Damages	43,757	196,459	240,216	94,575	
926	Employee Pensions And Benefits	19,554,231	1,652,021	21,206,251	5,935,313	Primarily due to an increase in employee pensions (due to change in mortality table and reduced expected return on assets) and medical expenses.
928	Regulatory Commission Expenses	337,187	-	337,187	(653,790)	
930.1	General Advertising Expenses	99,919	4,375	104,294	(820,968)	
930.2	Miscellaneous General Expenses	220,790	3,122,564	3,343,354	1,478,275	Primarily due to an increase in research and development expenses.
931	Rents	19,210	1,509,436	1,528,646	159,554	
935	Maintenance Of General Plant	1,427,911	813,607	2,241,518	(36,826)	
Grand Total		508,477,528	144,269,167	652,746,695	(54,454,067)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2016 Direct Assignments	2016 Indirect Allocations of Costs	2016 Total	Variance 2016 to 2015 Variance Amount	Variance 2016 to 2015 Explanation
107	Construction Work In Progress	13,328,819	27,998,216	41,327,035	37,132	
108	Accumulated Provision For Depreciation Of Utility Plant	881,611	80,203	961,814	358,980	
131	Cash	(254,963)	-	(254,963)	73,365	
143	Other Accounts Receivable	9,450	41	9,491	3,490	
146	Accounts Receivable From Associated Companies	-	-	-	-	
151	Fuel Stock	362,373,333	-	362,373,333	(46,602,598)	
154	Plant Materials And Operating Supplies	-	-	-	43,165	
163	Stores Expense Undistributed	310,321	877,729	1,188,050	407,529	
165	Prepayments	8,069,115	17,605,343	25,674,458	14,203,469	Primarily due to prepaid contracts for information technology. Prior to June 2016 the IT prepaid balance was held on LKS. Starting in June 2016 the prepayments made by LKS on behalf of KU were moved to KU.
182.3	Other Regulatory Assets	3,028,916	-	3,028,916	1,043,709	Primarily due to regulatory asset for rate case expenses.
183	Preliminary Survey And Investigation Charges	757,002	-	757,002	560,482	
184	Clearing Accounts	22,182,754	6,264,209	28,446,963	2,409,250	Variance due to the function of the clearing account. This increase is offset in other accounts.
186	Miscellaneous Deferred Debits	551,360	-	551,360	308,613	
188	Research, Development And Demonstration Expenses	(540,892)	1,298,712	757,820	710,825	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2016 Direct Assignments	2016 Indirect Allocations of Costs	2016 Total	Variance 2016 to 2015 Variance Amount	Variance 2016 to 2015 Explanation
228.3	Accumulated Provision For Pensions And Benefits	4,383,601	-	4,383,601	628,529	
232	Accounts Payable	11,240,906	(12,007)	11,228,898	11,271,341	Primarily due to 401K payable. LKS began remitting the 401K company match and payroll deductions on behalf of KU in 2016. Previously this was paid by KU.
236	Taxes Accrued	(1,822,072)	-	(1,822,072)	(918,874)	
241	Tax Collections Payable	-	-	-	-	
242	Miscellaneous Current And Accrued Liabilities	917,112	-	917,112	129,061	
253	Other Deferred Credits	-	-	-	(1,348,812)	
408.1	Taxes Other Than Income Taxes, Utility Operating Income	1,709,687	3,826,232	5,535,920	637,047	
408.2	Taxes Other Than Income Taxes, Other Income And Deductions	-	-	-	(314)	
416	Cost And Expenses Of Merchandising, Jobbing And Contract Work	32	-	32	32	
418	Nonoperating Rental Income	-	-	-	-	
419	Interest And Dividend Income	-	-	-	-	
421	Miscellaneous Nonoperating Income	4,473	(16,926)	(12,454)	(12,454)	
426.1	Donations	431,373	32,909	464,282	(640,964)	
426.3	Penalties	10,751	22,452	33,203	24,522	
426.4	Expenditures For Certain Civic, Political And Related Activities	239,893	699,305	939,198	58,648	
426.5	Other Deductions	590,542	469,345	1,059,887	(134,070)	
431	Other Interest Expense	3,790	-	3,790	3,790	
454	Rent From Electric Property	-	-	-	-	
456	Other Electric Revenues	149	-	149	21	
500	Operation Supervision And Engineering	567,465	5,132,074	5,699,539	(267,811)	
501	Fuel	214,416	1,067,056	1,281,472	(163,135)	
502	Steam Expenses	169,393	27,869	197,262	21,610	
505	Electric Expenses	2,020	-	2,020	2,020	
506	Miscellaneous Steam Power Expenses	891,340	495,479	1,386,818	159,433	
510	Maintenance Supervision And Engineering	316,130	354,648	670,778	397,927	
511	Maintenance Of Structures	23,451	-	23,451	12,140	
512	Maintenance Of Boiler Plant	17,607	-	17,607	(60,012)	
513	Maintenance Of Electric Plant	164,327	37,122	201,448	(132,243)	
514	Maintenance Of Miscellaneous Steam Plant	38,923	0	38,923	20,734	
539	Miscellaneous Hydraulic Power Generation Expenses	-	-	-	-	
546	Operation Supervision And Engineering	1,568	-	1,568	1,568	
549	Miscellaneous Other Power Generation Expenses	11,600	(0)	11,600	8,699	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2016 Direct Assignments	2016 Indirect Allocations of Costs	2016 Total	Variance 2016 to 2015 Variance Amount	Variance 2016 to 2015 Explanation
553	Maintenance Of Generating And Electric Equipment	-	-	-	(553)	
554	Maintenance Of Miscellaneous Other Power Generation Plant	1,656	-	1,656	1,656	
556	System Control And Load Dispatching	81,407	1,869,417	1,950,824	17,085	
557	Other Expenses	-	(0)	(0)	(0)	
560	Operation Supervision And Engineering	16,550	1,585,913	1,602,464	(111,135)	
561.1	Load Dispatch-Reliability	30,668	429,366	460,034	(64,044)	
561.2	Load Dispatch-Monitor And Operate Transmission System	430,338	1,547,209	1,977,547	(3,405)	
561.3	Load Dispatch-Transmission Service And Scheduling	-	778,308	778,308	69,378	
561.5	Reliability, Planning And Standards Development	8,830	805,976	814,806	(69,570)	
561.6	Transmission Service Studies	43,944	5,407	49,352	29,916	
562	Station Expenses	67,028	72,427	139,455	52,364	
563	Overhead Line Expenses	35,518	40,248	75,766	3,400	
565	Transmission Of Electricity By Others	-	-	-	-	
566	Miscellaneous Transmission Expenses	988,471	1,883,623	2,872,095	312,057	
567	Rents	-	-	-	-	
570	Maintenance Of Station Equipment	151,724	467,493	619,218	(34,553)	
571	Maintenance Of Overhead Lines	79,191	106,171	185,362	64,488	
573	Maintenance Of Miscellaneous Transmission Plant	19,871	265,589	285,460	(123,260)	
580	Operation Supervision And Engineering	170,248	1,125,028	1,295,276	132,246	
581	Load Dispatching	152,137	291,709	443,846	(63,570)	
582	Station Expenses	31,819	1,672	33,491	(5,691)	
583	Overhead Line Expenses	976,142	511	976,653	(134,630)	
584	Underground Line Expenses	-	-	-	-	
586	Meter Expenses	168,364	422,796	591,160	37,647	
587	Customer Installations Expenses	-	-	-	-	
588	Miscellaneous Distribution Expenses	620,396	1,339,783	1,960,180	162,071	
590	Maintenance Supervision And Engineering	106	2,481	2,587	(11,047)	
592	Maintenance Of Station Equipment	15,786	213	15,999	4,825	
593	Maintenance Of Overhead Lines	110,471	134,033	244,503	83,656	
594	Maintenance Of Underground Lines	-	-	-	(637)	
595	Maintenance Of Line Transformers	-	-	-	-	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2016 Direct Assignments	2016 Indirect Allocations of Costs	2016 Total	Variance 2016 to 2015 Variance Amount	Variance 2016 to 2015 Explanation
597	Maintenance Of Meters	-	-	-	-	
598	Maintenance Of Miscellaneous Distribution Plant	82,705	1,254	83,959	79,540	
901	Supervision	294,460	2,570,180	2,864,640	(381,585)	
902	Meter Reading Expenses	2,416	163,224	165,641	(6,111)	
903	Customer Records And Collection Expenses	4,534,171	8,521,388	13,055,559	1,131,611	The change is due primarily to IT maintenance costs, previously included in FERC 935, incremental color bill printing costs and higher labor costs in the Residential Service Center for replacing team members on the CCS / SAP upgrade project to maintain service levels.
904	Uncollectible Accounts	-	-	-	-	
905	Miscellaneous Customer Accounts Expenses	6,750	1,053	7,803	4,665	
907	Supervision	1,478	399,562	401,040	48,473	
908	Customer Assistance Expenses	16,675,715	276,283	16,951,998	4,178,418	The majority of the change is related to costs recovered through the DSM mechanism.
909	Informational And Instructional Advertising Expenses	418,013	30,265	448,278	(285,573)	
910	Miscellaneous Customer Service And Informational Expenses	255,611	715,294	970,905	328,610	
912	Demonstrating And Selling Expenses	-	-	-	-	
913	Advertising Expenses	789,548	25,196	814,744	508,694	
920	Administrative And General Salaries	1,343,396	32,926,503	34,269,899	(2,083,890)	
921	Office Supplies And Expenses	761,267	5,066,858	5,828,125	(951,321)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	2016 Direct Assignments	2016 Indirect Allocations of Costs	2016 Total	Variance 2016 to 2015 Variance Amount	Variance 2016 to 2015 Explanation
923	Outside Services Employed	3,943,180	9,716,924	13,660,104	(5,653,127)	
924	Property Insurance	-	274,178	274,178	(9,947)	
925	Injuries And Damages	6,448	163,318	169,766	(70,450)	
926	Employee Pensions And Benefits	4,417,347	14,504,164	18,921,510	(2,284,741)	
928	Regulatory Commission Expenses	185,394	-	185,394	(151,792)	
930.1	General Advertising Expenses	16,070	57	16,127	(88,167)	
930.2	Miscellaneous General Expenses	(682,934)	4,005,261	3,322,327	(21,028)	
931	Rents	220,781	1,275,435	1,496,216	(32,430)	
935	Maintenance Of General Plant	1,285,788	720,196	2,005,984	(235,534)	
Grand Total		469,583,570	160,791,978	630,375,548	(22,371,147)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	Base Year[1] Direct Assignments	Base Year[1] Indirect Allocations of Costs	Base Year[1] Total	Variance Base Year to 2016 Variance Amount	Variance Base Year to 2016 Explanation
107	Construction Work In Progress	6,603,109	49,557,726	56,160,836	14,833,801	Increases due primarily to Black Start project, Customer Care System Upgrade, IT projects (network/software upgrades, multi-function devices, technology replacement), facility consolidation projects, transmission equipment purchases, implementation of an Advanced Metering System.
108	Accumulated Provision For Depreciation Of Utility Plant	348,912	2,622,819	2,971,730	2,009,917	Increase is primarily due to removal costs associated with the closure of the Green River Plant, included in the forecast at LKS.
131	Cash	-	-	-	254,963	
143	Other Accounts Receivable	-	-	-	(9,491)	
146	Accounts Receivable From Associated Companies	-	-	-	-	
151	Fuel Stock	-	-	-	(362,373,333)	
154	Plant Materials And Operating Supplies	-	-	-	-	
163	Stores Expense Undistributed	117,285	1,075,548	1,192,833	4,783	
165	Prepayments	(395,900)	14,420,764	14,024,864	(11,649,595)	
182.3	Other Regulatory Assets	-	1,519,626	1,519,626	(1,509,290)	
183	Preliminary Survey And Investigation Charges	70,979	-	70,979	(686,023)	
184	Clearing Accounts	2,755,288	7,870,533	10,625,821	(17,821,141)	
186	Miscellaneous Deferred Debits	184,173	-	184,173	(367,187)	
188	Research, Development And Demonstration Expenses	22,681	269,304	291,985	(465,835)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	Base Year[1]			Variance Base Year to 2016	
		Direct Assignments	Indirect Allocations of Costs	Total	Variance Amount	Explanation
228.3	Accumulated Provision For Pensions And Benefits	-	-	-	(4,383,601)	
232	Accounts Payable	90	-	90	(11,228,808)	
236	Taxes Accrued	(326,151)	-	(326,151)	1,495,921	Actual dollars presented for calendar year 2014 through 2016 include convenience payments.[1]
241	Tax Collections Payable	-	-	-	-	
242	Miscellaneous Current And Accrued Liabilities	-	-	-	(917,112)	
253	Other Deferred Credits	-	-	-	-	
408.1	Taxes Other Than Income Taxes, Utility Operating Income	260,748	5,136,407	5,397,155	(138,764)	
408.2	Taxes Other Than Income Taxes, Other Income And Deductions	-	-	-	-	
416	Cost And Expenses Of Merchandising, Jobbing And Contract Work	32	-	32	-	
418	Nonoperating Rental Income	-	-	-	-	
419	Interest And Dividend Income	-	-	-	-	
421	Miscellaneous Nonoperating Income	4,473	(12,000)	(7,527)	4,927	
426.1	Donations	189,420	418,182	607,602	143,320	
426.3	Penalties	10,751	22,452	33,203	-	
426.4	Expenditures For Certain Civic, Political And Related Activities	115,485	691,967	807,452	(131,746)	
426.5	Other Deductions	254,161	584,571	838,732	(221,155)	
431	Other Interest Expense	-	-	-	(3,790)	
454	Rent From Electric Property	-	-	-	-	
456	Other Electric Revenues	-	-	-	(149)	
500	Operation Supervision And Engineering	269,385	5,935,049	6,204,434	504,895	
501	Fuel	214,416	1,211,239	1,425,656	144,184	
502	Steam Expenses	83,268	52,162	135,430	(61,832)	
505	Electric Expenses	6,909	7,080	13,989	11,969	
506	Miscellaneous Steam Power Expenses	445,777	1,738,022	2,183,799	796,981	
510	Maintenance Supervision And Engineering	274,292	939,103	1,213,395	542,618	
511	Maintenance Of Structures	16,802	1,303	18,105	(5,346)	
512	Maintenance Of Boiler Plant	5,064	-	5,064	(12,543)	
513	Maintenance Of Electric Plant	70,564	34,320	104,884	(96,564)	
514	Maintenance Of Miscellaneous Steam Plant	15,209	12,757	27,966	(10,956)	
539	Miscellaneous Hydraulic Power Generation Expenses	-	-	-	-	
546	Operation Supervision And Engineering	1,568	-	1,568	-	
549	Miscellaneous Other Power Generation Expenses	2,950	(0)	2,950	(8,649)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	Base Year[1] Direct Assignments	Base Year[1] Indirect Allocations of Costs	Base Year[1] Total	Variance Base Year to 2016 Variance Amount	Variance Base Year to 2016 Explanation
553	Maintenance Of Generating And Electric Equipment	-	-	-	-	
554	Maintenance Of Miscellaneous Other Power Generation Plant	-	18,228	18,228	16,572	
556	System Control And Load Dispatching	50,323	1,870,863	1,921,186	(29,638)	
557	Other Expenses	-	(0)	(0)	-	
560	Operation Supervision And Engineering	16,550	1,639,469	1,656,019	53,556	
561.1	Load Dispatch-Reliability	30,668	353,587	384,254	(75,780)	
561.2	Load Dispatch-Monitor And Operate Transmission System	430,338	1,333,130	1,763,468	(214,079)	
561.3	Load Dispatch-Transmission Service And Scheduling	-	790,062	790,062	11,754	
561.5	Reliability, Planning And Standards Development	8,830	793,488	802,318	(12,488)	
561.6	Transmission Service Studies	43,944	-	43,944	(5,407)	
562	Station Expenses	67,028	157,570	224,599	85,143	
563	Overhead Line Expenses	35,518	415,444	450,962	375,196	
565	Transmission Of Electricity By Others	-	-	-	-	
566	Miscellaneous Transmission Expenses	988,471	1,647,939	2,636,411	(235,684)	
567	Rents	-	72,420	72,420	72,420	
570	Maintenance Of Station Equipment	151,724	810,363	962,087	342,870	
571	Maintenance Of Overhead Lines	79,191	2,881,435	2,960,626	2,775,264	Vegetation management charges are budgeted to be paid by LKS, but most of the actual changes are directly paid by KU.
573	Maintenance Of Miscellaneous Transmission Plant	19,871	287,055	306,926	21,466	
580	Operation Supervision And Engineering	81,171	1,348,481	1,429,653	134,377	
581	Load Dispatching	75,833	280,697	356,531	(87,316)	
582	Station Expenses	17,037	915	17,953	(15,538)	
583	Overhead Line Expenses	484,561	598,715	1,083,276	106,623	
584	Underground Line Expenses	-	-	-	-	
586	Meter Expenses	86,875	501,096	587,971	(3,189)	
587	Customer Installations Expenses	-	(11,200)	(11,200)	(11,200)	
588	Miscellaneous Distribution Expenses	236,438	1,496,330	1,732,768	(227,412)	
590	Maintenance Supervision And Engineering	106	1,003	1,109	(1,478)	
592	Maintenance Of Station Equipment	9,011	158	9,168	(6,831)	
593	Maintenance Of Overhead Lines	89,501	69,424	158,925	(85,579)	
594	Maintenance Of Underground Lines	-	-	-	-	
595	Maintenance Of Line Transformers	-	-	-	-	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	Base Year[1] Direct Assignments	Base Year[1] Indirect Allocations of Costs	Base Year[1] Total	Variance Base Year to 2016 Variance Amount	Variance Base Year to 2016 Explanation
597	Maintenance Of Meters	-	-	-	-	
598	Maintenance Of Miscellaneous Distribution Plant	10,087	27,910	37,997	(45,962)	
901	Supervision	130,407	2,613,588	2,743,995	(120,646)	
902	Meter Reading Expenses	1,833	164,402	166,234	593	
903	Customer Records And Collection Expenses	2,287,454	10,699,367	12,986,821	(68,737)	
904	Uncollectible Accounts	-	148,644	148,644	148,644	
905	Miscellaneous Customer Accounts Expenses	-	620	620	(7,183)	
907	Supervision	796	386,423	387,219	(13,822)	
908	Customer Assistance Expenses	17,717,251	626,051	18,343,302	1,391,304	The majority of the change is related to costs recovered through the DSM mechanism.
909	Informational And Instructional Advertising Expenses	214,782	253,875	468,657	20,379	
910	Miscellaneous Customer Service And Informational Expenses	112,175	759,125	871,300	(99,605)	
912	Demonstrating And Selling Expenses	-	-	-	-	
913	Advertising Expenses	189,450	565,104	754,554	(60,190)	
920	Administrative And General Salaries	770,425	32,907,949	33,678,374	(591,524)	
921	Office Supplies And Expenses	413,090	5,899,327	6,312,416	484,291	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	Base Year[1] Direct Assignments	Base Year[1] Indirect Allocations of Costs	Base Year[1] Total	Variance Base Year to 2016 Variance Amount	Variance Base Year to 2016 Explanation
923	Outside Services Employed	1,924,919	12,071,669	13,996,588	336,484	
924	Property Insurance	-	1,430,675	1,430,675	1,156,497	Prepaid insurance amortization was budgeted as an affiliate charge for two months of the base year, but the actual insurance amortization is not an affiliate charge.
925	Injuries And Damages	1,618	839,979	841,598	671,831	
926	Employee Pensions And Benefits	501,591	19,062,486	19,564,077	642,567	
928	Regulatory Commission Expenses	114,608	225,026	339,634	154,240	
930.1	General Advertising Expenses	11,134	42,315	53,449	37,321	
930.2	Miscellaneous General Expenses	(925,762)	5,578,421	4,652,659	1,330,333	Primarily due to an increase in research and development expenses.
931	Rents	107,077	1,307,880	1,414,958	(81,258)	
935	Maintenance Of General Plant	726,564	711,802	1,438,366	(567,618)	
Grand Total		38,934,230	207,788,247	246,722,477	(383,653,071)	

[1]Actual dollars presented for calendar year 2013 through 2015 include convenience payments. A convenience payment occurs when one affiliate, as a matter of convenience for the vendor, makes a payment on behalf of other affiliates and is subsequently reimbursed by those affiliates. Convenience payments (including, but not limited to, fuel purchases, reagent purchases, medical claims and pension funding) are excluded from the base period and the forecasted test period.

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	Test Year[1] Direct Assignments	Test Year[1] Indirect Allocations of Costs	Test Year[1] Total	Variance Test Year to Base Year Variance Amount	Variance Test Year to Base Year Explanation
107	Construction Work In Progress	-	108,409,339	108,409,339	52,248,503	Primarily due to implementation of an Advanced Metering System.
108	Accumulated Provision For Depreciation Of Utility Plant	-	338,117	338,117	(2,633,614)	
131	Cash	-	-	-	-	
143	Other Accounts Receivable	-	-	-	-	
146	Accounts Receivable From Associated Companies	-	-	-	-	
151	Fuel Stock	-	-	-	-	
154	Plant Materials And Operating Supplies	-	-	-	-	
163	Stores Expense Undistributed	-	1,975,310	1,975,310	782,477	
165	Prepayments	-	-	-	(14,024,864)	
182.3	Other Regulatory Assets	-	660,032	660,032	(859,595)	
183	Preliminary Survey And Investigation Charges	-	-	-	(70,979)	
184	Clearing Accounts	258,244	12,013,007	12,271,250	1,645,429	Variance due to the function of the clearing account. This increase is offset in other accounts.
186	Miscellaneous Deferred Debits	-	-	-	(184,173)	
188	Research, Development And Demonstration Expenses	-	-	-	(291,985)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	Test Year[1]			Variance Test Year to Base Year	
		Direct Assignments	Indirect Allocations of Costs	Total	Variance Amount	Explanation
228.3	Accumulated Provision For Pensions And Benefits	-	-	-	-	
232	Accounts Payable	-	-	-	(90)	
236	Taxes Accrued	-	-	-	326,151	
241	Tax Collections Payable	-	-	-	-	
242	Miscellaneous Current And Accrued Liabilities	-	-	-	-	
253	Other Deferred Credits	-	-	-	-	
408.1	Taxes Other Than Income Taxes, Utility Operating Income	66,947	5,199,757	5,266,704	(130,451)	
408.2	Taxes Other Than Income Taxes, Other Income And Deductions	-	-	-	-	
416	Cost And Expenses Of Merchandising, Jobbing And Contract Work	-	-	-	(32)	
418	Nonoperating Rental Income	-	-	-	-	
419	Interest And Dividend Income	-	-	-	-	
421	Miscellaneous Nonoperating Income	-	-	-	7,527	
426.1	Donations	-	926,051	926,051	318,449	
426.3	Penalties	-	-	-	(33,203)	
426.4	Expenditures For Certain Civic, Political And Related Activities	-	679,808	679,808	(127,644)	
426.5	Other Deductions	-	943,154	943,154	104,422	
431	Other Interest Expense	-	-	-	-	
454	Rent From Electric Property	-	-	-	-	
456	Other Electric Revenues	-	-	-	-	
500	Operation Supervision And Engineering	-	6,323,479	6,323,479	119,046	
501	Fuel	-	1,393,257	1,393,257	(32,399)	
502	Steam Expenses	-	76,583	76,583	(58,847)	
505	Electric Expenses	-	24,147	24,147	10,159	
506	Miscellaneous Steam Power Expenses	-	2,825,109	2,825,109	641,310	
510	Maintenance Supervision And Engineering	-	3,012,539	3,012,539	1,799,143	The change is caused by the timing and scope of high energy piping and corrosion fatigue inspections that occur during outages.
511	Maintenance Of Structures	97,282	7,932	105,214	87,109	
512	Maintenance Of Boiler Plant	-	-	-	(5,064)	
513	Maintenance Of Electric Plant	-	-	-	(104,884)	
514	Maintenance Of Miscellaneous Steam Plant	-	21,348	21,348	(6,618)	
539	Miscellaneous Hydraulic Power Generation Expenses	-	-	-	-	
546	Operation Supervision And Engineering	-	-	-	(1,568)	
549	Miscellaneous Other Power Generation Expenses	-	-	-	(2,950)	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	Test Year[1] Direct Assignments	Test Year[1] Indirect Allocations of Costs	Test Year[1] Total	Variance Test Year to Base Year Variance Amount	Variance Test Year to Base Year Explanation
553	Maintenance Of Generating And Electric Equipment	-	-	-	-	
554	Maintenance Of Miscellaneous Other Power Generation Plant	-	65,935	65,935	47,706	
556	System Control And Load Dispatching	-	2,129,212	2,129,212	208,026	
557	Other Expenses	-	-	-	0	
560	Operation Supervision And Engineering	-	2,001,338	2,001,338	345,319	
561.1	Load Dispatch-Reliability	-	491,027	491,027	106,773	
561.2	Load Dispatch-Monitor And Operate Transmission System	-	1,938,653	1,938,653	175,184	
561.3	Load Dispatch-Transmission Service And Scheduling	-	848,604	848,604	58,542	
561.5	Reliability, Planning And Standards Development	-	763,705	763,705	(38,613)	
561.6	Transmission Service Studies	-	-	-	(43,944)	
562	Station Expenses	-	741,990	741,990	517,392	
563	Overhead Line Expenses	-	1,174,640	1,174,640	723,678	
565	Transmission Of Electricity By Others	-	-	-	-	
566	Miscellaneous Transmission Expenses	-	2,594,999	2,594,999	(41,411)	
567	Rents	-	124,236	124,236	51,816	
570	Maintenance Of Station Equipment	-	1,651,824	1,651,824	689,737	
571	Maintenance Of Overhead Lines	-	11,532,263	11,532,263	8,571,637	Vegetation management charges are budgeted to be paid by LKS, but most of the actual charges in the Base year were directly paid by KU.
573	Maintenance Of Miscellaneous Transmission Plant	-	345,925	345,925	39,000	
580	Operation Supervision And Engineering	107,032	1,377,287	1,484,318	54,666	
581	Load Dispatching	-	362,687	362,687	6,157	
582	Station Expenses	-	-	-	(17,953)	
583	Overhead Line Expenses	-	1,296,656	1,296,656	213,380	
584	Underground Line Expenses	-	-	-	-	
586	Meter Expenses	-	1,863,519	1,863,519	1,275,549	The change is related to new / incremental operating expenses resulting from the Advanced Metering System (AMS) project.
587	Customer Installations Expenses	-	(100,800)	(100,800)	(89,600)	
588	Miscellaneous Distribution Expenses	9,500	2,449,184	2,458,684	725,916	
590	Maintenance Supervision And Engineering	-	-	-	(1,109)	
592	Maintenance Of Station Equipment	-	-	-	(9,168)	
593	Maintenance Of Overhead Lines	-	113,712	113,712	(45,213)	
594	Maintenance Of Underground Lines	-	-	-	-	
595	Maintenance Of Line Transformers	-	-	-	-	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	Test Year[1] Direct Assignments	Test Year[1] Indirect Allocations of Costs	Test Year[1] Total	Variance Test Year to Base Year Variance Amount	Variance Test Year to Base Year Explanation
597	Maintenance Of Meters	-	1,443,098	1,443,098	1,443,098	The change is related to new / incremental maintenance expenses resulting from the Advanced Metering System (AMS) project.
598	Maintenance Of Miscellaneous Distribution Plant	-	56,945	56,945	18,947	
901	Supervision	-	3,140,212	3,140,212	396,217	
902	Meter Reading Expenses	-	224,438	224,438	58,204	
903	Customer Records And Collection Expenses	-	13,944,707	13,944,707	957,885	
904	Uncollectible Accounts	-	-	-	(148,644)	
905	Miscellaneous Customer Accounts Expenses	-	-	-	(620)	
907	Supervision	-	640,059	640,059	252,841	
908	Customer Assistance Expenses	20,649,645	450,051	21,099,696	2,756,393	The majority of the change is related to costs recovered through the DSM mechanism.
909	Informational And Instructional Advertising Expenses	-	411,160	411,160	(57,497)	
910	Miscellaneous Customer Service And Informational Expenses	-	1,833,990	1,833,990	962,690	
912	Demonstrating And Selling Expenses	-	-	-	-	
913	Advertising Expenses	-	837,645	837,645	83,091	
920	Administrative And General Salaries	104,925	36,794,935	36,899,860	3,221,485	Primarily due to budgeted annual wage increases during the period from March 2016 through June 2018.
921	Office Supplies And Expenses	-	6,771,078	6,771,078	458,661	

BILLED TO KENTUCKY UTILITIES COMPANY (KU)
FROM THE SERVICE COMPANY (LKS)

FERC Account	FERC Account Description	Test Year[1] Direct Assignments	Test Year[1] Indirect Allocations of Costs	Test Year[1] Total	Variance Test Year to Base Year Variance Amount	Variance Test Year to Base Year Explanation
923	Outside Services Employed	-	13,796,754	13,796,754	(199,834)	
924	Property Insurance	-	6,236,560	6,236,560	4,805,884	Prepaid insurance amortization was budgeted as an affiliate charge for the test year, but only for two months of the base year.
925	Injuries And Damages	307	3,677,998	3,678,306	2,836,708	Prepaid insurance amortization was budgeted as an affiliate charge for the test year, but only for two months of the base year.
926	Employee Pensions And Benefits	279,265	22,143,297	22,422,563	2,858,486	Primarily due to a decrease in the pension discount rate, medical cost inflation, higher headcount, and higher 401K due to increased wages and headcount.
928	Regulatory Commission Expenses	-	618,436	618,436	278,802	
930.1	General Advertising Expenses	-	46,180	46,180	(7,269)	
930.2	Miscellaneous General Expenses	-	5,040,577	5,040,577	387,918	
931	Rents	-	1,219,491	1,219,491	(195,466)	
935	Maintenance Of General Plant	-	254,604	254,604	(1,183,762)	
Grand Total		21,573,147	298,177,781	319,750,927	73,028,450	

[1]Actual dollars presented for calendar year 2013 through 2015 include convenience payments. A convenience payment occurs when one affiliate, as a matter of convenience for the vendor, makes a payment on behalf of other affiliates and is subsequently reimbursed by those affiliates. Convenience payments (including, but not limited to, fuel purchases, reagent purchases, medical claims and pension funding) are excluded from the base period and the forecasted test period.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 39

Responding Witness: Adrien M. McKenzie

Q.1-39. Please provide all work papers and supporting documentation used by Mr. McKenzie in the preparation of his Direct Testimony and Exhibits. Please provide all spreadsheets with cell formulas intact. Please include all exhibits in native spreadsheets with cell formulas intact.

A.1-39. The work papers and support documentation requested are provided in AG 1-249. See the response to PSC 1-54 for the Excel spreadsheets pertaining to my Direct Testimony and Exhibits.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 40

Responding Witness: Daniel K. Arbough

Q.1-40. Please provide all credit rating and bond rating agency reports (i.e., Standard and Poor's, Moody's, Fitch) for LG&E and KU for the last two years. Please include the most recent reports for 2017, if any.

A.1-40. See the response to AG 1-265 for KU rating agency reports. LG&E's reports can be found in the response to AG 1-266 in Case No. 2016-00371.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 41

Responding Witness: Adrien M. McKenzie

Q.1-41. Please provide copies of all articles, regulatory commission orders, and reports cited by Mr. McKenzie in his Direct Testimony.

A.1-41. See the response to AG 1-249 for the requested documents, with the exception of regulatory and court orders, which are publicly available from the respective agencies.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 42

Responding Witness: Daniel K. Arbough

Q.1-42. Please provide all credit rating and bond rating agency reports (i.e., Standard and Poor's, Moody's, Fitch) for PPL Corporation for the last two years. Please include the most recent reports for 2017, if any.

A.1-42. See the response to AG 1-265.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 43

Responding Witness: Daniel K. Arbough

Q.1-43. Please provide all work papers and supporting documentation used by Mr. Arbough in the preparation of his Direct Testimony and Exhibits. Please provide all spreadsheets with cell formulas intact. Please include all exhibits in native spreadsheets with cell formulas intact.

A.1-43. See attachments to this question being provided in excel format. Attachment 1 provides the calculations of the Moody's capitalization adjustments. Attachment 2 details the S&P capitalization adjustment calculations. Attachment 3 includes the excel format of the attachment provided in response to PSC 1-3(a). Schedule J in excel format was provided in response to PSC 1-54(j).

Attachment 1 is being provided in a separate file in Excel format.

Attachment 2 is being provided in a separate file in Excel format.

Attachment 3 is being provided in a separate file in Excel format.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 44

Responding Witness: Daniel K. Arbough

Q.1-44. Please provide all supporting calculations and documentation that support the numbers for KU cited by Mr. Arbough on page 9, lines 3 through 16 of his Direct Testimony. Provide all spreadsheets with cell formulas intact.

A.1-44. See the response to Question No. 43.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 45

Responding Witness: Daniel K. Arbough

Q.1-45. Please provide all supporting calculations and documentation that support the numbers for KU cited by Mr. Arbough on page 10, lines 16 through 18 of his Direct Testimony. Provide all spreadsheets with cell formulas intact.

A.1-45. See the response to Question No. 43.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 46

Responding Witness: Daniel K. Arbough

Q.1-46. Please provide Schedules 1-1, J-l.1, J-1.2, J-2, J-3, and B-1.1 in native spreadsheet format with cell formulas intact.

A.1-46. See the response to PSC 1-54.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 47

Responding Witness: David S. Sinclair

Q.1-47. Please provide the remaining service lives for each of the Company's operating coal-fired units relied on in Case No. 2016-00026 to justify or that otherwise were assumed for the proposed environmental projects. Provide all documentation relied on for your response.

A.1-47. See the response to Question No. 9. In Case No. 2016-00026, the Companies assumed the following:

The E.W. Brown coal units were assumed to operate until at least 2021. This assumption is documented in Section 2 "Analysis Methodology" on p. 3 of Exhibit CRS-1, "Analysis of 2016 ECR Projects E.W. Brown Generating Station," in Case No. 2016-00026.

The Ghent coal units were assumed to operate until at least 2021. This assumption is documented in Section 2 "Analysis Methodology" on p. 3 of Exhibit CRS-2, "Analysis of 2016 ECR Projects Ghent Generating Station," in Case No. 2016-00026.

The Trimble County coal units were assumed to operate until at least 2045. This assumption is documented in Section 2 "Analysis Methodology" on p. 3 of Exhibit CRS-3, "Analysis of 2016 ECR Projects Trimble County Generating Station," in Case No. 2016-00026.

For the testimony and exhibits in Case No. 2016-00026, see http://psc.ky.gov/pscecf/2016-00026/derek.rahn%40lge-ku.com/01292016113807/6_-_KU_Testimony_and_Exhibits.pdf.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 48

Responding Witness: Lonnie E. Bellar

Q.1-48. Please provide a history of transmission capital expenditures and closings to plant in service for each calendar year 2006 through 2015, the base year, and the test year separated into routine projects and specific projects (by project) on a total Company and jurisdictional basis.

A.1-48. See attached.

Closings to plant in service for each calendar year 2006 through 2015 are not readily available in a manner that can be reproduced.

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

	Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
Routine	**111446**	KT Misc Capital Expenditures	11	530	885	(128)	-	-	-	-	-	-	-	-	-
	111446-08	KT Misc CapEx 2008	-	-	320	314	(21)	-	-	-	-	-	-	-	-
	117319	SPCC Mods - KU Transmission	96	334	863	406	(21)	-	-	-	-	-	-	-	-
	119657	EMS Consolidation - KU	122	-	-	-	-	-	-	-	-	-	-	-	-
	119953	2005 computer purchases - KU	3	-	-	-	-	-	-	-	-	-	-	-	-
	120849	2005 KU RTU purchases	-	-	-	(17)	-	-	-	-	-	-	-	-	-
	121428	2006 Computer Purchase KU	15	-	-	-	-	-	-	-	-	-	-	-	-
	121488	Firewalls for EMS-KU	29	-	-	-	-	-	-	-	-	-	-	-	-
	121494	Monarch Lite - KU	53	(15)	-	-	-	-	-	-	-	-	-	-	-
	122221	Replace Dix Dam Roof	135	-	-	-	-	-	-	-	-	-	-	-	-
	122524	Breaker Replacements-KU	-	-	-	-	2	(2)	-	-	-	-	-	-	-
	122527	2007 RTU Purchases-KU	-	108	6	-	-	-	-	-	-	-	-	-	-
	122556	OSI EMS Wrkstn Upgrade	5	-	-	-	-	-	-	-	-	-	-	-	-
	122651	Battery Replacement 2007	-	70	20	-	-	-	-	-	-	-	-	-	-
	122752	Open Java Server	-	8	-	-	-	-	-	-	-	-	-	-	-
	122753	Install OSI Upgrade-KU 2007	-	52	-	-	-	-	-	-	-	-	-	-	-
	123410	Purchase PC Substation	-	3	0	-	-	-	-	-	-	-	-	-	-
	123650	Routine EMS - KU	-	-	11	13	-	-	-	-	-	-	-	-	-
	123654	Critical Spare 161/69 Xfrmr	-	-	19	837	39	-	-	-	-	-	-	-	-
	123655	Critical Spare 138/69 Xfrmr	-	-	348	496	75	-	-	-	-	-	-	-	-
	123799	OpenFEP Database Expansion	-	-	13	-	-	-	-	-	-	-	-	-	-
	124455	Spare Breakers	-	-	108	-	-	-	-	-	-	-	-	-	-
	124580	Comp-related equip- KU 2011	-	-	16	12	40	8	(5)	-	-	-	-	-	-
	125577	09 EMS Database Expansion- KU	-	-	121	-	-	-	-	-	-	-	-	-	-
	125596	08 EMS Servers & Oracle UG- KU	-	-	20	29	-	-	-	-	-	-	-	-	-
	125597	10 EMS Servers & Oracle UG- KU	-	-	-	-	167	82	-	-	-	-	-	-	-
	125837	Spare PTs- KU	-	-	-	58	12	-	-	-	-	-	-	-	-
	125955	KR09-Surge-Arrest-Rep	-	-	-	99	2	-	-	-	-	-	-	-	-
	126000	KR09-BATTERIES	-	-	-	67	16	-	-	-	-	-	-	-	-
	126033	Instrument Purchase	-	-	-	19	-	-	-	-	-	-	-	-	-
	126038	Cntrl Ctr. Add. Office Space	-	-	-	2	-	-	-	-	-	-	-	-	-
	126555	EMS Wkstation & Monitors KU 20	-	-	-	60	-	-	-	-	-	-	-	-	-
	126776	Relay Replacements-2010	-	-	-	-	615	2	-	-	-	-	-	-	-
	126779	Surge Arrestors - KU-2011	-	-	-	-	106	(1)	-	-	-	-	-	-	-
	126780	Batteries - KU-2010	-	-	-	-	81	13	-	-	-	-	-	-	-
	126781	Station Srvce Transfrmr-2010	-	-	-	-	164	16	-	-	-	-	-	-	-
	126782	Instrument Xfrmr Rplment-2010	-	-	-	-	78	-	-	-	-	-	-	-	-
	126787	Test Bench	-	-	-	-	23	12	-	-	-	-	-	-	-
	127140	High Spd Historic Arch- KU	-	-	-	-	-	-	-	139	-	-	-	-	-
	127255	EMS Software Upgrade- KU	-	-	-	3	-	-	-	-	-	-	-	-	-
	127342	Ops Engineering Wrkstation- KU	-	-	-	-	5	-	-	-	-	-	-	-	-
	127463	SV Conf. Table- KU	-	-	-	-	6	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
127564	Simpsonville Ofc Furniture KU	-	-	-	-	2	-	-	-	-	-	-	-	-
127568	Domain Controller - KU	-	-	-	-	4	-	-	-	-	-	-	-	-
127571	DMZ Servers - KU	-	-	-	-	20	-	-	-	-	-	-	-	-
130064	SV Bookcases KU	-	-	-	-	3	-	-	-	-	-	-	-	-
130604	2010 Workstation Upgrade	-	-	-	-	108	-	-	-	-	-	-	-	-
131336	500kV Brkr Replacements-2011	-	-	-	-	-	921	3	-	-	-	-	-	-
131757	500kV Brkr Replacements-2012	-	-	-	-	-	-	606	1,217	1	-	-	-	-
131785	Comp-related equip-KU 2012	-	-	-	-	-	-	57	(0)	-	-	-	-	-
131786	Comp-related equip-KU 2013	-	-	-	-	-	-	-	26	4	-	-	-	-
131790	Fiber Upgrades 2013	-	-	-	-	-	-	-	247	2	-	-	-	-
131791	161/138kV Spare Xfrmr 2013	-	-	-	-	-	-	366	1,126	(101)	0	-	-	-
131964	Tools - 2011	-	-	-	-	-	141	-	-	-	-	-	-	-
131965	KU Test Equipment - 2013	-	-	-	-	-	-	-	52	48	-	-	-	-
132213	-DIX DAM GENERATOR	-	-	-	-	116	11	-	-	-	-	-	-	-
132217	Digital Commun Channels EMS KU	-	-	-	-	73	-	-	-	-	-	-	-	-
132302	EMS Firewalls KU	-	-	-	-	28	-	-	-	-	-	-	-	-
132372	138/69kV Spare Xfrmr-2011	-	-	-	-	-	1,148	5	-	-	-	-	-	-
132489	Dix Dam AC Replacement	-	-	-	-	-	4	-	-	-	-	-	-	-
132615	COMP-2011	-	-	-	-	-	46	7	-	-	-	-	-	-
132681	Dix Dam Boiler	-	-	-	-	-	6	3	-	-	-	-	-	-
132697	Dix Ctrl Console Expansion KU	-	-	-	-	-	11	-	-	-	-	-	-	-
132871	138/69kV Spare Xfrmr-2012	-	-	-	-	-	655	556	-	-	-	-	-	-
132885	Spare 345/138-161kV Xfrmr	-	-	-	-	-	1,338	1,438	229	0	-	-	-	-
133175	3rd Floor Remodel KU	-	-	-	-	-	31	-	-	-	-	-	-	-
133509	Sville Remodel - KU	-	-	-	-	-	45	2	-	-	-	-	-	-
134197	KU Test Equipment - 2012	-	-	-	-	-	-	55	(5)	-	-	-	-	-
134211	138/69kV Spare Xfrmr-2013	-	-	-	-	-	-	322	874	(1,181)	-	-	-	-
134285	COMP-RELATED EQUIP-KU 2014	-	-	-	-	-	-	-	-	51	2	-	-	-
134286	COMP-RELATED EQUIP-KU 2015	-	-	-	-	-	-	-	-	-	73	-	-	-
134380	161/69kV Spare Xfrmr	-	-	-	-	-	-	-	389	1,002	6	-	-	-
134412	UPGRADE EMS SOFTWARE KU	-	-	-	-	-	-	48	77	-	-	-	-	-
134751	8 New EMS Workstations KU	-	-	-	-	-	36	1	0	-	-	-	-	-
134797	Tools - 2015	-	-	-	-	-	-	-	-	-	3	-	-	-
134888	SV Drainage Issue KU	-	-	-	-	-	90	(4)	-	-	-	-	-	-
135286	EMS Laptops KU	-	-	-	-	-	3	3	-	-	-	-	-	-
135288	EMS Satellite Servers KU	-	-	-	-	-	29	3	-	-	-	-	-	-
135855	EMS Backup Hware/Sware KU	-	-	-	-	-	22	88	-	-	-	-	-	-
136120	Computers-Reliability/Perf KU	-	-	-	-	-	-	7	-	-	-	-	-	-
136196	EMS Workstations 2012 KU	-	-	-	-	-	-	34	(0)	-	-	-	-	-
136310	System Operations Room 154 KU	-	-	-	-	-	-	8	(0)	-	-	-	-	-
136528	Sville Videoconferencing KU	-	-	-	-	-	-	20	-	-	-	-	-	-
137531	Fiber/Telecomm Upgrades - 2017	-	-	-	-	-	-	-	-	-	-	-	268	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
137532	Fiber/Telecomm Upgrades - 2018	-	-	-	-	-	-	-	-	-	-	-	232	-
137537	Tools - 2017	-	-	-	-	-	-	-	-	-	-	-	18	-
137571	ROUTINE EMS-KU 2017	-	-	-	-	-	-	-	-	-	-	-	14	-
137730	COMP-RELATED EQUIP-KU 2017	-	-	-	-	-	-	-	-	-	-	-	38	13
137731	COMP-RELATED EQUIP-KU 2018	-	-	-	-	-	-	-	-	-	-	-	37	-
138785	BOC Remodel - KU	-	-	-	-	-	-	5	-	-	-	-	-	-
138853	Control Center Chairs - KU	-	-	-	-	-	-	11	-	-	-	-	-	-
138962	TranServ License Fees-KU	-	-	-	-	-	-	-	76	-	-	-	-	-
139022	EMS Operator Monitor-KU-2012	-	-	-	-	-	-	15	6	-	-	-	-	-
139158	2013 DIX Battery Replace-KU	-	-	-	-	-	-	-	6	-	-	-	-	-
139486	Oce Plotwave Printer-KU	-	-	-	-	-	-	-	4	1	-	-	-	-
139627	Test Lab Equipment-2015-KU	-	-	-	-	-	-	-	-	-	13	0	-	-
139628	Test Lab Equipment-2016-KU	-	-	-	-	-	-	-	-	-	-	-	-	122
139629	Test Lab Equipment-2017-KU	-	-	-	-	-	-	-	-	-	-	-	115	-
139630	Test Lab Equipment-2018-KU	-	-	-	-	-	-	-	-	-	-	-	99	-
140059	EMS DBASE EXPANSION-KU-2018	-	-	-	-	-	-	-	-	-	-	-	187	-
140070	DIGITAL EMS COM CHNLS-KU-2017	-	-	-	-	-	-	-	-	-	-	-	72	-
140081	Upgrade EMS Software-KU-2014	-	-	-	-	-	-	-	-	317	(3)	-	-	-
140092	EMS App Enhancements-KU-2015	-	-	-	-	-	-	-	-	-	16	-	-	-
140098	EMS OPERATOR MONITORS-KU-2016	-	-	-	-	-	-	-	-	-	-	33	-	21
140225	FULL UPGRD EMS SWARE-KU-2018	-	-	-	-	-	-	-	-	-	-	-	292	-
142636	2013_EMS_Dbase_Expansion_KU	-	-	-	-	-	-	-	33	-	-	-	-	-
142760	Rplce EMS Wkstations-KU-2013	-	-	-	-	-	-	-	115	51	-	11	-	11
142762	ICCP Domain Cntrlrs-KU-2013	-	-	-	-	-	-	-	4	8	2	-	-	-
142853	LOAD User Licenses-KU	-	-	-	-	-	-	-	28	-	-	-	-	-
146072	Spare 138/69kV Xfrmr - 2014	-	-	-	-	-	-	-	-	290	686	-	-	-
146105	Simpsonville Renovation-KU	-	-	-	-	-	-	-	-	15	-	-	-	-
146993	OSI Database Expansion-KU	-	-	-	-	-	-	-	-	-	85	-	-	-
147754	EMS DBASE EXPANSION-KU-2017	-	-	-	-	-	-	-	-	-	-	-	68	-
147786	EMS APP ENHANCEMENTS-KU-2017	-	-	-	-	-	-	-	-	-	-	-	40	-
148498	EMS CHNL EXPANSION-KU-2015	-	-	-	-	-	-	-	-	-	18	6	-	0
149752	Simpsonville Guard Station-KU	-	-	-	-	-	-	-	-	-	12	0	-	-
150095	FUL UPGRD EMS SWARE-KU-2016	-	-	-	-	-	-	-	-	-	61	135	-	171
150131	Drafting Printer-KU	-	-	-	-	-	-	-	-	-	14	-	-	-
150133	KUGO 3rd Floor Room 367	-	-	-	-	-	-	-	-	-	-	37	-	47
150305	BW Drafting Printer - KU	-	-	-	-	-	-	-	-	-	14	2	-	-
150468	Comp-related Equip KU 2016	-	-	-	-	-	-	-	-	-	-	23	-	24
150932	TL 2006 UTV Asset Retirement	-	-	-	-	-	-	-	-	-	-	(1)	-	(1)
151104	KU Spare Relay Clocks-2016	-	-	-	-	-	-	-	-	-	-	24	-	8
151754	KU Breaker Replacements	-	-	-	-	-	-	-	-	-	-	-	1,267	262
151763	KU Coupling Capacitor Rpl	-	-	-	-	-	-	-	-	-	-	-	50	27
151764	KU Fence Replacements	-	-	-	-	-	-	-	-	-	-	-	201	131

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
151765	KU Physical Security Upgrades	-	-	-	-	-	-	-	-	-	-	-	410	52
151766	KU SST Additions	-	-	-	-	-	-	-	-	-	-	-	714	-
151767	KU Transformer Bushing Rpl	-	-	-	-	-	-	-	-	-	-	-	113	-
151897	Danville Drafting Plotter-KU	-	-	-	-	-	-	-	-	-	-	8	-	8
152288	Capacitor Bank Test Set	-	-	-	-	-	-	-	-	-	-	22	-	11
152613	KU Station Grounding	-	-	-	-	-	-	-	-	-	-	-	117	-
152616	2017 Spare 345 Brk-KU	-	-	-	-	-	-	-	-	-	-	-	573	-
152619	KU Spare Misc Equip	-	-	-	-	-	-	-	-	-	-	-	105	60
152630	KU Cap and Pin Rpl	-	-	-	-	-	-	-	-	-	-	-	2,473	-
152638	KU Online Monitoring Equipment	-	-	-	-	-	-	-	-	-	-	-	63	-
153188	Etown Trans Sub Storeroom	-	-	-	-	-	-	-	-	-	-	-	-	287
153279	ROR-KU SPARE CCVT-2016	-	-	-	-	-	-	-	-	-	-	31	-	32
153370	Battery Replacements - KU	-	-	-	-	-	-	-	-	-	-	-	530	-
153371	DFR Installations - KU	-	-	-	-	-	-	-	-	-	-	-	507	-
153372	PLC Replacements - KU	-	-	-	-	-	-	-	-	-	-	-	922	-
153593	Spare 138/69 185MVA Xfrmr-2016	-	-	-	-	-	-	-	-	-	-	577	-	-
153696	P&C Computer-2016-KU	-	-	-	-	-	-	-	-	-	-	2	-	-
K5	RELOCATIONS TRANS LINES	145	445	(240)	7	4	-	-	-	-	-	-	-	-
K5-2008	RELOCATIONS TRANS LINES 2008	-	-	(14)	86	(58)	-	-	-	-	-	-	-	-
K5-2009	RELOCATIONS T LINES KU 2009	-	-	-	141	23	(4)	-	-	-	(0)	-	-	-
K5-2010	RELOCATIONS T LINES KU 2010	-	-	-	-	27	(19)	(2)	-	-	-	-	-	-
K5-2011	RELOCATIONS T LINES KU 2011	-	-	-	-	-	163	36	-	-	-	-	-	-
K5-2012	RELOCATION T-LINES KU 2012	-	-	-	-	-	-	44	19	(0)	-	-	-	-
K5-2013	RELOCATIONS T LINES KU	-	-	-	-	-	-	-	(2)	15	-	-	-	-
K5-2014	Relocations T Lines-KU	-	-	-	-	-	-	-	-	-	5	-	-	-
K5-2015	Relocations Trans Lines KU	-	-	-	-	-	-	-	-	-	(91)	80	-	-
K5-2016	Relocations T Lines KU-	-	-	-	-	-	-	-	-	-	-	0	-	48
K5-2017	Relocations T Lines KU 2017	-	-	-	-	-	-	-	-	-	-	-	31	5
K5-2018	Relocations T Lines KU 2018	-	-	-	-	-	-	-	-	-	-	-	16	-
K6	NEW FACILITIES TRANS LINE PWO	114	258	0	(62)	-	-	-	-	-	-	-	-	-
K6-2008	NEW FACILITIES T-LINE PWO 2008	-	-	156	118	102	-	-	-	-	-	-	-	-
K6-2009	NEW FACILITIES T-LINE KU 2009	-	-	-	618	(9)	(29)	-	-	-	-	-	-	-
K6-2010	NEW FACILITIES T-LINE KU 2010	-	-	-	-	230	(122)	0	-	-	-	-	-	-
K6-2011	NEW FACILITIES T-LINE KU 2011	-	-	-	-	-	48	(36)	-	-	-	-	-	-
K6-2012	NEW FACILITIES T-LINES KU 2012	-	-	-	-	-	-	155	139	-	-	-	-	-
K6-2013	NEW FACILITIES T-LINE KU 2013	-	-	-	-	-	-	-	130	(1)	-	-	-	-
K7	PARAMETER UPGRADE T LINE PWO	73	307	77	(189)	(17)	-	-	-	-	-	-	-	-
K7-2008	PARAM UPGRADE T LINE PWO 2008	-	-	296	(152)	(20)	-	-	-	-	-	-	-	-
K7-2009	PARAM UPGRADE T LINE KU 2009	-	-	-	64	(1)	-	-	-	-	-	-	-	-
K7-2011	PARAM UPGRADE T LINE KU 2011	-	-	-	-	-	240	(2)	-	-	-	-	-	-
K8	STORM DAMAGE T-LINE PWO	664	468	998	61	(1)	-	-	-	-	-	-	-	-
K8-2008	STORM DAMAGE T-LINE PWO-2008	-	-	371	16	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
K8-2009	STORM DAMAGE T-LINE KU 2009	-	-	-	15,752	166	-	-	-	-	-	-	-	-
K8-2010	STORM DAMAGE T-LINE KU 2010	-	-	-	-	510	(7)	-	-	-	(0)	-	-	-
K8-2011	STORM DAMAGE T-LINE KU 2011	-	-	-	-	-	1,000	(17)	-	-	-	-	-	-
K8-2012	STORM DAMAGE T-LINE KU 2012	-	-	-	-	-	-	1,499	43	(7)	-	-	-	-
K8-2013	STORM DAMAGE T-LINE KU 2013	-	-	-	-	-	-	-	1,164	202	2	-	-	-
K8-2014	STORM DAMAGE T-LINE-KU 2014	-	-	-	-	-	-	-	-	991	82	(4)	-	(4)
K8-2015	STORM DAMAGE T-LINE KU 2015	-	-	-	-	-	-	-	-	-	1,056	(41)	-	1
K8-2016	STORM DAMAGE T-LINE KU 2016	-	-	-	-	-	-	-	-	-	-	814	-	865
K8-2017	Storm Damage T-Line KU 2017	-	-	-	-	-	-	-	-	-	-	-	526	175
K8-2018	Storm Damage T-Line KU 2018	-	-	-	-	-	-	-	-	-	-	-	541	-
K9	PRIORITY REPL T-LINES PWO	5,327	4,300	1,979	(345)	(16)	6	(10)	-	-	-	-	-	-
K9-2008	PRIORITY REPL T-LINES PWO 2008	-	-	1,374	692	-	-	-	-	-	-	-	-	-
K9-2009	PRIORITY REPL T-LINES KU 2009	-	-	-	2,278	925	(5)	-	-	-	-	-	-	-
K9-2010	PRIORITY REPL T-LINES KU 2010	-	-	-	-	5,479	205	(39)	(23)	-	0	-	-	-
K9-2011	PRIORITY REPL T-LINES KU 2011	-	-	-	-	-	6,685	331	(14)	(45)	-	-	-	-
K9-2012	PRIORITY REPL T-LINES KU 2012	-	-	-	-	-	-	7,564	1,372	(1,290)	0	-	-	-
K9-2013	PRIORITY REPL T-LINES KU 2013	-	-	-	-	-	-	-	8,749	3,017	297	(1)	-	(534)
K9-2014	PRIORITY REPL T-LINES-KU 2014	-	-	-	-	-	-	-	-	9,503	2,648	245	-	135
K9-2015	PRIORITY REPL T-LINES KU 2015	-	-	-	-	-	-	-	-	-	9,775	1,205	-	831
K9-2016	PRIORITY REPL T-LINES KU 2016	-	-	-	-	-	-	-	-	-	-	7,691	-	4,345
K9-2017	Priority Repl T-Lines KU	-	-	-	-	-	-	-	-	-	-	-	13,836	2,866
K9-2018	Priority Repl T-Lines KU 2018	-	-	-	-	-	-	-	-	-	-	-	17,948	-
KARM-2015	PRIORITY REPL X-ARMS KU 2015	-	-	-	-	-	-	-	-	-	687	248	-	(10)
KARM-2016	Priority Repl X-Arms KU 2016	-	-	-	-	-	-	-	-	-	-	1,849	-	1,872
KARM-2017	Priority Repl X-Arms KU 2017	-	-	-	-	-	-	-	-	-	-	-	3,481	579
KARM-2018	Priority Repl X-Arms KU 2018	-	-	-	-	-	-	-	-	-	-	-	2,676	-
KARREST17	KU Arrester Replacements 2017	-	-	-	-	-	-	-	-	-	-	-	50	-
KBATTRY11	Batteries KU-11	-	-	-	-	-	14	-	(3)	-	-	-	-	-
KBATTRY12	Batteries KU-12	-	-	-	-	-	-	199	6	(1)	-	-	-	-
KBATTRY13	Batteries KU-13	-	-	-	-	-	-	-	155	-	(6)	-	-	-
KBR-10	KU Breaker Replacements-10	-	-	-	-	1,970	(1,740)	-	-	-	-	-	-	-
KBR-11	KU Breaker Replacements-11	-	-	-	-	-	1,692	260	(672)	-	-	-	-	-
KBR-12	KU Breaker Replacements-12	-	-	-	-	-	-	3,963	(176)	(26)	-	(41)	-	-
KBR-13	KU Breaker Replacements-13	-	-	-	-	-	-	-	1,058	97	(15)	-	-	-
KBR-14	KU Breaker Replacements 2014	-	-	-	-	-	-	-	-	396	64	-	-	-
KBRFAIL14	KU-Brkr Fail-2014	-	-	-	-	-	-	-	-	180	(19)	-	-	-
KBRFAIL15	KU-Brkr Fail-2015	-	-	-	-	-	-	-	-	-	350	146	-	65
KBRFAIL16	KU-Brkr Fail-2016	-	-	-	-	-	-	-	-	-	-	301	-	632
KBRFAIL17	KU-Brkr Fail-2017	-	-	-	-	-	-	-	-	-	-	-	717	-
KBRFAIL18	KU-Brkr Fail-2018	-	-	-	-	-	-	-	-	-	-	-	621	-
KCI-12	KU Capacitor Installations12	-	-	-	-	-	-	0	(0)	-	-	-	-	-
KCR-10	KU Carrier Replacements	-	-	-	-	550	127	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
KCR-11	KU Carrier Add/Replcmnts11	-	-	-	-	-	416	37	-	-	-	-	-	-
KCR-12	KU Carrier Add/Replcmnts12	-	-	-	-	-	-	0	13	-	-	-	-	-
KFENCE-12	KFENCE-12	-	-	-	-	-	-	317	76	-	-	-	-	-
KFENCE-13	KFENCE-13	-	-	-	-	-	-	-	392	20	-	-	-	-
KFIREWL11	KU Transformer Firewalls-11	-	-	-	-	-	3	(3)	-	-	-	-	-	-
KINS-2015	PRIORITY REPL INSLTRS KU 2015	-	-	-	-	-	-	-	-	-	240	35	-	1
KINS-2016	Priority Repl Insltrs KU 2016	-	-	-	-	-	-	-	-	-	-	56	-	98
KINS-2017	Priority Repl Insltrs KU 2017	-	-	-	-	-	-	-	-	-	-	-	544	90
KINS-2018	Priority Repl Insltrs KU 2018	-	-	-	-	-	-	-	-	-	-	-	699	-
KINSTRF11	INSTRMNT XFRMR REPL-KU-11	-	-	-	-	-	224	9	0	-	-	-	-	-
KINSTRF12	INSTRMNT XFRMR REPL-KU-12	-	-	-	-	-	-	223	54	(3)	-	-	-	-
KINSTRF13	INSTRMNT XFRMR REPL-KU-13	-	-	-	-	-	-	-	331	(41)	-	-	-	-
KOTFAIL14	KU-OtherFail-2014	-	-	-	-	-	-	-	-	130	5	(3)	-	(0)
KOTFAIL15	KU-OtherFail-2015	-	-	-	-	-	-	-	-	-	75	31	-	28
KOTFAIL16	KU-OtherFail-2016	-	-	-	-	-	-	-	-	-	-	153	-	226
KOTFAIL17	KU-OtherFail-2017	-	-	-	-	-	-	-	-	-	-	-	717	-
KOTFAIL18	KU-OtherFail-2018	-	-	-	-	-	-	-	-	-	-	-	621	-
KOTH-2016	Priority Repl Other KU 2016	-	-	-	-	-	-	-	-	-	-	2,121	-	1,365
KOTH-2017	Priority Repl Other KU 2017	-	-	-	-	-	-	-	-	-	-	-	2,203	734
KOTH-2018	Priority Repl Other KU 2018	-	-	-	-	-	-	-	-	-	-	-	3,381	-
K-OTHER14	KU-Other-2014	-	-	-	-	-	-	-	-	1,045	(23)	(8)	-	-
K-OTHER15	KU-Other-2015	-	-	-	-	-	-	-	-	-	1,316	298	-	212
KOTPR14	KU Other Prot Blank 2014	-	-	-	-	-	-	-	-	546	137	(16)	-	(25)
KOTPR15	KU Other Prot Blanket 2015	-	-	-	-	-	-	-	-	-	379	119	-	84
KOTPR16	KU Other Prot Blanket 2016	-	-	-	-	-	-	-	-	-	-	384	-	377
KOTPR17	KU Other Prot Blanket 2017	-	-	-	-	-	-	-	-	-	-	-	0	-
KOTPR18	KU Other Prot Blanket 2018	-	-	-	-	-	-	-	-	-	-	-	25	-
KOTPRFL14	KU Oth Prot Failures 2014	-	-	-	-	-	-	-	-	2	-	-	-	-
KOTPRFL15	KU Oth Prot Failures 2015	-	-	-	-	-	-	-	-	-	12	-	-	-
KOTPRFL16	KU Oth Prot Failures 2016	-	-	-	-	-	-	-	-	-	-	11	-	5
KOTPRFL17	KU Oth Prot Failures 2017	-	-	-	-	-	-	-	-	-	-	-	17	-
KRELAY-11	Relay Replacements-KU-2011	-	-	-	-	-	53	1	(0)	-	-	-	-	-
KRELAY-12	Relay Replacements-KU -2012	-	-	-	-	-	-	276	174	7	-	-	-	-
KRELAY-13	Relay Replacement-KU-2013	-	-	-	-	-	-	-	347	64	(5)	-	-	-
KRELAY-14	Relay Replacements-KU-2014	-	-	-	-	-	-	-	-	331	164	(61)	-	(71)
KRELAY-15	Relay Replacements-KU-2015	-	-	-	-	-	-	-	-	-	261	81	-	87
KRELAY-17	Relay Replacements-KU-2017	-	-	-	-	-	-	-	-	-	-	-	82	83
KREL-FL14	KU Relay Failures-2014	-	-	-	-	-	-	-	-	-	-	3	-	3
KREL-FL16	KU Relay Failures-2016	-	-	-	-	-	-	-	-	-	-	-	-	29
KREL-FL17	KU Relay Failures-2017	-	-	-	-	-	-	-	-	-	-	-	126	-
KREL-FL18	KU Relay Failures-2018	-	-	-	-	-	-	-	-	-	-	-	109	-
KRSUB-09	Routine Sub Capital09- KU	-	-	-	659	80	(168)	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

	Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
	KRSUB-10	KU Routine - Subs-10	-	-	-	-	899	31	8	(41)	18	-	-	-	-
	KRSUB-11	KU Routine - Subs-11	-	-	-	-	-	2,467	468	(53)	17	-	-	-	-
	KRSUB-12	KU Routine - Subs-12	-	-	-	-	-	-	928	279	(30)	(1)	-	-	-
	KRSUB-13	KU Routine - Subs-13	-	-	-	-	-	-	-	911	71	23	(104)	-	(66)
	KRTU-10	KU RTU10	-	-	-	-	92	0	-	-	-	-	-	-	-
	KRTU-11	KU RTU11	-	-	-	-	-	84	27	-	-	-	-	-	-
	KRTU-12	KU RTU Replacements-12	-	-	-	-	-	-	228	15	(2)	-	-	-	-
	KRTU-13	KU RTU Replacements-13	-	-	-	-	-	-	-	131	15	-	-	-	-
	KRTU-14	KU RTU Replacements-14	-	-	-	-	-	-	-	-	660	331	1	-	2
	KRTU-15	KU RTU Replacements-15	-	-	-	-	-	-	-	-	-	889	379	-	331
	KRTU-16	KU RTU Replacements-16	-	-	-	-	-	-	-	-	-	-	1,251	-	929
	KRTU-17	KU RTU Replacements-17	-	-	-	-	-	-	-	-	-	-	-	1,597	29
	KRTU-18	KU RTU Replacements-18	-	-	-	-	-	-	-	-	-	-	-	1,698	-
	KRTU-FL15	KU RTU Failures-2015	-	-	-	-	-	-	-	-	-	15	-	-	-
	KRTU-FL17	KU RTU Failures-2017	-	-	-	-	-	-	-	-	-	-	-	6	-
	KSTSVC11	STATION SERV XFMRS KU-11	-	-	-	-	-	224	72	(10)	12	-	-	-	-
	KSTSVC12	STATION SERV XFMRS KU-12	-	-	-	-	-	-	511	21	11	78	6	-	26
	KSTSVC13	STATION SERV XFMRS KU-13	-	-	-	-	-	-	-	5	-	-	-	-	-
	KSURGE-11	Surge Arestors KU-11	-	-	-	-	-	167	(2)	-	-	-	-	-	-
	KSURGE-12	Surge Arestors KU-12	-	-	-	-	-	-	216	(2)	(0)	-	-	-	-
	KSURGE-13	Surge Arestors KU-13	-	-	-	-	-	-	-	140	-	-	-	-	-
	KSWT-2015	PRIORITY REPL SWITCHES KU 2015	-	-	-	-	-	-	-	-	-	840	54	-	29
	KTFFAIL16	KU-Xfrmr Fail-2016	-	-	-	-	-	-	-	-	-	-	-	-	466
	KTFFAIL17	KU-Xfrmr Fail-2017	-	-	-	-	-	-	-	-	-	-	-	190	107
	KTRMUP-10	KU Terminal Upgrades-10	-	-	-	-	143	136	0	-	-	-	-	-	-
	KTSUB-09	Terminal Upgrades09-KU	-	-	-	112	242	-	-	-	-	-	-	-	-
Routine Total			**6,790**	**6,868**	**7,748**	**22,126**	**13,063**	**16,560**	**20,914**	**19,369**	**16,415**	**20,575**	**18,196**	**61,985**	**18,336**
Specific	**108418**	LOND-PITTS 69KV RELOC.	-	-	7	-	-	-	-	-	-	-	-	-	-
	109314	RET BAR-MOUND CITY 69KV	35	-	-	-	-	-	-	-	-	-	-	-	-
	111244	BAR - MOUND FOUNDATION REMOVAL	(35)	-	-	-	-	-	-	-	-	-	-	-	-
	111890	Rocky Br-Pocket 69KV Hwy Reloc	(269)	(4)	-	-	-	-	-	-	-	-	-	-	-
	112631	LEX-PAR 69KV HWY RELC PHASE 4	-	6	-	-	-	-	-	-	-	-	-	-	-
	112656	CLK CO-SPEN 69KV HWY RELC	-	-	7	(7)	-	-	-	-	-	-	-	-	-
	112707	North Floyd Switch	(2)	-	-	-	-	-	-	-	-	-	-	-	-
	112742	Relocate Fence Lake Reba Sub	-	8	-	-	-	-	-	-	-	-	-	-	-
	112776	West High St. Guy Relocation	-	-	(0)	-	-	-	-	-	-	-	-	-	-
	112789	HWY 52 RELOCATION RICHMOND	5	-	-	2	-	-	-	-	-	-	-	-	-
	113314	STANDFORD BYPASS U.S. 150	0	-	-	-	-	-	-	-	-	-	-	-	-
	113775	Arnld-Drchtr Blk Mtn 161kV	-	-	-	73	-	-	-	-	-	-	-	-	-
	114220	Clark Co Trans Sub Prop Sale	-	14	-	-	-	-	-	-	-	-	-	-	-
	115012	Scott Co. 138-69kV, 93 MVA	-	-	-	-	-	-	-	-	-	-	-	-	-
	115693	Paris 138-69kv, 150 MVA	862	305	-	-	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
115699	Andover-Dorch 34.5 kv Hwy Relo	-	-	-	-	-	-	-	-	-	-	-	-	-
115737	ghent-kenton138kv hwy relc	-	-	-	(0)	-	-	-	-	-	-	-	-	-
115769	Carrollton-Warsaw 69kv	(11)	-	-	0	-	-	-	-	-	-	-	-	-
115978	Elihu-Somerset North 69KV	(101)	-	-	-	-	-	-	-	-	-	-	-	-
116505	Walker 69kV Cap Retirement	-	-	-	(4)	-	-	-	-	-	-	-	-	-
116944	Amer Ave-Haefling69kv	-	-	-	-	-	-	-	-	-	-	-	-	-
116958	Tyrone - West Frankfort 138kv	-	-	(1)	-	-	-	-	-	-	-	-	-	-
117016	Cynthiana - Renaker 69 KV P2	-	(0)	-	-	-	-	-	-	-	-	-	-	-
117143	EKPC Floyd Tap Interconnect	-	-	-	-	-	-	-	-	-	-	-	-	-
117212	INST CHAR COAL 34.5 TAP	-	-	-	-	-	-	-	-	-	-	-	-	-
117224	RET 5 MI EAR-BAR 34KV	(0)	-	-	-	-	-	-	-	-	-	-	-	-
117233	Carr-E.Frkt 138KV P2 Proj	-	(5)	-	-	-	-	-	-	-	-	-	-	-
117238	Carr-Clifty Crk 138KV P2	-	(0)	-	-	-	-	-	-	-	-	-	-	-
117243	RELOC GRP-EARN 161 (HWY 431)	0	(1)	-	-	-	-	-	-	-	-	-	-	-
117244	RELOC GRP-HILLSIDE 69(HWY 431)	0	(1)	-	-	-	-	-	-	-	-	-	-	-
117271	Amer.Ave.-Haefling 69KV	10	-	-	-	-	-	-	-	-	-	-	-	-
117287	Winc. Water Works 69KV Sub Tap	34	-	-	-	-	-	-	-	-	-	-	-	-
117333	Arnold-Evarts 69 kv P1 Pole	-	(0)	-	-	-	-	-	-	-	-	-	-	-
117421	EKPC E. Bernstadt Sub	7	-	-	-	-	-	-	-	-	-	-	-	-
117669	RELOC U.S. HWY 60 PROJ	(38)	-	-	(0)	-	-	-	-	-	-	-	-	-
117693	Toms Creek 69 KV Relo	-	-	-	-	-	-	-	-	-	-	-	-	-
117889	Brown-Tyrone 138 KV P1 Poles	-	(18)	-	-	-	-	-	-	-	-	-	-	-
117988	Science Hill Hwy 27 Relo	244	(241)	0	0	0	-	-	-	-	-	-	-	-
118211	Recon Ohio Co-Rosine	-	26	-	-	-	-	-	-	-	-	-	-	-
118214	Va City 138/69 120 MVA Xfrmr	-	-	-	-	-	-	-	-	-	-	-	-	-
118215	Paris 138-69, 150 MVA	831	26	-	-	-	-	-	-	-	-	-	-	-
118216	Trimble 2 Trans. Projects - KU	2,777	18,960	17,326	11,014	10,152	(132)	274	10	(7)	(3)	-	-	-
118370	Hardin Co 345kV recv repl	-	-	(0)	-	-	-	-	-	-	-	-	-	-
118402	0098 SYS PARA RECOND OH - ROS	-	(26)	-	-	-	-	-	-	-	-	-	-	-
118403	Brown - Tyrone 138kv Line	-	-	(52)	-	-	-	-	-	-	-	-	-	-
118404	Tyrone - Frankfort 69kv Line	-	-	(30)	-	-	-	-	-	-	-	-	-	-
118405	Adams - Delaplain Tap 69kv	41	-	-	-	-	-	-	-	-	-	-	-	-
119654	Frequency Transducers Addition	0	-	-	-	-	-	-	-	-	-	-	-	-
119885	Loudon Ave road project.	17	19	-	-	-	-	-	-	-	-	-	-	-
119901	SIMPSONVILLE NEW TRANSFORMER	42	-	-	-	-	-	-	-	-	-	-	-	-
119952	Adams to Penn 69 P2	19	-	-	-	-	-	-	-	-	-	-	-	-
120009	Bedford Tap 69kv	-	55	-	-	-	-	-	-	-	-	-	-	-
120017	LAWRENCEBURG P-2 REBUILD	323	-	-	-	-	-	-	-	-	-	-	-	-
120023	Higby Mill Breaker Replacement	-	0	-	-	-	-	-	-	-	-	-	-	-
120024	Fawkes Breaker Replacement	1	-	-	-	-	-	-	-	-	-	-	-	-
120032	Green River DFR	3	-	-	-	-	-	-	-	-	-	-	-	-
120073	EKPC tap to Paris substation.	(1)	-	-	-	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
120100	Replace NAS 138kV Metering CT	5	-	-	-	-	-	-	-	-	-	-	-	-
120107	Replace Danville North Bkr 614	-	-	-	-	-	-	-	-	-	-	-	-	-
120130	P2 RIV. QUEEN-GRAHAM 69KV	99	-	-	-	-	-	-	-	-	-	-	-	-
120131	P2 RIV. QUEEN-GREENVILLE 69KV	74	-	-	-	-	-	-	-	-	-	-	-	-
120169	Arnold - Dorchester 161kv	-	-	-	-	-	-	-	-	-	-	-	-	-
120179	Tyrone Breaker Replacement	0	-	-	-	-	-	-	-	-	-	-	-	-
120192	FAWKES TO RICHMOND SOUTH	0	-	-	-	-	-	-	-	-	-	-	-	-
120195	Hwy 27 Relo Pulaski Cnty Ph 2	-	0	-	-	0	-	-	-	-	-	-	-	-
120216	Liberty Rd Breaker Replacement	1	-	-	-	-	-	-	-	-	-	-	-	-
120217	Green River Bkr Replacement	1	-	-	-	-	-	-	-	-	-	-	-	-
120267	Pitsbrg Lanc 69 EBernstadt Sub	(110)	-	-	-	-	-	-	-	-	-	-	-	-
120287	FAWKES - OKONITE DIST PARAMETE	114	-	-	-	-	-	-	-	-	-	-	-	-
120288	ETOWN - ETOWN #3 NEW 12KV XFMR	2	48	-	-	-	-	-	-	-	-	-	-	-
120315	Loudon Ave-T-359 move to BR6	-	(31)	-	-	-	-	-	-	-	-	-	-	-
120506	Repl Walker-634 Bushings	1	-	-	-	-	-	-	-	-	-	-	-	-
120752	KENTON - CARNTOWN 69 HWAY	-	-	-	(7)	-	-	-	-	-	-	-	-	-
120787	LexPlant 604 Replace	(0)	-	-	-	-	-	-	-	-	-	-	-	-
120795	Black Mtn. tap 69kv	82	-	-	-	-	-	-	-	-	-	-	-	-
120834	Scott Co. - Adams 138 kV	3	-	-	-	-	-	-	-	-	-	-	-	-
120852	Delvinta 824 Carrier Addn.	93	8	-	-	-	-	-	-	-	-	-	-	-
120853	Arnold 804 Carrier Addn.	76	-	-	-	-	-	-	-	-	-	-	-	-
121076	Loudon Ave.-Lansdowne DC 69 kV	188	3,441	943	1,399	1	6	-	-	-	-	-	-	-
121098	Brown Plant RTU Replacement	1	0	-	-	-	-	-	-	-	-	-	-	-
121115	Energy Srvs for Blackwell Sub	67	(66)	8	(12)	-	-	-	-	-	-	-	-	-
121133	Walker-644 Bushing Repl	1	-	-	-	-	-	-	-	-	-	-	-	-
121137	Loudon Ave RTU Replacement	0	-	-	-	-	-	-	-	-	-	-	-	-
121172	Fawkes 138-69kV, 150 MVA	1,168	79	38	7	-	-	-	-	-	-	-	-	-
121202	Paris - Lexington Plant 69kv	-	-	-	-	-	-	-	-	-	-	-	-	-
121203	Lake Reba (163) - Waco 69kv	-	-	-	-	-	-	-	-	-	-	-	-	-
121210	A.O. Smith - Ewington 69kv	-	-	-	-	-	-	-	-	-	-	-	-	-
121242	Toyota N Relay Replace	1	-	-	-	-	-	-	-	-	-	-	-	-
121243	Toyota S Relay Replace	2	-	-	-	-	-	-	-	-	-	-	-	-
121248	Elihu 161kV PT Replacement	-	9	-	-	-	-	-	-	-	-	-	-	-
121297	Cntrol Ctr Construction - KU	49	4,962	5,811	-	-	-	-	-	-	-	-	-	-
121303	Fawkes KU - Fawkes EKP 138kv	20	-	-	-	-	-	-	-	-	-	-	-	-
121331	RIVER QUEEN 638 CARRIER	15	-	-	-	-	-	-	-	-	-	-	-	-
121334	Brown-Fawkes 138kv	111	217	(0)	-	-	-	-	-	-	-	-	-	-
121344	ESTILL COUNTY ENERGY PART	(34)	24	-	-	-	-	67	-	-	-	-	-	-
121384	Earl N TT Rcvr	10	3	-	-	-	-	-	-	-	-	-	-	-
121391	Etown-634 Bkr Relpace	77	(0)	0	-	-	-	-	-	-	-	-	-	-
121392	W.Cliff-604&624 Bkr Replace	136	-	-	-	-	-	-	-	-	-	-	-	-
121393	LexPlant 644 Replace	44	3	-	-	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
121394	LoudonAve 628 Repl	54	16	-	-	-	-	-	-	-	-	-	-	-
121398	Dorchester TT Rcvr	-	-	-	-	-	-	-	-	-	-	-	-	-
121411	Ohio Co. Battery Replacement	21	-	0	-	-	-	-	-	-	-	-	-	-
121412	Wheatcroft Battery Replacement	18	(0)	0	-	-	-	-	-	-	-	-	-	-
121413	Hardin Co. Battery Replacement	17	2	0	-	-	-	-	-	-	-	-	-	-
121414	Carrollton Battery Replacement	12	7	0	-	-	-	-	-	-	-	-	-	-
121438	INST ELK CRK MINE 69 TAP	52	(53)	-	-	-	-	-	-	-	-	-	-	-
121489	Motorola Radio Console-ku	32	-	-	-	-	-	-	-	-	-	-	-	-
121501	Lebanon-Lebanon Ind 69kV	-	-	-	-	-	-	567	-	-	-	-	-	-
121508	Richmond, 604 terminal limits	2	10	0	-	-	-	-	-	-	-	-	-	-
121533	Replace X bushings on T-356	23	-	-	-	-	-	-	-	-	-	-	-	-
121540	Arnold-Delvinta AEP Wooten Tap	(0)	-	-	-	-	-	-	-	-	-	-	-	-
121553	Shelbyville Bypass	60	(73)	-	-	-	-	-	-	-	-	-	-	-
121558	Waitsboro Tap 69kV Relo	-	21	(3)	(16)	-	-	-	-	-	-	-	-	-
121569	Dix Dam EMS/Cntrl addtns	14	-	-	-	-	-	-	-	-	-	-	-	-
121586	West Lex. RTU Replacement	17	0	-	-	-	-	-	-	-	-	-	-	-
121631	East Franfort RTU Replacement	34	6	-	-	-	-	-	-	-	-	-	-	-
121632	Replace Bardstown 138kV PTs	27	(0)	-	-	-	-	-	-	-	-	-	-	-
121659	Pisgah RTU Replacement	19	2	-	-	-	-	-	-	-	-	-	-	-
121660	Grahamville RTU Replacement	-	26	-	-	-	-	-	-	-	-	-	-	-
121668	Transmission Test Equipment	7	-	-	-	-	-	-	-	-	-	-	-	-
121690	Farley Replace Fence	27	1	-	-	-	-	-	-	-	-	-	-	-
121692	Rear Project Cubes	86	-	-	-	-	-	-	-	-	-	-	-	-
121693	West Frankfort RTU Replacement	27	2	-	-	-	-	-	-	-	-	-	-	-
121695	Inst switch @ Buena Vista Sub	-	-	40	149	-	-	-	-	-	-	-	-	-
121705	Avon Tap 69kv reloc	4	-	-	-	(4)	-	-	-	-	-	-	-	-
121736	Union Underwear Transformer	-	31	20	-	-	-	-	-	-	-	-	-	-
121919	Replace Ohio Co. 608 Bushings	8	-	-	-	-	-	-	-	-	-	-	-	-
121931	BROWN N TT RCVR	11	-	-	-	-	-	-	-	-	-	-	-	-
121948	Replace Princeton-674 Bushing	7	-	-	-	-	-	-	-	-	-	-	-	-
121970	Ghent-Kenton 138kV Line	-	0	-	-	-	-	-	-	-	-	-	-	-
121971	Loudon-Winchester 69kV	-	350	-	-	-	-	-	-	-	-	-	-	-
122049	*UK Underground	-	-	-	(61)	61	0	-	-	-	-	-	-	-
122050	Ghent-Kenton 138kV Pole Repl	320	437	8	-	-	-	-	-	-	-	-	-	-
122091	Lancaster Sub - EKP 69kV Tie	31	(31)	-	-	-	-	-	-	-	-	-	-	-
122094	Lake Reba RTU Replacement	0	35	1	(1)	-	-	-	-	-	-	-	-	-
122117	Daviess Co 345kV Tie	15	(15)	0	-	-	-	-	-	-	-	-	-	-
122125	Butler Switches - Ghent/Kenton	148	24	-	-	-	-	-	-	-	-	-	-	-
122177	Millersburg Control Hse Repl	-	37	121	0	312	184	(0)	-	-	-	-	-	-
122191	on TB0664	10	1	-	-	-	-	-	-	-	-	-	-	-
122196	Etown 614 Upgrade	1	13	-	-	-	-	-	-	-	-	-	-	-
122206	Inst Fence Loudon Storage Lot	2	49	-	-	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
122211	Brown CT-Brdstwn P2	1	35	-	2	55	-	-	-	-	-	-	-	-
122241	Repl West Cliff 624 Brk	-	1	0	-	-	-	-	-	-	-	-	-	-
122265	Morganfield Fence Repl	49	1	-	-	-	-	-	-	-	-	-	-	-
122267	Marion Sub Cap Fence Repl	8	(0)	-	-	-	-	-	-	-	-	-	-	-
122268	Wheatcroft Sub Cap Fence Repl	9	(0)	-	-	-	-	-	-	-	-	-	-	-
122271	Higby Mill Carrier	10	-	-	-	-	-	-	-	-	-	-	-	-
122287	EKP Cynthiana Interconnect	0	0	-	-	-	-	-	-	-	-	-	-	-
122300	NAS 345-138kV,450MVA xfrm	1	2,949	1,276	(61)	(166)	-	-	-	-	-	-	-	-
122307	Ghent-345kV GCB addition	-	279	305	0	-	-	-	-	-	-	-	-	-
122449	NAS TAP 345kV Line	3	591	625	(10)	-	-	-	-	-	-	-	-	-
122498	Reloc Ky Hwy 286	-	1	(0)	-	6	-	-	-	-	-	-	-	-
122521	Taylor Co. Transformer	-	192	0	-	-	-	-	-	-	-	-	-	-
122545	Race St-Lex Plt P&G Sect	-	-	-	28	94	-	-	-	-	-	-	-	-
122554	EKPC Southpnt Interconnect	-	46	-	-	-	-	-	-	-	-	-	-	-
122555	Wilson-Downing Tap Reconfig	-	91	-	-	-	-	-	-	-	-	-	-	-
122567	Harlan Y Transformer Replace	-	243	7	-	-	-	-	-	-	-	-	-	-
122641	Reloc Ring Rd Proj 345kV	-	307	(306)	(1)	-	-	-	-	-	-	-	-	-
122668	Liberty Road Relocation	-	71	(71)	-	-	-	-	-	-	-	-	-	-
122675	Hardin Co-Bonvlle 69kV	-	14	20	(34)	(1)	-	1	-	-	-	-	-	-
122678	Berea Bypass Relocation	-	(28)	6	-	-	-	-	-	-	-	-	-	-
122679	Duncannon Rd Relocation	-	-	1	(1)	-	-	-	-	-	-	-	-	-
122703	Brown N-Higby Mill Reloc	-	239	(165)	6	-	-	-	-	-	-	-	-	-
122707	Dix FEP Expansion	-	74	-	-	-	-	-	-	-	-	-	-	-
122764	Backup CC Comm LGE/KU	-	72	-	(22)	-	-	-	-	-	-	-	-	-
122787	Taylor County RTU Replacement	-	22	-	-	-	-	-	-	-	-	-	-	-
122792	*Hdsbg-Add 69kV bkrs for Cust	-	-	91	(91)	0	-	-	-	-	-	-	-	-
122795	Bond-St. Paul 69kV	-	-	-	-	-	-	-	-	-	-	-	-	-
122868	Rpl Failed West Cliff Trans.	-	103	-	-	-	-	-	-	-	-	-	-	-
122999	Horse Cave Ind Sub	-	-	276	(25)	-	-	-	-	-	-	-	-	-
123134	Kohl's Relocation	-	-	-	26	-	-	-	-	-	-	-	-	-
123147	Relo Video Wall from WS	-	10	-	-	-	-	-	-	-	-	-	-	-
123205	Armstrong Coal 69kV Tap	-	(22)	38	10	(10)	-	-	-	-	-	-	-	-
123302	UK Med Cntr Hse Relo	-	2	242	95	10	(348)	-	-	-	-	-	-	-
123351	Lynch-Pocket 69kV Holmes Mill	-	0	443	-	-	-	-	-	-	-	-	-	-
123372	Lebanon East Sbstn - 427	-	-	223	30	-	-	-	-	-	-	-	-	-
123576	GARRARD CO HIGH SCHOOL RELO	-	(78)	78	-	-	-	-	-	-	-	-	-	-
123577	ALEX CREEK EKPC TAP UNIT T-041	-	3	(3)	-	-	-	-	-	-	-	-	-	-
123625	Louden Ave-Haefling Hwy Relo	-	-	159	(138)	(20)	-	-	-	-	-	-	-	-
123626	Corning Glass	-	-	(6)	6	-	-	-	-	-	-	-	-	-
123627	Bardstown Industrial 69kV Tap	-	-	93	7	-	-	-	-	-	-	-	-	-
123638	Parkers Mill Tap	-	-	204	41	-	-	-	-	-	-	-	-	-
123666	Bryant Rd 69 KV Tap	-	-	40	9	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
123679	RELOC HWY60 BYPASS PROJ	-	-	20	(17)	(11)	-	-	-	-	-	-	-	-
123703	INST RIVER VIEW COAL 69 TAP	-	-	63	2	21	-	-	-	-	-	-	-	-
123741	Cynthiana Bypass HWY Relo	-	-	-	-	-	0	-	-	-	-	-	-	-
123743	Haefling 714-Innovation Dr	-	-	38	66	-	-	-	-	-	-	-	-	-
123749	Innovation Drive 138kV Tap	-	-	256	270	-	-	-	-	-	-	-	-	-
123752	Air Liquide 138kV Addition	-	-	59	(58)	-	-	-	-	-	-	-	-	-
123817	Compliance Docum. Software	-	-	60	-	-	-	-	-	-	-	-	-	-
123818	Install New Analog Backup RTU	-	-	55	-	-	-	-	-	-	-	-	-	-
123830	Bond-St Paul & VACty-ClinchRiv	-	-	21	(49)	-	-	-	-	-	-	-	-	-
124158	*US 27 Highway relocation	-	-	10	(10)	-	-	-	-	-	-	-	-	-
124291	Dow Corn W - Carltn 138kv	-	-	79	571	-	-	-	-	-	-	-	-	-
124349	PVL-161-69kV, 150 MVA tran rpl	-	-	0	1,375	145	31	-	-	-	-	-	-	-
124457	INST ARMSTR DOCK 69 TAP	-	-	75	(71)	(2)	-	-	-	-	-	-	-	-
124460	Fawkes 69kV Brkr Repl	-	-	189	(4)	-	-	-	-	-	-	-	-	-
124461	KBR09-FAWKES	-	-	39	224	68	-	-	-	-	-	-	-	-
124494	*GRPP-604 Armsrtg Doc	-	-	8	(28)	2	-	-	-	-	-	-	-	-
124551	ASPEN SOFTWARE PURCHASE	-	-	46	7	-	-	-	-	-	-	-	-	-
124594	POWER LINE METERS -COMPLIANCE	-	-	9	-	-	-	-	-	-	-	-	-	-
124629	Carrollton- Metal 69kV	-	-	51	106	-	-	-	-	-	-	-	-	-
124754	896-624 Relays	-	-	16	-	-	-	-	-	-	-	-	-	-
124755	196-614 Line Diff Relay	-	-	8	10	-	-	-	-	-	-	-	-	-
124756	896-604 Relays	-	-	12	0	-	-	-	-	-	-	-	-	-
124757	664-604 Line Diff Relay	-	-	8	11	-	-	-	-	-	-	-	-	-
124760	152-704 Line Diff Relay	-	-	9	3	-	-	-	-	-	-	-	-	-
124761	152-784 Line Diff Relay	-	-	9	0	-	-	-	-	-	-	-	-	-
124762	227-704 Line Diff Relay	-	-	9	0	-	-	-	-	-	-	-	-	-
124763	227-714 Line Diff Relay	-	-	9	0	-	-	-	-	-	-	-	-	-
124764	117-754 Line Diff Relay	-	-	9	0	-	-	-	-	-	-	-	-	-
124765	117-764 Line Diff Relay	-	-	9	5	-	-	-	-	-	-	-	-	-
124766	896-634 Relays	-	-	12	0	-	-	-	-	-	-	-	-	-
124779	Shelbyville to Simpsonville	-	-	372	504	-	-	-	-	-	-	-	-	-
124895	Higby Mill- 69kV	-	-	230	143	-	-	-	-	-	-	-	-	-
124910	072-814 Carrier	-	-	-	-	-	-	-	-	-	-	-	-	-
124911	072-804 Carrier	-	-	-	-	-	-	-	-	-	-	-	-	-
124912	071-608 Carrier	-	-	-	-	-	-	-	-	-	-	-	-	-
124913	032-814 Carrier	-	-	10	-	-	-	-	-	-	-	-	-	-
124914	032-804 Carrier	-	-	10	-	-	-	-	-	-	-	-	-	-
124918	UK Med Relay Comm Upgrade	-	-	18	2	-	-	-	-	-	-	-	-	-
124919	Amer. Ave Relay Comm Upgrade	-	-	15	0	-	-	-	-	-	-	-	-	-
124920	Higby Mill Relay Comm Upgrade	-	-	18	0	-	-	-	-	-	-	-	-	-
124921	066-684 Relays	-	-	9	3	-	-	-	-	-	-	-	-	-
124934	RCKY BR-POCKET 69K CAWD STR86	-	-	-	(35)	1	1	0	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
125028	Brown North - Tyrone 138kV	-	-	-	-	54	2,431	(4)	-	-	-	-	-	-
125044	Delvinta- 600A metering CT	-	-	4	(4)	-	-	-	-	-	-	-	-	-
125045	138kV breaker- Lake Reba Tap	-	-	-	182	(10)	-	-	-	-	-	-	-	-
125051	Install 138kV bkr- Rodburn	-	-	-	173	(0)	-	-	-	-	-	-	-	-
125060	Install 161kV bkr-Pineville Sw	-	-	-	142	66	-	-	-	-	-	-	-	-
125062	Higby Mill 138/69 112 MVA	-	-	-	1,159	548	(3)	-	-	-	-	-	-	-
125068	Replace disk & swtch-Lancaster	-	-	-	-	11	-	-	-	-	-	-	-	-
125070	Etown Switches Replacement	-	-	-	-	59	0	-	-	-	-	-	-	-
125079	DFR Study	-	-	-	388	244	(4)	-	-	-	-	-	-	-
125080	KCA09-Carrier Repl Project	-	-	-	441	2	-	-	-	-	-	-	-	-
125260	Farley replace breaker 628	-	-	-	65	5	-	-	-	-	-	-	-	-
125288	Lexmark 6MVAR Cap Bank- REFUND	-	-	(59)	-	-	-	-	-	-	-	-	-	-
125583	EMS Redund- Telecom Exp- KU	-	-	-	-	349	1	-	-	-	-	-	-	-
125676	AVON North 69 KV Tap	-	-	-	16	270	-	-	-	-	-	-	-	-
125677	*MEREDITH 138 KV TAP	-	-	-	-	-	-	-	2	-	-	-	-	-
125694	Race St Relay Comm Upgrade	-	-	2	1	-	-	-	-	-	-	-	-	-
125698	Lake Reba Tap RTU Install	-	-	6	27	-	-	-	-	-	-	-	-	-
125700	KRT09-FARLEY RTU	-	-	-	56	1	-	-	-	-	-	-	-	-
125725	Artemus RTU Install	-	-	1	45	-	-	-	-	-	-	-	-	-
125729	KRT09-096ElihuRTU	-	-	-	56	-	-	-	-	-	-	-	-	-
125741	Blackboard Application- KU	-	-	10	-	-	-	-	-	-	-	-	-	-
125743	Dix Dam Network UG- KU	-	-	43	-	-	-	-	-	-	-	-	-	-
125744	Lake Reba 163- BGAD 138kV Line	-	-	-	-	0	166	(4)	-	-	-	-	-	-
125746	DOE-Paducah- Replace RTU	-	-	12	1	-	-	-	-	-	-	-	-	-
125747	Duke- Fairview- Replace RTU	-	-	5	0	-	-	-	-	-	-	-	-	-
125748	EKP-Taylor Co REA- Install RTU	-	-	-	0	6	4	-	-	-	-	-	-	-
125789	BrownN 924/934 DCUB-Rx Carrier	-	-	10	-	-	-	-	-	-	-	-	-	-
125790	American Ave 704 Carrier Repl	-	-	10	-	-	-	-	-	-	-	-	-	-
125791	W Lexington 714 Carrier Repl	-	-	10	-	-	-	-	-	-	-	-	-	-
125805	Replace Ohio Co 69kV DB PTs	-	-	-	25	-	-	-	-	-	-	-	-	-
125806	Replace Harlan Y 161kV PTs	-	-	-	43	-	-	-	-	-	-	-	-	-
125826	RET MAD SOUTH 69 TAP	-	-	-	1	25	-	-	-	-	-	-	-	-
125856	Norton 34.5kV	-	-	-	-	-	-	-	-	-	-	-	-	-
125898	Central Hardin 138kV Loop	-	-	-	7	(7)	-	-	-	-	-	-	-	-
125934	INST EQUALITY TAP 69	-	-	-	0	-	-	-	-	-	-	-	-	-
125945	KBR09-DowCornWBkr708	-	-	-	110	(51)	-	-	-	-	-	-	-	-
125946	KBR09-DowCornWBkr718	-	-	-	110	1	-	-	-	-	-	-	-	-
125947	KBR09-GrRvrStlBkr724	-	-	-	114	-	-	-	-	-	-	-	-	-
125948	KBR09-GrnRvrBkr788	-	-	-	109	-	-	-	-	-	-	-	-	-
125949	KBR09-TyroneBkr714	-	-	-	111	-	-	-	-	-	-	-	-	-
125950	KBR09-TyroneBkr724	-	-	-	102	-	-	-	-	-	-	-	-	-
125956	KCA09-POCKETRELAYS	-	-	-	-	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
125959	KRT09-223CarntownRTU	-	-	-	66	-	-	-	-	-	-	-	-	-
125961	KBR09-DowCornWBkr704	-	-	-	114	2	-	-	-	-	-	-	-	-
125962	KBR09-DowCornWBkr714	-	-	-	101	1	-	-	-	-	-	-	-	-
125963	KBR09-ReplGhentBkr708	-	-	-	133	-	-	-	-	-	-	-	-	-
125968	KTU09-BrownNorthReactors	-	-	-	28	416	12	-	-	-	-	-	-	-
125970	*KTU09-W Garrard 345kV	-	-	-	(0)	-	-	-	-	-	-	-	-	-
125971	KCA09-B North-Alcalde	-	-	-	113	199	(35)	-	-	-	-	-	-	-
125988	KR09-S Paducah Control House	-	-	-	732	66	(34)	-	-	-	-	-	-	-
125992	ARNLD EVRTS 69KV TOTZ TAP	-	-	-	5	459	-	-	-	-	-	-	-	-
125995	Grahamville-Coleman Rd. 161kV	-	-	-	1,600	212	-	-	-	-	-	-	-	-
125996	Grahamville-DOE 161kV Line	-	-	-	84	285	2,001	458	-	-	(48)	-	-	-
126035	KMPA Princeton 161KV Tap	-	-	-	0	-	-	-	-	-	-	-	-	-
126049	Pad Coleman Rd 161KV Tap	-	-	-	-	(0)	-	-	-	-	-	-	-	-
126114	KCA09-HZReplacement	-	-	-	200	37	-	-	-	-	-	-	-	-
126159	KTU09-Pineville69kVUpgrade	-	-	-	53	75	-	-	-	-	-	-	-	-
126164	KTU09-CenHardin	-	-	-	3	(3)	-	-	-	-	-	-	-	-
126180	*KMPASubstation	-	-	-	771	1,327	1,251	627	29	(0)	-	-	-	-
126318	SV FRQ Source	-	-	-	2	-	-	-	-	-	-	-	-	-
126321	Higby Mill Reconfig	-	-	-	150	572	-	-	-	-	-	-	-	-
126322	Ghent Sub BKR 944 Replacement	-	-	-	342	6	-	-	-	-	-	-	-	-
126329	BOONESBORO 12KV	-	-	-	-	186	-	-	-	-	-	-	-	-
126414	*Kenton-744 Terminal Upgrade	-	-	-	49	9	-	-	-	-	-	-	-	-
126492	Dix Map Bd & Vid Wall	-	-	-	34	-	-	-	-	-	-	-	-	-
126569	002-Wofford RTURepl	-	-	-	23	26	17	-	-	-	-	-	-	-
126570	051-Pittsburg RTURepla	-	-	-	1	33	0	-	-	-	-	-	-	-
126768	W.Lexington-Bkr Upgrade	-	-	-	-	130	80	-	-	-	-	-	-	-
126773	West Cliff Rebuild	-	-	-	-	81	2,591	194	5	-	-	-	-	-
126774	Danville Breakers	-	-	-	-	137	99	-	-	-	-	-	-	-
126783	Meredith	-	-	-	-	-	-	-	0	1	-	-	-	-
126784	Central Hardin	-	-	-	-	-	0	(0)	0	(0)	-	-	-	-
126785	Work Mgmt / FRP software	-	-	-	-	1,655	919	(29)	-	-	-	-	-	-
126786	SEL Software for event viewing	-	-	-	-	17	-	-	-	-	-	-	-	-
126788	DGA Oil Analyzer	-	-	-	-	99	-	-	-	-	-	-	-	-
126790	Higby Mill Brk Replacement	-	-	-	-	814	0	-	-	-	-	-	-	-
126794	Inst 69kv/54.0MVA Capactr FMC	-	-	-	-	401	15	-	-	-	-	-	-	-
126795	69k/21.6MVAR Nich City Sub	-	-	-	-	174	145	90	(44)	-	-	-	-	-
126796	36MVA Capctr-Rogersville 69kV	-	-	-	-	233	47	-	38	-	-	-	-	-
126797	Replace 600A Bkr Shelbyville	-	-	-	14	11	-	-	-	-	-	-	-	-
126799	Boonesboro-N 1200A Bkr 213-608	-	-	-	-	-	-	91	6	-	-	-	-	-
126803	Draw DT/Enhance AutoCAD-KU	-	-	-	-	-	32	129	0	-	-	-	-	-
127063	Bdstown Ind Thermal Upgrd	-	-	-	-	144	(2)	-	-	(0)	-	-	-	-
127064	KY-St Hosp-Dville Thrml Upgrd	-	-	-	-	147	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
127068	Hume Road Tap	-	-	-	-	-	-	-	947	72	16	-	-	-
127071	Paris-Millersburg Hwy Relo	-	-	-	-	-	-	-	765	473	6	-	-	-
127072	Lockport - Shadrck P2	-	-	-	-	208	-	-	-	-	-	-	-	-
127080	Green Rv Plant-Erlngton 69k	-	-	-	-	689	669	-	-	-	-	-	-	-
127142	Openview.NET- KU	-	-	-	-	-	171	14	-	-	-	-	-	-
127148	KU 2011	-	-	-	-	-	40	-	-	-	-	-	-	-
127160	161-161KV XFORMER BKR	-	-	-	25	135	-	-	-	-	-	-	-	-
127161	161-161KV BUS TIE SWITCH	-	-	-	89	1	147	-	-	-	-	-	-	-
127162	161-Control House	-	-	-	-	556	55	-	-	-	-	-	-	-
127234	PV-345-Panels	-	-	-	85	230	(10)	-	-	-	-	-	-	-
127235	131-LivingCo-Mat	-	-	-	37	23	-	-	-	-	-	-	-	-
127260	TC2 Temporary Workaround	-	-	-	2,674	3,280	(547)	-	-	-	-	-	-	-
127281	Tyrone Supv Cont	-	-	-	39	-	-	-	-	-	-	-	-	-
127286	GHENT BKR 946 IN	-	-	-	53	40	149	-	-	-	-	-	-	-
127298	RplWFrkT286Xfrmr	-	-	-	(9)	-	-	-	-	-	-	-	-	-
127350	Open Composite Upgrade KU	-	-	-	-	7	-	-	-	-	-	-	-	-
127355	PinevilleEqpRM	-	-	-	-	35	-	-	-	-	-	-	-	-
127372	ADAMS-SCOTT CO 69KV PARAMETERS	-	-	-	-	299	24	-	-	-	-	-	-	-
127394	KBR10-E-Town69kV	-	-	-	-	226	-	-	-	-	-	-	-	-
127395	KBR10-GrnRver009	-	-	-	-	281	1	-	-	-	-	-	-	-
127405	Versailles Bypass Capacitor	-	-	-	-	300	23	-	-	-	-	-	-	-
127444	ScottCo69kVBrkrs	-	-	-	-	486	(1)	-	-	-	-	-	-	-
127456	Grahamville Bus Tie Breaker	-	-	-	-	273	(37)	-	-	-	-	-	-	-
127462	OXFORDSUB#2TAP	-	-	-	-	64	5	-	-	-	-	-	-	-
127500	NAS - Dow Corning West OPGW	-	-	-	-	426	92	-	-	-	-	-	-	-
127508	PDS/TEST LAN KU	-	-	-	-	11	-	-	-	-	-	-	-	-
127512	RICH 2 SUB 4KV TO 12KV	-	-	-	-	-	232	-	-	-	-	-	-	-
127546	238-RemoteEndsWrk	-	-	-	-	136	43	85	0	-	-	-	-	-
127549	FALLS Software Purchase	-	-	-	-	48	25	-	-	-	-	-	-	-
127556	ARNDORCSTR-RODA	-	-	-	-	15	3	-	-	-	-	-	-	-
127606	Warsaw East Capacitor Bank	-	-	-	-	163	(107)	(55)	-	-	-	-	-	-
127644	LivingstonCo-KYDam Fiber Upgr	-	-	-	-	410	109	2	-	-	-	-	-	-
130011	Ghent Switch Replacement	-	-	-	-	330	119	101	-	-	-	-	-	-
130474	Rineyville Tap 69kV	-	-	-	-	-	34	116	-	-	-	-	-	-
130619	Toyota South-Toyota North OPGW	-	-	-	-	54	233	116	-	-	-	-	-	-
130620	Scott County - Adams OPGW	-	-	-	-	276	224	(3)	0	-	-	-	-	-
130621	Adams - Toyota South OPGW	-	-	-	-	233	18	-	-	-	-	-	-	-
130631	DAVIESS CO Station Backup	-	-	-	-	26	24	-	-	-	-	-	-	-
130639	131-StationServiceTransUpgr	-	-	-	-	38	22	-	-	-	-	-	-	-
130895	Ghent 345kV Brkr Repl	-	-	-	-	7	1,579	2,118	296	136	-	-	-	-
131144	CLARK CO HIGH RELOCATION	-	-	-	-	(235)	235	-	-	-	-	-	-	-
131259	Joyland Upgrade	-	-	-	-	-	261	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
131273	FAWKES-OKONITE 69KV RECON	-	-	-	-	-	479	-	-	-	-	-	-	-
131274	OHIO CO - MEREDITH 138 KV	-	-	-	-	-	3,364	60	2	-	-	-	-	-
131279	Elihu-Ferguson South 69kv	-	-	-	-	-	-	416	409	(9)	-	-	-	-
131306	NESC Upgrades-2011	-	-	-	-	-	100	-	-	-	-	-	-	-
131308	FMC Sub Fencing	-	-	-	-	-	32	-	-	-	-	-	-	-
131315	Repl Brkr 192-688 at Pineville	-	-	-	-	-	89	1	-	-	-	-	-	-
131319	Repl Brkr 178-718 at Hardin Co	-	-	-	-	-	101	76	6	-	-	-	-	-
131321	Stanford N 19.8 MVAr 69kV Cap	-	-	-	-	-	173	125	32	-	-	-	-	-
131322	Mt. Vernon Cap Bank	-	-	-	-	-	138	170	85	-	-	-	-	-
131325	Scott Co 27.0 MVAr 69kV Cap	-	-	-	-	-	236	5	-	-	-	-	-	-
131327	W. Frankfort 36.0MVAr 69kV Cap	-	-	-	-	-	287	-	-	-	-	-	-	-
131329	Danville N 42.0MVAr 69kv Cap	-	-	-	-	-	258	6	-	-	-	-	-	-
131338	Ghent 345kV Control House	-	-	-	-	-	-	-	-	-	550	2,388	176	1,663
131350	Tyrone Control House	-	-	-	-	-	-	-	-	-	957	1,597	-	986
131354	Cascade Phase II - KU	-	-	-	-	-	-	123	250	42	-	-	-	-
131355	Ghent Redesign 138kV Sub	-	-	-	-	-	-	-	-	-	-	212	1,065	502
131385	225-604 Breaker Replacement	-	-	-	-	72	1	-	-	-	-	-	-	-
131390	Millersburg BKR Replacements	-	-	-	-	208	314	(0)	-	-	-	-	-	-
131809	KU-2013	-	-	-	-	-	-	-	483	445	12	(12)	-	(0)
131859	KU-2015	-	-	-	-	-	-	-	-	-	162	-	-	-
131861	KU-2016	-	-	-	-	-	-	-	-	-	-	140	-	331
131864	KU-2017	-	-	-	-	-	-	-	-	-	-	-	599	-
131865	KU-2018	-	-	-	-	-	-	-	-	-	-	-	539	-
132086	Farmers 175-608 Rplc	-	-	-	-	59	12	-	-	-	-	-	-	-
132098	Simpsonville Switch Gear KU	-	-	-	-	94	1	-	-	-	-	-	-	-
132240	GPS RTK ROVER PURCHASE-KU	-	-	-	-	-	30	-	-	-	-	-	-	-
132370	Extend the OATI T1 to Dix Dam	-	-	-	-	5	-	-	-	-	-	-	-	-
132610	PowerBase - KU	-	-	-	-	-	416	-	-	-	-	-	-	-
132644	HARDIN CO-DAVIESS CO	-	-	-	-	-	226	8	-	-	-	-	-	-
132674	KU Park Control House	-	-	-	-	-	-	-	-	-	1,541	1,105	-	917
132732	QAS for EMS KU	-	-	-	-	-	316	(4)	-	-	-	-	-	-
132859	HARDIN CO-BROWN N.	-	-	-	-	-	242	12	-	-	-	-	-	-
132865	OXFORD COAL MINE TAP	-	-	-	-	-	177	-	-	-	-	(224)	-	(224)
132867	KU	-	-	-	-	-	-	202	(77)	-	-	-	-	-
132879	ADVENT 69KV TAP	-	-	-	-	-	181	-	-	-	-	-	-	-
132889	EMS CC Switchover - KU	-	-	-	-	-	1,360	930	23	(13)	-	-	-	-
132902	Rpl 211-345/138-161kV	-	-	-	-	-	370	48	-	-	-	-	-	-
133116	UK WEST #2 69KV	-	-	-	-	-	-	180	-	-	-	-	-	-
133306	NERCALRT-OH CO-GRP	-	-	-	-	-	-	96	445	17	-	-	-	-
133318	NERCALRT-DWCNW-CRLTN	-	-	-	-	-	-	139	12	(6)	-	-	-	-
133319	NERCALRT-CRLTN-E FFT	-	-	-	-	-	-	-	-	1,475	603	-	-	-
133320	NERCALRT-GHNT-W LEX	-	-	-	-	-	-	3	578	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
133321	NERCALRT-RGRVL-HDNCO	-	-	-	-	-	-	-	69	-	-	-	-	-
133361	NERCALRT-BNVL-OH CO	-	-	-	-	-	219	1,752	(30)	-	-	-	-	-
133365	NERCALRT-DNVL N TAP	-	-	-	-	-	91	0	-	-	-	-	-	-
133377	NERCALRT-FWKS-CLRKCO	-	-	-	-	-	-	113	-	-	-	-	-	-
133379	NERCALRT-SPCRD-CLRKC	-	-	-	-	-	26	71	36	-	-	-	-	-
133910	NERCALRT-PNVL-FRLY	-	-	-	-	-	-	2,346	12	-	-	-	-	-
133917	NERCALRT-ARTMS TAP	-	-	-	-	-	86	26	-	-	-	-	-	-
133924	NERCALRT-PNVL-HRLN	-	-	-	-	-	2,288	59	-	-	-	-	-	-
133934	NERCALRT-DRHTR-ARND2	-	-	-	-	-	-	104	-	-	-	-	-	-
133973	NERCALRT-HRLN-ARNLD	-	-	-	-	-	-	441	-	-	-	-	-	-
134057	NERCALRT-DLVTA-ARNLD	-	-	-	-	-	-	-	1,743	(1)	-	-	-	-
134058	NERCALRT-ERLN-LVGSTN	-	-	-	-	-	-	-	1,170	1,898	44	-	-	-
134060	NERCALRT-DRCSTR-PK N	-	-	-	-	-	-	-	-	-	-	-	-	-
134061	NERCALRT-DRCSTR-PKN1	-	-	-	-	-	-	-	-	-	-	-	-	-
134062	NERCALRT-LKRBA-DLVTA	-	-	-	-	-	-	-	-	1,210	153	-	-	-
134076	58.5MVAr 69kV Cap-EarlingtonN	-	-	-	-	-	-	284	105	2	-	-	-	-
134080	138/69kV Adams Xfrmr	-	-	-	-	-	377	637	661	(12)	-	-	-	-
134189	TRI K LNDFL RELO	-	-	-	-	-	-	(0)	0	-	-	-	-	-
134190	EKP CPR PLT RELO	-	-	-	-	-	-	-	-	-	-	0	-	0
134213	BLACK BRANCH 345KV	-	-	-	-	-	66	499	(0)	-	-	-	-	-
134221	NERCALRT-RDBRN-SPRRD	-	-	-	-	-	-	-	167	273	-	-	-	-
134222	NERCALRT-LBNON-BNVL	-	-	-	-	-	-	-	-	2,571	(13)	-	-	-
134223	NERCALRT-ADMS-TYRN	-	-	-	-	-	-	-	430	-	-	-	-	-
134237	DSP LEX AREA MAJOR PROJECTS	-	-	-	-	-	-	-	-	-	91	412	-	369
134245	DSP STNWL SUB UPGD	-	-	-	-	-	-	-	-	-	-	-	564	-
134256	DSP VERSAILLES SUB	-	-	-	-	-	-	-	-	-	-	-	1,223	-
134278	NERCALRT-BWN-LBANON	-	-	-	-	-	-	-	1,057	(12)	-	-	-	-
134279	NERCALRT-ETWN-BDSTWN	-	-	-	-	-	-	-	-	291	-	-	-	-
134283	BNDS MILL-FNCHVLLE STAT REPL	-	-	-	-	-	-	-	-	-	977	482	-	177
134284	SR 2016 Bonds Mill-Finchville	-	-	-	-	-	-	-	-	-	-	1,269	-	876
134407	REPLACE SIMP VIDEO WALL-KU	-	-	-	-	-	-	-	-	-	483	-	-	-
134665	Back-up Trans Control Ctr KU	-	-	-	-	-	-	77	25	(102)	-	-	-	-
135361	REL LEXPLNT-PISGH 69RBLD	-	-	-	-	-	-	-	-	-	-	957	-	2,697
135429	ETWN-ETWN#4 69	-	-	-	-	-	-	348	(7)	-	-	-	-	-
135431	SHLBYVL-SHLBYVL E 69	-	-	-	-	-	-	278	480	5	-	-	-	-
135433	TEP-Add 345kV Brkr to W Lex	-	-	-	-	-	-	-	-	-	962	100	-	1
135481	River Queen Xfrmr	-	-	-	-	-	427	207	-	-	-	-	-	-
135491	54.0 MVAr 69kV Cap - Green R	-	-	-	-	-	-	187	171	2	-	-	-	-
135531	13.2 MVAr 69kV Cap - Newtown	-	-	-	-	-	-	-	5	3	-	-	-	-
135625	Matanzas Sub Upgrade	-	-	-	-	-	5	7,099	4,925	38	8	(192)	-	(195)
135626	Matanzas Line Upgrades	-	-	-	-	-	-	110	371	2	-	-	-	-
135629	12.0 MVAr 69kV Cap - Uniontown	-	-	-	-	-	-	310	210	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
135644	MicroSCADA Generation KU	-	-	-	-	-	13	4	-	-	-	-	-	-
135784	LIVERMORE 34.5KV TAP	-	-	-	-	-	40	22	10	-	-	-	-	-
135813	Trans Operator Log Sys-KU	-	-	-	-	-	103	-	-	-	-	-	-	-
135832	ELIHU-SWLTN STAT REP	-	-	-	-	-	-	2,842	17	-	-	-	-	-
135920	Corning Sub Upgrade	-	-	-	-	-	-	-	2,053	458	-	-	-	-
135928	NERCALRT-AMERAV-HFLG	-	-	-	-	-	-	92	-	6	-	-	-	-
135995	LREBA-WACO69P2	-	-	-	-	-	-	392	-	-	-	-	-	-
136152	CORNING UPGD-LINES	-	-	-	-	-	-	-	186	302	-	-	-	-
136172	AP-SADE-KU	-	-	-	-	-	-	101	(0)	-	-	-	-	-
136531	TransOpLog II - KU	-	-	-	-	-	-	60	27	-	-	-	-	-
137502	JAD COAL-LAND	-	-	-	-	-	-	1,687	(45)	-	-	-	-	-
137728	SR 2017 Bonds Mill-West Cliff	-	-	-	-	-	-	-	-	-	-	3	677	-
137733	JONESVILLE EKP TAP-REIM	-	-	-	-	-	-	-	-	-	(0)	-	-	-
137735	PAINT LICK HWY-REIM	-	-	-	-	-	-	-	-	-	-	-	-	-
137737	TOYOTA STRUCTURE IMPROVEMENTS	-	-	-	-	-	-	-	576	-	-	-	-	-
137738	HWY 641 RELO	-	-	-	-	-	-	-	-	-	-	0	-	0
137739	REL ONTON 69KV SWITCH	-	-	-	-	-	-	-	-	-	-	-	264	-
137744	HARDIN CO SMITH 345KV P1	-	-	-	-	-	-	-	595	473	1	-	-	-
137745	PR HARDIN CO SMITH 345KV P2	-	-	-	-	-	-	-	-	-	1,330	3,589	-	1,996
137749	DSP SHELBYVILLE E-TRANS	-	-	-	-	-	-	-	-	-	-	263	-	358
137750	DSP MT VERNON SUB-TRANS	-	-	-	-	-	-	-	-	-	-	-	133	-
137751	DSP VILEY 2-TRANS	-	-	-	-	-	-	-	-	-	-	-	752	-
137752	DSP Richmond North 138kV	-	-	-	-	-	-	-	-	-	-	-	886	-
137754	DSP HUME RD PHASE II TRANSFRMR	-	-	-	-	-	-	-	-	-	-	-	1,002	-
137773	TRODS - KU	-	-	-	-	-	-	-	32	6	-	-	-	-
138420	Cane Run 345kV Xfrmr - KU	-	-	-	-	-	-	863	(860)	(5)	-	-	-	-
138692	TWR LGHTNG-KU	-	-	-	-	-	-	-	329	26	-	-	-	-
138727	GRST 728 OMU Brkr Rpl	-	-	-	-	-	-	-	108	-	-	-	-	-
138743	NEWTOWN PK 69KV SW REP	-	-	-	-	-	-	517	(103)	-	-	-	-	-
138829	Cane Run Control House-KU	-	-	-	-	-	-	1	(1)	-	-	-	-	-
138842	Grn Rvr Plnt-Hllsd 69kV Relo	-	-	-	-	-	-	-	-	-	-	-	48	-
138897	PDCAH PRI-CLMN RD-STATIC REPL	-	-	-	-	-	-	124	563	(2)	48	-	-	-
139002	Linux Identity Manager - KU	-	-	-	-	-	-	5	3	-	-	-	-	-
139190	PINEVILLE-POCKET N. RECLAIM	-	-	-	-	-	-	-	237	-	-	-	-	-
139210	Ghent Control House	-	-	-	-	-	-	-	557	263	(2)	-	-	-
139256	NERCALRT-E.F-W.F 138KV	-	-	-	-	-	-	-	810	1,618	(5)	-	-	-
139505	Bonds Mill 69kV Brkr Add	-	-	-	-	-	-	-	2	(2)	2	-	-	-
139549	CARDINAL#2 METER RELO	-	-	-	-	-	-	-	166	8	-	-	-	-
139557	GRST 714 & 718 Brkr Rpls	-	-	-	-	-	-	-	694	-	-	-	-	-
139657	Mapboard Upgrade-KU-2013	-	-	-	-	-	-	-	65	2	-	-	-	-
139696	LEX UNDRGD-PHASE 1	-	-	-	-	-	-	-	-	-	-	-	6,368	-
139701	NERCALRT-INVTN-ADMS	-	-	-	-	-	-	-	344	935	0	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
139743	PLN-ELHU-BRNSD69	-	-	-	-	-	-	-	-	67	-	-	-	-
139744	TEP-RQ-GRNVL-W-TAP69	-	-	-	-	-	-	-	-	487	88	-	-	-
139748	PLN-MDSNVLGE-MDSNVLW	-	-	-	-	-	-	-	-	25	-	-	-	-
139751	PLN-VIRG-CTY-STPAUL	-	-	-	-	-	-	-	-	18	-	-	-	-
139753	PLN-MDSNVL-HSPTL-TAP	-	-	-	-	-	-	-	-	174	-	-	-	-
139860	PLN-SCOTT-ST-TAP	-	-	-	-	-	-	-	303	128	-	-	-	-
139906	TEP-Morganfield 161kV Brkr Add	-	-	-	-	-	-	-	-	-	141	126	-	145
139979	TEP-FARLEY-US STEEL 69kV	-	-	-	-	-	-	-	-	164	1,445	333	-	322
139996	TEP-ALCLDE-ELHU	-	-	-	-	-	-	-	-	1,532	199	(2)	-	(8)
140018	Dix Upgrade KU 2014	-	-	-	-	-	-	-	-	187	-	69	-	69
140278	PLN-NEBO-PRVIDNC-E	-	-	-	-	-	-	-	233	34	-	-	-	-
140279	RCHMND2-RCHMND	-	-	-	-	-	-	-	-	527	26	-	-	-
140280	TEP-BOND-VIRGINIACTY	-	-	-	-	-	-	-	-	-	-	-	-	-
140973	GRST 624 Brkr Rpl	-	-	-	-	-	-	-	323	-	-	-	-	-
141222	EMS AIRGAP SVRS-2013-KU	-	-	-	-	-	-	-	53	2	-	-	-	-
141394	Green River 884 Brkr Failure	-	-	-	-	-	-	-	1,018	68	0	1	-	-
142371	JAD COAL RELOCATION	-	-	-	-	-	-	-	-	278	-	-	-	-
142401	TEP-CMPGD-EMNUEL-TP	-	-	-	-	-	-	-	-	-	-	77	-	78
142474	EARL-N-NEBO-69KV	-	-	-	-	-	-	-	603	32	-	-	-	-
142799	IPS Device for QAS-KU-2013	-	-	-	-	-	-	-	19	-	3	-	-	-
142935	ONTON-SEBREE	-	-	-	-	-	-	-	-	322	-	-	-	-
142936	OHIO-CO-HARTFORD	-	-	-	-	-	-	-	-	359	-	-	-	-
142937	BIMBLE-ARTEMUS	-	-	-	-	-	-	-	-	347	-	-	-	-
142938	EAST-F-WEST-F-69KV	-	-	-	-	-	-	-	-	289	-	-	-	-
142945	Load Model Power Sys Stab-KU	-	-	-	-	-	-	-	-	24	-	-	-	-
142965	WALKER-OAKHILL 69KV-REIM	-	-	-	-	-	-	-	-	0	1	-	-	-
143027	Sunburst-KU	-	-	-	-	-	-	-	38	0	-	-	-	-
143174	Replace Ghent 942 Breaker	-	-	-	-	-	-	-	-	382	11	-	-	-
143175	Replace Brown N 932 Breaker	-	-	-	-	-	-	-	-	252	-	-	-	-
143336	Green River 5 Engineering	-	-	-	-	-	-	-	-	0	(0)	-	-	-
143356	US 60-KY 4 INTRCHNG HWY RELO	-	-	-	-	-	-	-	-	0	(0)	-	-	-
143539	Upgrade DIX V-Wall_2014_KU	-	-	-	-	-	-	-	-	63	-	-	-	-
143746	Pineville Grounding	-	-	-	-	-	-	-	-	678	29	-	-	-
144061	REL TUNNELL HILL SWITCH	-	-	-	-	-	-	-	-	-	-	60	-	276
144112	BACKUP CC V_WALL RPLC-KU-2016	-	-	-	-	-	-	-	-	-	-	38	-	45
144118	GR 69kV Control House Rpl	-	-	-	-	-	-	-	-	-	-	43	3,464	-
144129	Rpl Dix Dam 604 & 624 Brkrs	-	-	-	-	-	-	-	-	-	199	8	-	0
144140	Rpl (3) Leitchfield Brkrs	-	-	-	-	-	-	-	-	-	4	426	-	351
144141	Rpl (1) 138kV Ohio Co Brkr	-	-	-	-	-	-	-	-	-	190	0	-	3
144143	Rpl Toyota South 714 Brkr	-	-	-	-	-	-	-	-	-	-	198	-	233
144150	Rpl Middlesboro Fence	-	-	-	-	-	-	-	-	-	75	3	-	0
144152	Rpl Green River 69kV Fence	-	-	-	-	-	-	-	-	-	100	8	-	1

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
144153	Rpl River Queen Fence	-	-	-	-	-	-	-	-	-	73	-	-	-
144154	Rpl Simmons Fence	-	-	-	-	-	-	-	-	-	47	-	-	-
144155	Rpl Clinton Fence	-	-	-	-	-	-	-	-	-	71	2	-	-
144157	Rpl Marion Fence	-	-	-	-	-	-	-	-	-	44	-	-	-
144158	Rpl East Frankfort Fence	-	-	-	-	-	-	-	-	-	165	(50)	-	(18)
144310	SCOTT CO-TOYOTA NORTH OPGW	-	-	-	-	-	-	-	-	489	33	-	-	-
144338	Brown North	-	-	-	-	-	-	-	-	-	-	1,302	-	1,780
144360	REL-Madisonville 604 Brkr Add	-	-	-	-	-	-	-	-	-	469	(94)	-	(103)
144364	REL-Parkers Mill 604 Brkr Adds	-	-	-	-	-	-	-	-	-	1,980	(97)	-	6
144366	REL-Warsaw 604 Brkr Addition	-	-	-	-	-	-	-	-	-	632	19	-	(1)
144488	TEP-Rodburn 138/69kV Xfrmr	-	-	-	-	-	-	-	-	-	-	-	1,730	-
144632	REL-Cawood 604 Brkr Addition	-	-	-	-	-	-	-	-	-	-	60	95	96
144634	REL-FMC 604 Brkr Addition	-	-	-	-	-	-	-	-	-	-	-	108	-
144636	REL-Stanford 604 Brkr Add	-	-	-	-	-	-	-	-	-	-	42	717	96
144637	REL-Camargo 604 Brkr Add	-	-	-	-	-	-	-	-	-	-	41	95	96
144682	TEP-DFR Replace MODs-KU	-	-	-	-	-	-	-	-	-	445	(7)	-	11
144962	REL-Farley/Artemus/Pine Panels	-	-	-	-	-	-	-	-	-	-	366	-	424
144964	REL HUME ROAD MOS	-	-	-	-	-	-	-	-	-	56	-	-	-
144970	REL BARTON MOS	-	-	-	-	-	-	-	-	-	-	35	-	286
146439	Higby Mill Firewall	-	-	-	-	-	-	-	-	-	34	80	-	73
146457	Livingston County Reactor	-	-	-	-	-	-	-	-	-	566	(1)	-	-
146679	LOCKPORT-SHADRACK 138KV	-	-	-	-	-	-	-	-	-	1,220	-	-	-
146701	NRP CRLTN-CLFTY CRK	-	-	-	-	-	-	-	-	-	295	-	-	-
146702	NRP FARLEY-ALCALDE	-	-	-	-	-	-	-	-	-	453	125	-	109
146703	LVNGSTN CO-CRTTNDN P2	-	-	-	-	-	-	-	-	-	852	-	-	-
146704	NRP LVNGSTN-CRITTDN CO	-	-	-	-	-	-	-	-	-	292	-	-	-
146705	HARDIN CO-CLOVERPORT P2	-	-	-	-	-	-	-	-	-	2,435	-	-	-
146706	GRAHAMVILLE-WICKLIFFE P2	-	-	-	-	-	-	-	-	-	727	(1)	-	(1)
146710	NRP BROWN-FAWKES 138KV	-	-	-	-	-	-	-	-	-	1,091	(2)	-	0
146731	W. Frankfort 69kV Brk (Reimb)	-	-	-	-	-	-	-	-	-	2	(2)	-	0
146855	SPIR BROWN NORTH-HIGBY MILL	-	-	-	-	-	-	-	-	-	22	-	-	-
146856	SPIR WEST CLIFF-BROWN PLANT	-	-	-	-	-	-	-	-	-	9	-	-	-
146858	SPIR GHENT-NAS	-	-	-	-	-	-	-	-	-	10	(10)	-	-
146925	Online Mon Equip - W. Lex	-	-	-	-	-	-	-	-	-	127	2	-	20
146941	LEBANON EAST TRNSFRMR ADD	-	-	-	-	-	-	-	-	-	-	39	-	38
146982	PR Ghent-Blackwell 138kV	-	-	-	-	-	-	-	-	-	-	1,194	-	1,492
146983	NRP GHENT-BLACKWELL 138kV	-	-	-	-	-	-	-	-	-	-	110	-	150
146984	NRP BLACKWELL-KENTON 138kV	-	-	-	-	-	-	-	-	-	-	119	-	192
146997	HIGBY MILL-KY RIVER P2	-	-	-	-	-	-	-	-	-	1,034	37	-	10
147130	NRP KENTON-RODBURN 138kV	-	-	-	-	-	-	-	-	-	529	728	-	558
147131	PR Kenton-Rodburn 138kV	-	-	-	-	-	-	-	-	-	388	351	-	200
147159	Rpl Danville N 604 & 608 Brkrs	-	-	-	-	-	-	-	-	-	113	98	-	69

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
147161	Rpl Taylor County 804 Brkr	-	-	-	-	-	-	-	-	-	55	95	-	104
147162	Rpl Harlan Wye 614 Breaker	-	-	-	-	-	-	-	-	-	152	26	-	23
147217	TEP-W. Cliff-Shakertown Term	-	-	-	-	-	-	-	-	-	-	15	-	35
147218	TEP-Brown Subs Term Eqp	-	-	-	-	-	-	-	-	-	-	57	-	42
147219	TEP-Hardinsburg-B. Branch Term	-	-	-	-	-	-	-	-	-	-	-	228	-
147220	TEP-Bonds M.-Lawrenceburg Term	-	-	-	-	-	-	-	-	-	-	-	21	-
147222	TEP-Elihu 814 Brkr Rpl	-	-	-	-	-	-	-	-	-	-	-	189	-
147225	TEP-Hardinsburg-B.Branch Term2	-	-	-	-	-	-	-	-	-	-	-	143	-
147226	TEP-Boyle Co 604 Disconnects	-	-	-	-	-	-	-	-	-	-	-	38	-
147233	Wheatcroft 614 Brkr Rpl	-	-	-	-	-	-	-	-	-	154	28	-	23
147241	TEP Corydon-Highland Mine 69kV	-	-	-	-	-	-	-	-	-	-	309	-	291
147255	TEP HARDESTY A-PRINCETON	-	-	-	-	-	-	-	-	-	-	-	1,673	-
147286	PR Spencer Road-Clark Co 69kV	-	-	-	-	-	-	-	-	-	-	599	-	721
147307	Delvinta Station Service Rpl	-	-	-	-	-	-	-	-	-	-	-	-	64
147310	E. Frankfort Station Svc Rpl	-	-	-	-	-	-	-	-	-	-	-	-	50
147311	Bond Station Service Rpl	-	-	-	-	-	-	-	-	-	-	-	-	-
147313	PR Bardstown-Elizabethtown	-	-	-	-	-	-	-	-	-	-	2,263	-	2,768
147314	Brown North Surge Arrester Rpl	-	-	-	-	-	-	-	-	-	-	-	-	32
147315	PR Lebanon-Springfield	-	-	-	-	-	-	-	-	-	-	415	-	523
147331	Taylor Co Surge Arrester Rpl	-	-	-	-	-	-	-	-	-	-	-	-	9
147334	PR London-Sweet Hollow 69kV	-	-	-	-	-	-	-	-	-	-	2,626	-	3,328
147335	PR Green Rvr Plnt-Morganfield	-	-	-	-	-	-	-	-	-	-	1,818	-	2,406
147341	Walker Bushings	-	-	-	-	-	-	-	-	-	-	61	-	34
147344	Dorchester Bushings	-	-	-	-	-	-	-	-	-	-	-	-	-
147345	Earlington North Bushings	-	-	-	-	-	-	-	-	-	-	74	-	50
147360	Tyrone Ground Grid	-	-	-	-	-	-	-	-	-	-	303	-	132
147389	NRP Pocket No-Phipps Bend	-	-	-	-	-	-	-	-	-	-	-	-	-
147392	Brown CT Breaker Monitors	-	-	-	-	-	-	-	-	-	-	-	-	85
147450	NRP Brown North-Hardin Co	-	-	-	-	-	-	-	-	-	-	276	-	277
147461	NRP Grn Rvr Plnt-Grn Rvr Steel	-	-	-	-	-	-	-	-	-	-	129	-	129
147463	NRP Grn Rvr Steel-Cloverport	-	-	-	-	-	-	-	-	-	-	286	-	308
147465	NRP Livingston-So Paducah	-	-	-	-	-	-	-	-	-	-	447	-	673
147466	NRP Crittenden-Morganfield	-	-	-	-	-	-	-	-	-	-	31	-	19
147467	NRP Grn Rvr Plnt-Erlngton No	-	-	-	-	-	-	-	-	-	-	682	-	732
147468	NRP West Lex-Haefling	-	-	-	-	-	-	-	-	-	-	-	201	-
147472	NRP Paducah Prim-Coleman Rd	-	-	-	-	-	-	-	-	-	-	-	515	-
147473	NRP Cloverport-Hardinsburg	-	-	-	-	-	-	-	-	-	-	230	-	150
147474	NRP Hrdnsburg-Cen Hrdn EKPC	-	-	-	-	-	-	-	-	-	-	28	-	65
147478	NRP GR Plant-Morganfield	-	-	-	-	-	-	-	-	-	-	807	-	1,263
147480	REL Esserville Switch	-	-	-	-	-	-	-	-	-	-	-	-	-
147481	REL Kenton Switch 91-6	-	-	-	-	-	-	-	-	-	-	-	326	-
147486	REL Dwina Switch	-	-	-	-	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
147493	REL Hamblin Tap Switch	-	-	-	-	-	-	-	-	-	-	-	331	-
147534	REL Radcliff Switch	-	-	-	-	-	-	-	-	-	-	197	-	173
147583	EFRNKFRT-WFRNKFRT HWY RELO	-	-	-	-	-	-	-	-	-	-	-	1,027	-
147588	GRAHAMVILLE-DOE RELO 161kV	-	-	-	-	-	-	-	-	-	-	-	466	-
147818	SPIR Projects KU 2016-2025	-	-	-	-	-	-	-	-	-	-	-	773	-
148119	TEP-Haefling Line Riser Rpl	-	-	-	-	-	-	-	-	-	-	-	43	-
148196	Rpl Brown North 912 Breaker	-	-	-	-	-	-	-	-	-	461	(23)	-	0
148370	REL-Hoover 604 Breaker Add	-	-	-	-	-	-	-	-	-	-	128	95	96
148371	REL-Earlington 604 Brkr Add	-	-	-	-	-	-	-	-	-	-	41	717	96
148388	REL Hughes Lane MOS	-	-	-	-	-	-	-	-	-	-	80	-	146
148482	Grahamville DOE Sub Elim	-	-	-	-	-	-	-	-	-	-	-	240	-
148644	Rpl Brown North 924 Breaker	-	-	-	-	-	-	-	-	-	445	(1)	-	1
148990	N.A.S 345 DFR	-	-	-	-	-	-	-	-	-	-	-	79	-
149026	NERCALRT PNVL SW STN-PNVL TVA	-	-	-	-	-	-	-	-	-	-	291	-	374
149027	TEP-KU DFR 2016	-	-	-	-	-	-	-	-	-	-	336	-	462
149050	Rpl (2) Indian Hill 69kV Brkrs	-	-	-	-	-	-	-	-	-	253	8	-	5
149167	Rpl (2) 69kV Ohio Co Brkrs	-	-	-	-	-	-	-	-	-	203	1	-	-
149368	E-Town Cap Bank Rpl	-	-	-	-	-	-	-	-	-	177	114	-	104
149705	TEP-W Lex Reactor Additions	-	-	-	-	-	-	-	-	-	-	251	95	455
149764	NRP Adams-Toyota South	-	-	-	-	-	-	-	-	-	-	-	560	-
149765	NRP Ghent-Scott County	-	-	-	-	-	-	-	-	-	-	-	374	-
149769	NRP Taylor County Tap	-	-	-	-	-	-	-	-	-	-	-	140	-
149783	PR Princeton-Crittenden Co	-	-	-	-	-	-	-	-	-	1,248	15	-	14
149939	Replacment SF6 Camera	-	-	-	-	-	-	-	-	-	120	-	-	-
150114	SIMP CIRCUIT UPDATE-KU-2015	-	-	-	-	-	-	-	-	-	7	-	-	-
150217	Parkers Mill Land Purchase	-	-	-	-	-	-	-	-	-	0	9	-	-
150238	Walker OCB Kit Install	-	-	-	-	-	-	-	-	-	9	-	-	13
150241	River Queen OCB Kit Install	-	-	-	-	-	-	-	-	-	11	(0)	-	13
150242	Danville N OCB Kit Install	-	-	-	-	-	-	-	-	-	11	(0)	-	-
150243	W Irvine OCB Kit Install	-	-	-	-	-	-	-	-	-	28	-	-	-
150244	W Frankfort OCB Kit Install	-	-	-	-	-	-	-	-	-	11	(0)	-	13
150245	Tyrone OCB Kit Install	-	-	-	-	-	-	-	-	-	6	8	-	13
150246	Rodburn OCB Kit Install	-	-	-	-	-	-	-	-	-	10	13	-	13
150247	Middlesboro OCB Kit Install	-	-	-	-	-	-	-	-	-	9	-	-	-
150248	Lebanon OCB Kit Install	-	-	-	-	-	-	-	-	-	11	0	-	1
150249	Boonesboro N OCB Kit Install	-	-	-	-	-	-	-	-	-	11	(0)	-	13
150252	Leitchfield Sw OCB Kit Install	-	-	-	-	-	-	-	-	-	7	-	-	-
150253	Pocket OCB Kit Install	-	-	-	-	-	-	-	-	-	-	-	-	-
150257	Brown CT OCB Kit Install	-	-	-	-	-	-	-	-	-	7	-	-	13
150262	London OCB Kit Install	-	-	-	-	-	-	-	-	-	18	-	-	-
150268	Green River OCB Kit Install	-	-	-	-	-	-	-	-	-	30	-	-	26
150269	Lancaster SW OCB Kit Install	-	-	-	-	-	-	-	-	-	45	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
150270	Wheatcroft OCB Kit Install	-	-	-	-	-	-	-	-	-	15	(0)	-	13
150636	Middlesboro (5) Brkr Rpl	-	-	-	-	-	-	-	-	-	-	644	-	739
150642	KU Park Surge Arrestor/PT	-	-	-	-	-	-	-	-	-	-	185	-	191
150644	Ghent Redesign 138kV-P&C	-	-	-	-	-	-	-	-	-	-	314	874	494
150646	PR Livingston-South Paducah	-	-	-	-	-	-	-	-	-	-	691	-	956
150648	PR Green Rvr Steel-Cloverport	-	-	-	-	-	-	-	-	-	-	783	-	782
150652	PR Blackwell-Kenton	-	-	-	-	-	-	-	-	-	-	1,843	-	2,496
150687	PR Pocket-Pennington Gap	-	-	-	-	-	-	-	-	-	-	-	-	-
150729	Lake Reba Tap Surge Arr Rpl	-	-	-	-	-	-	-	-	-	-	-	-	19
150730	Hardin Co Surge Arrester Rpl	-	-	-	-	-	-	-	-	-	-	-	-	16
150731	Hardinsburg 704 Brkr Overhaul	-	-	-	-	-	-	-	-	-	-	20	-	20
150733	Etown Insulator Rpl	-	-	-	-	-	-	-	-	-	-	220	-	399
150741	Fawkes Ground Grid Rpl	-	-	-	-	-	-	-	-	-	-	96	-	246
150743	36DSP West Hickman Expansion	-	-	-	-	-	-	-	-	-	-	284	-	431
150754	Alcalde Station Service	-	-	-	-	-	-	-	-	-	-	48	-	4
150772	Pineville 345kV Brkrs	-	-	-	-	-	-	-	-	-	-	927	-	1,203
150791	NRP Ghent-NAS 345kV Tap	-	-	-	-	-	-	-	-	-	-	121	-	143
150793	PR Adams-Penn 69kV	-	-	-	-	-	-	-	-	-	-	495	-	490
150802	EKP Long Lick Tap	-	-	-	-	-	-	-	-	-	-	1	-	-
150805	OATI Software Change - KU	-	-	-	-	-	-	-	-	-	-	21	-	43
150838	NRP Brown CT-Brown North	-	-	-	-	-	-	-	-	-	-	319	-	328
150841	PR Ghent-Scott County	-	-	-	-	-	-	-	-	-	-	3,335	-	5,693
150842	Princeton-Walker 69kV LTG	-	-	-	-	-	-	-	-	-	-	480	-	679
150844	REL Madisonville Loop MOS	-	-	-	-	-	-	-	-	-	-	222	-	273
150845	REL-Madisonville Loop-Subs	-	-	-	-	-	-	-	-	-	-	3	-	10
150846	REL-Madisonville Loop-P&C	-	-	-	-	-	-	-	-	-	-	125	-	186
150847	Green River Steel Switch	-	-	-	-	-	-	-	-	-	-	163	-	221
150876	Dorchester 602 Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	-	-	-
150877	Wofford 602 Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	13	-	24
150878	Elihu 644 Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	10	-	24
150885	Diverse Comm 117-122	-	-	-	-	-	-	-	-	-	-	(0)	-	12
150930	Pineville OCB Overhaul	-	-	-	-	-	-	-	-	-	-	29	-	45
151112	Kenton Relay Rpl	-	-	-	-	-	-	-	-	-	-	65	-	111
151177	TEP-Hardin Co Xfmr Add	-	-	-	-	-	-	-	-	-	-	499	2,185	258
151197	Dorchester OCB Overhaul	-	-	-	-	-	-	-	-	-	-	-	-	-
151465	Mobile Control House	-	-	-	-	-	-	-	-	-	-	-	17	-
151468	West Cliff Monitor	-	-	-	-	-	-	-	-	-	-	42	-	119
151469	Lake Reba Tap Monitor	-	-	-	-	-	-	-	-	-	-	56	-	123
151474	Hardin Co Xfmr Fan Rpl	-	-	-	-	-	-	-	-	-	-	12	-	13
151554	PR Hardinsburg-C Hardin EKPC	-	-	-	-	-	-	-	-	-	-	993	-	1,169
151599	Rocky Branch 614 Panel Rpl	-	-	-	-	-	-	-	-	-	-	-	-	143
151692	ESR Eddyville Tap	-	-	-	-	-	-	-	-	-	-	-	280	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
151744	REL-Campbellsville 605 Switch	-	-	-	-	-	-	-	-	-	-	-	233	-
151745	REL-Warsaw 615 Switch Motor	-	-	-	-	-	-	-	-	-	-	-	233	-
151746	REL-Hodgenville Switch Motor	-	-	-	-	-	-	-	-	-	-	-	204	-
151748	KU Park-Greasy Env Mods	-	-	-	-	-	-	-	-	-	-	-	31	-
151761	Fawkes Firewall/Cap Bank	-	-	-	-	-	-	-	-	-	-	6	53	285
151771	DSP Corbin US Steel	-	-	-	-	-	-	-	-	-	-	-	95	-
151775	Hillside Control House	-	-	-	-	-	-	-	-	-	-	-	23	-
151777	Finchville Control House	-	-	-	-	-	-	-	-	-	-	-	1,085	95
151792	REL Radcliff MOS	-	-	-	-	-	-	-	-	-	-	-	93	-
151793	REL Esserville MOS	-	-	-	-	-	-	-	-	-	-	-	-	-
151794	REL Elizabethtown Tap MOS	-	-	-	-	-	-	-	-	-	-	-	560	-
151796	REL Joyland 69kV MOS	-	-	-	-	-	-	-	-	-	-	-	-	94
151797	REL Campbellsville Ind MOS	-	-	-	-	-	-	-	-	-	-	-	-	70
151800	REL Elizabethtown 4 MOS	-	-	-	-	-	-	-	-	-	-	-	472	-
151801	REL Dayhoit Tap MOS	-	-	-	-	-	-	-	-	-	-	-	95	-
151802	REL Dayhoit Tap LFI	-	-	-	-	-	-	-	-	-	-	-	24	-
151803	REL Corydon-Calhoun LFI	-	-	-	-	-	-	-	-	-	-	-	9	-
151804	REL Morehead West MOS	-	-	-	-	-	-	-	-	-	-	-	71	-
151809	TEP-Rodburn 138/69kV-P&C	-	-	-	-	-	-	-	-	-	-	-	256	-
151811	REL-Rockwell Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	25	-
151814	REL-Stanford 848-635	-	-	-	-	-	-	-	-	-	-	-	19	-
151815	REL-Somerset N 92-605 Motor	-	-	-	-	-	-	-	-	-	-	-	140	-
151880	ESR Existing Switch Repl	-	-	-	-	-	-	-	-	-	-	-	826	-
151898	West Frankfort Relay Rpl	-	-	-	-	-	-	-	-	-	-	96	-	120
151905	Green River Plant Switch Rpl	-	-	-	-	-	-	-	-	-	-	90	-	44
152134	REL-Radcliff Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	191	-
152135	REL-GE Lamp 615 Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	25	-
152136	REL-Esserville Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	-	-
152138	REL-Irvine Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	25	-
152139	REL-Hughes Lane 660-615 Auto	-	-	-	-	-	-	-	-	-	-	-	191	-
152140	REL-Etown 4 811-615 Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	165	-
152141	PBR-Lynch 69kV Brkr Rpl	-	-	-	-	-	-	-	-	-	-	170	-	-
152143	REL-Corbin 1 844-605 Auto	-	-	-	-	-	-	-	-	-	-	-	165	-
152145	PBR-Salem 69kV Brkr Rpl	-	-	-	-	-	-	-	-	-	-	42	-	-
152146	REL-Mt Sterling 737-615 Auto	-	-	-	-	-	-	-	-	-	-	-	165	-
152147	PBR-Ohio County 69kV Brkr Rpl	-	-	-	-	-	-	-	-	-	-	42	-	-
152148	PBR-Sweet Hollow 69kV Brkr Rpl	-	-	-	-	-	-	-	-	-	-	127	-	-
152151	PBR-West Irvine 69kV Brkr Rpl	-	-	-	-	-	-	-	-	-	-	42	-	-
152225	Brown N 345kV 934 Brkr Rpl	-	-	-	-	-	-	-	-	-	-	208	50	191
152230	PBU-Wickliffe T01 Bush Rpl	-	-	-	-	-	-	-	-	-	-	41	-	46
152231	POR-Shelbyville 69kV PT Rpl	-	-	-	-	-	-	-	-	-	-	144	-	62
152237	PAR-W. Frankfort Arrester Rpl	-	-	-	-	-	-	-	-	-	-	11	-	13

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
152266	SCADA PRIVATE NTWK_KU_2016	-	-	-	-	-	-	-	-	-	-	43	-	35
152329	N.A.S. Secondary Containment	-	-	-	-	-	-	-	-	-	-	77	-	124
152358	TEP-Hardin Co Xfmr Add-P&C	-	-	-	-	-	-	-	-	-	-	-	164	158
152401	Green River C&P/Switch Rpl	-	-	-	-	-	-	-	-	-	-	-	291	267
152608	TEP-Matanzas-Wilson Riser Rpl	-	-	-	-	-	-	-	-	-	-	29	-	31
152623	West Lexington #3 Bushing Rpl	-	-	-	-	-	-	-	-	-	-	25	-	19
152971	Earlington N 634 Brkr Overhaul	-	-	-	-	-	-	-	-	-	-	3	-	29
152972	PGDP Reconfig GV	-	-	-	-	-	-	-	-	-	-	-	57	-
152983	Bonds Mill Relay Rpl	-	-	-	-	-	-	-	-	-	-	32	-	76
153026	Green River SPCC	-	-	-	-	-	-	-	-	-	-	59	-	239
153030	REL Line Mod-In Line Breakers	-	-	-	-	-	-	-	-	-	-	-	161	-
153036	Brown Campus Sonet Loop	-	-	-	-	-	-	-	-	-	-	-	-	115
153068	REL Lebanon S Motor Add	-	-	-	-	-	-	-	-	-	-	-	96	-
153073	REL Cynthiana S MOS 569-605	-	-	-	-	-	-	-	-	-	-	-	72	-
153076	REL Girdler MOS Add	-	-	-	-	-	-	-	-	-	-	-	96	-
153116	POR-Pisgah PT Rpl	-	-	-	-	-	-	-	-	-	-	5	-	16
153205	American Ave 614 Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	25	-	30
153212	PIN-Grahamville 834 Switch Rpl	-	-	-	-	-	-	-	-	-	-	99	-	107
153230	POR-Lansdowne Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	59	-	30
153232	POR-Loudon 644 Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	10	-	30
153256	PBU-Haefling 718-4 Bushing Rpl	-	-	-	-	-	-	-	-	-	-	25	-	18
153284	ROR-London Bird Deterrent	-	-	-	-	-	-	-	-	-	-	3	-	7
153338	POR-Elihu Winding Gauge Rpl	-	-	-	-	-	-	-	-	-	-	22	-	-
153347	PR Clinton-South Paducah	-	-	-	-	-	-	-	-	-	-	5	-	-
153349	PR Leitchfield-Stephensburg	-	-	-	-	-	-	-	-	-	-	347	-	-
153351	PR Adams-Millersburg	-	-	-	-	-	-	-	-	-	-	46	-	-
153363	PR Indian Hill-Ohio County	-	-	-	-	-	-	-	-	-	-	273	-	-
153420	RFN-Adams Fence Rpl	-	-	-	-	-	-	-	-	-	-	125	-	-
153496	KU	-	-	-	-	-	-	-	-	-	-	87	-	-
153535	PAR-Shelbyville Arrester Rpl	-	-	-	-	-	-	-	-	-	-	57	-	-
153559	FBR-Ghent 926 Brkr Rpl	-	-	-	-	-	-	-	-	-	-	39	-	-
153563	PFN-Wickliffe Xfmr Fan Rpl	-	-	-	-	-	-	-	-	-	-	7	-	-
153668	PBR-Bardstown Sw 69kV Brkr Rpl	-	-	-	-	-	-	-	-	-	-	23	-	-
153706	FTR-Earlington N Xfmr Rpl	-	-	-	-	-	-	-	-	-	-	369	-	-
153727	KU	-	-	-	-	-	-	-	-	-	-	32	-	-
153729	KU	-	-	-	-	-	-	-	-	-	-	20	-	-
153785	FTR Loudon Spare Xfmr- BG T01	-	-	-	-	-	-	-	-	-	-	(1,069)	-	-
22537	KENTON 708 & 718 BKR CHG	(0)	-	-	-	-	-	-	-	-	-	-	-	-
24014	WINCHESTER RD HWY RELOC	-	6	-	-	-	-	-	-	-	-	-	-	-
25180	HIG-LEX 69KV LINE RELOC	-	8	-	-	-	-	-	-	-	-	-	-	-
25195	LEX-PARIS 69 KV HWY 25	-	-	36	-	-	-	-	-	-	-	-	-	-
25765	LEITCHFIELD LINE TO WRECC	-	(0)	-	-	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Jurisdictional Capital Expenditures
$'000s

Project Number	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Base Period	Test Period
Specific Total		**8,274**	**33,950**	**29,777**	**26,538**	**29,744**	**25,952**	**29,207**	**24,858**	**19,811**	**28,112**	**45,986**	**38,595**	**54,394**
Grand Total		**15,065**	**40,818**	**37,525**	**48,664**	**42,807**	**42,512**	**50,121**	**44,227**	**36,226**	**48,686**	**64,182**	**100,580**	**72,731**

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
Routine	111446	KT Misc Capital Expenditures	11	565	941	(138)	-	-	-	-	-	-	-	-
	111446-08	KT Misc CapEx 2008	-	-	338	333	(22)	-	-	-	-	-	-	-
	117319	SPCC Mods - KU Transmission	102	358	1,011	544	25	-	-	-	-	-	-	-
	119657	EMS Consolidation - KU	129	-	-	-	-	-	-	-	-	-	-	-
	119953	2005 computer purchases - KU	3	-	-	-	-	-	-	-	-	-	-	-
	120849	2005 KU RTU purchases	-	-	-	(18)	-	-	-	-	-	-	-	-
	121428	2006 Computer Purchase KU	16	-	-	-	-	-	-	-	-	-	-	-
	121488	Firewalls for EMS-KU	31	-	-	-	-	-	-	-	-	-	-	-
	121494	Monarch Lite - KU	56	(16)	-	-	-	-	-	-	-	-	-	-
	122221	Replace Dix Dam Roof	142	-	-	-	-	-	-	-	-	-	-	-
	122524	Breaker Replacements-KU	-	-	-	-	2	(2)	-	-	-	-	-	-
	122527	2007 RTU Purchases-KU	-	115	6	-	-	-	-	-	-	-	-	-
	122556	OSI EMS Wrkstn Upgrade	6	-	-	-	-	-	-	-	-	-	-	-
	122651	Battery Replacement 2007	-	73	21	-	-	-	-	-	-	-	-	-
	122752	Open Java Server	-	9	-	-	-	-	-	-	-	-	-	-
	122753	Install OSI Upgrade-KU 2007	-	55	-	-	-	-	-	-	-	-	-	-
	123410	Purchase PC Substation	-	3	0	-	-	-	-	-	-	-	-	-
	123650	Routine EMS - KU	-	-	11	14	-	-	-	-	-	-	-	-
	123654	Critical Spare 161/69 Xfrmr	-	-	20	887	42	-	-	-	-	-	-	-
	123655	Critical Spare 138/69 Xfrmr	-	-	368	525	79	-	-	-	-	-	-	-
	123799	OpenFEP Database Expansion	-	-	14	-	-	-	-	-	-	-	-	-
	124455	Spare Breakers	-	-	114	-	-	-	-	-	-	-	-	-
	124580	Comp-related equip- KU 2011	-	-	17	13	43	8	(6)	-	-	-	-	-
	125577	09 EMS Database Expansion- KU	-	-	127	-	-	-	-	-	-	-	-	-
	125596	08 EMS Servers & Oracle UG- KU	-	-	21	31	-	-	-	-	-	-	-	-
	125597	10 EMS Servers & Oracle UG- KU	-	-	-	-	176	87	-	-	-	-	-	-
	125837	Spare PTs- KU	-	-	-	62	12	-	-	-	-	-	-	-
	125955	KR09-Surge-Arrest-Rep	-	-	-	115	2	-	-	-	-	-	-	-
	126000	KR09-BATTERIES	-	-	-	71	16	-	-	-	-	-	-	-
	126033	Instrument Purchase	-	-	-	20	-	-	-	-	-	-	-	-
	126038	Cntrl Ctr. Add. Office Space	-	-	-	2	-	-	-	-	-	-	-	-
	126555	EMS Wkstation & Monitors KU 20	-	-	-	63	-	-	-	-	-	-	-	-
	126776	Relay Replacements-2010	-	-	-	-	649	2	-	-	-	-	-	-
	126779	Surge Arrestors - KU-2011	-	-	-	-	112	(1)	-	-	-	-	-	-
	126780	Batteries - KU-2010	-	-	-	-	98	13	-	-	-	-	-	-
	126781	Station Srvce Transfrmr-2010	-	-	-	-	173	17	-	-	-	-	-	-
	126782	Instrument Xfrmr Rplment-2010	-	-	-	-	129	0	-	-	-	-	-	-
	126787	Test Bench	-	-	-	-	24	13	-	-	-	-	-	-
	127140	High Spd Historic Arch- KU	-	-	-	-	-	-	-	146	-	-	-	-
	127255	EMS Software Upgrade- KU	-	-	-	4	-	-	-	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	127342	Ops Engineering Wrkstation- KU	-	-	-	-	5	-	-	-	-	-	-	-
	127350	Open Composite Upgrade KU	-	-	-	-	7	-	-	-	-	-	-	-
	127463	SV Conf. Table- KU	-	-	-	-	7	-	-	-	-	-	-	-
	127564	Simpsonville Ofc Furniture KU	-	-	-	-	2	-	-	-	-	-	-	-
	127568	Domain Controller - KU	-	-	-	-	4	-	-	-	-	-	-	-
	127571	DMZ Servers - KU	-	-	-	-	21	-	-	-	-	-	-	-
	130064	SV Bookcases KU	-	-	-	-	3	-	-	-	-	-	-	-
	130604	2010 Workstation Upgrade	-	-	-	-	114	-	-	-	-	-	-	-
	131336	500kV Brkr Replacements-2011	-	-	-	-	-	974	3	-	-	-	-	-
	131757	500kV Brkr Replacements-2012	-	-	-	-	-	-	639	1,351	1	-	-	-
	131785	Comp-related equip-KU 2012	-	-	-	-	-	-	60	(0)	-	-	-	-
	131786	Comp-related equip-KU 2013	-	-	-	-	-	-	-	27	4	-	-	-
	131790	Fiber Upgrades 2013	-	-	-	-	-	-	-	260	2	-	-	-
	131791	161/138kV Spare Xfrmr 2013	-	-	-	-	-	-	386	1,185	(106)	0	-	-
	131964	Tools - 2011	-	-	-	-	-	149	-	-	-	-	-	-
	131965	KU Test Equipment - 2013	-	-	-	-	-	-	-	55	50	-	-	-
	132213	-DIX DAM GENERATOR	-	-	-	-	123	12	-	-	-	-	-	-
	132217	Digital Commun Channels EMS KU	-	-	-	-	77	-	-	-	-	-	-	-
	132302	EMS Firewalls KU	-	-	-	-	30	-	-	-	-	-	-	-
	132372	138/69kV Spare Xfrmr-2011	-	-	-	-	-	1,214	5	-	-	-	-	-
	132489	Dix Dam AC Replacement	-	-	-	-	-	4	-	-	-	-	-	-
	132615	COMP-2011	-	-	-	-	-	48	7	-	-	-	-	-
	132681	Dix Dam Boiler	-	-	-	-	-	7	4	-	-	-	-	-
	132697	Dix Ctrl Console Expansion KU	-	-	-	-	-	11	-	-	-	-	-	-
	132871	138/69kV Spare Xfrmr-2012	-	-	-	-	-	693	586	-	-	-	-	-
	132885	Spare 345/138-161kV Xfrmr	-	-	-	-	-	1,415	1,517	241	0	-	-	-
	133175	3rd Floor Remodel KU	-	-	-	-	-	33	-	-	-	-	-	-
	133509	Sville Remodel - KU	-	-	-	-	-	48	2	-	-	-	-	-
	134197	KU Test Equipment - 2012	-	-	-	-	-	-	58	(5)	-	-	-	-
	134211	138/69kV Spare Xfrmr-2013	-	-	-	-	-	-	340	920	(1,239)	-	-	-
	134285	COMP-RELATED EQUIP-KU 2014	-	-	-	-	-	-	-	-	54	2	-	-
	134286	COMP-RELATED EQUIP-KU 2015	-	-	-	-	-	-	-	-	-	77	-	-
	134380	161/69kV Spare Xfrmr	-	-	-	-	-	-	-	409	1,051	6	-	-
	134412	UPGRADE EMS SOFTWARE KU	-	-	-	-	-	-	51	81	-	-	-	-
	134751	8 New EMS Workstations KU	-	-	-	-	-	39	1	0	-	-	-	-
	134797	Tools - 2015	-	-	-	-	-	-	-	-	-	3	-	-
	134888	SV Drainage Issue KU	-	-	-	-	-	95	(4)	-	-	-	-	-
	135286	EMS Laptops KU	-	-	-	-	-	3	4	-	-	-	-	-
	135288	EMS Satellite Servers KU	-	-	-	-	-	31	3	-	-	-	-	-
	135855	EMS Backup Hware/Sware KU	-	-	-	-	-	23	93	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	136120	Computers-Reliability/Perf KU	-	-	-	-	-	-	8	-	-	-	-	-
	136196	EMS Workstations 2012 KU	-	-	-	-	-	-	36	(0)	-	-	-	-
	136310	System Operations Room 154 KU	-	-	-	-	-	-	8	(0)	-	-	-	-
	136528	Sville Videoconferencing KU	-	-	-	-	-	-	21	-	-	-	-	-
	137531	Fiber/Telecomm Upgrades - 2017	-	-	-	-	-	-	-	-	-	-	-	280
	137532	Fiber/Telecomm Upgrades - 2018	-	-	-	-	-	-	-	-	-	-	-	243
	137537	Tools - 2017	-	-	-	-	-	-	-	-	-	-	-	19
	137571	ROUTINE EMS-KU 2017	-	-	-	-	-	-	-	-	-	-	-	15
	137730	COMP-RELATED EQUIP-KU 2017	-	-	-	-	-	-	-	-	-	-	13	39
	137731	COMP-RELATED EQUIP-KU 2018	-	-	-	-	-	-	-	-	-	-	-	39
	138785	BOC Remodel - KU	-	-	-	-	-	-	5	-	-	-	-	-
	138853	Control Center Chairs - KU	-	-	-	-	-	-	12	-	-	-	-	-
	138962	TranServ License Fees-KU	-	-	-	-	-	-	-	80	-	-	-	-
	139022	EMS Operator Monitor-KU-2012	-	-	-	-	-	-	15	6	-	-	-	-
	139158	2013 DIX Battery Replace-KU	-	-	-	-	-	-	-	6	-	-	-	-
	139486	Oce Plotwave Printer-KU	-	-	-	-	-	-	-	4	1	-	-	-
	139627	Test Lab Equipment-2015-KU	-	-	-	-	-	-	-	-	-	14	-	-
	139628	Test Lab Equipment-2016-KU	-	-	-	-	-	-	-	-	-	-	127	-
	139629	Test Lab Equipment-2017-KU	-	-	-	-	-	-	-	-	-	-	-	120
	139630	Test Lab Equipment-2018-KU	-	-	-	-	-	-	-	-	-	-	-	104
	140059	EMS DBASE EXPANSION-KU-2018	-	-	-	-	-	-	-	-	-	-	-	196
	140070	DIGITAL EMS COM CHNLS-KU-2017	-	-	-	-	-	-	-	-	-	-	-	76
	140081	Upgrade EMS Software-KU-2014	-	-	-	-	-	-	-	-	332	(3)	-	-
	140092	EMS App Enhancements-KU-2015	-	-	-	-	-	-	-	-	-	17	-	-
	140098	EMS OPERATOR MONITORS-KU-2016	-	-	-	-	-	-	-	-	-	-	22	-
	140225	FULL UPGRD EMS SWARE-KU-2018	-	-	-	-	-	-	-	-	-	-	-	306
	142636	2013_EMS_Dbase_Expansion_KU	-	-	-	-	-	-	-	35	-	-	-	-
	142760	Rplce EMS Wkstations-KU-2013	-	-	-	-	-	-	-	121	53	-	12	-
	142762	ICCP Domain Cntrlrs-KU-2013	-	-	-	-	-	-	-	5	8	2	-	-
	142853	LOAD User Licenses-KU	-	-	-	-	-	-	-	29	-	-	-	-
	146072	Spare 138/69kV Xfrmr - 2014	-	-	-	-	-	-	-	-	304	719	-	-
	146105	Simpsonville Renovation-KU	-	-	-	-	-	-	-	-	16	-	-	-
	146993	OSI Database Expansion-KU	-	-	-	-	-	-	-	-	-	89	-	-
	147754	EMS DBASE EXPANSION-KU-2017	-	-	-	-	-	-	-	-	-	-	-	72
	147786	EMS APP ENHANCEMENTS-KU-2017	-	-	-	-	-	-	-	-	-	-	-	42
	148498	EMS CHNL EXPANSION-KU-2015	-	-	-	-	-	-	-	-	-	19	0	-
	149752	Simpsonville Guard Station-KU	-	-	-	-	-	-	-	-	-	13	-	-
	150095	FUL UPGRD EMS SWARE-KU-2016	-	-	-	-	-	-	-	-	-	64	178	-
	150131	Drafting Printer-KU	-	-	-	-	-	-	-	-	-	15	-	-
	150133	KUGO 3rd Floor Room 367	-	-	-	-	-	-	-	-	-	-	49	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	150305	BW Drafting Printer - KU	-	-	-	-	-	-	-	-	-	14	-	-
	150468	Comp-related Equip KU 2016	-	-	-	-	-	-	-	-	-	-	25	-
	150932	TL 2006 UTV Asset Retirement	-	-	-	-	-	-	-	-	-	-	(1)	-
	151104	KU Spare Relay Clocks-2016	-	-	-	-	-	-	-	-	-	-	8	-
	151754	KU Breaker Replacements	-	-	-	-	-	-	-	-	-	-	274	1,325
	151763	KU Coupling Capacitor Rpl	-	-	-	-	-	-	-	-	-	-	29	53
	151764	KU Fence Replacements	-	-	-	-	-	-	-	-	-	-	137	210
	151766	KU SST Additions	-	-	-	-	-	-	-	-	-	-	-	747
	151767	KU Transformer Bushing Rpl	-	-	-	-	-	-	-	-	-	-	-	118
	151897	Danville Drafting Plotter-KU	-	-	-	-	-	-	-	-	-	-	9	-
	152288	Capacitor Bank Test Set	-	-	-	-	-	-	-	-	-	-	11	-
	152613	KU Station Grounding	-	-	-	-	-	-	-	-	-	-	-	123
	152616	2017 Spare 345 Brk-KU	-	-	-	-	-	-	-	-	-	-	-	600
	152619	KU Spare Misc Equip	-	-	-	-	-	-	-	-	-	-	62	109
	152630	KU Cap and Pin Rpl	-	-	-	-	-	-	-	-	-	-	-	2,587
	152638	KU Online Monitoring Equipment	-	-	-	-	-	-	-	-	-	-	-	66
	153188	Etown Trans Sub Storeroom	-	-	-	-	-	-	-	-	-	-	300	-
	153279	ROR-KU SPARE CCVT-2016	-	-	-	-	-	-	-	-	-	-	34	-
	153370	Battery Replacements - KU	-	-	-	-	-	-	-	-	-	-	-	554
	153371	DFR Installations - KU	-	-	-	-	-	-	-	-	-	-	-	531
	153372	PLC Replacements - KU	-	-	-	-	-	-	-	-	-	-	-	964
	K5	RELOCATIONS TRANS LINES	159	470	(253)	7	4	-	-	-	-	-	-	-
	K5-2008	RELOCATIONS TRANS LINES 2008	-	-	(15)	91	(61)	-	-	-	-	-	-	-
	K5-2009	RELOCATIONS T LINES KU 2009	-	-	-	158	14	(4)	-	-	-	(0)	-	-
	K5-2010	RELOCATIONS T LINES KU 2010	-	-	-	-	33	(24)	(3)	-	-	-	-	-
	K5-2011	RELOCATIONS T LINES KU 2011	-	-	-	-	-	174	37	-	-	-	-	-
	K5-2012	RELOCATION T-LINES KU 2012	-	-	-	-	-	-	46	20	(0)	-	-	-
	K5-2013	RELOCATIONS T LINES KU	-	-	-	-	-	-	-	(2)	16	-	-	-
	K5-2014	Relocations T Lines-KU	-	-	-	-	-	-	-	-	-	6	-	-
	K5-2015	Relocations Trans Lines KU	-	-	-	-	-	-	-	-	-	(95)	-	-
	K5-2016	Relocations T Lines KU-	-	-	-	-	-	-	-	-	-	-	50	-
	K5-2017	Relocations T Lines KU 2017	-	-	-	-	-	-	-	-	-	-	5	32
	K5-2018	Relocations T Lines KU 2018	-	-	-	-	-	-	-	-	-	-	-	17
	K6	NEW FACILITIES TRANS LINE PWO	120	272	5	(75)	-	-	-	-	-	-	-	-
	K6-2008	NEW FACILITIES T-LINE PWO 2008	-	-	165	125	108	-	-	-	-	-	-	-
	K6-2009	NEW FACILITIES T-LINE KU 2009	-	-	-	654	(9)	(31)	-	-	-	-	-	-
	K6-2010	NEW FACILITIES T-LINE KU 2010	-	-	-	-	243	(129)	0	-	-	-	-	-
	K6-2011	NEW FACILITIES T-LINE KU 2011	-	-	-	-	-	122	(27)	(0)	-	-	-	-
	K6-2012	NEW FACILITIES T-LINES KU 2012	-	-	-	-	-	-	345	151	-	-	-	-
	K6-2013	NEW FACILITIES T-LINE KU 2013	-	-	-	-	-	-	-	136	(1)	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	K7	PARAMETER UPGRADE T LINE PWO	77	325	81	(200)	(18)	-	-	-	-	-	-	-
	K7-2008	PARAM UPGRADE T LINE PWO 2008	-	-	313	(161)	(21)	-	-	-	-	-	-	-
	K7-2009	PARAM UPGRADE T LINE KU 2009	-	-	-	68	(1)	-	-	-	-	-	-	-
	K7-2011	PARAM UPGRADE T LINE KU 2011	-	-	-	-	-	254	(2)	-	-	-	-	-
	K8	STORM DAMAGE T-LINE PWO	707	510	1,074	77	(1)	-	-	-	-	-	-	-
	K8-2008	STORM DAMAGE T-LINE PWO-2008	-	-	395	16	-	-	-	-	-	-	-	-
	K8-2009	STORM DAMAGE T-LINE KU 2009	-	-	-	17,079	218	-	-	-	-	-	-	-
	K8-2010	STORM DAMAGE T-LINE KU 2010	-	-	-	-	591	(7)	-	-	-	(0)	-	-
	K8-2011	STORM DAMAGE T-LINE KU 2011	-	-	-	-	-	1,219	(18)	-	-	-	-	-
	K8-2012	STORM DAMAGE T-LINE KU 2012	-	-	-	-	-	-	1,602	45	(8)	-	-	-
	K8-2013	STORM DAMAGE T-LINE KU 2013	-	-	-	-	-	-	-	1,281	212	4	-	-
	K8-2014	STORM DAMAGE T-LINE-KU 2014	-	-	-	-	-	-	-	-	1,074	86	(4)	-
	K8-2015	STORM DAMAGE T-LINE KU 2015	-	-	-	-	-	-	-	-	-	1,124	1	-
	K8-2016	STORM DAMAGE T-LINE KU 2016	-	-	-	-	-	-	-	-	-	-	905	-
	K8-2017	Storm Damage T-Line KU 2017	-	-	-	-	-	-	-	-	-	-	183	550
	K8-2018	Storm Damage T-Line KU 2018	-	-	-	-	-	-	-	-	-	-	-	566
	K9	PRIORITY REPL T-LINES PWO	5,858	4,635	2,202	(353)	(17)	6	(10)	-	-	-	-	-
	K9-2008	PRIORITY REPL T-LINES PWO 2008	-	-	1,506	727	-	-	-	-	-	-	-	-
	K9-2009	PRIORITY REPL T-LINES KU 2009	-	-	-	2,753	975	(6)	-	-	-	-	-	-
	K9-2010	PRIORITY REPL T-LINES KU 2010	-	-	-	-	6,084	160	(42)	(24)	(1)	0	-	-
	K9-2011	PRIORITY REPL T-LINES KU 2011	-	-	-	-	-	7,381	288	(19)	(47)	-	-	-
	K9-2012	PRIORITY REPL T-LINES KU 2012	-	-	-	-	-	-	8,506	1,332	(1,440)	0	-	-
	K9-2013	PRIORITY REPL T-LINES KU 2013	-	-	-	-	-	-	-	9,465	3,413	330	(559)	-
	K9-2014	PRIORITY REPL T-LINES-KU 2014	-	-	-	-	-	-	-	-	10,237	2,778	142	-
	K9-2015	PRIORITY REPL T-LINES KU 2015	-	-	-	-	-	-	-	-	-	10,696	870	-
	K9-2016	PRIORITY REPL T-LINES KU 2016	-	-	-	-	-	-	-	-	-	-	4,546	-
	K9-2017	Priority Repl T-Lines KU	-	-	-	-	-	-	-	-	-	-	2,999	14,475
	K9-2018	Priority Repl T-Lines KU 2018	-	-	-	-	-	-	-	-	-	-	-	18,778
	KARM-2015	PRIORITY REPL X-ARMS KU 2015	-	-	-	-	-	-	-	-	-	721	(11)	-
	KARM-2016	Priority Repl X-Arms KU 2016	-	-	-	-	-	-	-	-	-	-	1,959	-
	KARM-2017	Priority Repl X-Arms KU 2017	-	-	-	-	-	-	-	-	-	-	606	3,642
	KARM-2018	Priority Repl X-Arms KU 2018	-	-	-	-	-	-	-	-	-	-	-	2,800
	KARREST17	KU Arrester Replacements 2017	-	-	-	-	-	-	-	-	-	-	-	52
	KBATTRY11	Batteries KU-11	-	-	-	-	-	16	-	(5)	-	-	-	-
	KBATTRY12	Batteries KU-12	-	-	-	-	-	-	253	6	(1)	-	-	-
	KBATTRY13	Batteries KU-13	-	-	-	-	-	-	-	163	-	(7)	-	-
	KBR-10	KU Breaker Replacements-10	-	-	-	-	2,079	(1,840)	-	-	-	-	-	-
	KBR-11	KU Breaker Replacements-11	-	-	-	-	-	1,905	274	(707)	-	-	-	-
	KBR-12	KU Breaker Replacements-12	-	-	-	-	-	-	4,542	(164)	(27)	-	-	-
	KBR-13	KU Breaker Replacements-13	-	-	-	-	-	-	-	1,382	102	(6)	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	KBR-14	KU Breaker Replacements 2014	-	-	-	-	-	-	-	-	416	68	-	-
	KBRFAIL14	KU-Brkr Fail-2014	-	-	-	-	-	-	-	-	189	(19)	-	-
	KBRFAIL15	KU-Brkr Fail-2015	-	-	-	-	-	-	-	-	-	368	68	-
	KBRFAIL16	KU-Brkr Fail-2016	-	-	-	-	-	-	-	-	-	-	661	-
	KBRFAIL17	KU-Brkr Fail-2017	-	-	-	-	-	-	-	-	-	-	-	750
	KBRFAIL18	KU-Brkr Fail-2018	-	-	-	-	-	-	-	-	-	-	-	650
	KCI-12	KU Capacitor Installations12	-	-	-	-	-	-	0	(0)	-	-	-	-
	KCR-10	KU Carrier Replacements	-	-	-	-	580	134	-	-	-	-	-	-
	KCR-11	KU Carrier Add/Replcmnts11	-	-	-	-	-	440	38	-	-	-	-	-
	KCR-12	KU Carrier Add/Replcmnts12	-	-	-	-	-	-	11	20	(18)	-	-	-
	KFENCE-12	KFENCE-12	-	-	-	-	-	-	334	80	-	-	-	-
	KFENCE-13	KFENCE-13	-	-	-	-	-	-	-	412	21	-	-	-
	KFIREWL11	KU Transformer Firewalls-11	-	-	-	-	-	3	(3)	-	-	-	-	-
	KINS-2015	PRIORITY REPL INSLTRS KU 2015	-	-	-	-	-	-	-	-	-	251	1	-
	KINS-2016	Priority Repl Insltrs KU 2016	-	-	-	-	-	-	-	-	-	-	103	-
	KINS-2017	Priority Repl Insltrs KU 2017	-	-	-	-	-	-	-	-	-	-	95	569
	KINS-2018	Priority Repl Insltrs KU 2018	-	-	-	-	-	-	-	-	-	-	-	731
	KINSTRF11	INSTRMNT XFRMR REPL-KU-11	-	-	-	-	-	236	9	0	-	-	-	-
	KINSTRF12	INSTRMNT XFRMR REPL-KU-12	-	-	-	-	-	-	235	57	(3)	-	-	-
	KINSTRF13	INSTRMNT XFRMR REPL-KU-13	-	-	-	-	-	-	-	349	(43)	-	-	-
	KOTFAIL14	KU-OtherFail-2014	-	-	-	-	-	-	-	-	143	5	(0)	-
	KOTFAIL15	KU-OtherFail-2015	-	-	-	-	-	-	-	-	-	100	30	-
	KOTFAIL16	KU-OtherFail-2016	-	-	-	-	-	-	-	-	-	-	236	-
	KOTFAIL17	KU-OtherFail-2017	-	-	-	-	-	-	-	-	-	-	-	750
	KOTFAIL18	KU-OtherFail-2018	-	-	-	-	-	-	-	-	-	-	-	650
	KOTH-2016	Priority Repl Other KU 2016	-	-	-	-	-	-	-	-	-	-	1,429	-
	KOTH-2017	Priority Repl Other KU 2017	-	-	-	-	-	-	-	-	-	-	768	2,304
	KOTH-2018	Priority Repl Other KU 2018	-	-	-	-	-	-	-	-	-	-	-	3,537
	K-OTHER14	KU-Other-2014	-	-	-	-	-	-	-	-	1,316	(24)	-	-
	K-OTHER15	KU-Other-2015	-	-	-	-	-	-	-	-	-	1,414	222	-
	KOTPR14	KU Other Prot Blank 2014	-	-	-	-	-	-	-	-	573	143	(27)	-
	KOTPR15	KU Other Prot Blanket 2015	-	-	-	-	-	-	-	-	-	424	88	-
	KOTPR16	KU Other Prot Blanket 2016	-	-	-	-	-	-	-	-	-	-	394	-
	KOTPR18	KU Other Prot Blanket 2018	-	-	-	-	-	-	-	-	-	-	-	26
	KOTPRFL14	KU Oth Prot Failures 2014	-	-	-	-	-	-	-	-	2	-	-	-
	KOTPRFL15	KU Oth Prot Failures 2015	-	-	-	-	-	-	-	-	-	26	-	-
	KOTPRFL16	KU Oth Prot Failures 2016	-	-	-	-	-	-	-	-	-	-	5	-
	KOTPRFL17	KU Oth Prot Failures 2017	-	-	-	-	-	-	-	-	-	-	-	18
	KRELAY-11	Relay Replacements-KU-2011	-	-	-	-	-	72	3	(0)	-	-	-	-
	KRELAY-12	Relay Replacements-KU -2012	-	-	-	-	-	-	291	183	7	-	-	-

Kentucky Utilities

Total Company Capital Expenditures

$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	KRELAY-13	Relay Replacement-KU-2013	-	-	-	-	-	-	-	365	67	(6)	-	-
	KRELAY-14	Relay Replacements-KU-2014	-	-	-	-	-	-	-	-	515	161	(74)	-
	KRELAY-15	Relay Replacements-KU-2015	-	-	-	-	-	-	-	-	-	325	91	-
	KRELAY-17	Relay Replacements-KU-2017	-	-	-	-	-	-	-	-	-	-	86	85
	KREL-FL14	KU Relay Failures-2014	-	-	-	-	-	-	-	-	-	-	3	-
	KREL-FL16	KU Relay Failures-2016	-	-	-	-	-	-	-	-	-	-	30	-
	KREL-FL17	KU Relay Failures-2017	-	-	-	-	-	-	-	-	-	-	-	132
	KREL-FL18	KU Relay Failures-2018	-	-	-	-	-	-	-	-	-	-	-	114
	KRSUB-09	Routine Sub Capital09- KU	-	-	-	724	84	(178)	-	-	-	-	-	-
	KRSUB-10	KU Routine - Subs-10	-	-	-	-	948	32	8	(43)	19	-	-	-
	KRSUB-11	KU Routine - Subs-11	-	-	-	-	-	2,619	494	(55)	17	-	-	-
	KRSUB-12	KU Routine - Subs-12	-	-	-	-	-	-	997	295	(29)	(1)	-	-
	KRSUB-13	KU Routine - Subs-13	-	-	-	-	-	-	-	983	85	24	(69)	-
	KRTU-10	KU RTU10	-	-	-	-	97	0	-	-	-	-	-	-
	KRTU-11	KU RTU11	-	-	-	-	-	89	28	-	-	-	-	-
	KRTU-12	KU RTU Replacements-12	-	-	-	-	-	-	240	16	(2)	-	-	-
	KRTU-13	KU RTU Replacements-13	-	-	-	-	-	-	-	138	16	-	-	-
	KRTU-14	KU RTU Replacements-14	-	-	-	-	-	-	-	-	781	351	2	-
	KRTU-15	KU RTU Replacements-15	-	-	-	-	-	-	-	-	-	947	346	-
	KRTU-16	KU RTU Replacements-16	-	-	-	-	-	-	-	-	-	-	971	-
	KRTU-17	KU RTU Replacements-17	-	-	-	-	-	-	-	-	-	-	30	1,671
	KRTU-18	KU RTU Replacements-18	-	-	-	-	-	-	-	-	-	-	-	1,777
	KRTU-FL15	KU RTU Failures-2015	-	-	-	-	-	-	-	-	-	16	-	-
	KRTU-FL17	KU RTU Failures-2017	-	-	-	-	-	-	-	-	-	-	-	7
	KSTSVC11	STATION SERV XFMRS KU-11	-	-	-	-	-	237	76	(11)	12	-	-	-
	KSTSVC12	STATION SERV XFMRS KU-12	-	-	-	-	-	-	539	22	12	82	28	-
	KSTSVC13	STATION SERV XFMRS KU-13	-	-	-	-	-	-	-	5	-	-	-	-
	KSURGE-11	Surge Arestors KU-11	-	-	-	-	-	177	(3)	-	-	-	-	-
	KSURGE-12	Surge Arestors KU-12	-	-	-	-	-	-	228	(3)	(0)	-	-	-
	KSURGE-13	Surge Arestors KU-13	-	-	-	-	-	-	-	188	3	-	-	-
	KSWT-2015	PRIORITY REPL SWITCHES KU 2015	-	-	-	-	-	-	-	-	-	881	31	-
	KTFFAIL16	KU-Xfrmr Fail-2016	-	-	-	-	-	-	-	-	-	-	488	-
	KTFFAIL17	KU-Xfrmr Fail-2017	-	-	-	-	-	-	-	-	-	-	112	199
	KTRMUP-10	KU Terminal Upgrades-10	-	-	-	-	151	156	0	-	-	-	-	-
	KTSUB-09	Terminal Upgrades09-KU	-	-	-	118	255	-	-	-	-	-	-	-
Routine Total			7,570	7,732	8,468	24,318	14,058	18,056	23,353	21,160	18,164	22,227	18,772	64,421
Specific	108418	LOND-PITTS 69KV RELOC.	-	-	7	-	-	-	-	-	-	-	-	-
	109314	RET BAR-MOUND CITY 69KV	37	-	-	-	-	-	-	-	-	-	-	-
	111244	BAR - MOUND FOUNDATION REMOVAI	(37)	-	-	-	-	-	-	-	-	-	-	-
	111890	Rocky Br-Pocket 69KV Hwy Reloc	(285)	(5)	-	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	112631	LEX-PAR 69KV HWY RELC PHASE 4	-	7	-	-	-	-	-	-	-	-	-	-
	112656	CLK CO-SPEN 69KV HWY RELC	-	-	7	(7)	-	-	-	-	-	-	-	-
	112707	North Floyd Switch	(2)	-	-	-	-	-	-	-	-	-	-	-
	112742	Relocate Fence Lake Reba Sub	-	8	-	-	-	-	-	-	-	-	-	-
	112789	HWY 52 RELOCATION RICHMOND	5	-	-	3	-	-	-	-	-	-	-	-
	113775	Arnld-Drchtr Blk Mtn 161kV	-	-	-	77	-	-	-	-	-	-	-	-
	114220	Clark Co Trans Sub Prop Sale	-	15	-	-	-	-	-	-	-	-	-	-
	115693	Paris 138-69kv, 150 MVA	912	323	-	-	-	-	-	-	-	-	-	-
	115769	Carrollton-Warsaw 69kv	(11)	-	-	0	-	-	-	-	-	-	-	-
	115978	Elihu-Somerset North 69KV	(107)	-	-	-	-	-	-	-	-	-	-	-
	116505	Walker 69kV Cap Retirement	-	-	-	(4)	-	-	-	-	-	-	-	-
	116958	Tyrone - West Frankfort 138kv	-	-	(1)	-	-	-	-	-	-	-	-	-
	117233	Carr-E.Frkt 138KV P2 Proj	-	(6)	-	-	-	-	-	-	-	-	-	-
	117243	RELOC GRP-EARN 161 (HWY 431)	0	(1)	-	-	-	-	-	-	-	-	-	-
	117244	RELOC GRP-HILLSIDE 69(HWY 431)	0	(1)	-	-	-	-	-	-	-	-	-	-
	117271	Amer.Ave.-Haefling 69KV	11	-	-	-	-	-	-	-	-	-	-	-
	117287	Winc. Water Works 69KV Sub Tap	36	-	-	-	-	-	-	-	-	-	-	-
	117421	EKPC E. Bernstadt Sub	7	-	-	-	-	-	-	-	-	-	-	-
	117669	RELOC U.S. HWY 60 PROJ	(40)	-	-	(0)	-	-	-	-	-	-	-	-
	117693	Toms Creek 69 KV Relo	-	-	(7)	-	-	-	-	-	-	-	-	-
	117889	Brown-Tyrone 138 KV P1 Poles	-	(19)	-	-	-	-	-	-	-	-	-	-
	117988	Science Hill Hwy 27 Relo	259	(255)	0	0	0	-	-	-	-	-	-	-
	118211	Recon Ohio Co-Rosine	-	27	-	-	-	-	-	-	-	-	-	-
	118213	Va City-AEP Clinch River	393	3,022	1,627	(18)	2	1	-	-	-	-	101	-
	118214	Va City 138/69 120 MVA Xfrmr	252	1,252	653	27	-	-	-	-	-	-	-	-
	118215	Paris 138-69, 150 MVA	879	27	-	-	-	-	-	-	-	-	-	-
	118216	Trimble 2 Trans. Projects - KU	2,938	20,029	18,506	12,034	10,878	(140)	289	11	(7)	(3)	-	-
	118402	0098 SYS PARA RECOND OH - ROS	-	(27)	-	-	-	-	-	-	-	-	-	-
	118403	Brown - Tyrone 138kv Line	-	-	(55)	-	-	-	-	-	-	-	-	-
	118404	Tyrone - Frankfort 69kv Line	-	-	(31)	-	-	-	-	-	-	-	-	-
	118405	Adams - Delaplain Tap 69kv	43	-	-	-	-	-	-	-	-	-	-	-
	119885	Loudon Ave road project.	18	20	-	-	-	-	-	-	-	-	-	-
	119901	SIMPSONVILLE NEW TRANSFORMER	44	-	-	-	-	-	-	-	-	-	-	-
	119952	Adams to Penn 69 P2	20	-	-	-	-	-	-	-	-	-	-	-
	120009	Bedford Tap 69kv	-	59	-	-	-	-	-	-	-	-	-	-
	120017	LAWRENCEBURG P-2 REBUILD	342	-	-	-	-	-	-	-	-	-	-	-
	120024	Fawkes Breaker Replacement	1	-	-	-	-	-	-	-	-	-	-	-
	120032	Green River DFR	4	-	-	-	-	-	-	-	-	-	-	-
	120073	EKPC tap to Paris substation.	(1)	-	-	-	-	-	-	-	-	-	-	-
	120100	Replace NAS 138kV Metering CT	5	-	-	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	120130	P2 RIV. QUEEN-GRAHAM 69KV	105	-	-	-	-	-	-	-	-	-	-	-
	120131	P2 RIV. QUEEN-GREENVILLE 69KV	78	-	-	-	-	-	-	-	-	-	-	-
	120169	Arnold - Dorchester 161kv	797	(14)	-	-	-	-	-	-	-	-	-	-
	120216	Liberty Rd Breaker Replacement	1	-	-	-	-	-	-	-	-	-	-	-
	120217	Green River Bkr Replacement	1	-	-	-	-	-	-	-	-	-	-	-
	120267	Pitsbrg Lanc 69 EBernstadt Sub	(117)	-	-	-	-	-	-	-	-	-	-	-
	120287	FAWKES - OKONITE DIST PARAMETE	120	-	-	-	-	-	-	-	-	-	-	-
	120288	ETOWN - ETOWN #3 NEW 12KV XFMR	2	51	-	-	-	-	-	-	-	-	-	-
	120315	Loudon Ave-T-359 move to BR6	-	(33)	-	-	-	-	-	-	-	-	-	-
	120506	Repl Walker-634 Bushings	1	-	-	-	-	-	-	-	-	-	-	-
	120752	KENTON - CARNTOWN 69 HWAY	-	-	-	(8)	-	-	-	-	-	-	-	-
	120795	Black Mtn. tap 69kv	87	-	-	-	-	-	-	-	-	-	-	-
	120834	Scott Co. - Adams 138 kV	3	-	-	-	-	-	-	-	-	-	-	-
	120852	Delvinta 824 Carrier Addn.	99	9	-	-	-	-	-	-	-	-	-	-
	120853	Arnold 804 Carrier Addn.	81	-	-	-	-	-	-	-	-	-	-	-
	121076	Loudon Ave.-Lansdowne DC 69 kV	199	3,635	1,023	1,488	1	7	-	-	-	-	-	-
	121098	Brown Plant RTU Replacement	1	0	-	-	-	-	-	-	-	-	-	-
	121115	Energy Srvs for Blackwell Sub	71	(69)	8	(13)	-	-	-	-	-	-	-	-
	121133	Walker-644 Bushing Repl	1	-	-	-	-	-	-	-	-	-	-	-
	121172	Fawkes 138-69kV, 150 MVA	1,236	84	41	7	-	-	-	-	-	-	-	-
	121202	Paris - Lexington Plant 69kv	16	169	0	-	-	-	-	-	-	-	-	-
	121203	Lake Reba (163) - Waco 69kv	15	-	-	-	(15)	-	-	-	-	-	-	-
	121210	A.O. Smith - Ewington 69kv	22	-	-	(22)	-	-	-	-	-	-	-	-
	121242	Toyota N Relay Replace	1	-	-	-	-	-	-	-	-	-	-	-
	121243	Toyota S Relay Replace	2	-	-	-	-	-	-	-	-	-	-	-
	121248	Elihu 161kV PT Replacement	-	9	-	-	-	-	-	-	-	-	-	-
	121297	Cntrol Ctr Construction - KU	52	5,242	6,149	-	-	-	-	-	-	-	-	-
	121303	Fawkes KU - Fawkes EKP 138kv	21	-	-	-	-	-	-	-	-	-	-	-
	121331	RIVER QUEEN 638 CARRIER	16	-	-	-	-	-	-	-	-	-	-	-
	121334	Brown-Fawkes 138kv	118	229	(0)	-	-	-	-	-	-	-	-	-
	121344	ESTILL COUNTY ENERGY PART	(36)	26	-	-	-	-	71	-	-	-	-	-
	121384	Earl N TT Rcvr	10	3	-	-	-	-	-	-	-	-	-	-
	121391	Etown-634 Bkr Relpace	82	(0)	0	-	-	-	-	-	-	-	-	-
	121392	W.Cliff-604&624 Bkr Replace	144	-	-	-	-	-	-	-	-	-	-	-
	121393	LexPlant 644 Replace	47	4	-	-	-	-	-	-	-	-	-	-
	121394	LoudonAve 628 Repl	58	17	-	-	-	-	-	-	-	-	-	-
	121398	Dorchester TT Rcvr	15	(3)	-	-	-	-	-	-	-	-	-	-
	121411	Ohio Co. Battery Replacement	22	-	0	-	-	-	-	-	-	-	-	-
	121412	Wheatcroft Battery Replacement	19	(0)	0	-	-	-	-	-	-	-	-	-
	121413	Hardin Co. Battery Replacement	18	2	0	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	121414	Carrollton Battery Replacement	13	7	0	-	-	-	-	-	-	-	-	-
	121438	INST ELK CRK MINE 69 TAP	56	(56)	-	-	-	-	-	-	-	-	-	-
	121489	Motorola Radio Console-ku	34	-	-	-	-	-	-	-	-	-	-	-
	121501	Lebanon-Lebanon Ind 69kV	-	-	-	-	-	-	597	-	-	-	-	-
	121508	Richmond, 604 terminal limits	2	11	0	-	-	-	-	-	-	-	-	-
	121533	Replace X bushings on T-356	24	-	-	-	-	-	-	-	-	-	-	-
	121540	Arnold-Delvinta AEP Wooten Tap	(0)	-	-	-	-	-	-	-	-	-	-	-
	121553	Shelbyville Bypass	63	(77)	-	-	-	-	-	-	-	-	-	-
	121558	Waitsboro Tap 69kV Relo	-	22	(3)	(17)	-	-	-	-	-	-	-	-
	121569	Dix Dam EMS/Cntrl addtns	14	-	-	-	-	-	-	-	-	-	-	-
	121586	West Lex. RTU Replacement	18	0	-	-	-	-	-	-	-	-	-	-
	121631	East Franfort RTU Replacement	35	6	-	-	-	-	-	-	-	-	-	-
	121632	Replace Bardstown 138kV PTs	28	(0)	-	-	-	-	-	-	-	-	-	-
	121659	Pisgah RTU Replacement	20	2	-	-	-	-	-	-	-	-	-	-
	121660	Grahamville RTU Replacement	-	27	-	-	-	-	-	-	-	-	-	-
	121668	Transmission Test Equipment	8	-	-	-	-	-	-	-	-	-	-	-
	121690	Farley Replace Fence	28	1	-	-	-	-	-	-	-	-	-	-
	121692	Rear Project Cubes	91	-	-	-	-	-	-	-	-	-	-	-
	121693	West Frankfort RTU Replacement	29	2	-	-	-	-	-	-	-	-	-	-
	121695	Inst switch @ Buena Vista Sub	-	-	42	158	-	-	-	-	-	-	-	-
	121705	Avon Tap 69kv reloc	4	-	-	-	(4)	-	-	-	-	-	-	-
	121736	Union Underwear Transformer	-	33	21	-	-	-	-	-	-	-	-	-
	121919	Replace Ohio Co. 608 Bushings	8	-	-	-	-	-	-	-	-	-	-	-
	121931	BROWN N TT RCVR	11	-	-	-	-	-	-	-	-	-	-	-
	121948	Replace Princeton-674 Bushing	7	-	-	-	-	-	-	-	-	-	-	-
	121971	Loudon-Winchester 69kV	-	369	-	-	-	-	-	-	-	-	-	-
	122049	*UK Underground	-	-	-	(65)	65	0	-	-	-	-	-	-
	122050	Ghent-Kenton 138kV Pole Repl	338	461	8	-	-	-	-	-	-	-	-	-
	122091	Lancaster Sub - EKP 69kV Tie	33	(33)	-	-	-	-	-	-	-	-	-	-
	122094	Lake Reba RTU Replacement	1	37	1	(1)	-	-	-	-	-	-	-	-
	122117	Daviess Co 345kV Tie	16	(16)	0	-	-	-	-	-	-	-	-	-
	122125	Butler Switches - Ghent/Kenton	156	25	-	-	-	-	-	-	-	-	-	-
	122177	Millersburg Control Hse Repl	-	39	128	0	330	194	(0)	-	-	-	-	-
	122191	on TB0664	10	1	-	-	-	-	-	-	-	-	-	-
	122196	Etown 614 Upgrade	1	14	-	-	-	-	-	-	-	-	-	-
	122206	Inst Fence Loudon Storage Lot	2	51	-	-	-	-	-	-	-	-	-	-
	122211	Brown CT-Brdstwn P2	1	37	-	2	58	-	-	-	-	-	-	-
	122241	Repl West Cliff 624 Brk	-	1	0	-	-	-	-	-	-	-	-	-
	122265	Morganfield Fence Repl	52	1	-	-	-	-	-	-	-	-	-	-
	122267	Marion Sub Cap Fence Repl	9	(0)	-	-	-	-	-	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	122268	Wheatcroft Sub Cap Fence Repl	9	(0)	-	-	-	-	-	-	-	-	-	-
	122271	Higby Mill Carrier	10	-	-	-	-	-	-	-	-	-	-	-
	122300	NAS 345-138kV,450MVA xfrm	1	3,115	1,357	(65)	(175)	-	-	-	-	-	-	-
	122307	Ghent-345kV GCB addition	-	294	323	0	-	-	-	-	-	-	-	-
	122449	NAS TAP 345kV Line	3	624	660	(11)	-	-	-	-	-	-	-	-
	122498	Reloc Ky Hwy 286	-	1	(0)	-	6	-	-	-	-	-	-	-
	122521	Taylor Co. Transformer	-	203	0	-	-	-	-	-	-	-	-	-
	122545	Race St-Lex Plt P&G Sect	-	-	-	30	100	-	-	-	-	-	-	-
	122554	EKPC Southpnt Interconnect	-	48	-	-	-	-	-	-	-	-	-	-
	122555	Wilson-Downing Tap Reconfig	-	96	-	-	-	-	-	-	-	-	-	-
	122567	Harlan Y Transformer Replace	-	257	8	-	-	-	-	-	-	-	-	-
	122641	Reloc Ring Rd Proj 345kV	-	324	(323)	(1)	-	-	-	-	-	-	-	-
	122668	Liberty Road Relocation	-	75	(75)	-	-	-	-	-	-	-	-	-
	122675	Hardin Co-Bonvlle 69kV	-	15	21	(35)	(1)	-	1	-	-	-	-	-
	122678	Berea Bypass Relocation	-	(30)	7	-	-	-	-	-	-	-	-	-
	122679	Duncannon Rd Relocation	-	-	1	(1)	-	-	-	-	-	-	-	-
	122703	Brown N-Higby Mill Reloc	-	253	(175)	6	-	-	-	-	-	-	-	-
	122707	Dix FEP Expansion	-	78	-	-	-	-	-	-	-	-	-	-
	122764	Backup CC Comm LGE/KU	-	76	-	(23)	-	-	-	-	-	-	-	-
	122787	Taylor County RTU Replacement	-	24	-	-	-	-	-	-	-	-	-	-
	122792	*Hdsbg-Add 69kV bkrs for Cust	-	-	96	(96)	0	-	-	-	-	-	-	-
	122795	Bond-St. Paul 69kV	-	-	72	2	-	-	-	-	-	-	-	-
	122868	Rpl Failed West Cliff Trans.	-	109	-	-	-	-	-	-	-	-	-	-
	122999	Horse Cave Ind Sub	-	-	291	(26)	-	-	-	-	-	-	-	-
	123134	Kohl's Relocation	-	-	-	28	-	-	-	-	-	-	-	-
	123147	Relo Video Wall from WS	-	10	-	-	-	-	-	-	-	-	-	-
	123205	Armstrong Coal 69kV Tap	-	(23)	40	11	(11)	-	-	-	-	-	-	-
	123302	UK Med Cntr Hse Relo	-	2	256	100	11	(368)	-	-	-	-	-	-
	123351	Lynch-Pocket 69kV Holmes Mill	-	1	468	-	-	-	-	-	-	-	-	-
	123372	Lebanon East Sbstn - 427	-	-	235	32	-	-	-	-	-	-	-	-
	123576	GARRARD CO HIGH SCHOOL RELO	-	(82)	82	-	-	-	-	-	-	-	-	-
	123577	ALEX CREEK EKPC TAP UNIT T-041	-	3	(3)	-	-	-	-	-	-	-	-	-
	123625	Louden Ave-Haefling Hwy Relo	-	-	168	(146)	(22)	-	-	-	-	-	-	-
	123626	Corning Glass	-	-	(7)	7	-	-	-	-	-	-	-	-
	123627	Bardstown Industrial 69kV Tap	-	-	99	7	-	-	-	-	-	-	-	-
	123638	Parkers Mill Tap	-	-	216	44	-	-	-	-	-	-	-	-
	123666	Bryant Rd 69 KV Tap	-	-	42	10	-	-	-	-	-	-	-	-
	123679	RELOC HWY60 BYPASS PROJ	-	-	21	(18)	(12)	-	-	-	-	-	-	-
	123703	INST RIVER VIEW COAL 69 TAP	-	-	67	2	22	-	-	-	-	-	-	-
	123743	Haefling 714-Innovation Dr	-	-	40	70	-	-	-	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	123749	Innovation Drive 138kV Tap	-	-	270	286	-	-	-	-	-	-	-	-
	123752	Air Liquide 138kV Addition	-	-	62	(62)	-	-	-	-	-	-	-	-
	123817	Compliance Docum. Software	-	-	63	-	-	-	-	-	-	-	-	-
	123818	Install New Analog Backup RTU	-	-	58	-	-	-	-	-	-	-	-	-
	123830	Bond-St Paul & VACty-ClinchRiv	-	-	52	(52)	-	-	-	-	-	-	-	-
	124158	*US 27 Highway relocation	-	-	11	(11)	-	-	-	-	-	-	-	-
	124291	Dow Corn W - Carltn 138kv	-	-	84	605	-	-	-	-	-	-	-	-
	124349	PVL-161-69kV, 150 MVA tran rpl	-	-	0	1,456	155	33	-	-	-	-	-	-
	124457	INST ARMSTR DOCK 69 TAP	-	-	79	(76)	(2)	-	-	-	-	-	-	-
	124460	Fawkes 69kV Brkr Repl	-	-	200	(5)	-	-	-	-	-	-	-	-
	124461	KBR09-FAWKES	-	-	41	237	71	-	-	-	-	-	-	-
	124494	*GRPP-604 Armsrtg Doc	-	-	9	(30)	2	-	-	-	-	-	-	-
	124551	Aspen Software Purchase	-	-	48	8	-	-	-	-	-	-	-	-
	124594	POWER LINE METERS -COMPLIANCE	-	-	9	-	-	-	-	-	-	-	-	-
	124629	Carrollton- Metal 69kV	-	-	54	113	-	-	-	-	-	-	-	-
	124754	896-624 Relays	-	-	17	-	-	-	-	-	-	-	-	-
	124755	196-614 Line Diff Relay	-	-	8	10	-	-	-	-	-	-	-	-
	124756	896-604 Relays	-	-	13	0	-	-	-	-	-	-	-	-
	124757	664-604 Line Diff Relay	-	-	8	12	-	-	-	-	-	-	-	-
	124760	152-704 Line Diff Relay	-	-	9	3	-	-	-	-	-	-	-	-
	124761	152-784 Line Diff Relay	-	-	9	0	-	-	-	-	-	-	-	-
	124762	227-704 Line Diff Relay	-	-	9	0	-	-	-	-	-	-	-	-
	124763	227-714 Line Diff Relay	-	-	9	0	-	-	-	-	-	-	-	-
	124764	117-754 Line Diff Relay	-	-	9	0	-	-	-	-	-	-	-	-
	124765	117-764 Line Diff Relay	-	-	9	5	-	-	-	-	-	-	-	-
	124766	896-634 Relays	-	-	13	0	-	-	-	-	-	-	-	-
	124779	Shelbyville to Simpsonville	-	-	393	535	-	-	-	-	-	-	-	-
	124895	Higby Mill- 69kV	-	-	243	152	-	-	-	-	-	-	-	-
	124910	072-814 Carrier	-	-	10	-	-	-	-	-	-	-	-	-
	124911	072-804 Carrier	-	-	10	-	-	-	-	-	-	-	-	-
	124912	071-608 Carrier	-	-	6	-	-	-	-	-	-	-	-	-
	124913	032-814 Carrier	-	-	10	-	-	-	-	-	-	-	-	-
	124914	032-804 Carrier	-	-	10	-	-	-	-	-	-	-	-	-
	124918	UK Med Relay Comm Upgrade	-	-	19	3	-	-	-	-	-	-	-	-
	124919	Amer. Ave Relay Comm Upgrade	-	-	16	0	-	-	-	-	-	-	-	-
	124920	Higby Mill Relay Comm Upgrade	-	-	19	0	-	-	-	-	-	-	-	-
	124921	066-684 Relays	-	-	9	3	-	-	-	-	-	-	-	-
	124934	RCKY BR-POCKET 69K CAWD STR86	-	-	-	(37)	1	1	0	-	-	-	-	-
	125028	Brown North - Tyrone 138kV	-	-	-	-	57	2,571	(4)	-	-	-	-	-
	125044	Delvinta- 600A metering CT	-	-	4	(4)	-	-	-	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	125045	138kV breaker- Lake Reba Tap	-	-	-	193	(11)	-	-	-	-	-	-	-
	125051	Install 138kV bkr- Rodburn	-	-	-	183	(0)	-	-	-	-	-	-	-
	125060	Install 161kV bkr-Pineville Sw	-	-	-	151	70	-	-	-	-	-	-	-
	125062	Higby Mill 138/69 112 MVA	-	-	-	1,227	581	(3)	-	-	-	-	-	-
	125068	Replace disk & swtch-Lancaster	-	-	-	-	12	-	-	-	-	-	-	-
	125070	Etown Switches Replacement	-	-	-	-	62	0	-	-	-	-	-	-
	125079	DFR Study	-	-	-	410	257	(4)	-	-	-	-	-	-
	125080	KCA09-Carrier Repl Project	-	-	-	493	2	-	-	-	-	-	-	-
	125260	Farley replace breaker 628	-	-	-	68	5	-	-	-	-	-	-	-
	125288	Lexmark 6MVAR Cap Bank- REFUND	-	-	(63)	-	-	-	-	-	-	-	-	-
	125583	EMS Redund- Telecom Exp- KU	-	-	-	-	368	1	-	-	-	-	-	-
	125676	AVON North 69 KV Tap	-	-	-	16	285	-	-	-	-	-	-	-
	125677	*MEREDITH 138 KV TAP	-	-	-	-	-	-	-	2	-	-	-	-
	125694	Race St Relay Comm Upgrade	-	-	2	1	-	-	-	-	-	-	-	-
	125698	Lake Reba Tap RTU Install	-	-	7	29	-	-	-	-	-	-	-	-
	125700	KRT09-FARLEY RTU	-	-	-	59	1	-	-	-	-	-	-	-
	125725	Artemus RTU Install	-	-	1	48	-	-	-	-	-	-	-	-
	125729	KRT09-096ElihuRTU	-	-	-	59	-	-	-	-	-	-	-	-
	125741	Blackboard Application- KU	-	-	10	-	-	-	-	-	-	-	-	-
	125743	Dix Dam Network UG- KU	-	-	46	-	-	-	-	-	-	-	-	-
	125744	Lake Reba 163- BGAD 138kV Line	-	-	-	-	0	176	(4)	-	-	-	-	-
	125746	DOE-Paducah- Replace RTU	-	-	13	1	-	-	-	-	-	-	-	-
	125747	Duke- Fairview- Replace RTU	-	-	5	0	-	-	-	-	-	-	-	-
	125748	EKP-Taylor Co REA- Install RTU	-	-	-	0	6	4	-	-	-	-	-	-
	125789	BrownN 924/934 DCUB-Rx Carrier	-	-	10	-	-	-	-	-	-	-	-	-
	125790	American Ave 704 Carrier Repl	-	-	10	-	-	-	-	-	-	-	-	-
	125791	W Lexington 714 Carrier Repl	-	-	11	-	-	-	-	-	-	-	-	-
	125805	Replace Ohio Co 69kV DB PTs	-	-	-	27	-	-	-	-	-	-	-	-
	125806	Replace Harlan Y 161kV PTs	-	-	-	46	-	-	-	-	-	-	-	-
	125826	RET MAD SOUTH 69 TAP	-	-	-	1	26	-	-	-	-	-	-	-
	125856	Norton 34.5kV	-	-	-	200	(4)	(1)	-	-	-	-	-	-
	125898	Central Hardin 138kV Loop	-	-	-	7	(7)	-	-	-	-	-	-	-
	125945	KBR09-DowCornWBkr708	-	-	-	116	(54)	-	-	-	-	-	-	-
	125946	KBR09-DowCornWBkr718	-	-	-	116	1	-	-	-	-	-	-	-
	125947	KBR09-GrRvrStlBkr724	-	-	-	120	-	-	-	-	-	-	-	-
	125948	KBR09-GrnRvrBkr788	-	-	-	116	-	-	-	-	-	-	-	-
	125949	KBR09-TyroneBkr714	-	-	-	118	-	-	-	-	-	-	-	-
	125950	KBR09-TyroneBkr724	-	-	-	107	-	-	-	-	-	-	-	-
	125956	KCA09-POCKETRELAYS	-	-	-	176	143	(1)	-	-	-	-	-	-
	125959	KRT09-223CarntownRTU	-	-	-	70	-	-	-	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	125961	KBR09-DowCornWBkr704	-	-	-	120	2	-	-	-	-	-	-	-
	125962	KBR09-DowCornWBkr714	-	-	-	107	1	-	-	-	-	-	-	-
	125963	KBR09-ReplGhentBkr708	-	-	-	141	-	-	-	-	-	-	-	-
	125968	KTU09-BrownNorthReactors	-	-	-	30	439	13	-	-	-	-	-	-
	125971	KCA09-B North-Alcalde	-	-	-	119	210	(37)	-	-	-	-	-	-
	125988	KR09-S Paducah Control House	-	-	-	776	70	(35)	-	-	-	-	-	-
	125992	ARNLD EVRTS 69KV TOTZ TAP	-	-	-	5	484	-	-	-	-	-	-	-
	125995	Grahamville-Coleman Rd. 161kV	-	-	-	1,694	223	-	-	-	-	-	-	-
	125996	Grahamville-DOE 161kV Line	-	-	-	89	301	2,116	483	-	-	(50)	-	-
	126114	KCA09-HZReplacement	-	-	-	212	39	-	-	-	-	-	-	-
	126159	KTU09-Pineville69kVUpgrade	-	-	-	57	79	-	-	-	-	-	-	-
	126164	KTU09-CenHardin	-	-	-	3	(3)	-	-	-	-	-	-	-
	126180	*KMPASubstation	-	-	-	816	1,400	1,322	661	30	(0)	-	-	-
	126318	SV FRQ Source	-	-	-	2	-	-	-	-	-	-	-	-
	126321	Higby Mill Reconfig	-	-	-	159	604	-	-	-	-	-	-	-
	126322	Ghent Sub BKR 944 Replacement	-	-	-	363	7	-	-	-	-	-	-	-
	126329	BOONESBORO 12KV	-	-	-	-	196	-	-	-	-	-	-	-
	126414	*Kenton-744 Terminal Upgrade	-	-	-	52	10	-	-	-	-	-	-	-
	126492	Dix Map Bd & Vid Wall	-	-	-	36	-	-	-	-	-	-	-	-
	126569	002-Wofford RTURepl	-	-	-	24	28	18	-	-	-	-	-	-
	126570	051-Pittsburg RTURepla	-	-	-	1	34	0	-	-	-	-	-	-
	126768	W.Lexington-Bkr Upgrade	-	-	-	-	138	85	-	-	-	-	-	-
	126773	West Cliff Rebuild	-	-	-	-	85	2,740	205	5	-	-	-	-
	126774	Danville Breakers	-	-	-	-	145	104	-	-	-	-	-	-
	126783	Meredith	-	-	-	-	-	-	-	0	1	-	-	-
	126785	Work Mgmt / FRP software	-	-	-	-	1,746	971	(30)	-	-	-	-	-
	126786	SEL Software for event viewing	-	-	-	-	17	-	-	-	-	-	-	-
	126788	DGA Oil Analyzer	-	-	-	-	104	-	-	-	-	-	-	-
	126790	Higby Mill Brk Replacement	-	-	-	-	859	0	-	-	-	-	-	-
	126794	Inst 69kv/54.0MVA Capactr FMC	-	-	-	-	424	15	-	-	-	-	-	-
	126795	69k/21.6MVAR Nich City Sub	-	-	-	-	184	153	95	(46)	-	-	-	-
	126796	36MVA Capctr-Rogersville 69kV	-	-	-	-	246	50	-	40	-	-	-	-
	126797	Replace 600A Bkr Shelbyville	-	-	-	15	12	-	-	-	-	-	-	-
	126799	Boonesboro-N 1200A Bkr 213-608	-	-	-	-	-	-	96	6	-	-	-	-
	126803	Draw DT/Enhance AutoCAD-KU	-	-	-	-	-	33	136	0	-	-	-	-
	127063	Bdstown Ind Thermal Upgrd	-	-	-	-	152	(2)	-	-	(0)	-	-	-
	127064	KY-St Hosp-Dville Thrml Upgrd	-	-	-	-	155	-	-	-	-	-	-	-
	127068	Hume Road Tap	-	-	-	-	-	-	-	996	76	17	-	-
	127071	Paris-Millersburg Hwy Relo	-	-	-	-	-	-	-	805	496	6	-	-
	127072	Lockport - Shadrck P2	-	-	-	-	219	-	-	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	127080	Green Rv Plant-Erlngton 69k	-	-	-	-	727	707	-	-	-	-	-	-
	127142	Openview.NET- KU	-	-	-	-	-	181	15	-	-	-	-	-
	127148	KU 2011	-	-	-	-	-	42	-	-	-	-	-	-
	127160	161-161KV XFORMER BKR	-	-	-	26	143	-	-	-	-	-	-	-
	127161	161-161KV BUS TIE SWITCH	-	-	-	94	1	155	-	-	-	-	-	-
	127162	161-Control House	-	-	-	-	586	58	-	-	-	-	-	-
	127234	PV-345-Panels	-	-	-	90	243	(10)	-	-	-	-	-	-
	127235	131-LivingCo-Mat	-	-	-	39	25	-	-	-	-	-	-	-
	127260	TC2 Temporary Workaround	-	-	-	2,831	3,461	(579)	-	-	-	-	-	-
	127281	Tyrone Supv Cont	-	-	-	41	-	-	-	-	-	-	-	-
	127286	GHENT BKR 946 IN	-	-	-	56	43	158	-	-	-	-	-	-
	127298	RplWFrkT286Xfrmr	-	-	-	(10)	-	-	-	-	-	-	-	-
	127355	PinevilleEqpRM	-	-	-	-	37	-	-	-	-	-	-	-
	127372	ADAMS-SCOTT CO 69KV PARAMETERS	-	-	-	-	315	26	-	-	-	-	-	-
	127394	KBR10-E-Town69kV	-	-	-	-	238	-	-	-	-	-	-	-
	127395	KBR10-GrnRver009	-	-	-	-	296	1	-	-	-	-	-	-
	127405	Versailles Bypass Capacitor	-	-	-	-	317	25	-	-	-	-	-	-
	127444	ScottCo69kVBrkrs	-	-	-	-	513	(2)	-	-	-	-	-	-
	127456	Grahamville Bus Tie Breaker	-	-	-	-	288	(39)	-	-	-	-	-	-
	127462	OXFORDSUB#2TAP	-	-	-	-	67	5	-	-	-	-	-	-
	127463	SV Conf. Table- KU	-	-	-	-	7	-	-	-	-	-	-	-
	127500	NAS - Dow Corning West OPGW	-	-	-	-	450	97	-	-	-	-	-	-
	127508	PDS/TEST LAN KU	-	-	-	-	12	-	-	-	-	-	-	-
	127512	RICH 2 SUB 4KV TO 12KV	-	-	-	-	-	245	-	-	-	-	-	-
	127546	238-RemoteEndsWrk	-	-	-	-	144	45	89	0	-	-	-	-
	127549	FALLS Software Purchase	-	-	-	-	50	26	-	-	-	-	-	-
	127556	ARNDORCSTR-RODA	-	-	-	-	510	382	-	-	-	-	-	-
	127606	Warsaw East Capacitor Bank	-	-	-	-	172	(113)	(58)	-	-	-	-	-
	127644	LivingstonCo-KYDam Fiber Upgr	-	-	-	-	432	115	2	-	-	-	-	-
	130011	Ghent Switch Replacement	-	-	-	-	348	126	106	-	-	-	-	-
	130474	Rineyville Tap 69kV	-	-	-	-	-	36	122	-	-	-	-	-
	130619	Toyota South-Toyota North OPGW	-	-	-	-	57	246	122	-	-	-	-	-
	130620	Scott County - Adams OPGW	-	-	-	-	291	237	(3)	0	-	-	-	-
	130621	Adams - Toyota South OPGW	-	-	-	-	246	19	-	-	-	-	-	-
	130631	DAVIESS CO Station Backup	-	-	-	-	27	26	-	-	-	-	-	-
	130639	131-StationServiceTransUpgr	-	-	-	-	40	23	-	-	-	-	-	-
	130895	Ghent 345kV Brkr Repl	-	-	-	-	7	1,670	2,233	312	142	-	-	-
	131144	CLARK CO HIGH RELOCATION	-	-	-	-	(248)	248	-	-	-	-	-	-
	131259	Joyland Upgrade	-	-	-	-	-	276	-	-	-	-	-	-
	131273	FAWKES-OKONITE 69KV RECON	-	-	-	-	-	506	-	-	-	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	131274	OHIO CO - MEREDITH 138 KV	-	-	-	-	-	3,557	63	2	-	-	-	-
	131279	Elihu-Ferguson South 69kv	-	-	-	-	-	-	439	431	(10)	-	-	-
	131306	NESC Upgrades-2011	-	-	-	-	-	105	-	-	-	-	-	-
	131308	FMC Sub Fencing	-	-	-	-	-	34	-	-	-	-	-	-
	131315	Repl Brkr 192-688 at Pineville	-	-	-	-	-	95	1	-	-	-	-	-
	131319	Repl Brkr 178-718 at Hardin Co	-	-	-	-	-	106	80	6	-	-	-	-
	131321	Stanford N 19.8 MVAr 69kV Cap	-	-	-	-	-	184	131	34	-	-	-	-
	131322	Mt. Vernon Cap Bank	-	-	-	-	-	146	180	89	-	-	-	-
	131325	Scott Co 27.0 MVAr 69kV Cap	-	-	-	-	-	250	5	-	-	-	-	-
	131327	W. Frankfort 36.0MVAr 69kV Cap	-	-	-	-	-	304	-	-	-	-	-	-
	131329	Danville N 42.0MVAr 69kv Cap	-	-	-	-	-	274	7	-	-	-	-	-
	131338	Ghent 345kV Control House	-	-	-	-	-	-	-	-	-	577	1,740	184
	131350	Tyrone Control House	-	-	-	-	-	-	-	-	-	1,004	1,032	-
	131354	Cascade Phase II - KU	-	-	-	-	-	-	130	263	44	-	-	-
	131355	Ghent Redesign 138kV Sub	-	-	-	-	-	-	-	-	-	-	525	1,114
	131385	225-604 Breaker Replacement	-	-	-	-	76	1	-	-	-	-	-	-
	131390	Millersburg BKR Replacements	-	-	-	-	220	332	(0)	-	-	-	-	-
	131809	KU-2013	-	-	-	-	-	-	-	508	467	12	(0)	-
	131859	KU-2015	-	-	-	-	-	-	-	-	-	239	-	-
	131861	KU-2016	-	-	-	-	-	-	-	-	-	-	346	-
	131864	KU-2017	-	-	-	-	-	-	-	-	-	-	-	627
	131865	KU-2018	-	-	-	-	-	-	-	-	-	-	-	564
	132086	Farmers 175-608 Rplc	-	-	-	-	63	13	-	-	-	-	-	-
	132098	Simpsonville Switch Gear KU	-	-	-	-	99	1	-	-	-	-	-	-
	132240	GPS RTK ROVER PURCHASE-KU	-	-	-	-	-	32	-	-	-	-	-	-
	132370	Extend the OATI T1 to Dix Dam	-	-	-	-	5	-	-	-	-	-	-	-
	132610	PowerBase - KU	-	-	-	-	-	440	-	-	-	-	-	-
	132644	HARDIN CO-DAVIESS CO	-	-	-	-	-	239	8	-	-	-	-	-
	132674	KU Park Control House	-	-	-	-	-	-	-	-	-	1,617	960	-
	132732	QAS for EMS KU	-	-	-	-	-	334	(4)	-	-	-	-	-
	132859	HARDIN CO-BROWN N.	-	-	-	-	-	256	13	-	-	-	-	-
	132865	OXFORD COAL MINE TAP	-	-	-	-	-	187	-	-	-	-	(235)	-
	132867	KU	-	-	-	-	-	-	213	(81)	-	-	-	-
	132879	ADVENT 69KV TAP	-	-	-	-	-	191	-	-	-	-	-	-
	132889	EMS CC Switchover - KU	-	-	-	-	-	1,438	981	24	(14)	-	-	-
	132902	Rpl 211-345/138-161kV	-	-	-	-	-	391	50	-	-	-	-	-
	133116	UK WEST #2 69KV	-	-	-	-	-	-	190	-	-	-	-	-
	133306	NERCALRT-OH CO-GRP	-	-	-	-	-	-	101	468	17	-	-	-
	133318	NERCALRT-DWCNW-CRLTN	-	-	-	-	-	-	147	12	(6)	-	-	-
	133319	NERCALRT-CRLTN-E FFT	-	-	-	-	-	-	-	-	1,548	632	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	133320	NERCALRT-GHNT-W LEX	-	-	-	-	-	-	3	608	-	-	-	-
	133321	NERCALRT-RGRVL-HDNCO	-	-	-	-	-	-	-	73	-	-	-	-
	133361	NERCALRT-BNVL-OH CO	-	-	-	-	-	232	1,847	(32)	-	-	-	-
	133365	NERCALRT-DNVL N TAP	-	-	-	-	-	97	0	-	-	-	-	-
	133377	NERCALRT-FWKS-CLRKCO	-	-	-	-	-	-	119	-	-	-	-	-
	133379	NERCALRT-SPCRD-CLRKC	-	-	-	-	-	27	75	38	-	-	-	-
	133910	NERCALRT-PNVL-FRLY	-	-	-	-	-	-	2,474	13	-	-	-	-
	133917	NERCALRT-ARTMS TAP	-	-	-	-	-	91	27	-	-	-	-	-
	133924	NERCALRT-PNVL-HRLN	-	-	-	-	-	2,419	62	-	-	-	-	-
	133934	NERCALRT-DRHTR-ARND2	-	-	-	-	-	-	110	-	-	-	-	-
	133973	NERCALRT-HRLN-ARNLD	-	-	-	-	-	-	465	-	-	-	-	-
	134057	NERCALRT-DLVTA-ARNLD	-	-	-	-	-	-	-	1,834	(1)	-	-	-
	134058	NERCALRT-ERLN-LVGSTN	-	-	-	-	-	-	-	1,231	1,991	46	-	-
	134060	NERCALRT-DRCSTR-PK N	-	-	-	-	-	-	-	266	9	-	-	-
	134061	NERCALRT-DRCSTR-PKN1	-	-	-	-	-	-	-	375	143	-	-	-
	134062	NERCALRT-LKRBA-DLVTA	-	-	-	-	-	-	-	-	1,270	160	-	-
	134076	58.5MVAr 69kV Cap-EarlingtonN	-	-	-	-	-	-	300	111	2	-	-	-
	134080	138/69kV Adams Xfrmr	-	-	-	-	-	398	672	695	(13)	-	-	-
	134213	BLACK BRANCH 345KV	-	-	-	-	-	70	527	(0)	-	-	-	-
	134221	NERCALRT-RDBRN-SPRRD	-	-	-	-	-	-	-	175	286	-	-	-
	134222	NERCALRT-LBNON-BNVL	-	-	-	-	-	-	-	-	2,698	(13)	-	-
	134223	NERCALRT-ADMS-TYRN	-	-	-	-	-	-	-	453	-	-	-	-
	134237	DSP LEX AREA MAJOR PROJECTS	-	-	-	-	-	-	-	-	-	95	386	-
	134245	DSP STNWL SUB UPGD	-	-	-	-	-	-	-	-	-	-	-	590
	134256	DSP VERSAILLES SUB	-	-	-	-	-	-	-	-	-	-	-	1,280
	134278	NERCALRT-BWN-LBANON	-	-	-	-	-	-	-	1,112	(13)	-	-	-
	134279	NERCALRT-ETWN-BDSTWN	-	-	-	-	-	-	-	-	305	-	-	-
	134283	BNDS MILL-FNCHVLLE STAT REPL	-	-	-	-	-	-	-	-	-	1,025	185	-
	134284	SR 2016 Bonds Mill-Finchville	-	-	-	-	-	-	-	-	-	-	916	-
	134407	REPLACE SIMP VIDEO WALL-KU	-	-	-	-	-	-	-	-	-	507	-	-
	134665	Back-up Trans Control Ctr KU	-	-	-	-	-	-	81	26	(107)	-	-	-
	135361	REL LEXPLNT-PISGH 69RBLD	-	-	-	-	-	-	-	-	-	-	2,822	-
	135429	ETWN-ETWN#4 69	-	-	-	-	-	-	367	(7)	-	-	-	-
	135431	SHLBYVL-SHLBYVL E 69	-	-	-	-	-	-	294	505	5	-	-	-
	135433	TEP-Add 345kV Brkr to W Lex	-	-	-	-	-	-	-	-	-	1,009	1	-
	135481	River Queen Xfrmr	-	-	-	-	-	452	218	-	-	-	-	-
	135491	54.0 MVAr 69kV Cap - Green R	-	-	-	-	-	-	197	180	2	-	-	-
	135531	13.2 MVAr 69kV Cap - Newtown	-	-	-	-	-	-	248	144	(6)	-	-	-
	135625	Matanzas Sub Upgrade	-	-	-	-	-	5	7,486	5,182	40	9	(204)	-
	135626	Matanzas Line Upgrades	-	-	-	-	-	-	116	390	2	-	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	135629	12.0 MVAr 69kV Cap - Uniontown	-	-	-	-	-	-	326	221	-	-	-	-
	135644	MicroSCADA Generation KU	-	-	-	-	-	14	4	-	-	-	-	-
	135784	LIVERMORE 34.5KV TAP	-	-	-	-	-	42	23	10	-	-	-	-
	135813	Trans Operator Log Sys-KU	-	-	-	-	-	108	-	-	-	-	-	-
	135832	ELIHU-SWLTN STAT REP	-	-	-	-	-	-	2,999	18	-	-	-	-
	135920	Corning Sub Upgrade	-	-	-	-	-	-	-	2,160	481	-	-	-
	135928	NERCALRT-AMERAV-HFLG	-	-	-	-	-	-	97	-	7	-	-	-
	135995	LREBA-WACO69P2	-	-	-	-	-	-	414	-	-	-	-	-
	136152	CORNING UPGD-LINES	-	-	-	-	-	-	-	195	317	-	-	-
	136172	AP-SADE-KU	-	-	-	-	-	-	107	(0)	-	-	-	-
	136531	TransOpLog II - KU	-	-	-	-	-	-	63	29	-	-	-	-
	137502	JAD COAL-LAND	-	-	-	-	-	-	1,779	(47)	-	-	-	-
	137728	SR 2017 Bonds Mill-West Cliff	-	-	-	-	-	-	-	-	-	-	-	708
	137737	TOYOTA STRUCTURE IMPROVEMENTS	-	-	-	-	-	-	-	606	-	-	-	-
	137739	REL ONTON 69KV SWITCH	-	-	-	-	-	-	-	-	-	-	-	276
	137744	HARDIN CO SMITH 345KV P1	-	-	-	-	-	-	-	625	496	1	-	-
	137745	PR HARDIN CO SMITH 345KV P2	-	-	-	-	-	-	-	-	-	1,396	2,089	-
	137749	DSP SHELBYVILLE E-TRANS	-	-	-	-	-	-	-	-	-	-	375	-
	137750	DSP MT VERNON SUB-TRANS	-	-	-	-	-	-	-	-	-	-	-	140
	137751	DSP VILEY 2-TRANS	-	-	-	-	-	-	-	-	-	-	-	786
	137752	DSP Richmond North 138kV	-	-	-	-	-	-	-	-	-	-	-	927
	137754	DSP HUME RD PHASE II TRANSFRMR	-	-	-	-	-	-	-	-	-	-	-	1,049
	137773	TRODS - KU	-	-	-	-	-	-	-	34	6	-	-	-
	138420	Cane Run 345kV Xfrmr - KU	-	-	-	-	-	-	910	(905)	(5)	-	-	-
	138692	TWR LGHTNG-KU	-	-	-	-	-	-	-	347	27	-	-	-
	138727	GRST 728 OMU Brkr Rpl	-	-	-	-	-	-	-	114	-	-	-	-
	138743	NEWTOWN PK 69KV SW REP	-	-	-	-	-	-	545	(108)	-	-	-	-
	138829	Cane Run Control House-KU	-	-	-	-	-	-	1	(1)	-	-	-	-
	138842	Grn Rvr Plnt-Hllsd 69kV Relo	-	-	-	-	-	-	-	-	-	-	-	50
	138897	PDCAH PRI-CLMN RD-STATIC REPL	-	-	-	-	-	-	130	592	(2)	50	-	-
	139002	Linux Identity Manager - KU	-	-	-	-	-	-	5	3	-	-	-	-
	139190	PINEVILLE-POCKET N. RECLAIM	-	-	-	-	-	-	-	250	-	-	-	-
	139210	Ghent Control House	-	-	-	-	-	-	-	586	276	(2)	-	-
	139256	NERCALRT-E.F-W.F 138KV	-	-	-	-	-	-	-	852	1,700	(6)	-	-
	139505	Bonds Mill 69kV Brkr Add	-	-	-	-	-	-	-	2	(2)	2	-	-
	139549	CARDINAL#2 METER RELO	-	-	-	-	-	-	-	174	8	-	-	-
	139557	GRST 714 & 718 Brkr Rpls	-	-	-	-	-	-	-	730	-	-	-	-
	139657	Mapboard Upgrade-KU-2013	-	-	-	-	-	-	-	69	2	-	-	-
	139696	LEX UNDRGD-PHASE 1	-	-	-	-	-	-	-	-	-	-	-	6,663
	139701	NERCALRT-INVTN-ADMS	-	-	-	-	-	-	-	362	981	0	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	139743	PLN-ELHU-BRNSD69	-	-	-	-	-	-	-	-	71	-	-	-
	139744	TEP-RQ-GRNVL-W-TAP69	-	-	-	-	-	-	-	-	511	92	-	-
	139748	PLN-MDSNVLGE-MDSNVLW	-	-	-	-	-	-	-	-	26	-	-	-
	139751	PLN-VIRG-CTY-STPAUL	-	-	-	-	-	-	-	499	1,088	-	-	-
	139753	PLN-MDSNVL-HSPTL-TAP	-	-	-	-	-	-	-	-	182	-	-	-
	139860	PLN-SCOTT-ST-TAP	-	-	-	-	-	-	-	318	135	-	-	-
	139906	TEP-Morganfield 161kV Brkr Add	-	-	-	-	-	-	-	-	-	147	152	-
	139979	TEP-FARLEY-US STEEL 69kV	-	-	-	-	-	-	-	-	172	1,516	337	-
	139996	TEP-ALCLDE-ELHU	-	-	-	-	-	-	-	-	1,609	209	(8)	-
	140018	Dix Upgrade KU 2014	-	-	-	-	-	-	-	-	196	-	72	-
	140278	PLN-NEBO-PRVIDNC-E	-	-	-	-	-	-	-	245	35	-	-	-
	140279	RCHMND2-RCHMND	-	-	-	-	-	-	-	-	553	27	-	-
	140280	TEP-BOND-VIRGINIACTY	-	-	-	-	-	-	-	-	-	992	-	-
	140973	GRST 624 Brkr Rpl	-	-	-	-	-	-	-	340	-	-	-	-
	141222	EMS AIRGAP SVRS-2013-KU	-	-	-	-	-	-	-	56	2	-	-	-
	141394	Green River 884 Brkr Failure	-	-	-	-	-	-	-	1,071	72	0	-	-
	142371	JAD COAL RELOCATION	-	-	-	-	-	-	-	-	292	-	-	-
	142401	TEP-CMPGD-EMNUEL-TP	-	-	-	-	-	-	-	-	-	-	82	-
	142474	EARL-N-NEBO-69KV	-	-	-	-	-	-	-	634	33	-	-	-
	142799	IPS Device for QAS-KU-2013	-	-	-	-	-	-	-	20	-	4	-	-
	142935	ONTON-SEBREE	-	-	-	-	-	-	-	-	337	-	-	-
	142936	OHIO-CO-HARTFORD	-	-	-	-	-	-	-	-	377	-	-	-
	142937	BIMBLE-ARTEMUS	-	-	-	-	-	-	-	-	364	-	-	-
	142938	EAST-F-WEST-F-69KV	-	-	-	-	-	-	-	-	304	-	-	-
	142945	Load Model Power Sys Stab-KU	-	-	-	-	-	-	-	-	25	-	-	-
	142965	WALKER-OAKHILL 69KV-REIM	-	-	-	-	-	-	-	-	0	1	-	-
	143027	Sunburst-KU	-	-	-	-	-	-	-	40	1	-	-	-
	143174	Replace Ghent 942 Breaker	-	-	-	-	-	-	-	-	401	11	-	-
	143175	Replace Brown N 932 Breaker	-	-	-	-	-	-	-	-	264	-	-	-
	143539	Upgrade DIX V-Wall_2014_KU	-	-	-	-	-	-	-	-	66	-	-	-
	143746	Pineville Grounding	-	-	-	-	-	-	-	-	711	31	-	-
	144061	REL TUNNELL HILL SWITCH	-	-	-	-	-	-	-	-	-	-	289	-
	144112	BACKUP CC V_WALL RPLC-KU-2016	-	-	-	-	-	-	-	-	-	-	48	-
	144118	GR 69kV Control House Rpl	-	-	-	-	-	-	-	-	-	-	-	3,625
	144129	Rpl Dix Dam 604 & 624 Brkrs	-	-	-	-	-	-	-	-	-	209	0	-
	144140	Rpl (3) Leitchfield Brkrs	-	-	-	-	-	-	-	-	-	4	367	-
	144141	Rpl (1) 138kV Ohio Co Brkr	-	-	-	-	-	-	-	-	-	200	4	-
	144143	Rpl Toyota South 714 Brkr	-	-	-	-	-	-	-	-	-	-	244	-
	144150	Rpl Middlesboro Fence	-	-	-	-	-	-	-	-	-	79	0	-
	144152	Rpl Green River 69kV Fence	-	-	-	-	-	-	-	-	-	105	1	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	144153	Rpl River Queen Fence	-	-	-	-	-	-	-	-	-	76	-	-
	144154	Rpl Simmons Fence	-	-	-	-	-	-	-	-	-	49	-	-
	144155	Rpl Clinton Fence	-	-	-	-	-	-	-	-	-	74	-	-
	144157	Rpl Marion Fence	-	-	-	-	-	-	-	-	-	46	-	-
	144158	Rpl East Frankfort Fence	-	-	-	-	-	-	-	-	-	173	(19)	-
	144310	SCOTT CO-TOYOTA NORTH OPGW	-	-	-	-	-	-	-	-	514	35	-	-
	144338	Brown North	-	-	-	-	-	-	-	-	-	-	1,862	-
	144360	REL-Madisonville 604 Brkr Add	-	-	-	-	-	-	-	-	-	492	(108)	-
	144364	REL-Parkers Mill 604 Brkr Adds	-	-	-	-	-	-	-	-	-	2,077	6	-
	144366	REL-Warsaw 604 Brkr Addition	-	-	-	-	-	-	-	-	-	662	(1)	-
	144488	TEP-Rodburn 138/69kV Xfrmr	-	-	-	-	-	-	-	-	-	-	-	1,810
	144632	REL-Cawood 604 Brkr Addition	-	-	-	-	-	-	-	-	-	-	100	100
	144634	REL-FMC 604 Brkr Addition	-	-	-	-	-	-	-	-	-	-	-	113
	144636	REL-Stanford 604 Brkr Add	-	-	-	-	-	-	-	-	-	-	100	750
	144637	REL-Camargo 604 Brkr Add	-	-	-	-	-	-	-	-	-	-	100	100
	144682	TEP-DFR Replace MODs-KU	-	-	-	-	-	-	-	-	-	467	11	-
	144962	REL-Farley/Artemus/Pine Panels	-	-	-	-	-	-	-	-	-	-	444	-
	144964	REL HUME ROAD MOS	-	-	-	-	-	-	-	-	-	59	-	-
	144970	REL BARTON MOS	-	-	-	-	-	-	-	-	-	-	299	-
	146439	Higby Mill Firewall	-	-	-	-	-	-	-	-	-	36	77	-
	146457	Livingston County Reactor	-	-	-	-	-	-	-	-	-	594	-	-
	146679	LOCKPORT-SHADRACK 138KV	-	-	-	-	-	-	-	-	-	1,280	-	-
	146701	NRP CRLTN-CLFTY CRK	-	-	-	-	-	-	-	-	-	310	-	-
	146702	NRP FARLEY-ALCALDE	-	-	-	-	-	-	-	-	-	475	114	-
	146703	LVNGSTN CO-CRTTNDN P2	-	-	-	-	-	-	-	-	-	894	-	-
	146704	NRP LVNGSTN-CRITTDN CO	-	-	-	-	-	-	-	-	-	306	-	-
	146705	HARDIN CO-CLOVERPORT P2	-	-	-	-	-	-	-	-	-	2,555	-	-
	146706	GRAHAMVILLE-WICKLIFFE P2	-	-	-	-	-	-	-	-	-	762	(1)	-
	146710	NRP BROWN-FAWKES 138KV	-	-	-	-	-	-	-	-	-	1,144	0	-
	146731	W. Frankfort 69kV Brk (Reimb)	-	-	-	-	-	-	-	-	-	2	0	-
	146855	SPIR BROWN NORTH-HIGBY MILL	-	-	-	-	-	-	-	-	-	23	-	-
	146856	SPIR WEST CLIFF-BROWN PLANT	-	-	-	-	-	-	-	-	-	10	-	-
	146858	SPIR GHENT-NAS	-	-	-	-	-	-	-	-	-	11	-	-
	146925	Online Mon Equip - W. Lex	-	-	-	-	-	-	-	-	-	133	21	-
	146941	LEBANON EAST TRNSFRMR ADD	-	-	-	-	-	-	-	-	-	-	40	-
	146982	PR Ghent-Blackwell 138kV	-	-	-	-	-	-	-	-	-	-	1,561	-
	146983	NRP GHENT-BLACKWELL 138kV	-	-	-	-	-	-	-	-	-	-	157	-
	146984	NRP BLACKWELL-KENTON 138kV	-	-	-	-	-	-	-	-	-	-	201	-
	146997	HIGBY MILL-KY RIVER P2	-	-	-	-	-	-	-	-	-	1,085	10	-
	147130	NRP KENTON-RODBURN 138kV	-	-	-	-	-	-	-	-	-	555	584	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	147131	PR Kenton-Rodburn 138kV	-	-	-	-	-	-	-	-	-	407	209	-
	147159	Rpl Danville N 604 & 608 Brkrs	-	-	-	-	-	-	-	-	-	119	72	-
	147161	Rpl Taylor County 804 Brkr	-	-	-	-	-	-	-	-	-	57	109	-
	147162	Rpl Harlan Wye 614 Breaker	-	-	-	-	-	-	-	-	-	160	24	-
	147217	TEP-W. Cliff-Shakertown Term	-	-	-	-	-	-	-	-	-	-	37	-
	147218	TEP-Brown Subs Term Eqp	-	-	-	-	-	-	-	-	-	-	44	-
	147219	TEP-Hardinsburg-B. Branch Term	-	-	-	-	-	-	-	-	-	-	-	239
	147220	TEP-Bonds M.-Lawrenceburg Term	-	-	-	-	-	-	-	-	-	-	-	22
	147222	TEP-Elihu 814 Brkr Rpl	-	-	-	-	-	-	-	-	-	-	-	198
	147225	TEP-Hardinsburg-B.Branch Term2	-	-	-	-	-	-	-	-	-	-	-	150
	147226	TEP-Boyle Co 604 Disconnects	-	-	-	-	-	-	-	-	-	-	-	40
	147233	Wheatcroft 614 Brkr Rpl	-	-	-	-	-	-	-	-	-	162	24	-
	147241	TEP Corydon-Highland Mine 69kV	-	-	-	-	-	-	-	-	-	-	304	-
	147255	TEP HARDESTY A-PRINCETON	-	-	-	-	-	-	-	-	-	-	-	1,750
	147286	PR Spencer Road-Clark Co 69kV	-	-	-	-	-	-	-	-	-	-	755	-
	147307	Delvinta Station Service Rpl	-	-	-	-	-	-	-	-	-	-	67	-
	147310	E. Frankfort Station Svc Rpl	-	-	-	-	-	-	-	-	-	-	52	-
	147311	Bond Station Service Rpl	-	-	-	-	-	-	-	-	-	-	33	-
	147313	PR Bardstown-Elizabethtown	-	-	-	-	-	-	-	-	-	-	2,896	-
	147314	Brown North Surge Arrester Rpl	-	-	-	-	-	-	-	-	-	-	33	-
	147315	PR Lebanon-Springfield	-	-	-	-	-	-	-	-	-	-	547	-
	147331	Taylor Co Surge Arrester Rpl	-	-	-	-	-	-	-	-	-	-	9	-
	147334	PR London-Sweet Hollow 69kV	-	-	-	-	-	-	-	-	-	-	3,481	-
	147335	PR Green Rvr Plnt-Morganfield	-	-	-	-	-	-	-	-	-	-	2,517	-
	147341	Walker Bushings	-	-	-	-	-	-	-	-	-	-	35	-
	147344	Dorchester Bushings	-	-	-	-	-	-	-	-	-	-	48	-
	147345	Earlington North Bushings	-	-	-	-	-	-	-	-	-	-	52	-
	147360	Tyrone Ground Grid	-	-	-	-	-	-	-	-	-	-	138	-
	147389	NRP Pocket No-Phipps Bend	-	-	-	-	-	-	-	-	-	-	-	465
	147392	Brown CT Breaker Monitors	-	-	-	-	-	-	-	-	-	-	89	-
	147450	NRP Brown North-Hardin Co	-	-	-	-	-	-	-	-	-	-	290	-
	147461	NRP Grn Rvr Plnt-Grn Rvr Steel	-	-	-	-	-	-	-	-	-	-	135	-
	147463	NRP Grn Rvr Steel-Cloverport	-	-	-	-	-	-	-	-	-	-	322	-
	147465	NRP Livingston-So Paducah	-	-	-	-	-	-	-	-	-	-	704	-
	147466	NRP Crittenden-Morganfield	-	-	-	-	-	-	-	-	-	-	19	-
	147467	NRP Grn Rvr Plnt-Erlngton No	-	-	-	-	-	-	-	-	-	-	766	-
	147468	NRP West Lex-Haefling	-	-	-	-	-	-	-	-	-	-	-	210
	147472	NRP Paducah Prim-Coleman Rd	-	-	-	-	-	-	-	-	-	-	-	539
	147473	NRP Cloverport-Hardinsburg	-	-	-	-	-	-	-	-	-	-	156	-
	147474	NRP Hrdnsburg-Cen Hrdn EKPC	-	-	-	-	-	-	-	-	-	-	68	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	147478	NRP GR Plant-Morganfield	-	-	-	-	-	-	-	-	-	-	1,322	-
	147480	REL Esserville Switch	-	-	-	-	-	-	-	-	-	-	486	-
	147481	REL Kenton Switch 91-6	-	-	-	-	-	-	-	-	-	-	-	341
	147486	REL Dwina Switch	-	-	-	-	-	-	-	-	-	-	-	346
	147493	REL Hamblin Tap Switch	-	-	-	-	-	-	-	-	-	-	-	346
	147534	REL Radcliff Switch	-	-	-	-	-	-	-	-	-	-	180	-
	147583	EFRNKFRT-WFRNKFRT HWY RELO	-	-	-	-	-	-	-	-	-	-	-	1,074
	147588	GRAHAMVILLE-DOE RELO 161kV	-	-	-	-	-	-	-	-	-	-	-	487
	147818	SPIR Projects KU 2016-2025	-	-	-	-	-	-	-	-	-	-	-	809
	148119	TEP-Haefling Line Riser Rpl	-	-	-	-	-	-	-	-	-	-	-	45
	148196	Rpl Brown North 912 Breaker	-	-	-	-	-	-	-	-	-	484	0	-
	148370	REL-Hoover 604 Breaker Add	-	-	-	-	-	-	-	-	-	-	100	100
	148371	REL-Earlington 604 Brkr Add	-	-	-	-	-	-	-	-	-	-	100	750
	148388	REL Hughes Lane MOS	-	-	-	-	-	-	-	-	-	-	153	-
	148482	Grahamville DOE Sub Elim	-	-	-	-	-	-	-	-	-	-	-	251
	148644	Rpl Brown North 924 Breaker	-	-	-	-	-	-	-	-	-	467	1	-
	148990	N.A.S 345 DFR	-	-	-	-	-	-	-	-	-	-	-	82
	149026	NERCALRT PNVL SW STN-PNVL TVA	-	-	-	-	-	-	-	-	-	-	391	-
	149027	TEP-KU DFR 2016	-	-	-	-	-	-	-	-	-	-	484	-
	149050	Rpl (2) Indian Hill 69kV Brkrs	-	-	-	-	-	-	-	-	-	266	5	-
	149167	Rpl (2) 69kV Ohio Co Brkrs	-	-	-	-	-	-	-	-	-	213	-	-
	149368	E-Town Cap Bank Rpl	-	-	-	-	-	-	-	-	-	186	109	-
	149705	TEP-W Lex Reactor Additions	-	-	-	-	-	-	-	-	-	-	476	100
	149764	NRP Adams-Toyota South	-	-	-	-	-	-	-	-	-	-	-	586
	149765	NRP Ghent-Scott County	-	-	-	-	-	-	-	-	-	-	-	391
	149769	NRP Taylor County Tap	-	-	-	-	-	-	-	-	-	-	-	146
	149783	PR Princeton-Crittenden Co	-	-	-	-	-	-	-	-	-	1,310	14	-
	149939	Replacment SF6 Camera	-	-	-	-	-	-	-	-	-	126	-	-
	150114	SIMP CIRCUIT UPDATE-KU-2015	-	-	-	-	-	-	-	-	-	8	-	-
	150238	Walker OCB Kit Install	-	-	-	-	-	-	-	-	-	9	14	-
	150241	River Queen OCB Kit Install	-	-	-	-	-	-	-	-	-	11	14	-
	150242	Danville N OCB Kit Install	-	-	-	-	-	-	-	-	-	11	-	-
	150243	W Irvine OCB Kit Install	-	-	-	-	-	-	-	-	-	29	-	-
	150244	W Frankfort OCB Kit Install	-	-	-	-	-	-	-	-	-	11	14	-
	150245	Tyrone OCB Kit Install	-	-	-	-	-	-	-	-	-	6	14	-
	150246	Rodburn OCB Kit Install	-	-	-	-	-	-	-	-	-	11	14	-
	150247	Middlesboro OCB Kit Install	-	-	-	-	-	-	-	-	-	9	-	-
	150248	Lebanon OCB Kit Install	-	-	-	-	-	-	-	-	-	11	1	-
	150249	Boonesboro N OCB Kit Install	-	-	-	-	-	-	-	-	-	11	14	-
	150252	Leitchfield Sw OCB Kit Install	-	-	-	-	-	-	-	-	-	7	-	-

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	150253	Pocket OCB Kit Install	-	-	-	-	-	-	-	-	-	12	-	-
	150257	Brown CT OCB Kit Install	-	-	-	-	-	-	-	-	-	8	14	-
	150262	London OCB Kit Install	-	-	-	-	-	-	-	-	-	18	-	-
	150268	Green River OCB Kit Install	-	-	-	-	-	-	-	-	-	31	27	-
	150269	Lancaster SW OCB Kit Install	-	-	-	-	-	-	-	-	-	47	-	-
	150270	Wheatcroft OCB Kit Install	-	-	-	-	-	-	-	-	-	16	14	-
	150636	Middlesboro (5) Brkr Rpl	-	-	-	-	-	-	-	-	-	-	773	-
	150642	KU Park Surge Arrestor/PT	-	-	-	-	-	-	-	-	-	-	200	-
	150644	Ghent Redesign 138kV-P&C	-	-	-	-	-	-	-	-	-	-	517	915
	150646	PR Livingston-South Paducah	-	-	-	-	-	-	-	-	-	-	1,000	-
	150648	PR Green Rvr Steel-Cloverport	-	-	-	-	-	-	-	-	-	-	818	-
	150652	PR Blackwell-Kenton	-	-	-	-	-	-	-	-	-	-	2,611	-
	150687	PR Pocket-Pennington Gap	-	-	-	-	-	-	-	-	-	-	1,542	-
	150729	Lake Reba Tap Surge Arr Rpl	-	-	-	-	-	-	-	-	-	-	20	-
	150730	Hardin Co Surge Arrester Rpl	-	-	-	-	-	-	-	-	-	-	16	-
	150731	Hardinsburg 704 Brkr Overhaul	-	-	-	-	-	-	-	-	-	-	20	-
	150733	Etown Insulator Rpl	-	-	-	-	-	-	-	-	-	-	417	-
	150741	Fawkes Ground Grid Rpl	-	-	-	-	-	-	-	-	-	-	257	-
	150743	36DSP West Hickman Expansion	-	-	-	-	-	-	-	-	-	-	451	-
	150754	Alcalde Station Service	-	-	-	-	-	-	-	-	-	-	4	-
	150772	Pineville 345kV Brkrs	-	-	-	-	-	-	-	-	-	-	1,259	-
	150791	NRP Ghent-NAS 345kV Tap	-	-	-	-	-	-	-	-	-	-	150	-
	150793	PR Adams-Penn 69kV	-	-	-	-	-	-	-	-	-	-	513	-
	150805	OATI Software Change - KU	-	-	-	-	-	-	-	-	-	-	45	-
	150838	NRP Brown CT-Brown North	-	-	-	-	-	-	-	-	-	-	343	-
	150841	PR Ghent-Scott County	-	-	-	-	-	-	-	-	-	-	5,956	-
	150842	Princeton-Walker 69kV LTG	-	-	-	-	-	-	-	-	-	-	710	-
	150844	REL Madisonville Loop MOS	-	-	-	-	-	-	-	-	-	-	286	-
	150845	REL-Madisonville Loop-Subs	-	-	-	-	-	-	-	-	-	-	11	-
	150846	REL-Madisonville Loop-P&C	-	-	-	-	-	-	-	-	-	-	195	-
	150847	Green River Steel Switch	-	-	-	-	-	-	-	-	-	-	231	-
	150876	Dorchester 602 Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	25	-
	150877	Wofford 602 Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	25	-
	150878	Elihu 644 Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	25	-
	150885	Diverse Comm 117-122	-	-	-	-	-	-	-	-	-	-	12	-
	150930	Pineville OCB Overhaul	-	-	-	-	-	-	-	-	-	-	47	-
	151112	Kenton Relay Rpl	-	-	-	-	-	-	-	-	-	-	117	-
	151177	TEP-Hardin Co Xfmr Add	-	-	-	-	-	-	-	-	-	-	270	2,286
	151197	Dorchester OCB Overhaul	-	-	-	-	-	-	-	-	-	-	24	-
	151465	Mobile Control House	-	-	-	-	-	-	-	-	-	-	-	18

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	151468	West Cliff Monitor	-	-	-	-	-	-	-	-	-	-	125	-
	151469	Lake Reba Tap Monitor	-	-	-	-	-	-	-	-	-	-	128	-
	151474	Hardin Co Xfmr Fan Rpl	-	-	-	-	-	-	-	-	-	-	14	-
	151554	PR Hardinsburg-C Hardin EKPC	-	-	-	-	-	-	-	-	-	-	1,223	-
	151599	Rocky Branch 614 Panel Rpl	-	-	-	-	-	-	-	-	-	-	150	-
	151692	ESR Eddyville Tap	-	-	-	-	-	-	-	-	-	-	-	293
	151744	REL-Campbellsville 605 Switch	-	-	-	-	-	-	-	-	-	-	-	244
	151745	REL-Warsaw 615 Switch Motor	-	-	-	-	-	-	-	-	-	-	-	244
	151746	REL-Hodgenville Switch Motor	-	-	-	-	-	-	-	-	-	-	-	214
	151748	KU Park-Greasy Env Mods	-	-	-	-	-	-	-	-	-	-	-	32
	151761	Fawkes Firewall/Cap Bank	-	-	-	-	-	-	-	-	-	-	298	56
	151765	KU	-	-	-	-	-	-	-	-	-	-	55	429
	151771	DSP Corbin US Steel	-	-	-	-	-	-	-	-	-	-	-	99
	151775	Hillside Control House	-	-	-	-	-	-	-	-	-	-	-	24
	151777	Finchville Control House	-	-	-	-	-	-	-	-	-	-	100	1,136
	151792	REL Radcliff MOS	-	-	-	-	-	-	-	-	-	-	-	98
	151793	REL Esserville MOS	-	-	-	-	-	-	-	-	-	-	-	98
	151794	REL Elizabethtown Tap MOS	-	-	-	-	-	-	-	-	-	-	-	586
	151796	REL Joyland 69kV MOS	-	-	-	-	-	-	-	-	-	-	98	-
	151797	REL Campbellsville Ind MOS	-	-	-	-	-	-	-	-	-	-	73	-
	151800	REL Elizabethtown 4 MOS	-	-	-	-	-	-	-	-	-	-	-	494
	151801	REL Dayhoit Tap MOS	-	-	-	-	-	-	-	-	-	-	-	99
	151802	REL Dayhoit Tap LFI	-	-	-	-	-	-	-	-	-	-	-	25
	151803	REL Corydon-Calhoun LFI	-	-	-	-	-	-	-	-	-	-	-	10
	151804	REL Morehead West MOS	-	-	-	-	-	-	-	-	-	-	-	74
	151809	TEP-Rodburn 138/69kV-P&C	-	-	-	-	-	-	-	-	-	-	-	268
	151811	REL-Rockwell Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	26
	151814	REL-Stanford 848-635	-	-	-	-	-	-	-	-	-	-	-	19
	151815	REL-Somerset N 92-605 Motor	-	-	-	-	-	-	-	-	-	-	-	146
	151880	ESR Existing Switch Repl	-	-	-	-	-	-	-	-	-	-	-	864
	151898	West Frankfort Relay Rpl	-	-	-	-	-	-	-	-	-	-	125	-
	151905	Green River Plant Switch Rpl	-	-	-	-	-	-	-	-	-	-	46	-
	152134	REL-Radcliff Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	200
	152135	REL-GE Lamp 615 Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	27
	152136	REL-Esserville Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	200
	152138	REL-Irvine Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	27
	152139	REL-Hughes Lane 660-615 Auto	-	-	-	-	-	-	-	-	-	-	-	200
	152140	REL-Etown 4 811-615 Motor-Auto	-	-	-	-	-	-	-	-	-	-	-	172
	152143	REL-Corbin 1 844-605 Auto	-	-	-	-	-	-	-	-	-	-	-	172
	152146	REL-Mt Sterling 737-615 Auto	-	-	-	-	-	-	-	-	-	-	-	172

Kentucky Utilities
Total Company Capital Expenditures
$'000s

Type	Project #	Project Name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Base Period	Test Period
	152225	Brown N 345kV 934 Brkr Rpl	-	-	-	-	-	-	-	-	-	-	200	52
	152230	PBU-Wickliffe T01 Bush Rpl	-	-	-	-	-	-	-	-	-	-	48	-
	152231	POR-Shelbyville 69kV PT Rpl	-	-	-	-	-	-	-	-	-	-	65	-
	152237	PAR-W. Frankfort Arrester Rpl	-	-	-	-	-	-	-	-	-	-	14	-
	152266	SCADA PRIVATE NTWK_KU_2016	-	-	-	-	-	-	-	-	-	-	36	-
	152329	N.A.S. Secondary Containment	-	-	-	-	-	-	-	-	-	-	130	-
	152358	TEP-Hardin Co Xfmr Add-P&C	-	-	-	-	-	-	-	-	-	-	165	172
	152401	Green River C&P/Switch Rpl	-	-	-	-	-	-	-	-	-	-	279	304
	152608	TEP-Matanzas-Wilson Riser Rpl	-	-	-	-	-	-	-	-	-	-	32	-
	152623	West Lexington #3 Bushing Rpl	-	-	-	-	-	-	-	-	-	-	19	-
	152971	Earlington N 634 Brkr Overhaul	-	-	-	-	-	-	-	-	-	-	31	-
	152972	PGDP Reconfig GV	-	-	-	-	-	-	-	-	-	-	-	60
	152983	Bonds Mill Relay Rpl	-	-	-	-	-	-	-	-	-	-	80	-
	153026	Green River SPCC	-	-	-	-	-	-	-	-	-	-	250	-
	153030	REL Line Mod-In Line Breakers	-	-	-	-	-	-	-	-	-	-	-	168
	153036	Brown Campus Sonet Loop	-	-	-	-	-	-	-	-	-	-	120	-
	153068	REL Lebanon S Motor Add	-	-	-	-	-	-	-	-	-	-	-	100
	153073	REL Cynthiana S MOS 569-605	-	-	-	-	-	-	-	-	-	-	-	75
	153076	REL Girdler MOS Add	-	-	-	-	-	-	-	-	-	-	-	100
	153116	POR-Pisgah PT Rpl	-	-	-	-	-	-	-	-	-	-	17	-
	153205	American Ave 614 Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	32	-
	153212	PIN-Grahamville 834 Switch Rpl	-	-	-	-	-	-	-	-	-	-	112	-
	153230	POR-Lansdowne Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	32	-
	153232	POR-Loudon 644 Brkr CT Rpl	-	-	-	-	-	-	-	-	-	-	32	-
	153256	PBU-Haefling 718-4 Bushing Rpl	-	-	-	-	-	-	-	-	-	-	19	-
	153284	ROR-London Bird Deterrent	-	-	-	-	-	-	-	-	-	-	8	-
	24014	WINCHESTER RD HWY RELOC	-	7	-	-	-	-	-	-	-	-	-	-
	25180	HIG-LEX 69KV LINE RELOC	-	9	-	-	-	-	-	-	-	-	-	-
	25195	LEX-PARIS 69 KV HWY 25	-	-	37	-	-	-	-	-	-	-	-	-
Specific Total			10,408	40,302	34,127	28,885	32,510	28,118	31,227	27,544	21,990	30,600	59,578	41,918
KU Total			17,978	48,034	42,596	53,203	46,567	46,174	54,581	48,704	40,154	52,827	78,350	106,339

Kentucky Utilities
Closings to Plant-in service - Base Period ended 2/28/2017
($'000s)

Row Labels	State	Project	Project Description	Total Company	KY Jurisdictional
Routine	**Kentucky**	134286	COMP-RELATED EQUIP-KU 2015	77	74
		134797	Tools - 2015	3	3
		139627	Test Lab Equipment-2015-KU	14	14
		139628	Test Lab Equipment-2016-KU	127	122
		140098	EMS OPERATOR MONITORS-KU-2016	22	21
		142760	Rplce EMS Wkstations-KU-2013	12	11
		148498	EMS CHNL EXPANSION-KU-2015	25	24
		149752	Simpsonville Guard Station-KU	12	12
		150095	FUL UPGRD EMS SWARE-KU-2016	242	231
		150131	Drafting Printer-KU	15	14
		150133	KUGO 3rd Floor Room 367	50	48
		150468	Comp-related Equip KU 2016	44	42
		151104	KU Spare Relay Clocks-2016	8	8
		151897	Danville Drafting Plotter-KU	9	8
		152288	Capacitor Bank Test Set	11	11
		153188	Etown Trans Sub Storeroom	300	287
		153279	ROR-KU SPARE CCVT-2016	34	32
		K5-2016	Relocations T Lines KU-	50	48
		K5-2017	Relocations T Lines KU 2017	5	5
		K8-2014	STORM DAMAGE T-LINE-KU 2014	(2,663)	(2,545)
		K8-2015	STORM DAMAGE T-LINE KU 2015	30	29
		K8-2016	STORM DAMAGE T-LINE KU 2016	836	799
		K8-2017	Storm Damage T-Line KU 2017	144	137
		K9-2013	PRIORITY REPL T-LINES KU 2013	679	649
		K9-2014	PRIORITY REPL T-LINES-KU 2014	2,623	2,507
		K9-2015	PRIORITY REPL T-LINES KU 2015	5,204	4,974
		K9-2016	PRIORITY REPL T-LINES KU 2016	5,478	5,236
		K9-2017	Priority Repl T-Lines KU	2,999	2,866
		KARM-2015	PRIORITY REPL X-ARMS KU 2015	419	400
		KARM-2016	Priority Repl X-Arms KU 2016	2,184	2,088
		KARM-2017	Priority Repl X-Arms KU 2017	606	579
		KBATTRY13	Batteries KU-13	(4,537)	(4,337)
		KBR-12	KU Breaker Replacements-12	(43,080)	(41,177)
		KBRFAIL15	KU-Brkr Fail-2015	415	397
		KBRFAIL16	KU-Brkr Fail-2016	703	672
		KINS-2015	PRIORITY REPL INSLTRS KU 2015	199	191
		KINS-2016	Priority Repl Insltrs KU 2016	114	109
		KINS-2017	Priority Repl Insltrs KU 2017	95	90
		KOTFAIL14	KU-OtherFail-2014	18	17
		KOTFAIL15	KU-OtherFail-2015	105	100
		KOTFAIL16	KU-OtherFail-2016	247	236
		KOTH-2016	Priority Repl Other KU 2016	1,347	1,288
		KOTH-2017	Priority Repl Other KU 2017	768	734
		K-OTHER14	KU-Other-2014	(81,574)	(77,970)
		K-OTHER15	KU-Other-2015	1,372	1,312
		KOTPR14	KU Other Prot Blank 2014	(26,620)	(25,444)
		KOTPR15	KU Other Prot Blanket 2015	400	382
		KOTPR16	KU Other Prot Blanket 2016	376	360
		KOTPRFL16	KU Oth Prot Failures 2016	9	9
		KRELAY-13	Relay Replacement-KU-2013	(24)	(23)
		KRELAY-14	Relay Replacements-KU-2014	350	335
		KRELAY-15	Relay Replacements-KU-2015	366	349
		KRELAY-17	Relay Replacements-KU-2017	86	83
		KREL-FL14	KU Relay Failures-2014	1	1
		KREL-FL16	KU Relay Failures-2016	30	29
		KRSUB-13	KU Routine - Subs-13	(50,573)	(48,338)

Kentucky Utilities
Closings to Plant-in service - Base Period ended 2/28/2017
($'000s)

Row Labels	State	Project	Project Description	Total Company	KY Jurisdictional
		KRTU-14	KU RTU Replacements-14	717	685
		KRTU-15	KU RTU Replacements-15	1,368	1,307
		KRTU-16	KU RTU Replacements-16	997	953
		KRTU-17	KU RTU Replacements-17	30	29
		KSTSVC12	STATION SERV XFMRS KU-12	207	198
		KSWT-2015	PRIORITY REPL SWITCHES KU 2015	247	236
		KTFFAIL16	KU-Xfrmr Fail-2016	488	466
		KTFFAIL17	KU-Xfrmr Fail-2017	112	107
	Kentucky Total			**33,222**	**31,755**
Routine Total				**33,222**	**31,755**
Specific	**Kentucky**	131350	Tyrone Control House	2,380	2,275
		131809	KU-2013	(158)	(151)
		131861	KU-2016	313	299
		132674	KU Park Control House	2,776	2,654
		132865	OXFORD COAL MINE TAP	(234,830)	(224,455)
		134190	EKP CPR PLT RELO	0	0
		134237	DSP LEX AREA MAJOR PROJECTS	519	496
		134283	BNDS MILL-FNCHVLLE STAT REPL	1,208	1,155
		134284	SR 2016 Bonds Mill-Finchville	1,070	1,023
		134407	REPLACE SIMP VIDEO WALL-KU	507	484
		135433	TEP-Add 345kV Brkr to W Lex	1	1
		135625	Matanzas Sub Upgrade	12,421	11,872
		137738	HWY 641 RELO	0	0
		137745	PR HARDIN CO SMITH 345KV P2	4,596	4,393
		137749	DSP SHELBYVILLE E-TRANS	350	334
		139906	TEP-Morganfield 161kV Brkr Add	310	296
		139979	TEP-FARLEY-US STEEL 69kV	1,679	1,605
		139996	TEP-ALCLDE-ELHU	(8,211)	(7,849)
		140018	Dix Upgrade KU 2014	33	32
		142401	TEP-CMPGD-EMNUEL-TP	80	77
		143049	MILLERSBURG-BYPASS-RELO	0	0
		144061	REL TUNNELL HILL SWITCH	268	256
		144112	BACKUP CC V_WALL RPLC-KU-2016	48	45
		144129	Rpl Dix Dam 604 & 624 Brkrs	0	0
		144140	Rpl (3) Leitchfield Brkrs	507	484
		144141	Rpl (1) 138kV Ohio Co Brkr	5	5
		144143	Rpl Toyota South 714 Brkr	209	200
		144150	Rpl Middlesboro Fence	0	0
		144152	Rpl Green River 69kV Fence	1	1
		144158	Rpl East Frankfort Fence	(18,608)	(17,786)
		144338	Brown North	1,858	1,776
		144360	REL-Madisonville 604 Brkr Add	385	368
		144364	REL-Parkers Mill 604 Brkr Adds	6	6
		144366	REL-Warsaw 604 Brkr Addition	1	1
		144682	TEP-DFR Replace MODs-KU	11	11
		144962	REL-Farley/Artemus/Pine Panels	418	400
		144970	REL BARTON MOS	299	286
		146439	Higby Mill Firewall	120	114
		146702	NRP FARLEY-ALCALDE	101	97
		146706	GRAHAMVILLE-WICKLIFFE P2	(672)	(642)
		146710	NRP BROWN-FAWKES 138KV	1,063	1,016
		146731	W. Frankfort 69kV Brk (Reimb)	0	0
		146925	Online Mon Equip - W. Lex	160	153
		146941	LEBANON EAST TRNSFRMR ADD	40	38
		146982	PR Ghent-Blackwell 138kV	1,558	1,490
		146983	NRP GHENT-BLACKWELL 138kV	157	150

Kentucky Utilities
Closings to Plant-in service - Base Period ended 2/28/2017
($'000s)

Row Labels	State	Project	Project Description	Total Company	KY Jurisdictional
		146984	NRP BLACKWELL-KENTON 138kV	201	192
		146997	HIGBY MILL-KY RIVER P2	10	10
		147130	NRP KENTON-RODBURN 138kV	1,246	1,191
		147131	PR Kenton-Rodburn 138kV	746	713
		147159	Rpl Danville N 604 & 608 Brkrs	205	196
		147161	Rpl Taylor County 804 Brkr	159	152
		147162	Rpl Harlan Wye 614 Breaker	24	23
		147217	TEP-W. Cliff-Shakertown Term	37	35
		147218	TEP-Brown Subs Term Eqp	47	45
		147233	Wheatcroft 614 Brkr Rpl	24	23
		147241	TEP Corydon-Highland Mine 69kV	306	293
		147286	PR Spencer Road-Clark Co 69kV	697	667
		147307	Delvinta Station Service Rpl	67	64
		147310	E. Frankfort Station Svc Rpl	52	50
		147313	PR Bardstown-Elizabethtown	2,261	2,161
		147314	Brown North Surge Arrester Rpl	33	32
		147315	PR Lebanon-Springfield	505	483
		147331	Taylor Co Surge Arrester Rpl	9	9
		147334	PR London-Sweet Hollow 69kV	3,225	3,083
		147335	PR Green Rvr Plnt-Morganfield	2,175	2,079
		147341	Walker Bushings	32	30
		147345	Earlington North Bushings	48	46
		147360	Tyrone Ground Grid	149	143
		147392	Brown CT Breaker Monitors	89	85
		147450	NRP Brown North-Hardin Co	271	259
		147461	NRP Grn Rvr Plnt-Grn Rvr Steel	131	125
		147463	NRP Grn Rvr Steel-Cloverport	302	289
		147465	NRP Livingston-So Paducah	665	635
		147466	NRP Crittenden-Morganfield	18	17
		147467	NRP Grn Rvr Plnt-Erlngton No	705	674
		147473	NRP Cloverport-Hardinsburg	122	116
		147474	NRP Hrdnsburg-Cen Hrdn EKPC	58	56
		147478	NRP GR Plant-Morganfield	1,099	1,050
		147534	REL Radcliff Switch	173	165
		148196	Rpl Brown North 912 Breaker	0	0
		148388	REL Hughes Lane MOS	153	146
		148644	Rpl Brown North 924 Breaker	1	1
		149026	NERCALRT PNVL SW STN-PNVL TVA	424	405
		149027	TEP-KU DFR 2016	484	462
		149050	Rpl (2) Indian Hill 69kV Brkrs	7	6
		149368	E-Town Cap Bank Rpl	298	285
		149783	PR Princeton-Crittenden Co	3	2
		150217	Parkers Mill Land Purchase	0	0
		150238	Walker OCB Kit Install	23	22
		150241	River Queen OCB Kit Install	25	24
		150242	Danville N OCB Kit Install	11	11
		150243	W Irvine OCB Kit Install	29	28
		150244	W Frankfort OCB Kit Install	25	24
		150245	Tyrone OCB Kit Install	20	19
		150246	Rodburn OCB Kit Install	25	24
		150247	Middlesboro OCB Kit Install	9	9
		150248	Lebanon OCB Kit Install	13	13
		150249	Boonesboro N OCB Kit Install	25	24
		150252	Leitchfield Sw OCB Kit Install	7	7
		150257	Brown CT OCB Kit Install	22	21
		150262	London OCB Kit Install	18	18

Kentucky Utilities
Closings to Plant-in service - Base Period ended 2/28/2017
($'000s)

Row Labels	State	Project	Project Description	Total Company	KY Jurisdictional
		150268	Green River OCB Kit Install	59	56
		150269	Lancaster SW OCB Kit Install	47	45
		150270	Wheatcroft OCB Kit Install	30	28
		150636	Middlesboro (5) Brkr Rpl	687	657
		150642	KU Park Surge Arrestor/PT	194	185
		150646	PR Livingston-South Paducah	902	862
		150648	PR Green Rvr Steel-Cloverport	775	740
		150652	PR Blackwell-Kenton	2,611	2,496
		150729	Lake Reba Tap Surge Arr Rpl	20	19
		150730	Hardin Co Surge Arrester Rpl	16	16
		150731	Hardinsburg 704 Brkr Overhaul	20	20
		150733	Etown Insulator Rpl	399	381
		150741	Fawkes Ground Grid Rpl	257	246
		150754	Alcalde Station Service	53	51
		150772	Pineville 345kV Brkrs	1,246	1,191
		150791	NRP Ghent-NAS 345kV Tap	150	143
		150793	PR Adams-Penn 69kV	494	472
		150805	OATI Software Change - KU	45	43
		150838	NRP Brown CT-Brown North	329	315
		150842	Princeton-Walker 69kV LTG	608	581
		150844	REL Madisonville Loop MOS	286	273
		150845	REL-Madisonville Loop-Subs	11	10
		150846	REL-Madisonville Loop-P&C	195	186
		150847	Green River Steel Switch	219	209
		150877	Wofford 602 Brkr CT Rpl	24	23
		150878	Elihu 644 Brkr CT Rpl	24	23
		150885	Diverse Comm 117-122	12	12
		150930	Pineville OCB Overhaul	47	45
		151112	Kenton Relay Rpl	108	103
		151468	West Cliff Monitor	125	119
		151469	Lake Reba Tap Monitor	128	123
		151474	Hardin Co Xfmr Fan Rpl	12	12
		151599	Rocky Branch 614 Panel Rpl	141	135
		151796	REL Joyland 69kV MOS	98	94
		151797	REL Campbellsville Ind MOS	73	70
		151898	West Frankfort Relay Rpl	123	118
		151905	Green River Plant Switch Rpl	42	40
		152230	PBU-Wickliffe T01 Bush Rpl	43	41
		152231	POR-Shelbyville 69kV PT Rpl	62	59
		152237	PAR-W. Frankfort Arrester Rpl	12	12
		152266	SCADA PRIVATE NTWK_KU_2016	36	35
		152329	N.A.S. Secondary Containment	130	124
		152608	TEP-Matanzas-Wilson Riser Rpl	32	31
		152623	West Lexington #3 Bushing Rpl	19	19
		152971	Earlington N 634 Brkr Overhaul	31	29
		153026	Green River SPCC	230	220
		153036	Brown Campus Sonet Loop	120	115
		153116	POR-Pisgah PT Rpl	12	11
		153205	American Ave 614 Brkr CT Rpl	25	24
		153212	PIN-Grahamville 834 Switch Rpl	101	97
		153230	POR-Lansdowne Brkr CT Rpl	25	24
		153232	POR-Loudon 644 Brkr CT Rpl	25	24
		153256	PBU-Haefling 718-4 Bushing Rpl	13	13
		153284	ROR-London Bird Deterrent	8	7
	Kentucky Total			**64,243**	**61,405**
	Virginia	118213	Va City-AEP Clinch River	101	-

Kentucky Utilities
Closings to Plant-in service - Base Period ended 2/28/2017
($'000s)

Row Labels	State	Project	Project Description	Total Company	KY Jurisdictional
Specific	**Virginia**	147311	Bond Station Service Rpl	33	-
		147344	Dorchester Bushings	45	-
		147480	REL Esserville Switch	472	-
		150253	Pocket OCB Kit Install	12	-
		150687	PR Pocket-Pennington Gap	1,105	-
		150876	Dorchester 602 Brkr CT Rpl	24	-
		151197	Dorchester OCB Overhaul	24	-
	Virginia Total			**1,816**	**-**
Specific Total				**66,059**	**61,405**
Grand Total				**99,281**	**93,159**

Kentucky Utilities
Closings to Plant-in service - Test Period ended 6/30/2018
$'000s

Row Labels	State	project	Project Description	Total Company	KY Jurisdictional
Routine	**Kentucky**	137531	Fiber/Telecomm Upgrades - 2017	280	268
		137537	Tools - 2017	140	134
		137571	ROUTINE EMS-KU 2017	15	14
		137730	COMP-RELATED EQUIP-KU 2017	79	75
		139629	Test Lab Equipment-2017-KU	120	115
		140070	DIGITAL EMS COM CHNLS-KU-2017	76	72
		140225	FULL UPGRD EMS SWARE-KU-2018	306	292
		147754	EMS DBASE EXPANSION-KU-2017	72	68
		147786	EMS APP ENHANCEMENTS-KU-2017	42	40
		152616	2017 Spare 345 Brk-KU	600	573
		152619	KU Spare Misc Equip	660	631
		K5-2017	Relocations T Lines KU 2017	32	31
		K5-2018	Relocations T Lines KU 2018	17	16
		K8-2017	Storm Damage T-Line KU 2017	431	412
		K8-2018	Storm Damage T-Line KU 2018	443	423
		K9-2017	Priority Repl T-Lines KU	14,475	13,836
		K9-2018	Priority Repl T-Lines KU 2018	18,778	17,948
		KARM-2017	Priority Repl X-Arms KU 2017	3,642	3,481
		KARM-2018	Priority Repl X-Arms KU 2018	2,800	2,676
		KARREST17	KU Arrester Replacements 2017	52	50
		KBRFAIL17	KU-Brkr Fail-2017	750	717
		KBRFAIL18	KU-Brkr Fail-2018	650	621
		KINS-2017	Priority Repl Insltrs KU 2017	569	544
		KINS-2018	Priority Repl Insltrs KU 2018	731	699
		KOTFAIL17	KU-OtherFail-2017	750	717
		KOTFAIL18	KU-OtherFail-2018	650	621
		KOTH-2017	Priority Repl Other KU 2017	2,304	2,203
		KOTH-2018	Priority Repl Other KU 2018	3,537	3,381
		KOTPR17	KU Other Prot Blanket 2017	0	0
		KOTPR18	KU Other Prot Blanket 2018	26	25
		KOTPRFL17	KU Oth Prot Failures 2017	18	17
		KRELAY-17	Relay Replacements-KU-2017	85	82
		KREL-FL17	KU Relay Failures-2017	132	126
		KREL-FL18	KU Relay Failures-2018	114	109
		KRTU-17	KU RTU Replacements-17	1,671	1,597
		KRTU-18	KU RTU Replacements-18	1,777	1,698
		KRTU-FL17	KU RTU Failures-2017	7	6
		KTFFAIL17	KU-Xfrmr Fail-2017	199	190
	Kentucky Total			**57,031**	**54,511**
Routine Total				**57,031**	**54,511**
Specific	**Kentucky**	131338	Ghent 345kV Control House	2,697	2,578
		131355	Ghent Redesign 138kV Sub	2,211	2,114
		131864	KU-2017	655	626
		134245	DSP STNWL SUB UPGD	590	564
		137728	SR 2017 Bonds Mill-West Cliff	2,142	2,048
		137739	REL ONTON 69KV SWITCH	276	264
		137750	DSP MT VERNON SUB-TRANS	140	133
		137751	DSP VILEY 2-TRANS	786	752
		137752	DSP Richmond North 138kV	927	886
		137754	DSP HUME RD PHASE II TRANSFRMR	1,049	1,002
		144632	REL-Cawood 604 Brkr Addition	850	812
		144634	REL-FMC 604 Brkr Addition	850	812
		144636	REL-Stanford 604 Brkr Add	850	812
		144637	REL-Camargo 604 Brkr Add	850	812
		146868	KEN AMERICA RELOCATION	1	1
		147219	TEP-Hardinsburg-B. Branch Term	239	228

Kentucky Utilities
Closings to Plant-in service - Test Period ended 6/30/2018
$'000s

Row Labels	State	project	Project Description	Total Company	KY Jurisdictional
		147220	TEP-Bonds M.-Lawrenceburg Term	165	157
		147222	TEP-Elihu 814 Brkr Rpl	198	189
		147226	TEP-Boyle Co 604 Disconnects	40	38
		147255	TEP HARDESTY A-PRINCETON	1,533	1,466
		147389	NRP Pocket No-Phipps Bend	585	559
		147468	NRP West Lex-Haefling	292	279
		147472	NRP Paducah Prim-Coleman Rd	723	691
		147481	REL Kenton Switch 91-6	341	326
		147493	REL Hamblin Tap Switch	346	331
		147583	EFRNKFRT-WFRNKFRT HWY RELO	1,074	1,027
		147588	GRAHAMVILLE-DOE RELO 161kV	487	466
		148370	REL-Hoover 604 Breaker Add	850	812
		148371	REL-Earlington 604 Brkr Add	850	812
		148482	Grahamville DOE Sub Elim	321	306
		148990	N.A.S 345 DFR	147	141
		149705	TEP-W Lex Reactor Additions	1,178	1,126
		149764	NRP Adams-Toyota South	586	560
		149765	NRP Ghent-Scott County	391	374
		149769	NRP Taylor County Tap	146	140
		150644	Ghent Redesign 138kV-P&C	1,999	1,911
		151177	TEP-Hardin Co Xfmr Add	3,154	3,014
		151692	ESR Eddyville Tap	293	280
		151744	REL-Campbellsville 605 Switch	244	233
		151745	REL-Warsaw 615 Switch Motor	244	233
		151748	KU Park-Greasy Env Mods	244	233
		151761	Fawkes Firewall/Cap Bank	641	613
		151771	DSP Corbin US Steel	450	430
		151792	REL Radcliff MOS	98	93
		151794	REL Elizabethtown Tap MOS	586	560
		151800	REL Elizabethtown 4 MOS	494	472
		151801	REL Dayhoit Tap MOS	99	95
		151802	REL Dayhoit Tap LFI	25	24
		151803	REL Corydon-Calhoun LFI	10	9
		151804	REL Morehead West MOS	74	71
		151811	REL-Rockwell Motor-Auto	200	191
		151814	REL-Stanford 848-635	146	140
		151815	REL-Somerset N 92-605 Motor	146	140
		152134	REL-Radcliff Motor-Auto	200	191
		152135	REL-GE Lamp 615 Motor-Auto	200	191
		152138	REL-Irvine Motor-Auto	200	191
		152139	REL-Hughes Lane 660-615 Auto	200	191
		152225	Brown N 345kV 934 Brkr Rpl	550	526
		152358	TEP-Hardin Co Xfmr Add-P&C	404	386
		152401	Green River C&P/Switch Rpl	734	702
		152972	PGDP Reconfig GV	259	248
		153030	REL Line Mod-In Line Breakers	250	239
		153068	REL Lebanon S Motor Add	100	96
		153073	REL Cynthiana S MOS 569-605	75	72
		153076	REL Girdler MOS Add	100	96
	Kentucky Total			**37,785**	**36,116**
	Virginia	147486	REL Dwina Switch	346	-
		151793	REL Esserville MOS	98	-
		152136	REL-Esserville Motor-Auto	200	-
	Virginia Total			**644**	**-**
Specific Total				**38,429**	**36,116**
Grand Total				**95,460**	**90,627**

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 49

Responding Witness: David S. Sinclair / William S. Seelye /
John P. Malloy / Robert M. Conroy / Counsel

Q.1-49. Referring to the proposed Curtailable Service Rider:

a. Please provide in native format all workpapers, studies, analyses, and documents (all Excel worksheets with working formulas and intact links) supporting and/or underlying the development of the proposed rider.

b. Provide all studies and/or analyses that Kentucky Utilities Company (KU) conducted concerning expected customer acceptance of and willingness to receive service under the proposed rider.

c. Identify and provide all documents provided to and correspondence with existing interruptible customers related to the development, implementation, and operation of the proposed CSR rider.

d. Provide all documents relating to any customer comments and/or feedback that KU received regarding the proposed reductions in rate credits under the CSR rider prior to KU's deciding to include the reduced credits in the proposed CSR rider.

e. Identify and provide all alternative rate credits for the CSR rider that KU considered but rejected, and describe in detail the reasons for rejecting the considered alternative(s).

A.1-49.

a. See attached. Responsive documents subject to attorney-client privilege or attorney work product protection are not being produced, and are noted in the Company's privilege log being filed in this proceeding. Also see the response to PSC 1-54.

b. The Company performed no surveys, analysis or studies concerning expected customer acceptance of or willingness to receive service under the proposed rider.

c. Beginning November 1, 2016 and thereafter, following the press release issued by the Company of a rate adjustment filing, Major Accounts Representatives communicated by email and/or telephone to inform their assigned customers of the filing. This proactive outreach is part of the role these employees serve with the company's key and largest customers. Then on November 16, 2016 and thereafter, the Major Accounts Representatives communicated with customers that the proposed rates had been filed. Numerous communications between Major Accounts Representatives and their assigned customers have occurred since then and continue to occur. If requested by the customer, in-person meetings are being scheduled to discuss the proposed changes and spreadsheets forecasting the calculations of the proposed rates are being provided. Attached is a template email document used to communicate with customers including those served under the Curtailable Service Rider.

   Across the Companies, two customers being served under Curtailable Service Rider requested and were provided a rate comparison used during an in-person meeting to discuss the proposed rates. Those rate comparisons are being provided with all customer-identifying information replaced with generic identifiers.

d. There are no such documents.

e. See the Company's objection filed on January 20, 2017.

Sebourn, Michael **Sinclair**

From: Sauer, Bruce
Sent: Tuesday, October 11, 2016 4:25 PM
To: Sebourn, Michael
Subject: Comparison of Henry Hub, TGT Mainline, and Dominion South gas prices
Attachments: Comparison of Henry Hub_TGT_Mainline_Dominion_South_Gas_Prices_10_11_16 _MSebourn.xlsx

Mike,

The attached workbook summarizes the comparison between Henry Hub, TGT Mainline, and Dominion South daily average prices. There is relatively little difference between Henry Hub and TGT Mainline, with TGT Mainline averaging $0.07/mmBtu lower than Henry Hub. Dominion South is considerably weaker, averaging $1.06/mmBtu lower than the Henry Hub. I've asked PIRA for an explanation.

For the last 12 months, the average prices are as follows:

Henry Hub	$2.25/mmBtu
TGT Mainline	$2.18/mmBtu
Dominion South	$1.29/mmBtu

Bruce

Attachment 2 is being provided in a separate file in Excel format.

Rate Case to be Submitted Initial Communication

Good morning.

As you may have seen or heard earlier this morning, Kentucky Utilities Company and Louisville Gas and Electric Company announced today that they are investing $2.2 billion in their electric and natural gas system to improve safety, reduce outage times and enhance service to customers. To recover some of the costs associated with these investments, Kentucky Utilities and Louisville Gas and Electric plan to request approval from the Kentucky Public Service Commission to adjust customer rates accordingly.

A press release was made this morning at 7am, and I have attached it for your reference. You will see there is some mention of the cost increases for the residential rate class. At this time, I do not have the respective information on the increases for Commercial or Industrial customer classes.

Next steps
As the filings are made public they will be posted to our website (https://lge-ku.com/our-company/regulatory), and I plan to forward you a copy at that time. I would be happy to meet with you and your management team in November and December to discuss the specific impacts to your business operations. The filing will request that the rate adjustments be effective in July 2017.

Please discuss this information within your organization and let me know if you have any questions or concerns.

Thanks,

Rate Case to be Submitted Follow-up Communication

Kentucky Utilities Company and Louisville Gas and Electric Company published paperwork with the Kentucky Public Service Commission for base rate adjustments. They are KPSC case numbers 2016-00370 and 2016-00371, respectively.

Additionally, the following legal notices will begin appearing in customer's bills and various newspapers around the state:

KU Current and Proposed Electric Rates
LG&E Current and Proposed Electric & Gas Rates

In these links you will find the proposed rate changes. Because every commercial and industrial customer has a different load factor, the impact to your facility will vary. The filing will request that the rate adjustments be effective in July 2017.

I would be happy to meet with you and look at a "side by side" comparison of current and proposed rates based upon the historical usage of your facility. Furthermore, if you have any questions or concerns about the proposed increases, please give me a call.

In the meantime, I hope you have a happy thanksgiving with your friends and family.

Kind regards,

LG&E RTS Comparison of Current and Proposed Rates

CA: XXXXXXX
Customer Name: Customer 1
Service Address: 138kV Service

Contract Capacity: 46,000 kVA
CSR Firm: 4,500 kVA

Existing Tariff

Basic Service Charge:	$	1,000	
Energy Charge:	$	0.03711	/kWh
Peak Demand Charge:	$	4.85	/kVA
Interm. Demand Charge:	$	3.30	/kVA
Base Demand Charge:	$	3.05	/kVA
CSR Credit:	$	(6.40)	/kVA

Proposed Tariff

Basic Service Charge:	$	1,400	
Energy Charge:	$	0.03711	/kWh
Peak Demand Charge:	$	6.98	/kVA
Interm. Demand Charge:	$	5.12	/kVA
Base Demand Charge:	$	1.52	/kVA
CSR Credit:	$	(3.56)	/kVA

24 Month Historical Information				
Test Month Bill Date	Energy kWH	Measured On Peak kVA Demand	Measured Interm. kVA Demand	Measured Base kVA Demand
11/29/2016	20,866,200	39,457.90	39,457.90	39,457.90
10/27/2016	22,695,658	37,574.50	37,574.50	37,574.50
09/28/2016	10,167,500	30,283.90	30,283.90	30,283.90
08/30/2016	19,653,427	29,916.20	30,118.00	31,046.20
07/28/2016	19,701,487	30,145.20	30,297.90	30,693.30
06/29/2016	19,121,954	30,257.00	30,257.00	30,344.00
05/27/2016	20,231,205	29,911.80	30,132.70	30,759.60
04/28/2016	19,894,530	32,525.80	33,303.40	33,935.40
03/30/2016	23,418,925	37,498.80	37,498.80	37,498.80
02/29/2016	19,315,577	33,520.80	33,879.60	34,198.10
01/29/2016	17,920,385	30,421.80	31,006.60	31,079.60
12/30/2015	17,342,125	30,586.80	31,197.30	31,197.30
11/30/2015	17,293,286	32,056.10	32,056.10	32,056.10
10/28/2015	23,563,889	38,390.90	38,390.90	38,390.90
09/29/2015	20,333,344	38,030.50	38,030.50	38,070.30
08/28/2015	17,870,039	30,456.90	30,456.90	30,694.80
07/28/2015	14,837,000	30,550.80	30,694.80	30,694.80
06/29/2015	19,702,763	33,361.30	34,833.60	34,833.60
05/28/2015	23,808,903	40,645.60	40,645.60	42,453.10
04/29/2015	23,519,560	42,030.70	42,659.60	42,744.50
03/30/2015	25,060,943	40,141.30	40,141.30	40,141.30
02/27/2015	25,449,855	46,192.60	46,192.60	49,986.60
01/29/2015	24,244,068	40,222.30	40,512.90	46,175.80
12/30/2014	22,798,615	40,167.40	40,472.70	40,472.70

Existing Rates				
Customer Charge	Energy Charge	Demand Charge	CSR Credit	Total
$ 1,000	$ 774,345	$ 441,928	$ (223,731)	$ 993,543
$ 1,000	$ 842,236	$ 420,834	$ (211,677)	$ 1,052,393
$ 1,000	$ 377,316	$ 352,039	$ (165,017)	$ 565,338
$ 1,000	$ 729,339	$ 349,708	$ (163,955)	$ 916,091
$ 1,000	$ 731,122	$ 351,412	$ (165,107)	$ 918,428
$ 1,000	$ 709,616	$ 351,820	$ (164,845)	$ 897,590
$ 1,000	$ 750,780	$ 349,735	$ (164,049)	$ 937,466
$ 1,000	$ 738,286	$ 372,876	$ (184,342)	$ 927,821
$ 1,000	$ 869,076	$ 419,987	$ (211,192)	$ 1,078,871
$ 1,000	$ 716,801	$ 379,604	$ (188,029)	$ 909,375
$ 1,000	$ 665,025	$ 364,212	$ (169,642)	$ 860,595
$ 1,000	$ 643,566	$ 365,641	$ (170,863)	$ 839,345
				$ 10,896,856

Proposed Rates				
Customer Charge	Energy Charge	Demand Charge	CSR Credit	Total
$ 1,400	$ 774,345	$ 547,361	$ (124,450)	$ 1,198,655
$ 1,400	$ 842,236	$ 524,571	$ (117,745)	$ 1,250,462
$ 1,400	$ 377,316	$ 436,355	$ (91,791)	$ 723,280
$ 1,400	$ 729,339	$ 432,939	$ (91,200)	$ 1,072,478
$ 1,400	$ 731,122	$ 435,459	$ (91,841)	$ 1,076,140
$ 1,400	$ 709,616	$ 436,030	$ (91,695)	$ 1,055,350
$ 1,400	$ 750,780	$ 432,984	$ (91,252)	$ 1,093,911
$ 1,400	$ 738,286	$ 467,463	$ (102,540)	$ 1,104,609
$ 1,400	$ 869,076	$ 523,655	$ (117,476)	$ 1,276,656
$ 1,400	$ 716,801	$ 477,359	$ (104,591)	$ 1,090,968
$ 1,400	$ 665,025	$ 447,078	$ (94,363)	$ 1,019,140
$ 1,400	$ 643,566	$ 449,206	$ (95,042)	$ 999,130
				$ 12,960,781
			Change:	$ 2,063,925
				18.9%

LG&E RTS Comparison of Current and Proposed Rates

CA: XXXXXXX
Customer Name: Customer 1
Service Address: 138kV Service

Contract Capacity: 46,000 kVA
CSR Firm: 4,500 kVA

Existing Tariff

Basic Service Charge:	$	1,000	
Energy Charge:	$	0.03711	/kWh
Peak Demand Charge:	$	4.85	/kVA
Interm. Demand Charge:	$	3.30	/kVA
Base Demand Charge:	$	3.05	/kVA
CSR Credit:	$	-	/kVA

Proposed Tariff

Basic Service Charge:	$	1,400	
Energy Charge:	$	0.03711	/kWh
Peak Demand Charge:	$	6.98	/kVA
Interm. Demand Charge:	$	5.12	/kVA
Base Demand Charge:	$	1.52	/kVA
CSR Credit:	$	-	/kVA

24 Month Historical Information				
Test Month Bill Date	Energy kWH	Measured On Peak kVA Demand	Measured Interm. kVA Demand	Measured Base kVA Demand
11/29/2016	20,866,200	39,457.90	39,457.90	39,457.90
10/27/2016	22,695,658	37,574.50	37,574.50	37,574.50
09/28/2016	10,167,500	30,283.90	30,283.90	30,283.90
08/30/2016	19,653,427	29,916.20	30,118.00	31,046.20
07/28/2016	19,701,487	30,145.20	30,297.90	30,693.30
06/29/2016	19,121,954	30,257.00	30,257.00	30,344.00
05/27/2016	20,231,205	29,911.80	30,132.70	30,759.60
04/28/2016	19,894,530	32,525.80	33,303.40	33,935.40
03/30/2016	23,418,925	37,498.80	37,498.80	37,498.80
02/29/2016	19,315,577	33,520.80	33,879.60	34,198.10
01/29/2016	17,920,385	30,421.80	31,006.60	31,079.60
12/30/2015	17,342,125	30,586.80	31,197.30	31,197.30
11/30/2015	17,293,286	32,056.10	32,056.10	32,056.10
10/28/2015	23,563,889	38,390.90	38,390.90	38,390.90
09/29/2015	20,333,344	38,030.50	38,030.50	38,070.30
08/28/2015	17,870,039	30,456.90	30,456.90	30,694.80
07/28/2015	14,837,000	30,550.80	30,694.80	30,694.80
06/29/2015	19,702,763	33,361.30	34,833.60	34,833.60
05/28/2015	23,808,903	40,645.60	40,645.60	42,453.10
04/29/2015	23,519,560	42,030.70	42,659.60	42,744.50
03/30/2015	25,060,943	40,141.30	40,141.30	40,141.30
02/27/2015	25,449,855	46,192.60	46,192.60	49,986.60
01/29/2015	24,244,068	40,222.30	40,512.90	46,175.80
12/30/2014	22,798,615	40,167.40	40,472.70	40,472.70

Existing Rates				
Customer Charge	Energy Charge	Demand Charge	CSR Credit	Total
$ 1,000	$ 774,345	$ 441,928	$ -	$ 1,217,273
$ 1,000	$ 842,236	$ 420,834	$ -	$ 1,264,070
$ 1,000	$ 377,316	$ 352,039	$ -	$ 730,355
$ 1,000	$ 729,339	$ 349,708	$ -	$ 1,080,047
$ 1,000	$ 731,122	$ 351,412	$ -	$ 1,083,534
$ 1,000	$ 709,616	$ 351,820	$ -	$ 1,062,435
$ 1,000	$ 750,780	$ 349,735	$ -	$ 1,101,515
$ 1,000	$ 738,286	$ 372,876	$ -	$ 1,112,162
$ 1,000	$ 869,076	$ 419,987	$ -	$ 1,290,063
$ 1,000	$ 716,801	$ 379,604	$ -	$ 1,097,405
$ 1,000	$ 665,025	$ 364,212	$ -	$ 1,030,237
$ 1,000	$ 643,566	$ 365,641	$ -	$ 1,010,208
				$ 13,079,305

Proposed Rates				
Customer Charge	Energy Charge	Demand Charge	CSR Credit	Total
$ 1,400	$ 774,345	$ 547,361	$ -	$ 1,323,105
$ 1,400	$ 842,236	$ 524,571	$ -	$ 1,368,207
$ 1,400	$ 377,316	$ 436,355	$ -	$ 815,071
$ 1,400	$ 729,339	$ 432,939	$ -	$ 1,163,678
$ 1,400	$ 731,122	$ 435,459	$ -	$ 1,167,981
$ 1,400	$ 709,616	$ 436,030	$ -	$ 1,147,045
$ 1,400	$ 750,780	$ 432,984	$ -	$ 1,185,164
$ 1,400	$ 738,286	$ 467,463	$ -	$ 1,207,150
$ 1,400	$ 869,076	$ 523,655	$ -	$ 1,394,132
$ 1,400	$ 716,801	$ 477,359	$ -	$ 1,195,560
$ 1,400	$ 665,025	$ 447,078	$ -	$ 1,113,503
$ 1,400	$ 643,566	$ 449,206	$ -	$ 1,094,172
				$ 14,174,768
			Change:	$ 1,095,463
				8.4%

KU TODP Comparison of Current and Proposed Rates

CA: XXXXXX
Customer Name: Customer 2
Service Address: XXXXXXX

Contract Capacity: 10,722 kVA
CSR Firm: 4,000 kVA

Existing Tariff

Basic Service Charge:	$	300	
Energy Charge:	$	0.03432	/kWh
Peak Demand Charge:	$	5.89	/kVA
Interm. Demand Charge:	$	4.39	/kVA
Base Demand Charge:	$	3.34	/kVA
CSR Credit:	$	(6.50)	/kVA

Proposed Tariff

Basic Service Charge:	$	330	
Energy Charge:	$	0.03433	/kWh
Peak Demand Charge:	$	6.83	/kVA
Interm. Demand Charge:	$	5.34	/kVA
Base Demand Charge:	$	2.92	/kVA
CSR Credit:	$	(3.67)	/kVA

24 Month Historical Information

Test Month Bill Date	Energy kWH	Measured On Peak kVA Demand	Measured Interm. kVA Demand	Measured Base kVA Demand
12/21/2016	5,092,800	10,014.60	10,025.80	10,025.80
11/21/2016	5,721,600	11,171.40	11,171.40	11,171.40
10/21/2016	5,596,800	10,643.00	10,643.00	10,643.00
09/22/2016	5,798,400	10,483.40	10,483.40	10,483.40
08/23/2016	6,110,400	10,471.00	10,705.30	10,705.30
07/22/2016	4,435,200	9,876.60	9,898.60	9,984.40
06/22/2016	5,198,400	9,372.90	9,419.00	9,609.60
05/20/2016	4,752,000	8,816.50	8,964.60	8,964.60
04/21/2016	5,347,200	10,256.90	10,337.40	10,337.40
03/22/2016	5,059,200	10,091.70	10,091.70	10,091.70
02/23/2016	5,078,400	9,899.40	10,099.30	10,259.10
01/25/2016	5,424,000	9,551.20	10,059.90	10,059.90
12/22/2015	5,361,600	9,649.60	9,649.60	9,906.80
11/20/2015	5,203,200	10,377.40	10,469.50	10,533.50
10/22/2015	5,318,400	10,461.10	10,555.10	10,704.60
09/23/2015	6,028,800	10,678.60	10,678.60	10,678.60
08/21/2015	6,326,400	10,336.60	10,336.60	10,683.90
07/22/2015	4,833,600	9,848.70	9,873.80	9,873.80
06/23/2015	5,784,000	9,747.90	9,780.60	9,780.60
05/21/2015	4,848,000	9,395.60	9,455.70	9,575.80
04/23/2015	5,668,800	9,934.20	9,934.20	10,049.50
03/24/2015	5,179,200	9,786.10	9,805.40	9,805.40
02/23/2015	5,462,400	9,834.20	9,834.20	9,834.20
01/23/2015	5,212,800	9,522.00	9,881.30	9,881.30

Existing Rates

Customer Charge	Energy Charge	Demand Charge	CSR Credit	Total
$ 300	$ 174,785	$ 136,485	$ (39,168)	$ 272,403
$ 300	$ 196,365	$ 152,154	$ (46,614)	$ 302,206
$ 300	$ 192,082	$ 144,958	$ (43,180)	$ 294,160
$ 300	$ 199,001	$ 142,784	$ (42,142)	$ 299,943
$ 300	$ 209,709	$ 144,426	$ (43,584)	$ 310,851
$ 300	$ 152,216	$ 134,976	$ (38,341)	$ 249,151
$ 300	$ 178,409	$ 128,652	$ (35,224)	$ 272,137
$ 300	$ 163,089	$ 121,226	$ (32,270)	$ 252,344
$ 300	$ 183,516	$ 140,321	$ (41,193)	$ 282,944
$ 300	$ 173,632	$ 137,449	$ (39,596)	$ 271,785
$ 300	$ 174,291	$ 136,909	$ (39,645)	$ 271,854
$ 300	$ 186,152	$ 134,020	$ (39,389)	$ 281,082
				$ 3,360,860

Proposed Rates

Customer Charge	Energy Charge	Demand Charge	CSR Credit	Total
$ 330	$ 174,836	$ 154,558	$ (22,115)	$ 307,609
$ 330	$ 196,423	$ 168,576	$ (26,319)	$ 339,010
$ 330	$ 192,138	$ 160,834	$ (24,380)	$ 328,922
$ 330	$ 199,059	$ 158,891	$ (23,794)	$ 334,486
$ 330	$ 209,770	$ 159,991	$ (24,608)	$ 345,483
$ 330	$ 152,260	$ 151,624	$ (21,648)	$ 282,566
$ 330	$ 178,461	$ 145,623	$ (19,888)	$ 304,526
$ 330	$ 163,136	$ 139,396	$ (18,220)	$ 284,642
$ 330	$ 183,569	$ 156,565	$ (23,258)	$ 317,206
$ 330	$ 173,682	$ 154,124	$ (22,357)	$ 305,780
$ 330	$ 174,341	$ 152,851	$ (22,384)	$ 305,138
$ 330	$ 186,206	$ 150,263	$ (22,240)	$ 314,559
				$ 3,769,928
			Change:	$ 409,068
				12.2%

KU TODP Comparison of Current and Proposed Rates

CA: XXXXXX
Customer Name: Customer 2
Service Address: XXXXXXX

Contract Capacity: 10,722 kVA
CSR Firm: 4,000 kVA

Existing Tariff

Basic Service Charge:	$	300	
Energy Charge:	$	0.03432	/kWh
Peak Demand Charge:	$	5.89	/kVA
Interm. Demand Charge:	$	4.39	/kVA
Base Demand Charge:	$	3.34	/kVA
CSR Credit:	$	-	/kVA

Proposed Tariff

Basic Service Charge:	$	330	
Energy Charge:	$	0.03433	/kWh
Peak Demand Charge:	$	6.83	/kVA
Interm. Demand Charge:	$	5.34	/kVA
Base Demand Charge:	$	2.92	/kVA
CSR Credit:	$	-	/kVA

24 Month Historical Information

Test Month Bill Date	Energy kWH	Measured On Peak kVA Demand	Measured Interm. kVA Demand	Measured Base kVA Demand
12/21/2016	5,092,800	10,014.60	10,025.80	10,025.80
11/21/2016	5,721,600	11,171.40	11,171.40	11,171.40
10/21/2016	5,596,800	10,643.00	10,643.00	10,643.00
09/22/2016	5,798,400	10,483.40	10,483.40	10,483.40
08/23/2016	6,110,400	10,471.00	10,705.30	10,705.30
07/22/2016	4,435,200	9,876.60	9,898.60	9,984.40
06/22/2016	5,198,400	9,372.90	9,419.00	9,609.60
05/20/2016	4,752,000	8,816.50	8,964.60	8,964.60
04/21/2016	5,347,200	10,256.90	10,337.40	10,337.40
03/22/2016	5,059,200	10,091.70	10,091.70	10,091.70
02/23/2016	5,078,400	9,899.40	10,099.30	10,259.10
01/25/2016	5,424,000	9,551.20	10,059.90	10,059.90
12/22/2015	5,361,600	9,649.60	9,649.60	9,906.80
11/20/2015	5,203,200	10,377.40	10,469.50	10,533.50
10/22/2015	5,318,400	10,461.10	10,555.10	10,704.60
09/23/2015	6,028,800	10,678.60	10,678.60	10,678.60
08/21/2015	6,326,400	10,336.60	10,336.60	10,683.90
07/22/2015	4,833,600	9,848.70	9,873.80	9,873.80
06/23/2015	5,784,000	9,747.90	9,780.60	9,780.60
05/21/2015	4,848,000	9,395.60	9,455.70	9,575.80
04/23/2015	5,668,800	9,934.20	9,934.20	10,049.50
03/24/2015	5,179,200	9,786.10	9,805.40	9,805.40
02/23/2015	5,462,400	9,834.20	9,834.20	9,834.20
01/23/2015	5,212,800	9,522.00	9,881.30	9,881.30

Existing Rates

Customer Charge	Energy Charge	Demand Charge	CSR Credit	Total
$ 300	$ 174,785	$ 136,485	$ -	$ 311,570
$ 300	$ 196,365	$ 152,154	$ -	$ 348,820
$ 300	$ 192,082	$ 144,958	$ -	$ 337,340
$ 300	$ 199,001	$ 142,784	$ -	$ 342,085
$ 300	$ 209,709	$ 144,426	$ -	$ 354,435
$ 300	$ 152,216	$ 134,976	$ -	$ 287,492
$ 300	$ 178,409	$ 128,652	$ -	$ 307,361
$ 300	$ 163,089	$ 121,226	$ -	$ 284,614
$ 300	$ 183,516	$ 140,321	$ -	$ 324,137
$ 300	$ 173,632	$ 137,449	$ -	$ 311,381
$ 300	$ 174,291	$ 136,909	$ -	$ 311,499
$ 300	$ 186,152	$ 134,020	$ -	$ 320,471
				$ 3,841,206

Proposed Rates

Customer Charge	Energy Charge	Demand Charge	CSR Credit	Total
$ 330	$ 174,836	$ 154,558	$ -	$ 329,724
$ 330	$ 196,423	$ 168,576	$ -	$ 365,329
$ 330	$ 192,138	$ 160,834	$ -	$ 353,302
$ 330	$ 199,059	$ 158,891	$ -	$ 358,280
$ 330	$ 209,770	$ 159,991	$ -	$ 370,092
$ 330	$ 152,260	$ 151,624	$ -	$ 304,214
$ 330	$ 178,461	$ 145,623	$ -	$ 324,414
$ 330	$ 163,136	$ 139,396	$ -	$ 302,862
$ 330	$ 183,569	$ 156,565	$ -	$ 340,464
$ 330	$ 173,682	$ 154,124	$ -	$ 328,137
$ 330	$ 174,341	$ 152,851	$ -	$ 327,523
$ 330	$ 186,206	$ 150,263	$ -	$ 336,799
				$ 4,041,138
			Change:	$ 199,933
				5.2%

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 50

Responding Witness: William S. Seelye / David S. Sinclair

Q.1-50. Identify and provide all workpapers, studies, analyses, and documents related to any analyses conducted by or on behalf of KU concerning the potential customer-specific and service-area economic impacts of reducing the existing CSR credits.

A.1-50. There are no workpapers, studies, analyses, and documents related to any analyses conducted by or on behalf of KU concerning the potential customer-specific and service-area economic impacts of reducing the existing CSR credits.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 51

Responding Witness: Christopher M. Garrett

Q.1-51. For each existing CSR customer (identified only by reference number), please provide the estimated annual dollar impact of KU's proposed reductions in the CSR credit. Provide all workpapers supporting the estimated annual dollar impacts.

A.1-51. No such estimate was made. The Company does not forecast the annual dollar impact of the proposed reductions in the CSR credit by customer; therefore, the requested information is not available. Refer to Tab 66 of the Filing Requirements for present and proposed rates.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 52

Responding Witness: David S. Sinclair

Q.1-52. Referring to existing Rider CSR:

a. For each customer (identified only by reference number) served under the rider, identify the total MW of curtailable/interruptible load under contract. Please indicate if the requested information is the same as information provided in the direct testimony of witness David S. Sinclair at 24: Table 6. This instruction applies to each subpart of this request.

b. State the number of months in which each customer in subpart (a) above has been continuously served under the existing rider or its predecessor.

c. For each customer identified in the subpart (a) above, provide the customer's firm contract demand if applicable under Option A.

d. For each customer identified in the subpart (a) above, provide the customer's Designated Curtailable Load if applicable under Option 3.

A.1-52.

a. See attached.

b. See the response to part a.

c. See the response to part a.

d. See the response to part a.

Utility	Company	CSR Date	Units	Contract Capacity	Reducible To (Firm Contract Demand Option A)	Contract Capacity Minus Firm Load	Continuous Months Served
KU	4	4-Jul	kVA	195,000	2,000	193,000	150
KU	5	14-May	kVA	9,000	3,500	5,500	32
KU	6	13-Jan	kVA	7,000	3,000	4,000	48
KU	7	14-Jan	kVA	10,722	4,000	6,722	36
KU	8	14-Jun	kVA	12,000	6,500	5,500	31
KU	9	16-Jul	kVA	31,600	9,000	22,600	6
KU	10	16-Jul	kVA	9,950	2,250	7,700	6
KU	11	16-Jul	kVA	12,750	3,500	9,250	6
KU	12	16-Jul	kVA	15,450	10,500	4,950	6

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 53

Responding Witness: David S. Sinclair

Q.1-53. Referring to existing Rider CSR and its predecessors:

a. For each customer (identified only by reference number) served under the rider, identify the date, time, and duration of each curtailment called by KU in the past 60 months?

b. For each curtailment referenced in the response to subpart (a) above, specify whether the curtailment was a system reliability event or a buy-through event, identify the MW of load curtailment requested, and identify the MW of load that failed to comply with the curtailment request.

c. For each buy-through curtailment identified in the response to subpart (b) above, specify whether the customer bought through the curtailment, the amount of buy-through energy purchased, the price paid for such buy-through energy, and the source (system supply or market) of the buy-through price.

A.1-53. a. CSR Curtailments 01/01/2012 through 01/13/2017:

Customer	*Start Date/Time*	*End Date/Time*	*Hours*	*Type*	*Contract/CSR Firm or CSR Reduction*	*Load Not Compliant (kVA)*
3	10/17/2012 08:55	10/17/2012 09:25	0.50	Physical Curtailment	150 MVA contract; 4,000 kW firm	0
3	01/06/2014 18:30	01/06/2014 19:41	1.18	Physical Curtailment	150 MVA contract; 4,000 kW firm	0
3	01/07/2014 07:14	01/07/2014 10:00	2.77	Physical Curtailment	150 MVA contract; 4,000 kW firm	0
4	01/07/2014 07:20	01/07/2014 10:00	2.67	Physical Curtailment	5,000 kVA contract; 3,500 kW firm	5,129.8
5	01/07/2014 07:40	01/07/2014 10:00	2.33	Physical Curtailment	2,000 kVA reduction	0
3	01/30/2014 07:36	01/30/2014 08:06	0.50	Physical Curtailment	150 MVA contract; 4,000 kW firm	39,184.8
4	01/30/2014 07:37	01/30/2014 08:07	0.50	Physical Curtailment	5,000 kVA contract; 3,500 kW firm	5,157.5

b. See the response to part a.

c. No curtailments were buy-through curtailments.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 54

Responding Witness: David S. Sinclair

Q.1-54. Please provide a timeline for the last 10 years showing by year each curtailable/interruptible rate or rider offered by KU, the number of customers served under each rate/rider, and the total MW of interruptible or curtailable load served under each curtailable/interruptible rate/rider.

A.1-54. See attached.

CSR Offered

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CSR1	x	x	x							
CSR2	x	x	x							
CSR3	x	x	x							
CSR10				x	x	x	x	x		
CSR30				x	x	x	x	x		
CSR									x	x

Customers on each rider

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CSR1										
CSR2										
CSR3	1	1	1							
CSR10				1	2	2	2	2		
CSR30							1	3		
CSR									5	9

Maximum Curtailable(MW)

	2010	2011	2012	2013	2014	2015	2016
CSR10	146.0	153.8	153.8	153.8	196.5		
CSR30				2.0	14.5		
CSR						214.7	259.2

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 55

Responding Witness: David S. Sinclair / John P. Malloy

Q.1-55. Please identify all reports, studies, and/or analyses conducted by on behalf of KU or its parent company in the past 5 years related in total or in part to retail interruptible or curtailable electric service in Kentucky.

A.1-55. Each year, the Companies estimate the hourly integrated load reduction associated with curtailable customers that are treated as a capacity resource. The table below shows forecasted curtailable capacity for both LG&E and KU in MW by year, up to the current year, from the previous ten business plans.

Hourly Integrated Curtailable Capacity

Year	2008 Plan	2009 Plan	2010 Plan	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2017 Plan
2008	121									
2009	121	93								
2010	121	93	93							
2011	121	93	93	93						
2012	121	93	93	93	93					
2013	121	93	93	93	98	119				
2014	121	93	93	93	100	122	122			
2015	121	93	93	93	102	125	125	133		
2016	121	93	93	93	102	125	125	133	136	
2017	121	93	93	93	102	125	125	133	136	130

Also, see the Companies' Industrial DSM Potential Assessment filed with the Commission in Case No. 2014-00003, particularly the section concerning load control beginning at page 59. The assessment is available at: http://psc.ky.gov/pscecf/2014-00003/rick.lovekamp@lge-ku.com/05262016071923/Closed/LGE_KU_Ind_DSM_Potential_Study_2014-00003_05-26-16.pdf

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 56

Responding Witness: David S. Sinclair

Q.1-56. Please explain in detail how KU (acting alone or in conjunction with affiliates) treats interruptible/curtailable load in:

a. Developing its long-run load forecast.

b. Determining its long-run need for future supply-side resources.

c. Determining its need for operating reserve capacity.

d. Providing ancillary services.

e. Determining whether such load qualifies as spinning reserve.

A.1-56.

a. The Company considers interruptible/curtailable load as a capacity resource.

b. See response to (a). The Company considers CSR as a capacity resource available to meet planning reserve margin requirements in resource planning decisions. CSR capacity is assumed to remain at the current level through the analysis period.

c. CSR capacity does not affect operating reserves, which consist of spinning reserves and non-spinning (supplemental) reserves. Both spinning and supplemental reserves must be available to serve load within a 15 minute period. For curtailable load to qualify as operating reserves, the curtailable load must be fully removable from system load within a 15 minute period. The execution of a CSR event requires a 60 minute notice. Therefore, CSR does not qualify as an operating reserve and is not considered when determining the need for operating reserve capacity.

d. As noted in part c., CSR capacity cannot be used for spinning and supplemental operating reserves. Similar limitations also exist for

considering CSR capacity for contingency and regulating reserves. Contingency reserves must be available within 15 minutes and regulating reserves must be immediately reactive to Automatic Generation Control to provide normal regulating margin.

e. See the response to part c.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 57

Responding Witness: Robert M. Conroy

Q.1-57. Given existing laws and regulations in Kentucky, please identify and describe in detail each non-KU market option and/or mechanism under which an existing CSR customer could have its curtailable load served.

A.1-57. KU is not aware of any such market option or mechanism.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 58

Responding Witness: Robert M. Conroy

Q.1-58. Given existing laws and regulations in Kentucky, please identify and describe in detail each non-KU market option and/or mechanism through which an existing CSR customer could sell its interruptible load as a demand response resource.

A.1-58. KU is not aware of any such market option or mechanism.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 59

Responding Witness: Christopher M. Garrett

Q.1-59. Please explain in detail how KU treats curtailment buy-though revenues in setting base rates and/or modifying its Fuel Adjustment Clause.

A.1-59. The last time KU had curtailment buy-through revenues was in September 2011 and there are no curtailable buy-through revenues included in this case. If a curtailment buy-through would occur, the buy-through revenues (fuel cost) would be deducted from the power purchase fuel cost for the month in the Fuel Adjustment Clause calculation.

Total FAC recoverable fuel cost = generation fuel + (power purchase fuel – curtailment buy-through revenues/fuel) – off system sales fuel.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 60

Responding Witness: William S. Seelye

Q.1-60. Please identify and explain in detail how KU treats test-year curtailment buy-though revenue in the electric cost-of-service study filed in this case. This request refers to the methodology that KU would use even if it received no test-year CSR buy-through revenue.

A.1-60. There are no buy-through revenues included in the test-year.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 61

Responding Witness: William S. Seelye

Q.1-61. Please identify and explain in detail how KU treats test-year curtailment credits paid to CSR customers in the electric cost-of-service study filed in this case. This request refers to the methodology used by KU, and not to any specific amount of test-year CSR credits.

A.1-61. CSR credits are treated as miscellaneous credits. In the cost of service study, as with other miscellaneous revenues and credits, CSR credits are allocated to all customer classes.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 62

Responding Witness: David S. Sinclair

Q.1-62. Please identify and explain in detail all situations other than a system reliability event in which KU would need or want to physically curtail load under the CSR rider.

A.1-62. With no restriction requiring all generating units to be committed prior to curtailing load under the CSR rider, the CSR reduction would be used as an economic resource to save fuel costs up to the amount of hours specified in the tariff.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 63

Responding Witness: David S. Sinclair

Q.1-63. Referring to the direct testimony of David S. Sinclair at 24:11 — 25:3:

a. Confirm that the key condition discussed at 24:16-18 refers only to physical curtailments under Rider CSR.

b. Since Rider CSR (or its predecessors) was first approved by the Commission, please identify each instance in which KU would have issued a physical curtailment request but was prevented from doing so by the key condition restriction discussed at 24:16-18.

A.1-63. a. The key condition referenced in Mr. Sinclair's testimony that requires all system generating units be dispatched or in the process of being dispatched before curtailments applies to physical curtailment events.

b. Prior to August 1, 2010, the Rider CSR did not require that all generating units be dispatched before issuing a curtailment request. While the Company is not able to identify the specific hours for additional physical curtailment, it is likely that CSR would be implemented consistent with the response in Question 62 in the absence of the key condition restriction.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 64

Responding Witness: David S. Sinclair

Q.1-64. Referring to the direct testimony of David S. Sinclair at 25:4-9:

a. Please provide the Annual Generation Forecast.

b. For each of the eight forecast CSR curtailment events, identify and explain in detail the underlying load and system conditions driving KU's expected need for physical curtailment.

A.1-64.

a. See "Section 7 – Generation Forecast" on pages 20-22 of Mr. Sinclair's testimony and the "2017 Business Plan Generation & OSS Forecast" attached at Tab 16, Section 16(7)(c), Item H of the Companies' Applications.

b. Of the eight forecasted curtailment events, two pertained only to a curtailable customer served in the Old Dominion Power service territory in Virginia, which is governed by different rules with regard to curtailment. The Companies' underlying load and system conditions for the peak hour of each of the remaining six events are summarized in the table below. Also see the response to PSC 2-55.

Curtailment Event Date	Event Time	Total Generation Capacity (MW)	Peak Hourly Load During Event (MW)	Generation Unavailable – Planned Outage (MW)	Generation Unavailable – Other (MW)	Spinning Reserves (MW)	Purchases (MW)
7/18/2017	Hours 13-15	8,136	6,406	6	1,317	406	0
7/19/2017	Hours 13-16	8,136	6,411	6	1,039	679	0
8/9/2017	Hours 14-16	8,136	6,807	6	1,628	232	538
3/12/2018	Hour 8	8,261	4,025	1,498	2,286	452	0
3/14/2018	Hour 7-8	8,261	4,095	1,498	2,330	338	0
3/15/2018	Hour 10	8,261	4,030	1,498	2,436	297	0

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 65

Responding Witness: John P. Malloy

Q.1-65. Please identify each existing DSM and/or energy efficiency program that KU proposes to either close to new customers or limit incremental program participation by existing participants during the Forecasted Test Period.

A.1-65. In the Forecasted Test Period, the Companies are not planning to end any of the current DSM programs or limit incremental program participation. The Companies' current DSM programs are approved through December 2018. The Companies will complete their re-evaluation of the programs by the end of 2017.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 66

Responding Witness: David S. Sinclair

Q.1-66. Referring to the direct testimony of David S. Sinclair at 26:5 — 27:3:

a. Please define primary' as used in the phrase prima,) combustion turbines.

b. Please define (and if possible, quantify) meaningful as used in the phrase meaningful annual load growth.

c. For each of the past 10 years, please provide KU's annual load growth.

d. Please provide KU's forecast of annual load growth for each of the next 10 years.

A.1-66.

a. See the response to PSC 2-56(a).

b. Meaningful load growth in this context is load growth that would require resource additions in the next three to five years, and would therefore require actions in the near term to begin developing these resources.

c. See attached.

d. See attached.

66c

	Actual Volumes (GWh)	Actual Sales Growth*	WN Volumes (GWh)	WN Sales Growth	Peak Hour (MW)	Peak Growth
2007	21,643	4.69%	21,439	2.35%	4,344	3.26%
2008	21,191	-2.09%	21,079	-1.68%	4,476	3.04%
2009	20,260	-4.39%	20,398	-3.23%	4,640	3.66%
2010	21,938	8.28%	21,234	4.10%	4,517	-2.65%
2011	21,163	-3.53%	21,133	-0.48%	4,292	-4.98%
2012	20,955	-0.98%	21,216	0.39%	4,138	-3.59%
2013	21,269	1.50%	21,262	0.22%	4,193	1.33%
2014	21,610	1.60%	21,253	-0.04%	5,068	20.87%
2015	20,902	-3.28%	20,792	-2.17%	5,112	0.87%
2016	20,757	-0.69%	20,603	-0.91%	4,415	-13.63%

*relative to prior year

66d

	Forecasted Volumes (GWh)	Forecasted Sales Growth**	Forecasted Volumes (GWh)	Forecasted WN Sales Growth	Peak Hour (MW)	Peak Growth
2017	20,160	-2.88%	20,160	-2.15%	4,337	-1.77%
2018	20,167	0.04%	20,167	0.04%	4,333	-0.09%
2019	19,238	-4.61%	19,238	-4.61%	4,319	-0.32%
2020	18,763	-2.47%	18,763	-2.47%	4,155	-3.81%
2021	18,772	0.05%	18,772	0.05%	4,135	-0.48%
2022	18,780	0.04%	18,780	0.04%	4,145	0.24%
2023	18,801	0.11%	18,801	0.11%	4,148	0.09%
2024	18,826	0.13%	18,826	0.13%	4,160	0.29%
2025	18,826	0.00%	18,826	0.00%	4,167	0.16%
2026	18,819	-0.04%	18,819	-0.04%	4,167	-0.01%

**2017 compared to both 2016 actual and 2016 WN; others relative to prior year

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 67

Responding Witness: David S. Sinclair

Q.1-67. Please provide KU's current estimated cost in current dollars of an installed combustion turbine. Provide all workpapers, studies, analyses, and documents supporting and/or underlying this estimate.

A.1-67. The Companies' current estimated combustion turbine capital cost is $624/kW in 2016 dollars. See the Companies' 2014 Integrated Resource Plan ("IRP"), Volume III, "2014 Reserve Margin Study" and "2014 Resource Assessment" reports. The Companies' estimated cost data for a simple-cycle combustion turbine in 2013 dollars can be found in Section 4.4.1, Table 5, on page 15 of the "2014 Reserve Margin Study." The 2014 IRP value in 2013 dollars was escalated at 2 percent per year to 2016 dollars.

See also the response to AG 1-279.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 68

Responding Witness: David S. Sinclair

Q.1-68. Please provide a levelized fixed charge rate for a new combustion turbine using KU's cost of capital and tax rates. Provide all workpapers, studies, analyses, and documents supporting and/or underlying this response.

A.1-68. The levelized fixed charge rate for a new combustion turbine is 8.13%. See attached.

Generation Planning & Analysis
Revenue Requirement Model
For Fixed Charge Rate & Levelized Cost Factor

Assumptions

Book Basis	$100
Tax Basis	$100
Book Life - Years	30
Tax Life - Years	15
Months in First Year	12
Base Property Tax Rate	0.150%
Property Tax Rate Escalation	0.00%
O&M Escalation Rate	2.000%
O&M Base	$1
Discount Rate	10.62%
Cost of Capital	6.49%
Income Tax Rate	38.900%
Insurance Rate	0.085%
Insurance Escalation Rate	0.00%
Tax Equivalent Rate	0.00%

Fixed Charge Rate	**0.0813**
Levelized Cost Facto	**0.73**

CAPITAL STRUCTURE

Debt	47.00%	4.13%
Common	53.00%	10.0%

Tax Depreciation Schedule	macrs									
		1	1	1	1	1	1	1	1	1
	Year	1	2	3	4	5	6	7	8	9
	Months	12	12	12	12	12	12	12	12	12
Deferred Taxes										
Tax Depreciation		5.00	9.50	8.55	7.70	6.93	6.23	5.90	5.90	5.90
Book Depreciation		1.67	3.33	3.33	3.33	3.33	3.33	3.33	3.33	3.33
Deferred Tax		1.30	2.40	2.03	1.70	1.40	1.13	1.00	1.00	1.00
Rate Base	Constr Period									
Beginning Balance	100	100	97	91	86	81	76	72	67	63
Less: Book Depreciation		(1.67)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)
Less: Deferred Taxes	-	(1.30)	(2.40)	(2.03)	(1.70)	(1.40)	(1.13)	(1.00)	(1.00)	(1.00)
Ending Balance	100	97	91	86	81	76	72	67	63	59
EndYear Rate Base		97	91	86	81	76	72	67	63	59
Debt Return (Interest)		1.88	1.77	1.67	1.57	1.48	1.39	1.31	1.22	1.14
Preferred Stock Return		-	-	-	-	-	-	-	-	-
Common Equity Return		5.14	4.84	4.55	4.29	4.04	3.80	3.57	3.34	3.11
Property Tax		0.075	0.148	0.143	0.138	0.133	0.128	0.123	0.118	0.113
A&G		0.042	0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.085
Revenue Requirements (non-equity)		3.67	5.34	5.23	5.13	5.03	4.94	4.85	4.76	4.67
Revenue Requirements (equity)		8.42	7.92	7.45	7.02	6.61	6.22	5.85	5.47	5.09
Discount Rate		1.00	0.94	0.88	0.83	0.78	0.73	0.69	0.64	0.60
Present Value	$128.00	12.08	12.45	11.19	10.06	9.05	8.15	7.33	6.59	5.91
Fixed Charge Rate		8.13%								
O&M		1	1	1	1	1	1	1	1	1
Present Value		0.90	0.83	0.77	0.71	0.65	0.60	0.56	0.51	0.47
Levelized Cost Factor		0.73								
		$8.13	$8.13	$8.13	$8.13	$8.13	$8.13	$8.13	$8.13	$8.13
	$128.00	$8.13	$7.63	$7.17	$6.73	$6.32	$5.93	$5.57	$5.23	$4.92

Generation Planning & Analysis
Revenue Requirement Model
For Fixed Charge Rate & Levelized Cost Factor

Assumptions

Book Basis	$100
Tax Basis	$100
Book Life - Years	30
Tax Life - Years	15
Months in First Year	12
Base Property Tax Rate	0.150%
Property Tax Rate Escalation	0.00%
O&M Escalation Rate	2.000%
O&M Base	$1
Discount Rate	10.62%
Cost of Capital	6.49%
Income Tax Rate	38.900%
Insurance Rate	0.085%
Insurance Escalation Rate	0.00%
Tax Equivalent Rate	0.00%

Tax Depreciation Schedule	macrs	1	1	1	1	1	1	1	1	1
	Year	10	11	12	13	14	15	16	17	18
	Months	12	12	12	12	12	12	12	12	12
Deferred Taxes										
Tax Depreciation		5.90	5.90	5.90	5.90	5.90	5.90	2.95	-	-
Book Depreciation		3.33	3.33	3.33	3.33	3.33	3.33	3.33	3.33	3.33
Deferred Tax		1.00	1.00	1.00	1.00	1.00	1.00	(0.15)	(1.30)	(1.30)
Rate Base	Constr Period									
Beginning Balance	100	59	54	50	46	41	37	33	30	28
Less: Book Depreciation		(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)
Less: Deferred Taxes	-	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	0.15	1.30	1.30
Ending Balance	100	54	50	46	41	37	33	30	28	25
EndYear Rate Base		54	50	46	41	37	33	30	28	25
Debt Return (Interest)		1.06	0.97	0.89	0.80	0.72	0.64	0.57	1	0
Preferred Stock Return		-	-	-	-	-	-	-	-	-
Common Equity Return		2.88	2.65	2.42	2.19	1.96	1.73	1.57	1.46	1.35
Property Tax		0.108	0.103	0.098	0.093	0.088	0.083	0.078	0.073	0.068
A&G		0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.085
Revenue Requirements (non-equity)		4.58	4.49	4.40	4.31	4.22	4.14	4.07	4.02	3.98
Revenue Requirements (equity)		4.72	4.34	3.97	3.59	3.21	2.84	2.56	2.39	2.21
Discount Rate		0.57	0.53	0.50	0.47	0.44	0.41	0.39	0.37	0.34
Present Value	$128.00	5.28	4.71	4.19	3.72	3.29	2.89	2.58	2.35	2.13
Fixed Charge Rate										
O&M		1	1	1	1	1	1	1	1	1
Present Value		0.44	0.40	0.37	0.34	0.32	0.29	0.27	0.25	0.23
Levelized Cost Factor										
		$8.13	$8.13	$8.13	$8.13	$8.13	$8.13	$8.13	$8.13	$8.13
	$128.00	$4.62	$4.33	$4.07	$3.82	$3.59	$3.37	$3.17	$2.97	$2.79

Generation Planning & Analysis
Revenue Requirement Model
For Fixed Charge Rate & Levelized Cost Factor

Assumptions

Book Basis	$100
Tax Basis	$100
Book Life - Years	30
Tax Life - Years	15
Months in First Year	12
Base Property Tax Rate	0.150%
Property Tax Rate Escalation	0.00%
O&M Escalation Rate	2.000%
O&M Base	$1
Discount Rate	10.62%
Cost of Capital	6.49%
Income Tax Rate	38.900%
Insurance Rate	0.085%
Insurance Escalation Rate	0.00%
Tax Equivalent Rate	0.00%

Tax Depreciation Schedule	macrs	1	1	1	1	1	1	1	1	1
	Year	19	20	21	22	23	24	25	26	27
	Months	12	12	12	12	12	12	12	12	12
Deferred Taxes										
Tax Depreciation		-	-	-	-	-	-	-	-	-
Book Depreciation		3.33	3.33	3.33	3.33	3.33	3.33	3.33	3.33	3.33
Deferred Tax		(1.30)	(1.30)	(1.30)	(1.30)	(1.30)	(1.30)	(1.30)	(1.30)	(1.30)
Rate Base	Constr Period									
Beginning Balance	100	25	23	21	19	17	15	13	11	9
Less: Book Depreciation		(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)
Less: Deferred Taxes	-	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
Ending Balance	100	23	21	19	17	15	13	11	9	7
EndYear Rate Base		23	21	19	17	15	13	11	9	7
Debt Return (Interest)		0	0	0	0	0	0	0	0	0
Preferred Stock Return		-	-	-	-	-	-	-	-	-
Common Equity Return		1.24	1.13	1.03	0.92	0.81	0.70	0.59	0.49	0
Property Tax		0.063	0.058	0.053	0.048	0.043	0.038	0.033	0.028	0.023
A&G		0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.085
Revenue Requirements (non-equity)		3.94	3.89	3.85	3.80	3.76	3.71	3.67	3.62	3.58
Revenue Requirements (equity)		2.03	1.86	1.68	1.50	1.33	1.15	0.97	0.80	0.62
Discount Rate		0.32	0.30	0.28	0.27	0.25	0.24	0.22	0.21	0.20
Present Value	$128.00	1.93	1.74	1.57	1.42	1.28	1.15	1.03	0.92	0.82
Fixed Charge Rate										
O&M		1	1	1	2	2	2	2	2	2
Present Value		0.21	0.19	0.18	0.16	0.15	0.14	0.13	0.12	0.11
Levelized Cost Factor										
		$8.13	$8.13	$8.13	$8.13	$8.13	$8.13	$8.13	$8.13	$8.13
	$128.00	$2.62	$2.46	$2.31	$2.17	$2.04	$1.91	$1.80	$1.69	$1.59

Generation Planning & Analysis
Revenue Requirement Model
For Fixed Charge Rate & Levelized Cost Factor

Assumptions

Book Basis	$100
Tax Basis	$100
Book Life - Years	30
Tax Life - Years	15
Months in First Year	12
Base Property Tax Rate	0.150%
Property Tax Rate Escalation	0.00%
O&M Escalation Rate	2.000%
O&M Base	$1
Discount Rate	10.62%
Cost of Capital	6.49%
Income Tax Rate	38.900%
Insurance Rate	0.085%
Insurance Escalation Rate	0.00%
Tax Equivalent Rate	0.00%

Tax Depreciation Schedule	macrs				
		1	1	1	0
	Year	28	29	30	31
	Months	12	12	12	12
Deferred Taxes					
Tax Depreciation		-	-	-	-
Book Depreciation		3.33	3.33	3.33	1.67
Deferred Tax		(1.30)	(1.30)	(1.30)	(0.65)
Rate Base	Constr Period				
Beginning Balance	100	7	5	3	1
Less: Book Depreciation		(3.33)	(3.33)	(3.33)	(1.67)
Less: Deferred Taxes	-	1.30	1.30	1.30	0.65
Ending Balance	100	5	3	1	0
EndYear Rate Base		5	3	1	0
Debt Return (Interest)		0	0	0	0
Preferred Stock Return		-	-	-	-
Common Equity Return		0	0	0	0
Property Tax		0.018	0.013	0.008	0.000
A&G		0.085	0.085	0.085	0.042
Revenue Requirements (non-equity)		3.53	3.49	3.45	1.71
Revenue Requirements (equity)		0.44	0.27	0.09	0.00
Discount Rate		0.18	0.17	0.16	0.15
Present Value	$128.00	0.73	0.65	0.57	0.26
Fixed Charge Rate					
O&M		2	2	2	2
Present Value		0.10	0.09	0.09	0.08
Levelized Cost Factor					
		$8.13	$8.13	$8.13	$8.13
	$128.00	$1.49	$1.40	$1.31	$1.23

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 69

Responding Witness: David S. Sinclair

Q.1-69. Please provide the estimated fixed O&M for a new combustion turbine in current dollars. Provide all workpapers, studies, analyses, and documents supporting and/or underlying this response.

A.1-69. The Companies' current estimated combustion turbine fixed O&M cost is $29.7/kW-yr in 2016 dollars, which comprises $21.9/kW-yr for firm gas transport and $7.7/kW-yr for other fixed O&M. See the response to Question No. 67. The 2014 IRP values in 2013 dollars were escalated at 2 percent per year to 2016 dollars.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 70

Responding Witness: David S. Sinclair

Q.1-70. Please provide KU's required reserve margin for capacity planning. Provide all workpapers, studies, analyses, and documents supporting and/or underlying this response.

A.1-70. The Companies target a 16% minimum planning reserve margin. See the Companies' 2014 Integrated Resource Plan ("IRP"), Volume III, "2014 Reserve Margin Study." See also the response to AG 1-279.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 71

Responding Witness: Robert M. Conroy

Q.1-71. Please provide a copy of KU's most recent integrated resource plan.

A.1-71. See the response to AG 1-279.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 72

Responding Witness: David S. Sinclair

Q.1-72. Please provide all workpapers, studies, analyses, and documents underlying and supporting KU's proposed change in the natural gas price index used to determine the automatic buy-through price in Rider CSR.

A.1-72. See the response to Question No. 49(a).

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 73

Responding Witness: Robert M. Conroy

Q.1-73. Referring to the direct testimony of Robert M. Conroy at 16:20-24:

a. Explain in detail the conditions under which KU would no longer "continue to allow the current customers under the CSR service schedule to remain CSR customers for an indefinite period of time...."

b. Explain in detail why "the Company is not proposing to remove CSR from its tariff at this time."

A.1-73.

a. KU has not established such a set of conditions.

b. KU is not proposing the remove CSR from its tariff at this time because existing CSR customers' curtailable load is included as a resource in existing plans and could help KU meet its reserve margin requirements in the future.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 74

Responding Witness: Robert M. Conroy / William S. Seelye

Q.1-74. Referring to the direct testimony of Robert M. Conroy at 17:2-4, explain in detail KU's rationale for maintaining the $16 per kVA non-compliance charge in the proposed Rider CSR while reducing the CSR credits by more than 40 percent.

A.1-74. The purpose of the non-compliance charge is to encourage customers to curtail service when called upon to interrupt their load. The $16 per kVA non-compliance charge was first introduced in Case No. 2003-00433 for LG&E and Case No. 2003-00434 for KU. The $16 per kVA non-compliance charge has not changed since it was first introduced in the 2003 rate cases. The $16 non-compliance charge was based on approximately four months of the CSR credit, which was approximately $4/kW at the time. (See Direct Testimony of William Steven Seelye filed in Case Nos. 2003-00433 and 2003-00434). However, as the CSR credit increased over time, there was no corresponding increase in the non-compliance charge. The current level of the CSR credit for LG&E and KU is $6.40 to $6.50, depending on the service voltage. Four months of the current credit would have resulted in a non-compliance charge of around $26. At the proposed CSR credit in this proceeding, four months of the credit would result in a non-compliance charge of $13 to $14.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 75

Responding Witness: William S. Seelye

Q.1-75. Provide in native format all workpapers, studies, analyses, and documents supporting and/or underlying the $16 per kW Non-Compliance Charge in the proposed CSR rider.

A.1-75. See the response to KIUC 1-74.

KENTUCKY UTILITIES COMPANY

CASE NO. 2016-00370

Response to First Set of Data Requests of
Kentucky Industrial Utility Customers, Inc.
Dated January 11, 2017

Question No. 76

Responding Witness: William S. Seelye

Q.1-76. Referring to the direct testimony of William Steven Seelye at Exhibit WSS-3:

a. Please provide the exhibit in Excel format with working formulas and all links intact.

b. Please provide all workpapers, studies, analyses, and documents supporting and/or underlying the exhibit.

c. Please identify and provide the specific information and data source for each row item in the column labeled Description in the exhibit.

A.1-76.

a. See the Att_KU_PSC_1-54_KUCSR.xlsx spreadsheet provided in response to PSC 1-54.

b. See attached.

c. The costs (plant, accumulated depreciation, accumulated deferred income taxes, depreciation expenses, operation and maintenance expenses, property taxes) shown on Exhibit WSS-3 are from the Company's financial forecast for the test-year. The rate of return is based on the weighted cost of capital proposed in this proceeding. Income taxes are based on the composite income tax rate used to determine revenue requirements in this proceeding. The loss factors are those used in the Cost of Service Studies.

KU - CTs ($)

	Location	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017
Plant	Brown	273,398,524.47	273,398,524.47	273,631,524.47	273,631,524.47	274,528,382.23	279,437,382.31
Accumulated Depreciation	Brown	(149,753,344.06)	(150,845,184.00)	(151,947,484.12)	(153,050,244.41)	(154,124,776.00)	(155,052,099.17)
CWIP	Brown	2,653,837.63	2,653,837.63	7,553,837.63	7,553,837.63	15,266,999.87	8,942,000.00
RWIP	Brown	-	-	-	-	400,000.00	-
Total	Brown	126,299,018.04	125,207,178.10	129,237,877.98	128,135,117.69	136,070,606.10	133,327,283.14
Depreciation Expense	Brown		1,101,839.94	1,102,300.12	1,102,760.29	1,104,531.59	1,115,323.17
Plant	Trimble	242,342,638.40	242,342,638.40	242,642,638.40	242,642,638.40	246,545,595.89	246,545,595.89
Accumulated Depreciation	Trimble	(100,547,493.42)	(101,424,843.47)	(102,302,769.78)	(103,181,272.33)	(104,066,344.86)	(104,957,987.37)
CWIP	Trimble	6,661,519.78	6,732,519.78	6,793,519.78	7,115,769.78	1,281,735.01	1,281,735.01
RWIP	Trimble	-	-	-	-	-	-
Total	Trimble	148,456,664.76	147,650,314.71	147,133,388.40	146,577,135.85	143,760,986.04	142,869,343.53
Depreciation Expense	Trimble		877,350.05	877,926.30	878,502.55	885,072.53	891,642.51
Plant	Paddys 13	39,430,626.05	39,430,626.05	39,430,626.05	39,430,626.05	39,430,626.05	39,642,126.05
Accumulated Depreciation	Paddys 13	(13,639,868.55)	(13,796,621.05)	(13,953,373.54)	(14,110,126.04)	(14,266,878.54)	(14,423,981.87)
CWIP	Paddys 13	-	-	-	-	50,000.00	-
RWIP	Paddys 13	-	-	-	-	-	-
Total	Paddys 13	25,790,757.50	25,634,005.00	25,477,252.51	25,320,500.01	25,213,747.51	25,218,144.18
Depreciation Expense	Paddys 13		156,752.50	156,752.50	156,752.50	156,752.50	157,103.33

Note:
Plant balances above include land from Plant Account 134020 - Land

	Paddys 13	6,285.59	6,285.59	6,285.59	6,285.59	6,285.59	6,285.59
	Trimble	26,173.89	26,173.89	26,173.89	26,173.89	26,173.89	26,173.89
	Total	32,459.48	32,459.48	32,459.48	32,459.48	32,459.48	32,459.48

12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018	13 mos average
279,437,382.31	279,437,382.31	279,437,382.31	279,437,382.31	279,437,382.31	279,437,382.31	279,437,382.31	277,237,502.97
(156,176,442.63)	(157,300,786.08)	(158,425,129.54)	(159,549,472.99)	(160,673,816.45)	(161,798,159.91)	(162,922,503.36)	(156,278,418.67)
8,942,000.00	8,942,000.00	8,942,000.00	8,942,000.00	8,942,000.00	8,942,000.00	8,942,000.00	8,247,565.41
-	-	-	-	-	-	-	30,769.23
132,202,939.68	131,078,596.23	129,954,252.77	128,829,909.32	127,705,565.86	126,581,222.40	125,456,878.95	129,237,418.94
1,124,343.46	1,124,343.46	1,124,343.46	1,124,343.46	1,124,343.46	1,124,343.46	1,124,343.46	13,397,159.30
247,010,933.49	247,010,933.49	247,010,933.49	247,010,933.49	247,010,933.49	247,010,933.49	247,010,933.49	245,549,098.45
(105,850,500.44)	(106,743,884.09)	(107,637,267.74)	(108,530,651.38)	(109,424,035.03)	(110,317,418.68)	(111,210,802.32)	(105,861,174.68)
367,518.70	367,518.70	367,518.70	367,518.70	367,518.70	1,201,644.69	1,201,644.69	2,623,667.85
-	-	-	-	-	-	-	-
141,527,951.75	140,634,568.10	139,741,184.45	138,847,800.81	137,954,417.16	137,895,159.50	137,001,775.86	142,311,591.61
892,513.08	893,383.65	893,383.65	893,383.65	893,383.65	893,383.65	893,383.65	10,663,308.90
39,642,126.05	39,642,126.05	39,642,126.05	39,642,126.05	39,642,126.05	39,689,126.05	39,689,126.05	39,568,010.67
(14,581,436.03)	(14,738,890.20)	(14,896,344.37)	(15,053,798.54)	(15,211,252.70)	(15,368,788.34)	(15,526,405.44)	(14,582,135.78)
-	-	-	-	30,000.00	-	-	6,153.85
-	-	-	-	-	-	-	-
25,060,690.02	24,903,235.85	24,745,781.68	24,588,327.51	24,460,873.35	24,320,337.71	24,162,720.61	24,992,028.73
157,454.17	157,454.17	157,454.17	157,454.17	157,454.17	157,535.63	157,617.10	1,886,536.89
6,285.59	6,285.59	6,285.59	6,285.59	6,285.59	6,285.59	6,285.59	6,285.59
26,173.89	26,173.89	26,173.89	26,173.89	26,173.89	26,173.89	26,173.89	26,173.89
32,459.48	32,459.48	32,459.48	32,459.48	32,459.48	32,459.48	32,459.48	32,459.48

KENTUCKY UTILITIES COMPANY
ELECTRIC
Accumulated Deferred Taxes on Income
As of June 30, 2018
Brown Combustion Turbines
Reg 1.167(l)-(h)(6)ii
(Dollars)

Line No.			Monthly Decrease	Proration		Amount
1	Projected Accumulated Deferred Taxes at June 30, 2017				$	40,900,045
2	Projected Accumulated Deferred Taxes at June 30, 2018					37,916,634
3	Decrease in Accumulated Deferred Taxes for the forward year				$	(2,983,411)
4	Balance June 30, 2017				$	40,900,045
5	July 1-31, 2017	$	(190,716)	335/365		(175,040)
6	August 1-31, 2017		(190,895)	304/365		(158,992)
7	September 1-30, 2017		(191,074)	274/365		(143,436)
8	October 1-31, 2017		(191,763)	243/365		(127,667)
9	November 1-30, 2017		(195,961)	213/365		(114,355)
10	December 1-31, 2017		(199,469)	182/365		(99,462)
11	January 1-31, 2018		(303,922)	151/365		(125,732)
12	February 1-28, 2018		(303,922)	123/365		(102,418)
13	March 1-31, 2018		(303,922)	92/365		(76,605)
14	April 1-30, 2018		(303,922)	62/365		(51,625)
15	May 1-31, 2018		(303,922)	31/365		(25,813)
16	June 1-30, 2018		(303,922)	1/365		(833)
17	Balance June 30, 2017 plus pro rata portion of monthly decreases				$	39,698,067

KENTUCKY UTILITIES COMPANY
ELECTRIC
Accumulated Deferred Taxes on Income
As of June 30, 2018
Paddy's Run Combustion Turbines
Reg 1.167(l)-(h)(6)ii
(Dollars)

Line No.					Amount
1	Projected Accumulated Deferred Taxes at June 30, 2017				$ 8,681,054
2	Projected Accumulated Deferred Taxes at June 30, 2018				8,170,625
3	Decrease in Accumulated Deferred Taxes for the forward year				$ (510,429)
			Monthly Decrease	**Proration**	
4	Balance June 30, 2017				$ 8,681,054
5	July 1-31, 2017	$	(40,607)	335/365	(37,269)
6	August 1-31, 2017		(40,607)	304/365	(33,820)
7	September 1-30, 2017		(40,607)	274/365	(30,483)
8	October 1-31, 2017		(40,607)	243/365	(27,034)
9	November 1-30, 2017		(40,743)	213/365	(23,776)
10	December 1-31, 2017		(40,880)	182/365	(20,384)
11	January 1-31, 2018		(44,381)	151/365	(18,360)
12	February 1-28, 2018		(44,381)	123/365	(14,956)
13	March 1-31, 2018		(44,381)	92/365	(11,186)
14	April 1-30, 2018		(44,381)	62/365	(7,539)
15	May 1-31, 2018		(44,413)	31/365	(3,772)
16	June 1-30, 2018		(44,444)	1/365	(122)
17	Balance June 30, 2017 plus pro rata portion of monthly decreases				$ 8,452,353

KENTUCKY UTILITIES COMPANY
ELECTRIC
Accumulated Deferred Taxes on Income
As of June 30, 2018
Trimble Combustion Turbines
Reg 1.167(l)-(h)(6)ii
(Dollars)

Line No.		Monthly Increase/Decrease	Proration	Amount
1	Projected Accumulated Deferred Taxes at June 30, 2017			$ 44,905,370
2	Projected Accumulated Deferred Taxes at June 30, 2018			45,143,182
3	Increase in Accumulated Deferred Taxes for the forward year			$ 237,812
4	Balance June 30, 2017			$ 44,905,370
5	July 1-31, 2017	$ 109,764	335/365	100,743
6	August 1-31, 2017	109,540	304/365	91,233
7	September 1-30, 2017	109,316	274/365	82,062
8	October 1-31, 2017	106,760	243/365	71,076
9	November 1-30, 2017	104,204	213/365	60,810
10	December 1-31, 2017	103,866	182/365	51,791
11	January 1-31, 2018	(67,606)	151/365	(27,969)
12	February 1-28, 2018	(67,606)	123/365	(22,782)
13	March 1-31, 2018	(67,606)	92/365	(17,041)
14	April 1-30, 2018	(67,606)	62/365	(11,484)
15	May 1-31, 2018	(67,606)	31/365	(5,742)
16	June 1-30, 2018	(67,606)	1/365	(185)
17	Balance June 30, 2017 plus pro rata portion of monthly increases/decreases			$ 45,277,882

Large Frame CT Labor Costs

Sum of Total	Column Labels		
Row Labels	0100	0110	Grand Total
P42715: TOTAL PR13	**368,350**	**487,655**	**856,005**
408106	**(16,797)**	**16,797**	**0**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	(16,797)	16,797	0
549100	**175,162**	**121,895**	**297,057**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	22,104	19,599	41,703
PLMS: TOTAL MISCELLANEOUS LABOR	5,628		5,628
PLNB: NON BURDENABLE LABOR	(84,062)	84,062	0
PLOT: TOTAL OVERTIME LABOR	27,869		27,869
PLST: TOTAL STRAIGHT TIME LABOR	168,332		168,332
PNMA: ADJUSTING ENTRIES	(18,234)	18,234	0
PNOC: TOTAL CONTRACTOR	26,359		26,359
PNOR: TOTAL RESIDENTIAL CONTRACTORS	21,918		21,918
PNPO: PURCHASED MATERIALS - OTHERS	5,248		5,248
550100	**5,706**	**5,058**	**10,764**
PNMA: ADJUSTING ENTRIES	(5,058)	5,058	0
PNML: LEASE-RENTAL	5,514		5,514
PNPV: PURCHASED VARIABLE MATERIALS	5,250		5,250
552100	**25,426**	**22,546**	**47,972**
PNMA: ADJUSTING ENTRIES	(22,546)	22,546	0
PNOC: TOTAL CONTRACTOR	25,286		25,286
PNPO: PURCHASED MATERIALS - OTHERS	22,686		22,686
553010	**170,784**	**128,765**	**299,549**
PLST: TOTAL STRAIGHT TIME LABOR	25,583		25,583
PNMA: ADJUSTING ENTRIES	(128,765)	128,765	0
PNMI: INFORMATION TECHNOLOGY	80,656		80,656
PNOC: TOTAL CONTRACTOR	187,690		187,690
PNPO: PURCHASED MATERIALS - OTHERS	5,620		5,620
554100	**81,212**	**119,451**	**200,663**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	22,104	19,599	41,703
PLMS: TOTAL MISCELLANEOUS LABOR	5,628		5,628
PLNB: NON BURDENABLE LABOR	(84,062)	84,062	0
PLOT: TOTAL OVERTIME LABOR	27,869		27,869
PLST: TOTAL STRAIGHT TIME LABOR	96,812		96,812
PNMA: ADJUSTING ENTRIES	(15,790)	15,790	0
PNOC: TOTAL CONTRACTOR	10,404		10,404
PNPO: PURCHASED MATERIALS - OTHERS	18,247		18,247
925002	**(2,343)**	**2,343**	**0**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	(2,343)	2,343	0
926019	**(70,800)**	**70,800**	**0**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	(70,800)	70,800	0
P42735: TOTAL TRIMBLE COUNTY CTS	**701,998**	**1,999,627**	**2,701,625**
408106	**(59,060)**	**59,060**	**0**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	(59,060)	59,060	0
548010	**192,706**	**376,827**	**569,533**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	32,371	61,440	93,811
PLNB: NON BURDENABLE LABOR	(314,428)	314,428	0
PLOT: TOTAL OVERTIME LABOR	185,648		185,648
PLST: TOTAL STRAIGHT TIME LABOR	290,074		290,074
PNMA: ADJUSTING ENTRIES	(959)	959	0
553010	**825,555**	**1,306,537**	**2,132,092**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	32,107	61,439	93,546
PLNB: NON BURDENABLE LABOR	(278,718)	276,720	(1,998)
PLOT: TOTAL OVERTIME LABOR	112,878		112,878
PLST: TOTAL STRAIGHT TIME LABOR	313,439		313,439
PNMA: ADJUSTING ENTRIES	(968,378)	968,378	0
PNOC: TOTAL CONTRACTOR	316,342		316,342
PNPO: PURCHASED MATERIALS - OTHERS	1,297,425		1,297,425
PNTO: TRANSPORTATION AND EQUIPMENT - OTHER	460		460

925002	**(8,244)**	**8,244**	**0**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	(8,244)	8,244	0
926019	**(248,959)**	**248,959**	**0**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	(248,959)	248,959	0
P42765: TOTAL BROWN CTS	**1,162,571**	**3,527,449**	**4,690,020**
408106	**25,013**	**(25,013)**	**0**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	25,013	(25,013)	0
546100	**87,980**	**324,884**	**412,864**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	16,169	64,511	80,680
PLNB: NON BURDENABLE LABOR	63,387	(63,387)	0
PLOT: TOTAL OVERTIME LABOR		47,506	47,506
PLST: TOTAL STRAIGHT TIME LABOR		268,790	268,790
PNMA: ADJUSTING ENTRIES	8,424	(8,424)	0
PNOC: TOTAL CONTRACTOR		4,884	4,884
PNPO: PURCHASED MATERIALS - OTHERS		11,004	11,004
548010		**10,506**	**10,506**
PNOC: TOTAL CONTRACTOR		10,506	10,506
549002		**64,044**	**64,044**
PNOC: TOTAL CONTRACTOR		64,044	64,044
549100	**69,384**	**212,814**	**282,198**
PNMA: ADJUSTING ENTRIES	69,384	(69,384)	0
PNME: EDUCATION AND TRAINING		6,582	6,582
PNMO: OTHER MISCELLANEOUS EXPENSES		26,682	26,682
PNMX: TRAVEL		6,582	6,582
PNOC: TOTAL CONTRACTOR		44,298	44,298
PNPO: PURCHASED MATERIALS - OTHERS		182,796	182,796
PNPV: PURCHASED VARIABLE MATERIALS		15,258	15,258
551100	**9,506**	**134,412**	**143,918**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	1,848	27,198	29,046
PLNB: NON BURDENABLE LABOR	7,244	(7,244)	0
PLOT: TOTAL OVERTIME LABOR		17,103	17,103
PLST: TOTAL STRAIGHT TIME LABOR		96,762	96,762
PNMA: ADJUSTING ENTRIES	414	(1,549)	(1,135)
PNOC: TOTAL CONTRACTOR		0	0
PNPO: PURCHASED MATERIALS - OTHERS		2,142	2,142
552100	**3,575**	**15,398**	**18,973**
PNMA: ADJUSTING ENTRIES	3,575	(2,440)	1,135
PNOC: TOTAL CONTRACTOR		17,838	17,838
553010	**809,943**	**1,743,309**	**2,553,252**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	52,997	(52,997)	0
PLNB: NON BURDENABLE LABOR	108,348	(108,348)	0
PNMA: ADJUSTING ENTRIES	648,598	(648,598)	0
PNMO: OTHER MISCELLANEOUS EXPENSES		59,076	59,076
PNOC: TOTAL CONTRACTOR		1,998,174	1,998,174
PNOR: TOTAL RESIDENTIAL CONTRACTORS		66,354	66,354
PNPO: PURCHASED MATERIALS - OTHERS		429,648	429,648
553100		**992,756**	**992,756**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS		200,739	200,739
PLOT: TOTAL OVERTIME LABOR		125,417	125,417
PLST: TOTAL STRAIGHT TIME LABOR		666,600	666,600
PNOC: TOTAL CONTRACTOR		0	0
554100	**53,114**	**158,395**	**211,509**
PNMA: ADJUSTING ENTRIES	53,114	(53,114)	0
PNMW: FEES AND PERMITS		14,236	14,236
PNOC: TOTAL CONTRACTOR		118,955	118,955
PNPO: PURCHASED MATERIALS - OTHERS		78,318	78,318
925002	**3,032**	**(3,032)**	**0**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	3,032	(3,032)	0
926019	**101,024**	**(101,024)**	**0**
PLBB: LABOR BURDENS NON-RETIREMENT BENEFITS	101,024	(101,024)	0
Grand Total	**2,232,919**	**6,014,731**	**8,247,650**

CT'S

Prop Tax Expense (in dollars $)

Kentucky Utilities Company

	1/2 Year 2017	1/2 Year 2018	2017					
			July	August	September	October	November	December
Brown	98,596	99,152	16,433	16,433	16,433	16,433	16,433	16,433
Trimble	110,171	106,146	18,362	18,362	18,362	18,362	18,362	18,362
Paddys 13	19,931	18,796	3,322	3,322	3,322	3,322	3,322	3,322

Louisville Gas and Electric Company

	1/2 Year 2017	1/2 Year 2018	2017					
			July	August	September	October	November	December
Brown	31,280	36,755	5,213	5,213	5,213	5,213	5,213	5,213
Trimble	58,272	55,531	9,712	9,712	9,712	9,712	9,712	9,712
Paddys 13	22,266	20,953	3,711	3,711	3,711	3,711	3,711	3,711

2018						
January	February	March	April	May	June	Total
16,525	16,525	16,525	16,525	16,525	16,525	197,748
17,691	17,691	17,691	17,691	17,691	17,691	216,317
3,133	3,133	3,133	3,133	3,133	3,133	38,727

2018						
January	February	March	April	May	June	Total
6,126	6,126	6,126	6,126	6,126	6,126	68,035
9,255	9,255	9,255	9,255	9,255	9,255	113,803
3,492	3,492	3,492	3,492	3,492	3,492	43,219